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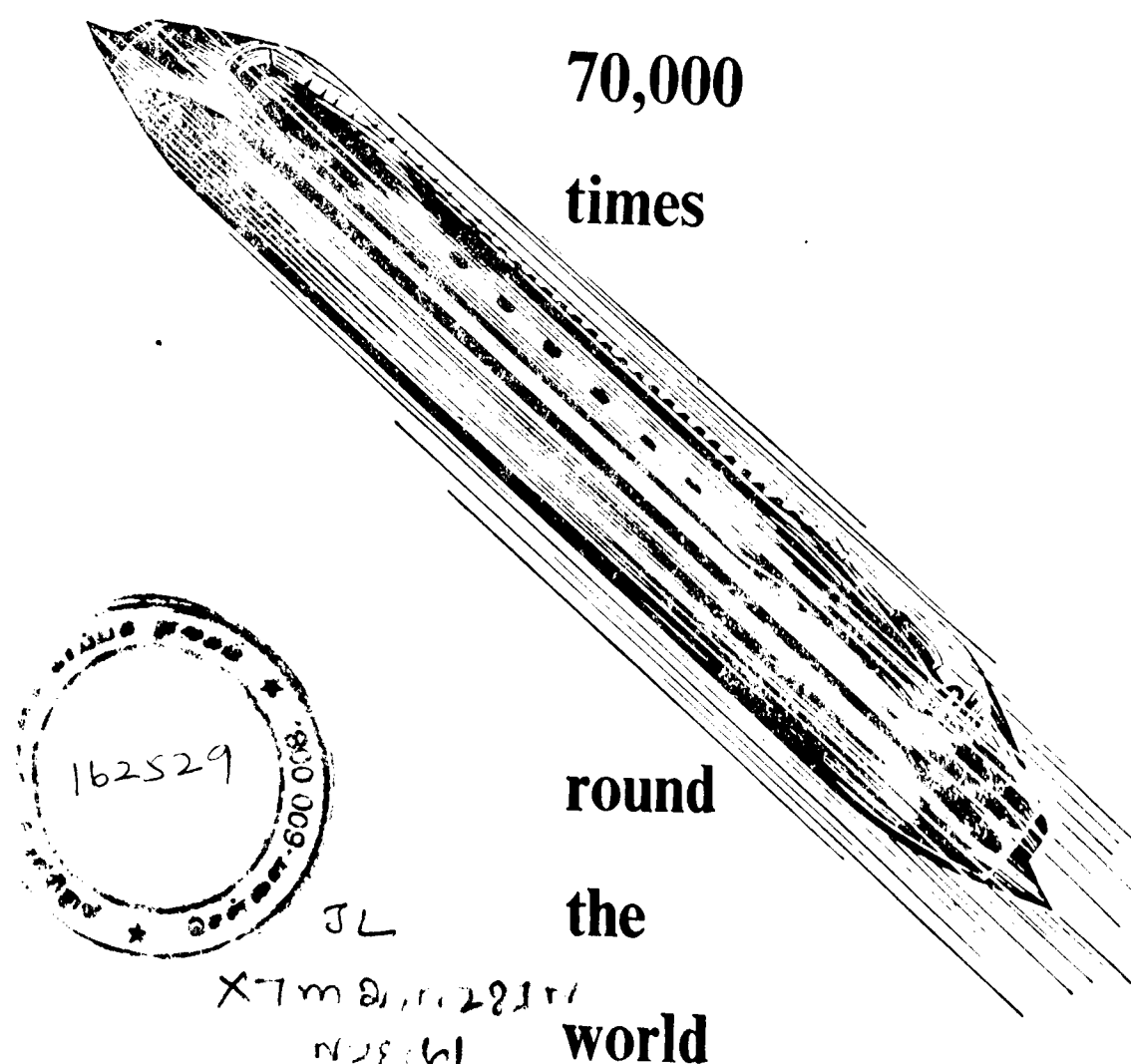
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For the Investor

Confidence Rudely Shaken

Investment Gossip:

IT is customary at this time of the year to assess how we, as a nation and as different groups of individuals, have fared during the year that is just past. In this column, I have necessarily to confine my attention to the performance of the stock markets during 1957 and its repercussions on the investor.

Readers may recall that, in my review for 1956, it was my endeavour to show that, despite evil portents, that year had not been after all a bad period for the investor, and that, at the end of the year, he was more inclined to extend his commitments by purchases of blue chips rather than to sell his holdings in a hurry.

The events of the past year have made my present task of review somewhat simple because there is no doubt whatsoever as to how the investor has fared. The wounds sustained by him in his encounter with the fiscal measures enacted by Parliament last year are too deep and still too sore to admit any mincing of words to describe his present condition. In other words, 1957 has been a disastrous year for him as evidenced by the fact that, as compared with a year ago, the value of his investments today, is nearly 25 per cent lower.

It may be argued that, in so far as fluctuations—wide as well as narrow—in price levels are an integral part of stock markets, it would amount to being unrealistic to mope over the losses in one particular year. Such moods of depression are especially unjustifiable at this juncture, because we are in the process of taking long strides toward industrialisation.

This argument is perfectly valid and, had it not been for the somewhat inexplicable behaviour of authority, I would have myself posed a similar question. As it is, the fact of the matter is that the shocks that he has received during the past year have made the investor an extremely cautious person, who is only too ready to put his money in investments other than equities, if only he can do so without sustaining further serious losses in the bargain.

What is the cause of this drastic change in the attitude of the investor toward equities, which have been quite a favourite with him for

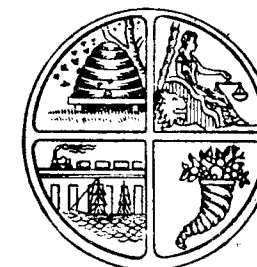
so long? The answer to this question also supplies the key to the present puzzling investment situation in India today. If the investor is now chary of extending his commitments in the stock markets, it is only because his confidence in the future of equities has been rudely shaken. The events of the past year have undermined his basic belief that equity values can improve in step with industrialisation. The May Budget has to take the full blame for this.

For the investor who was already groaning under the heavy burden imposed by Authority in the shape of a high excise duty on cloth and restrictions like the profits deposit scheme for joint stock companies, the May Budget brought new-fangled imposts like wealth tax and expenditure tax. These revolutionary methods of taxation proved to be the last straw on the camel's back and, in the post-budget session of the stock markets, equity values crashed to the lowest levels recorded during the whole of the year. Though second thoughts on the Budget proposals, coupled with the prompt emergent measures taken by the Committee of the Calcutta Stock Exchange, helped halt the avalanche of selling orders, the stock markets have yet to recover completely from the devastating effect of the successive blows aimed at it by the Finance Minister. More than seven months have passed by since the last Budget, but the investor is still unable to believe that authority will not clamp down more taxes on the people. True, the Finance Minister has categorically stated that the taxation proposals embodied in the May Budget represent the main pattern of taxation for the rest of the Second Plan period. The investor has also noted that Mr T. T. Krishnamachari has reiterated this point quite often in his speeches as also in his discussions with the leading industrialists in the country. But confidence, once destroyed, takes a long time to be rebuilt.

The emergence of several adverse factors in the second half of the year rendered the already slow recovery movement slower. The acute congestion in the Calcutta Port resulting in serious delay in the unloading of capital goods required by industries; the bankmen's strike in October; and the ever widening

foreign exchange gap threatening the implementation of Second Plan projects both in the private and public sectors, compelled attention and serious thought.

Government's attempt to tackle the foreign exchange shortage was first revealed in a drastic cut of imports and in their intimation to the private sector that it should negotiate with suppliers abroad for procuring its capital goods on deferred payment terms. It was apprehended that the cumulative effects of these measures would retard the progress of the expansion of industries in the private sector.



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HIGHLIGHTS

Ring out the old, and there is no doubt that the majority of Indians, especially the small minority constituting the tax payers, will be thankful to breathe a sigh of relief at the passing into history of the year 1957.

For, there can be no doubt that, except for the bullion market, and except for the upward pressure on prices as a result of inflationary

tendencies, markets generally have been displaying a depressed front.

In a special section in this issue, a review of 1957 and the various facets of the Indian economy is given.

While some of these reviews have been specially prepared for this issue of Indian Finance, there are others which have been

adapted from articles in the just published Indian Finance Annual and Year Book 1957.

Lest it should be thought that the tale we have to tell is one of unvarnished woe, it also needs to be recorded that in the closing weeks of the year, the general sentiment shows some signs of improvement, and there is, therefore, the prospect that, in every way, 1958 will prove to be, if not a much more cheerful, at least a much less unhappy year.

(Continued on page 8)

Indian Finance

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Investment Notes:

The Indian Bank Limited, Madras, has decided to issue bonus shares on the occasion of the Golden Jubilee celebration of the bank, subject to the sanction of the Controller of Capital Issues. It is proposed to capitalise Rs 15.50 lakhs from Reserves and issue bonus shares in the ratio of one share of Rs 100 for every four shares of Rs 100 each and one share of Rs 100 for every five shares of Rs 80 each.

The Associated Cement Companies Limited has proposed to issue Debentures to the extent of Rs 5 crores, partly for investment in the heavy engineering project which the company may undertake in

collaboration with Vickers Limited and Bobcock & Wilcox Limited and partly for the company's immediate needs in relation to the expansion plans and for its eventual need for substantially increased working capital.

In an otherwise dull Jute section on the Calcutta Stock Exchange, New Central has been ruling very firm at Rs 12.00. The main contributory factor is the report that the company has embarked on an expansion scheme and is setting up a chemical factory near Banaras for the manufacture of Soda Ash-cum-ammonium chloride. The Uttar Pradesh Government have. It is understood, granted a loan of Rs 1.45 crores to the company.

£ R \$

Sugar Results

Balance-Sheet Reviews:

THE Oudh Sugar Mills Limited has reported excellent working results for the year ended 31st July, 1957. After providing Rs 5.56 lakhs for managing agents' remuneration as against Rs 6.85 lakhs, the gross profit for the year amounts to as much as Rs 58.08 lakhs as against only Rs 30.95 lakhs in the previous year. The bulk of the increase in profit has been absorbed by higher provision for taxation. A sum of Rs 12.75 lakhs (Rs 10.50 lakhs) has been provided for Depreciation; Rs 25.58 lakhs (Rs 8.45 lakhs) for Taxation and Rs 9.52 lakhs (Rs 2.50 lakhs) for Reserves. Even after these increased allocations, the directors have found it possible to raise the dividend to Rs 12.50 from Rs 11.00 per share. Sales have fetched Rs 6.88 crores against Rs 5.82 crores.

The company's mill had a record cane crushing during the season. Cane crushed amounted to 12.49 million maunds as against 10.53 million maunds. Power alcohol, and spirit produced come to 959,000 gallons and vanaspathi to 14,700 tons. According to the directors' report, out of Rs 9.02 lakhs in 1st Preference shares, half the amount was redeemed during the year; and the remaining will be paid off.

The New Swadeshi Sugar Mills Limited has fared slightly better during the accounting year 30th June, 1957. After providing Rs 1.25 lakhs for managing agents' remuneration as against Rs 2.44 lakhs, the

gross profit comes to Rs 10.26 as against Rs 8.44 lakhs. Depreciation provision is made at Rs 2.39 lakhs against Rs 2.50 lakhs and Taxation Rs 5.81 lakhs against Rs 3.02 lakhs. Dividends, both on the Rs 100 paid-up and Rs 25 paid-up shares, are maintained at Rs 20 and Rs 5 per share respectively.

Sales are higher at Rs 1.34 crores against Rs 76.90 lakhs. The company had a record cane-crushing of 4,054,600 maunds. The recovery was, however, less at 9.2 per cent against 9.9 per cent.

£ R \$

Associated Cement Companies Ltd.

The working results of the Associated Cement Companies Ltd. for the year ended 31st July 1957 have been rather disappointing despite the fact that offtake of cement is higher at 32.05 lakh tons as against 29.62 lakh tons in the previous year. After raising the Depreciation amount from Rs 1.33 crores to Rs 1.56 crores and Taxation provision from Rs 1.16 crores to Rs 1.17 crores, the net profit for the year is lower by Rs 63 lakhs at Rs 1.90 crores. This decline in profit is largely attributed to rising costs and increasing burden of taxation, notwithstanding the high cost of expansion reflected in the higher charge of depreciation.

The directors have, in their report, stated that, in view of the serious decline in profits, they have decided to make no other appropriations except only by way of

(Continued on page 27)

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1957-1958

THE year 1957, seen in retrospect, has been full of excitement and anxiety, but devoid of any major calamity from the standpoint of either India or the world as a whole. In India, the second general election took place with results not altogether similar to those of the earlier one. In this first election after the inauguration of the new States, the Congress was again returned with an overwhelming majority to Parliament. The Party succeeded in securing a substantial majority in all the States except two, Orissa and Kerala. In Orissa, after some re-shuffling of loyalties, a Congress Government is now again in power. In Kerala, the Communist party was able to instal itself as the Government, with a narrow majority secured through the co-operation of five independent members.

The advent of a Communist Government in Kerala is of extraordinary significance for various reasons. It is the first instance of the Communists securing governmental authority through the democratic process of peaceful and properly conducted elections. For the first time, too, the event augured the co-existence of a Communist State Government and a democratic Central Government. For nine months, this unique and delicate experiment has been running fairly smoothly, which speaks highly of the restraint and imagination on the part of both the State Government and the Union Government. There is scarcely another constitutional setup which seems to attract so much of critical world interest as this experiment and the problems it has created in mutual relations between two opposing ideologies. It can cautiously be stated that the inherent problem of a democracy to accept the challenge of communism without sacrificing its own basic principles of existence is being met in India in the form of this admittedly difficult co-existence.

Even the general elections which, comparatively speaking are colossal in their character, were not permitted to interfere with the nation's interest in the progress of the Second Plan. In fact, any chronicle of events during the year will naturally be drawn to emphasise more than anything else the Plan, its problems and progress and the activities of the Prime Minister and his colleagues in the Union Cabinet to promote every conceivable force capable of restraining the world or any part of it from succumbing to the temptations of a war. The Prime Minister visited the UK, the Scandinavian countries and the US late in 1956. These visits served to a great extent to remove the misunderstandings and misapprehensions held in some of these foreign countries on India's policies and attitudes on various questions of wide international interest. His visit to Japan in the middle of 1957, culminated in an agreement on mutual economic cooperation, the first fruits of which are seen in the undertaking given by Japan to develop rail and oceanic transport for the export of Indian iron ore. Involved in this scheme is also the gradual expansion from year to year of exports of the ore to Japan from its present level of about 1½ million tons to about 6 million tons by the end of the Second Plan period. This scheme offers considerable succour to the Second Plan itself.

The Plan, according to a recent statement of the Union Finance Minister, is expected to show a fairly satisfactory annual record of

progress. Against the estimated expenditure of Rs 920 crores during the current year by the Central and State Governments together, a sum of Rs 860 crores is expected to be actually spent. As far as physical targets are concerned, the short-fall may be slightly more, in view of increased costs. But, even after making allowance for that shortfall, the progress should be deemed meritorious, especially in the light of the difficulties which the authorities had to contend with for want of adequate technical personnel, of funds and of essential supplies. The performance of the private sector has, in respect of many industries, surpassed expectations and schedules.

During the year, there was almost continuous anxiety over the fortunes of the Plan as a whole; an anxiety stemming from the steep fall in foreign exchange resources and the inadequacy of foreign assistance to compensate the fall and to create an assurance for the future. It had to be assumed that political inhibitions in a large measure stood in the way of the flow of foreign finances. The Union Finance Minister undertook a trip to some of the important financial centres of the world with a view to exploring the possibilities of securing sufficient external assistance for the Plan. Almost simultaneously, an influential delegation of Indian industrialists headed by Mr G. D. Birla also undertook an international tour for the same purpose. Even before these visits, the interest in India's economic development had permeated a wide range of countries in Europe and America and quite a few of them had undertaken or had started exploring the scope for cooperation on varying scales and in different forms. These visits stimulated such interest further. It might be hoped that the needed response would be forthcoming. A US loan to the extent of \$300 million is already in prospect.

Turning to the actual implementation of the Plan, the steel projects are making headway. The heavy electrical and machinery equipment plant has crossed its pre-natal troubles. The Neyveli Lignite project was inaugurated. The allocation to Railways was revised from Rs 1125 crores to Rs 1400 crores. A hefty Shipping Fund has been decided to be set up. Labour and handling problems in the Ports have been tamed and new experiments in internal transport have been taken on hand, as for example, the bulk movement of iron ore in Orissa and Mysore. There is a new realisation of the shortcomings of the Community Projects, and the tasks involved are being viewed in a more realistic, though not yet sufficiently promising, light.

Training the Worker for his new Place in the National Economy

By M. SUR

HOW often does the exasperated manager say: "We give the workers this and that, but they are never satisfied. What do they really want?" Take the case of the Travancore Planters' Association when they tried to implement the Plantations Labour Act and issue two cumblies (blankets) a year to their labourers. They were met on many

The extensive failure of crops, accentuating the need for considerably larger imports of foodgrains, is the principal debit point in the economic balance sheet for the year. A Foodgrains Price Enquiry Committee, which investigated problems of production, distribution and State control, has reported pessimistically on the possibility of achieving even a 27 per cent increase in output over the Second Plan period. The crop situation, the uncomfortable rise in food prices in many States during the year and the Report of this Committee have impelled the Government to restore agricultural production to the status of first priority which, at the commencement of the Second Plan, was thought not indispensable.

A comparatively peaceful run of domestic politics has, since the Report of the Language Commission, taken a livelier turn; many national leaders and several State Governments are now actively involved in the controversy over the official language of the Union Government.

The Resolutions passed at the year-end Conference of Afro-Asian countries point to the persistence of most of the problems which survived into 1957. The advent of political freedom in Malaya was perhaps the only development devoid of turmoil or fearful potentialities; the Indian Union has heartily welcomed Malaya into the fraternity of the world's new democracies. In Indonesia, Dutch interests were taken over by the Government in retaliation for the Dutch Government's refusal to discuss the question of the future of West Irian. In Burma, Singapore, Indonesia and Malaya, armed conflicts between political parties have continued off and on.

Pakistan had two changes of the Central Ministry in quick succession. Skirmishes between Turkey and Syria brought to the fore the incipient threat of a large-scale recourse to arms in the Middle East, but, fortunately, did not proceed further. In the United States, President Eisenhower's health was again the cause of great anxiety. Happily he survived another troublesome phase.

All these events were eclipsed in importance by the marvellous scientific feat performed by Russia through the release of two Sputniks, an event which imparted a radically new complexion to the armaments race between the two international power blocs and led to a hurried reassessment of strength on the part of the Western Powers. The question of rearmament was discussed again; but survives unrelieved to the slightest degree into the New Year.

estates by a refusal to take the cumblies, followed in some cases by strikes on the ground that the labourers could not work in the rain without cumblies! What did the workers want? Well, in the past they had been in the habit of receiving cash to purchase cumblies and they wanted the cash and not the cumblies.

Indian Finance

Established 1928

January 4, 1958

"The Wise Man in His Attitude, towards the World has neither Prejudices nor Prejudices. He is on the side of what is Right."—The Analysts of Commerce.

In a recent tribunal case the workers put forward a demand to increase hours of work, which had only a year before been reduced from 48 to 44 without any reduction in pay. Why? Because they said that with reduced hours of work they earned overtime at only $1\frac{1}{2}$ times the basic rate between the current 44 hours and the statutory 48 hours per week, and only became entitled to full overtime rates after 48 hours. So they wanted a return to 48 hours with an increase of 4 hours' pay so that any overtime they might earn would be at the full rate!

In our present problems in industry do we consider sufficiently the various factors influencing the workers' outlook and the effect of their social background and customs? How are we going to interest the workers in the problem of productivity? What do the workers really want? What can we do to influence their outlook? Do we need industrial sociologists as well as industrial psychologists to advise us?

Despite all that is written in the West about non-financial incentives and job satisfaction, there is no doubt that the main incentive in Indian industry at present is cash—not cash tomorrow, but cash today. This is what the vast majority of workers want, and certainly as a part of organised labour this is their principal concern. After all it is not very surprising when one thinks how pitifully small the worker's pay packet is in this country compared with that of workers in most other industrialised countries, and when one considers the ever rising cost of living. We must add a rider, however, that the financial incentive may not operate if it means putting in more work, for "no increase in workload" is now one of the slogans of the labour movement and is very attractive, at least on the surface.

Why should the American worker be prepared to work harder if he sees benefit to himself therefrom while the Indian worker usually declines to work harder whether he will benefit or not? Perhaps it is his agricultural background, for in agriculture it is largely the chance of the season's weather if there is a good crop and not the amount of work put in by the farmer. Perhaps it is lethargy induced by the climate or apathy induced by under-nourishment. There are parts of Assam where the local people cannot be bothered to sow more than one crop of rice, though the country is fertile enough to carry two crops a year and so double their income. The same sort of attitude prevails quite often in industry. Can the sociologist tell us how to tackle it?

After the demand for more money the other collective demands of the workers seem to be mainly for more security, less work and as little change as possible. Security has become important with the increase in unemployment in parts of the country, and because 'no retrenchment' is now one of the planks of the labour platform. Originally the semi-agricultural worker did not look for security. He preferred to drift back to the country at intervals and to come into the town when he had need of further money or when things were not going well in the village. He still goes back to the village quite often and when there is a long strike the village is his means of support. Provident Funds have had some influence in stabilising the labour force and though labour turnover is still high in some industries, it is clear that security in the job has now assumed considerable importance for the average worker and is something for which he will fight with all his might.

When we say that the workers want less work we do not mean only shorter working hours. The idea of 'workload' referred to above has caught the fancy of trade unions and workers, though there is no clear under-

standing of what the word means. If a new type of loom is introduced so that one operator can work three or four looms at once with the same or even less effort, there will still be resistance from the workers on the ground of "increase in workload". The idea is obviously bound up with the 'no retrenchment' campaign, and here the connection is clear enough. If one man takes over the work formerly done by two, then one man less will be employed. The two ideas have to be separated, otherwise resistance to efforts to increase productivity will be inevitable, even though there is no question of reduction in employment. This is the danger of a slogan which can be interpreted in more than one way. It happened with the word rationalisation, which now is firmly wedded in the minds of the workers with the idea of retrenchment.

As for resistance to change, this is not something peculiar to the workers. It is the normal human reaction to resist change which is going to upset the daily routine of the individual, for after all man is a creature of habit.

Now it is obvious to anyone concerned with India's industrial and economic development that, while it may eventually be possible to improve the standard of living of the worker and reduce his hours of work, and while Government is doing what it can to ensure his security by deterrent legislation on retrenchment, all these things really hinge on an increase in productivity and this can only be achieved if the worker is prepared to accept changes and to give up his cherished notion of 'no increase in workload'. That the trade unions show no sign of doing so is clear from the fact that they have got the phrase incorporated in the draft Code for Discipline in Industry as recently amended by the Standing Labour Committee.

Despite the insistence of Ministers in their public speeches on the need for increased output if wages are to be raised, there is at present no connection in the minds of the workers between their output and their demands. In their eyes industry is a kind of enormous machine minting money, and if they press hard enough they may get a further share of its output. That something has to be put into the machine before anything can come out is an idea entirely foreign to their thought. They see only the end process. If the employer asks for more production, they think he is trying to get something out of them for nothing, or that he is trying to offset increases which he has granted in their pay. They do not see that increased output will lower prices and eventually benefit them as consumers as well as producers. Who can make them see? Government can try, but against Government utterances they are inoculated by long years of national resistance to authority. Even of their own trade union leadership they are often suspicious.

The idea of workers' participation in management may be sound enough in theory, but it is based on Western not Eastern psychology. Communist States see that their workers are well aware of the connection between productivity and wages. At the Eighth Plenum of the Central Committee of the Polish Unified Workers' Party in 1956 the following resolution was adopted on the subject of workers' councils:

"In co-operating in the administration of the undertakings the workers' management boards should make it their primary objective to achieve greater, better and cheaper production, this being the only road to an improvement in the standard of living of the working class and of the nation as a whole."

It may be argued that the profit motive being absent in a Communist State, it is possible to achieve this outlook, but in the U.S.A., the

citadel of private enterprise, the workers have a similar appreciation of the connection between productivity and wages. In India there is no such realisation, except among some of the top line trade union leaders, and they seem unable to educate their rank and file. Yet without this realisation Joint Management Councils are bound to fail in their true objective; they will merely become additional works committees engaged in a perpetual tussle to control certain management functions, without knowing anything of the problems of administration. The most striking thing about the Yugoslav experiment in workers' participation in management is the tremendous effort that is being made to educate the worker for his new responsibility. A chain of workers' universities has been set up with the purpose of training workers in administration and management as well as economics and social science. What are we doing about workers' education?

The Government of India's plans for educating workers have so far led to a proliferation of committees—the latest on vocational training consists of 54 members. There is now a Team of Experts set up to formulate a scheme for workers' education in co-operation with the Ford Foundation. All these bodies will doubtless lay down what is to be done and recommend the setting up of further local bodies, but the real problem is not what is to be done—we know that—but how to do it. We need people with a knowledge of industry and an understanding of the social background of the industrial worker to show us the right method of approach. And it is the same with the problem of productivity. The blunt, direct approach of "You must work harder", "You must produce more or perish," simply will not do. In Russia after the Revolution the Government brutally told the workers that they must tighten their belts and go short of everything until the country had built up its industry; in Britain during the war Churchill could tell the workers bluntly that he could offer them nothing but toil and sweat; but in both these cases the struggle for survival was obvious. India is not in a mood to accept such an approach. The people do not see the position as a struggle for survival. It might have been possible immediately after independence, but ten years later when hopes have been raised of a better life, we cannot expect the workers—or anyone else—to respond to the appeal to tighten belts. The approach must be more subtle. It must appeal through those things which impinge directly on the worker's mind, his home, his family and his immediate needs, and not to some vague sense of patriotism.

Trade union leaders argue that payment of a living wage will itself be sufficient inducement to increased output, but that seems rather a pious hope, and in any case payment of a living wage in the full sense is not within the bounds of possibility at present. It would see that carefully planned incentive schemes is one of the answers to our problem. Government have declared themselves in favour and some at least of the national trade union leaders have recognised the value of payment by results, but the idea has still to be sold to the average worker, and any scheme introduced must be of such simplicity that everyone can understand it as easily as 2+2. The expert's jargon must be avoided as it is regarded as just another management device to cheat the workers. Companies which have introduced incentive schemes have all had the same experience. Any elaborate scheme has to be pruned and pruned until it is reduced to stark simplicity before it will be accepted without constant trouble and disputes.

The Agricultural Worker

Inaugurating the Annual Agricultural Economic Conference, Dr Punjab Rao Dethmukh, Union Minister for Co-operation, pointed to the obstinate differences in earnings between agricultural labour and labour in other sectors of the economy. Efforts are now being made to raise the income of the agricultural worker; but such efforts do not promise results beyond a limited extent, for the outstanding reason of the comparatively poor return from Indian agriculture generally.

Comparisons of workers' earnings in agriculture and in industry, however, can only be too general to point to any definite conclusion about how particular groups fare in either sector. There are mainly two points of confusion. The bulk of the tenants for whom proprietary rights are now being given are really only agricultural labourers and once the theory, "of land only to the tiller" is accepted, the number of labourers as such in agriculture is bound to dwindle further. There are two processes in this change. One is the transformation of the working tenant into a land owner and the other the transformation of the land owner into a regular worker.

In future discussions, a correct perspective of the problem cannot be secured, if these two processes were left out of account. The term 'agricultural worker' may more often than not indicate a land owner rather than a worker on another man's property. In industry this phenomenon of a working class with ownership has yet to emerge; in India, we are only on the threshold of workers' participation in industrial management, which is a step behind their participation in ownership.

Another point of confusion arises from the difficulty in discovering

Editorial Notes

what might be called the average earnings of the industrial worker. Even between two different units of the same industry workers' emoluments differ widely. In the same industrial area, the emoluments differ between one industry and another and between differing sizes of units in the same industry. The small owner worker in industry represents another obscure section. For instance, the independent handloom worker makes not more than Re 1 per day while an employee of a textile mill in the same neighbourhood may receive as much as Rs 3 per day. The actual physical work load may well be against the handloom worker. Amidst these disparate levels of emoluments, a general comparison may be even misleading.

Except under conditions of fairly uniform levels of emoluments at least for large sectors of production, no sure perspective could be had of how the different sectors compare mutually. Generally speaking, of course, the agricultural labourer fares worse. It is yet uncertain whether as a class his material status is improving, in spite of increasing levels of wages enforced for individual workers in particular areas. The class of agricultural workers will be eventually benefited only through a drastic reduction in the population depending on agriculture and a drastic improvement in the yields of crops. Neither is in sight.

A Confusing Phrase

A Memorandum presented to him by the Madras-Ramnad Chamber of Commerce has evoked from Mr Morarji Desai the comment that Madras State had got more than its proper share both under the First and the Second Plan. The Union Minister of Commerce and Industry further mentioned the Nellore Project and pointed out how it would give Madras a lot of resources in fuel. It appears that in the Memorandum there is a criticism that the Second Plan is too ambitious and at the same time a demand that more industries should be established in Madras State. The inconsistency between these two positions was exposed by Mr Desai.

Apart from what this particular Memorandum says, the question does arise as to how the proper share of a State in point of financial allocations for the Plan is determined. The manner in which the Planning Commission have been trying to do this does not indicate any precise criterion. Each State asks for a certain allocation and after some higgling and bargaining, a lower amount is finally accepted. In this process, considerations such as the financial capacity of the State and its physical resources would certainly have remained dominant. But what weightage each one of the relevant factors is allotted is not known.

The deviations between the First and the Second Plan do not help in the attempt to discover how the proper share of each State could be determined. In fact, if as in the case of the allocation of divisible sources of revenue between the Union and the State Governments, some well-understood principles are accepted there will be little scope for claims and counter claims or the sense of grievance with which many States have accepted the allocations.

Until the broad principles are made known, it looks rather baffling to claim that a particular State has got more than it deserves. Incidentally, the bulk of the shortfall in the Second Plan expenditure by the State sector during the current financial year is accounted for by the States. It might well be that the Planning Commission had been needlessly liberal with some States, where neither the schemes nor the finances could be made ready.

Workers and the Plan

It is undoubtedly pleasing to note the high degree of similarity in the outlook of the All India Trade Union Congress and the Indian National Trade Union Congress as evident from their respective discussions at Ernakulam and Madurai. Both are keen on seeing the Second Plan through. The INTUC has expressed some concern over the difficulties experienced; while the AITUC has included in its programme the development of the national economy and the fulfilment of the core of the Second Plan.

Mr S. A. Dange also took care to explain how the education of the workers on the essence of the Second Plan could advance the cause of State Socialism, which in turn would lead to the ultimate establishment of Socialism in reality. Whatever be the motive, the Communist leader is willing to lead his flock through the path of 'demonstration, protest, negotiation and settlement' as far as possible and to restrict resort to strikes to the minimum. It is pardonable to read in this rather friendly attitude to industry in general, and to the State Sector in particular, the impact of the governmental responsibility the Party has assumed in Kerala.

Mr Dange's claim that the AITUC is the strongest organisation in the trade union field, "morally, politically and otherwise," will not be readily conceded. Tactically, the assertion of moral superiority is useful to cover comparative numerical weakness. It is but natural that the appreciation of what the Government have already done for workers is more grudging in the AITUC list. The bid for a larger following is seen in the plea for an average increase of wages to the extent of 25 per cent and the

reduction of hours of work, in some occupations.

The logic of a higher wages demand does not cohere with the sister plea for reduction in prices. On most occasions, a higher wage has been claimed on the basis of higher prices. The relation is also reciprocal. Barring these inconsistencies, the programme outlined by the AITUC shows a far greater accord with current official policies than could possibly be expected.

The Indian Standards Institution

The Indian Standards Institution is one of those institutions, the extent and value of whose work is seldom appreciated beyond an infinitesimal section of the population. The Annual Convention of the Institution held at Madras has served to spotlight its work, to a wider audience. From food products to steel, the standards prescribed by the Institution have facilitated the manufacture and distribution of easily identifiable quality goods on which the consumers can rely.

The Institution is engaged in not merely setting standards of quality, but in prescribing them in such a way as to enable substantial economy in effort and materials. There is a steel economy programme before the Institution and the leaders of the steel industry have testified to the excellent work already done in that sphere. Standards are being revised from time to time to cope up with new requirements.

It is common knowledge that insufficient attention to quality frequently damages export prospects for Indian goods. The guidance and the compulsion involved in the ISI standards have to be accepted universally and with scrupulous reverence in the interests of the producer and the consumer alike.

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D. A. RAMSAY,
Manager.

World of Finance

1957: Spectacular Increase in Deposits

THE customary review of the money market for 1957 cannot be undertaken until the next week, because the returns of Scheduled Banks for December 27 are not at the moment available. Nevertheless, without entering into a detailed discussion of figures as such, it should be possible for us to attempt here a general review of monetary trends during the year that has just ended. In such a review, the most significant fact to emerge concerns the phenomenal increase that has been recorded in the Deposit resources of the Scheduled Banks. While this trend had already begun to be noticed during 1955 and 1956, the tempo of such augmentation to Deposits rose to a crescendo in the last 12 months, though, lately, it would appear that there is a slackening off in the pace of new Deposits. While it is not necessary at the moment to enquire into the why's and wherefore's of such slackening, it is important to recognise that the 1957 phenomenon of increase in Deposits has solved what appeared to be almost an insuperable problem at the eve of the 1956-57 busy season. For, at that time, the member banks were already in an over-extended position, with the ratio of their Advances to Deposits at an already forbidding level. It consequently appeared that the banking system would be found unable to cope with the demands that would be made upon it by the current plans of industrial development. As a short term measure, it may be recalled, the Reserve Bank was compelled, in November 1956, greatly to liberalise its advances under the Bill Market scheme. Today, thanks to the improvement in Deposits that we have referred to, there is no such problem of an insufficiency of resources with Scheduled Banks. Instead, there is even the prospect that, with the curtailment of the Second Plan, there may be the evolution of certain circumstances in which banking resources may be in excess of likely demand. That, however, is an extreme view, and while it is possible, does not seem likely.

However, the fact that we can even consider such a possibility points to the emergence of a set of circumstances which should benefit the Indian economy as a whole.

We here refer to the structure of interest rates. In this context, we may recall that, during 1956 and the early part of 1957, interest rates showed a gradual and uninterrupted upturn. But the Scheduled Banks were not unduly

alarmed at the higher interest rate that they incurred on their Deposits for the simple reason that, with the slack season virtually non-existent during 1955 and 1956, the bulk of their Deposits was even more gainfully employed in Advances. But, during 1957, the money market was imbued with attributes of normalcy by the recurrence of a slack season of proper proportions. In the result, the ratio of Advances to Deposits very steadily inched downward. This was both because of an increase in Deposits and a decline in Advances. What is more, the greater part of the increase in Deposits was under the head of Time Liabilities. So, while the earnings of the Scheduled Banks were affected to the extent of not so full utilisation of resources, the interest paid on Deposits has been creeping up because of the larger quantum of Deposits as a whole and of Time Liabilities in particular. While this twofold trend has not been so pronounced during 1957 as to have affected adversely bank profits, it is undoubtedly true that, in the future, unless there is either a reduction in the rate of interest paid on Deposits or a sharp increase in Advances, Scheduled Banks' profits may be squeezed between a higher charge of interest and lower earnings on Advances. Such a consummation is devoutly to be wished for, since the member banks themselves are responsible for the upturn in rates paid on Deposits and, consequently, for creating chaotic conditions in the structure of interest rates. So long as the Scheduled Banks were not anxious about their ability to recoup the higher charge of interest by a larger quantum of Advances, there was little prospect of a corrective being effected at this fundamental level of interest rates. We now foresee the prospect, because we anticipate Deposits to continue to rise, of action being taken by the Scheduled Banks themselves to bring down the interest rates to a more normal level, to a level in consonance with the greatly improved resources of the banking system. Indeed, this is to some extent already indicated by the short term money rates which, however, we will not discuss this week, but leave for consideration to the next week's article.

The importance of the prospect of a reduction in the interest paid on Deposits by the Scheduled Banks lies in the fact that, as we have remarked it will enable the creation of an orderly structure of interest rates. It would follow that, such a structure existing,

Government will be in a better position to evolve a policy of borrowing from strength, in which they could, with some confidence, expect realisations to New Loans to be satisfactorily larger. This, in turn, is a prospect that should be heartening, because it would mean that, with larger resources from market borrowings, the reliance on both deficit financing and taxes for internal resources should be reduced.

Thus, from the money market point of view, 1957 may prove to have been the turning point in the Indian economy.

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The returns of the Reserve Bank for week ended December 27, disclose a small rise of Rs 2.19 crores in active notes. This, however, has been accompanied by a return of rupee coin from circulation for Rs 0.13 crores. There has been expansion of currency against rupee securities for Rs 5 crores, presumably representing deficit financing. And there has been a countervailing transfer from foreign securities in the Issue Department to balances held abroad in the Banking Department. In the result, the Reserve Bank's cash is lower by Rs 2.06 crores at Rs 16.52 crores.

Central Government's disbursements have been heavy, because in spite of sales of ad hoc for Rs 5 crores, the Centre's balance has been reduced by Rs 11.33 crores to Rs 53.54 crores. There would appear to be some element of inter-governmental transactions since balances of State Bank have improved by Rs 4.85 crores at Rs 13.01 crores, while their borrowings from the Reserve Bank are also lower by Rs 1.37 crores at Rs 35.03 crores.

The busy season trends are re-valued in a further decline of Rs 3.75 crores to Rs 70.69 crores in the reserve balances of Scheduled Banks. Moreover, Reserve Bank's "Other Loans and Advances" are again higher, with an increase, for the third successive week, by Rs 1.28 crores at Rs 60.04 crores. Advances against Usance Bills have been marked up by Rs 1.26 crores at Rs 21.07 crores. There is a decline of roughly Rs 5 crores in foreign balances.

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The statement of State Bank of India for the same week reveals a slight increase in deposits from Rs 364.76 crores to Rs 364.98 crores. Borrowings from other banks are shown at Rs 1.49 crores against Rs 1.03 crores, while other liabilities have risen by Rs 1.27 crores to Rs 12.85 crores.

On the assets side, cash balances have declined by Rs 2.86 crores to Rs 27.12 crores, while investments remain almost unchanged at Rs 183.67 crores. Advances have risen by Rs 4.97 crores to Rs 170.92 crores—Loans, Cash Credits and Overdrafts accounting for a rise of Rs 4.84 crores and "Bills Discounted and Purchased" for Rs 0.13 crores.

Deposits of Scheduled Banks show a slight drop in the week ended December 20 to Rs 1,398.54 crores from Rs 1,402.89 crores. Secondly, borrowings from the Reserve Bank have also gone up from Rs 15.61 crores to Rs 22.67 crores. Cash balances have also been drawn upon, with a decline registered from Rs 174.79 crores to Rs 170.53 crores.

Lastly, the total of Advances marks a rise of Rs 6.20 crores to Rs 847.67 crores. Thus, the Scheduled Bank's figures point categorically to the onset of the 1957-58 busy season.

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FOR THE INVESTOR

(Continued from page 3)

The tone and tenor of the stock markets have been governed to a certain extent by the disappointing performance of some of our major industries. The cotton textile industry, the plantations industry and the jute industry have been far from prosperous. The heavy excise duty imposed on cloth in September, 1956 has reduced the cotton textile industry to an unenviable state. Despite repeated appeals, Government have kept mum for over a year. Only lately was granted a small reduction in excise duty, and it is said that this concession will be insufficient to lift the industry from its present predicament. The plantation industry has been plagued by labour unrest, fresh taxation and the threat of nationalisation. The jute industry, once the main section of the Calcutta Stock Exchange, though in a better position than in the previous year, is yet to show the kind of improvement which can attract the attention of investors. The fact that many a jute company which published its balance sheet recently has passed over dividend indicates that the industry is not yet out of the woods. The steel industry is no doubt taking rapid strides, as evidenced by the commendable progress made by TISCO and IISCO in their expansion programmes. But Government's refusal to allow the directors of IISCO to raise the dividend has dampened enthusiasm for the company's scrip.

From the above chronicle of economic events and developments, it will be clear that the investor cannot be blamed for his lack of enthusiasm for equities. It is, however, improbable that he is unmindful of the various silver linings in the dark clouds of control, taxation, monetary stringency and foreign exchange shortage. He could not have failed to take note of the upsurge of industrial activity with its attendant upturn in industrial production. Though temporarily under discount, most of his earlier purchases are steadily gaining in their growth value. These and other salient features of equities are bound to come up to the surface in a more opportune moment. I have a hunch that such an opportune moment will come when the next Central Budget, about which apprehensions have already come to be expressed, discloses no new taxes in consonance with the Finance Minister's assurance in his last Budget speech.

INDIA

Oberoi Imperial, New Delhi - Oberoi Maidens
Delhi - Oberoi Swiss, Delhi - Oberoi Cecil,
Simla - Oberoi Clarke, Simla - Oberoi Palace,
Srinagar - Oberoi Grand, Calcutta - Oberoi
Palm Beach, Gopalpur-on-sea - Oberoi Mount
Everest, Darjeeling - Oberoi Mount View
Chandigarh.

PAKISTAN

Oberoi Cecil, Murree - Oberoi Flashman,
Rawalpindi - Oberoi Deana, Pathawar - Oberoi
Fateh, Lahore.

OBEROI HOTELS
INDIA & PAKISTAN

READERS may recall my exploring in these columns some three years ago some of the unwavering and perhaps unconscious motivation behind the "Language Controversy". The embers of debate have once again been vigorously stoked by the publication of the Official Languages Commission and the subsequent articulate protests from parts of India where Hindi is not being spoken as a mother tongue. There is some recent evidence to prove that my claim then that the clashes operated at levels far below the one on which decorous debates in the liberal tradition are held. Indeed, more recently, the veneer of decorum is wearing off formal debates, though, the unconscious motivations have not made themselves manifest. Mr. Nehru, usually an understanding and detached controversialist, has allowed himself to be irritated into some angry comments. Mr. Morarji Desai again has merely succeeded in being rude without adding a jot to anyone's understanding of the problem. On the other hand, at least part of the opposition to Hindi stems from motives similar to the ones that inspire the enthusiasts of Hindi. It is necessary, therefore, to examine the subject dispassionately once again.

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As I said on the last occasion, the language controversy operates on two unwavering levels. The one takes us into the jungles of the unconscious, where myth, fantasy, dream, desire and dim racial memories lie entangled in the stuff of which articulate speech is finally made. How these elements of the collective life interpenetrate with other elements of group sense is something on which we can only guess. But it is beyond doubt that people born to the same tongue have a primitive sense of apartness from others. This linguistic apartheid can take the most politically valuable forms and by the same token can also take the most undesirable forms too. It will be a priceless adjunct to consolidation of national sense if all that compose the nation speak it. If, on the other hand, there are other accidents of geography and history that throw a people together and they speak different tongues, then the situation is somewhat different. Even here, any one particular language can evolve into an instrument of

Clive Street

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please".
—As You Like It

Gossip

national solidarity if the other languages have no particular vitality of their own. The judging of the vigour of a particular language is always a matter of some difficulty, but, by and large, English (despite claims of Welsh nationalists) is an example of an instrument of national unity as far as Great Britain is concerned. If, on the other hand, there are other languages in the country whose robustness is at least as unquestionable as the others, then any attempt at national consolidation by linguistic means is not only futile but is self defeating. This is no academic theorising, but a cruel lesson of recent Indian history.

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But I am anticipating. As far as Hindi is concerned, an examination of the various strands of its present claim for a special status shows up the somewhat disreputable unconscious sources. For instance, apart from linguistic aggrandisement of the more obvious sort, there is the deep rooted xenophobia of the dwellers of the Indo-Gangetic plains that was noted even by Alberuni. This takes various forms, like the pathological attitude to English, the almost perverse identification of the international form of the Indian numerals as something foreign and the persistent efforts to relate Urdu too exclusively with the Muslims and Persians, though Urdu was in fact a military pidgin of Hindi born in the camps of the Deccan. Indeed, Gandhiji sensed these unconscious political assumptions behind these stances, and clung tenaciously to the description of the language that he wanted as lingua franca of India as "Hindustani". But the moment Gandhiji was not on the scene, the term was dropped in favour of Hindi, whose political and even communal overtones were persistently fought by Gandhiji.

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There is yet another aspect of the unconscious motivation of the enthusiasm for Hindi as what is called the "national language of India". It is the unconscious assumption by the people of the Indo-Gangetic plain of a kind of reversionary right to the exclusive ownership of the riches of Arya varta. Otherwise, it is difficult to explain the flatly contradictory attitudes involved in a satyagraha

for insisting on Hindi's claims even in areas where the predominance of Punjabi is clear. There, the claim is being fought on the footing that a subregional language is being jeopardised, whereas it is conveniently forgotten that, in the all India context, the imposition of Hindi would do precisely that to non-Hindi speaking people.

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The truth is that, consciously or unconsciously, the idea that Hindi is to be our national language has grown among the Hindi speaking people throughout the period of the national struggle. For this, many in the Congress, even from non-Hindi speaking areas, are responsible. Indeed, Mr. Rajagopalachari used in the thirties many of the arguments now seized upon by Hindi enthusiasts for claiming that Hindi should be our national language. But the claim is entirely specious, however, sedulously it might have been fostered in the past. The simple truth is that language as an instrument of national unity is entirely absent in India. As demonstrated by riots in Orissa and Bombay and elsewhere last year, language is a potent force for creating sub-national tendencies. We would have learnt nothing from last year's history if we still persist in the notion that any language, however, widely spoken, would at any time act as a force that will unite us.

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The first thing in any discussion of a lingua franca for India is to strip the question of all the irrelevancies that have accreted themselves to it. It is sometimes forgotten that the word lingua franca merely means a mixed jargon (originally a mixture of Italian, French, Greek and Spanish) by which people of different languages communicate with one another. If we could devise a workable language of this kind composed of words of all the languages in India, it would be admirable. But such a conscious effort at creating a new language is not very likely to succeed, certainly not in a short period. In any case, once the idea that there should be a national language for our country is given up, then the problem reduces itself to reasonable proportions. No one need be afraid for the unity of India for being asked to give up an instrument for forging national

unity. For one thing, language is definitely not such an instrument as far as we are concerned. Secondly, we are not entirely resourceless in the matter of other instruments for the purpose. After all, language is not the only source of a national sense. As far as we are concerned, our sense of unity has operated for ages at the deepest levels of our collective imaginative and psychic life, and the identity of fundamental philosophic ideas and the dominance over the minds of the people from Cape Comorin to the Himalayas by a way of life, code and tenets are referred to as Dharma. Then, there is the common meaning of the national struggle under Gandhiji's leadership. More recently, secular instruments like the constitution and common judiciary and administrative apparatus have had the effect of consolidating the gains from natural affinity. And, lastly, the exigencies of central planning have made the unity of India an indispensable element of the merest survival.

✱

I am not, therefore, one of those who is desperate about our surviving as a united nation. On the contrary, each of the aids to the consolidation of national sense I have listed is in some danger of disruption by a premature switch over to Hindi. For, the unified judiciary and administrative system is sure to be disrupted by a process of imperfectly understood and therefore imperfectly administered justice and practical help. Therefore, the result of insisting on Hindi's supremacy is the steady corrosion of such props to unity as we now have.

✱

Once the argument of Hindi as a consolidator of national sense is out of the way, the question becomes the simpler one having a language for the more workaday and pedestrian purpose of merely being understood by one another. This means in practice the language of administration. The one is an educational problem and the other is an administrative problem. As for its educational aspect, I think it is sensible to leave it to educationalists to decide the point on purely pedagogic grounds. And as for administrative aspect of the matter, the Constitution itself has advisedly referred to Hindi as the "official language" of the Union.

ATLAS

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[January 4, 1958]

This very definition of the role of Hindi indicates the nature of the problem we are up against and the nature of the arguments for and against the time limit of fifteen years for the switch over from English to Hindi.

On the one hand, there are people like the majority members of the Official Language Commission, who feel that ultimate switch over to Hindi is feasible but who feel that they cannot at this stage make any recommendation about the fifteen year time limit. On the other hand, there are people who feel that Hindi can never in the foreseeable future displace English, and since we have made to do with English so long, we may as well continue to do so. This view is gaining strong ground in all non-Hindi speaking areas, and representative opinion in Bengal and Madras has declared itself firmly on this. There are, of course, those who feel that it can and must take its place as the official language on the 26th April 1965. The views of these people, we shall leave out of discussion as beyond the pale of conversion by reasonable arguments.

I said in the beginning that there were two levels at which the clash between Hindi and the other languages operated. One was the unconscious clinging to one's language. And the other, which I shall discuss now, is simply a question of

bread and butter. As I said, this is something that is not mentioned often in debates on the question. At any rate, it was not until recently, but now that the danger is real, the question has really come into the open. In my view, the principal fear of the people of the South and the East is that the switch over to Hindi would place them at a disadvantage in the matter of obtaining a fair share in the administration of the country. It may take all kinds of forms. It may, at the highest level, prevent an MP from the South from putting forth his best in parliamentary discussion. It may, at the least, affect the chance of the bright boy from getting into the IAS. In between, you have a whole range of objections, objections about the quality of education and so forth which impinge with greater or lesser intensity on one's self interest. The present dispensation places all at an equal advantage or disadvantage, from this point of view.

Of course, there are a number of other weighty reasons for allowing the present state of affairs to continue, many of which were canvassed with great cogency at a convention in Madras recently. But basically this problem is of the nature I have described here. It seems to me that we need not tie ourselves irrevocably and inconveniently to the slogan of "English Ever, Hindi Never". For one thing, a permanent solution for

any problem is something I do not believe in. In any case, I do not presume to bind posterity to my commitments. It seems to be that, if the question of switch over to Hindi is postponed to some reasonable time, and allowing the present state of affairs to continue, we have a sensible solution for the present. If the question is left open for some thirty years from now and, in the meantime, enthusiasts of Hindi with active assistance from all concerned are allowed to make Hindi popular all over the country, and if the necessary climate for switch over is then present, there should be no objection to such procedure. As it is, a too hasty transition has insuperable practical objections. And what is more, it distracts attention from problems of a more pressing sort and divides the country at a time when it ought to be united. That alone is sufficient reason for wishing this problem put in cold storage.

I confess that, ever since my boyhood days, when I burnt the midnight oil to pore over American success stories, I have often wanted to be a millionaire. I am now greying, and—need I say?—am still no nearer to my millions than I was in those enchanted days. Instead, I eavesdrop around Clive Street in search of a stray personage whose bank balance may show six or more zeros on the right side of a positive digit. And why? In the hope that he may provide good

copy for Eavesdropper. My success in this chase, I regret, has not lately been very rewarding, for, I find, our millionaires are both few and reticent. The taxes have put a lock on their lips, and my copy suffers. Hence, for once, I turn to the American tycoons who have been on parade—76 of the richest in America—in a recent issue of Fortune. The heftiest of them all is the oft-married and oft-divorced Jean Paul Getty, the Oxford educated Minnesotan, who is a partner in oil with King Saud of Saudi Arabia. He is no paltry millionaire, but counts his bucks—if anybody can count such sums—in billions. In the 400 million to 700 million bracket there are two Mellons from Pittsburgh, H. L. Hunt and John D. Rockefeller, Jr. The next bracket, 200 million to 400 million, encloses two Duponts, Sid Richardson, Alfred Sloan, Howard Hughes, Daniel Ludwig and Joseph P. Kennedy. Among the owners of 100 million to 200 million dollars, figure Doris Duke, Mrs. Edsel Ford, Vincent Astor, many more Duponts and half a dozen more Rockefellers. Below them stands the group whose individual fortunes run to anything between 75 million and 100 million, and it includes three Fords, Robert Kleberg, Henry Kaiser and Averell Harriman, Governor of New York. Fortune does not waste space on listing those twopenny-half-penny millionaires who fall below the 75 million dollar mark. Nor does it mention those others

(Continued on page 27)

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Calcutta Stock Exchange

Investors Lose Confidence

WERE it not for the remarkable change in sentiment that occurred toward the end of June, the year 1957 would have presented, from the point of view of investors, a picture of almost unrelieved gloom. During the greater part of the year, price movements were downward and, at times, the momentum increased almost to the proportions of a collapse. This was particularly evident thrice in the year. Once in February when the market was engulfed in the crisis of confidence due to the prevailing uncertainties on the economic and political fronts. Bears were aggressive, taking advantage of the helplessness of the bulls. Investors, too, were frightened as they were worried over the continuous depreciation in the values of their investments.

Again, in May, the market suffered a severe setback due to non-stop selling following the announcement of the Budget proposals, resulting in the prices of almost all scrips touching the lowest levels for the year. The steady and sharp decline in prices would have continued further, but for the emergency measures taken by the Calcutta Stock Exchange Committee by imposing a ban on blank sales in Indian Irons.

Again, in December, a certain amount of nervousness developed following the grave allegations against the investment operations of the LIC and more particularly with regard to a particular deal in the shares belonging to the Mundhra group of companies. It was felt that, as a result, the LIC would not enter the market for some time to come, even to seek investment in some of the blue chips. Another bearish factor was the announcement of additional excise duties on cloth and sugar in lieu of sales tax and the relief given in regard to excise duty on cloth fell below market expectations. Toward the close of the year, however, there was a partial recovery, which was made possible by rumours that the LIC made some selective buying. Had it not been for this recovery, there would have been a major debacle in the market.

In general, the year started very quietly with the market still under the influence of the Finance Minister's Supplementary Budget of November 1956, with its heavy taxes and his assumption of powers to change excise duties without consulting Parliament. There were further shocks in the shape of a threat of still higher taxation and plans for labour participation in industrial management. A further element of uncertainty was provided by the approach of the country's second general election. The announcement of the terms of the Indian Iron & Steel Company's right issue, fears of taxation of bonus issues in view of the continued delay in giving permission to

applications from companies, the disappointment over the absence of any relief in the excise duty on cloth in the Special Budget presented in March, hints about heavier taxation in the May Budget and the growing stringency in the money market—all these factors also contributed to a depressed sentiment in the market till the end of the first quarter.

In April, the market developed fresh weakness. When the Budget proposals were announced simultaneously with an increase in the Bank Rate, there was a landslide in values due to persistent selling pressure. This would not have been halted, but for the emergency measures taken by the Stock Exchange Committee to impose a ban on black sales in Indian Irons, the decision to fix a deposit of Rs 3 per share for selling the shares and the arrangement for an interim clearing in the forward scrips. Thus, a recovery movement started at May-end and prices staged a gradual recovery, under the lead of speculative scrips, to the end of June.

Although the improvement in sentiment was well maintained till mid-July, conditions were on the quiet side during the remaining period of the third quarter, being influenced by some adverse factors. Mainly amongst these were, the anxiety shown over the delay in shipments following the 'go-slow' policy adopted by the dock-workers, the turning down of the Indian Iron & Steel Company's representation for raising the dividend, the disappointment over the Select Committee's report on the Wealth Tax Bill, and the strike by the local bank employees. The market, however, exhibited a cheerful sentiment after the Pujah holidays. Apart from technical factors, which were in favour of a rise, expectation of a large US loan; the announcement of the new import policy and the Government announcement granting recognition to the Stock Exchange Association as the only legal unit under the Securities Contracts Regulation Act, imparted a bullish tendency.

During the last quarter of the year, the recovery in prices was more pronounced in October and November than in the closing month of the year. The news of TISCO getting another loan from the world bank, the granting of Tariff protection for 10 years to the automobile industry and the expectation of the good news with the return of the industrialists' delegation led by Mr G. D. Birla—all these factors enthused the operators, who were active in their dealings. But the listlessness, noticed towards the end of the year, was mainly due to the uncertainty about the outlook for the Second Plan, the difficult situation created by the foreign exchange shortage, conflicting reports about the next Budget and the announcement of additional excise duties on cloth and sugar. But for some bear-covering being influenced by the news that the LIC had made some

selective buying, prices would not have staged even a moderate recovery at the fag-end of the year.

Section-wise, Jute shares remained depressed during the major part of the year, reflecting the uneconomic working conditions generally experienced by the industry. During the first half of the year, scattered interest was shown on considerations of break-up values. The continued fall in raw jute prices was taken as an encouraging sign that the industry might not be heading into a raw material squeeze toward the end of the 1956-57 season. But, all shares relapsed into dullness during the latter half of the year. The uninspiring trend of the jute goods market, caused by the developments at the Calcutta Port in July, the firmness of raw jute prices in September, anxiety shown in November with regard to the prospects of the coming jute crop following the reports of drought conditions prevailing in certain areas of both India and Pakistan and the announcement, made in November, of the passing over of dividends by most of the mills—all these factors had an adverse effect on sentiment.

Trading in the Coal section was generally dull, although a few selected scrips managed to remain steady on sustained support. It was thought that the increased labour charges as a result of the Appellate Tribunal Award were not covered by the increase sanctioned in the price of coal. The uncertainty about the proposed legislation concerning mining concession rules was also a contributory factor. With the result, operators found little prospect of any improvement in view of the difficulties facing the industry. There was a general disposition to await the Price Revision Committee's recommendations.

Tea shares presented a sorry spectacle and turnover was restricted during the major part of the year. There was a general feeling that the output might exceed demand and, as a result, that Medium and Common teas could be sold only at unremunerative levels. Anxiety was also shown with regard to the profitability of the gardens. It was also felt that the proposal by the West Bengal Government to adjust Agricultural Income-Tax in such a manner as would compel the tea estates to pay taxes at enhanced levels would make the industry suffer a loss, especially when the demand for the commodity was falling short of production. But for the release of encouraging working results and the higher dividends recommended for 1956 by most companies, the decline in prices would have been sharper.

Sugar shares remained neglected with prices generally developing an easier tendency. Quieter advices from the commodity market in view of the comfortable supply position and a record production in the 1956-57 season, bleak prospects for the export of Indian sugar following a steep fall

Annual Reviews

in world prices, the announcement of an additional excise duty in lieu of sales tax and the doubts expressed in certain quarters with regard to the size of profits for companies—all these factors contributed to a subdued sentiment in the section.

Textile shares lacked any buying interest. The main anxiety was the persistent stalemate in the cloth and piecegoods markets. Another bearish factor was the Government decision to merge the sales tax with the excise duty on cloth; and the relief in regard to excise duty on medium cloth fell below market expectations. It was, therefore, felt that the industry, which had been doing very well in 1956, was now passing through an anxious time.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons. Although prices staged a marked recovery from the lowest levels touched in May, a certain amount of nervousness was noticed toward the closing months of the year when the Mundhra group of shares—reputed for some months to have been favoured orphans of the LIC—got into an unexpected nose-dive.

The Miscellaneous section provided several bright features on dividend, investment and other considerations, although price movements were rather irregular on alternate buying and selling.

Thanks to the continued support from the Reserve Bank, the Gilt-edged section ruled steady till the end of May after which conditions ruled generally quieter following the stringency in the money market. In the year's trading, the change in the pattern of investments from longer to short-dated issues was, however, emphasised and this was amply illustrated in the price movements.

Bank shares were generally steady throughout the year, thanks to the Government decision to exempt banking companies from payment of the Wealth Tax and the good working results of most banks.

On the whole, the market has experienced the worst and is still unable to derive any inspiration from the things which have been shaping during the past few months. It is no surprise that even some of the selected scrips have failed to benefit due to general apathetic sentiment. In normal conditions, the market would have recorded a good recovery since most of the industries have been able to make definite progress during the last six months. As a matter of fact, the position of the principal industries, viz., Engineering, Coal, Jute, Tea, etc., is much better now than it has been a few months ago.

While most of the operators are now realising that the present

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[January 4, 1958]



rates of select shares are attractive for genuine investment, the return of confidence is retarded by the absence of a firm belief that it is time to buy shares. Confidence is infectious and this infection can spread easily only

in a rising market. A rising market and active conditions, which are necessary to set confidence in motion, require greater return and scope for capital appreciation in shares. These two basic wings are now temporarily clipped by the higher corporate taxation. But, it is clear that any stable rise in the share values will not be likely until the Budget proposals are announced in February next.

PRICE MOVEMENTS.

	Year Opening Rs	Highest Rs	Lowest Rs	Year Closing Rs
Engineering:				
Indian Iron ...	28.31	30.12	16.63	18.70
Jessop ...	28.75	28.50	19.75	22.12
G. K. Williams ...	23.25	29.31	22.87	29.12
TEXMACO ...	19.81	21.31	14.65	15.60
Jute:				
Anglo-India ...	135.00	160.00	130.00	146.00
Howrah ...	18.12	20.50	13.25	13.44
National ...	18.87	22.25	17.25	22.10
Coal:				
Bengal ...	442.00	242.00*	210.00	228.00
Burrakur ...	21.25	22.75	20.75	22.00
Textiles:				
Cawnpore ...	7.94	10.00	3.94	4.00
Kesoram ...	14.62	16.00	9.25	10.25
Elgins ...	23.75	28.87	14.75	18.06
Sugar:				
Carew ...	6.75	7.81	5.89	5.87
Champaran ...	22.00	24.00	14.62	19.00
Tea:				
Brooke Bond ...	18.94	21.37	14.50	14.75
Hasimara ...	28.00	29.00	17.25	21.12
Hantapara ...	185.50	200.00	110.00	112.50
Tezpor ...	20.87	23.50	15.50	18.75
Methoni ...	19.62	23.37	15.44	16.00
Miscellaneous:				
Orient Paper ...	31.62	34.50	20.95	24.25
Titagarh ...	36.44	39.37	31.00	33.12
I. Steamship ...	9.31	12.00	9.19	10.97
National Carbon ...	25.75	27.12	23.12	23.87
Rohas ...	19.31	20.25	15.50	18.00
NICO ...	24.62	26.87	19.19	24.75
I. Aluminium ...	14.94	15.12	12.12	12.50
I. Copper ...	3.75	3.81	2.70	2.82
Banks:				
Punjab National ...	51.00	67.00	51.00	46.75*
United Commercial ...	53.00	60.00	51.50	58.56
Gilt-edged:				
3% 1986 Conversion ...	73.25	75.25	70.50	71.15

*Shares sub-divided in April.

Bombay Stock Exchange:

Dalal Street's Disastrous Year

THE stock markets in India have passed through a most disastrous year. While commenting on the outlook in last year's year book, we observed that it mainly depended on Government's monetary and fiscal policies. Apprehension of further heavier taxation by way of annual wealth tax, expenditure tax and other measures have turned out to be true, with the result that the year under review has proved more racking. Except for small rallies, it was all a one way traffic with the result that there has been heavy erosion of capital. Investors have burnt their fingers and, as compared to prices prevailing a year ago, the general depreciation in industrial counters amounts to about 20 per cent. The economic and financial policies pressed by the Government, which aims to mould the economic life of the country to suit the establishment of socialistic pattern of society,

have more than anything else induced reassessment of the prospects of the investment market. The Government, in its zeal to raise revenue for financing the Second Five-Year Plan and by resorting to measures to reduce the inequalities in income and wealth, have attempted taxation for the maximum extent. There has been an ever increasing degree of reliance on taxation of various kinds not only for finding adequate resources for the Second Plan but also in implementing the economic objective of a Socialistic State.

Mr E. D. Sheppard, Chairman of Killick Industries Ltd., has summed up the situation rightly when he said: 'Around us we see growing deterioration of business confidence and the onset of apathy amongst those whose function is to promote and develop industry. If this sapping of morale and of faith in the

future was confined only to large business houses, it would not be so dangerous, but unfortunately it is reflected at every point of the Industrial Society. The producer, the consumer and the investor, whether big or small, is today lacking the virile faith needed to face the challenge of the future. The sum effect of increase in corporate taxation from 43.4 per cent to 51 per cent, special taxes on dividends, bonus shares, non distribution of profits, capital gains, net assets and the compulsory deposit scheme is virtually to eliminate the possibility of raising equity capital in the investment market for new ventures because of the levels to which even the soundest shares have declined. It would be worth like repeating what we said in our last year book, that depressed conditions are not conducive for encouraging progress in the private sector. Healthy conditions in the investment market can assure free flow of capital, once confidence is impaired. It is difficult to restore it with the best of intentions. After his return from foreign tour, the Finance Minister, might have realised very well that things have gone wrong. But the question that might be confronting him and the Government is how to rally from the awkward situation. Suffice it to say that so long as the private sector exists, conditions on the stock market will have a large say in making or marring the prospects of development in the sector.

During the last sixteen months, the stock markets have become the victim of the Government's fiscal and monetary measures which came in quick succession. It may be recollected that excise duty on cotton cloth was raised up from September 1, 1956 so as to yield an annual Rs 75 crores from this source of tax. With the recent amalgamation of sales tax with the excise duty by way of additional duties, it is expected that the overall duty on cotton textiles might reach about Rs 120 crores, which indeed is a heavy burden considering the fact that the annual output would be around Rs 450 crores. On 30th November 1956, the interim proposals of taxation which comprised capital gains tax, increase in super tax a dividend and the scheme for compulsory deposits come as a rude jerk and gave an idea about the shape of things to come. On May 15, 1957, the market was stunned by the most drastic shock ever to be recorded. At one stroke hitting almost all classes, these taxation proposals included new levies on wealth, expenditure, railway travel, increase in corporation tax and in case of super tax on companies, increase in bonus tax, increase in excise and import duties on several items, postal rates and the introduction of changes in the income-tax structure. The revolutionary changes in taxation and especially the wealth tax on individuals and companies have proved to be the greatest disincentives for financing the industrial growth in the private sector. It is no wonder that the stock market, which acts as a barometer to record the readings of the economic climate, finds itself in

Over and above the fiscal measures, the policy of dearer money and credit restrictions and the severe strain on the economy of the country had their impact on the market. The bearish tendency noticed since the end of August 1956 persisted till the announcement of the Budget proposals on the 15th May 1957, which again gave a severe jolt. Prices more or less collapsed. The Bank rate was raised to 4 per cent as from 16th May. Steel shares brought forth some support from the Life Insurance Corporation, but this induced the bears to press sales in textiles in view of the discouraging outlook. However, during the second half of June, prices recovered sizably on active buying in selected counters by LIC. The tendency remained better for some time, but, in view of the disappointment over the amendments in the Wealth Tax Bill, the market resumed the downward trend and prices during the close of September and early October reached new low levels. Thereafter, a small recovery materialised, but prices relapsed as the market lacked confidence in the outlook. Investors have lost their nerve while the Stock Exchange fraternity is in jitters as business has dried up with receding prices. The question that confronts is as to whether the Stock Exchange will present a healthy state in the near future or not. The only consolation is that prices in terms of industrial prospects have reached a level from where the scope of any further decline appears to be limited. The damage which has been done during the past sixteen months is so heavy that, even if further moderate recovery is to materialise, the process will be a painful one. The recent debate in the Lok Sabha over the Life Insurance Corporation's investment in Mundhra group of shares had led to a feeling that support from these quarters will not be forthcoming for some time. Anyway, the trend till next Budget might remain irregular but a moderate recovery may be expected after Budget when some incentives may be looked for.

The Security Contracts (Regulation) Act 1956 has been implemented. In terms of the Act, the Government have recognised only one Stock Exchange at the five centres of India, viz., Bombay, Calcutta, Madras, Delhi and Ahmedabad. The main provisions of the Act are intended to safeguard the interests of the investing public.

With the revision of yield ideas in the light of higher interest rates, the gilt-edged market remained depressed throughout the year. The Central Government borrowed Rs 100 crores from the market, while recently a new issue of 34 per cent 1962 Bonds was put on tap for Rs 30 crores in view of the demand for short dated loans. Prices of debentures and preference shares have also receded appreciably. Bank shares lost small ground but selective support was discernible. Insurance shares remained generally easy, but New India has recovered in view of the bonus announcement. Electric shares have lost ground as the benefit of 6 per cent return will accrue to

January 4, 1958]

the industry only as from 1st April 1958.

The cotton textile industry has passed through a state of crisis during the year. Stocks accumulated following slow offtake, while prices realised by marginal units were uneconomic. This situation has been fully reflected in the shares which have suffered the most. It is to be seen as to how far the reduction in excise duty by 3 nP per yard in the case of medium varieties up to 31st March 1958 and the integration of the sales tax will help the industry to clear its stocks.

Government's refusal to Indian Iron and Steel Company for payment of dividend in excess of Re 1 as well as the premium imposed on the new right issue has adversely affected the shares. Tata Steel shares also suffered badly though, in comparison with Indian Iron, the fall is relatively small. The

expansion programme of both the companies is making satisfactory progress. Engineering shares have also yielded ground despite increased turnover. Cement shares have recorded sharp losses on account of higher cost of production and the resultant cut in profits. Sugar shares in tune with the rest of the market yielded ground but have mostly recovered over higher profits. Shipping shares have remained fully steady after early slump on encouraging results and higher dividends. Tata Chemicals have reacted bearishly on the issue of additional capital. Bombay Burmah has slumped badly after early steadiness. WIMCO has kept quiet. BIC has crashed. Tata Locomotive as well as other automobile shares have declined sharply. National Rayons are no better, while the Company's project for tyre and plant may have to be shelved for the time being due to the foreign exchange crisis.

PRICE MOVEMENTS.

	Year Opening Rs nP	Highest Rs nP	Lowest Rs nP	Year Closing Rs nP
Tata Steel Ordy. ...	172.75	183.50	146.00	160.50
Indian Iron ...	28.25	30.25	16.55XR	18.55
Bombay Dyeing ...	56.37	59.62	49.30	49.80
Century ...	509.00	515.00	369.50	382.00
C. India ...	127.00	127.00	75.00	75.50
Khatia ...	222.50	226.64	140.00	140.00
Kohinoor ...	321.00	338.25	250.00	259.50
Svadeshi ...	233.00	238.00	162.50	165.50
Belapur ...	241.00	254.00	205.00	252.00
A. C. C. ...	182.50	187.50	142.00	151.00
Bombay Burmah ...	667.50	738.75	485.00	520.00
National Rayon ...	242.50	248.50	197.00	211.25
Premier Construction ...	189.50	192.00	134.50	154.00
Tata Chemical ...	16.69	18.55	12.56XR	12.80
TELCO ...	163.00	165.00	130.50	137.50
TOMCO ...	45.00	48.00	34.00	35.00
WIMCO ...	166.25	178.75	152.00	160.75
Premier Automobile ...	104.00	107.50	83.20	87.50
Sundia Steam ...	18.75	21.72	16.36XR	17.08
Central Bank ...	51.75	56.50	47.75	52.30
New India Asse. ...	43.00	50.00	38.00	48.00
Tata Power ...	1,237.50	1,255.00	1,107.50	1,155.00

Madras Stock Exchange

Landslide in Equity Values

LIKE other stock markets, the Madras Stock Exchange witnessed a landslide in values in 1957. Although a few shares improved against the trend, the year was marked by a sharp fall in prices. Investors did well so far as Coffee and Sugar shares were concerned; but the holders of Textile shares had done badly as in Bombay. Apart from the fall in Mettur due to dividend being cut 20 per cent, there was a textile crisis due to increase in yarn stocks and poor offtake of cloth. Expectations regarding 1957 dividends were not optimistic as shown by a fall in the scrip of Madura Mills to Rs 34 from Rs 46.62 quoted at the beginning of the year.

Three major shocks came after the recovery started by the settlement of the plantation dispute. The first was the advent of the Kerala Ministry which soon raised the tax

on plantations. Madras and Mysore State Governments also raised taxes; but the talk of labour trouble had a major effect in pulling down all shares of companies established in Kerala.

The compulsory deposit scheme caused a jolt. More serious was the Union Budget. The poor dividend prospects hit Mill shares. Buckingham & Carnatic have fallen, over the year, from Rs 175.50 to Rs 155, while Loyal was quoted at Rs 37.50 against Rs 50. Bangalore had not, however, shown much change, thanks to the bonus issue. Lakshmi slid down to Rs 100 from Rs 250 within a year following the increase in capital.

Bank shares, however, fared well on hopes of stable dividends. Indian Bank were quoted at Rs 210 against Rs 199 at the start of the year, thanks to the announcement

of a bonus issue on the occasion of the Jubilee celebration of the bank. Bank of Mysore, however, remained unchanged at Rs 250.

Even higher yields did not tempt investors to go in for Industrials. Despite a eight per cent yield, India Cement was quoted at Rs 23.25, the opening rate for the year. This was due, not to State trading in cement, but to the investors' present idea about the risks of the future.

Coffee shares fared well, while Tea shares were neglected. Political

Jute

Weakness in Sackings: Hessians Comparatively Steady

PRICE movements in the Jute Goods market were rather irregular and mostly influenced by the speculative activity in Phatka during the year just ended. Conditions in the Hessian section remained comparatively steady, while the weakness in Sackings was more pronounced in the closing months of the year. Except for some firmness in prices noticed towards the end of the 1956-57 season, the Raw Jute section ruled generally quiet.

The Jute Goods market opened the year on a steady note, partly due to firmer advices from the raw jute section and partly due to a good deal of covering business from shippers on the belief that the outlook for the industry would be better in view of the healthy stock position. But, enquiries from overseas buyers had been few and far between as consumers seemed to feel that there was more likelihood of prices going down than up in view of the easing of the international tension and the prospect of opening the Suez Canal. With the result, price movements were mainly of a speculative character throughout the first quarter of the year.

But, the main incentive for the renewed speculative activity and the resultant buoyancy in the market, during the second quarter, came from the raw jute section where wheather played an active part in pushing up prices to fresh higher levels. The reports of the delay in sowings led to a feeling that there would be tightness in supplies of the raw material and consequently there would be a scramble for obtaining the available stock, not only of the raw material, but also of the manufactured goods. Also, mills were reluctant to offer goods at lower levels in the context of the firmness of raw jute prices. Enquiries from new countries like Sudan and Ghana and the news of the Dundee and the Continental mills experiencing difficulties in their home markets to dispose of their products at competitive rates in view of the high prices prevailed for Pakistani jute, were also factors imparting further strength to the market.

However, at the beginning of July, the market turned quieter with prices developing a reactionary tendency due to various adverse factors. First, the steady rise in

risks were assigned greater weight in the liquidation of Rubber and Tea shares.

Sugar shares were well supported, although FACT had been very vulnerable as proved by the fall from Rs 6.37 to Rs 3.87 within a year, where as Mettur Chemicals at Rs 9.75 had been consistent.

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genuine business done. Whatever price movements there were, were mainly influenced by the speculative activity in Phatka.

RAW JUTE

The firmness in Raw Jute prices, at the beginning of the year, was mainly attributed to the reserved attitude of sellers who held bullish ideas about high prices to be obtained later in the season. When arrivals in February were more than usual, sellers were getting nervous and inclined to reduce their rates in order to attract buying interest. Moreover, overseas buyers of Pakistani jute curtailed their buying in view of the easiness of the shipping position and were bidding time to resume their buying after prices moved down. Also, revised crop estimates suggested that the yield would be sufficient to meet the requirements of the Indian Jute mills. Taking advantage of the situation, mills showed only limited interest on the feeling that there was sufficient raw material available within the country.

Except for a short-lived recovery in prices in May due to reports of dry conditions and the delay in showings, the market continued to rule quiet during the second quarter. The onset of the monsoon, the reports of the progress in sowings and the availability of the old crop in plenty were the main factors contributing to a distinctly easier trend in prices. The downward movement in prices gathered momentum during the third quarter. Arrivals of the new crop in small quantities raised the hope that the mills would get sufficient jute to tide over in the lean months.

Although mills did not show much interest, sellers become reserved again in the beginning of the last quarter, being influenced by the reports that the quantity of raw jute coming forward from the growing areas was inadequate in relation to demand. This, however, did not create any panic among mills, which were under the belief that the new crop could not be kept off the market indefinitely and that prices might fall appreciably when once the pressure to sell increased. It was also felt that, as arrivals during the previous months had not been as good as those in the corresponding months of last year, jute would be arriving in large quantities in the near future. Also, poor demand for finished products, even at falling prices, made the mills reluctant to purchase for forward delivery. Again, the fall in prices in Pakistan due to lack of overseas demand and the steady increase in arrivals during October and November gave sufficient ground for the belief that arrivals would increase in the coming months, resulting in an easier tendency in prices towards the close of the year.

No, doubt, the recent trend in jute goods prices has provided considerable concern. Two factors have,

in the main, been responsible for the sharp fall in prices. One is that, at a time when burlap consumption in the USA should normally be at a high level, reports to the contrary are coming in. Another damper to the market has been provided by the reports of Burmese efforts for self-sufficiency in jute goods requirements.

While the long-term outlook for Indian jute goods thus depends on the building up of the industry's competitive capacity, the immediate prospects are clouded by market manipulations. Overseas buyers are now reluctant to enter the market, possibly due to holidays. A change in the sentiment for the better is, however, expected after the holidays. There are also hopes that the US buying will increase in the near future. This hope is based on the fact that the decline in US burlap stocks, during the first eleven months, has been larger

	Year Opening Rs	Highest Rs	Lowest Rs	Year Closing Rs
Hessian:				
40" x 10 Ozs. ...	45.75	45.87	39.12	39.35
40" x 8 Ozs. ...	37.25	37.25	32.50	32.44
40" x 7½ Ozs. ...	34.12	34.25	30.12	30.19
Sackings:				
B. Twills ...	120.00	122.00	104.87	106.00
Heavy Cees (Green) ...	120.25	121.50	103.50	103.50
Cornacks ...	121.25	122.75	105.25	105.25
Cubans ...	146.00	146.00	131.00	132.00
A. Twills ...	144.00	145.00	128.50	128.50
L. Twills ...	134.50	139.00	121.50	122.00
D. W. Flours ...	141.00	141.75	123.00	125.25
Sugar Twills ...	136.50	137.25	120.00	121.25
Raw Jute (Bottoms Basils):				
Assam ...	32.00	33.50	26.50	27.00
Northern ...	32.00	33.00	26.25	26.75
Bimil ...	28.50	29.00	22.25	22.25
Dalsee Mesta ...	28.25	30.50	23.50	23.75
Raw Jute (Middles Basils):				
Assam ...	34.50	35.50	29.00	29.50
Northern ...	34.50	35.50	28.75	29.25
Dalsee Mesta ...	31.00	33.00	26.00	26.75

Tea

Anxious Period

THE Indian Tea Industry had to pass through an anxious period throughout the year under review. The anxiety centred mainly on the slowness of buying from the UK—the main customer of North Indian tea. The steady decline in stocks did not appear to have given any impetus to her purchases; and the indications were that the UK could afford to take her requirements slowly. Buying by other out-markets was also restricted. Although the Middle East buyers were short of their requirements, buying from there was upset by a number of political and economic uncertainties. Russia, which had making substantial purchases, also withdrew from the market. Thus, from the beginning of the year to the end of April, the market moved sharply in buyer's favour and, except any teas with bright liquors which were well competed for and sold at dearer rates, the bulk of the Common and Medium teas, on offer, declined each week and were offered at 25 to 37 nP per pound below the levels touched at the close of 1956.

Even the first sale of the New Season's teas, started in June, met

than in consumption. Above all, the present low prices are sufficiently attractive and it is naturally considered likely that the USA, with her shrinking stocks, will have to enter the market for substantial quantities, once the year-end inventories are completed.

	Hessian	Sacking	Total
1957* ...	353,770	404,429	758,200
1956 ...	400,738	430,751	831,489

	Hessian	Sacking	Total
1957* ...	21,282	120,282	141,564
1956 ...	21,923	148,496	170,419

	Hessian	Sacking	Total
1957* ...	375,052	524,711	900,763
1956 ...	419,661	579,220	998,881

*For 11 months ended November. Also includes other varieties.

The following table shows the opening, highest, lowest and the closing levels for the year:—

	Year Opening Rs	Highest Rs	Lowest Rs	Year Closing Rs
Hessian:				
40" x 10 Ozs. ...	45.75	45.87	39.12	39.35
40" x 8 Ozs. ...	37.25	37.25	32.50	32.44
40" x 7½ Ozs. ...	34.12	34.25	30.12	30.19
Sackings:				
B. Twills ...	120.00	122.00	104.87	106.00
Heavy Cees (Green) ...	120.25	121.50	103.50	103.50
Cornacks ...	121.25	122.75	105.25	105.25
Cubans ...	146.00	146.00	131.00	132.00
A. Twills ...	144.00	145.00	128.50	128.50
L. Twills ...	134.50	139.00	121.50	122.00
D. W. Flours ...	141.00	141.75	123.00	125.25
Sugar Twills ...	136.50	137.25	120.00	121.25
Raw Jute (Bottoms Basils):				
Assam ...	32.00	33.50	26.50	27.00
Northern ...	32.00	33.00	26.25	26.75
Bimil ...	28.50	29.00	22.25	22.25
Dalsee Mesta ...	28.25	30.50	23.50	23.75
Raw Jute (Middles Basils):				
Assam ...	34.50	35.50	29.00	29.50
Northern ...	34.50	35.50	28.75	29.25
Dalsee Mesta ...	31.00	33.00	26.00	26.75

with restricted export enquiry, as the bulk of the first flush teas was generally below the 1956 standard due to the abnormal drought conditions, which persisted up to the end of May. The same general pattern of the market continued till the end of September as there was a general decline in the quality of the offerings.

Although the overall sale average remained fully compensatory, the price differential for quality and non-quality teas was very wide. It was, therefore, feared that even the producers of best quality teas were not likely to show, this year, results which were so profitable as those of 1956.

The market, however, took a turn for the better in October when buying was more general and there was improved enquiry, especially after the "Puja" break. Even the Commonest teas, which remained neglected, were well supported. Also, Fannings, which were considerably discounted, met with an increasing demand. This improvement in the market sentiment was influenced, partly by the uptrend at the London sales and partly by

the financial facilities available following the end of the strike by the local bank employees. In London, prices improved for two reasons. First, there was a dispute among the Tally clerks which, it was felt, would affect the arrivals there. Secondly, Colombo auctions were postponed due to a hold-up in the docks.

Again, the report, that Ceylon had postponed, until next year, her decision on the Russian offer to buy 40 million pounds, caused a speculation in the market whether Russia would buy such a large quantity in the open market. It was felt that, if she did buy, would help reduce the surplus to a considerable extent. There was also a report that Egypt had agreed to buy an additional quantity of 2,000 tons for immediate delivery in order to relieve the shortage in that country. Trade circles were also inclined to believe that the winter might set in earlier than usual and that the current season's surplus might be lower than was anticipated earlier.

In spite of the improvement, prices were still far from remunerative for producers and the average price was well below that a year ago, mainly due to the fact that Assam teas fetched substantial lower prices on account of the fall in demand for poorer CTC Assams which were available in large quantity. In this connection, it may be added that many of the gardens had, in recent years, switched over their output to CTC teas, attracted by the very high prices fetched by these teas till recently. With the result, there was no scarcity of these teas, except for high quality sorts, and the expansion in their output was not accompanied by the improvement in their quality.

Again, in spite of fairly satisfactory sales, the average price realised for export teas was only Rs 2.31 per pound in the current season for the period ending 17th December 1957 as compared with 2.55 in the corresponding period of the previous season. Although lower than last year, Darjeeling and several Assam estates' averages were not, however, unremunerative. Prices for Dooars, Cachar and the rest were between 40 nP and 50 nP per pound lower than last year and, in many cases, barely over the cost of production. The Dust sale had also been consistently running at much lower levels than last year and the sale average, to the end of 17th December, was Rs 1.91 per pound as against Rs 2.24 for the corresponding period of the previous season.

The only relieving feature of trading during the year was the improvement in demand from abroad, noticed towards the end of the year. It appeared that the buying policy abroad was influenced by the developments in Indonesia. Although the supply would be adequate in spite of the threat to Indonesia's production, some in the trade attached importance to the possibility of a fall in output. It was felt that, with this factor combined with increased buying, could reduce the surplus substantially. It was also felt that the labour troubles at the docks in Colombo

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would cause a diversion of demand from the UK buyers to alternative markets. These expectations were strengthened by the fact that the total output in North India, to the end of November, was only 509.5

	Up to November	1957	1956	1955
North India ...	...	509.5	538.6	525.8
South India ...	...	133.0	116.3	121.3
Pakistan ...	...	42.3	51.7	48.9
Ceylon ...	...	333.5	301.1	318.6
Indonesia ...	...	73.5	67.3	70.9
Total ...	...	1,091.8	1,075.0	1,085.5

It remains to be seen whether the slight improvement in prices, noticed towards the year-end, will be sustained in the opening sales of the New Year. It also remains to be seen whether the expected decline in output will be so large as to result in a drop in world production as a whole. Even if there is a shortfall in output, it is doubtful whether prices will recover to such an extent as to make good the fall earlier in the season in view of the generally poor quality of the teas.

	Year Opening Rs	Highest Rs	Lowest Rs	Year Closing Rs
Export Sale:				
Clean Black Pekoe ...	2.34	2.40	2.12	2.30
Plain Broken Pekoe ...	2.25	2.25	1.48	1.52
Best Assam CTC BP ...	2.34	2.37	1.54	1.58
Medium Assam BP ...	2.87	4.00	2.12	2.80
Dust Sale:				
Medium Dooars ...	2.00	2.12	1.40	1.62
Medium Assam Grassy ...	2.06	2.12	1.45	1.66
Medium Assam CTC ...	2.31	2.90	1.50	1.90
Best Assam CTC ...	2.56	3.20	2.60	2.70

Sugar

Output—A New Record

THE 1956-57 season (which started on the 1st November 1956 and ended on the 31st October 1957) will go down in the history of the Sugar industry as the most eventful, in that it has witnessed an all-time peak level of output. Total production amounted to as much as 20.26 lakh tons as against only 18.62 lakh tons in the previous season and a bare 10 lakh tons in 1948-49, and thus represents a rise of more than 100 per cent. One of the most important factors responsible for such a high level of production, during the season under review, was the large supply of cane supplies made available to the mills, thanks to a bumper sugarcane crop.

Along with production, the consumption of sugar in India has also been increasing, not only on account of the growth of population, but also on account of an improvement in the standard and taste of the people. It is only in the last four years that consumption has tended to increase sharply from around 10 lakh tons to over 18 lakh tons. The removal of control over sugar was, no doubt, a helpful factor, and the industry was thus enabled to increase its production.

In spite, however, of the increase in consumption, there has accumulated in the country a surplus of stocks. Considering the steps the Government of India are taking to step up production of sugar in the country, there is every reason to believe that the position of stocks will continue to improve. Again,

million pounds as compared to as much as 538.6 million pounds in the corresponding period of 1953. The following table gives the latest crop position as compared with the previous two years (figures in million pounds):—

	Up to November	1957	1956	1955
North India ...	...	509.5	538.6	525.8
South India ...	...	133.0	116.3	121.3
Pakistan ...	...	42.3	51.7	48.9
Ceylon ...	...	333.5	301.1	318.6
Indonesia ...	...	73.5	67.3	70.9
Total ...	...	1,091.8	1,075.0	1,085.5

It is, however, clear that there is a distinct possibility of stronger African competition. Also, Egypt is reported to be making a desperate bid to grow tea within her boundaries; that the experimental planting has given satisfactory results and, if this is stepped up, will give results almost double to those obtained in Ceylon.

The following table shows the opening, highest, lowest and the closing rates for the year:—

	Year Opening Rs	Highest Rs	Lowest Rs	Year Closing Rs
Export Sale:				
Clean Black Pekoe ...	2.34	2.40	2.12	2.30
Plain Broken Pekoe ...	2.25	2.25	1.48	1.52
Best Assam CTC BP ...	2.34	2.37	1.54	1.58
Medium Assam BP ...	2.87	4.00	2.12	2.80
Dust Sale:				
Medium Dooars ...	2.00	2.12	1.40	1.62
Medium Assam Grassy ...	2.06	2.12	1.45	1.66
Medium Assam CTC ...	2.31	2.90	1.50	1.90
Best Assam CTC ...	2.56	3.20	2.60	2.70

With the availability of Brazilian sugar at prices as low as £33 per ton c.i.f. the UK, British-refined sugar was being freely offered, in August, at £54 per ton in Middle East coun-

in the season, 2 lakh tons of sugar for export.

The Government's policy is to permit export as much surplus sugar as is possible, taking into account the production during a year and the demand for domestic consumption. The Indian Sugar Mills Association, which acted as the sale exporting agency for the 1956-57 season was able to sell about 1.53 lakh tons, out of which 1.46 lakh tons have already been shipped. It is expected that, during the current season (1957-58) will amount to 21.5 lakh tons, while domestic consumption is unlikely to exceed 19 lakh tons in view of the high price prevailing now. It is, therefore, estimated that there can be an exportable surplus of 4 lakh tons, without creating any difficulty for consumers here.

It need not be emphasised again that, during the year under review, that India was helped to export sugar by fortuitous circumstances, temporary scarcity in the world markets caused mainly by international political complications. But, for some months now, world prices have been falling. They are standing at levels which are much lower than the cost of production of the vast majority of sugar factories in this country. All available indications so far are, that world prices are likely to remain in favour of buyers in the new season. The supply is clearly tending to exceed the demand.

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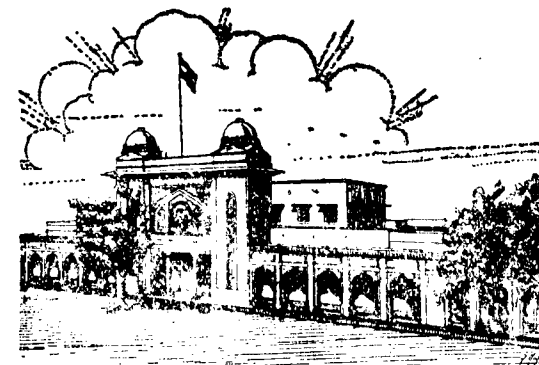
tries—the important outlet for Indian sugar. The present prices are still below those ruling a month ago. While it is not possible to offer at these prices, British-refined sugar enjoys a preference in the Persian Gulf, Africa, Malaya and Ceylon. Under these circumstances, it is feared whether any further exports from India can be made on competitive terms. Considering that the European beet crop has been good and Brazilian supplies are again coming forward, it is possible that there will be an adequate supply and, as such, an improved trend in the price is not foreseen.

Let us now revert to the price trends. In the expectation that sugar exports would continue to be made in large quantities, prices had been showing a steady rise from the beginning of the year to the end of August, as mills adopted a reserved attitude in their selling policy. The upward trend was aided by intermittent rumours that the Government would allow one lakh tons more for export in view of the encouraging response from overseas buyers. But, it was felt that the policy of permitting exports at the cost of domestic consumers would serve no useful purpose and that, unless the export policy was reviewed by the Government in the light of the domestic developments, the sugar situation was bound to deteriorate.

The chances of a decline in exports had, however, a salutary,

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effect on prices towards the closing months of the year. The report, that the Government of India had not yet fixed any particular target for the export of the sugar from production during the 1957-58 season, was also a contributory factor. The Government felt that the commodity could not be exported except at a loss and that the domestic consumers could not be asked to bear a portion of such a loss. Also, there was a general feeling that a bigger export target would help keep domestic prices on an unduly higher level which, in turn, would act as a disincentive to manufacturers wanting to export.

It is but clear that the prospects for the current season are not very promising. The price factor will have to be considered seriously if India is to continue export of sugar. Unless an all-round economy in the cost structure is effected, it will not be possible to export sugar except at a loss. The biggest item in the cost structure is cane, which accounts for 60 per cent of the price of sugar. This percentage is much higher than in the other important sugar-producing countries of the world.

	Year	Opening	Highest	Lowest	Year
		Rs nP	Rs nP	Rs nP	Closing
MIL-delivery:					Rs nP
Jaswant	...	28.50	35.50	28.12	35.50
Simbhauli	...	28.75	35.75	28.62	35.75
Mowara	...	28.25	34.50	28.00	34.37
Amroha	...	28.00	35.25	28.12	35.25
Bijnore	...	28.00	34.69	27.87	34.69
Daurala	...	28.62	37.25	29.00	37.25
Mansoorpur	...	28.50	36.37	28.50	36.37
Rampur	...	31.75	34.87	30.50	35.00

Cotton

Tight Supply Position

THE year 1956-57 has proved somewhat difficult for cotton supply as the eventual crop turned out around 4.8 million bales as against earlier expectations of about 5.3 million to 5.5 million bales. Even though no efforts were spared by official agencies to produce more crop by increased use of fertilisers, wider distribution of improved seeds, etc., nature unfortunately remained unfavourable. As against the crop position as above, domestic mill consumption in 1956-57 reached a record level of 5.23 million bales, comprising 4.66 million bales of Indian varieties and 0.62 million bales of foreign varieties. In the previous season, consumption amounted to 4.97 million bales, out of which Indian cotton accounted for 4.36 million bales and foreign, 0.62 million bales. This clearly means that we have now reached a stage when our annual production, instead of outstripping consumption, is only just adequate.

The remedy, therefore, lies in augmenting domestic cotton production with the utmost speed, with all the resources at our command. In this respect, it is very gratifying to note that the Indian Central Cotton Committee is well seized of

the urgency, and no efforts are being spared to reach the increased target of 6.5 million bales fixed under the Second Five-Year Plan. Moreover, by proper distribution of seeds, we are trying to grow as much of long staple cotton as possible, so that foreign exchange can be saved. However, the most important problem is to raise the yield per acre by intensive cultivation. The country cannot afford to spare any more land when there is so much scarcity of foodgrains, while it is also imperative to retain our traditional export markets, so that they might stand us in good stead whenever our surpluses reach a level burdensome to the country's overall economy.

Meanwhile, production of indigenous sugar in November this year was higher at 104,000 tons as against 97,500 tons in the corresponding month of last year. Taking into account 31,000 tons produced prior to November, the total output, up to the end of November, amounts to 135,000 tons against 116,000 tons in the corresponding period of last year. In respect of sugarcane, the all-India second estimate for 1957-58 puts the current year's production at 63.50 million tons as against only 58.99 million tons in 1956-57, showing an increase of 4.52 million tons. Expressed in terms of gur, current year's production is placed at 6.40 million tons as against 5.95 million tons for 1956-57.

The following table shows the price trends (mill-delivery) that prevailed in the Hapur market during the year (rates per maund):—

	Year	Opening	Highest	Lowest	Year
		Rs nP	Rs nP	Rs nP	Closing
MIL-delivery:					Rs nP
Jaswant	...	28.50	35.50	28.12	35.50
Simbhauli	...	28.75	35.75	28.62	35.75
Mowara	...	28.25	34.50	28.00	34.37
Amroha	...	28.00	35.25	28.12	35.25
Bijnore	...	28.00	34.69	27.87	34.69
Daurala	...	28.62	37.25	29.00	37.25
Mansoorpur	...	28.50	36.37	28.50	36.37
Rampur	...	31.75	34.87	30.50	35.00

the urgency, and no efforts are being spared to reach the increased target of 6.5 million bales fixed under the Second Five-Year Plan. Moreover, by proper distribution of seeds, we are trying to grow as much of long staple cotton as possible, so that foreign exchange can be saved. However, the most important problem is to raise the yield per acre by intensive cultivation. The country cannot afford to spare any more land when there is so much scarcity of foodgrains, while it is also imperative to retain our traditional export markets, so that they might stand us in good stead whenever our surpluses reach a level burdensome to the country's overall economy.

We have as yet not reached a stage when we can do without our imports of foreign cotton altogether. These will undoubtedly be needed for some more years to come, at any rate, until such time that our country grows sufficient quantities of superior long staple cotton varieties. Following the exchange difficulties, a special payments agreement has been concluded by our Government with the Government of Egypt, whereby we are getting about 40,000 bales of

Egyptian cotton against payment in rupees. Thus, India's superfine spinners are assured of supplies of desirable qualities. Though prospects of entering into a similar payments arrangement with Sudan were explored, that has not borne any results. Following the recent visit of the Sudan Trade Delegation, moves were made, but, as Sudan is also meeting with exchange difficulties, the results were not favourable. However, an import quota of 3,000 bales of wider stapling—1-3/16" and above from soft currency areas, viz. Sudan, Egypt, Peru and East Africa has been announced over and above the quota earlier declared. Some imports of US cotton are arranged under aid programmes.

Imports of foreign cotton during the past four years were as follows:

	1956-57	1955-56	1954-55	1953-54
(In bales of 392 lbs net)				
Egyptian	56,374	219,273	123,964	279,381
East African	135,070	223,037	257,809	162,337
Sudan	67,621	132,798	66,713	31,435
Peru and others	4,996	8,139	5,382	19
American	343,451	14,783	75,911	(85,574)
Total	607,512	598,030	529,579	658,645

Exports of Indian cotton, including zoda and yellow pickings, during the past four years were as follows:

	1956-57	1955-56	1954-55	1953-54
Japan	180,540	340,000	135,000	73,000
Continent	23,620	108,000	77,000	30,000
United Kingdom	23,810	65,000	46,000	18,000
China and Hongkong	37,130	97,000	40,000	...
USA	2,700	4,000	18,000	12,000
Others	1,000	3,000	3,000	1,000
Total	248,800	612,000	319,000	134,000

The new season 1957-58, has started with a carryover of 1.73 million bales of Indian cotton and 0.29 million bales of foreign cotton.

The cotton market has passed through a chequered career during the year under review in view of the fact that the earlier optimistic forecast of the crop did not turn out to be correct on account of late rains and frosts. With the downward revision of the crop estimate, the market displayed a market firmness during the first quarter of the year. With a view to checking the price rise, stringent margins on futures contracts were imposed as from February 11, 1957, but this along with the powers given to the Textile Commissioner for requisitioning of cotton on March 29, 1957 and export curbs proved to be of no avail. As prices in spot showed a tendency to reach ceiling levels, various measures were taken by the Forward Markets Commission, but they proved ineffective.

After reviewing the working of the two contract system, which was an experimental measure in 1956-57, reverted to the single hedge contract covering practically all varieties of Indian cotton, with certain changes necessary. These have been introduced to make the present contract based on Muglai Jarilla 25/32" a more realistic one. Business in this contract was started on June 23 at Rs 690. After moving down to Rs 687.50 on June 27, prices firmed up to Rs 722 on July 3 to drop down to Rs 664 by the third week of September. The announcement by the Government on July 19 of their decision to allow imports of 50,000 bales of raw cotton stapling 1-1/16" from soft currency areas had a bearish effect. Moreover, reports of growing accumulation of stocks with mills and slackness in spot demand and fears of tightening up of credit restrictions and the increase in the UK Bank Rate from 5 per cent to 7 per cent and expect-

tations of tighter conditions in the money market adversely affected business sentiment. Prices recovered to Rs 681.50 per candy by September 30 on continued reports of lack of rains in the cotton growing areas and renewed hopes of an extra quota for export of Bengal

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Reserve Funds .. 1,28,00,000

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N. M. CHOKSHI, General Manager.
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deshi. During the month of October, the contract firmed up further to Rs 713.50 on October 31. Later on, the market once again turned easier on disappointing reports from the textile front, and with irregular movements, a new low of Rs 668.50 was recorded on December 9. Thereafter, the market once again rallied to Rs 685 on expectations that the integration of sales tax with excise duty and the reduction of excise duty of half an anna per square yard in medium counts up to March 31, 1958 might help clearance of goods. The market, however, relapsed to a new low of Rs 663.50 on December 19 to stage a modest recovery on short covering. In view of the heavy accumulation of stocks of mill made cloth, the textile industry is facing a difficult situation and, unless the stocks are

reduced, the position will continue to be disquieting.

There have been conflicting estimates about the probable output of the 1957-58 crop. Gujarat and Saurashtra crops have been adversely affected by the drought conditions while, on the other hand, crops in Mysore and Andhra States, which were last year a failure, have fared well. Hence, it is likely that the deficiency of the former may be made up to some extent by the better yield of the Southern crops. At the moment, the overall production estimate for 1957-58 varies from 4.8 million bales to 5.0 million bales.

The official first estimate for the 1956-57 crop was 4,723,000 bales with an acreage of 19,843,000 against the crop of 4,001,000 bales in 1955-56 with an acreage of 19,976,000.

Bullion

Higher Price Trends

PRICES of bullion at the year end have ruled higher as compared to a year ago. Whether one likes it or not, it is a fact that the Indian masses have still a fancy for the precious metals and, despite prohibition of imports and the overall need for raising resources for productive purposes, the country continues to absorb these metals on a very large scale. In this connection, it is significant to note that, during the past one year and a half, India has absorbed more than 35,000 bars of Tibetan silver. Gold production in the country is not adequate enough to meet the annual requirements and, in view of the high disparity in prices, smuggling activity continued to flourish. But, during the past five months, the activities of the international racket were effectively checked due to strict vigilance. During the year under review, following the foreign exchange crisis, measures for requisitioning gold and jewellery were discussed, but due to their impractical nature, nothing could materialise. There are inherent difficulties in the scheme as most of the gold bullion in the country is in the form of ornaments and hence it could be difficult to commandeer such stocks in small dribbles. Otherwise, these stocks would to some extent meet our needs of foreign exchange. As compared to the international price of gold around Rs 65, the market price is higher by about Rs 43 and hence the question of compensation regarding the price even in the form of Government bonds assumes several complications.

Operations on the bullion market during the year under review were mainly dominated by the prospects of imports of Tibetan silver coins from time to time as well as the demand position. On balance over the year, gold has gained about Rs 4 per tola while silver has closed with a gain of about Rs 9 per 100 tolas. The price range in gold during the year was confined to about Rs 8 per tola—the highest

being Rs 112.12 and lowest being Rs 103.84, while, in silver, the price range was about Rs 16, the highest level being Rs 190.75 and the lowest being Rs 174.44. The highest levels were recorded in the third week of May 1957, just after the Budget proposals, while the lowest levels were noted in the beginning of January.

During the season, there was good offtake both in silver and gold. It may be noted that, since imports of Tibetan silver coins were allowed from the month of May 1956 the country is estimated to have absorbed about 35,000 bars of silver. The imports of these coins still continue, but it is considered likely that, for the next two months, imports will be on a smaller scale on account of the cold season. It is difficult to visualise as to what would have been the price position of silver if these imports were not arranged by way of promotion of Indo-Tibet trade. An event during the year was the announcement on April 22, by the Union Government, of the decision to return Lend Lease silver to the United States of the 172 million ozs. 50 million ozs were to be shipped in the form of silver bars, and the balance in the form of quaternary coins. Some shipments have already been effected.

On 31st December 1956, spot gold stood at Rs 124.62 and silver at Rs 173.69. The market ruled very firm during January and the greater part of February. In silver, the emergence of firm trends during January and the first half of February was attributed to increased spot demand with the progress of the busy season, expectation of smaller inflow of Tibetan coins and the development in the Kashmir situation. In the gold section, the easy trend noticed during December persisted till about the first week of January owing to fears of a likely fall in the world price of gold due to Russian sales. Subsequently, however, the firmness in silver and

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ties in preventing the inflow of smuggled gold. During the month of September, price movements in both gold and silver were irregular. Except for occasional spells of recovery on the expectations of the pre-Puja demand and reports of seizure of large amounts of contraband gold, the gold section was generally inclined to be quietly steady but, with the approach of Diwali, there was a substantial broadening of spot demand. Silver prices also improved moderately and, during the past two months, movements have continued to be irregular. The customs authorities have been very vigilant and large quantities of smuggled gold have been seized during the past few months. Minor ports in Saurashtra have been closed to check smuggling activity.

There have been of late recurrent rumours that Government might not allow forward bullion markets to continue. It is now more than a year and a half that the forward markets commission took up the question, but nothing officially is known about the inquiry.

Monthly price range for spot gold and silver during 1957 was as follows:—

		High	Low
January	...	106.91	103.84
February	...	109.62	105.31
March	...	106.62	104.37
April	...	106.12	104.50
May	...	112.12	104.94
June	...	107.94	105.06
July	...	106.66	104.75
August	...	106.84	106.81
September	...	106.66	106.50
October	...	106.28	106.25
November	...	109.56	108.06
December	...	106.94	107.66

		High	Low
January	...	185.69	174.44
February	...	187.37	178.75
March	...	180.37	174.56
April	...	183.19	177.62
May	...	190.75	183.37
June	...	185.19	179.87
July	...	183.25	177.19
August	...	183.19	180.62
September	...	185.62	180.62
October	...	184.44	180.94
November	...	183.11	181.62
December	...	187.00	182.75

Oilseeds

Mixed Developments

THE year 1957 has been notable for record export of Castor Oil from India. This has amounted to approximately 42,000 tons as against 35,000 tons in 1956. Consumption of castor oil in the country is also expanding in view of the growing industrialisation. Though export figures are not available, estimates vary between 40,000 to 45,000 tons. During the year under review, though demand from US was relatively smaller, purchases by USSR and the Continent were larger. Thus, the carry-over from

the 1956-57 season is relatively smaller, while the crop during 1957-58 season is expected to be lower around 125,000 tons as against 135,000 tons in 1956-57 due to deficiency of rains during the latter part of the monsoon. However, it is significant to note that prices have been ruling easier in the face of small carry-over as well as smaller crop this year. This is mainly because of the somewhat obscure outlook with regard to export during the New Year.

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Brazil has remained an effective competitor in US market, while the present export duty of Rs 175 per ton on castor oil provides an handicap to the Indian shippers. The Government of India have extended the free export policy for castor oil up to the end of September 1958; but, as the duty has remained unchanged, this has, no doubt, provided the greatest hurdle for fresh export business. It is certain that the Government will have to reduce the duty sooner or later as part of the export promotion programme. Trade quarters are inclined to feel that, if it is reduced at the earliest, it would facilitate business. The producers are bound to be adversely affected if prices go down and they are likely to go down further if the export duty is not suitably amended in the light of the present set-up of international markets.

Keeping in view the interests of millions of domestic consumers, the Government of India have not allowed exports of either groundnuts or groundnut oil during the year. This was mainly because of the tighter supply position. Even during the new year, there are no prospects for giving permission of exports. It has already been made clear that the Government have no intention of giving any export quota of HPS groundnuts despite the urgency of earning foreign exchange. The groundnut crop in

1956-57 turned to be 21.5 lakh tons in terms of kernels as against earlier expectation of 24 lakhs. The Government's estimate of the crop, in terms of shells, which was placed at 40.8 lakh tons, was rather exaggerated. There had been very little carry-over in the new season, while the crop during the new season is unofficially estimated around 22 lakh tons. Consumption trend in the country has remained upward and there is more demand for vegetable product.

In view of the supply prospects, however, not being encouraging, the Forward Markets Commission has been obliged to impose heavy margins in case prices of groundnuts moved over Rs 165 per candy. This action has been mainly taken with a view to discourage speculative buying. The effect of this action will be evident so long as the crop movement is there, but it would be difficult to check the upward trend once the crop is marketed. Artificial measures cannot work for long. Credit curbs are already there. The abolition of export duty on groundnut oil cake and meals some time back had helped export trade in these items during the months of November and December 1957.

Linseed Oil exports, during the year, were just moderate. But, in view of the high prices of mustard and rapeseeds, consumption of linseed oil in the country had gone up. This has mainly sustained the prices. The export outlook, however, has recently improved in view of the smaller foreign crops this year as well as the relief in export

duty. The crop outlook for the new year is little less satisfactory.

The Castorseed crushing industry has been developing steadily in the country, though the pace of progress is rather slow. Export business is also looking up, while cottonseed oil is now being used in the manufacture of vegetable product to a certain degree. The outlook for this new industry appears to be bright in view of the large-scale production of cottonseeds.

The acreage and production of oilseeds in India during the past ten years, as estimated by the Government, were as follows:

	(Area in acres)	1956-57	1955-56
Groundnut	13,101,000	12,692,000	
Sesamum	5,433,000	5,653,000	
Rape & Mustard	6,211,000	6,317,000	
Linseed	3,758,000	3,781,000	
Castorseed	1,403,000	1,495,000	

	(Production in Tons)	1956-57	1955-56
Groundnut*	4,086,000	3,861,000	
Sesamum	451,000	457,000	
Rape & Mustard	1,017,000	848,000	
Linseed	349,000	414,000	
Castorseed	129,000	124,000	

* This is in term of shells.

The value of the oilseeds production in the country is estimated around Rs 350 crores. The average of the five major oilseed crops in India, during 1956-57, came to 29,706,000 as against 26,500,000 in 1950-51, while the aggregate production in 1956-57 was 6,032,000 tons as against 5,076,000 tons in 1950-51. The target to be achieved by the end of the Second Plan is 7.6 million tons. Looking to the rapid pace of the population growth at the rate of 5 millions annually, it is imperative that the production is stepped up. The Indian Central Oilseeds Committee, in conjunction with the Council of Scientific and Industrial Research, has been tackling the problem. A Joint Committee of these bodies, which has been recently constituted to promote research and development of vegetable oilseeds, oils and the allied products had its first meeting during the year. Much, however, remains to be done to increase the yield per acre of these oilseeds crops which cover about 9 per cent of the total area now under agriculture.

The Oilseeds market, during the year under review, pursued irregular movements. The upward tendency, which was in evidence during the months of November and December 1956, gathered further momentum during January 1957. Castorseed May 1957, which were quoting at Rs 138 during the beginning of November 1956, moved up to Rs 175.75 by the end of January 1957. Likewise, Groundnuts February 1957 delivery rose to Rs 173.50 from Rs 137. Linseed to Rs 31.89 from Rs 26.34 and Cottonseed May to Rs 109 from Rs 84. In view of the highly bullish trend of the market, the Board of the Bombay Oilseeds Exchange decided, on January 18, 1957, to levy a stiffer margin of Rs 15 per candy from January 22 on net outstanding position of purchases if the forward quantities of groundnuts and castorseed, at the close of any day, rose to Rs 165

per candy. This decision induced a bearish feeling and prices reacted sizably. In the third week of February, castor May came down to as low as Rs 150.25; groundnuts February to Rs 164 and May to Rs 158.75; cottonseeds May to Rs 95.25 and linseed May to Rs 27.19.

Prices, however, once again, turned higher on buying induced by smaller arrivals of groundnuts and active export demand in castor oil. By the third week of May, castor May delivery touched as high as Rs 195.75 and September Rs 200.25; groundnuts May Rs 179.50 and August delivery Rs 184.50, cottonseed May Rs 114.75 and September Rs 118.25, while linseed May delivery moved up to Rs 31.44 and September to Rs 32.44. By the time, castor oil, commercial quality, was quoted as high as Rs 21.44, groundnut oil Rs 20.75 and linseed oil Rs 16.12. Thereafter, a downward tendency set in and prices received modest setback.

The withdrawal of special margin of Rs 15 in groundnuts and castorseed, as from June 21, 1957 gave some lull to the market. But, in view of the reports of favourable monsoon and expectations of larger tenders, the tendency again turned bearish.

Trading in new crop hedge contracts was permitted as from 18th July. In the last week of August, castor September dropped down to Rs 154.37 and new crop May to Rs 138.25, groundnuts August to Rs 156 and February to Rs 138.37, linseed September to Rs 27.19 and May to Rs 27.81, cottonseed September to Rs 96.50 and February to Rs 87.50. Castor Oil, commercial, was then placed at Rs 17.62, groundnut oil at Rs 17.81 and linseed oil at Rs 14.62.

From the month of September, the trend again remained upward. Lack of rains in some of the producing areas induced once again a bullish feeling and, with heavy covering movement, prices once again hardened. Castor September expired at Rs 175.50, linseed September at Rs 28.87 and cottonseeds at Rs 111. Castor May delivery moved up to Rs 161; groundnuts February to Rs 160.75; linseed to Rs 30.37 and cottonseeds February to Rs 105.

The Chairman of the Forward Markets Commission issued a warning, on October 12, against the rising trend of groundnuts prices. But, this had very little effect on account of the abolition of export duty of Rs 230 per ton on groundnut oilcake and Rs 200 per ton each on nigerseed oil and kardsseed oil from 26th October. During October, groundnut February fluctuated between Rs 155 to Rs 162.62 and castorseed between Rs 150.50 to Rs 159.75 before closing at Rs 162.62 and Rs 157 on 31st October.

During the first half of November, the market ruled steadier and, since then, the tendency has remained somewhat downward on discouraging export prospects of castor oil and special margin on groundnut futures from 14th November, 1957. Castorseed May came down to Rs 139.50 and groundnuts to Rs 156 before quoting at Rs 141.50 and Rs 158.50 respectively at the year-end. Linseed May, which had gone up to

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Marketing Society. Thanks to reports that the Government was in a position to meet the food situation, prices developed a reactionary trend towards the closing months of the year.

In the Coarse grains section, price trends were rather irregular. During the first quarter of the year, there was an easier tendency in prices as prospects of the coming crops were considered to be bright, especially in Uttar Pradesh and the Punjab. The market, however, ruled better during the second quarter, thanks to brisk buying from Assam and Bihar and the heavy purchases of gram made by the Uttar Pradesh Government. But, the Government order, issued in July that stockists might be required to sell stocks at the average price for the last three months, had a dampening effect on the market. Harvesting of the maize crop, arrivals of the new crop, better stock position and the bright prospects for Urad and Moong crops—all these factors caused a general fall in prices during the remaining months of the year.

Pulses moved in sympathy with the general trend of other foodgrains. The fall in prices in this section was more pronounced from October onward when the new crop began to arrive in the market.

Heavy stocks in the face of slack outside buying enquiry also accounted for a sagging tendency in prices towards the close of the year.

A redeeming feature of trading, during the year, was that the year 1957 closed with a balance of about 2 lakh tons of rice. This means that, while imports in 1958 will be only 5 lakhs tons against 7 lakhs tons in 1957, it will still be possible to maintain distribution of this commodity on the same scale as in 1957.

So far as Wheat is concerned, the entire quantity from the USA is reported to have arrived, except for about 4.6 lakh tons, which is expected in the first few months of 1958.

The position regarding imports in 1958 is roughly as follows:—Balance under P. L. 480 from the USA (450 to 500 thousand tons); aid under Colombo Plan from Canada (about 110,000 tons), and normal marketing imports as required by P. L. 480 agreement (400,000 tons).

The following table shows the trends of foodgrains prices (per maund), that prevailed in the Hapur market during the year:—

Wheat:	Year Opening Rs nP	Highest Rs nP	Lowest Rs nP	Year Closing Rs nP
Average quality	14.37	17.00	14.25	15.87
Farm quality	16.00	18.25	15.00	17.37
Rice	22.00	31.00	22.00	29.00
Gram	12.50	14.37	11.12	11.37
Barley	13.00	14.12	9.50	9.75
Maize	12.37	14.12	11.62	11.62
Bajra	18.00	14.25	12.19	12.81
Jowar	12.50	15.25	8.50	11.00
Arhar	12.87	13.25	10.12	10.12
Urad	17.50	22.00	15.50	15.50
Moong	15.75	18.00	15.00	15.75
Masoor	18.75	18.75	13.00	15.00

Gateway

Needed: A Message of Hope

THE New Year has been ushered in in the Gateway City by the usual exchange of good wishes among the commercial circles. At least for this year, such exchanges have more than the traditional ceremonial value, and have a depth of feeling that proceeds from the bitter experience of the last year in which they have all shared.

The investment market throughout the last year had displayed anaemic symptoms, its vitality having been sapped by the fiscal blows dealt by new taxes. The stock market has been particularly hit hard by the series of tax measures such as wealth and expenditure taxes increase in corporation tax and super tax, increase in bonus tax and excise and import duties on several items, introduction of changes in the income tax structure, etc. The index number of security prices bears ample testimony to the crisis into which the stock market has been precipitated by the fiscal adventures of the Government. The index number for Government securities dropped from 90.7 on

September 1, 1956 to 89.1 on December 7, 1957. Industrial debentures dropped from 100.3 on September 1, 1956 to 97.7 on December 7, 1957. Variable dividend industrial fell from 128.6 to 98.1.

On top of such fiscal measures, the monetary policy of the Government also had adverse repercussions on the state of the investment market. The bearish tendency induced by the dear money policy is yet to wear away. The Government have so far done nothing to mitigate the severity of the effects. The faint signs of support from the Life Insurance Corporation, which were in evidence for some time during the year, have now receded with the withdrawal of its investment activities.

The gilded market has also been feeling the pinch and it had remained throughout depressed. Almost all kinds of shares have lost some ground. Tata steel shares and Indian Iron have been severely mauled, the reason for the latter being the refusal of the

THE CENTRAL BANK OF INDIA LIMITED

(Incorporated in India, Liability of Members is Limited)
(Established—December, 1911).

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

AUTHORISED CAPITAL	Rs. 6,30,00,000
SUBSCRIBED CAPITAL	5,76,66,125
PAID-UP CAPITAL	3,14,54,250
RESERVE FUND & OTHER RESERVES	4,02,77,122
DEPOSITS AS AT 31-12-56	1,39,01,90,571

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Government to allow Indian Iron and Steel company to pay dividend in excess of Re 1, as well as the premium imposed on the new right issue. Cement shares have suffered heavily on account of the higher cost of production.

On the bullion front, the prices at the end of the year have ruled higher as compared to the previous year. The foreign exchange difficulties have underlined the necessity for gearing the legal machinery to the problem of preventing the smuggling of bullion in and out of the country. A sense of urgency has also been imparted to the question of requisitioning the gold and silver ornaments in which the savings of the people are locked up and which are a drain on the foreign exchange resources of the country. Imports of silver from Tibet were countenanced with a view to promoting the economic contacts with that area. Over the year, gold has gained about Rs 4 per tola while silver had gained about Rs 8 per 100 tolas. The price in January 1957 for gold was Rs 103.84 per tola while at the end of the year it has reached Rs 107.66 per tola. Similarly, for silver, the price in January was Rs 174.44 per 100 tolas while, at the end of the year, it had touched a high of Rs 182.44 per 100 tolas. The severe curb put on smuggling activities by a vigilant administration partly enabled the two to record higher prices. The important events to produce their impact on the prices of bullion through the year were the inflow of Tibetan silver, shipments to the USA of large quanti-

ties of silver being the return of Lend Lease silver, the uncertain situation in regard to Kashmir, etc. The price range in regard to gold was confined to Rs 8 per tola while, in regard to silver it was Rs 16. While, in the latter part of the year, the prices of the two moved in unison, in the earlier part, the trend in the prices of silver was marked by greater disturbance.

Equally embarrassing as the condition of the investment market is that of the cotton textile industry, which is largely concentrated around the Gateway City. The year witnessed a crisis the remotest symptoms of which were not visible at the outset of the year. The crisis came as a multiplier effect to the increase in the excise duty on cloth announced by the Union Finance Minister in September 1956. The blow was too severe for the marginal units, which ultimately succumbed to it. The trail of suffering it had left in the shape of unemployment among the mill workers has been aggravated by the increase in the cost of living which has followed a failure of food crops in almost all parts of the country. The production of cloth by the mills, which had reached a record level in 1956, is also expected to register a fall. The impact on the price levels that this had produced had naturally had a depressing effect on the stocks with the traders and no signs of relief from the present overstocked position are as yet discernible. In this circumstance, how the authorities expect to increase the consumption of cloth from the present level of 16.5 yards a year to 18.5 yards at the end of the Second Plan is not clear. Cloth consumption has not shown any encouraging signs during the last year. The authorities do not seem to realise that such heavy taxation might also tell upon the

total proceeds to the exchequer. It has been estimated in this connection that the increase in excise duty, which is expected to fetch in an additional revenue of Rs 31 crores, would, in view of the heavy imports it had made into the profits of the industry, result in a loss of revenue from the taxes on the profits by at least 50 per cent. Though the excise duty on medium varieties has been reduced by half an anna, it is not a permanent concession and is only meant to help clear the excess stocks. The prospects before the industry are still uncertain.

The position in regard to cotton in the country is also far from

bright and offers no hope of relief to the textile industry. A reported crop failure has stressed the necessity to import greater quantities of cotton, if the mills in the country are not to remain idle. Prospects of a reduction in the price of cloth to the consumer as indicated by lower prices of cotton have been belied by the fall in the production of cotton.

The investment atmosphere is still overcast with clouds of uncertainty about the future. At the dawn of the New Year, they are busy scanning the political horizon for a ray of light. A crisis of confidence is what they are faced with. A message of hope is what they need.

Olympian

Gramdan and Community Development

CEASELESS preoccupation with sensational newsmongering has perhaps dulled the edge of perception of professional newsgatherers. Otherwise, it is difficult to understand the scant publicity given to an important recent series of discussions in New Delhi between representatives of Government and of Sarva Seva Sangh. Much detailed thinking preceded this far-reaching conclusions affecting the future of the community development projects have been reached. These conclusions and the philosophy behind the urges that inform these conclusions need the closest attention.

Briefly put, there has been a growing recognition of the fact that there are areas in which the sponsors of the idea of Gramdan and the practitioners of the community development experiment can work together, much to the benefit of all. Even higher claims about the identity in the inspiration of the two movements have been made, but such claims are of doubtful validity. The idea behind community development, sponsored and partly financed by Government and carried out under official auspices, has a far more restricted inspiration than that which informs Acharya Vinobha Bhave's integrated movement that finds the springs of social action in non-attached service to one's fellowmen. But it cannot be denied that the best practical results from the altruistic and co-operative impulses behind the Gramdan can be obtained by first co-ordinating and later integrating the agencies of Gramdan movement and the community projects administration.

The recognition of this fact led to the now famous conference at Yalwal in Mysore last September. In many respects, it was an unusual and even unique affair. Practically all shades of opinion were represented at the conference. There were the representatives of the Sarvodaya ideals, and Acharya

Vinobha himself was present. (Indeed, the conference was arranged in Mysore to suit the Acharya's convenience). The representatives of Government were no less than the President and the Prime Minister. Other political parties were also represented, including most interestingly, the Communist party. As a result of the conference, it was decided that there were significant and strategic points at which the two agencies of social action could be integrated and, since that memorable conference, discussion has been going on between community projects administration and representatives of the Sarvodaya ideals. Jayaprakash Narain and Mr S. K. Dey, Minister for Community Development, have been in correspondence with each other exchanging views on the subject. This correspondence culminated in a meeting between them in November last and it was then agreed that there was need for a fuller mutual understanding of the philosophy, objectives and methods of the two movements. An informal meeting was, therefore, arranged in New Delhi recently between representatives of the Sarva Seva Sangh and of the Ministry of Community Development. In addition to the Minister and officials of the Central Ministry of Community Development, many State development commissioners were present at the discussion. On behalf of the Sarva Seva Sangh, Jayaprakash Narain, Sri Dharendra Majumdar, Nabkrushna Chaudury, and other well known Sarvodaya workers took part in the discussion. As a result of discussion, a draft paper indicating the procedure for co-ordinating the efforts of the two agencies of rural reconstruction was prepared. This paper was considered at a meeting presided over by the Prime Minister. At this meeting, besides those mentioned, the Prime Minister and Mr Gulzarilal Nanda and Sir V. T. Krishnamachari (representing presumably the Planning Commission) were present.

January 4, 1958]

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of increased food production, it goes without saying, will also be met by the use of farm machinery suitable for a fairly large holding.

Apart from agricultural production, the Gramdan village offers other opportunities for co-operative endeavour. Once the common destiny of the village is realised, then the organising of village industries and subsidiary occupations becomes simpler. A multi-purpose and multi-lateral co-operative becomes a feasible idea. Co-operative marketing, co-operative provision of raw materials and even consumer co-operatives, becomes possible. But here, again, the possibilities of success depend upon the ability of the community projects officials to provide the necessary larger institutional servicing, and the smooth and expeditious flow of the kind of assistance that the villager needs most. Here, the personality of the man on the spot will count for a great deal, but even the most enterprising local idealism can be frustrated by a lack of timely help from Government.

Among other matters that came up for discussion at the meeting referred to earlier was the quality of workers to be assigned to Gramdan villages and the precise shape of the organisation that should be entrusted with their management. It was decided that carefully selected officers of the community development administration should be given special orientation for their tasks. The Gramdan village administrative set up is generally to be an extended organisation of the present community project agency. This will be assisted by Sarvodaya workers. In certain selected areas, the opposite experiment is to be tried. This means that the principal task of development will be left to Sarvodaya workers with the extension agency providing whatever assistance they need. This is an interesting experiment which is sure to throw up a number of useful pointers. For one thing, the robustness of the villagers' faith in themselves will be tested by the comparative success or unsuccess of the villages in which the primary agency of development is unofficial. On the other hand, the official agency will be put on its mettle and will have to demonstrate that the dead hand of bureaucracy does not blast its efforts. There may be a kind of friendly rivalry between two agencies.

The second virtue of the Gramdan movement is that it offers opportunities for the greatest progressiveness in agricultural practices and production. In fact, one of its greatest practical values is its reversal of one of the inevitable but undesirable effects of present ideas of land reforms. The slogans of "land for the tiller" and a "ceiling for landholding" (which ceiling is at a comparatively low height) make for fragmentation and microscopic holdings. This result of land reform movement aggravates what has historically been one of the banes of Indian agriculture—uneconomic holdings. The crippling effect of this state of affairs on any effort at increasing production is so notorious that it need not be discussed in detail here. Now, the Gramdan villages are progressive not only because of the generosity and sense of social responsibility displayed by its inhabitants: it is progressive also because of their realisation of the economic advantages of comparatively large holdings. By abolishing the frontiers of petty holdings, the Gramdan village makes possible experiments in communal farming. From the experience gained from such experiments, it should be possible to evolve a suitable policy for the rest of the country. The more immediate need

such should be the sole concern of Gramdan workers, and their primary task. The project staff will at best assist them in the matter of distribution and allotment of lands obtained under bio-dan and gram-dan.

It was also agreed that certain pilot schemes along the lines indicated will have to be undertaken. The emphasis, it was agreed, should be for special assistance to backward families. While not wishing to minimise the importance of such assistance, I would like to offer a suggestion. Besides pilot schemes of this sort, it is necessary to have pilot schemes for comparatively advanced Gramdan villages. The idea is to have one model village where the ideas of community development and harmonious co-operative rural endeavour are worked out with spectacular success. Such a success will be a source of inspiration for the rest of the country. In choosing a village for this purpose, it is necessary to take into account the comparative progressiveness in outlook and agricultural and allied rural practices of the villagers in question. It may even

be an advantage to have natural aids to quick results. Cynics may say that this is to do things the easy way. But the idea of co-operative living requires a degree of sophistication in the art of living together that is hardly suspected by the mere enthusiasts. Compared to the demands such living makes, the seeming complexities of a straightforward city life are nothing. So, it is necessary not to mix ideas of amelioration of the backward sections of the people with an experiment in co-operative living, which is something that even the comparatively forward sections of our people have not yet achieved. Gramdan, let it be clearly understood, symbolises the highest degree of social and communal responsibility that the world has seen. Therefore, it deserves the most resounding success. That is why I suggest that we should not scorn such adventitious aids to its success as we may find.

Peninsular

Ring out the Old, Ring in the New

AS the New Year sets in, the first task that compels attention is a retrospect of the year that has just faded out. For, the message of the New Year can be gleaned only from the events of the past. Though the old year has been filled with so many developments which, in their cumulative effect on the fortunes and prospects of the Peninsular area, have a timeless significance, it would be essaying the impossible

to recount them all one by one. Therefore, I shall attempt to pick out the most important of them for purposes of a detailed analysis here.

Certainly the most outstanding event has been the installation of the Communist Government in Kerala. Perhaps no other event in recent memory has been greeted with the fanfare of publicity that has attended the ushering of the

S. E. RLY TENDERS

Sealed tenders are invited for discharge of Pig Iron, Rails and any other steel or other materials from chartered vessels arriving at Vizagapatam Port on Railway Account. Tenders will be opened at 12 noon on 28-1-58 in the office of the General Manager.

Tender forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23, on remittance of Rs 5/- (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, S.E.Rly., Garden Reach by local firms.

Tender forms should accompany the receipt for earnest money of Rs 1000/- from the Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs 1000/- with the Controller of Stores are exempted.

S105 GENERAL MANAGER

S. E. RLY TENDERS

Sealed tender is invited for supply of the following materials:—

Tender No. CON/GM/44/P/394/GB10/57-58 for supply of 750 Nos. Tarpaulins Khaki 15'x15' (made from W.P. Cotton Canvas) with Brass eyelets 5' apart with 5'x1/4" dia. Tender will be opened at 12 noon on 28-1-58.

Tender forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23, on remittance of Rs 5/- (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, S.E.Rly., Garden Reach by local firms.

Tender forms should accompany the receipt for earnest money of Rs 1000/- from the Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs 1000/- with the Controller of Stores are exempted.

S108 GENERAL MANAGER

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communist Ministry or has produced a greater impact on political speculation. For, this is the first time that a totalitarian creed has been put into power by democratic means. Naturally, to many, the event is pregnant with a new meaning that has not been discernible in the practices and professions of international communism.

The internal reaction to it, in its extremes, has been a mixture of hopes and fears. The many partisans in communist faith and ideology have seen in it the first ray of the dawn of the millennium, while the political sceptics have seen in it the first signs of the democratic twilight in India. But to the politically detached and the ideological moderates, it is a development to be watched with interest. This interest was reinforced by the promises of the victorious communist spokesmen that they would confine themselves to the operational grounds, as marked out by the Constitution of the country.

Now, after six months of communist rule in the State, nothing much has happened to deaden the new interest. Some of the political acts of the new government have a distinct propagandist ring about them. The reduction of the State Ministers' salary to about Rs 500 per mensem was meant to serve as an emotional sop to the economically stricken conscience of the people of the State. Similarly, the communist ideology has been, temporarily at least, trimmed to suit the democratic frame work of the country. A sense of moderation that is strikingly alien to communist con-

S. E. RLY TENDERS

Sealed tenders are invited for supply of the following materials:—

Tender No. CON/GM/45/EB2/57-58 for supply of 6000 Nos. Lock spring (E.P. Lock) for wagons as per E.I.R. Sketch No. 50604/171.217 Item H. I.R.S. Spec. M-10 (Current) and 12000 Nos. cotters universal (E.P. Lock) for wagons as per E.I.R. Sketch No. 3/28. Tenders will be opened at 12 noon on 28-1-58.

*Tender forms are available from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23, at Rs 5/- (not refundable) per copy to be paid by Money Order to him direct in the case of outside firms and on production of cash receipt from this Railway's Chief Cashier, by local firms.

Tender forms should accompany the receipt for earnest money of Rs 1000/- from the Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs 1000/- with the Controller of Stores are exempted.

S103 GENERAL MANAGER

cepts and practices is also discernible in some of the programmes of the Government. Again, some of the policies of the Government do not chime in with the notes that came from the communist election drum. The nationalisation of foreign plantations, which was one of the first items in the election manifesto of the party, has been, so far, kept in cold storage. Similarly, the Bhoodan movement started by Acharya Vinobha Bhave, to which the communists have all along been vehemently opposed, has now evoked at least the loyalty of their lips. When one views all these together with those of the neighbouring congress governments, one is apt to become politically colour blind.

But one need not rub one's eyes to see the real colours that have been betrayed by the communist Government in some of their other political acts. The new role that has been allotted to the police force of the State in dealing with popular movements has led many to doubt the genuineness of the alleged communist offer to private enterprise to start new industries in the State. It is the authentic voice of communism which speaks through the instructions issued to the State police not to interfere in any case unless in the event of actual loss of life or property. Similarly the Education Bill that has been passed by the State Assembly and which is awaiting presidential sanction has been the object of the opposition's attack. A bill which authorises the State Government to take over privately managed schools on the ground of mismanagement is capable of the widest abuse. Though the communists might point to the similarity of the present bill with that of the one earlier attempted by the previous congress ministry, it is the totalitarian character of the bill which matches perfectly with the totalitarianism of the communist creed that makes many wonder whether this is the thin end of the communist wedge. By passing these two measures, the State Government have injected an element of tension and militancy into the political atmosphere of the State.

If one were to judge by the actual events that have been recounted here, one would be perfectly confounded by what are really contradictory symptoms. Of course, they have not succeeded in any tangible measure in alleviating the economic discontent in the State and have only added to the political speculation in the country. Negatively, the communist success in the elections has caused quite a flutter among the congress circles and the behaviour of the opposition in the State has betrayed a fear complex, which is hardly conducive to stability of political life in the State. They have elicited approval from the highest dignitaries of the State including the President and the Prime Minister, for having displayed a democratic temper in their approach to the problems which were viewed in an ideological light in the manifesto issued on the eve

of elections. Whether democracy would be kept as only a convenient facade behind which to erect the communist pantheon is something about which it is hazardous to make

UPPER JUMNA VALLEY
ELECTRICITY SUPPLY CO., LTD.

NOTICE

Notice is hereby given that the Annual General Meeting (being the Fifty-fourth Ordinary General Meeting) of the Company will be held at the Registered Office, No. 12, Mission Row, Calcutta, on Wednesday, the 29th January, 1958, at 11-0 a.m. for the following purposes:—

1. To receive and adopt the audited Accounts for the year ended 31st March, 1957, and the Reports of the Directors and the Auditors thereon.

2. To declare a Dividend.

3. To appoint Directors in place of those retiring.

4. To appoint Auditors and fix their remuneration.

5. As special business to consider and, if thought fit, to pass, with or without modification, the following Resolutions which will be proposed as Special Resolutions:—

(a) That the requirements of Articles 82, 83, 87, 121, 176, 180 and 181 of the Articles of Association of the Company be not complied with in respect of the half-year ended the 30th September, 1957.

(b) That the Articles of Association of the Company be altered in manner following:—

(i) Articles 82 and 83 shall be deleted and the following new Articles substituted therefor:

"82. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956 and, subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Directors".

"83. The General Meetings referred to in the last preceding Article shall be called Annual General Meetings; all other meetings of the Company shall be called Extraordinary General Meetings".

(ii) Article 87 shall be deleted and the following new Article substituted therefor:

"87. The business of an Annual General Meeting shall be to receive, consider and adopt the Profit and Loss Account,

the Balance Sheet and the Reports of the Directors and of the Auditors, and to elect Directors in the place of those retiring, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special".

(iii) In Article 121, line 1, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor.

(iv) Article 176 shall be deleted and the following new Article substituted therefor:

"176. At every Annual General Meeting the Directors shall lay before the Company a Profit & Loss Account made up to and a Balance Sheet as at the 31st day of March immediately preceding the date of the meeting and such Profit & Loss Account and Balance Sheet shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the Companies Act, 1956, so far as they are applicable to the Company".

(v) In Article 180, line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.

(vi) In Article 181, lines 1, 2 and 3, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" wherever appearing shall be deleted and the words "Annual General" substituted therefor.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 23rd January, 1958, to the 29th January, 1958, both days inclusive.

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

By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,

Director,
Managing Agents,
12, Mission Row,
Calcutta-1.
The 3rd January, 1958.

a pronouncement. Only one thing is clear: the constitutional die is heavily loaded against a violent break with the democratic tradition.

From communism to communalism is a far cry. But the placid political waters of the neighbouring State of Madras were disturbed by a mild communal storm that blew over the State for some time in the recent past. But for the suddenness with which it came over the State, causing quite a stir in the minds of the people of the State, it would not have claimed any attention.

If this is ignored, the other outstanding event is the opening of the lignite mines in the South Arcot district of the Madras State. This has filled up a vital gap in the industrial resources not alone of the Madras State but also of the Peninsular region as a whole. The one single factor that has held up the industrial march of the South has been the lack of sufficient deposits of coal in the region. The opening of the lignite mines now

should provide the nucleus around which a net work of industries can grow. The cost of industrial development, which would have been prohibitive if the region were to depend on the supplies of coal from the deposits of Bengal and Bihar, is also rendered light. Further, the region is also rich in mineral resources such as mica, manganese and bauxite ores. Thus, while the discovery and opening of the mines should easily enable the Peninsular region to catch up with the North in industrial stature, how soon this is done would depend on the enterprise shown by the industrialists of the State and the attitude of the Government. The opening of the mines has had one wholesome benefit: it had removed the popular feelings of discrimination against the south in the matter of economic development, which has been nourished and fed by interested political parties in the State. The old year has set a splendid seal on the future of the State. The vista that the New Year opens is certainly alluring.

Business

A Bird's Eye View of Business
Conditions in 1957

THE year 1957 is, in popular estimation, regarded as inflationary in India. The All India Consumer Price Index (Working Class) calculated with 1949 as the base year, has been fluctuating between 107 and 110 till the end of May against the 1956-57 average of 107. Since then, it has risen up to 113 in August; subsequently there was a decline. Regional variations have been sharper.

But on the whole, in comparison with 1956, the rise has not been so disturbing as the public impression goes. In September, the index stood at 112, against an average of 109 for the last four months of 1956. The Index Numbers of Wholesale Prices (Revised Series—1952-53 Base Year) show that over the year, 'food articles' registered a decline from 105.1 for the week ended December 15, 1956 to 104.3 for the week ended December 14, 1957.

While Cereals were keeping a range of 101 to 105 between April and October 1957, as against 103 to 104 in September-October 1956, 'Fruits and Vegetables' were definitely on a downward trend barring a bulge in June, July and August, 1957; 'Fish, Eggs and Meat' registered considerably lower levels as compared to the last quarter of 1956, and in October, the index was one point below that of the corresponding month in the previous year. Compared to the closing months of 1956, Pulses also have not recorded any marked difference. Edible oils have been almost consistently keeping a lower level than what obtained in November and December 1956, nor does the residual group classified as 'Others' show any radically higher trend.

These figures, read side by side with the Consumer Price Index figures support the view that the real mischief, wherever, it lies, in the area of transactions between the wholesale and retail deals. There is, of course, the criticism that the compilation of the Index Numbers leaves a great deal to be desired.

Turning to the Wholesale Price Index again, it will be seen that the sharpest increases over the year have occurred for 'Liquor and Tobacco'; this item has gone up from 87.4 in the week-ended December 1956 to 98.1 in the week ended December 14, 1957. 'Fuel, Light, Power and Lubricants' show an increase from 106.7 to 115.0 between the two weeks; 'Industrial Raw Materials' have actually come down from 120.0 to 115.5 and Manufacturers' show a comparatively slight fall from 108.8 and 107.6.

INDEX NUMBERS OF WHOLESALE PRICES.

	Dec. 15 1956.	Dec. 14 1957.
Food Articles	105.1	104.3
Liquor and Tobacco	87.4	98.1
Fuel, Power, Light and Lubricants	106.7	115.0
Industrial Raw Materials	120.0	115.5
Manufactures	108.8	107.6
A. Intermediate Products	114.0	105.9
B. Finished Products	107.9	107.9
All Commodities	108.2	107.2

It is noteworthy that while intermediate products recorded a fairly steep decline from 114.0 to 105.9, finished products stood where they were at 107.9; the latter two sets of figures might provide a clue to the comparative trends of profits between the processing industries and manufacturers of finished

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products. It is also noteworthy that for all commodities together, the Index Number registered a decline of 1 point from 108.2 in the week ended December 1956 to 107.2 in the week ended December 14, 1957.

If the monthly fluctuations are kept out of account, it would scarcely be maintained on the basis of these figures that it was on the whole an inflationary year for India. That the working classes fared worse than others, has to be conceded, surely an important national problem which was also reflected in the innumerable demands for increase in pay and to some extent in the number of industrial disputes in the country.

INDUSTRIAL DISPUTES.
(Monthly Average or Actuals).

	No. of stop-pages.	Workers Involved (Nos.)	Man-days Lost (Nos.)
1951	89	57,610	318,244
1952	80	67,437	278,080
1953	64	39,717	281,884
1954	70	39,762	281,063
1955	97	43,981	474,821
1956	103	61,181	594,700
January 1957	154	126,995	395,419
February	134	100,198	262,209
March	114	40,811	282,791
April	166	60,356	406,470
May	164	64,877	446,640
June	147	95,672	712,713
July	178	83,727	723,854
August	145	83,502	556,699

Total foodgrains production in 1956-57 was of the order of 69,788,000 metric tons against 66,335,000 metric tons in 1955-56. The production of both rice and wheat was considerably higher. Rice output amounted to 28,594,000 metric tons against

INDICES OF SELECTED MANUFACTURING OUTPUT.
(1951=100).

	1954.	1955.	1956.	January.	May.	August.
Coal	107.2	111.4	114.9	124.4	130.1	115.8
Iron Ore	107.8	116.7	116.1	120.7	135.0	111.5
Sugar	97.4	143.0	175.1	195.6	692.7	423.8
Cloth	109.5	109.2	115.2	118.2	106.7	101.9
Jute	107.3	118.9	127.3	123.8	121.1	112.7
Chemicals	141.1	159.0	171.1	179.6	175.2	172.9
Basic Metals	114.4	112.6	117.1	123.0	116.6	116.5
Automobiles	64.9	103.7	144.3	159.2	121.6	120.1
Bicycles	325.8	429.8	581.0	636.3	707.1	673.8

*Adjusted for seasonal fluctuations.

PRODUCTION OF ELECTRICAL ENERGY
(Energy in millions of Kilowatt hours).

Year/Month	No. of Concerns Generated
1952-53	614
1955-56	715
1956-57	769
1956-July	724
1957-July	809

An increasingly rigorous policy of import control larger expenditure involved in the Plan Projects and several export promotion measures combined to provide the stimulus for domestic industrial production. For a number of manufactured items there is scarcely any import permitted after June 1957. Plant and machinery and industrial raw materials are now receiving overwhelming importance in import policy.

The setting up of a Directorate of Export Promotion, the liberalisation of rebates and adjustments of customs duties effected during the year have given Indian manufac-

27,277,000 metric tons and wheat output amounted to 9,214,000 metric tons against 8,707,000 metric tons. In spite of these rich harvests, acute shortages were felt in a few States and some emergency measures had to be taken. The problem, however, did not assume national dimensions.

That in spite of peak levels of production in rice and wheat maize ragi and pulses, local food shortages did occur will have to be accounted for by two reasons—defective distributive machinery and the growth of population which neutralised the increase in food output. The latter is a problem by no means confined to India. It is somewhat comforting to note that in 1956-57, world agricultural production has again increased at a little over 1 per cent faster than the growth of world population.

In cotton, jute and mesta too, the 1956-57 output was higher than that of the previous year. Against 4,001,000 bales in 1955-56, cotton output was 4,723,000 bales in 1956-57; in jute, against 4,197,000 bales, it was 4,221,000 bales; in mesta, against 1,159,000 bales it was 1,474,000 bales; production of oil seeds increased from 5,705,000 tons to 6,032,000 tons.

Industrial production for the first nine months of the year was also at a higher level, the average general index standing at 148.3 against 144.3 for the corresponding period in 1956. The table below gives a rough indication of the trend.

turers the opportunity to look for bigger markets abroad and to function on a more confident outlook in respect of the domestic market as well. The consequences of the above mentioned steps would be fully realised only in due course. The beginnings are already in evidence in the accelerated tempo of production, particularly in industrial consumer goods.

In this respect, the prospect for the Indian economy might be said to differ materially from what many experts foresee for some of the leading economies of the West. In both UK and US, significant declines in industrial production have been noticed in the last few months of 1957 and these declines are interpreted as the commencement of a trend which would become characteristic of the next year. In Britain, intensified credit restrictions and limited investment programmes have been a conspicuous feature and doubts are entertained as to how far these would help in imparting

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to the economy stability at the proper level. A section of economic opinion does feel that there might be a further decline in activity though the word slump is cautiously kept out; in Britain's case, there seems to be little ground for using it either. In the US: on the contrary, the past year for the most part, was by any token as good a boom year as 1956; but towards the end, industrial production dipped to such an extent as to deserve the description of 'planned recession'. Leading manufacturers like Ford and Chrysler either suspended work for a number of days together or laid off a considerable proportion of the employees. Unemployment in 1957 in US reached 2.5 million. In terms of capacity, US industry is admittedly in a position to proceed ahead to new peaks of production. Restraint has come in the shape of lower domestic demand. Opinions do differ as to what would happen in 1958, but more businessmen and economists seem to think that at least during the second half of 1958 demand and output would recede. Whatever be the future turn awaiting the US economy, just now all that can be said with assurance is that there is a wide-spread sense of having produced more than could be digested

An Eventful Year for the British Economy

By JOHN KINGSLEY

NINETEEN fiftyseven has been an eventful year for the British economy. In the first months, although the exchange difficulties caused by the Suez Canal crisis had almost passed, the economic bill had still to be paid. The canal was blocked and the Iraq oil pipeline was cut. Oil had to be imported extensively from the United States, and industry's supplies had to be restricted. Shipping had to adjust itself to the new conditions; freight rates and raw-material prices had risen sharply. The outlook for the balance-of-payments position seemed gloomy.

In fact, the payments balance weathered the crisis remarkably well, and on the home front production was scarcely affected, thanks to the tremendous organizational effort made both by the oil companies and by industry as a whole. The balance of payments well exceeded expectations, with a current-account surplus of £125,000,000 for the first half of the year.

Exports ran, over the year, at well above the 1956 level, rising in November to approximately £287,000,000 the trade figures for that month being the best for seven years. Exports over the first 11 months also did very well in important North American markets, running at eight per cent more in value than in 1956

and the falling levels of production in the last quarter of 1957 might be more than temporary.

In India, there is hardly any room for doubts or misgivings of this kind. Within the framework of the Second Plan, which in spite of some adjustments here and there, is scheduled to be implemented in full, both agricultural and industrial production will have to seek new higher levels and the year 1958, which is now being described as a hump year from the standpoint of expenditure, is also bound to record increased levels of output allround. Here we have no problem of a satiated or whimsical domestic demand. On the contrary, the domestic demand is still hungry, for basic goods and services. On the agricultural side, extensive failure of rains might indicate some disappointment. That these would not affect all commodities is already evident from the crop estimates available for a few and given in the following table:

ALL-INDIA CROP ESTIMATES, (Area in 1000 acres).				
	1956-57	1957-58		
	Adjusted first estimates	First estimates	Difference	
Groundnut	9,044	9,895	+851	
Sesamum	3,854	3,669	-185	
Cotton	14,559	14,616	+ 57	
Jute	1,634	1,473	+161	
Mesta	194	225	+ 31	

There is every reason to look forward hopefully to the new year.

of exchange between sterling and other currencies, and this in turn led to speculative capital movements on a large scale.

The Federal Republic of Germany's persistent surplus had grown by the summer to a point where it seemed likely to strain the machinery of the European Payments Union. The story spread that the Deutsche Mark would be revalued, and that this revaluation would involve a general overhaul of the European exchange-rate structure.

There began a massive international movement of short-term capital out of other currencies into D-Marks and dollars. France was the first to be affected, and revaluation of the franc increased the general fear that there might be a currency reshuffle at the September meeting of the International Monetary Fund in Washington. All this had an inevitable effect on sterling, and the gold reserve fell heavily in August and in the first half of September.

The British Government responded to the situation with some far-reaching, constructive decisions. In September, the Chancellor of the Exchequer raised the Bank Rate to seven per cent and announced a number of new measures designed to protect the external and internal value of the pound sterling. This action, together with the firm statements made by both Britain and Germany that no exchange-rate adjustments were contemplated, was successful in halting, and to some extent reversing, speculative pressure against the pound.

But the intention was not merely to achieve this short-term objective. The Government had clearly decided that if Britain was to play her traditional part in world trade and finance, confidence in the currency must be increased to the point where speculative pressure of this kind could not recur. The pound could only be defended successfully abroad if inflationary tendencies were stamped out at home.

It was to achieve this aim—to put a stop to the rise in wages, profits, and prices—that the Chancellor

intensified his squeeze on credit, and limited the investment programmes of the nationalized industries to their existing high levels.

TEST OF POLICY

One can fairly say that 1957 has ended on a far calmer, more confident note than that of the early months of the year. For the first time since the war, the maintenance of stable prices has been made the prime aim of economic policy in Britain.

In some quarters fears have been expressed that emphasis on price stability might lead to a decline in activity. The Government is, however, confident that stable prices are compatible with full employment and industrial expansion resulting from a high level of investment. The policy will be put to the test in the coming year.

On the international front it is similarly impossible to forecast economic developments with any degree of exactitude. Much will depend on the level of economic activity in the United States. International trade may slacken further before it begins to rise again, and such slackening could create difficulties for some members of the Sterling Area.

But a short pause may do no greater harm. Indeed, it may well make future growth more assured. So far as Britain is concerned, the Chancellor's measures are designed to make the economy fit for any rough weather that may be encountered and prepared for the decisions which have to be taken during 1958.

Two of these are of major importance. In the middle of 1958, Commonwealth Ministers are due to meet for economic discussions which may lead to still closer co-operation between members of the Sterling Area. An at the beginning of 1958 the European common market comes into existence. By the end of the year, 11 West European countries, including Britain, should be associated with the common market in a European free-trade area.

These are challenging developments. Britain will be ready to play her full part in them.

Britain's Prospects in 1958

By PAUL EINZIG

AT the turn of the year Britain's economic prospects appear to be rather more favourable than could reasonably be hoped for a few months ago. A major crisis through an accentuation of the flight from the pound no longer seems to be imminent. The flight from Government loans has become reversed. The more responsible Trade Union leaders show at least some signs of hesitation whether to press forward ruthlessly with their unreasonable wage demands. And the Government shows at last some signs of determination to resist the wage inflation. The fall in the prices of imported raw materials provides an opportunity for check-

ing the rise in prices. And notwithstanding the chorus of pessimism, very few people really believe in the likelihood of a major economic depression in 1958.

Sterling's prospects have improved since the increase of the Bank rate to 7 per cent. But the Bank rate cannot be kept at such high level forever. The question is, will it be possible during the next twelve months to defend sterling without having to keep interest rates at crisis-level, or without having to restore them to such an abnormal level in the autumn after a temporary reduction early in the New Year? The answer depends on the Government's suc-

cess in arresting domestic inflation. Once the wage spiral is broken it will be possible to defend sterling with a Bank rate of 5 per cent or lower.

The major wage disputes arising from the resistance to inflation have not so far materialised. There is bound to be at least one major strike, however, early in the New Year, and its outcome will go a long way towards indicating the prospects. Should the strikers have their way to a noteworthy extent, the outlook for sterling would be far from reassuring. In that case even a 7 per cent Bank rate would be no guarantee against a major sterling crisis in the autumn.

There is now some slight hope, however, that in face of the changed situation and prospects there will be increased resistance to wage inflation by employers, and trade unions may come to their senses before it is too late. Once the employers realise that the Government means business, they will no longer grant wage increases light-heartedly after a bare token resistance, on the assumption that they would be able to add the increased costs to their prices. The deterioration of the international economic outlook as a result of the fall in commodity prices is another reason for employers to resist wage demands. Above all, fears of a slump in the United States, however ill-founded, are infectious, and should go some way towards damping down the optimism in which the wage-price spiral has been proceeding unabated since the war.

Another encouraging sign is that British public opinion is at long last beginning to awaken to the obvious fact that inflation has been due to three causes—wages, more wages, and still more wages. Until recently hardly anybody dared to whisper about the extent of the responsibility of the trade unions for the rise in the cost of living. Most economists, instead of enlightening the public, were engaged in an effort to outsmart each other in inventing tortuous "original" explanations for the rise. But gradually common sense appears to have come to prevail, and there is more and more public condemnation of the short-sighted selfishness of organised labour. Trade unionist Fools' Paradise Economics has come to be condemned, and there is now hope that before long the masses of consumers will know where the blame lies for the rising cost of living. Pressure of public opinion may then go a long way towards influencing the attitude of the Trade Unions.

It is possible, therefore, to view the prospects of checking inflation in 1958 with some guarded optimism. The next question is whether the pendulum will not swing into the opposite direction, and whether uncontrollable deflation will not take the place of uncontrollable inflation. To a large ex-

tent the answer to this question lies outside the United Kingdom. Should a major slump develop in the United States, or should the decline in commodity prices become accentuated, Britain would be unable to isolate itself from such a major trend.

To the extent to which the trend depends on domestic developments, however, there is no cause for pessimism. It seems that the major danger is still inflation and not deflation. The official monetary policy does not aim at a contraction of business activity through credit squeeze, it merely aims at preventing an expansion in so far as this could only be achieved at the cost of a further rise in prices. There are bound to be pockets of unemployment in connection with the changes in defence expenditure and also in connection with cuts in public and private capital expenditure. In particular the building of houses is bound to slow down as a result of the increase in decontrolled rents which will curtail demand for housing accommodation. The unemployed in the building industry, the aircraft industry and possibly in a few industries affected by a decline in exports to raw material producing countries is likely to be easily absorbed, however, even if this will necessitate the transfer of many workers to lower-paid occupations.

If, contrary to expectations, the deflationary trend should proceed too far, the Government is well in a position to reverse it. Mr Macmillan is known to be longing for such opportunity that would enable him to increase his Government's popularity by embarking on a policy of tax reductions and increased public spending in an effort to check the slump. When he was Chancellor of the Exchequer he elaborated detailed plans for such reflationary deficit-financing, and he is only too keen on putting them into practice if and when economic conditions will warrant a change from anti-inflationary to anti-deflationary policy. Unfortunately there seems to be very little hope that 1958 will bring that opportunity. The pathological fears of a number of economists that the very moderate credit squeeze might drive the country into deflation have no foundation whatever in the facts of the present situation or in the prospects as they can be judged at the turn of the year.

The coming year is expected to witness a marked recovery in the Gilt-edged market, as and when inflation will come to a halt and as a result of the reduction of the Bank rate. On the other hand the outlook for equities is far from satisfactory. The resistance to inflation is bound to entail declines in profits and cuts in dividends, and this will induce many investors to switch back into Government loans. There is no cause for fearing, however, a major slump on the Stock Exchange.

Calcutta

Calcutta, Friday Evening.

APART from a slight recovery in a few selected scrips, conditions on the local Stock Exchange remained practically unchanged during the short week under review. Operators were generally disinclined to enter into fresh commitments. Some of them thought that investment prospects would have to be improved in order to attract foreign capital, while others felt that, since Government expenditure remained at a high level, no substantial relief in taxation was likely. Thus, with interest at bare minimum, price movements were insignificant in a restricted turnover.

Business in the Gilt-edged section was restricted, mainly due to the fact

Stock Exchanges

NEW YEAR COMMENCES ON A CAUTIOUS NOTE

Watch-Dog Writes:

WITH the dawn of the New Year, operators in stock markets have become cautious as evidenced by the pattern of trading on Thursday and Friday. With activity further restricted due to clearing adjustments, price movements have been confined to a narrow range.

In general, the tendency of the market continues to be jittery in view of lack of incentives as well as the uncertain policy of the Life Insurance Corporation for fresh investments following the recent muddle in the commitments of the Mundhra group of shares.

As was generally expected, the New Year has not brought forth any basic change in the conditions that prevailed before the end of 1957. It is, therefore, clear that any stable rise in share values will not be likely until the Budget proposals are announced in the next month. However, some circles entertain the hope that the Budget may not contain any major taxation proposals, while others lieve that it may contain nasty surprises. Unless, therefore, the Budget is out of the way, the outlook for the market may not get clearer.

The New Year began on a rather tame note on the Bombay Stock Exchange. The entire list closed quietly steady with a mixture of modest gains and losses.

The last day of 1957, on the London Stock Exchange, proved uneventful and the market closed with an irregular appearance.

Wall Street finished the year with a broad front of gains, mostly ranging to one dollar or so. Attracting attention but not influencing the market was the disclosure that President Eisenhower expects to submit a balanced budget for fiscal 1959, which will call for the maintenance of taxes at current levels.

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Business in the Gilt-edged section was restricted, mainly due to the fact

that the banks were pre-occupied with the yearly closing of accounts. Medium and long-dated loans remained neglected, while State Loans ruled dull in the absence of sellers.

Bank shares were fairly steady on reports of good working. Jute shares continued to remain depressed on quieter advices from the jute goods market. The only two bright spots were National which touched a fresh higher level due to renewed cornering activity and New Central which were taken upto Rs 12.00 from Rs 11.37 on reports that the company had a proposal to start a chemical factory at Banaras and the Uttar Pradesh Government had sanctioned a loan in this respect.

Coal shares were listless as operators were awaiting the Price Revision Committee's recommendations, which are expected to be announced during the course of the month.

Tea shares were subdued. There was a general disposition to await further developments on the tea front. There was an anxiety to know whether the recent troubles in Indonesia would reduce the output there sufficiently to bring a better statistical balance for the Common grades.

Sugar shares were practically neglected in view of the bleak prospects for exports.

Miscellaneous issues came in for selective enquiry. Most prominent were India Steamship, Indian Cable, Dunlop, Phillips India, NCCO, Aluminium Corporation, Rohtas and Hindustan Lever.

The following table shows the price trends of a few selected scrips during the week under review:

	Year Closing	Jan. 2nd	Jan. 3rd
	Rs	Rs	Rs
Engineering:			
I. Iron	18.70	18.52	18.51
Jessop	22.12	21.75	21.43
Richardson	7.94	8.06	8.37
TEXMACO	15.60	15.50	15.50
Jute:			
National	22.10	22.50	22.65
New Central	11.37	11.50	12.00
Coal:			
Bengal	228.00	227.00	228.00
Burrakur	22.00	22.12	22.00
Tea:			
Brahmaputra	3.06	3.00	3.00
Brooke Bond	14.75	...	14.00
Bishnauth	17.50	...	17.00
Sugar:			
Carew	5.87	5.69	5.69
Miscellaneous:			
Orient Paper	24.25	24.20	22.75
Titaghar	33.12	...	31.69
I. Steamship	10.87	10.87	10.94
NCCO	24.75	22.75	22.69
Phillips	14.25	14.19	14.12
I. Copper	2.82	2.80	2.79
BIC	3.97	4.05	4.09
Dunlop	20.00	20.12	20.25
Oster	1.94	1.93	1.81
Gilt-edged:			
3% 1986	71.15	71.12	71.05

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GILDED SECURITIES

Amount Outstanding	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-11-57
GOVERNMENT OF INDIA LOANS				
Rupee Loans				
NON-TERMINABLE LOANS.				
₹ 73,34,000	1896-97	3 Months' notice	30-6/31-12	70-97
TERMINABLE LOANS.				
57,00,69,000	1946	1961	1-2/1-8	94-20
48,63,07,000	1946	1960	15-1/15-7	96-85
75,86,72,000	1947-48	1962	15-3/15-11	94-55
14,77,48,000	1946	1976	16-3/16-9	83-09
50,35,63,000	1951	1958	16-2/16-8	99-66
113,65,64,000	1945	1959	15-2/15-8	98-78
116,17,46,000	1938	1963	15-2/15-8	93-60
38,33,10,000	1950	1964	15-6/15-12	93-75
118,11,78,000	1943	1966	15-4/15-10	91-20
115,05,83,000	1945	1970	15-4/15-10	86-00
248,91,41,000	1946	1986	16-3/16	71-00
57,27,36,000	1956	1962	16-1/16-7	97-70
75,29,06,000	1953	1961	1-6/1-1	99-68
158,17,90,000	1954	1964	19-4/19-10	97-75
103,67,92,000	1955	1965	1-1/1-7	97-20
33,81,83,000	1956	1967	16-1/16-7	97-58
66,61,95,000	1956	1974	16-1/16-7	98-25
56,92,06,000	1957	1974	1-2/1-8	99-57
46,05,00,000	1957	1972	1-2/1-8	100-30
63,30,26,000	1926	1960-70	15-3/15-9	100-50
SUPER COUNTERPARTS.				
₹ 8,73,000	1928	1958-68	1-6/1-12	100-55
STATE GOVERNMENT LOANS				
WEST BENGAL.				
1,75,00,000	1951	1962	17-3/17-9	98-25
3,60,23,300	1953	1963	15-1/15-7	99-25
2,00,00,000	1952	1964	1-2/1-8	99-94
7,00,00,000	1955	1967	1-3/1-9	99-90
7,00,00,000	1956	1968	3-3/3-9	98-90
BOMBAY.				
3,06,65,500	1944	1958	15-2/15-8	99-20
2,92,30,300	1950	1960	31-1/31-7	96-25
5,63,12,200	1949	1962	1-2/1-8	94-00
2,97,86,300	1951	1962	17-9/17-3	98-00
5,50,35,400	1953	1963	15-1/15-7	99-25
8,61,30,900	1952	1964	1-2/1-8	99-10
9,00,00,000	1955	1967	1-3/1-9	98-10
7,80,00,000	1956	1970	3-3/3-9	98-00
MADHYA PRADESH.				
5,32,69,800	1944	1958	15-2/15-8	99-00
1,01,44,700	1950	1960	31-1/31-7	95-75
2,01,28,800	1948	1964	1-3/1-9	93-00
1,02,18,100	1951	1962	17-3/17-9	97-25
1,02,18,100	1953	1963	15-1/15-7	98-00
1,50,00,000	1955	1967	1-3/1-9	96-75
1,50,00,000	1956	1968	3-3/3-9	96-50
UTTAR PRADESH.				
2,20,93,600	1946	1961	1-3/1-9	90-75
3,02,24,500	1944	1958	15-2/15-8	99-10
2,17,89,700	1948	1960	14-3/14-9	96-00
1,57,42,600	1956	1961	15-3/15-9	93-20
1,94,11,700	1951	1962	17-3/17-9	97-25
5,65,15,500	1953	1963	15-1/15-7	98-20
6,11,45,200	1952	1964	1-2/1-8	98-25
8,00,00,000	1956	1967	1-3/1-9	96-30
8,00,00,000	1956	1968	3-3/3-9	96-30
MADRAS.				
3,81,77,200	1946	1961	1-3/1-9	93-20
1,07,95,000	1944	1958	15-2/15-8	98-90
1,25,95,000	1939	1959	21-6/21-12	96-70
2,78,44,000	1945	1960	14-3/14-9	96-45
4,88,25,400	1950	1960	31-1/31-7	96-45
3,01,49,000	1951	1962	17-3/17-9	97-15
1,09,309,100	1953	1963	15-1/15-7	98-25
8,24,81,200	1952	1964	1-2/1-8	98-10
7,00,00,000	1955	1967	1-3/1-9	96-60
12,50,00,000	1956	1968	3-3/3-9	96-80

MYSORE GOVERNMENT

5,99,72,900	1936	1956-61	20-10/20-4	98-70
5,08,05,700	1946	1958	25-1/25-7	98-70
2,95,85,200	1953	1953-63	1-6/1-12	100-35
3,33,47,200	1953	1963	15-1/15-7	98-00
3,25,00,000	1955	1967	1-3/1-9	96-20
4,00,00,000	1956	1968	3-3/3-9	96-50
	1959			98-88

COCHIN

100,00,000	1945	1955-58	16-6/16-12	98-00
30,00,000	1937	1956-61	1-6/1-12	97-75

TRAVANCORE

300,00,000	1953	1963	15-1/15-7	97-50
	1956	1968	3-3/3-9	95-40

MUNICIPAL LOAN

BOMBAY MUNICIPAL LOAN.				
25,00,000	1928	1958	1-1/1-7	
26,21,000	1929	1959	1-2/1-8	102-50N
17,97,000	1950	1960	1-6/1-12	
110,00,000	1950	1960	1-3/1-9	98-25
215,00,000	1950	1960	1-3/1-9	98-25
244,14,500	1950	1960	1-3/1-9	98-25
200,00,000	1950	1960	1-3/1-9	98-25
10,00,000	1951	1965	15-2/15-8	92-10
9,80,000	1951	1965	16-2/16-8	92-15
175,34,000	1951	1966	14-3/14-9	
33,00,000	1952	1966	3-4/3-10	97-10
60,00,000	1952	1966	3-4/3-10	97-10
24,50,000	1952	1966	16-2/16-8	97-10
69,00,000	1956-57	1967	1-2/1-8	
30,00,000	1958	1968	1-3/1-9	98-25
30,00,000	1959	1969	1-3/1-9	
64,00,000	1960	1970	1-3/1-9	
48,00,000	1960	1971	1-3/1-9	
25,00,000	1961-62	1972	1-3/1-9	
135,00,000	1962	1973	1-3/1-9	
20,00,000	1963-64	1974	1-3/1-9	
20,60,000	1964	1974	1-3/1-9	
22,00,000	1964-65	1975	1-3/1-9	
25,00,000	1965	1976	1-3/1-9	
54,00,000	1967	1977	1-3/1-9	
75,00,000	1967	1977	1-2/1-8	
61,00,000	1969	1979	1-3/1-9	84-25
88,14,500	1969	1979	1-3/1-9	
10,00,000	1970	1980	1-3/1-9	84-50
80,00,000	1970-71	1980	1-3/1-9	
CALCUTTA MUNICIPAL LOANS.				
36,00,000	1928	1958	1-5/1-11	102-00
25,00,000	1929	1958	1-2/1-8	102-00
10,00,000	1932	1962	1-4/1-10	108-00
33,91,000	1935	1965	1-1/1-7	94-00
60,00,000	1936	1966	1-4/1-10	90-00
47,50,000	1938	1968	1-6/1-12	90-00
15,56,800	1940	1967	1-4/1-10	99-75
17,64,400	1942	1967	1-5/1-11	96-50
21,10,000	1942	1972	1-4/1-10	92-00
15,49,000	1951	1960	1-2/1-8	97-00
16,33,000	1951	1961	1-2/1-8	97-50
66,88,000	1951	1966	1-4/1-10	97-50
87,36,000	1952	1962	1-5/1-11	99-25
72,50,000	1954	1979	1-3/1-9	100-00
222,72,000	1955	1985	1-6/1-12	97-50

CALCUTTA MUNICIPAL LOANS.

36,00,000	1928	1958	1-5/1-11	102-00
25,00,000	1929	1958	1-2/1-8	102-00
10,00,000	1932	1962	1-4/1-10	108-00
33,91,000	1935	1965	1-1/1-7	94-00
60,00,000	1936	1966	1-4/1-10	90-00
47,50,000	1938	1968	1-6/1-12	90-00
15,56,800	1940	1967	1-4/1-10	99-75
17,64,400	1942	1967	1-5/1-11	96-50
21,10,000	1942	1972	1-4/1-10	92-00
15,49,000	1951	1960	1-2/1-8	97-00
16,33,000	1951	1961	1-2/1-8	97-50
66,88,000	1951	1966	1-4/1-10	97-50
87,36,000	1952	1962	1-5/1-11	99-25
72,50,000	1954	1979	1-3/1-9	100-00
222,72,000	1955	1985	1-6/1-12	97-50

MADRAS MUNICIPAL LOANS.

2,47,300	1925	1955	15-2/15-8	
15,00,000	1951	1961	30-9/31-3	
15,00,000	1952	1962	17-1/17-7	

PORT TRUST LOAN

MADRAS PORT TRUST.				
33,30,862	1947	1977	15th of each month	
9,88,000	1947	1977		
3,00,000	1949	1979		

BOMBAY PORT TRUST.

35,00,000	1929	1959	1-2/1-8	
14,35,000	1913	1960	1-4/1-10	
10,00,000	1915	1960	1-4/1-10	
66,61,000	1922	1960	1-6/1-12	
11,51,000	1924	1960	1-4/1-10	
10,25,000	1926	1960	1-5/1-11	
12,50,000	1930	1960	1-5/1-11	
48,04,000	1936	1968	1-4/1-10	
12,50,000	1931	1961	1-5/1-11	
13,50,000	1932	1962	1-3/1-9	
35,00,000	1904	1964	1-1/1-7	
15,00,000	1905	1965	1-2/1-8	
15,00,000	1906	1966	1-3/1-9	
44,00,000	1907	1967	1-3/1-9	
10,00,000	1908	1968	1-5/1-11	
75,00,000	1908	1968	15-3/15-9	
40,00,000	1909	1970	1-1/1-7	
56,00,000	1910	1971	1-4/1-10	
7,00,000	1941	1971	1-5/1-11	
75,00,000	1911	1972	1-6/1-12	
110,00,000	1912	1973	1-2/1-8	
80,00,000	1913	1974	1-1/1-7	
88,25,000	1914	1975	1-4/1-10	
55,00,000	1915	1975	1-6/1-12	
24,58,000	1935	1975	30-3/30-9	

CALCUTTA PORT TRUST.

149,30,000	5	1928	1958-88	15-3/15-9	102-00
100,00,000	3	1949	1959	15-2/15-8	97-00
50,00,000	3	1949	1959	20-2/20-8	97-00
100,00,000	3	1950	1960	15-6/15-12	96-00
100,00,000	3	1950	1960	15-6/15-12	96-00
150,00,000	34	1951	1961	1-6/1-12	98-50
50,00,000	4	1953	1963	14-2/14-8	100-00
25,00,000	3	1938	1963-68	1-6/1-12	96-00
60,00,000	38	1935	1965	15-3/15-9	97-50
90,24,000	4	1914	1974	8-2/8-8	97-75
76,90,100	4	1915	1975	1-4/1-10	97-75
50,00,000	3	1945	1975	1-2/1-8	85-00
50,00,000	3	1946	1976	15-3/15-9	84-75
50,00,000	28	1947	1977	31-3/30-9	79-50
50,00,000	3	1948	1978	15-1/15-7	83-75
50,00,000	3	1950	1980	15-4/15-10	82-00
68,02,300	3	1921	1981	1-10/1-4	82-00
150,00,000	64	1921	1981	1-1/1-7	144-00/4
50,00,000	3	1953	1983	20-2/20-8	81-75
50,00,000	3	1953	1983	14-2/14-8	98-56
80,00,000	4	1931	1991	15-4/15-10	95-00
50,00,000	3	1945	2005	1-2/1-8	74-00
50,00,000	3	1946	2006	15-3/15-9	74-00
8892,600	5	1923	1953-83	1-1/1-7	880-1
8901,000	5	1924	1954-84	1-1/1-7	880-1
8835,100	54	1925	1962	1-4/1-10	891-0
90,00,000	4	1935	1985	1-3/1-9	97-75
150,00,000	4	1956	1986	1-4/1-10	97-75
124,00,000	42	1957	1987	26/2/-68	99-50

[January 4, 1958]

Company Reports

AGARPARA COMPANY, LIMITED.

Mg. Agents:—M/s. B. N. Elias & Co. (Private), Ltd.	1957	1956	1955
Year ended March.			
Sales	248,66,438	228,31,899	207,14,033
Stocks	34,93,137	24,12,785	20,44,960
Raw Materials	39,89,344	53,52,184	49,08,803
Works in Progress	2,76,885	3,18,131	2,92,164
Net profit	4,69,454*	4,14,755†	13,90,380
Taxation	...	...	3,20,000
Depreciation	2,60,357	2,57,122	2,62,790
Reserve Fund	...	...	50,000
Other Funds	...	...	50,000
Div. Amt. Ord.	1,50,000	3,00,000	4,50,000
Div. Amt. Pref.	70,000	70,000	70,000
Carry Forward	18,756	29,689	2,42,026
Div. % Ord.	21	5	71
Div. % Pref.	7	7	7

*After transferring Rs 7,50,000 from General Reserve.
†After transferring Rs 75,000 from General Reserve.
(Annual General Meeting on 15-1-58 at 12 noon.
Books closed from 2-1-58 to 15-1-58).

Capital:—Authorised and Subscribed Rs 70,00,000 in 10,000—7 per cent cum. pref. shares of Rs 100 each and 6,00,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of March.

Liabilities.	1957	1956	1955
Capital Paid-up:			
(i) Pref.	10,00,000	10,00,000	10,00,000
(ii) Ord.	60,00,000	60,00,000	60,00,000
Debentures	12,00,000	12,00,000	12,00,000
Reserve Fund	39,25,000	40,00,000	47,50,000
Other Funds	5,00,000	5,00,000	5,00,000
Taxation Provision	5,21,497	6,63,802	8,81,915
Loans Secured	52,81,278	30,92,248	9,26,149
Loans Unsecured	1,00,000	...	93,823
Debits	21,79,556	32,03,633	24,51,436
Carry Forward	18,756	29,689	2,42,026
Total	207,25,667	196,89,372	180,45,349

Assets.	1957	1956	1955
G. Block	120,20,110	106,27,544	103,23,060
Depreciation	53,26,489	56,37,664	53,99,939
Block (net)	66,93,621	49,89,880	49,23,111
Cap. Exp. in Progress	5,881	1,47,343	15,946
Stores	2,76,885	3,18,131	2,92,164
Raw Materials	11,88,735	8,38,634	8,82,087
Stocks	39,89,344	53,52,184	49,08,803
Outstandings	37,51,554	27,66,267	22,53,757
Do More than 3 months	21,24,369	21,80,815	23,53,978
Mis. Deposits and Advances	1,90,522	97,697	...
Investments	19,50,349	24,03,259	15,96,851
Cash	4,01,833	4,05,204	5,50,673
Total	207,25,667	196,89,372	180,45,349

Liq. Assets ... 140,26,165 ... 145,52,149 ... 131,06,292

INDIAN GALVANIZING COMPANY (1926), LIMITED.

Mg. Agents:—M/s. Balmer Lawrie & Co., Ltd.	1956	1955	1954
Year ended Dec.			
Sales	158,81,072	127,86,000	93,49,238
Stocks of Raw Materials	39,68,240	32,51,409	26,82,702
Works in Progress	9,80,495	14,68,357	6,05,342
Net profit	3,53,438*	8,59,683	3,95,706
Taxation	...	66,798	...
Depreciation	3,27,534	3,12,983	2,26,344
Reserve Fund	...	75,000	...
Div. Amt. Ord.	...	3,69,459	1,47,784
Div. Amt. Pref.	16,947	16,947	16,947
Carry Forward	90,223	41,266	22,770
Div. % Ord.	Nil	10	4
Div. % Pref.	6	6	6

*After transferring Rs 2,30,000 from Stock Reserve and writing back Rs 4,32,743 from provision for taxation.

(Annual General Meeting on 8-1-1958 at 12 noon.
Books closed from 24-12-57 to 8-1-1958).

Capital:—Authorised Rs 50,00,000. Subscribed Rs 39,77,040 in 39,770—5 per cent cum. pref. shares subject to deduction of income-tax and 3,69,459 ordinary shares, both of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.	1956	1955	1954
Capital Paid-up:			
(i) Pref.	2,82,450	2,82,450	2,82,450
(ii) Ord.	36,94,590	36,94,590	36,94,590
Reserve Fund	4,35,000	4,35,000	3,60,000
Other Funds	...	2,30,000	2,30,000
Taxation Provision	57,603	4,85,900	4,14,654
Loans Secured	24,33,200	25,17,229	10,87,648
Debits	36,14,163	29,52,394	17,05,606
Carry Forward	90,223	41,266	22,770
Total	106,07,232	106,38,829	77,97,718

Assets.

G. Block	47,08,319	45,01,256	41,95,073
Depreciation	25,17,289	21,94,156	18,81,173
Block (net)	21,90,630	23,07,100	23,13,900
Works in Progress	9,80,495	14,68,357	6,05,342
Stores	2,21,078	3,18,136	1,67,571
Raw Materials	41,94,174	31,77,326	26,82,702
Stocks	14,29,669	25,28,535	15,39,466
Do More than 3 months	9,33,762	...	...
Mis. Deposits and Advances	5,16,383	7,94,620	1,66,387
Investments	1,000	1,000	1,000
Cash	1,39,441	46,725	3,21,350
Total	106,07,232	106,38,829	77,97,718

Liq. Assets ... 84,16,602 ... 83,31,729 ... 54,83,818

JESSOP & COMPANY, LIMITED.

Director:—Mr. S. S. H. and Sitwell.

Year ended October.	1956	1955	1954
Sales	656,06,270	673,18,806	503,37,641
Stocks	49,30,488	38,58,610	49,02,582
Works in Progress	56,57,940	51,63,700	61,43,600
Net profit	76,62,943*	52,52,167	30,05,899
Taxation	45,65,000	20,56,000	10,10,000
Depreciation	5,10,431	5,24,974	3,09,706
Reserve Fund	7,25,000	9,25,000	4,00,000
Other Funds	4,75,000	4,75,000	4,75,000
Div. Amt. Ord.	12,75,000	15,30,000	7,65,000
Div. Amt. Pref.	75,000	50,000	50,000
Carry Forward	51,642	14,130	2,92,937
Div. % Ord.	121	30	15
Div. % Pref.	5	5	5

*After writing back Rs 7,53,894 being excess provision no longer required.

(Annual General Meeting on 9-1-58 at 10-30 a.m.
Books closed from 26-12-57 to 9-1-58).

Capital:—Authorised Rs 300,00,000. Subscribed Rs 121,98,000 in 20,000—5 per cent cum. pref. shares of Rs 100 each; and 10,20,000 ordinary shares of Rs 10, less calls unpaid Rs 2,000.

Synopsis of balance sheet as on the last day of October

Liabilities.	1956	1955	1954
Capital Paid-up:			
(i) Pref.	20,00,000	10,00,000	10,00,000
(ii) Ord.	101,98,000	51,00,000	51,00,000
Share Premium	30,000	30,000	...
Capital Reserve	2,12,258	2,12,258	2,42,258
Other Funds	43,60,000	36,35,000	27,10,000
Taxation Provision	23,75,000	19,00,000	14,25,000
Loans Secured	66,67,288	21,02,288	20,81,858
Debits	37,12,476	...	41,36,717
Carry Forward	194,04,358	151,13,703	106,10,161
Div.	51,642	14,130	2,92,937
Total	490,11,022	291,07,379	276,08,931

Assets.

G. Block	119,26,234	98,22,888	88,90,106
Depreciation	56,86,120	52,64,541	47,79,571
Block (net)	62,40,114	45,57,947	41,10,135
Cap. Exp. in Progress	27,37,639	...	...
Works in Progress	56,57,940	51,63,700	61,43,600
Stores	1,42,565	4,94,476	5,97,620
Imports in Transit	11,45,266	9,84,526	2,63,728
Stocks	49,30,488	38,58,610	49,02,582
Outstandings	97,95,131	73,27,061	86,65,808
Do More than 3 months	51,08,640	32,60,000	...
Mis. Deposits and Advances	56,85,167	19,29,043	25,78,036
Investments	74,86,753	11,65,500	2,46,550
Cash	81,319	3,46,616	1,00,942
Total	490,11,022	291,07,379	276,08,931

Liq. Assets ... 400,33,269 ... 245,49,532 ... 234,98,766

BAGHMARI TEA COMPANY, LIMITED.

Mg. Agents:—M/s. McLeod & Co., Ltd.

Year ended Decr.	1956	1955	1954
Outturn (mds.)	10,453	9,155	8,579
Av. Price per lb.	2-6-6	2-1-11	3-1-11
Net profit	5,82,476	1,98,101	12,50,218
Taxation	1,80,020	1,10,0-9	3,72,020
Depreciation	58,275	90,099	1,17,550
Reserve Fund	...	...	3,00,000
Other Funds	2,00,000	...	1,00,000
Div. Amount Ord.	1,37,500	55,000	1,92,500
Carry Forward	42,752	36,051	93,058
Div. % Ord.	25	10	33

(Annual General Meeting on 16-1-58 at 3-10 p.m.
Books closed from 3-1-58 to 16-1-58).

Capital:—Authorised Rs 7,50,000. Subscribed Rs 5,50,000 in 55,000—ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.	1956	1955	1954
Capital Paid-up	5,50,000	5,50,000	5,50,000
Reserve Fund	8,61,541	8,61,541	8,61,541
Other Funds	4,60,000	2,60,000	2,60,000
Taxation Provision	4,39,808	4,82,000	3,72,000
Debits	6,42,406	4,42,138	4,37,549
Carry Forward	42,752	36,051	93,058
Total	29,96,506	26,31,730	25,74,148

Assets.

G. Block	18,70,010	17,56,405	16,95,977
Depreciation	7,47,902	7,08,427	6,44,367
Block (net)	11,22,108	10,48,038	10,51,610
Cap. Exp. in progress	839	...	...
Stores	3,62,212	2,06,468	1,63,466
Stocks	7,06,379	5,76,305	7,33,789
Outstanding	8,493	4,390	1,95,991
Mis. Deposits and Advances	1,18,000	1,06,068	...
Investments	53,169	1,000	1,000
Deposits in Banks	5,00,000	5,50,000	3,00,000
Cash	1,35,307	1,38,682	1,28,203
Total	29,96,506	26,31,730	25,74,148

Liq. Assets ... 18,73,569 ... 15,83,692 ... 15,22,538

BORMAH JAN TEA COMPANY (1936), LIMITED.

Mg. Agents:—M/s. McLeod & Co., Ltd.

Year ended Decr.	1956	1955	1954
Outturn (mds.)	...	...	...
Av. Price per lb.	6-4-0	7-7-03	7-6-32
Net profit	2-6-10	2-3-8	3-2-2
Taxation	2,37,818	3,15,923	10,02,716
Depreciation	78,700	1,88,000	8,71,414
Reserve Fund	26,445	25,573	2,46,57
Other Funds	...	...	2,00,000
Div. Amt. Ord.	1,12,500	1,50,000	2,62,500
Div. Amt. Pref.	6,200	6,000	6,000
Carry Forward	35,628	15,455	1,44,105
Div. % Ord.	15	20	35
Div. % Pref.	6	6	6

(Annual General Meeting on 16-1-58 at 3 p.m.
Books closed from 3-1-58 to 16-1-58).

Capital:—Authorised Rs 9,50,000. Subscribed Rs 8,50,000 in 1,000—6 per cent cum. pref. shares of Rs 100 each; and 75,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.	1956	1955	1954
Capital Paid-up:			
(i) Pref.	1,00,000	1,00,000	1,00,000
(ii) Ord.	7,50,000	7,50,000	7,50,000
Other Funds	4,52,550	4,52,550	4,52,400
Taxation Provision	2,75,000	2,75,000	2,00,000
Debits	2,65,540	5,73,000	3,85,000
Carry Forward	4,02,977	4,91,575	4,70,674
Div.	35,628	15,455	1,44,105
Total	22,81,695	26,57,580	26,02,179

Assets.

G. Block	10,50,418	9,41,656	8,92,327
Depreciation	3,34,701	3,08,623	2,83,080
Block (net)	7,15,717	6,33,033	6,09,277
Cap. Exp. in Progress	5,335	17,304	...
Stores	2,36,490	2,10,045	1,62,621
Stocks	5,41,508	4,88,854	4,81,351
Outstandings	14,329	7,393	46,506
Mis. Deposits and Advances	2,32,332	1,30,204	...
Investments	52,070	...	...
Deposits in Banks	3,50,000	11,00,000	11,00,000
Cash	1,33,905	1,00,747	1,02,494
Total	22,81,695	26,57,580	26,02,179

Liq. Assets ... 15,80,643 ... 10,07,243 ... 18,92,902

[January 4, 1958]

DIBRUGARH COMPANY, LIMITED.

Mg. Agents:—M/s. McLeod & Co., Ltd.

Year ended Decr.	1956	1955
	Rs.	Rs.
Outturn (mds.) ..	7,323	7,245
Av. Price per lb. ...	2-10-2	2-5-10
Net profit ...	4,54,991	3,27,425
Taxation ...	1,57,807	1,47,000
Depreciation ...	32,709	41,196
Reserve Fund ...	...	...
Other Funds ...	1,50,000	50,000
Div. A'm't Ordy. ...	1,35,000	90,000
Carry Forward ...	33,396	53,921
Div. % Ordy ...	30	20

Synopsis of balance sheet as on			
Liabilities.	31-3-1957	31-12-1955	31-12-1954
	Rs.	Rs.	Rs.
Capital Paid-up	5,82,390	5,82,390	5,82,390
Forfeited Shares	25	25	25
Reserve Fund	1,83,219	56,727	38,371
Other Funds	77,064	1,51,124	1,40,417
Taxation Provision	2,100	...	...
Loans Secured	14,09,189	...	...
Loans Unsecured	77,192	13,43,808	11,05,404
Debts	2,73,366	1,88,607	3,04,102
Carry Forward	42,756	94,422	...
Total	26,47,301	24,17,103	21,70,709
Assets.			
G. Block	19,06,372	27,78,068	23,01,895
Depreciation	10,27,922	8,93,032	8,10,050
Block (net)	18,78,450	18,85,036	14,91,845
Mis. Exp. & Losses	28,105	...	...
Cap. Exp. in Progress	56,703	62,303	2,20,483
Stores	2,55,855	1,42,625	89,488
Outstandings	1,70,343	1,93,394	1,85,287
Do More than 3 months	69,484	...	...
Mis. Deposits and Advances	25,850	36,337	92,987
Investments	23,219	21,248	17,636
Cash	1,39,292	76,162	68,133
Debit Balance	...	...	7,070
Total	26,47,301	24,17,103	21,70,709
Liq. Assets	6,84,043	4,69,764	4,51,511

Note:—The figures in Profit and Loss Account are not comparable as the latest account is for a period of fifteen months.

PATNA ELECTRIC SUPPLY COMPANY, LIMITED.

Synopsis of balance sheet as on			
Liabilities.	31-3-1957	31-12-1955	31-12-1954
	Rs.	Rs.	Rs.
Units Sold	390,21,753	294,98,309	285,85,816
Sale of Energy	49,19,206	36,85,343	34,40,008
Net profit	15,96,315*	10,20,337	10,91,625
Taxation	4,38,200	87,500	...
Depreciation	4,90,082	3,82,847	3,46,038
Reserve Fund	2,00,000	...	2,00,000
Res. for Defd. Taxation	...	...	1,14,560
Other Funds	67,924	1,78,392	1,81,965
Div. Amt Ord.	3,50,738	2,63,053	2,63,053
Carry Forward	2,45,921	1,96,550	68,005
Div. % Ord.	10	71	71
Total	119,02,004	118,08,907	113,14,886
Assets.			
G. Block	124,22,633	128,78,068	124,60,280
Depreciation	47,62,576	42,89,663	39,14,231
Block (net)	76,60,057	85,88,405	85,46,049
Stores	10,79,345	8,54,870	8,07,682
Outstandings	5,96,555	12,82,416	7,94,241
Do More than 3 months	4,65,038	...	...
Mis. Deposits and Advances	3,61,187	1,11,171	18,455
Investments	6,89,490	6,25,107	6,95,698
Deposits in Banks	7,00,000	...	...
Cash	3,50,332	3,46,938	4,52,761
Total	119,02,004	118,08,907	113,14,886
Liq. Assets	42,41,947	32,20,502	27,68,837

*After transferring Rs 53,381 from Reserve for Tariffs and Dividends control and Rs 11,370 from provision for taxation.

(Annual General Meeting on 14-1-58 at 3-45 p.m. Books closed from 2-1-58 to 14-1-58).

Capital:—Authorised Rs 50,00,000. Subscribed Rs 35,07,380 in 3,50,738 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on			
Liabilities.	31-3-1957	31-12-1955	31-12-1954
	Rs.	Rs.	Rs.
Capital Paid-up	35,07,380	35,07,380	35,07,380
Forfeited Shares	3,098	3,098	3,098
Debtentures	20,00,000	20,00,000	20,00,000
Shares Premium	10,215	10,215	10,215
Reserve Fund	13,67,807	6,90,000	6,90,000
Other Funds	20,04,987	34,78,503	32,06,910
Taxation Provision	4,38,200	61,587	...
Loans Unsecured	7,45,648	6,93,579	6,54,554
Debts	15,78,748	11,87,995	11,74,724
Carry Forward	2,45,921	1,96,550	68,005
Total	119,02,004	118,08,907	113,14,886
Assets.			
G. Block	124,22,633	128,78,068	124,60,280
Depreciation	47,62,576	42,89,663	39,14,231
Block (net)	76,60,057	85,88,405	85,46,049
Stores	10,79,345	8,54,870	8,07,682
Outstandings	5,96,555	12,82,416	7,94,241
Do More than 3 months	4,65,038	...	...
Mis. Deposits and Advances	3,61,187	1,11,171	18,455
Investments	6,89,490	6,25,107	6,95,698
Deposits in Banks	7,00,000	...	...
Cash	3,50,332	3,46,938	4,52,761
Total	119,02,004	118,08,907	113,14,886
Liq. Assets	42,41,947	32,20,502	27,68,837

Note:—The figures in Profit and Loss Account are not comparable as the latest account is for a period of fifteen months.

SALEM ERODE ELECTRICITY DISTRIBUTION COMPANY, LIMITED.

Synopsis of balance sheet as on			
Liabilities.	1957	1956	1955
	Rs.	Rs.	Rs.
Units Sold	221,71,981	234,87,473	210,53,316
Sales Energy	20,02,603	17,82,956	15,69,631
Net profit	4,54,879	4,07,306	3,84,210
Taxation	61,627	36,500	72,000
Depreciation	1,47,105	1,19,460	1,08,260
Reserve Fund	70,000	50,000	50,000
Res. for Defd. Taxation	...	...	52,000
Other Funds	55,167	84,562	16,728
Div. Amt Ord.	87,970	87,970	87,970
Div. Amt Pref.	26,000	26,000	11,041
Carry Forward	32,241	25,231	22,417
Div. % Ord.	10	10	10
Div. % Pref.	61	61	61
Total	41,96,955	40,89,301	36,17,999
Liq. Assets	13,84,285	12,73,164	14,44,122

(Annual General Meeting on 9-1-58 at 4 p.m. Books closed from 2-1-58 to 9-1-58).

Capital:—Authorised Rs 20,00,000. Subscribed Rs 12,79,700 in 40,000—61 per cent Redeem. cum. pref. shares and 87,970 ordinary shares, both of Rs 10 each.

Synopsis of balance sheet as on the last day of March.

Synopsis of balance sheet as on the last day of March.			
Liabilities.	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	4,00,000	4,00,000	4,00,000
(ii) Ord.	8,79,700	8,79,700	3,79,700
Forfeited Shares	75	75	75
Reserve Fund	5,50,194	4,27,843	3,77,843
Other Funds	3,91,110	9,28,448	7,79,656
Taxation Provision	49,521	35,009	70,604
Loans Secured	48,612	...	...
Loans Unsecured	10,61,382	7,61,527	5,67,973
Debts	7,84,120	6,31,468	5,19,731
Carry Forward	32,241	25,231	22,417
Total	41,96,955	40,89,301	36,17,999
Liq. Assets	13,84,285	12,73,164	14,44,122

Synopsis of balance sheet as on the last day of March.			
Liabilities.	1957	1956	1955
	Rs.	Rs.	Rs.
G. Block	42,20,415	40,67,306	33,18,588
Depreciation	14,07,745	12,64,027	11,44,709
Block (net)	28,12,670	28,03,279	21,73,877
Cap. Exp. in progress	...	12,858	...
Stores	5,12,911	5,02,515	3,25,008
Outstandings	2,31,983	2,21,655	1,93,100
Do More than 9 months	8,244	...	...
Mis. Deposits and Advances	1,27,083	85,794	5,593
Investments	2,12,079	1,96,899	1,89,179
Deposits in Banks	...	...	4,10,000
Cash	2,91,985	2,66,301	3,21,245
Total	41,96,955	40,89,301	36,17,999
Liq. Assets	13,84,285	12,73,164	14,44,122

SHAHJAHANPUR ELECTRIC SUPPLY CO., LTD.

Synopsis of balance sheet as on			
Liabilities.	31-3-1957	31-12-1955	31-12-1954
	Rs.	Rs.	Rs.
Units sold (tons)	35,63,752	23,54,926	22,24,801
Sales of Energy	10,07,225	6,82,129	6,51,212
Net profit	1,76,746*	...	...
Taxation	52,557	1,07,917	1,83,408
Depreciation	75,082	55,344	54,790
Other Funds	8,070	3,778	3,721
Res. for Defd. Taxation	...	6,400	8,700
Div. Amt Ord.	...	45,500	45,500
Div. Amt Pref.	52,700	11,613	40,718
Div. % Ord.	nil	5	5
Total	14,45,720	15,25,631	15,98,516
Liq. Assets	11,62,590	12,39,298	9,15,086

*After transferring Rs 12,000 from Reserve for doubtful debts and including Rs 33,808 being amount received on account of fuel clause adjustment account 1954-55.

Includes Rs 9,857 being Taxation for 1954-55 under provided.

Capital:—Authorised Rs 12,00,000. Subscribed Rs 9,10,000 in 91,000—ordinary shares of Rs 10 each.

Synopsis of balance sheet as on			
Liabilities.	31-3-1957	30-9-1955	30-9-1954
	Rs.	Rs.	Rs.
Capital Paid-up	9,10,000	9,10,000	9,10,000
Reserve Fund	89,111	40,000	40,000
Other Funds	83,400	2,47,283	2,32,800
Taxation Provision	39,632	37,136	44,604
Loans unsecured	90,730	82,388	2,07,594
Debts	1,80,147	1,97,201	1,49,625
Carry Forward	52,700	11,613	14,393
Total	14,45,720	15,25,631	15,98,516
Liq. Assets	11,62,590	12,39,298	9,15,086

Note:—The figures in Profit and Loss Account are not comparable as the latest account is for a period of fifteen months.

Synopsis of balance sheet as on			
Liabilities.	1957	1956	1955
	Rs.	Rs.	Rs.
G. Block	14,89,320	15,58,865	15,36,410
Depreciation	9,25,062	8,50,244	7,95,495
Block (net)	5,64,258	7,08,621	7,40,915
Preli. Exp., etc.	15,184	16,295	17,036
Stores	4,05,634	2,39,847	2,66,241
Outstandings	1,57,905	1,61,289	1,57,775
Do More than 3 months	20,839	...	...
Mis. Deposits and Advances	40,802	31,442	3,973
Investments	1,31,759	2,15,229	3,13,687
Cash	1,09,459	1,52,908	98,909
Total	14,45,720	15,25,631	15,98,516
Liq. Assets	8,66,298	8,00,715	8,40,565

Note:—The figures in Profit and Loss Account are not comparable as the latest account is for a period of fifteen months.

TINNEVELY TUTORIN ELECTRIC SUPPLY COMPANY, LIMITED.

Synopsis of balance sheet as on			
Liabilities.	1957	1956	1955
	Rs.	Rs.	Rs.
Units sold (tons)	16,844,241	16,960,723	16,358,710
Sales of Energy	14,87,697	12,50,622	11,38,079
Net profit	3,37,195	3,24,470	3,20,668
Taxation	9,922	56,500	51,600
Depreciation	1,19,452	1,08,617	99,887
Reserve Fund	30,000	30,000	20,000
Res. for Defd. Taxn.	...	...	43,700
Other Funds	53,216	16,244	7,626
Div. Amount Ord.	97,000	97,000	97,000
Div. Amount Pref.	29,280	8,874	...
Carry Forward	19,402	21,047	13,512
Div. % Ord.	10	10	10
Div. % Pref.	61	61	61
Total	41,96,955	40,89,301	36,17,999
Liq. Assets	13,84,285	12,73,164	14,44,122

(Annual General Meeting on 9-1-58 at 3-35 p.m. Books closed from 2-1-58 to 9-1-58).

Capital:—Authorised Rs 20,00,000. Subscribed Rs 14,20,000 in 45,000—61 per cent Redeem. cum. pref. shares and 97,000—ordinary shares both of Rs 10 each.

Synopsis of balance sheet as on the last day of March.

Synopsis of balance sheet as on the last day of March.			
Liabilities.	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	4,50,000	4,50,000	...
(ii) Ord.	9,70,000	9,70,000	9,70,000
Forfeited shares	203	203	203
Reserve Fund	2,68,030	1,99,919	1,89,919
Other Funds	3,80,447	7,43,974	6,85,411
Taxation Provision	8,500	1,08,310	53,385
Loans Secured	3,37,170	...	1,20,885
Loans unsecured	5,35,663	4,93,249	4,08,378
Debts	6,17,268	4,98,776	4,60,790
Carry Forward	19,402	21,047	13,512
Total	35,86,683	34,85,487	28,01,483
Assets.			
G. Block	37,47,663	34,50,307	30,76,881
Depreciation	13,23,570	12,04,118	11,00,486
Block (net)	24,24,093	22,46,189	19,76,395</

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A map of India, of course, but the dots and stars tell a *special* story—our story. They represent the 2,242 depots and five factories of our production and distribution network.

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interests, Bhai Sahib. There are no middlemen, no delays, and we are certain of giving you really fresh tea at fair prices.

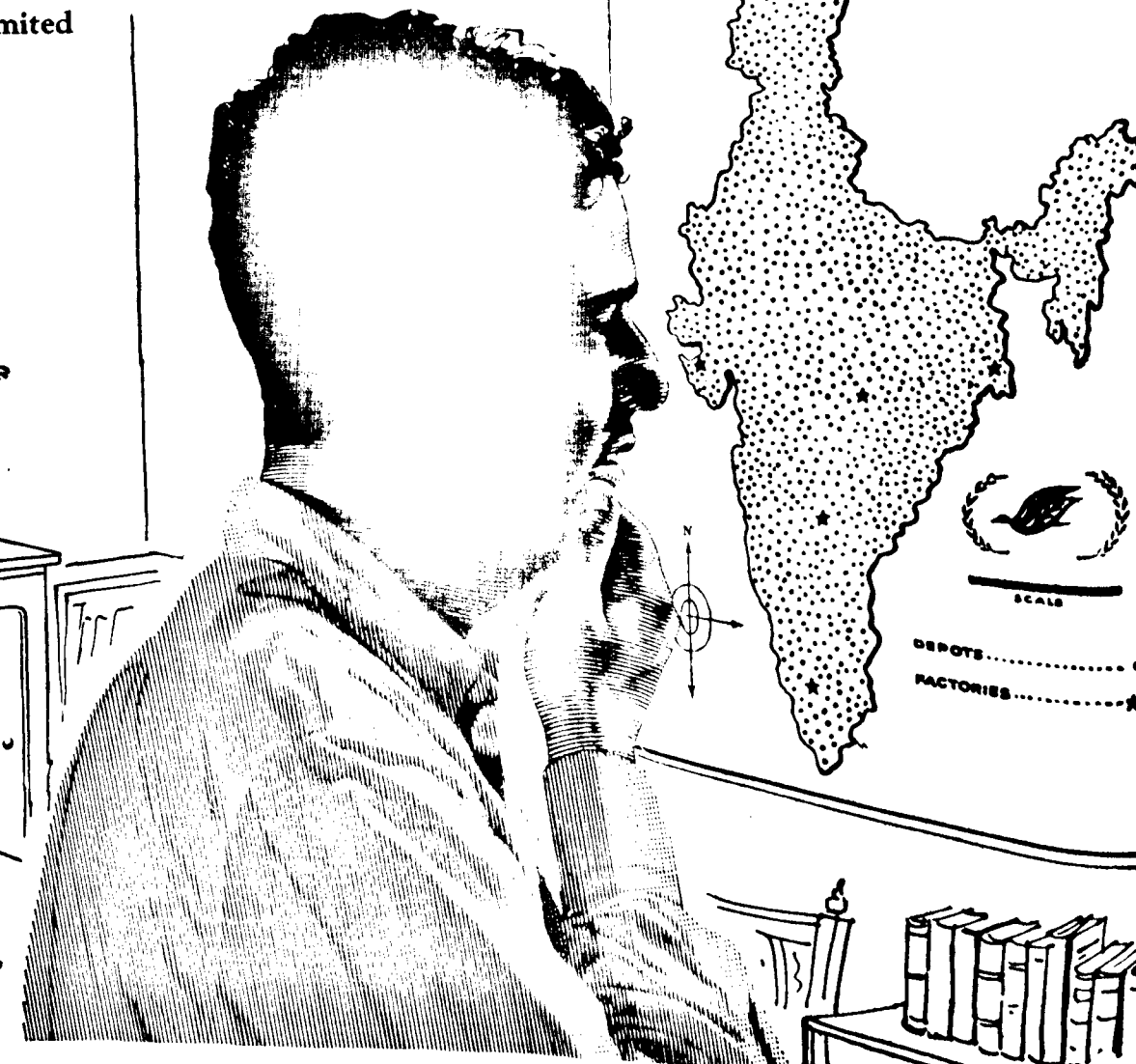
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HERE ARE SOME FACTS ABOUT BROOKE BOND DISTRIBUTION, BHAI SAHIB:

Number of Brooke Bond Depots and Sub-Depots	2,242
Number of Brooke Bond Sales Staff	2,276
Number of Distributing Godowns	165
Number of Branch Offices	28
Number of Factories	5

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This is the fifth in a series of
8 advertisements



Indian Finance

Investor's Supplement

Year ends on a dull note

1 & 2

The Stock markets opened the month in a listless mood as both operators and investors were reluctant to extend their commitments in the absence of fresh incentives. The fact that advices from the cloth market continued to be of a disappointing nature contributed in a large measure to the absence of buying interest in Bombay. Calcutta was no better and values drifted idly around previous levels. Steel shares were a neglected market. Tata Irons shaded to close at Rs 166.00 while in Calcutta Indian Irons after opening at Rs 19.58 eased to close at Rs 19.44. In Dalal Street Textiles encountered selling pressure with Bombay Dyeing receding to Rs 50.60.

3

The Government announcement that private entrepreneurs would be allowed to establish fertilizer plants hitherto reserved for the public sector was perhaps responsible for the slight recovery noticeable in the price levels of speculative shares. The knowledge that food imports during the current financial year would amount to about Rs 90 crores dampened earlier enthusiasm. As a matter of fact the anxiety about the food position (estimated shortage 4 million tons) was having considerable influence on sentiment in the stock markets. In Dalal Street, Steels were supported on rumours of higher production with Tata Irons marked up to Rs 166.75. Textile, however, continued depressed with Bombay Dyeing declining to Rs 50.30. In Calcutta Indian Irons after opening quietly steady at Rs 19.42 closed slightly better at Rs 19.47.

4

The day's trading clearly indicated that marketmen found little in the investment situation to cheer them. Settlement considerations restricted business in Calcutta where Indian Irons after opening at Rs 19.52 lost ground to close at Rs 19.44. In Dalal Street Tata Irons shaded to Rs 166.50 but among Textiles Bombay Dyeing was better at Rs 50.50 due to short covering.

5

Though business passing continued to be at a low ebb, sentiment in the Calcutta Stock Exchange showed some improvement as prices of selective scrips moved up on buying support. Indian Irons gained 10 nP to be finally placed at Rs 19.52. Dalal Street however continued to rule dull presumably due to settlement considerations. Tata Irons shaded to

Rs 166.00 with Bombay Dyeing also showing a similar trend at Rs 50.40.

6

Both Calcutta and Bombay ruled steady in earlier dealings but towards close developed a sagging tendency in the absence of follow-through support. Adverse rumours were also responsible for reversing the trend. Tata Irons after opening higher at Rs 166.25 eased to close at Rs 165.75. Indian Irons opened higher at Rs 19.60 but sagged to close at Rs 19.57. Bombay Dyeing was quiet at Rs 50.30.

7

The suggestion contained in the report of the Industrialists Delegation that American entrepreneurs were interested in making new investments in India seemed to have had an encouraging effect on Stock Markets. The day's trading in both Calcutta and Bombay resulted in moderate gains in the more speculative issues. Indian Irons opened at Rs 19.48 and after dipping to Rs 19.41 moved up to touch Rs 19.57 before finally closing at Rs 19.54. In Bombay Tata Irons opened at Rs 165.50 and closed better at Rs 165.75. Bombay Dyeing was however lower on balance at Rs 50.20.

8, 9 & 10

Hopes of tax relief in view of the recommendations of the National Council of Applied Economic Research engendered speculative buying in the stock markets. Dalal Street displayed a bullish undertone with most pivotal scrips forging ahead an active trading. Tata Irons advanced partly to Rs 167.00 while Century gained more than 7 points to Rs 399.55. In Calcutta Indian Irons after opening at Rs 19.68 was finally done up to Rs 19.72.

11

There was no trace of the previous day's enthusiasm but instead the undertone was quiet. While bulls withheld their support bears exerted pressure with the result prices sagged. Tata Irons in Dalal Street shaded to Rs 166.75 but Bombay Dyeing in textiles continued to forge ahead to Rs 51.10 on interested buying. In Calcutta Indian Irons after opening at Rs 19.55 advanced further to Rs 19.61 but fell back to Rs 19.56 by close.

12 & 13

Dull but steady conditions prevailed with a scrip here and there attracting considerable investment support on corporate news. The pivotal scrips, however, moved within narrow limits. Tata Irons

was fractionally better at Rs 167.00 while Indian Irons opened and closed at Rs 19.56. Textiles in Bombay were subdued with Bombay Dyeing at Rs 50.80.

14, 15 & 16

The increase in excise duties on some commodities in lieu of sales tax coupled with the small reductions in excise duty on cloth were not upto market expectations and hence trading was on a quiet undertone. Tata Irons opened nearly one point lower at Rs 166.25 and after an abortive attempt at rally closed quiet at Rs 166. Bombay Dyeing closed at Rs 50.90. Indian Irons opened quiet at Rs 19.26 and further eased to close at Rs 19.10.

17

The strong criticism voiced in the Lok Sabha against the investment policy of the Life Insurance Corporation had a depressing effect on market sentiment. Apart from the rather sharp decline in a particular group of shares, the market as a whole displayed lack of enthusiasm because of the certain implications of the Lok Sabha discussion of the working of the Life Insurance Corporation.

In Dalal Street Tata Irons eased to Rs 164.50 with Bombay Dyeing marked down to Rs 50.60. Indian Irons after a quiet opening at Rs 18.91 closed better at Rs 19 on replacement buying.

18

While Calcutta ruled subdued on settlement considerations, Dalal Street was plagued by some heavy sales in certain pivotal scrips. Tata Irons, National Rayon and Century were particularly under pressure. In Steels, Tata Irons dropped one and half point to Rs 163.00 while Indian Irons after opening at Rs 19.04 lost ground to close at Rs 18.80. Among Textiles Bombay Dyeing eased to Rs 50.10.

19

After a steady opening stock markets developed an easier undertone under the cumulative pressure of successive adverse factors. Rumour had it that Mr Morarji Desai had made it clear to his partymen that the textile industry could expect no further concession from Government. There were also suggestions that in view of the strong attack on it in the Lok Sabha, the LIC might not enter the stock market for some considerable time to come. As the LIC is now by far the biggest single investor in equities, the

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prospect of the withdrawal of its support engendered some nervousness among operators. Consequently pivotal scrips encountered realising pressure. Tata Irons lost four points to come back to Rs 159.00. Indian Irons reacted from Rs 18.92 to Rs 18.39. Among textiles, Bombay Dyeing declined to Rs 49.70.

20

In marked contrast to the previous day's easier trend, the markets ruled steadier with most scrips regaining part of their lost ground. The main incentive seemed to have been supplied by the rumour that contrary to earlier belief the LIC had started taking interest again in equities. Tata Irons in Dalal Street made a smart rally to Rs 161.25 while Indian Irons in Calcutta improved on short covering to Rs 18.58. Among textiles Bombay Dyeing advanced to Rs 50.00.

21, 22 & 23

The undertone in the stock markets was quiet presumably in view of the forthcoming Christmas holidays. Indian Irons after a steady opening at Rs 18.70 met with realising pressure and closed easier at Rs 18.47. Tata Irons in Bombay was likewise under pressure and dropped more than one point to come back to Rs 160.00. Textiles were also easier with Bombay Dyeing at Rs 49.80.

24

The Calcutta Stock Exchange remained closed for the Christmas holidays (24, 25 and 26). In a short session Dalal Street displayed a steadier trend after initial setback. Tata Irons opened at Rs 159.29 and after shading further to Rs 159.00 recovered on bear covering to close at Rs 160.50. Indian Irons moved in a similar fashion to close steady at Rs 18.56. Textiles were slightly better with Bombay Dyeing well maintained around Rs 49.80.

25

The Bombay Stock Exchange remained closed from 25th December to the end of the month for Christmas and Bank holidays.

26

Reopening after the holidays, the Calcutta Stock Exchange showed no improvement. In the absence of buying support prices were lower where marked. Business passing was at a low ebb. Indian Irons opened at Rs 18.42 and after touching a low of Rs 18.37 closed quiet at Rs 18.38.

JUTE

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Ra. 000	Sales Ra. 000	Stock Ra. 000	Managing Agents Commission and allowances R	Year ended Ra. 000	Net Profit Ra. 000	Net Profit for the previous period Ra. 000	DIVIDEND %		
		Hassian	Secking								Latest	First prev.	Second prev.
Agarpara ...	B. N. Elias & Co. 7% C. P.	554	325	154.10	248.66	77.59	50	3-57	(a) 4.69	(a17) 4.15	2 1/2	5 1/2	7 1/2
Alexandra ...	McLeod & Co. Ltd. 7% C. P.	296	150	28.31	54.00	8.86	46	6-56 H	3.77	(a7) 1.12	5	5	5
Alliance ...	McLeod & Co. Ltd. 6% C. P.	797	467	...	98.11	21.01	39	6-56 H	(a26) 1.21	(j) 1.23	nil	nil	6
Anglo India ...	Duncan Bros. & Co. 7% C. P.	1,589	972	356.65	515.25	142.70	50	3-57	(a23) 1.72	25.63	3	3	3
Auckland ...	Bird & Co. Private Ltd. 5 1/2% C. P. 4 1/2% R. C. P.	450	360	116.48	160.42	42.64	40	3-57	(a) 3.14	(a) 9.23	3 1/2	3 1/2	3 1/2
Bally ...	Birla Bros. Private Ltd. 7% C. P.	659	300	54.82	190.55	4.25	9	3-57	2.75	(h) 2.98	2	nil	3 1/2
Barnagore & ...	Jardine Henderson 5% C. P.	1,124	766	...	...	...	...	3-57	-7.1	28	nil	nil	15
Belvedere ...	Andrew Yule & Co. Ltd. 7% C. P.	601	219	...	106.94	5.90	...	12-56	(a1) 2.05	(a1b) 3.36	5	5	5
Bengal Jute ...	Sourajmull Nagarmull 5 1/2% R. C. P.	330	250	...	283.71	26.71	1.43	6-56	15.21	15.21	10	11 1/2	11 1/2
Birla ...	Birla Brothers Private 7 1/2% C. P. T. 5 1/2% R. C. P.	982	391	...	431.22	49.91	2.21	3-57	24.70	29.88	10	10	10
Budge Budge ...	Andrew Yule & Co. Ltd. 7% C. P.	552	439	...	152.26	9.11	26	10-56	(a) 2.45	(a19) 5.45	nil	7 1/2	7 1/2
Caledonian ...	Andrew Yule & Co. Ltd. 7% C. P.	371	245	...	93.00	4.50	25	11-56	(a2) 4.44	(a20) 4.73	nil	6 1/2	9
Champdany ...	James Finlay & Co. Ltd. 7% C. P.	761	639	208.74	333.61	58.41	50	3-57	(a24) 1.90	(y9) 27.02	nil	8	7
Chitavalah ...	McLeod & Co. Ltd. 7% C. P.	124	376	35.15	69.29	8.35	1.45	7-56 H	6.94	0.34	6 1/2	6 1/2	7 1/2
Clive ...	S. K. Invt. Co. Ltd. 6% C. P. 7% C. P.	546	423	10.82	158.95	29.56	78	3-56	5.33	19.51	5	12 1/2	nil
Dalhousie ...	Bird & Co. Private Ltd. 7% C. P.	448	318	97.05	149.16	9.92	45	3-57	(a10) 4.40	(a) 4.5	nil	1	4 1/2
Delta ...	Andrew Yule & Co. Ltd. 5 1/2% C. P.	458	321	...	103.87	8.34	27	11-56	(j) 2.20	(a) 3.61	5	10	12
Empire ...	McLeod & Co. Ltd. 7% C. P. 5% Deb.	295	205	28.03	39.21	8.45	58	6-56 H	2.90	2.41	5	5	7 1/2
Fort Gloster ...	Kettlewell Bullen & Co. 7% C. P. 5% 2nd C. P.	1,098	786	...	396.37	88.48	99	3-57	11.48	12.37	10	12 1/2	15
Fort William ...	Bangur Brothers Ltd. 7% C. P.	585	429	...	211.21	40.50	64	3-57	9.69	11.44	15	17 1/2	20
Ganges ...	Macneill & Barry 8% C. P.	1,001	708	15.13	140.34	20.27	2.09	3-56 H	-1.44	(a) 2.86	nil	nil	2 1/2
Gondalpara ...	Directors Deb.	409	199	143.90	194.11	30.06	...	12-56	(c) 2.62	-2.03	16 1/2	4	4
Gourepore ...	Macneill & Barry 6% C. P.	962	432	190.42	290.34	14.68	50	3-57	(a22) 6.79	(b) 7.34	2 1/2	10	15
Hastings ...	Bangur Bros. Ltd. 6% C. P.	661	417	142.31	250.29	11.21	95	3-57	(r) 19.13	20.42	5	15 1/2	11 1/2
Hooghly ...	Directors 10% Pref. (t)	466	254	114.37	146.46	7.35	3.70	3-56	-1.81	5.91	nil	12 1/2	5
Howrah ...	Jardine Henderson Ltd. 7% C. P. 7% 'A' C. P.	1,234	706	263.51	365.27	105.34	50	3-57	-14.90	(f) 12.02	nil	10	12 1/2
Hukumchand ...	Ramkrishna Ramkissandas 7% C. P. 3 1/2% Deb.	1,519	753	314.66	480.74	69.06	2.19	3-57	23.76	2.15	20	26 1/2	26 1/2
India ...	Directors	522	554	...	191.83	38.01	...	3-57	(a6) 9.44	(a4) 10.19	7 1/2	5	5
Kamarhaty ...	Jardine Henderson Ltd. B. Ord. 6% C. P. 5 1/2% Debentures	1,250	547	101.56	147.65	63.48	25	12-56 H	-3.35	-3.71	nil	nil	nil

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up Ra. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Ra. 000	Gross Block Ra. 000	Deprecia- tion Ra. 000	LIQUID ASSETS				
	December 1957 Ra. np.	December 1956 Ra. a			General Ra. 000	Others Ra. 000	Carry forward Ra. 000				Invest- ments Ra. 000	Stocks and Stores Ra. 000	Out- standings Ra. 000	Cash Balances Ra. 000	Others Ra. 000
Agarpara ...	7 06	9 14	10	60.00	39.23	5 00	19	80.82	120.20	53.26	4.02	92.06	42.65	1.53	6
7% Cum. preference ...	94 50	101 8	100	10.00											
5 1/2% Debentures ...	910 00	975 0	1000	12.00											
Alexandra ...	45 50	195 0	100	6.00	4.00	6.25	2.46	21.72	53.46	37.72	70	25.10	11.08	68	2.13
7% Cum. preference ...	86 50	97 8	100	9.00											
5 1/2% Debentures ...	455 00	495 0	500	6.00											
Alliance ...	79 00	104 0	100	30.00	2.75	2.50	34	54.03	117.62	94.41	2.10	64.64	12.87	1.81	...
6% Cum. preference ...	69 00	97 0	100	15.00											
Anglo India ...	146 50	135 0xd	100	49.21	50.00	16.00	1.78	180.78	311.47	203.15	41.18	155.12	29.31	3.29	45
7% Cum. preference ...	94 00	101 0xd	100	40.00											
Auckland ...	75 00	90 0	100	40.00	12.50	20.84	-3.79	54.95	141.67	55.35	3.27	50.96	16.35	1.6	7.42
5 1/2% Cum. preference ...	75 00	80 8	100	10.00											
4 1/2% R. Cum. preference ...	52 00	62 0	100	15.00											
8% Debentures ...	770 00	880 0	1000	15.00											
Bally ...	153 00	159 0	100	20.00	16.50	5.00	67	33.91	97.26	66.52	1.01	51.55	11.30	1.48	...
7% Cum. preference ...	95 00	101 8	100	20.00											
Barnagore & ...	90 00	102 0	85	2.75	2.15	4.10	-1.56	10.12	16.67	9.62	15	8.26	3.74	35	...
5% Cum. preference ...	30 00	41 0	100	2.00											
Belvedere ...	72 50	117 0	100	28.00	10.09	16.47	1	30.64	94.68	51.49	55	42.46	5.59	2	...
7% Cum. preference ...	95 50	111 0	100	7.00											
Bengal ...	11 50	16 5	10	45.00	24.00	11.45	1.46	72.88	57.92	33.73	5	44.48	48.88	67.79	4
5 1/2% R. C. P. ...	64 50	79 8	100	10.00											
4 1/2% Debentures ...	900 00	930 0	1000	10.00											
5 1/2% Debentures ...	900 00	937 8	1000	10.00											
Birla ...	14 75	14 12	10	91.26	45.00	175.87	2.67	80.91	364.24	153.36	79.31	67.07	90.03	43.75	10.37
7 1/2% C. P. ...	75 00	90 0	100	23.64											
5 1/2% R. C. P. ...	...	...	100	82.05											
Budge Budge ...	68 00	121 0	100	36.00	12.76	8.34	4	24.06	117.09	72.35	76	42.71	2.02	5	...
7% Cum. Preference ...	88 00	107 8xd	100	9.00											
Caledonian ...	100 00	140 0	100	18.00	23.19	3.27	21	23.53	87.44	45.04	46	30.37	4.96	1	...
7% Cum. preference ...	93 00	109 0	100	10.00											
Champdany ...	101 00	125 0	100	59.16		76.49	-7.24	63.66	228.05	119.61	2.06	67.89	12.63	46	39
Chiviot ...	120 00	186 0	100	15.95	14.27	9.03	9	13.09	82.74	57.70	66	32.84	3.87	1	...
7% Cum. preference ...	93 00	112 8	100	10.00											
Chitavalah ...	12 06	11 10	10	30.15	18.00	9.00	1.01	22.00	66.69	48.44	9.11	33.90	9.46	29.90	...
7% Cum. preference ...	95 00	108 0	100	5.00											
5% Debenture ...	445 00	475 0	500	10.69											
Clive ...	12 37	13 7	10	24.00		5.00	26	48.13	81.05	67.13	58	57.33	24.86	70	...
6% Cum. preference ...	53 75	80 8	100	8.00											
7% Cum. preference ...	74 00	91 0	100	8.00											
Dalhousie ...	72 00	90 8	100	31.49	8.72	44.48	-8.76	37.34	134.50	51.19	6.16	29.27	20.78	1	52
7% Cum. preference ...	79 00	102 0	100	15.00											
5 1/2% Debentures ...	900 00	950 0	1,000	20.48											
Delta ...	88 00	127 0	100	28.00	17.59	22.93	5	19.41	77.35	47.66	15.14	43.22	4.90	2	...
5% Cum. preference ...	70 00	90 8	100	5.00											
Empire ...	15 44	15 14	10	15.00	24.50	10.00	76	14.17	83.93	60.86	9.37	32.28	13.37	5.20	...
7% Cum. preference ...	88 50	108 0	100	10.00											
5% Debentures ...	450 00	472 8	500	8.86											
Fort Gloster ...	295 00	310 0	100	21.00	54.40	8.00	2.45	103.26	241.58	169.62	1.89	105.86	45.24	2.91	20
7% Cum. preference ...	100 00	109 0	100	14.00											
5% Cum. preference ...	61 50	74 8	100	7.00											
5 1/2% Debenture ...	96 00	99 0	100	17.95											
Fort William ...	18 50	19 12	10	21.00	14.50		1.71	81.35	120.16	58.00	1.18	45.94	17.95	97	36
7% Cum. preference ...	95 00	110 8	100	10.00											
Ganges ...	49 50	54 0	100	84.32			-2.67	75.26	211.07	132.89	4.81	59.32	20.46	13	...
8% Cum. preference ...	100 00	112 0	100	6.00											
Gondalpara ...	405 00	805 0	300	10.80	25.50	2.50	12	35.18	76.08	50.72	1.10	35.52	11.57	56	...
Debentures ...			300	2											
Gaorepore ...	239 50xd	194 8	100	24.00	3.50	21.00	45	131.25	222.42	158.82	44.09	80.66	21.26	45	...
6% Cum. preference ...	71 00	80 0	100	26.50											
Hastings ...	107 00	119 0	100	40.00	21.50	37.93	3.00	61.47	1.8.36	58.69	33.63	56.77	28.23	61	...
6% Cum. preference ...	87 00	89 0	100	25.00											
Hooghly ...	12 00	19 13	10	16.80	1.60	17.02	-2.95	22.72	66.48	47.71	83	27.54	18.65	17	...
100% Preference [t]	7 25xd	13 2	10	11.76											
Hewrah ...	13 44	20 0	10	65.62	12.76	34.50	-24.66	136.47	234.14	111.59	4.31	129.43	21.74	1.57	1.33
7% Cum. preference ...	90 00	107 0	100	8.75											
7% 'A' C. P. ...	90 00	102 3	100	17.50											
5 1/2% Debentures ...	94 00	97 8	...	30.00											
Hukumchand ...	19 50	22 7	74	52.50	25.37	3.50	1.14	119.98	293.22	157.52	16.02	75.53	35.83	4.42	...
7% Cum. preference ...	89 50	102 0	100	40.00											
3 1/2% Debentures ...			1000	25.00											
India ...	95 50	123 0	125	87.30		16.54	95	48.47	138.02	84.79	34.42	43.94	20.77	89	...
Kamarhaty ...	80 00	99 8	100	24.00	12.00	6.25	-8.80	112.53	126.06	113.40	1.91	85.49	25.03	1.61	67.50
Ordinary ...	95 50	99 8	100	19.20											
6% Cum. preference ...	74 00	80 0	100	16.00											
3 1/2% Debentures ...	90 00	95 0	...	13.04											

NAME	Managing Agents, Agents/Secretaries	LOOMS		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents, Commission and allowances Rs. 000	Year ended	Net Profit Rs. 000	No. Profit for the previous period Rs. 000	DIVIDEND		
		Hessian	Sacking								Latest	First previous	Second previous
Kankarrah ...	Jardine Henderson Ltd. B. Ord. ... 6% C. P. ... 4% R. C. P. ... 5 1/2% Debentures	1,239	288	91.51	117.26	59.54	25	12-56 H	-11.38	-9.06	Nil	Nil	Nil
Kelvin ...	McLeod & Co. Ltd. 7% C. P. ...	394	309	50.96	73.31	16.87	87	5-56 H	4.80	6.97	5	7 1/2	16
Khardah ...	Anderson Wright Ltd. 6% C. P. ...	914	616	219.56	330.90	93.86	56	3-57	6.43	13.30	8	19	11
Kinnison ...	F. W. Heilgers & Co. Pri. 7% C. P. ... 5% Debentures	672	578	178.31	248.40	77.32	50	3-57	(a) 8.97	(a1) 19.87	Nil	12	12
Lansdowne ...	Bird & Co. Private 7% C. P. ...	488	443	118.02	177.38	22.83	45	3-57	(d) 1.85	(a1) 2.73	Nil	2	6
Lawrence ...	Bird & Co. Private 7% C. P. ... 5 1/2% B. C. P. ... 5 1/2% Debentures	456	384	108.51	152.73	24.66	40	3-57	(p) -7.21	(a13) 2.03	Nil	3 1/2	7
Mahabir ...	Agrawal Brothers Directors	28	123	9.42	52.18	6.71	52	9-54	-1.02	-1.99	Nil	Nil	Nil
Magna ...	Directors	612	396	232.42	67.47	...	...	3-57 H	(a5) 9.39	(a1) 10.01	Nil	5	Nil
Naihati ...	F. W. Heilgers & Co. Pri. Ltd. 7% C. P. ... 4 1/2% R. C. P. ... 5 1/2% Debentures	411	404	104.38	162.08	28.63	45	3-57	(u) -4.37	(a27) 6.44	Nil	Nil	Nil
Naskarpura ...	Howrah Trading Co. Private 5 1/2% Debentures	333	92	34.37	12.29	4.26	3,17	10-56	-7	5.78	Nil	12 1/2	11 1/2
National ...	Andrew Yule & Co. 7% C. P. ...	573	279	...	122.42	6.12	26	10-56	(k) 4.47	(a20) 9.51	7 1/2	17 1/2	20
Nellimarla ...	McLeod & Co. Ltd. 6% C. P. ... 4% Deb. ...	55	261	22.42	47.10	7.6	1,01	6-56 H	4.70	5.11	5	5	5
New Central ...	Sahu Jain Ltd. 7% C. P. ...	10,39	7,26	314.16	722.36	57.70	3,17	12-56	36.28	46.14	15	15	...
Northbrook ...	Bird & Co. Private Ltd. 5 1/2% C. P. ... 4% Deb. ...	214	353	87.63	133.18	50.76	40	3-57	(a28) 4.97	15.51	Nil	22 1/2	15
Nudda ...	Macneill & Barry	644	448	158.78	234.44	10.79	50	3-57	(a14) 7.75	(16.04)	Nil	1	2
Orient ...	Andrew Yule & Co.	551	50	...	48.31	4.72	25	11-56	(x) 1.90	(a21) 285	3	9	10
Premchand ...	R. J. Roy Bros. McLeod & Co. Ltd. 4% Deb. ...	364 238	240 162	33.68 41.08	43.24 66.26	6.01 3.69	14 1,43	10-55 H 12-55 H	-2.25 1.29	-64 2.24	Nil 2 1/2	Nil 3 1/2	Nil 3 1/2
Rameshwara ...	Birla Bros Private Ltd 6% C. P. ...	...	305	9.14	89.67	15.07	...	3-56	(a15) 2.98	-54	Nil	Nil	Nil
Reliance ...	Jardine Henderson 7% C. P. ... 5% Deb. ...	924	352	118.85	181.21	49.27	50	3-57	-22.01	-11.43	Nil	Nil	Nil
Shree Ambica ...	Bageria More 7 1/2% C. P. ...	703	208	72.45	196.22	21.28	2,01	3-56	8.82	12.45	2 1/2	10	10
Soorah ...	Hind Inv. Corps. 7% C. P. ... 4 1/2% Deb. ...	201	200	...	103.39	16.66	70	12-56	8.67	10.54	15	15	10
Standard ...	Bird & Co. Private Ltd. 6% C. P. ... 5 1/2% Debenture	367	283	83.16	128.12	22.03	40	3-57	1.82	-59	Nil	Nil	2
Union ...	Bird & Co. Private Ltd. 7% C. P. ... 4 1/2% Deb. ...	740	586	153.64	233.35	39.31	50	3-57	(v) -7.99	(a16) 8.82	Nil	6	10
Waverley ...	McLeod & Co. Ltd. 5% C. P. P. ... 3 1/2% Debenture	306	159	29.97	47.85	9.48	14	6-56 H	(a25) 66	-1.05	Nil	6 1/2	12 1/2

(a) After transferring Rs 3,00,000 from Development Reserve, Rs 1,55,000 from Reserve for Taxation Contingencies and Rs 63,186 from Jute Stock Reserve.
(b) After transferring Rs one lakhs from General and Dividend Reserve.
(c) After writing back Rs 1,26,328 from provision made for loss on stock of jute at mill. Affort and forward jute purchases, etc.
(d) After transferring Rs 1,14,000 from Reserve for taxation contingencies and Rs 70,000 from Jute Stock Reserve.
(e) After writing back Rs 4,22,828 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,008 being provision against anticipated loss on jute contract for and after transferring Rs 5,65,000 from General Reserve and Rs 63,000 from Dividend Equalisation Reserve.
(f) After transferring Rs 5,00,000 from General Reserve and Rs 3,00,000 from Machinery Renewal Reserve, Rs 2,00,000 from Dividend Equalisation Reserve and Rs 2,00,000 from Jute Stock Reserve.
(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.
(h) After transferring Rs 3,00,000 from General Reserve.
(i) After writing back Rs 3,04,000 being provision against anticipated loss on raw jute stock and work in progress and Rs 4,225 being provision against anticipated loss on jute contract for Rs 38,000 being excess provision for taxation; and after transferring Rs 3,90,000 from General Reserve and Rs 32,500 from

Dividend Equalisation Reserve.

(j) After transferring Rs 4,28,000 from Reserve and writing back Rs 30,000 from Workers' Provident Fund shown in excess in previous half-year and Rs 61,000 from provision for possible loss on forward contracts.
(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contract for; Rs 14,600 being excess provision for taxation and Rs 1,95,000 from Dividend Equalisation Fund.
(l) After transferring Rs 8,50,000 from General Reserve.
(m) After transferring Rs 1,00,000 from Dividend Equalisation Fund and Rs 75,000 from General Reserve.
(n) After transferring Rs 1,01,808 from General Reserve and Rs 6,879 from provision for taxation and after including Rs 1,25,003 being refund of taxes.
(o) After transferring Rs 2,00,984 from General Reserve and Rs 88,366 being excess depreciation.
(p) After transferring Rs 1,06,985 from Jute Stock Reserve; Rs 62,400 from Reserve for Tax contingencies; Rs 21,000 from Development Rebate Reserve; and writing back Rs 52,371 from provision for taxation and Rs 10,000 from Jute Stock Reserve.
(q) After transferring Rs 7,50,000 from General Reserve.
(r) After transferring Rs 5,00,000 from provision for contingencies and Rs 1,00,000 from provision for tax-

ation.
(s) After transferring Rs 8,23,000 from Reserve for Tax contingencies; Rs 2,30,000 from Jute Stock Reserve; and Rs 1,47,000 from Development Rebate Reserve and including Rs 1,89,365 being Requisition claim realised.
(t) Preference shares carry a dividend of 10 per cent of which only 5 per cent is cumulative.
(u) After transferring Rs 36,026 from Jute Stock Reserve.
(v) After transferring Rs 3,28,000 from Tax contingencies Reserve; Rs 2,50,000 from Jute Stock Reserve and Rs 5,000 from Development Rebate Reserve.
(w) After writing back Rs 2,37,768 being provision against anticipated loss on raw jute and work in progress; Rs 7,350 being provision against anticipated loss on jute contract for and Rs 19,500 being excess provision for taxation and Rs 85,000 from Dividend Equalisation Reserve and Rs 4,25,000 from General Reserve.
(x) After writing back Rs 1,65,396 being provision against anticipated loss on raw jute and work in progress and Rs 16,800 being provision against anticipated loss on jute contract for and after transferring Rs 2,80,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.
(y) After transferring Rs 5,94,144 from Capital Reserve and Rs 3,00,000 from Contingencies Reserve and after providing Rs 2,70,141 for Sales-tax Liability.
(z) After writing back Rs 1,00,000 from excess provision for taxation and Rs 25,000 from provision against anticipated loss on forward contracts.

(a) After transferring Rs 8,23,000 from Reserve for Tax contingencies; Rs 2,30,000 from Jute Stock Reserve; and Rs 1,47,000 from Development Rebate Reserve and including Rs 1,89,365 being Requisition claim realised.
(b) After transferring Rs 36,026 from Jute Stock Reserve.
(c) After transferring Rs 3,28,000 from Tax contingencies Reserve; Rs 2,50,000 from Jute Stock Reserve and Rs 5,000 from Development Rebate Reserve.
(d) After writing back Rs 2,37,768 being provision against anticipated loss on raw jute and work in progress; Rs 7,350 being provision against anticipated loss on jute contract for and Rs 19,500 being excess provision for taxation and Rs 85,000 from Dividend Equalisation Reserve and Rs 4,25,000 from General Reserve.
(e) After writing back Rs 1,65,396 being provision against anticipated loss on raw jute and work in progress and Rs 16,800 being provision against anticipated loss on jute contract for and after transferring Rs 2,80,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.
(f) After transferring Rs 5,94,144 from Capital Reserve and Rs 3,00,000 from Contingencies Reserve and after providing Rs 2,70,141 for Sales-tax Liability.
(g) After writing back Rs 1,00,000 from excess provision for taxation and Rs 25,000 from provision against anticipated loss on forward contracts.

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(b) After transferring Rs 36,026 from Jute Stock Reserve.
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NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block	Deprecia- tion Rs. 000	Liquid Assets				
	December 1957 Rs. np.	December 1956 Rs. as.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balance Rs. 000	Others Rs. 000
Kankarrah ...	54 00	75 0	100	30.00	6 00	2,75	-21,37	121,76	175,75	87,50	1,77	73,87	20,27	2,65	3,23
B. Ordinary ...	64 00	95 0	100	24,00											
6% Cum. preference ...	77 00	87 8	100	10,00											
5 1/2% R. C. P. ...	...	...	100	4,23											
5 1/2% Debentures ...	90 00	97 0N	...	12,69											
Kelvin ...	200 00	195 0	100	21,00	43,50	9,50	91	53,46	135,19	86,26	6,08	49,61	32,22	1,53	
7% Cum. preference ...	91 50	108 0	100	10,00											
Khardah ...	120 00	132 0	100	54,00	2,333		27	133,40	196,61	122,04	1,40	110,88	31,56	1,56	
6% C. P. ...	79 50	91 8	100	9,00											
Kinnison ...	110 00	127 0	100	48,00	27,91	52,32	29	96,89	236,19	98,60	10,47	95,79	21,18	37	2
7% Cum. preference ...	85 50xd	111 8	100	15,00											
5% Debentures ...	900 00	965 0	1000	25,00											
Lansdowne ...	75 00	95 0	100	24,48	11,74	25,76	-9,98	73,02	128,57	53,10	3,10	40,36	21,78	7	14
7% C. Preference ...	87 00	100 0	100	15,00											
Lawrence ...	85 50	86 8	100	28,00	9,78	43,49	-7,73	35,61	116,06	65,14	5,25	33,87	27,65	7	25,68
7% Cum. preference ...	95 00	103 0	100	5,00											
5 1/2% 'B' cum. preference ...	65 00	76 0	100	10,00											
5 1/2% Debentures ...	920 00	970 0	1000	19,29											
Mahabir ...	85 00	85 0	100	10,78			-6,77	23,48	19,87	13,47	47	15,70	3,91	96	
Magna ...	80 25	69 0	100	81,65		22,04	56	81,23	213,91	133,25	1,28	75,28	26,21	1,94	
Naibati ...	62 00	72 0	100	29,99	12,04	22,58	-13,08	52,60	165,26	86,71	2,77	44,81	19,88	16	45
7% cum. preference ...	82 00	110 5	100	7,50											
4 1/2% R. C. P. ...	57 00	73 0	100	10,00											
5 1/2% Debentures ...	900 00	950 0	1000	25,00											
Naskarpura ...	12 00	14 9	10	20,00	15,55		-1,65	18,88	56,03	21,34	5	28,39	15,35	29,30	
5 1/2% Debentures ...			1000	5,00											
National ...	22 10	18 10xd	10	35,00	21,70	19,59	17	11,15	31,71	10,66	16,70	30,95	4,16	19,76	
7% C. P. ...	95 00	112 0	100	5,00											
Nellimarla ...	11 19	10 9	100	26,25	17,25	9,75	1,29	20,60	28,31	20,72	5,88	25,21	23,22	23,24	
6% Cum. preference ...	85 00	97 9	100	5,00											
6% Debentures ...	440 00	465 0	500	5,00											
New Central ...	11 50	13 8	10	85,50	115,00	171,31	3,36	419,40	468,82	106,43	15,50	198,00	83,23	152,03	6,02
7% Cum. preference ...	88 50	101 8	100	33,00											
Northbrook ...	17 94	21 15	10	16,80	16,48	30,11	9	54,42	123,05	56,38	4,68	63,59	12,37	10	5,48
5 1/2% Cum. pref. ...	62 75xd	79 8	100	15,00											
4% Debentures ...	800 00	880 0	1000	20,00											
Nuddos ...	27 75	32 0	50	66,80		12,50	20	92,18	224,62	139,16	4,37	55,78	18,99	5	
Oriental ...	94 50	125 0	100	24,91	18,71	5,05	11	13,17	75,85	51,46	53	32,23	4,76	3	
Premchand ...			100	39,96	7,56		-31,69	19,53	58,72	43,90	73	15,27	3,32	1,14	
Presidency ...	3 31	4 7	5	25,00	5,00	1,23	52	13,46	80,86	65,22	2,33	25,97	7,97	1,35	
4% Debenture ...	850 00	930 0	1000	8,00											
Rameshwara ...	4 25	5 15	10	20,00			-9,18	22,87	26,98	8,39	38	19,63	1,97	11	
6% Cum. preference ...	10 19	10 3	10	7,00											
Railiance ...	5 87	9 3	10	49,50		1,50	-38,95	79,04	124,76	64,71	1,91	62,93	9,98	1,21	
7% C. P. ...	69 00	94 8	100	20,00											
5% Debenture ...	850 00	910 0	1000	25,00											
Shree Ambica ...	15 25	15 4	10	30,00	12,15	1,00	6	83,32	116,87	81,99	1,72	51,17	49,97	47	
7 1/2% Cum. preference ...	81 00	91 4xd	100	11,70											
Soorah ...	13 12	16 8	10	14,00	10,80	5	23	19,71	67,75	43,57	8,90	20,70	5,27	3,75	
7% Cum. pref. ...	100 00	107 0	100	10,00											
4 1/2% Debenture ...	455 00	480 0	100	8,00		30,84	-8,76	35,73	126,57	57,29	4,84	31,79	10,66	32	11
Standard ...	54 08	77 0	100	25,20											
6% C. P. ...	74 50	86 0	100	9,00											
5 1/2% Debentures ...	900 00	955 0	1000	25,00											
Union ...	100 00	125 0	100	35,99	14,94	66,16	-13,52	86,05	201,41	89,48	3,93	52,71	37,93	1,11	1
7% C. P. ...	93 00xd	101 8	100	6,00											
4 1/2% Debenture ...	900 00	965 0	1000	12,00											
Waverley ...	3 10	3 0	1	2,50	3,00	3,35	11	21,88	56,01	40,74	60	26,08	5,66	71	
5% Cum. preference ...	31 00	49 0	50	7,50											
5 1/2% Debenture ...	400 00	437 8	500	10,00											

[January 11, 1958]

MISCELLANEOUS

MISCELLANEOUS												
NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Latest	Previous	Second Previous
WESTERN AND CENTRAL INDIA												
Alomhic Chemicals	Bhailal Amin & Sons	7.08	31.78	115.38	88.87	4.93	12-55	11.20	8.23	8	8	8
	64% 1st Cum. Pref.									8	8	8
	5% 2nd. R. C. P.									5	5	5
Anil Starch Products	6% 3rd. Cum. Pref.									6	6	6
	Kasturilal Lalbhai & Co.		92.01	143.51	3.78	61	12-56	(v)11.04	(c)9.25	10	10	10
	5% C. P.									5	5	5
Associated Cement Cos.	Cement Agencies	308.06	884.90	22,13.47	65.63	42.75	7-56	504.02	536.87	10	10	8
Associated Stone Industries	Rajaputana Mining Agen. Pri.Ld.	1.39		39.24	14.82	1.02	9-56	7.09	4.23	30	10	10
	6% C. P.									6	6	6
	Deferred									6	6	6
Atul Products	Lalbhais Sons & Co.	7.58	111.24	183.41			12-56	30.96	20.62	6	5	28
Automobile Products	Directors	11.52	126.32	134.73	41.00	9	7-56	8.39	5.90	5	5	5
	5% R. C. P.									5	5	5
Bharat Line	Dinshaw Private	29.23	149.86	233.71			12-55	30.88	35.25	5	5	5
Bombay Burma Trading	Wallace & Co.	7.53				1.07	5-56	102.70	74.32	32	30	16
	Old Shares											
	New shares											
Bombay Gas	Directors	5.41	37.78	77.73			12-54	15.41	13.27	12	12	7
Bombay Potteries & Tiles	C. J. Motichand & Co.	7.33					9-55	14.00	3.67	nil	nil	nil
	64% C. P.									6	6	6
	44% C. P.									15	16	16
Bombay Safe Deposit	F. F. Campbell & Co. Ld.	42		1.34		9	12-55	68	68	15	16	16
Bombay Uganda Co.	Directors			90.34			12-55	-2.42	2.12	nil	5	6
										8	8	8
G. Claridge & Co.	W. H. Brady & Co. Ltd.	8.94	14.36	28.39	1.24	37	12-56	3.10	4.26	15	16	12
G. G. Dandekar Machine Works	Dandekar Engineers	1.86	3.33	8.44	1.68	26	6-56	1.59	1.62	8	8	8
	Partly Paid Ordinary									5	5	5
	5% R. C. P.									5	5	5
Dharamsi M. Chemical	D. Morarji & Co.	1.22	37.91	49.24	58.62	18	12-55	51	2.03	nil	6	6
Digvijay Cement	Shree Laxmi Agents Ld.	13.48	90.98	168.53	2.81	3.90	12-55	43.36	41.71	8	8	6
	5% R. C. P.									5	5	5
Eastern Shipping Corp.	Scindia Steam Navigation	26.54	129.00	220.84		3.54	3-56	45.68	(r)25.36	5	5	5
Estrela Batteries	Chunilal Manilal Ltd.	14.19	23.27	57.54	18.84	33	3-56	4.79	2.70	5	5	5
	5% R. C. P.									5	5	5
Great Eastern Shipping	A. H. Bhiwandiwalla & Co. Privt.	28.28							(1)81.81	15	15	(a)
	54% R. C. P.			372.29		8.31	6-57	(a)97.87	(1)81.81	5	5	5
Greaves Cotton & Co.	Directors			251.96	76.22		3-55	16.35	18.63	5	5	11
	5% C. P.	19.48								5	5	5
	6% R. C. P.		228.32							6	6	6
Hindustan Electric Co.	Dharamsinh & Co.	4.76	99.20	127.74	31.58	75	4-56	9.42	2.89	6	6	8
	6% C. P.											
Hindustan Lever	Director's											
Indian Cement	Director's	182.86	1972.42	2740.44			12-56	252.19		12		
Indian Plastics	Directors	3					3-56	1.64	1.24	30	25	20
	54% Cum. preference	8.75	27.88	49.52	13.73		3-56	4.02	3.28	20	18	14
Indian Vegetable Products	F. F. Campbell & Co. Pri.									5	5	5
Indus. Cr. & Invest. Corp.	Directors	5.78	141.29	206.29	7.21	1.31	9-56	6.29	3.18	10	10	10
Industrial Investment	Directors	3.86		41.75			12-56	34.48	22.81	3	5	5
	Premchand Roychand & Sons	26		6.72		34	12-56	6.03	5.83	5	4	4
Kemp & Co.	Directors											
Killick Industries	Managing Director	5.37	47.70	55.40	9.65		3-56	2.02	1.44	7	6	6
		6.69					6-56	26.27	27.63	11	11	11
Machinery Manfra. Corp.	Mahindra & Mahindra	22.84	37.82	69.86	40.16	40	3-57	8.72	10.62	nil	nil	nil
	4% Cum. preference									nil	nil	nil
	44% C. P.									nil	nil	nil
	Loan from I. F. Corp.									nil	nil	nil
Malwa Vanaspathi & Chem.	Mohatta Bros.		96.34	110.33	6.71	15	12-53	4.60	-6.02	nil	nil	ni
National Elect. Industries	6% Debentures											
	Navin Kumar Hansraj Pri. Ltd.	10.15	44.38	56.93	24.05	83	3-56	5.56	5.37	9	9	9
	5% C. P.									4	4	4
National Machinery Manfrs.	Directors	37.64	75.06	152.62	81.06		12-55	26.23	10.80	nil	nil	nil
National Newsprints & Paper	Directors	2.06					3-55	-4.42	39	nil	nil	nil
National Rayon Corp.	Chinai & Co. Private Ld.	47.41	197.72	422.38	22.31	10.46	12-	142.94	102.13	14	12	10
	5% Cum. preference									5	5	5
	5% Debentures											
Palampur Veg. Products	Investa Industrial Corp.											
	54% C. P.						12-55	-1.13	-1.59	nil	nil	nil
Pioneer Magnesio Works	N. Pestonjee & Co.	78		9.84	26	38	12-54	1.78	1.71	5	5	5
	Ordry. Partly Paid									5	5	5
Polson Ltd.	Polson Agencies Private Ld.	7.83	47.32	92.12	11.44	1.47	12-56	10.75	13.29	12	10	10
	6% C. P. T.									6	6	6
Sanitex Chem. Industries	M. B. Amin & Co.	3.42	9.78	18.76	9.69	24	12-55	20	36	nil	nil	nil
	5% C. P.									5	5	5
Sathe Biscuits	Sathe Food Industries	92	11.93	24.09	8.65	11	3-56		12	5	5	5
	Partly Paid									5	5	5
	5% R. C. P.									5	5	5
Scindia Steam	Narottam Morarjee & Co.	137.54	604.14	1049.95		25.74	6-56	(h)265.86	(v)119.17	4	2	2
	44% Debentures											
	Directors											
	5% C. P.	1.41	7.54	12.27								
Shangrilla Food Products	Killick Industries Ld.				1.49		3-56	-3.80	-3.35	nil	nil	nil
	Mody & Co.	45.00		163.08	34.46	5.74	11-56	43.17	31.73	nil	nil	nil
	64% Cum. Pref.		7.33	4.98	7.63	8	3-56	64	65	80	80	80
Tata Chemicals	Tata Industries Private	42.22		265.59		2.81	6-57	51.48	41.26	6	6	6
	5% Cum. preference									5	5	5
	5% Debentures									5	5	5
	Tata Industries Private	80.91	439.27	662.64		2.71	3-57	30.29	42.00	10	12	8
	44% Cum. preference									10	10	10
United Salt Works & Indus.	Salt & Industry Agency Pr. Lt.	11.24		33.81	9.93	48	9-55	14.16	4.49	44	44	44
Western India Match	Swedish Match Co.	125.95	728.67	1016.87	22.84	13.06	12-55	78.54	78.38	11	11	11
(a) Traffic Revenue. (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income. *Income by freight, etc.												

(a) Traffic Revenue.

(b) Dividends and Interest, etc.

(c) Profits on contracts.

(d) Revenue Income.

*Income by freight, etc.

January 11, 1958]

INDUSTRIALS

NAME		MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up p per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS									
		December 1957	December 1956			General	Others	Carry Forward				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
WESTERN AND CENTRAL INDIA																					
Alomhic Chemicals ...		136 25	118 2	100	32.41	18.06	12.85	57	65.41	85.67	44.34	24.86	46.15	31.29	66	...	...				
64% 1st C. P. ...		88 50	90 0	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...				
5% 2nd R. C. P. ...		...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...				
6% 3rd C. P. ...		...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...				
Anil Starch Products ...		237 50	...	100	29.26	13.02	7.38	14	3.79	91.88	23.35	6	22.65	25.08	2.27	...	...				
5% C. P. ...		85 00	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...				
Associated Cement ...		151 00	180 8	100	1271.67	95.00	831.84	2.94	1135.82	2775.39	984.44	78.23	906.41	325.19	185.66	50.85	...				
Bharat Line ...		...	...	100	100.00	...	15.37	1.55	219.38	441.66	185.09	3.79	19.92	47.25	71	8.98	...				
Associated Stones Indust		...	...	10	8.50	3.15	...	10.98	7.26	10.30	5.10	20	16.15	12.48	2.86	...	...				
6% C. P. ...		...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...	...				
Deferred ...		...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...				
Atul Products ...		...	...	100	189.00	...	...	24	220.38	261.72	45.19	62.42	93.72	33.06	3.85	...	...				
Automobile Products ...		...	...	10	28.00	1.13	...	4	74.66	59.72	10.24	...	48.22	13.06	8	...	...				
5% R. C. P. ...		...	...	100	7.00	...	...	...	...	...	...	...	...	...	...	...	...				
Bombay Burma Trading ...		...	...	2500	2.50	70.98	349.16	40	270.42	398.85	171.93	113.38	108.33	149.34	153.51	34.81	...				
Old Shares ...		520 00	677 8	125	50.00	...	...	...	...	...	...	...	...	...	...	...	...				
New Shares ...		200 00	243 12	50	42.00	...	...	...	...	...	...	...	...	...	...	...	...				
Bombay Gas ...		...	...	100	40.00	11.14	21.79	2.55	38.71	61.49	26.52	10.27	11.82	10.97	46.15	...	...				
Bombay Potteries & Tiles		64 00	...	100	14.18	15	4	24	4.29	26.33	12.40	9	8.52	1.90	4.22	...	...				
64% C. P. ...		65 00	...	100	1.13	...	...	...	...	...	...	...	...	...	...	...	...				
44% C. P. ...		50 00N	...	100	8.63	...	...	...	...	...	...	...	...	...	...	...	...				
Bombay Safe Deposit ...		41% C. P. ...	...	200	2.40	71	3	...	1.72	5.68	4.23	2.70	16	52	...	...					
Bombay Uganda Co. ...		500 00N	...	80	15.96	2.01	...	-2.00	7.20	2.26	90	86	10.68	1.30	9.03	...	...				
G. Claridge & Co. ...		47 50	...	100	9.00	6.00	6.25	29	6.90	18.79	14.59	1	14.53	6.79	1.92	...	...				
G.G. Dandekar Mee. Works		...	...	100	4.00	1.00	67	8	4.65	10.06	5.33	4.74	1.68	2.63	9	...	...				
Partly Paid Ordry		...	...	50	2.47	...	...	...	...	...	...	...	...	...	...	...	...				
5% R. C. P. ...		...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...	...				
Dharamsi M Chemical ...		46 50	45 8	50	13.69	1.70	1.00	1	33.12	41.22	21.00	18	17.44	9.66	7	1.94	...				
Digvijay Cement ...		133 25	154 8	100	88.80	30.00	14.50	2.79	78.84	204.20	86.59	29.42	47.87	14.69	11.42	33.69	...				
5% R. C. P. ...		82 00	97 0	100	39.78	...	...	...	...	...	...	...	...	...	...	...	...				
Eastern Shipping Corp.		...	...	100	550.00	...	39.99	24	223.60	467.35	71.18	68.40	98	37.53	166.30	144.46	...				
Estrela Batteries		36 50	39 8	50	14.97	3.15	7	22	15.50	28.61	19.41	3	17.66	12.81	70	3.50	...				
5% C. P. ...		35 50	...	50	9.97	...	...	...	...	...	...	...	...	...	...	...	...				
Great Eastern Shipping		19 24	17 2	10	90.00	76.00	61.60	1.84	367.08	490.84	86.21	2.74	36	72.77	140.71	...	...				
54% R. C. P. ...		96 50	101 0	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...				
Greaves Cotton & Co.		...	...	100	85.00	15.00	13.15	14	130.48	10.11	4.54	113.14	75.82	91.65	7.58	...	...				
5% C. P. ...		...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...				
6% R.C.P.		...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...				
Hindustan Electric Co.		95 80	90 0	100	35.85	2.00	...	18	111.50	78.77	7.27	2.53	28.65	51.22	2.20	7.50	...				
6% C. P. ...		82 00	...	100	8.07	...	...	...	...	...	...	...	...	...	...	...	...				
Hindustan Lever		19 76	...	10	557.00	40.00	63.94	94.17	341.58	455.51	103.65	1.03	472.15	174.40	97.18	...	...				
Indian Cement		27 00	37 0	10	1.52	1.00	50	4	1.43	1.42	...	1.30	...	53	1.23	...	...				
Indian Plastics		...	...	10	29.88	...	...	...	20.34	44.45	10.95	...	27.83	11.05	65	...	...				
54% Cum. preference		...	...	100	22.50	...	...	...	...	...	...	...	...	...	...	...	...				
Indian Vegetable Products		100 00	...	100	21.17	2.53	1.95	8	16.10	25.35	20.52	69	9.18	10.92	16.21	...	...				
Indus. Cr. & Invest. Corp.		69 80	75 8	100	500.00	10.00	...	6.31	792.34	98	35	652.58	...	77.86	577.59	...	...				
Industrial Investment		65 50	69 4	100	99.99	16.23	3.90	3.24	7.12	20	16	122.60	...	1.77	6.07	...	...				
Kemp & Co.		175 00	193 12	200	12.00	3.50	2.86	15	14.86	24.75	11.68	78	9.90	8.25	1.33	...	...				
Killick Industries		155 00	166 8	100	100.00	7.50	27.58	5	52.50	35.47	8.04	144.36	4.90	8.82	1.88	...	...				
Machinery Manfrs. Corp.		...	...	100	39.24	...	14.42	-23.18	90.45	129.21	36.37	21	53.70	10.89	1.16	1.08	...				
4% Cum. preference		...	...	100	13.95	...	...	...	...	...	...	...	...	...	...	...	...				
44% C. P. ...		...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...				
Loan from I. F. Corp.		...	...	10	49.09	...	...	...	...	...	...	...	...	...	...	...	...				
Malwa Vanaspathi Chema.		...	...	...	31.28	...	30	-5.10	29.60	51.07	6.00	...	11.97	14.22	17	84	...				
6% Debentures		...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...	...				
National Elec. Industries		70 00	...	50	5.85	...	7.25	18	31.90	24.76	9.46	89	24.05	9.95	51	...	...				
44% C. P. ...		80 00N	...	100	5.42	...	...	...	...	...	...	...	...	...	...	...	...				
National Machy. Manfrs.		...	...	100	252.40	...	12.36	61	115.89	245.11	99	...	95.13	30.54	90	58	...				
National Newspaper & Paper		...	...	10	131.53	...	-6.60	429.81	413.25	429.81	...	3	15.06	28.74	57.26	40.40	...				
National Rayon Corp.		211 25	242 8	100	160.64	32.00	86.15	5.52	259.08	946.21	265.00	1.10	141.75	37.17	6.48	...	...				
5% Cum. Preference		66 70	80 8	100	174.28	...	...	...	...	...	...	...	...	...	...	...	...				
54% Debentures		98 00%	...	...	150.00	...	...	...	...	...	...	...	...	...	...	...	...				
Palampur Veg. Products...		...	...	10	15.00	...	...	-23.90	28.59	27.37	...	10	1.84	9	1	28	...				
54% C. P. ...		...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...	...				
Pioneer Magnesia Works...		...	...	100	11.79	18	66	2	4.74	9.55	6.26	4.63	3.05	2.88	86	2.75	...				
Ordry, Partly Paid		...	...	75	8	...	...	...	...	...	...	...	...	...	...	...	...				
Polson Ltd.		160 09	165 0	100	21.60	14.50	11.45	46	25.66	38.81	12.53	1	16.93	20.19	10.27	...	...				
6% C. P. T		84 70	87 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...	...				
Sanitex chem Indus.		...	...	50	13.01	...	...	1	8.29	13.12	60	...	8.20	2.07	38	2.63	...				
5% C. P. ...		...	...	50	4.49	...	...	...	...	...	...	...	...	...	...	...	...				
Sathie Biscuits		50 00N	...	50	4.73	...	1.52	10	24.39	30.54	2.73	46	8.70	3.74	14	...	...				
Partly Paid		...	...	50	5.13	...	...	...	...	...	...	...	...	...	...	...	...				
5% R. C. P. ...		...	...	100	4.98	...	...	...	...	...	...	...	...	...	...	...	...				
Scindia Steam		17 08	18 94	20	939.98	80.00	832.90	5.62	780.46	2264.99	485.66	573.50	23.14	444.41	213.01	19.70	...				
44% Debentures		94 00	...	100	414.13	...	...	...	...	...	...	...	...	...	...	...	...				
Shangrilla Food Products		...	...	100	17.00	...	...	-5.79	8.25	39.73	6.16	...	...	...	...	...	...				
5% C. P. ...		...	...	100	3.00	...	...	...	...	...	...	...	...	...	...	...	...				
Shivripur Syndicate		83 00	88 0	10	7.00	20.00	50.25	9	57.68	36.73	24.46	10.02	49.96	18.84	19.54	4.38	...				
Supreme Industries		74 00	...	100	6.22	3.45	31	25	10.60	10.60	2.28	1.95	7.63	1.26	18	...	...				
64% C. P. ...		70 00	...	100	4.62	...	...	...	...	...	...	...	...	...	...	...	...				
Tata Chemical		12 80	16 13	100	59.97	...	...	...	...	...	...	...	...	...	...	...	...				
5% Cum. Preference		92 00	98 4	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...				
5% Debentures		99 00%	...	25	70.07	10.35	26.43	10	293.95	212.21	126.98	7.33	242.81	72.19	23.24	...	...				
Tata Oil Mills		35 00	45 8	100	29.89	...	...	...	...	...	...	...	...	...	...	...	...				
44% C. P. ...		...	...	250	13.35	13.00	22.31	7.74	10.92	65.62	32.00	5.05	14.75	5.77	8.0	2	...				
United Salt Works Indus.		...	...	100	275.00	6100	19.25	5.62	307.22	303.67	157.21	45	163.96	207.20	150.2	...	...				
Western India Match		160 75	165 0	...	...	...	...	...	...	...	...	...	...	...	...	...	...				

For 12 months.

For 18 months.

For 9 months.

[January 11, 1958]

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Ra. 000	Other Major Expenses Ra. 000	Sales Ra. 000	Stocks Ra. 000	Managing Agents' allowances and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Ra. 000	Previous Ra. 000	Latest	Previous	
NORTHERN INDIA												
Alkali & Chemical	Imp. Ch. Industries Private	12.00	87.34	188.31	38.77	...	9.56	40.20	(m) 31.28	8	8	6
All India Finance & Commerce	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
	Kavell Sival & Co.	30	...	1.69	...	20	5.56	96	88	74	8	8
Aluminium Corpn.	Ordinary	...	...	...	...	...	...	...	...	74	74	74
	74% G. P.	...	...	...	...	...	...	...	...	74	74	74
	J. K. Industries	25.84	30.36	90.90	23.01	...	3.56	25.38	13.00	5	6	nil
	6% Cum. preference	...	...	...	...	...	...	...	...	5	6	5
Amrit Banaspati	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
	Deferred	...	...	...	...	...	...	...	...	nil	nil	...
	5% Debentures	...	...	...	...	...	...	...	...	nil	nil	...
	54% R.C.P.T.	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	Amrit Agency Ltd.	2.06	354.43	567.26	66.68	18	3.55	22.07	19.54	nil	nil	...
	6% C. P.	...	...	...	...	...	...	...	...	nil	6	6
	5% R. C. P.	...	...	...	...	...	...	...	...	nil	5	5
Angelo Brothers	Deferred	...	...	...	...	...	...	...	...	nil	nil	...
	Directors	4.04	...	10.26	...	...	12.55	(a) 1.67	5.02	nil	nil	6
	44% Cum. preference	...	...	...	...	...	...	...	...	44	44	44
Ashoka Cement	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Turner Morrison & Co. Pri.	6.78	258.68	285.12	...	1.65	8.56	16.24	(a) 14.77	20	20	124
Assam Bengal Cement	Directors	...	...	...	...	...	9.55	(a5)	...	...	...	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	Eastern Corporation	8.64	37.04	72.61	4.13	87	3.55	15.96	17.65	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
Assam Saw Mills	4% Debentures	...	...	...	...	...	...	...	...	nil	nil	nil
	Directors	15.63	...	...	...	...	12.55	9.52	7.93	124	124	124
Associated Hotels	Bird & Co. Private	4.34	94.59	124.89	5.98	...	9.56	1.74	81	124	124	124
	Oberoi Hotels (India) Private Ltd.	12.88	40.36	71.62	...	2.16	3.56	14.21	8.83	12	4	2
Associated Mining	7% Cum. preference	...	...	...	...	...	...	...	...	7	7	7
	44% Debentures	...	...	...	...	...	...	...	...	...	...	...
	64% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Ramkumar Agarwala	13	7.37	6.16	1.59	44	12.52	1.90	2.32	6	2	nil
Ballarpur Paper	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	K. C. Thapar & Bros. Ltd.	18.45	53.71	120.61	4.41	89	6.55	39.50	...	nil	nil	nil
	5% R. C. P. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Balmer Lawrie & Co.	Directors	73.78	13,33.11	15,51.18	108.84	...	12.56	(a) 42.87	35.33	15	124	13
	Barrow & Co.	3.46	20.61	3.29	8.86	17	9.56 HY	2.03	2.40	5	6	7
Bathgate & Co.	Directors	2.74	9.13	16.21	...	...	12.53	-6.31	-11.87	5	6	7
	44% Cum. preference	...	...	...	...	...	...	...	...	nil	nil	nil
Behar Rice Mills	H. V. Low & Co.	...	...	...	...	...	6.54	36	(a6) 14.19	74	74	74
	Bengal Assam Steamship	8.19	20.65	32.90	...	73	10.56	7.98	...	74	74	74
Bengal Chemicals	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Directors	28.02	82.42	145.99	38.70	...	4.54	15.12	14.44	6	6	6
	74% Cum. preference	...	...	...	...	...	...	...	...	74	74	74
	44% Cum. preference	...	...	...	...	...	...	...	...	74	74	74
Bengal Elec. Lamp	5% Debentures	...	...	...	...	...	...	...	...	44	44	44
	P. C. Datta	1.27	18.69	33.71	...	...	3.54	4.12	4.86	64	64	64
Bengal Flour	Deferred	...	...	...	...	...	...	...	...	...	...	...
	Balmer Lawrie & Co. Ltd.	5.19	192.13	217.82	4.80	1.11	12.56	12.78	(a7) 8.85	25	224	25
Bengal Paper	Directors	36.10	80.06	202.57	3.05	...	12.56	13.37	30.62	10	181	124
	7% Cum. Preference	...	...	...	...	...	...	...	...	7	7	7
	7% 'A' Cum. preference	...	...	...	...	...	...	...	...	7	7	7
	6% 'B' R. C. P. T.	...	...	...	...	...	...	...	...	6	6	6
Bengal Potteries	44% Debentures	...	...	...	...	...	...	...	...	...	...	...
	B. R. Bhagat & Co.	27.09	13.26	91.13	10.48	...	12.56	14.93	11.13	10	10	10
Bengal Timber	Ord. P. Paid	...	...	...	...	...	...	...	...	...	...	...
	Jardine Henderson	1.34	13.66	24.68	6.48	...	6.55	-81	1.01	nil	nil	nil
Bhagwati Pressing	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Ramdudd Ramkissoon	7	...	1.57	...	17	12.56	1.04	1.13	5	5	5
Bharat Carbon & Ribbon	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Murari Lal Bhatra & Co.	1.63	14.71	19.61	4.03	11	12.55	1.12	1.06	74	74	74
Bharat Starch & Chemical	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...
Bharat Company	K. C. Thapar & Bros.	1.65	38.41	37.48	12.65	67	1.55	-6.10	5.37	64	64	64
	Directors	...	...	...	...	...	3.54	2.68	-3.24	nil	nil	nil
Birds Investments	Lovell & Lewes	...	...	3.71	...	12	9.56	3.49	4.73	10	124	124
	54% Cum. preference	...	...	...	...	...	...	...	...	54	54	54
Bisara Stone Lime	Bird & Co. Private Ltd.	3.20	23.00	34.35	2.23	67	3.56 HY	6.03	(a) 8.33	84	84	84
	Directors	...	75.80	149.69	...	...	3.57	18.74	17.70	10	10	10
Britannia Biscuits	8% Cum. preference	...	...	...	...	...	...	...	...	8	8	8
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Br. Burma Petroleum & Br. Ceylon Corpn.	A. T. C. Inv. Co.	...	...	...	...	...	3.56	37	34	5	5	5
	Directors	...	...	...	...	...	12.55	16.76	10.78	15	10	15
British India Corpn.	6% Cum. Part preference	...	...	...	...	...	...	...	...	15	81	15
	Directors	178.72	428.71	761.45	399.76	...	12.56	(b) 95.42	(a) 11	2	8	14
Brushware	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Begg Sutherland & Co. Pri. Ltd.	1.12	2.13	4.07	2.62	7	11.56	38	15	10	74	8
Burma Lime	S. C. Chunder & Co.	18	70	2.44	24	...	9.54	31	30	nil	nil	nil
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Scoraimull Nagarwalli	...	...	...	...	1.49	9.55	6.38	7.06	6	5	5
Calcutta Hydraulic	54% R.C.P.T.	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Calcutta Investment Co.	Andrew Yule & Co.	56	...	...	...	...	6.56	(b) 2.13	-82	54	54	5
	Ramdudd Ramkissoon	...	...	3.45	...	20	12.54	7.11	3.95	2	nil	4
Calcutta Landing & Shipping	Gladstone Lyall	3.39	...	6.75	...	30	10.55 HY	1.18	50	5	34	24
	Amritlal Ojha & Co.	51	...	3.02	...	16	3.55	1.19	1.42	5	5	5
Calcutta Safe Deposit	44% Debentures	...	...	...	...	...	...	...	...	...	...	...
	...	...	...	...	...	...	...	...	...	...	...	...

January 11, 1958]

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1957	December 1956			General	Other	Carry Forward				Invest-ments	Stock & Stores	Out Standing	Cash	Others
NORTHERN INDIA															
Alkali & Chemical	13 37	18 10	10	62.00	26.00	33.35	92	125.58	201.89	49.25	...	91.75	27.90	1.56	5.01
5% Cum. Preference	97 00	101 8	100	31.00	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	3.00	53	18	...	13.21	36	8	73	10.66	7.76	68	...
Ord.	...	...	110	1.90	...	...	...	...	...	...	...	...	...	...	...
74% C.	9 75	10 9	10	47.50	21.00	173.83	1.16	28.98	373.52	72.00	5.29	38.13	13.93	16.09	...
Aluminium Corpn.	88 00	114 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	69 00	98 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	4 56	6 1	24	2.50	...	...	...	...	...	...	...	...	...	...	...
Deferred	920 00	950 0	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	50.00	...	...	...	...	...	...	...	...	...	...	...
54% Debenture	...	...	10	53.25	19.25	3.83	-14.14	152.86	160.85	53.32	36.36	85.91	25.33	1.40	...
Amrit Banaspati	...	...	10	16.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	10	24.50	...	...	...	...	...	...	...	...	...	...	...
5% R. C. .	...	...	1	1.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	20.00	3.50	8.50	18	74.03	1.02	58	54.74	3.08	35.77	24	41.94
Anderson Wright	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
44% C.	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	18 38	19 7	10	30.00	25.19	14.00	3.36	22.57	34.21	22.95	4.81	40.12	28.80	9.99	...
Angelo Brothers	8 00	11 3	10	15.00	...	...	...	71.64	92.94	...	38	2.09	1.25	1.22	...
Ashoka Cement	...	...	24	11.25	...	...	...	...	...	...	...	...	...	...	...
Partly Paid	4 00	6 14	10	4.71	10.54	2.59	4.59	95.35	164.36	73.18	5.34	25.44	35.17	37.09	...
Assam Bengal Cement	0 95	1 6	500	24.98	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	30.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	15 31	20 6	10	14.00	6.10	2.75	1.18	27.46	38.39	20.85	6	19.69	24.66	5.44	10
Assam Match Co.	1 87	3 8	3	14.00	7.20	20.59	-56	13.52	32.14	11.96	...	17.94	11.11	72	120
Assam Saw Mills	5 21	10 12	10	20.00	10.00	23.50	2.45	55.66	102.58	36.88	46.41	8.31	30.80	12.17	8
Associated Hotels	57 00	72 0	100	21.67	...	...	...	...	...	...	...	...	...	...	...
7% C. P. T.	850 00	860 0	1000	23.60	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	920 00	960 0	1000	6.60	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	9 00	11 2	10	8.92	...	...	...	33	3.33	2.77	94	9.90	3.05	3.15	3.01
Associated Mining	31 00	33 8	50	5.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	5 25	5 12	5	4.10	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ballarpur Paper	...	...	25	57.08	...	38	-47.41	147.09	219.74	97.20	...	32.08	16.08	1.66	9.03
5% R.C.P.P.	...	...	100	18.09	...	...	...	...	...	...	...	...	...	...	...
Balmer Lawrie & Co.	149 00	147 0	100	80.01	61.50	27.82	3.03	270.74	69.52	37.02	111.40	136.85	152.49	12.66	...
Barrow & Co.	11 50	17 14	10	12.00	...	50	90	37.37	35.08	...	6	10.30	12.69	5.28	...
Bathgate & Co.	0 91	1 12	10	40.00	...	...	-22.19	5.98	23.15	1.24	...	6.65	4.61	62	...
44% C. P.	40 50	42 6	10	10.00	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 50	2 2	10	16.92	...	...	-4.36	3	7.69	4.95	9.60	10	13	2	...
Bengal Assam Steamship	107 00	139 0	100	20.00	8.25	92.45	1.10	12.68	124.09	18.29	2.55	13	1.80	27.20	...
7% C. P.	61 50	82 0	60	3.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	88 75	99 0	100	45.33	19.50	21.55	11.46	54.56	104.59	47.91	16.62	46.92	63.31	4.79	...
74% C. P.	11 00	13 4	10	9.00	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	11 91	83 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Elec. Lamp	...	...	10	15.52	8.00	97	15	11.50	23.00	11.62	...	13.68	12.08	24	...
Deferred	...	...	1	1.39	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	27 62ad	34 4	10	12.00	10.00	2.56	91	14.07	33.30	25.71	35	7.99	23.18	43	...
Bengal Paper	80 00	110 8	25	45.00	17 00	18.72	5	46.00	208.82	156.73	1.28	56.76	41.70	1.48	4.46
7% C. P.	60 75	64 4	50	2.00	...	...	...	...	...	...	...	...	...	...	...
7% A. C. P.	106 50	135 12	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% B. R. C. P. T.	75 69	81 11	100	20.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	500	4.90	...	...	...	...	...	...	...	...	...	...	...
Bengal Potteries	3 25	3 10	24	31.70	5.15	...	11	54.34	70.66	33.38	2	29.13	36.06	27	...
Ord. P. Paid	...	...	1	9.41	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	41 00	41 8	100	6.00	...	...	-5.56	19.06	7.35	7.22	1.00	6.52	14.42	43	...
8% C. P.	35 50	32 12	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	7 00	4 4	10	4.00	1.10	...	2	2.62	10.18	2.28	75	...	93	1.16	...
5% C. P.	45 00	55 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Bharat Carbon & Ribbon	...	...	10	2.50	2.00	45	5	20.88	7.35	3.30	63	12.79	13.06	74	...
B. Ord.	...	...	100	1.81	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	...	...	100	3.58	...	...	...	...	...	...	...	...	...	...	...
Bharat Starch & Chemical	8 06	3 1	10	10.00	3.78	1.60	-1.340	46.64	33.48	12.26	12	21.59	5.01	10	80
Bhartia Company	54 75	52 0	100	21.00	...	...	-9	79	...	...	...	12.92	8.59	69	...
Birds Investment	13 00	17 14	10	20.00	3.00	5.05	38	52.17	...	...	66.28	...	37.91	40	...
51% C. P.	61 00	76 8	100	24.00	...	...	...	...	...	...	...	...	...	...	...
Biers Stone Lime	26 50	30 8	10	10.00	2.33	25.20	20	19.37	39.67	33.98	3	9.90	17.96	4.23	26
Britannia Biscuits	12 56	15 0	10	45.97	14.62	1.85	1.85	35.60	114.31	37.07	...	26.90	25.91	3.43	11
8% Cum. preference	10 90	11 12	10	15	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	96 0%	100 0%	...	15.00	...	...	...	...	...	...	...	...	...	...	...
Br. Burma Petroleum (£.)	1 80	2 14	4ab	7.50	...	1.82	35	1.85	9.35	...	2	...	1.52	63	...
Br. Ceylon Corporation	9 57	8 12	10	35.00	23.50	23.19	1.40	30.90	60.95	47.46	26.19	63.70	17.03	11.07	...
6% Cum. Part Pref.	8 50	9 4	10	17.50	...	...	...	...	...	...	...	...	...	...	...
British India Corporation	3 97	9 0	5	325.00	40.00	115.56	-1.23	461.72	300.58	233.80	182.52	492.27	240.47	36.05	...
8% Cum. preference	102 00	119 0	100	81.00	...	...	...	...	...	...	...	...	...	...	...
Bombayware	...	...	10	1.00	2.00	1.00	7	1.66	2.43	2.34	1.30	3.11	1.40	3	...
Burma Lime	8 00	8 8	5	2.00	10	...	6	96	4.81	1.09	2	66	63	7	...
Partly Paid	...	...	1000	1.35	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	6 25	7 6	10	65.00	1.00	...	22	19.29	1	...	116.16	...	26.77	47	2.10
51% R. C. P. T.	50 50	66 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00N	821 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic	70 00	50 0	100	8.00	1.75	1.52	21	36	14	12	10.13	...	1.30	39	...
Calcutta Investment Co.	50 00	50 0	100	55.00	19.00	4.12	95	24.40	17.50	4.10	...	45.95	43.91	22	...
Cal. Landing & Shipping	13 07	14 4	10	6.25	30	1.75	3	5.16	18.47	12.32	99	30	4.64	1.41	...
Calcutta Safe Deposit	8 19	8 4	10	7.42	20	1.43	3	4.82	13.41	1.73	38	1	2.55	34	...
44% Debentures	...	...	1000	1.05	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents' Agents/Secretaries	Salary and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER SHARE		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second previous
NORTHERN INDIA (Continued)												
Calcutta Steam Navigation	Hoare Miller & Co.	5.09	...	10.54	...	19	12-56 HY	2.98	3.28	6 1/2	6 1/2	6 1/2
Campdown Pressing	Pyne & Co.	...	...	54	...	18	7-54	20	46	4	7	7
Central Hydraulic	Andrew Yule & Co.	21	...	1.12	...	15	6-56	1.24	61	5	5	5
Charr Chhatrak Ropeway	Directors	4.13	7.11	12.12	62	23	3-56	...	57	nil	nil	5
Christian Mica Indus.	Ram Kumar Agarwala	16.54	...	159.60	48.75	4.85	12-53	16.23	15.70	6 1/2	10	10
	5 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Deferred share	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Clive Buildings	Gillanders Arbuthnot & Co.	...	...	5.71	...	...	12-56	2.46	2.41	3 1/2	4	3 1/2
	Management Shares	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% Debentures	...	...	...	...	...	...	...	...	35	40	36 1/2
Clive Row Invt.	Andrew Yule & Co., Ltd.	18	...	12.27	...	90	3-57	10.62	31.92	7 1/2	13 1/2	11 1/2
Dahisar Cement (Bharat)	Hari Brothers Private Ltd.	31.60	131.30	214.52	12.19	4.71	12-56	46.51	61.95	12 1/2	12 1/2	10
	Ordinary	...	...	...	...	...	...	...	...	12 1/2	12 1/2	10
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties	Goenka & Co.	7	...	32	...	...	3-54	...	18	12 1/2	12 1/2	10
	6% preference	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Ropeway	Goenka & Co.	...	...	1.08	...	4	3-54	29	33	2 1/2	1 1/2	6
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills	R. G. Govan & Co. Ltd.	3.55	193.62	204.92	4.51	41	10-55	3.54	3.20	9	7	7
	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	7% Debentures	...	...	...	...	...	...	...	...	...	...	...
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Durgadiths Chem. Works	Sahu Bros. Private	15.62	59.70	115.97	1.95	2.81	3-56	22.73	6.34	9	12	12
	Ordinary Partly Paid	...	...	...	...	...	...	...	...	...	...	...
	6% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Duncan Brothers	Directors	12.10	158.85	272.65	2.18	...	12-56	47.79	50.39	11	11	12
	4% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co.	Directors	181.11	11,35.97	1699.60	...	...	12-56	152.99	119.24	15	15	15
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference Tax	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments	Bird & Co. Private Ltd.	...	...	11.49	...	6	12-56	11.20	12.83	9	9	9
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Eastern Manfg. Co.	McLeod & Co. Ltd.	19.22	19.19	78.33	3.73	1.10	12-54	10.44	2.25	7 1/2	3	3
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
F. & C. Oster	S. B. Indus. Development	5.44	61.89	91.41	51.41	...	3-53	1.50	8.65	nil	nil	nil
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Frank Ross	Directors	2.13	9.17	38.24	11.24	...	2-57	66	24	4 1/2	4 1/2	4 1/2
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	Kilburn & Co.	6.01	1.49	12.63	...	21	3-55	1.61	1.40	15	15	15
French Motor	Mg. Director	21.17	234.70	254.95	46.95	...	3-56	9.52	8.97	12 1/2	12 1/2	12 1/2
Ganges Rope	Macneill & Barry Ltd.	13.41	39.67	85.82	18.22	39	3-57	4.96	2.04	12 1/2	11 1/2	11 1/2
General Invt. & Trust	Bird & Co. Private	...	...	40	...	2	2-57	48	64	2 1/2	2 1/2	2 1/2
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference Tax	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	Directors	38.24	133.03	139.33	41.68	...	3-56	31.85	31.55	16	14	5
	5% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	Directors	12.30	7.86	...	...	...	12-54	3.00	3.08	3 1/2	3 1/2	3 1/2
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	Directors	16.42	207.63	250.42	1.34	...	12-55	23.94	10.49	20	10	10
	5 1/2% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	B. P. R. Syndicate	...	...	88.48	...	42	3-57	7.48	0.91	5 1/2	5 1/2	5 1/2
Hindusthan Building	Directors	...	...	...	...	...	7-55	1.61	1.33	4	4	4
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Gas	Directors	2.13	6.37	11.45	3.67	...	3-54	3.85	...	6 1/2	nil	6 1/2
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Housing	Jainarayan Ranchhader	8	...	...	...	26	3-53	33	49	1 1/2	nil	1 1/2
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Ice	R. N. Jhon Jhon Wala	40	1.21	2.69	...	18	9-54	65	37	nil	nil	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Woolen	Directors	37	...	5.25	73	...	3-55	60	56	1 1/2	1 1/2	1 1/2
	Hoare Miller	11.27	1155.20	1191.41	9.90	...	12-55	53.58	(a)2.21	8 1/2	8 1/2	8 1/2
Hooghly Flour	Shaw Wallace & Co.	2.00	30.18	54.69	33	...	6-54 HY	2.05	...	nil	7 1/2	...
Hooghly & Ganges Hyd.	B. N. Elias & Co.	78	42	1.53	...	...	...	43	1.08	nil	2 1/2	...
	4 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	Directors	270.58	...	3036.37	...	...	3-56	415.71	363.57	8	8	8
India Genl. Navigation & T.	Kilburn & Co. Private	...	...	...	...	...	12-56	(i)-10	(i)2.60	nil	5	5
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
India Linoleums	Hindusthan Investment	2.76	12.01	23.83	9.07	...	3-56	6.19	2.01	nil	6	6
India Paper Pulp	Andrew Yule & Co. Ltd.	25.04	39.34	93.61	4.54	1.75	3-57	(a)19.56	(u)18.11	14	14	14
India Steamship	Lionel Edwards Private	47.14	330.54	600.17	...	11.50	3-57	155.58	80.23	10	10	10
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Indian Aluminium	Directors	63.06	307.21	424.97	...	...	12-56	65.59	48.64	5	5	5
	5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	Directors	...	...	697.45	48.68	...	3-57	144.82	125.29	15	15	15
	6% C. P. P.	...	...	...	...	...	...	...	...	...	...	...
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Indian Copper & T.	Gillanders Arbuthnot & Co.	...	15.84	29.50	...	1.10	12-56	15.07	14.75	20	...	...

INDUSTRIALS—Contd.

AME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS				Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS							
	December 1957	December 1956			General	Others	Carry Forward	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
	Ra. np.	Ra. a.																	
NORTHERN INDIA (Continued)																			
Calcutta Steam Navigation	14 06	...	10	12.60	5.24	6.49	1.10	7.06	63.14	37.81	...	1.99	5.06	12	...	...			
Campandown Pressing	121 00	121 0	100	4.30	85	15	...	45	2.12	...	2.87	...	...	76	...	...			
Central Hydraulic	129 00	135 0	100	5.00	30	2.17	26	68	10.91	9.30	6.16	...	36	28	...	...			
Cherra Chhatak Ropeway	5 00	4 12	5	4.75	4.75	...	45	87	12.52	9.78	15	2.57	3.99	47	...	...			
Christian Mica Indus	10 25	15 1	10	30.00	14.08	8.70	1.64	37.78	66.99	21.17	23.11	55.86	37.19	10.21	...	...			
5 1/2% Cum. preference	55 00	57 12	100	15.00	...	...	...	...	...	...	...	...	...	...	...	...			
Deferred share	6 94	8 4	1000	15.00	...	...	...	...	...	...	...	...	...	...	...	...			
41% Debentures	830 00	880 0	150	15.00	2.06	8.17	2.08	3.16	48.88	7.63	4.14	...	37	4.48	3	...			
Clive Building	...	...	15	15	...	...	...	...	...	...	...	...	...	...	...	...			
Management Shares	410 00	447 8	50	19.63	...	...	...	...	...	...	...	...	...	...	...	...			
44% Debentures	8 31	10 3	100	138.80	10.00	7.34	8.17	42.52	...	...	205.96	...	22	65	...	...			
Clive Rm Invt	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...			
Dalmia Cement	9 75	12 4	10	60.00	25.00	40.05	2.85	158.13	105.62	39.55	194.60	77.37	19.19	16.07	3.38	...			
Ordinary	2 44	2 14	24	26.50	...	...	...	...	...	...	...	...	...	...	...	...			
6% Cum. preference	84 00	91 0	100	35.00	...	...	...	...	...	...	...	...	...	...	...	...			
6% Cum. preference	30 00	39 4	40	23.75	...	...	...	...	...	...	...	...	...	...	...	...			
Deferred	2 02	5 6	1	5.00	...	...	...	...	...	...	...	...	...	...	...	...			
Darjeeling Properties	1 00	5 0	10	5.32	...	7	33	16	5.38	27	1	4	36	1	2	...			
6% preference	4 00	4 0	10	34	...	...	...	...	...	...	...	...	...	...	...	...			
Darjeeling Ropeway	6 50	7 6	10	2.48	2	43	1	41	4.01	1.08	...	36	47	59	...	...			
5% Debentures	...	...	500	1.00	...	...	...	...	...	...	...	...	...	...	...	...			
Delhi Flour Mills	16 00	11 0	10	5.60	8.00	...	1.51	14.36	37.96	22.97	4.94	9.15	10.21	1.09	...	...			
7% Cum. preference	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...			
7% Debentures	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...	...			
54% Debentures	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...	...			
Dhyanadharma Chem. Works	112 00	137 0	100	21.50	40.00	18.68	1.11	79.77	140.07	37.67	...	27.61	24.95	58.94	...	...			
Ordry P. Paid	...	...	50	21.43	...	...	...	...	...	...	...	...	...	...	...	...			
6% R. C. P.	...	...	100	31.91	...	...	...	...	...	...	...	...	...	...	...	...			
Duncan Brothers	88 00	115 0	100	90.00	65.00	25.50	5.36	126.39	24.02	9.83	183.46	3.35	88.16	68.10	...	...			
4% Cum. preference	55 00	60 12	10	45.00	...	...	...	...	...	...	...	...	...	...	...	...			
Dunlop Rubber Co.	19 75	25 12	10	160.00	216.00	124.86	15.25	329.02	555.02	248.71	25.87	455.47	230.14	25.34	...	...			
6% Cum. preference	115 50	124 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...	...			
6% Cum. Pref. Tax	86 00	93 8	100	40.00	...	...	...	...	...	...	...	...	...	...	...	...			
5% Debentures	97 75	99 0	100	130.00	...	...	...	...	...	...	...	...	...	...	...	...			
Eastern Investments	107 00	129 8	100	51.26	54.11	...	3.28	38.78	...	...	172.17	...	23	2	...	...			
5% Cum. preference	77 50	77 8	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...			
Eastern Manufacturing Co.	...	...	100	8.50	5.00	3.70	10	16.10	28.71	19.24	...	17.29	5.21	1.09	35	...			
6% Cum. preference	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...	...			
F. & C. Osler	1 81	8 7	10	75.00	3.00	1.27	4.02	29.56	12.65	1.73	20.13	51.41	50.01	1.81	3.56	...			
4 1/2% Cum. preference	41 50	53 8	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...			
Frank Ross	2 19	2 3	6	4.95	14	55	2	7.89	1.96	1.18	...	11.41	3.89	22	...	...			
4 1/2% Cum. preference	41 00	41 0	100	2.75	...	...	...	...	...	...	...	...	...	...	...	...			
Fraser & Co.	16 25	14 0	10	6.05	1.75	2.76	19	5.91	10.70	3.64	4.11	...	5.48	...	...	...			
French Motor	22 50	20 6	20	30.00	4.00	11.28	1.96	69.12	26.43	13.73	13.08	46.95	39.23	4.39	...	...			
Ganges Rope	138 00	182 0	100	14.00	...	9.35	35	39.10	34.02	19.69	...	27.61	20.83	13	...	...			
General Invt. & Trust	...	...	75	2.25	18	38	15	98	...	...	5.82	...	2	10	...	...			
5% Cum. preference	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...	...			
6% Cum. Prefr. Tax	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...	...			
Gillanders Arbuthnot	11 00	13 0	10	65.00	15.00	38.17	90	254.95	19.73	9.18	96.33	42.82	214.17	12.15	23.00	...			
5% R. C. P. T.	56 50	60 12	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...			
Gladstone Lyall & Co.	...	...	10	38.27	3.80	3.16	7	53.51	10.57	4.44	30.96	14.19	39.44	4.42	17.80	...			
6% C. P. T.	...	...	100	14.15	...	...	...	...	...	...	...	...	...	...	...	...			
Gedfrey Phillips	24 50	25 10	10	40.00	...	7.81	11.97	56.73	55.96	24.88	...	79.11	34.70	98	...	...			
5 1/2% C. P. T.	41 00	68 12	100	30.00	...	...	...	...	...	...	...	...	...	...	...	...			
Great Eastern Hotel	255 00	250 0	250	30.00	10.00	5.17	74	16.50	83.08	36.24	...	7.24	7.02	1.29	...	...			
Hindusthan Building	4 25	6 12	10	15.00	1.00	...	5	3.65	...	7	14.54	...	6.90	30	7.91	...			
4% C. P.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...	...			
Hindusthan Gas	7 63xd	10 6	7	10.49	5.50	...	10	8.01	23.93	11.43	7	10.69	2.66	17	...	...			
4 1/2% Debentures	...	...	1000	2.00	...	...	...	...	...	...	...	...	...	...	...	...			
Hindusthan Housing	...	...	75	15.00	...	...	...	...	...	...	...	...	...	...	...	...			
4% Debentures	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...	...			
Hindusthan Ice	0 94	1 4	5	10.00	45	1.00	3.57	1.73	22.57	10.00	...	31	1.33	26	13	...			
5% Debentures	...	...	1000	5.00	...	...	...	...	...	...	...	...	...	...	...	...			
Hindusthan Woolen	...	...	10	34.97	...	10	...	1.08	26	...	7.66	73	26.31	1.20	...	...			
Hoare Miller	6 68	7 3	10	35.20	20.00	1.30	1.33	132.99	21.96	9.19	18.18	10.32	130.97	21	17.66	...			
Hooghly Flour	17 25xd	22 8	10	6.00	5.63	1.00	21	8.50	15.30	12.31	6.56	11.28	7	...	...	...			
Hooghly & Ganges Hyd.	5 40	5 9	10	8.00	54	86	7	1.62	15.50	4.70	5.92	10	1.21	6	...	...			
4 1/2% R. C. P.	...	...	100	4.00	...	...	...	...	...	...	...	...	...	...	...	...			
4% Debentures	...	...	...	3.00	...	...	...	...	...	...	...	...	...	...	...	...			
Imperial Tobacco	11 75	13 15	10	15.1600	4.50.00	338.87	24.94	318.12	415.59	163.29	95.49	921.00	439.00	452.57	490.36	...			
India Genl. Navigation	52 50	69 0	£ 10	6.56	1.70	9.38	1.06	20.25	56.66	34.28	50	6.53	8.69	66	46	...			
6% C. P.	64 00	77 0	£ 10	2.44	...	...	...	...	...	...	...	...	...	...	...	...			
India Petroleum	...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...			
Ind. Paper Pulp	18 87xd	22 12	10	63.00	10.58	53.36	34	24.09	31.15	3.31	...	10.15	5.15	29	8.80	...			
Ind. Steamship	10 87	9 6	10	225.00	100.00	74.74	2.71	1041.02	1278.97	263.27	5.27	4.06	178.28	265.15	...	...			
5% R. C. P.	81 00	15 4	10	201.10	15.00	40.28	7.97	261.18	460.51	196.84	17	191.04	80.27	8.42	21.95	...			
Indian Aluminium	12 50	78 0	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...			
5% C. P. T.	55 50	32 11xd	10	152.89	70.00	76.00	41.82	288.41	226.86	86.85	21	295.12	286.83	19.83	...	...			
Indian Cable	25 12vd	31 7xd	10	12.88	...	...	...	...	...	...	...	...	...	...	...	...			
6% C. P. P.	21 50xd	102 0	...	100.00	...	...	...	...	...	...	...	...	...	...	...	...			
5 1/2% Debentures	98 00	3 10	2ah	13.71	11.73	...	1.15	15.08	23.51	14.30	11.10	9.74	4.69	6.93	...	...			
Indian Copper &	3 82	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...			

[January 11, 1958
MISCELLANEOUS

MISCELLANEOUS												
NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
NORTHERN INDIA (Continued)												
Indian Rubber Manfrs.	G. S. Moulton & Co Private ... 5% C. R. P.	...	...	...	...	34	3-56	3.68	1.80	64	5	74
Indian Wood Products	Gill, Arbuthnot & Co	4.62	36	4181	...	2.03	9-56	15.41	18.10	5	5	5
Indo Burma Petrol	Steel Bros. & Co. Limited	22.82	598.78	661.57	...	2.75	12-56	55.32	(a) 78.44	30	30	274
Investment & Finance	7% C. P. T.	...	...	...	...	...	...	...	...	20	40	30
	Investment & Finance	...	...	97	...	6	2-57	95	1.47	7	7	7
	5% C. P.	...	...	...	...	...	...	...	...	74	74	5
	6% C. P.	...	...	...	...	...	...	...	...	5	5	5
	...	...	...	...	...	...	...	...	...	6	6	5
J. K. Comm. Corp. Ltd.	Directors	...	...	4.54	...	...	6-55	5.09	2.22	5	8	8
J. K. Investment Trust	Directors	...	...	6.93	...	...	6-55	5.86	4.47	nil	nil	nil
James Wright	B. Ordinary	...	...	...	...	...	...	...	...	8	8	8
	Directors	1.41	12.03	19.40	3.90	...	12-55	52	73	5	5	6
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Deferred	...	...	...	...	...	...	...	...	6	6	6
Jardine Henderson	Directors	21.23	1519.53	1561.88	26.60	...	3-57	31.99	32.66	nil	nil	nil
	54% C. P. T.	...	...	...	...	...	...	...	...	23	74	74
Jeevanlal (1929) Ltd.	Directors	...	...	196.96	128.96	...	12-56	6.87	4.12	54	54	54
Jeonson & Nicholson	Macneill & Barry	11.81	...	...	...	46	12-55	10.37	8.16	6	6	6
	74% R. C. P.	...	...	...	...	...	...	...	...	74	74	74
Kalimping Ropeway	Directors	49	32	94	...	...	3-54	14	-32	nil	nil	nil
Kalyanpur Lime & Cement	Directors	...	25.24	35.33	3.17	...	12-54	3.08	3.96	5	nil	nil
	7% P. T.	...	...	...	...	...	...	...	...	7	7	7
	6% 2nd Pref.	...	...	...	...	...	...	...	...	6	6	6
	Deferred	...	...	...	...	...	...	...	...	6	6	6
Kangra Valley Slate	Directors	13	80	1.92	10	18	6-52	1.37	1.57	18	18	18
Karanpura Development	Bird & Co. Private Ltd.	3.41	...	2.34	15	...	12-56	103.59	a2) 3.18	10	10	10
	Founders	...	...	...	...	...	...	...	...	18	18	18
	Directors	...	...	...	...	...	...	...	...	10	10	10
	54% C. P. T.	...	...	11.80	...	...	12-56	10.50	12.97	54	54	54
	4% C. P.	...	...	...	...	...	...	...	...	54	54	54
Kishore Trading Co.	Directors	...	...	1.87	...	...	12-54	1.73	1.60	4	4	4
Kumardhubi Fireclay	Bird & Co. Private Ltd	40.52	41.63	102.41	6.63	1.31	12-56	13.04	10.11	2	33	33
	7% C. P.	...	...	...	...	...	...	...	...	10	15	15
	54% R. C. P. T.	...	...	...	...	...	...	...	...	7	7	7
	54% Debentures	...	...	...	...	...	...	...	...	54	54	54
Kusum Products	East India Development Co.	4.81	199.68	247.30	7.79	12	3-55	-4.47	3.77	nil	nil	nil
	54% R. C. P. T.	...	...	...	...	...	...	...	...	nil	nil	nil
	44% Debentures	...	...	...	...	...	...	...	...	11	11	11
Macfarlane & Co.	James & Co. Ltd.	2.48	10.33	17.23	8.20	30	3-53	(a) 96	26	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
Macneill & Barry	Directors	45.46	...	108.35	...	...	3-57	44.67	53.00	8	11	74
	54% C. P. T.	...	...	...	...	...	...	...	...	54	54	54
	% Debentures	...	...	...	...	...	...	...	...	54	54	54
Martin Burn	Directors	57.90	645.43	823.40	89.02	...	9-56	96.09	77.16	214	184	134
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	4% Convertible Notes	...	...	...	...	...	...	...	...	5	5	5
McLeod & Co.	Directors	7.99	143.24	147.98	9.34	...	12-55	32.70	25.77	224	17	13
	5% 1st C. P. T.	...	...	...	...	...	...	...	...	5	5	5
	5% 2nd C. P.	...	...	...	...	...	...	...	...	5	5	5
	Deferred	...	...	...	...	...	...	...	...	5	5	5
	Convertible Notes	...	...	...	...	...	...	...	...	174	12	5
Metal Box Co.	Directors	113.54	391.38	566.76	185.7	...	3-57	79.33	75.12	174	164	144
	6% R. C. P. T.	...	...	...	...	...	...	...	...	6	6	6
Metal Corporation	Eastern Smelting & Refining Pri.	...	72.45	87.94	26.73	35	3-57	9.24	11.01	6	6	6
	5% C. P. T.	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
	54% Debentures	...	...	...	...	...	...	...	...	nil	nil	nil
Midnapore Zamindary	Andrew Yule & Co.	...	...	1.71	...	...	4-57	-5.01	-11.08	nil	nil	3
Moradabad Water Supply	Noonulla Ghazanfarulla	...	...	1.45	...	9	10-54	42	39	3	3	3
C. & E. Morton India Ltd.	Cotton Agents	3.29	24.83	32.08	6.05	27	6-54	1.43	1.53	15	15	15
Motor & Genl. Finance	Gupta & Syal Ltd.	78	...	13.46	...	...	6-55	7.88	3.94	40	10	10
	10% 1st C. P.	...	...	...	...	...	...	...	...	10	10	10
	7% 2nd C. P.	...	...	...	...	...	...	...	...	7	7	7
	7% 3rd C. P.	...	...	...	...	...	...	...	...	7	7	7
National Carbon Co.	Directors	71.47	308.36	518.94	158.60	...	12-56	99.55	90.9	15	324	...
National Insulated Cables	Asso. Indust. Development Co.	...	...	277.31	41.16	7.23	3-56	60.9	32.36	20	15	...
	54% Debentures	...	...	...	...	...	...	...	...	15	15	...
National Safe Deposit	Directors	...	...	1.42	...	...	12-55	...	...	...	...	...
National Tannery	S. K. Sen & Co	50	4.03	5.55	5.09	4	12-52HY	1.17	92	34	34	...
	5% C. P.	...	...	...	...	...	...	...	...	72	72	...
National Tobacco	B. N. Elias & Co Private	48.19	391.77	515.64	45.45	4.08	12-56	29.61	25.28	7	8	...
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	...
	44% R. C. P.	...	...	...	...	...	...	...	...	5	5	...
	4% Debentures	...	...	...	...	...	...	...	...	44	44	...
New India Building	Directors	...	...	...	...	...	5-56	2.35	4	nil	nil	...
	44% C. P.	...	...	...	...	...	...	...	...	5	5	...
New India Investment	Ramdudd Ramkissandas	...	2.67	...	...	41	12-55	5.44	1.77	5	34	...
Octavius Steel & Co.	Directors	13.25	...	48.74	...	...	12-55	29.90	21.45	10	74	...
	6% C. P. T.	...	...	...	...	...	...	...	...	6	6	...
Orient Paper	Birla Brothers Private Ltd.	59.37	184.48	413.89	26.14	11.32	3-57	123.66	121.57	15	124	...
	54% C. P.	...	...	...	...	...	...	...	...	54	54	...
	54% C. P. T.	...	...	...	...	...	...	...	...	54	54	...
Orissa Cement	54% Debenture	...	...	...	...	...	...	...	...	54	54	...
	Dalmia Agencies Private	18.52	...	132.30	8.69	3.81	12-56	43.79	55.03	124	124	...
	44% C. P.	...	...	...	...	...	...	...	...	44	44	...

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INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1957	December 1956			General	Others	Carry Forward				Investments	Stocks & Stores	Outstanding	Cash	Others
NORTHERN INDIA (Continued)															
Indian Rubber Manfrs. ...	17 50	19 0	10	8.28	5.0	53	63	4.10	16.75	9.50	4	6.15	7.94	5.85	...
5% C. R. P. ...	90 00	88 8	100	8.28	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products ...	42 50	44 8	10	20.00	16.00	4.43	1.45	21.37	19.49	15.06	2	43.79	2.54	12.48	...
Indo Burma Petrol ...	24 00	36 0	10	100.00	27.44	116.22	68	193.72	79.77	47.03	261.64	34.22	75.33	84.13	...
7% C. P. T. ...	83 00	100 8nd	100	50.00	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance ...	...	...	100	5.00	1.49	1.17	20	1.63	...	...	13.38	...	4	9	...
5% C. P. ...	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
J. K. Comm. Corp. Ltd. ...	...	...	10	20.80	8.22	3	7	48.15	29	17	41.67	...	35.46	4	...
J. K. Investment Trust ...	...	...	700	70.08	25.50	46	7	40.23	2	1	115.02	...	15.78	8.03	...
B. Ord. ...	...	...	25	2.50	...	...	...	...	...	...	...	...	...	...	...
James Wright ...	3 00	4 2	5	5.88	1.00	53	2	7.93	96	54	5.81	5.91	3.28	66	...
6% C. P. ...	32 00	33 8nd	50	1.30	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	0 31	0 10	1	1.17	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson ...	60 50	85 0	100	200.00	62.00	5.00	4.71	417.76	39.02	12.09	386.83	26.60	273.03	1.07	28.00
54% C. P. T. ...	58 00	61 8	100	50.00	...	...	...	...	...	...	...	...	...	...	...
Jeevanlal (1929) Ltd. ...	6 00	5 14	10	72.00	8.00	...	-12.50	120.83	34.18	24.00	6	132.77	39.45	5.73	15
Jenson & Nicholson ...	...	...	10	32.50	14.50	6.80	5.88	89.25	50.41	26.01	88	62.75	79.52	1.37	...
74% R. C. P. ...	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Kalimping Ropeway ...	2 50	2 0	10	4.50	65	...	-1.28	1.38	5.97	2.63	9	1.34	33	13	...
Kalyanpur Lime & Cement ...	102 00	100 0	100	18.15	33.15	61	1.71	31.49	48.08	1.38	51	12.92	34.98	7.22	5.71
7% P. T. ...	80 00	74 8	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref. ...	100 50	...	100	3.15	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	25	2.00	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate ...	85 00	120 0	100	1.58	1.83	1.57	25	1.72	1.95	68	63	10	27	4.59	8
Karanpura Development ...	7 41	17 4	10	5.00	19.00	5.04	5	30.94	44.47	13.07	19.86	81	8.26	14.71	...
Founders ...	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Kettlewell Bullen & Co. ...	150 00	159 0	100	40.00	9.03	16.80	1.77	32.19	1.65	1.01	77.50	...	50.59	25	...
54% C. P. T. ...	49 50	70 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
4% C. P. ...	48 00	68 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co. ...	75 08	70 0	100	20.00	1.75	24.15	53	4.03	...	...	46.77	...	1.45	1.24	...
Kumardhubi Fireclay ...	24 08	25 0	100	3.00	4.51	71.82	41	33.18	141.77	44.14	41	25.53	28.45	11.07	2.84
7% C. P. ...	101 00	116 0N	100	4.00	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T. ...	54 50	72 0N	100	20.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	96 00	100 0N	100	8.00	...	...	...	...	...	...	...	...	...	...	...
Kusum Products ...	5 25	5 12	10	8.00	...	...	-8.28	29.70	39.27	13.15	11	17.44	6.34	41	...
54% R. C. P. T. ...	75 00	75 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures ...	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co. ...	3 25	3 1	5	6.34	2.80	...	2	8.10	6.90	4.32	1.43	8.20	3.88	1.51	32
Deferred ...	0 47	0 11	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneill & Barry ...	...	...	100	150.00	27.00	43.50	4.34	112.29	43.42	10.37	256.44	12.01	148.27	1.48	60.88
54% C. P. T. ...	...	...	100	100.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	840 00N	890 0N	1000	75.00	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited ...	23 69	23 3	10	143.97	18.50	51.33	2.70	544.44	24.06	13.35	173.97	120.38	326.94	23.65	147.15
5% C. P. ...	92 50	101 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes ...	500 00	500 0	500	12.67	...	...	...	...	...	...	...	...	...	...	...
McLeod & Co. ...	...	...	100	40.00	51.00	29.87	2.57	153.18	26.14	8.68	277.52	9.34	54.29	3.00	28.00
5% 1st C. P. T. ...	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P. ...	...	...	100	40.00	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes ...	...	...	100	45.00	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co. ...	26 25	26 10	10	115.00	50.00	67.00	16.34	184.85	262.36	89.10	8.41	194.72	81.58	10.21	...
6% R. C. P. T. ...	84 50	93 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation ...	5 44	8 6	100	40.00	...	...	-1.18	42.77	105.41	42.52	15	42.59	5.18	48	1.16
5% C. P. T. ...	80 00	84 0	100	7.00	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	1 93	3 1	1	2.83	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	1000	24.00	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary ...	17 00	25 0	100	94.00	...	41.80	-16.57	24.42	7.35	52	36.71	4	98.12	7.96	...
Moradabad Water Supply ...	4 87	5 9	10	4.46	...	2	9	87	6.37	2.10	...	24	56	13	26
C. & E. Morton (India) Ltd ...	...	...	10	8.85	5.40	2.00	...	15.90	14.66	5.28	1.71	14.79	5.90	37	...
Motor & General Finance ...	...	...	25	2.50	11.00	4.00	10	70.63	63	34	11.42	26	82.39	1.60	...
10% C. P. ...	...	...	20	1.00	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P. ...	...	...	10	2.75	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co. ...	24 06	25 12	10	200.00	25.00	53.16	21.20	79.82	150.98	50.60	47	149.09	62.37	14.78	...
National Insulated Cable ...	24 75	25 0nd	10	40.00	40.00	34.62	1.44	191.29	69.81	41.53	8	118.30	168.98	7.70	...
54% Debentures ...	...	...	...	10.00	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit ...	4 00	2 8	5	7.50	...	3.27	1	7.55	18.10	1.03	5	...	67	4	90
National Tannery ...	2 40	2 8N	10	6.59	57	...	-4.72	9.24	7.62	5.42	...	5.09	4.75	14	...
5% C. P. ...	4 50	5 0N	10	50	...	...	...	...	...	...	...	...	...	...	...
National Tobacco Co. ...	8 50	10 1	10	79.97	26.11	12.02	9.03	173.78	120.32	61.75	98	192.63	85.97	19.53	...
5% R. C. P. ...	64 50	65 0	100	25.00	...	...	...	...	...	...	...	...	...	...	...
41% R. C. P. ...	55 00	60 0	100	19.98	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	845 08	845 0	1000	12.98	...	...	...	...	...	...	...	...	...	...	...
New India Building ...	0 50	1 0	5	15.00	...	...	-1.83	8.58	15.86	2	...	15.79	24	6	61
41% C. P. ...	15 00	21 0	50	9.97	...	...	...	...	...	...	...	...	...	...	...
New India Investment ...	53 00	49 8	75	23.32	6.50	1.02	47	13.09	5	3	32.42	...	11.37	60	...
Octavius Steel & Co. ...	...	...	100	50.00	25.00	22.22	1.26	45.29	3.50	1.98	88.60	...	50.78	12.87	...
5% C. P. T. ...	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Orient Paper ...	24 25	31 7	10	146.82	...	242.51	2.63	196.22	604.17	137.53	23.57	96.87	205.98	25.95	...
51% C. P. ...	87 00	95 8	100	71.81	...	...	...	...	...	...	...	...	...	...	...
51% C. P. T. ...	87 00	72 0	100	60.00	...	...	...	...	...	...	...	...	...	...	...
51% Debentures ...	915 00	960 0	1000	100.00	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement ...	12 50	13 0	10	100.00	...	31.41	11.02	178.93	209.82	98.69	23.34	65.39	27.36	13.82	119.79
41% C. P. ...	40 00	...	100	40.00	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
Orissa Minerals	Bird & Co. Private Ltd.	10.32	2.78	28.23	11.33	44	6-56 H	4.80	5.28	10	10	10
Port Shipping	Andrew Yule & Co.	17.72	12.86	39.08	...	68	12-56	6.78	4.69	15	15	10
Publicity Society	Directors	...	8.96	51	...	...	3-55	1.67	2.01	25	25	21½
Punjab Minerals	Bird & Co. Private Ltd.	3	43	...	...	1	9-56	-57	3	nil	nil	nil
Kallia India	Directors	49.43	1,31.23	26,06.14	243.39	...	8-56	(b)27.52	(b)-21.02	nil	nil	nil
Reliance Firebrick	6% C. P. T.	...	...	...	...	...	...	...	...	nil	nil	nil
Rohas Industries	Directors	15.84	12.77	41.76	1.40	...	2-56	7.43	3.61	23	23	23
	Sahu Jain Ltd.	102.45	649.90	1008.26	134.36	8.31	10-56	120.61	105.25	15	15	15
	7 to 9% C. P.	...	...	...	...	...	...	...	...	9	9	9
	4½% C.P.	...	...	...	...	...	...	...	...	4½	4½	4½
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	Directors	...	...	38.20	5.77	...	3-55	1.91	...	8	8	...
Shaw Wallace & Co.	Directors	37.31	285.46	345.64	68.12	...	12-56	30.02	37.23	10	10	12½
Shiva Jute Press	6% C. P. T.	...	...	...	...	...	...	...	...	6	6	1
Shree Gopal Paper	Kedarnath Mohanlal	50	...	...	...	...	6-55	Ra. 3.07	40	nil	1	6
	K. Ch. Thapar & Bros.	16.37	64.63	136.34	17.05	2.43	12-56 H	25.00	24.32	6½	6½	6½
	4% C. P. P.	...	...	...	...	...	...	...	...	4	4	4
	5½% Debentures	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet	Directors	11.89	97.60	113.82	40.30	...	6-56	7.51	5.29	20	20	10
Sonakunda Baling	10% Pref. Cum. as to 7%	...	...	...	...	...	...	...	...	10	10	10
	Bird & Co. (Pak) Ltd.	3.44	186.39	200.88	52.00	6	2-55	-2.50	-2.32	nil	nil	7½
	8% C. P.	...	...	...	...	...	...	...	...	nil	nil	8
	5% C. P.	...	...	...	...	...	...	...	...	nil	nil	5
Sone Valley Port Cement	Directors	19.89	59.70	114.08	1.56	...	12-56	(a)7.98	11.54	5	6	5
Star Co.	Directors	7	...	1.12	...	...	3-54	-49	-44	nil	5	2
Star Paper Mills	Bajoria & Co.	3.35	19.83	33.24	11.10	52	9-55 H	3.59	3.47	7½	5	2
	5% C. P.	...	...	...	...	...	...	...	...	2½	2½	2½
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Star Trading & Invt.	Bajoria & Co.	7	...	26	...	3	6-53	-32	-14	nil	nil	nil
Straw Products	J. K. Agents Private Ltd.	4.51	10.52	26.49	1.46	70	12-55	5.15	10	5	5	5
Sutna Stone & Lime	Directors	2.73	3.27	9.71	26	...	12-56	1.97	1.58	13½	11½	11½
Tide Water Oil	Andrew Yule & Co. Ltd.	6.34	42.92	49.60	18.19	...	10-56	(v) 2.43	2.23	12½	10	nil
Titagar Paper Mills	F. W. Heilgers & Co. Private	111.1	218.83	703.92	16.51	9.81	3-57	127.41	109.99	23.75	21½	17½
	Prefd. Ordinary	...	...	...	...	...	...	...	...	10	10	10
	8% C. P.	...	...	...	...	...	...	...	...	8	8	8
	4½% C. P.	...	...	...	...	...	...	...	...	5	5	5
Union Co.	Directors	6	...	1.58	...	...	3-54	12	-1.31	45	nil	5
United Flour	Shaw Wallace & Co. Ltd.	3.66	68.20	85.69	5.67	44	11-56	4.07	3.41	nil	35	17½
Walford Transport	Directors	10.59	176.67	199.11	20.06	...	12-56	8.54	4.89	14	14	12
	Prefd. Ordinary	...	...	...	...	...	...	...	...	12	12	11
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	7.74	176.27	208.52	...	1.33	3-56	15.63	24.38	12½	12½	12½
Andhra Cement	Andhra Engineering Co.	7.75	35.27	94.33	6.55	1.20	12-55	19.88	17.15	10	10	10
	B. Ordinary	...	...	...	...	...	...	...	...	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Andhra Scientific Co.	Srinanth Industries Pri. Ltd.	1.42	8.59	12.81	6.79	...	6-55	-91	-4.19	nil	nil	2½
	5% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Bangalore Printing	Directors	1.50	1.36	4.14	2.10	...	12-56	84	83	10	10	10
	Second Ordinary	...	...	...	...	...	...	...	...	...	...	...
Binnay & Co.	Directors	...	...	105.47	12.30	...	12-56	30.64	23.38	10	10	8
Central Scientifics	Guru Agencies	70	6.59	8.83	2.78	19	3-56	78	52	10	10	10
Coimbatore Chem. & Fert.	6% C. P. P.	...	...	6.92	...	5	3-55	11	15	8	8	8
	Venus & Co.	...	...	...	...	...	...	...	...	5	5	5
East Coast Food Products	Sudarsanam S. Murthy Ltd.	82	39.71	57.52	5.59	21	3-54	1.65	2.40	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
Fertilisers & Chemicals	Seshasayee Bros.	4.05	137.04	188.26	1.59	18	12-55	40.49	26.70	nil	nil	nil
Forest Industries	Seshasayee Bros.	...	...	8.35	...	...	3-56	3.80	6.00	nil	nil	nil
General Papers Ltd.	Gany & Co.	...	...	...	...	19	3-55	67	(c) 37	6½	6½	12½
Hyderabad Invt. Synd.	M. Amolachand Bros. Ltd.	...	...	1.58	...	17	9-55	54	67	2½	2½	nil
India Cements	Eason Pri. Ltd.	1.41	70.31	123.81	6.62	2.49	3-56	25.97	24.19	8½	7½	5
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	Deferred	...	...	...	...	...	...	...	...	8½	7½	5
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.	...	...	75	...	7	9-57	65	63	5	4½	4
Jeypore Mining	R. S. Indus'l Corpn.	64	1.14	5.76	7.17	9	6-55	1.08	1.00	10	6	51

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	December 1957 Rs. np.	December 1956 Rs. aa.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Continued)															
Orissa Minerals	19 50	20 0	10	20.00	6.03	29.91	1.01	31.48	48.05	26.02	30.04	17.97	12.85	4.12	1.43
Port Shipping	15 75	14 10	10	14.08	6.25	18.94	63	8.54	40.59	7.59	4.51	78	6.16	3.99	1
Publicity Society	10 00	10 0	4	1.87	1.05	2.01	27	12.45	1.86	1.62	1.63		14.63	1.15	1
Punjab Minerals			10	3.00			-1.33	19	1.64	2			13		9
Hallia India	28 75	38 12	100	225.00		8.71	-44.13	306.69	145.28	44.23	11.03	294.18	199.13	25.80	8
6% C. P. T.	61 50	68 0	100	75.00											
Reliance Firebrick	20 00	20 0	10	6.00	3.19	7.43	51	15.93	33.79	23.63		7.92	13.09	1.89	
Rohas Industries	16 00xd	19 11	10	228.00	120.00	16.20	49	592.92	1060.39	396.23	25.90	246.75	137.64	3.28	106.54
7 to 9 C. P.	106 00xd	127 0	100	20.00											
4½ C. P.	56 75xd	65 4	100	64.76											
4% Debentures	910 00	910 0	1000	100.00											
5% Debentures			1000	22.00											
Scientific Instrument Co.			100	9.99	1.45	1.29	4	14.91	1.71		72	5.80	18.27	1.16	
Shaw Wallace & Co.	10 00	11 15	10	75.00	1.00	16.00	3.64	309.23	37.03	7.05	46.83	71.16	217.74	2.25	111.92
6% C. P. T.	66 00	70 8	100	75.00											
Shiva Jute Press	65 00	70 0 ON	100	4.50	1.10	10	42	50	9.69	4.96	32		1.53	3	
Shree Gopal Paper	14 69xd	16 6	10	125.49	37.75	30.21	3.18	94.84	156.54	100.80	50.34	98.27	94.81	30.85	8.98
6% C. P. P.	108 00xd	119 8	100	7.50											
5½% Debentures	950 00	1000 0	1000	10.00											
6% Debentures	950 00	990 0	1000	30.00											
Smith Stanistreet	13 12	9 9	5	5.00	3.00							43.80	7.60	3.06	
10% Pref. cum. a. to 7	64 50	64 0	50	5.00											
Sonakunda Baling			100	6.00	5.02	16.73	-5.67	60.25	38.53	13.27		54.01	7.79	77	
8% C. P.			100	2.00											
5% C. P.			100	3.50											
Sone Valley Port Cement.	4 37	8 1	5	75.00	7.50	10.20	4	39.30	209.87	150.04	5.80	44.68	19.23	38	14
Star Co.	81 00	81 8	100	10.40	7.25	2.38	-85	7.26	14	5	16.74		6.21		3.41
Star Paper Mill	11 00	10 3	10	30.00	3.00	3.50	14	37.07	65.85	31.03	28	32.25	25.47	89	
5% C. P.	75 00	67 8	100	10.00											
5% Debentures	870 00	940 0	1000	10.00											
Star Trading & Invt	8 00	8 0	25	5.00	40		-57	6.14	2	1	9.39	1.54		2	
Straw Products	16 00	20 2	10	15.00	21.50	60.41	16	8.37	88.62	21.68	6.59	4.78	5.86		
Sutna Stone & Lime	20 12	18 0	10	3.23	22	58	25	3.08	8.13	4.71	1.35	1.75	91		
Tide Water Oil	12 19	14 1	10	6.00	4.50	5.03	58	27.56	2.30	1.67		24.75	13.57	2.72	2.00
Titagur Paper Mills	31 69xd	36 00xd	10	112.05	47.53	322.97	93	245.97	613.24	351.67	52.43	185.70	183.42	11.79	65.23
Prefd. Ordinary	3 31xd	4 6xd	2½	4.37											
8% C. P.	131 50xd	138 0xd	100	11.50											
4½% Cum. preference	76 75xd	88 12xd	100	15.00											
Union Co.	75 00	107 8	100	12.50	7.50	4.62	-93	25.16	14	10	23.15		25.64		
United Flour Mills	20 00xd	39 0	10	2.50	4.70	3.35	17	7.31	7.87	5.35	18	5.97	7.19	2.18	
Walford Transport	1 62	1 14	1	8.41	10.00	8.00	1.67	27.60	12.00	7.87	41	31.44	16.56	4.75	47
Prefd. Ordinary	1 25	1 10	1	2.10											
SOUTH INDIA															
Aluminum Industries	13 00	19 4	10	40.00	18.00	10.25	65	104.06	56.26	21.56		75.18	61.96	1.12	
Andhra Cement			100	11.38	5.43	7.79	20	46.65	83.25	44.19	11.80	27.98	28.16	1.74	
B. Ordinary	10 85	15 2	10	39.80											
6% Cum. preference	106 00	105 8	100	2.49											
Andhra Scientific Co.	3 70	3 11	10	8.00			-8.72	17.53	8.18	4.57		10.43	4.60	11	
5% C. P.	5 12	5 4	10	2.00											
Bangalore Printing	10 80	122 0	10	3.00	2.05	1.01	6	1.42	6.89	4.08	1.14	2.11	1.38	25	
Second Ordinary			10	16											
Binny & Co.	159 00	190 0	100	100.00	36.00	7.52	4.29	64.06	38.92	18.75	127.05	13.14	47.44	3.61	
Central Scientifics	5 60	6 14	5	1.50	1.30	53	2	1.64	96	40		2.81	2.56	55	
6% C. P. P.	4 90	5 8	5	1.50											
Coimbatore Chem & Fert			25	1.39				3.39	1.45	29	1	3.11	21	30	
East Coast Food Products			10	14.54			-2.77	9.94	16.64	4.28		9.56	4.66	2	1.53
6% C. P.			100	3.94											
Deferred			5	2.49											
Fertilisers & Chemicals	3 90	6 6	10	345.98			-30.69	99.79	422.53	192.72	25.75	91.28	51.85	13.29	3.04
Forest Industries	2 90	1 15½	5	24.91	13.28		-14.85	7.13	14.11	4.70		3.50	10.78	6.78	
General Papers Limited	8 20	8 6	10	5.00	1.85	33		7.57	87	53	1	8.81	5.04	55	
Hyderabad Invt. Synd.			50	21.42	1.00			1	2.65			11.52	9.65	3.91	
India Cements	23 75	28 8	25	62.09		19.00	2.97	76.11	148.33	54.03	7.89	33.33	34.18	14.75	13.09
5% Cum. preference	86 25	93 8	100	29.87											
Deferred	4 70	3 10½	5	7.50											
Invt. Trust of India	67 00xd	90 0	100	10.00	30	1.78	3	1.18			10.70		2.48	12	
Iyepore Mining			100	4.00	2.40	31	46	10.94	6.35	1.63	36	8.83	4.10	4	

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second previous
SOUTHERN INDIA (Continued)												
Madras Indial Invt. Corpn	Directors	...	...	6,37	...	...	6-54	5,43	5,29	3	3	3
Madras Safe Deposit	Kothari & Sons	...	...	46	...	2	6-56	22	7	4	4	3
Madras Vanaspathi	Kubera Vanaspathi	...	...	...	...	...	4-55	-1,52	-2,01	nil	nil	nil
	Ordinary	...	...	...	...	...	...	...	...	nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri.	1,82	...	55,77	8,87	25	3-56	1,21	86	10	9	9
McDowell & Co	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Directors	...	...	...	...	...	12-55	51	1,03	nil	6	6
	6% C. P.	...	...	...	...	...	...	...	...	nil	6	6
Mettur Chem & Indus. Corp.	Seshasayee Bros. Private Ltd.	10,59	58,11	96,89	9,38	1,67	3-57	19,18	16,12	7	7	6
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	Directors	...	...	...	...	...	6-56	-18	-1,12	nil	nil	nil
	6% C.	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem & Fert	Directors	...	...	...	...	...	3-56	2,97	3,75	5	5	5
Mysore Chem. Manfrs.	Directors	...	27,99	31,47	...	...	3-57	4,57	2,86	20	20	20
	6% C.	...	...	...	...	...	...	...	...	6	6	6
Mysore Chrome	Directors	...	...	5,14	1,91	...	6-56	-13	-50	nil	6	6
Mysore Coffee Curing	Directors	59	1,74	4,47	...	...	12-55	1,70	1,27	10	10	10
Mysore Indus. & Test	Directors	1,27	5,48	10,62	2,94	...	3-56	2,81	2,48	8	6	6
Laboratory	Partly Paid	...	...	...	...	...	...	...	...	6	6	5
Mysore Lamp	Directors	45	56	...	...	...	3-55	1,23	1,49	7	10	10
	4% C. P.	...	...	...	...	...	...	...	...	4	4	10
Mysore Match	Directors	...	...	1,20	8	...	6-56	3	10	7	7	5
Mysore Paper	Directors	13,04	40,05	68,50	5,36	...	3-55	1,72	11,99	7	7	5
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.	...	5,65	9,21	71	35	3-56	2,24	1,77	10	7	10
Mysore Veg. Oil	Directors	1,13	6,41	30,75	2,10	...	6-56	1,19	-1	nil	nil	nil
National Chemicals	Murthy & Co.	...	...	...	...	...	6-54	-89	-95	nil	nil	nil
	5% C.P.	...	...	...	...	...	...	...	...	...	...	...
Ogale Glass Works	S. P. Ogale & Co.	...	...	35,48	3,72	18	12-53	5	-2,78	nil	nil	nil
Parry & Co.	Coromandal Invt. Trust	...	...	...	...	1,58	12-54	22,19	20,38	15	15	15
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Punalur Paper	A. & F. Harvey	11,92	50,34	78,07	7,50	47	6-56	8,49	4,58	5	5	5
Radio & Electricals	Directors	1,64	17,44	16,66	16,50	...	12-55	2,08	1,84	9	7	nil
Radio & Electricals Manfg.	Directors	2,57	...	5,03	2,24	...	3-56	9,07	3,10	6	nil	nil
Rane (Madras)	Iyer & Co. Ltd.	1,84	68,89	75,48	13,86	58	3-56	2,80	1,97	15	20	15
	7% 'A' C. P.	...	...	...	...	...	...	...	...	7	7	7
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	Directors	...	...	...	...	...	3-56	49,17	70,46	6	6	6
Spencer & Co.	Directors	39,18	218,93	296,56	...	...	6-56	25,04	19,85	15	15	15
	64% 'A' C. P.	...	...	...	...	...	...	...	...	6	6	6
	84% 'B' C. P.	...	...	...	...	...	...	...	...	8	8	8
Thomas & Co. A. V.	Directors	1,89	...	7,50	...	...	12-55	2,48	2,94	10	10	10
	"B" Ordinary	...	...	...	...	...	...	...	...	10	10	10
	6% Cum. Preference	...	...	...	...	...	...	...	...	6	6	6
A.V. Thomas & Co., (India) Ltd	Directors	32	...	3,10	1,69	...	6-56	54	1,23	nil	nil	nil
	5% Cum Preference	...	...	...	...	...	...	...	...	6	6	6
Travancore Cements	Esai Ltd.	7,93	21,58	45,63	2,79	56	12-56	9,53	10,91	6	6	6
Trav. Chem. & Manfg Co.	Directors	31	77	3,07	18	...	3-56	1,37	51	20	5	6
Travancore Ogale Glass	Ogale Bros. Private Ltd.	12	5,74	7,25	16	10	12-55	1,70	-60	nil	5	nil
United Coffee Supply	T. Stanes & Co.	88	...	...	...	...	6-55	3,24	2,68	17	13	8
United Elec. Industries	Directors	...	...	12,35	30	59	12-54	45	...	6	5	...
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...
Vaninad Matches	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	Ramkrishna & Sons	...	...	1,40	20	6	12-55	-26	-28	nil	nil	nil
	54% C.P.	...	...	...	...	...	...	...	...	...	...	...

(a) After writing back Rs 1,76,000 being amount written back from Reserve for Post-war Research and Experimental work.
(b) After transferring Rs 1,00,000 from Reserve for depreciation on investments.
(c) After transferring Rs 1,50,000 from Dividend Equalisation Fund.
(d) After transferring Rs 2,00,000 from General Reserve.
(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.
(f) After writing back Rs 50,00,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax, and Rs 10,850 being expenses and Rs 5,85,025 profit on realisation of investments; Rs 8,45,930 surplus on revaluation of

stores, and Rs 34,300 surplus on sale of machinery.
(g) After transferring Rs 4,50,000 from Investment.
(h) After transferring Rs 11,00,000 from Development Reserve Rs 21,50,000 being excess depreciation and Rs 22,58,341 being excess provision.
(i) After writing back Rs 276,804 being over provision in previous years.
(j) Includes Rs 292,365 being surplus arising from Devaluation.
(k) After writing back Rs 4,00,000 being part of taxation and tax contingencies not required and Rs 2,70,000 being provision for depreciation on investments.
(l) After writing back Rs 38,40,843 being excess provision for depreciation in previous years.

(m) After transferring Rs 2,30,000 from Reserve for Exchange Losses.
(n) After writing back Rs 3,80,000 being excess amount of provision for taxation.
(o) After transferring Rs 2,80,178 from General Reserve.
(p) After writing back Rs 1,24,002 being provision for taxation and including Rs 23,680 being refund of Income-tax.
(q) Bonus shares in the ratio of one fully paid ordinary share for every five ordinary shares will be issued in lieu of Dividend.
(r) Includes Rs 17,98,170 being indemnity receivable from the Government of India.
(s) After transferring Rs 1,00,000 from General Reserve and Rs 50,000 from Dividend Equalisation.

DISTRIBUTION—Contd.																	
NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS					Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1957	December 1956			General	Others	Carry Forward	Investments	Stocks & Stores				Out Standings	Cash	Others		
	Rs. np.	Rs. a.														Rs.	Rs. 000
SOUTHERN INDIA (Continued)																	
Madras Indust. Invt. Corp.			1000	127.56	...	2.75	7	5.98	...	...	36.48	9	93.58	6.22	...		
Madras Safe Deposit	48 75	52 12	80	1.58	...	...	2	73	...	84	...	1.11	1	38	...		
Madras Vanaspathi (a.s.)	15 00	15 0	100	15.00	...	...	-7.64	24.42	38.80	...	...	1.19	99	5	60		
Ordinary	...	...	10	1.86	...	...	...	...	...	...	...	...	...	...	...		
5½% C. P.	33 00	33 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...		
Maikar (Motor)	40 50cd	...	50	4.00	4.00	...	6	12.83	1.79	8	76	8.90	7.62	2.89	...		
6% C. P.	47 00	...	50	1.00	...	...	...	...	...	...	...	...	...	...	...		
McDowell & Co.	47 00	...	100	3.24	3.24	...	...	6.08	8.17	2.17	70	5.57	3.19	39	...		
6% C. P.	...	...	100	3.30	...	...	...	...	...	...	...	...	...	...	...		
Mettur Chem. & Indl Corp	9 70cd	9 11	10	40.50	1.21	12.42	1.11	18.31	102.51	54.73	13.76	25.37	15.01	7.65	...		
6% C. P.	90 50cd	97 6cd	100	20.00	...	...	...	...	...	...	...	...	...	...	...		
5% Debentures	85 00	95 8	100	20.00	...	...	-12.63	1.42	5.53	2.35	2.49	2.17	7.33	2.11	2.21		
Modern Housing	...	...	10	17.92	...	...	...	...	...	...	...	...	...	...	...		
6% C. P.	...	...	100	12.72	...	...	...	...	...	...	...	...	...	...	...		
Mysore Chem & Fert	6 70	8 9	10	24.81	6.23	89	5	19.53	53.84	31.60	2.80	16.47	9.55	1.47	...		
Mysore Chem. Manfrs.	15 50	23 12	10	3.00	4.00	...	1.98	8.67	7.37	4.44	4	11.21	4.71	76	...		
6% C. P.	8 78	9 44	10	2.00	...	...	...	...	...	...	...	...	...	...	...		
Mysore Chrome	...	4 14	10	4.94	...	90	-1.30	4.46	6.38	1.71	33	3.38	55	7	...		
Mysore Coffee curing	11 60	12 4	10	4.00	52	66	...	5.87	5.97	3.32	40	2.89	4.65	46	...		
Mysore Indus. & Test. Lab	6 57cd	6 0	10	3.75	1.50	1.25	3	5.79	4.92	3.85	5.15	4.26	3.6	3.76	...		
Partly Paid	...	...	5	5.63	...	...	...	...	...	...	...	...	...	83	...		
Mysore Lamp	15 25	15 0	10	6.56	5.35	3.97	1	3.45	10.95	4.99	...	10.11	5.68	11	...		
4% C. P.	5 60	6 0	10	2.50	...	...	-1.30	...	...	...	...	...	...	...	...		
Mysore Match Co.	...	...	10	4.99	...	...	...	77	3.65	84	16	97	20	30	2		
Mysore Paper	15 50	16 4	10	25.00	9.00	9.13	35	92.91	133.70	56.32	8.24	26.63	16.10	4.91	3.13		
Mysore Stoneware Pipes	10 50	11 12	10	6.00	2.70	20	1	4.27	9.09	5.44	2.42	1.55	4.22	1.37	...		
Mysore Veg. Oil	5 75	5 8	10	13.50	2.12	74	2	3.78	14.10	8.72	2.70	5.19	1.97	4.92	...		
National Chemicals	...	...	10	6.70	...	...	-4.68	6.44	7.97	54	10	1.91	67	2	40		
5% C. P.	...	...	10	2.08	...	...	...	...	...	...	...	...	...	...	...		
Ogale Glass Works	1 90	2 8	5	14.87	3.60	3.05	-2.95	37.10	45.10	12.92	2.81	9.75	9.21	1.74	...		
Parry & Co.	...	...	2	40.00	30.00	20	1.91	241.35	44.17	20.92	21.39	161.22	134.14	6.43	...		
5% C. P.	...	...	10	30.00	...	...	...	...	...	...	...	...	...	...	...		
4½% Debentures	...	...	25	2.98	...	...	...	...	...	...	...	...	...	...	...		
Punalur Paper	...	...	...	15.03	5.00	14.00	2	52.93	85.73	31.91	6	22.63	9.47	1.02	...		
Radio & Electricals	5 00	6 4	5	13.99	1.80	...	10	14.05	6.18	1.15	1	16.50	7.15	47	...		
Radio & Electricals Manfrs.	11 95cd	7 4xrt	5	24.45	...	1.32	21	22.17	24.12	8.56	71	7.31	22.14	98	86		
Rane (Madras)	5 25	...	5	2.30	4.75	...	1.44	14.58	7.23	2.97	...	13.67	9.37	1.30	...		
7% 'A' C. P.	4 90	5 0	5	1.75	...	...	...	...	...	...	...	...	...	...	...		
6% C. P.	4 70	5 0	5	1.90	...	...	...	...	...	...	...	...	...	...	...		
Debentures	1000 00	1000 0	1000	1.47	...	...	...	...	...	...	...	...	...	...	...		
Simpson & Co.	...	...	10	55.00	35.50	...	18.83	214.71	109.82	58.94	12.05	112.22	138.29	3.40	...		
Spencer & Co.	16 60	16 4	10	40.00	56.09	40.19	6.32	52.77	118.97	70.39	24.08	71.57	50.44	60.69	...		
6½% 'A' C. P.	8 05cd	9 5cd	10	23.20	...	...	...	...	...	...	...	...	...	...	...		
6½% 'B' C. P.	10 20cd	10 7cd	10	36.80	...	...	...	...	...	...	...	...	...	...	...		
Thomas & Co. A. V. (Allep.)	13 37	14 14	10	2.00	3.56	1.70	19	8.65	6.52	3.34	2.61	1.67	9.28	92	...		
Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...		
5% Cum Preference	79 00	85 0	100	1.21	...	...	-73	3.63	34	24	19	2.11	4.45	1.04	...		
A. V. Thomas & Co India	3 62	3 10	10	3.00	...	...	...	...	...	...	...	...	...	...	...		
5% Cum Pref.	6 12	6 2	10	2.00	...	...	...	...	...	...	...	...	...	...	...		
Travancore Cements	7 00	9 6	10	50.00	...	...	7.08	33.94	104.40	43.92	...	19.96	7.35	3.23	...		
Travancore Cements	14 12	15 10	10	3.00	...	3	2	1.28	4.39	2.25	25	70	13	1.11	...		
Trav. Chem. & Manfrs. Co.	2 70	3 10	10	9.98	...	...	-80	4.07	14.96	3.85	...	81	99	33	...		
United Coffee Supply	...	...	15	6.00	3.00	1.85	18	9.31	6.42	4.20	3.44	10.21	3.95	54	...		
United Elec. Industries	10 00	...	10	4.22	...	...	7	4.18	1.54	34	...	2.77	4.46	10	8		
5% C. P.	10 00	...	10	15	...	...	...	...	...	...	...	...	...	...	...		
Vanjinad Matches	0 94	1 0	6	2.70	...	...	-14	2.43	7.72	3.94	9	3.66	1.63	23	9		
0½% Cum. preference	3 00	3 0	10	4.50	...	...	...	...	...	...	...	...	...	...	...		
Vasant Soap Works	...	...	100	2.25	...	...	-3.61	3.36	4.49	1.69	...	62	10	1	8		
5½% C. P.	...	...	100	1.21	...	...	...	...	...	...	...	...	...	...	...		

[January 11, 1958]

COAL

NAME	Managing Agents Agents/Secretaries	Colliery expenses Rs. 000	COAL		Sales Rs. 000	Stock Rs. 000	Managing Commission and allowances Rs. 000	Year ended	Net Profit		Dividend %		
			Raisings	Despatches					Latest	Previous	Latest	Previous	Second
			(000) Tons	(000) Tons					Rs. 000	Rs. 000	Latest	Previous	Previous
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd. K. L. Dutt & Co. 44% R. C. Preference	122.49	8.53	8.55	150.67	32	1.35	3-57	(p) 13.43	15.41	124	124	114
Associated Laikdih	K. L. Dutt & Company 5% Debenture	...	10	10	1.48	15	...	3-54	-23	-9	Nil	Nil	Nil
Bagdigi Kujana Bengal	Purshottam Co. Andrew Yule & Co. Ltd. 44% C. P. T.	2.94 119.42	58 23.20	60 25.59	10.14 430.94	39 13.92	10 4.33	9-53 10-56	2.31 b) 73.29	2.03 85.41	5 174	4 174	5 15
Bengal Bhatdoo Bengal Nagpur	Kalyanji Mavji & Co. Andrew Yule & Co. Ltd. 7% C. P.	...	43 8	46 8	8.10 15	47	6 3	12-56HY 12-56	75 16	93 -48	14 Nil	64 Nil	5 Nil
Bhalgora Bharat	H. V. Low & Co. Pvt. Sahu Jain Ltd. 54% C. P. T.	6.85	61 5.26	57 5.23	11.60 82.76	1.43 5.94	30 66	9-55 6-56	-1.20 7.65	-1.15 (f) 9.17	7 64	7 64	7 54
Bhulanbarree Bhuranaga	F. W. Heilgers & Co. Pri. Ltd. Ram Saran Das & Rathor Pri Anderson Wright	10.05 4.45 3.98	76 40 38	81 35 47	11.98 5.33 6.93	1.87 5.84	9 29	12-55 H 12-52 H	8 -29 1.47	1.42 -87 35	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Borrea	F. W. Heilgers Private 64% C. P.	...	1.46	1.44	25.24	42	31	12-56	(m) 2.59	(n) 3.72	15	24	20
Burrakur	Bird & Co. Pvt. 7% C. P. 6% 2nd C. P. T.	...	4.66	4.72	121.62	7.54	1.70	12-56 H	(o) 17.31	12.39	64 34 34	64 34 34	64 34 34
Central India Central Kurkend Churulia	Hindustan Inv. Corporation Anderson Wright F. W. Heilgers Pri.	34.76 5.80	1.56 60	1.55 68	26.45 9.26	1.16 3.92	64 13	3-57 12-54 H	7.71 4.9	6.43 13	5 14	5 14	24 34
Dhomo Main East Indian (E) Equitable	Macneil & Barry Jardine Henderson Ltd. Macneil & Barry	24.23 5.51 179.05	2.12 5.51 16.85	2.11 5.23 16.85	36.48 10.72	79 10.72	47 3.33	12-56 4-56 12-56	-40 1.09 22.78	(c) 1.13 1.50 26.38	14 184 15	14 184 15	14 184 15
Ghushick and Muslia	54% Debentures Bhatia's Agency 5% C. P.	13.88	1.52	1.48	21.21	4.10	36	3-54	1.04	1.65	5	74	5
Gourangdi	Bhatia's Agency 5% R. C. P.	45	14	8	1.00	1.85	...	3-54	-12	-18	Nil	Nil	Nil
Guzdar Kajora Hurridadih Jaitny Central Jogta	Oha Brothers Macneil & Barry Villiers Bajpai Trust Private 5% R. C. P.	85 20.76 ...	21 1.90 3	15 1.90 2	2.24 32.65 24	15 55 15	10 43	6-55 H 12-56 12-54	45 2.26 56	29 5.64 -23	Nil 15 Nil	Nil 25 Nil	Nil 174 Nil
Kalapahari Karanpura Collieries	Andrew Yule & Co. Ltd. Bird & Co. Private 54% C. P. T.	5.52 18.20	38 1.45	34 1.45	54.42 24.92	42 48	11 17	2-57 2-57	-81 2.71	73 3.67	Nil Nil	Nil 5	Nil 24
Katras Jheriah Khas Kajora	Andrew Yule & Co. Ltd. Directors	10.45 3.53	3.10 35	3.32 36	59.01 5.34	2.73 76	1.20	1-57 12-55 H	(r) 11.70 1.25	11.87 ...	65 Nil	65 Nil	54 Nil
Kuardi Lakurka Mahabir	H. V. Low & Co. H. V. Low & Co. Daulat Rawatmull	3.66 6.84 3.57	33 61	28 56	4.45 7.96 6.21	1.06 1.35 40	18 33 13	6-56 4-56 12-55	65 42 1.65	94 (i) 24 1.36	14 14 74	14 14 10	Nil Nil 10
Mundulpoor Nazim New Beerbhoom	Directors Jantia Brothers Private Andrew Yule & Co. Ltd. 7% C. P.	4.64 1.12 21.17	18 4.48	18 4.55	5.80 75.62	6 1.31	...	6-54 H 12-55 10-56	-79 1.36 5.54	...	Nil 5 5	44 5 5	44 5 5
New Churulia	Business Development 5% C. P.	93	...	10	2.41	...	...	9-53	-1.21	-79	Nil	Nil	Nil
New Huntodih	44% Debentures Daulatram Rawat Mull	3.42	...	4.95	1.30	...	12	3-55	25	11	Nil	Nil	Nil
New Joyrampore New Manbhoom North Damuda North West	R. S. Das & Rathor Private Octavian Steel Jantia Brothers Andrew Yule & Co. Ltd. Partly Paid Ord	18.58 7.20 22.49	1.45 59 1.41	1.21 55 1.47	23.70 8.54 26.94	85 1.37	38 ...	6-56 H 3-57 1-51 H 3-57	-8 1.88 1.33 1.37	-1.11 1.22 -3 1.17	Nil 5 Nil 15	Nil Nil Nil 15	Nil Nil Nil 64
Ondal	F. W. Heilgers Private 64% C. P.	...	...	...	...	...	14	12-56	1.05	1.30	74	10	64
Oriental	K. C. Thapar & Bros. Private 5% Debentures	11.18	1.73	1.63	24.98	2.36	33	12-55	2.42	2.08	24	5	64
Paraseo	Deepchand Kishanlall 54% R. C. P.	10.36	1.11	1.02	15.49	29	87	12-55	3.55	2.67	10	74	24
Panch Valley Pure Sitalpur	Shaw Wallace & Co. Ltd. Amritlal Ojha	...	4.64 1.69	4.63 22	81.91 2.50	26 37	1.18 5	3-57 6-55 H	1.05 36	9.25 36	20 24	144 15	15
Raneegunge Rawa Samla	B. N. Elias & Co. Pvt. Ltd. Shaw Wallace & Co. Ltd. Jaipuria Sons Ltd	18.50 3.85 23.05	1.87 3.85 2.97	1.93 3.88 3.22	29.80 60.70 56.53	2.79 1.35 38	...	3-56 H 12-56 12-56	5.53 (a) 7.53 7.34	3.52 9.85 5.91	34 15 124	34 214 10	24 5 7
Searsole Seebore	Directors Andrew Yule & Co. Ltd. 5% Cum. Preference	5.04 2.49	51 82	49 85	7.26 13.81	50 26	...	1-56 12-56	1.04 (d) 4.06	1.44 6.02	14 174	10 30	25
Sendra	F. W. Heilgers & Co. Pri. Ltd. Amritlal Ojha	...	1.01	15	2.42	1	7	12-56	(f) 18	27	(k) 11	24	24
Singareni	Industrial Trust Fund Bird & Co. Private Ltd.	18.30	16.82	15.66	361.84	6.93	14	12-56	50.90	51.65	10	74	7
South Karanpura Standard Talehar	F. W. Heilgers Private Villiers Debitures	4.92	55	56	8.44	5	...	9-55	1.11	29	34	14	11
Union United Collieries	Williamson Magor & Co. Ltd. K. C. Thapar & Bros. 5% C. B. P.	9.97 10.7	76 2.15	70 2.13	11.58 31.60	83 62	15 1.45	12-56 12-54	1.10 10.38	9.98	Nil	Nil	Nil
West Ghushick West Jamuria West Laikdih Western Bengal	Bhatia's Agency Macneil & Barry & Co. Ltd. K. L. Dutt & Co. Hindustan Inv. Corporation	1.11 17.45 1.47 18.87	19 1.67 13 1.99	13 1.81 10 2.02	1.83 28.84 1.46 34.25	...	...	3-54 12-56 12-54 3-57	-21 24 4 5.48	-5 (a) 32 2 7.18	Nil Nil Nil 5	Nil Nil Nil 5	Nil Nil Nil 5

(a) After transferring Rs 2,57,000 from Development Reserve to Rs 16,888 from Bad and Doubtful Debt Reserve; and Rs 25,491 from unclaimed liabilities.
(b) After writing back Rs 15,43,998 from provision

for liabilities no longer required and Rs 7,87,326 being coal stock reserve.

(c) After transferring Rs 1,20,000 from Replacement Reserve.

(d) After writing back Rs 1,07,867 being provision for liabilities and Rs 15,000 from provision for taxation.

January 11, 1958]

COMPANIES—(All India)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	Liquid Assets				
	December 1957	December 1956			Reserves	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. n.p.	Rs. A			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amalgamated	14 75	21 0	10	25.50	11.00	12.80	30	43.51	99.36	69.86	1.13	20.15	40.12	1.71	49
Asso. Karanpura	3 00	1 0	10	9.00	...	...	-1.89	2.19	9.98	...	...	28	26	1	28
44% R. C. preference	24 50	24 8	100	1.50	...	...	...	1.90	10.30	1.49	...	72	1.42	5	1
Asso. Laikdih	1 44	1 12	10	8.00	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	4 11	4 8	10	20.00	...	90	1	3.21	21.72	4.51	...	68	3.94	2.29	...
Bagdigi Kujana	228 00	220 8	100	100.00	100.00	60.29	9.45	180.55	610.17	419.74	13.10	115.65	136.98	14.31	...
Bengal	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
44% C. P. T.	5 88	6 10	10	4.49	...	88	1	4.31	9.25	5.69	...	94	3.14	2.35	...
Bengal Bhatdeo	15 00	15 0	10	2.25	3.91	1.32	-1.09	57	24.88	22.43	3.49	...	56	1.58	...
Bengal Nagpur	68 00	83 8	100	1.12	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	6 31	6 5	10	15.97	1.00	3.73	-2.42	14.28	47.74	22.98	...	2.86	4.88	6	...
Bhalgora	6 00	6 12	10	40.00	5.50	...	9	30.82	141.66	73.94	5.67	17.80	30.56	14.69	...
Bharat	49 75	50 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	900 00	940 0	1000	30.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	13 25	14 6	10	7.15	6.61	7.68	-1.87	5.78	52.62	37.38	64	2.63	6.40	5	39
Bhulanbarree	2 00	2 12	10	10.00	...	...	-10.75	13.46	16.92	6.18	31	69	76	2	18
Bhuranaga	13 00	10 4	10	16.00	4	16.84	-7.9	19.35	68.15	40.00	...	9.42	23.23	7	...
Bhuranaga & Ramgur	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	15 69	24 10	10	7.50	6.34	17.83	20	7.68	45.38	27.11	11.01	1.42	9.62	2.91	30
Borrea	95 00	103 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	22 00	21 5	10	90.92	17.94	151.21	93	88.54	425.18	195.93	29.69	37.83	90.95	1.19	8.13
Burrakur	99 25	114 8	100	23.00	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	7 47	8 10	10	4.50	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	870 00	900 0	1000	20.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	5 94ad	6 4	10	49.97	...	...	8	10.86	46.39	12.80	1.67	7.28	14.68	3.69	...
Central India	12 00	12 8	10	8.00	45	12.85	69	9.89	49.12	33.03	...	5.69	9.65	24	21
Central Kurkend	1 94	2 8	4	6.00	1.44	...	4	15	...	...	7.28	...	25	10	...
Churulia	7 50	7 12	10	16.00	...	...	-3.37	26.34	54.02	30.95	...	2.69	13.12	9	...
Dhomo Main	20 87	27 12ad	2	2.40	1.00	2.80	59	2.01	9.71	7.31	2.17	105	1.81	1.38	...
East Indian (E)	24 06	24 8	10	29.64	34.00	53.22	4	171.73	417.92	300.76	15.76	61.89	145.60	3.58	...
Equitable	92 00	101 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	970 00	1000 0	...	50.00	...	...	...	...	...	...	...	...	...	...	...
Ghushick & Muslia	15 06	15 12	10	10.00	2.00	16	11	13.03	10.77	3.74	3.00	8.17	11.52	22	...
5% C. P.	100 00	98 8	10	3.75	...	...	...	...	...	...	...	...	...	...	...
Gourangdi	5 12	7 12	10	1.25	...	...	-1.63	2.55	6.71	60	...	2.31	41	6	...
5% R. C. P.	40 00	40 0N	100	3.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	1 68	1 8	10	6.50	17	...	-17	1.64	7.87	3.29	2	1.13	2.36	6	...
Guzdar Kajora	20 75	22 2	10	8.00	6.50	75	45	10.99	22.41	19.22	49	1.70	11.23	10.09	...
Humildih	1 00	2 0	24	2.42	...	...	-2.60	5.83	16.24	12.08	...	51	19	...	...
Jainty Central	0 94	2 9	10	22.00	1.12	...	-5.54	3.94	30.29	12.69	19	...	6.05	2.27	40
Joga	30 00	45 0N	10	5.00	...	...	...	...	...	...	...	...	...	...	...
5% C.P.R.	20 00	18 0	10	3.50	4.31	1.36	-9.18	2.00	14.13	7.33	...	94	11	13	...
Kalaspahari	103 00	114 0	100	20.00	...	2.22	2	9.02	31.26	5.71	2	2.32	7.70	3.24	2.92
Karampura	44 50ad	63 12	10	9.90	17.60	...	1.38	22.37	47.66	37.71	7.29	6.83	14.71	8.88	...
54% C. P. T.	51 08	57 4	10	1.38	...	...	-1.83	11.03	13.53	6.93	...	2.35	3.55	1	...
Katras Jhorraiah	3 75	3 12	10	1.93	...	...	...	...	...	...	...	...	...	...	...
Khas Kajora	5 00	3 12	10	11.00	68	...	14	1.94	16.87	10.94	2.95	1.58	3.26	5	...
8% Preference (q)	2 26	2 7	10	9.00	6.82	4.50	5	7.72	28.37	22.65	8.36	1.89	11.65	49	...
Kuaurdi	10 00	10 0	10	4.00	1.80	...	9	4.30	6.18	3.88	1.36	51	6.81	21	...
Lakurka	10 00	12 0	10	1.00	...	...	...	...	...	...	...	...	...	...	...
Mahabir	...	...	10	5.66	85	...	-11.29	23.13	18.81	7.96	...	2.67	4.73	10	...
44% R. C. P	5 50	6 11	10	7.48	1.75	25	31	5.69	13.13	9.66	7.70	98	1.21	2.11	...
Mundulpoor	13 50	16 0	10	17.76	...	19.32	54	32.96	124.49	91.72	4	10.57	23.49	5.91	...
Nazira	10 69	12 0	10	2.00	...	...	...	...	...	...	...	...	...	...	...
New Beerbhoom	1 56	1 10	10	7.10	...	...	-4.20	5.52	11.76	3.92	...	3.40	87	30	2
7% C. P.	2 50	2 8	10	2.00	...	...	...	...	...	...	...	...	...	...	...
New Churulia	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	10	4.00	...	...	-2.09	6.02	7.54	1.96	...	1.39	2.57	25	13
44% Debentures	2 06	2 7	10	2.00	...	...	...	...	...	...	...	...	...	...	...
New Huntodih	60 00	84 0	100	7.48	1.75	25	31	5.69	13.13	9.66	7.70	98	1.21	2.11	...
5% Cum Preference	3 50	3 8	10	4.55	...	75	...	-2.47	21	4.66	2.70	3	29	2	...
New Joyrampore	10 56	11 4	24	6.50	...	1.00	76	11.25	30.01	22.04	37	2.92	4.95	23	...
New Manbhoom	0 94	2 0	10	1.15	2.70	78	18	16.96	15.51	4.74	...	5.76	3.81	2	26
North Damuda	19 75	17 4	74	1.58	...	...	...	4.43	13.07	8.96	...	25	4.49	1.96	...
North West	15 75	15 12	10	7.50	6.22	60.2	37	5.05	3.98	2.78	22.60	...	2.99	37	...
Partly Paid Ordy	16 75	14 10	100	2.00	1.10	1.04	25	24.82	41.24	19.79	2	7.54	6.01	28	5.88
Ondal	95 00	108 0	10	10.00	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	8 00	8 4	1000	5.00	...	...	...	...	...	...	...	...	...	...	...
Orental	...	...	10	8.34	...	10	62	10.57	18.27	8.70	75	91	10.03	4.72	...
5% Debentures	13 87	14 14	100	8.00	...	...	...	...	...	...	...	...	...	...	...
Parasae	50 75	56 4	10	15.75	7.00	9.30	46	32.84	55.17	39.02	4.07	11.32	29.81	3.99	...
54% R. C. P.	17 25ad	18 11	10	2.50	10	10	2	2.00	7.80	2.80	60	64	1.51	7	...
Pencu Valley	7 00	6 0	...	2.50	...	...	...	...	...	...	...	...	...	...	...
Pure Sitlpur	...	...	10	24.00	7.32	12.85	23	19.09	124.35	87.36	8	7.96	17.86	60	...
Debentures	9 12	13 2	10	13.50	3.30	5.28	23	31.97	39.09	30.49	2.68	10.43	19.34	13.20	...
Raneegunge	15 00	14 0	10	20.00	3.50	33.62	9	44.11	85.59	22.18	3.30	4.98	29.14	49	...
Rawa	12 60	14 0	24	2.50	...	71	11	3.92	13.93	12.37	...	86	4.70	11	...
Sania	5 00	28 14	7	2.80	6.75	1.61	49	8.63	29.99	19.07	1.03	1.24	4.24	6.84	...
Seorsole	21 75ad	...	100	4.00	...	...	...	...	...	...	...	...	...	...	...
Sechpore	...	...	10	8.00	4.88	19	5	3.56	52	29	7.19	...	7.10	2.14	...
5% Cum. preference	7 56	9 0	10	5.50	...	1	-2.89	1.21	8.31	3.49	...	63	1.11	26	...
Sendaria	5 00	3 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Seae Mahakali	...	...	10	63.21	46.45	39.53	21	316.98	519.42	273.47	8,226	145.32	64.17	2.71	...
Debentures	9 50	9 8	10	17.50	4.00	5.87	10	10.74	37.96	16.16	6	1.85	14.33	19	1.00
Singareni	8 94	8 15	10	8.00	6.81	7.20	17	4.20	1.69	27	20.10	...	1.29	3.51	...
South Karanpura	17 00	20 4	24	10.00	...	13	-3.70	8.54	31.30	15.44	1	1.60	2.25	4	...
Standard	1 56	2 14	...	5.00	...	...	...	...	...	...	...	...	...	...	...
Talcher	...	...	10	3.50	2.30	50	77	...	18.97	14.54	...	96	...	...	...
Debentures	13 75	14 6	10	27.58	...	75	39	11.63	55.42	22.01	...	4.32	5.18	14	...
Union	10 00	9 14	10	12.56	...	...	...	...	...	...	...	...	4.50	9.73	96
United Collieries	88 00	85 8	100	8.00	...	...	-85	6.82	10.82	...	...	...	90	9	...
5% C. P.	12 25	12 0	10	7.00	...	...	-3.20	36.10	57.46	25.79	...	69	7.43	11	2
West Chusick	6 25	11 0	10	6.00	11	...	-58	4.13	9.86	2.05	...	27	1.56	2	...
West Jamuria	1 55	1 8	10	49.98	...	50	11	13.76	65.72	24.15	1.50	4.86	15.20	1.22	...
West Laikdih	5 00ad	5 14	10	...	...	...	...	...	...	...	...	...	...	...	...
Western Bengal	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

[January 11, 1958]

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER SHARE		
				Materials	Ra. 000	Ra. 000	Ra. 000			Ra. 000	Latest	Pre- vious	Second Previous
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private ...	49,144	1,016	85.82	144.81	58.79	...	6-57	3.94	23.97	5	12	7
Ahmed Mfg. & Calico	5% Cum. preference ... Karamchand Fremchand Pri. 44% 1st Cum. preference ... 44% 2nd Cum. preference ... 44% 3rd Cum. preference ...	139,120	2,372	290.40	852.56	266.99	14.87	3-57	151.25	125.47	5 24 44 44 44	5 24 44 44 44	5 144 44 44 44
Ahmed Shri Ramkrishna	Chimanlal Maneklal ...	28,752	500	52.05	121.81	30.81	4.05	3-53	4.59	8.80	8	8	13
Aji Mills	4% R. Cum. preference ... Chinubhai Naranbhai ... 44% 'B' R. C. preference ... 5% 'C' R. C. preference ... 44% 'D' R. C. preference ...	25,376	513	55.23	123.57	22.95	4.81	12-56	8.15	7.94	4 16 44 5 44	4 14 44 5 44	4 14 44 5 44
Apoth Mills	Rajputana Textiles Privt & Co.	56,468	898	97.14	226.67	30.51	1.62	12-55	11.83	1.07	9	6	12
Arvind Mills	Narottam Lalbhai ... 5% Cum. preference T. ... 44% Cum. preference T. ... 44% R. C. preference T. ...	66,412	1,216	130.50	348.30	48.29	9.61	12-56	87.82	58.21	35 5 44 44	35 5 44 44	25 5 44 44
Asoka Mills	Lalabhai Dalpatbhai ... 5% C. P. T. ... 44% R. C. P. T. ...	37,368	914	94.39	207.19	...	7.06	12-55	30.51	13.38	30 5 44 44	22 5 44 44	22 5 44 44
Azam Jahi Mills	Government of Andhra ...	36,136	716	113.36	195.42	16.86	...	9-56	15.12	8.86	4	4	4
B. R. Cotton	Directors ... 6% Cum. preference ... 44% Debentures ...	50,596	1,021	70.59	160.31	23.61	...	3-56	4.98	-1.21	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Bisnod Mills	B. Ram. Balchand ...	60,640	1,338	141.15	203.58	28.53	6.69	12-55	24.54	6.30	...	...	...
Bombay Dyeing	Nowrojee Wadia & Sons Private	223,552	3,984	377.38	747.15	192.69	12.18	12-56	99.38	96.55	10 10	6 10	8 8
Central India	Tata Industries ... 5% Cumulative preference ...	115,188	2,062	...	227.58	34.63	...	6-56	(x)6.38	2.40	nil 5	3 5	2 5
Century Spg. & Mfg.	Birla Brothers Ltd.	126,752	2,752	339.45	655.73	182.22	6.45	12-56	(y) 114.26	80.10	22	22	22
Coorla Spg. & Wrg.	Cowasjee Jehangir & Co.	24,848	680	52.96	126.03	3.51	1.76	3-56	15.22	4.50	12	7	7
Dawn Mills	Ramnarain Sons Ltd.	40,962	...	90.98	134.77	10.42	1.65	12-55	14.70	6.01	30	12	12
Edward Textiles	P. Bubna Sons ...	48,718	928	130.97	228.63	68.52	71	12-56	10.24	12.99	7	9	7
Elphinstone Spg.	Director ... 7% C. P. ...	41,300	886	90.51	179.73	55.50	...	12-56	12.78	15.73	10 7	10 7	6 7
Empire Dyeing & Mfg.	W. H. Brady & Co. Ltd.	...	...	9.10	34.54	29	39	12-56	3.32	3.48	20	20	20
Finlay	James Finlay & Co. Ltd.	49,528	784	88.93	171.14	35.79	2.35	12-55	21.72	15.23	20	16	16
Gokak Mills	F. F. Campbell & Co. pri...	74,286	...	161.4	246.67	56.37	2.16	12-56	18.84	21.72	13	15	13
Gold Mohur	James Finlay & Co.	45,268	1,108	95.78	174.59	41.32	2.04	12-55	16.48	7.33	15	12	12
Hind Mills	Hind Agents Private ... 5% C. P. ...	71,596	1,387	185.72	324.27	115.33	2.80	6-56	22.77	15.63	6 5	4 5	4 5
Hindustan Spg.	Thackersey Mooljee ... 44% R. C. P. T. ...	49,448	1,122	86.88	198.01	...	2.75	3-56	23.15	13.94	32 44	30 44	22 44
India United	Agarwal & Company ... Deferred ...	244,300	6,278	452.71	785.13	198.47	5.03	12-55	62.06	2.43	9 18	nil 18	6 6
Indore Malwa	Directors ...	51,180	1,420	124.13	257.26	78.89	...	12-56	22.68	25.48	11	9	6
Khatav Mankaji	Khatav Mankaji & Co. ... 4% Cum. Preference ...	92,852	1,489	238.08	426.54	73.51	4.33	6-56	46.22	30.91	10	10	8
Kohinoor Mills	Killick Industries Limited ...	120,504	1,846	378.76	594.90	91.09	5.99	12-56	52.50	36.04	4 18	4 18	4 18
Lakshmi Cotton	Directors ... 5% Cum. preference T. ...	48,996	1,219	122.01	229.56	66.82	...	12-56	27.35	21.46	17 5	17 5	13 5
Mafatlal Fine Spg.	N. C. Purshotandas ... 44% 1st R. C. P. ... 44% 2nd R. C. P. ...	51,996	896	70.69	210.30	20.35	4.49	12-56	43.17	28.08	18 44 44	15 44 44	15 44 44
Marsden Spg. & Mfg.	Marsden Bros. ...	23,508	482	67.15	157.67	...	3.44	12-55	14.20	8.08	7 44 44	5 44 44	5 44 44
Minerva Mills	N. Sirur & Company Private ...	39,896	704	87.65	139.33	40.96	85	12-56	5.39	5.19	6 7	5 6	5 5
Madel Mills	B. A. Dadabhai & Co. ...	52,408	952	89.83	141.66	36.34	54	6-55	4.85	-7.72	mil 16	mil 16	3 10
Modern Mills	N. Sirur & Company Private ... 5% Debentures ...	49,000	644	93.26	186.31	52.36	1.40	10-56	10.97	12.61	16	16	16
Monogram Mills	M. Bakubhai & Sons, Private ...	27,460	528	92.11	171.70	44.74	...	12-56	13.46	14.58	...	...	...
Morjee Goudas	Piramel Sons Privt. Ltd. ... 44% Cum. preference ...	70,416	1,652	159.08	323.53	106.32	1.48	6-57	(a)28.43	36.15	7 14	7 15	5 14
Mysore Spinning	N. Sirur & Company Private ... 44% Cum. preference T. ...	50,480	500	129.66	167.59	60.87	1.38	2-57	9.05	8.43	18 44 44	18 44 44	12 44 44
New City of Bombay	W. H. Brady & Co. Ltd. ... Tritumal Bhoglal ... 4% 2nd R. C. P. ...	45,944 45,836	432 866	74.65 89.91	132.58 201.16	18.24 ...	77 7.56	12-56 12-55	(m) 6.20 21.03	4.51 8.94	10 4	10 4	10 4
New Great Eastern	W. H. Brady & Co. Ltd. ... 54% Cum. preference T. ... Directors ...	49,012	1,018	91.60	193.39	37.52	46	12-56	(p) 5.14	5.31	10 4	10 4	7 4
New Kaiser-I-Hind	5% C. P. ...	54,052	12,67	136.28	217.08	83.26	...	3-56	19.54	(u) 9.44	5 8	5 8	5 8
New Shorrock Spg	Mafatlal Chandulal & Co. ...	51,106	907	100.29	223.53	12.50	6.48	12-55	32.57	28.35	28	28	28
Osmanshahi Mills	Government of Andhra ...	37,788	902	87.51	160.25	20.37	...	9-56	5.38	75	3	23	mil
Podar Mills	Podar Sons Private ... 4% Cum. preference ...	32,600	930	93.70	143.31	18.75	1.12	12-56	11.25	10.99	12 4	12 4	mil 10
Rohit Mills	L. Gordhandas ... 54% Cum. preference T. ... 4% R. C. P. (2nd) ... 4% R. C. P. (5th) ...	33,156	648	82.01	214.57	...	8.77	12-55	29.33	11.43	4 nil 5 4	4 0 5 4	4 4 5 4
Sassoon & Alliance	David Sassoon ...	9,520	277	11.06	17.91	...	10	12-54	(z)-1.48	(b)49	5	7	12
Sassoon Spinning	M. G. Invrt. Corporation Pri.	94,884	2,127	252.67	488.68	30.71	3.29	12-56	39.91	17.71	20	7	12

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw	Sales	Stocks	Managing	Year	Net Profit	Net Profit	DIVIDEND PER CENT		
				Materials			Agents' Commission and allowances			ended		for the previous period	Latest	Pre- vious	Seco- nd Pre- vious
				Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Shalapur Spinning	Morarka & Co. Half Ordy 3% R. Cum. preference	95,332	2,234	106.34	127.51	92.54	28	3-55	-23.04	-60.15	nil	nil	nil
Sherrack Spinning	Mafatlal Chandulal Ahmed... Founders	36,648	720	68.34	177.74	15.37	3.41	12-56	35.11	19.66	30	25	25
Shree Niwas Cotton	Marwar Textiles (Agency) 4% R. Cum. preference	69,070	1,640	194.59	338.12	123.56	3.59	12-53	29.32	17.34	14	12	17
Shree Sajan Mills	G. Liladhar & Co.	17,880	440	25.75	60.56	13.77	22	3-55	1.81	42	nil	nil	4
Shri Ambica	H. Kalidas & Company 5% Cum. preference 4% Cum. preference (2nd) F. F. Campbell & Co.	94,128	1,733	204.31	435.05	88.22	9.39	12-56	95.42	79.42	30	54	40
Simplex		34,846	1,274	150.05	237.11	29.25	5.65	3-56	24.38	13.19	24	20	22
Standard	Mafatlal Gagalbhai & Sons 4% 1st R. C. P. 4% 2nd R. C. P.	97,588	2,409	226.85	570.41	63.64	10.26	12-56	111.25	86.16	22	20	20
Swadeshi Mills	Tata Industries Pri. Ltd. 5% Cum. preference	72,236	2,000	152.02	299.42	84.91	3.52	12-56	45.76	34.13	14	12	8
Swan Mills	James Finlay & Co. Ltd.	39,328	551	188.77	266.61	39.03	3.32	12-55	28.46	23.34	25	20	20
Tata Mills	Tata Industries Pri. Ltd. 5% Debentures	65,448	1,800	128.55	265.50	67.70	1.69	12-56	28.80	27.40	14	16	10
Victoria Mills	Mangaldas Mehta 4% R. Cum. preference	50,056	958	88.44	186.54	9.83	6.08	12-55	12.96	10.44	20	15	15
Vijaya Mills	H. Acharya & Co. 4% 2nd Cum. Preference T.	36,176	780	72.46	167.72			12-54	8.51	8.22	8	8	8
Vishnu Cotton	44% 3rd R. Cum. Pref. T. Directors 7% Cum. preference T.	47,240	1,331	115.69	224.48	64.25		12-56	(a) 19.10	(b) 18.16	4	4	4
											7	7	7
NORTHERN INDIA													
Basant Cotton	Calcutta Agency 61% C. P. 54% Debentures	13,044	356	24.23	66.42	7.34	1.35	12-55	2.15	3.47	5	5	2
Bengal Luxmi Cotton	Bengal Textile Agency Pri. Ordinary Partly Paid 5% R. C. P.	33,292	925	53.59	131.77	36.59	25	3-56	9.77	5.47	10	10	13
Bengal Nagpur	Directors 7% C. P.	29,936	810		87.97	17.96		12-55	(t) 8.82	(a) 4.59	nil	nil	ni
Birla Cotton	Birla Brothers Private	39,896	1,088	147.50	244.19	23.53	5.33	3-56	28.42	19.16	15	30	30
Bowrah Cotton	Kettlewell Bullen & Co. Ld. 8% 'A'. C. P. 7% 'B' Pref.	42,960	841		149.03	60.84	44	12-56	(q) 23.48	-1.64	nil	nil	ni
Cumspere Textiles	Begg Sutherland & Co. Private	27,016	591	92.24	125.4	5.29	62	3-57	10.07	9.47	5	5	ni
Dakhi Cloth	Bharat Ram Ch. Ram & Co. Pri. Ordinary 41% 1st 2nd C. P. 4% 3rd C. P. 51% 4th C. P. 51% Debenture	141,180	2,352	1224.47	2361.13	778.94	15.34	6-56	236.49	247.41	10	9	ni
Dunbar Mills	Kettlewell Bullen & Co.	42,944	518		171.04	68.19	1.61	12-56	7.54	13.13	6	2	ni
Elgin Mills	Begg Sutherland 8% C. P. 5% C. P.	48,452	1,198	164.97	319.42	36.56	4.63	9-56	54.32	a) 144.70	12	10	1
Jagjit Cotton	K. C. Thapar & Bros. Pri. 5% C. P. P. Debentures	26,560	530		162.55	11.23	4.23	1-56	32.73	27.10	8	5	n
Jay Shree Textiles	Birla Brothers Ltd. 51% Debentures			36.57	62.30	20.74		12-56	10.37	3.07	3	nil	n
Kacaram Cotton	Birla Brothers Ltd. 7% C. P.	74,672	1,992	270.78	556.63	120.44	12.62	3-55	48.92	46.23	8	8	1
Mahini Mills	Chakravarti Sons & Co. Ordinary 5% R.C.P.	23,484	435	84.24	230.24	46.29	9.21	12-56	30.52	45.01	124	124	1
Minir Mills	Indian Tex. Syndicate 6% C. P.	88,640	1,834	145.19	218.04		60	12-55	-5.06	-10.24	5	5	n
New Victoria	J. P. Srivastava & Sons Deferred 6% C. P.	70,072	1,333	127.27	224.66	41.04	67	12-55	(a2) 37.64	-3.91	nil	nil	n
Onissa Textiles	B. Patnaik & Co. 5% R. C. P.	47,728	864	129.13	208.46	47.53	36	3-53	12.58	31.12	nil	nil	n
Ram Textiles	J. P. Srivastava & Sons. 64% 'A'. C. P. 64% 'B'. C. P.	34,532	600	78.45	95.15	41.24	12	12-53	-3.15	-7.13	nil	nil	n
Sanki Cotton	Birla Brothers Private	27,340	992	120.18	302.89	62.55	6.39	3-57	72.63	105.28	60	60	6
Swadeshi Cotton	Jaipuria Brothers Ltd. Prefd. Ordy. 6% C. P.	112,216	2,081	400.01	811.72	208.72	6.52	12-56	64.23	53.72	74	74	11
											6	6	6
Includes Stock on hand													

Includes Stock on hand

MILLS—Contd.

MILLS—Contd.		Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Green Block	Depreciation	Liquid Assets				
NAME	December 1957	December 1956	General			Others	Carry Forward	Invest ments				Stocks and Stores	Out- standing	Cash	Others	
	Ra. np.	Ra. s.	Ra.	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	
WESTERN AND CENTRAL INDIA (Contd.)																
Sholapur Spinning	700 00	1590 0	1000	15.90	126.86	29.53	—1,70.07	253.16	293.66	204.66	19.76	118.88	55.09	1.72	...	
Half Ordinary	...	...	100	31.96	...	...	...	...	...	...	...	...	...	...	...	
3% R. C. P.	...	...	100	19.50	67.41	13.53	1.11	36.35	94.66	66.97	5.69	37.09	31.01	36.90	...	
Shorrock Spinning	625 00	...	25	3	...	...	...	...	...	...	...	...	...	...	...	
Founders	143 25	197 8	100	60.00	99.70	26.50	2.70	100.41	83.06	45.81	17.51	127.80	50.83	70	...	
Shree Niwas Cotton	68 00	...	100	4.80	...	...	...	...	...	...	...	...	...	...	...	
4% R. C. P.	...	...	100	26.15	...	27	—66	34.83	36.43	17.73*	94	38.81	1.85	27	...	
Shree Saijan Mills	...	...	100	57.96	218.28	63.96	2.63	106.68	192.48	103.24	48.18	177.98	92.54	6.27	...	
Shri Ambica	582 00	...	100	5.60	...	...	...	...	...	...	...	...	...	...	...	
... cum. preference	93 00	...	100	7.00	...	...	...	...	...	...	...	...	...	...	...	
4% cum. preference [2nd]	75 00	...	100	42.00	1.14	35.44	96	49.26	96.78	73.64*	1.10	51.99	26.47	24.09	...	
Simplax	154 00	182 8	50	87.80	57.97	192.85	2.93	117.97	277.89	162.09	5.57	123.93	62.71	159.60	...	
Standard	390 50	447 8	100	6.00	...	...	...	...	...	...	...	...	...	...	...	
4% Ist. R. C. P.	...	...	100	6.00	...	...	...	...	...	...	...	...	...	...	...	
4% 2nd. R. C. pref.	165 00	232 8	100	100.00	98.00	8	29	87.61	251.02	133.03	6.78	128.67	29.63	4.39	...	
Swadesh Mills	99 00	115 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...	
5% Cum. preference	...	...	100	36.00	39.06	26.27	1.51	91.30	129.00	81.53	72	107.01	38.92	3	...	
Swan Mills	325 00	411 4	100	65.38	41.50	15.25	18	95.75	201.67	80.31	3.43	100.85	20.41	9.01	...	
Tata Mills	38 00	50 0	25	39.51	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	93 00	...	1000	16.00	19.90	9.68	57	50.93	67.57	46.04*	5.56	34.01	25.26	18.74	...	
Victoria Mills	230 00	355 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...	
4% R. Cum. preference	...	...	25	28.00	19.90	75.32	33	68.41	103.76	68.35*	7.59	53.94	30.74	1.68	...	
Vijaya Mills	595 00	...	500	3.50	...	...	...	...	...	...	...	...	...	...	...	
4% 2nd C. P. T.	...	...	100	2.80	...	...	...	...	...	...	...	...	...	...	...	
4% 3rd R. C. P. T.	...	...	100	32.00	13.96	15.26	17	111.23	174.27	117.95	7.66	107.08	39.02	23	7.96	
Vishnu Cotton	101 00	138 12	500	15.66	...	...	...	...	...	...	...	...	...	...	...	
7% Cum. preference T.	520 00	557 8	...	30.00	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	96 00%	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
NORTHERN INDIA																
Bassanti Cotton	5 50	6 14	10	15.00	1.00	43	43	10.68	34.93	21.84	11.45	14.15	1.50	1.02	...	
64% C. P.	7 56	7 6	10	5.00	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	425 0	425 0	500	8.50	...	...	...	...	...	...	...	...	...	...	...	
Bengal Luxmi Cotton	27 00zd	40 0	40	7.11	9.11	...	59	44.55	73.14	52.70	25	40.88	5.50	38	...	
Ordry partly paid	...	...	20	8.23	...	...	...	...	...	...	...	...	...	...	...	
5% R. C. P.	...	...	40	27.00	...	...	...	...	...	...	...	...	...	...	...	
Bengal Nagpur	...	...	100	6.00	...	...	...	...	...	...	...	...	...	...	...	
7% C. P.	4 50	9 6	100	4.00	...	...	...	...	...	...	...	...	...	...	...	
44% Debentures	75 00	100 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...	
Birla Cotton	89 00	95 0	10	35.00	87.72	8.26	2.77	59.69	125.01	96.70	14.69	86.93	46.98	16.54	...	
Bewroath Cotton	34 50	35 0	10	24.00	1.50	...	1	114.05	108.25	51.28	53	78.85	14.20	1.01	...	
8% 'A' C. P.	110 00	139 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...	
7% 'B' Pref.	130 00	140 0	100	30.00	6.00	26.35	49	31.95	65.69	56.32	9.56	54.94	15.92	44	...	
Cawnpore Textiles	65 00	70 0	100	...	...	...	...	...	...	...	...	...	...	...	...	
...	4 00	8 15	5	30.00	...	...	...	...	...	...	...	...	...	...	...	
Delhi Cloth...	34 75	37 12	25	338.36	97.00	209.82	1.29	831.43	1116.22	581.67	36.56	888.98	155.73	36.37	...	
Ordinary	...	...	25	1.00	...	...	...	...	...	...	...	...	...	...	...	
44% 1st & 2nd C. P	17 75	17 12N	25	20.00	...	...	...	...	...	...	...	...	...	...	...	
44% 3rd C. P.	17 75	17 12N	25	37.32	...	...	...	...	...	...	...	...	...	...	...	
21% 4th C. P.	...	...	10	11.95	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	...	...	1000	...	...	...	...	...	...	...	...	...	...	...	...	
Dumbar Mills	124 00	210 0	100	19.00	26.17	...	3.50	101.28	115.17	74.68	56	82.66	25.37	89	...	
Elgin Mills	18 86	27 4	10	63.00	5.00	88.47	79	84.09	154.58	135.58	69 00	100.35	66.06	2.14	...	
8% C. P.	109 25	135 12	100	11.00	...	...	...	...	...	...	...	...	...	...	...	
5% C. P.	7 25	9 6	10	4.20	...	...	...	...	...	...	...	...	...	...	...	
Jagatjit Cotton	9 00	7 0	10	38.48	...	6.83	66	61.44	132.82	69.31	4.25	59.26	10.61	11.39	...	
5% C. P. P	50 00	...	100	15.25	...	...	...	...	...	...	...	...	...	...	...	
Debentures	...	...	100	30.00	...	...	3	29.91	69.03	15.03	6	28.63	9.30	83	...	
Jayshree Textiles	5 87	5 13	10	49.17	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	...	...	1000	13.71	...	...	...	...	...	...	...	...	...	...	...	
Kesoram Cotton	10 25	14 15	10	160.00	45.00	160.54	2.18	103.25	359.23	120.23	37.32	131.13	73.55	9.97	...	
7% C. P.	91 00	127 8	100	20.80	...	...	...	...	...	...	...	...	...	...	...	
Mohini Mills	...	...	25	6.00	5.00	28.25	77	102.83	100.87	91.69	15.57	47.07	48.16	76.81	...	
Ordinary	...	...	10	33.96	...	...	...	...	...	...	...	...	...	...	...	
5% R. C. P	...	...	10	19.96	...	...	...	...	...	...	...	...	...	...	...	
Muir Mills	70 00	85 0	100	30.00	25.00	25.00	—51.31	185.33	164.51	115.59	1.05	105.64	7.36	1.05	...	
6% C. P.	63 00	81 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...	
New Victoria	1 37	1 12	25	22.90	...	46	—11.99	91.69	107.21	65.01	1.21	66.29	21.62	87	...	
Deferred	...	...	1	3.07	...	...	...	...	...	...	...	...	...	...	...	
6% C. P.	3 69	4 8	5	26.05	...	...	...	...	...	...	...	...	...	...	...	
Orissa Textiles	...	...	10	47.10	...	6.50	—3.45	210.47	188.56	50.00*	38	130.91	14.07	1.69	...	
5% R. C. P.	...	...	100	24.99	...	...	...	...	...	...	...	...	...	...	...	
Raza Textiles	...	...	10	60.00	...	62.66	—19.59	53.93	98.29	35.63	16.55	68.15	24.86	2.27	...	
64% 'A' C. P.	...	...	100	7.50	...	...	...	...	...	...	...	...	...	...	...	
64% 'B' C. P.	...	...	10	10.00	...	...	...	...	...	...	...	...	...	...	...	
Butlej Cotton	74 00zd	110 0	10	15.00	282.00	88.61	29.48	93.18	102.21	75.33	183.59	166.91	70.53	52.08	...	
Swadesh Cotton	11 94	12 8	10	17.50	60.00	175.28	8.36	440.81	513.52	181.84	182.31	258.04	107.33	14.65	...	
Prefd. Ordry.	11 37	11 6	10	157.50	...	...	...	...	...	...	...	...	...	...	...	
6% C. P.	86 00	90 4	100	35.00	...	...	...	...	...	...	...	...	...	...	...	

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA													
Alagappa Textiles	Ramal & Co Private.	50,000	...	55.26	87.02	20.12	...	12-55	—1'09	—5.38	nil	nil	nil
	74% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Asher Textiles	Setna & Co.	28,900	...	...	58.73	20.84	52	6-56	6.87	5.04	15	124	...
Bangalore Woollen	Binny & Co. (Madras) Ltd.	40,608	1,157	271.62	533.80	71.74	7.99	12-56	75.30	59.87	30	30	...
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	Binny & Co.	120,288	2,762	372.65	936.68	114.48	10.47	12-56	91.31	110.63	10	10	...
	74% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Cannanore Spg.	K. Damodaran	20,800	...	...	63.80	...	51	3-56	9.11	6.69	15	12	...
Cambodia	Peirce Leslie & Co. Ltd.	37,356	4	71.05	91.22	20.20	34	12-56	3.51	3.98	5	5	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Cauvery Spg.	Directors	17,600	...	40.39	54.40	16.72	49	3-56	4.96	5.96	74	64	...
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	R. Bheema Naidu & Co.	28,864	...	...	78.14	...	1.67	12-54	11.17	12.72	25	20	...
Coimbatore Murugan	T. A. Ramalingam Chettiar	23,660	100	...	57.56	15.07	1.30	12-55	6.91	7.52	20	174	...
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Kamala	R. V. L. Naidu & Co.	17,264	24	...	29.65	...	35	12-52	—2.46	1.43	44	6	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer	T. R. Narayanaswami Naidu	28,194	...	...	71.74	6.16	2.00	12-55	16.38	15.17	20	20	...
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	R. G. S. Naidu & Co.	22,188	407	131.17	187.80	9.88	1.52	12-56	14.96	13.67	64	64	...
Davangere Cotton	R. H. Manjunathappa & Son	25,216	500	...	79.81	29.61	2.46	3-56	13.90	8.59	9	9	...
Dhanalakshmi Mills	M. Nanappa Chettiar & Sons	38,052	201	...	92.57	45.41	2.61	12-55	22.53	20.46	30	30	...
Gnanambikai Mills	V. C. V. Counder & Bros.	17,248	...	...	31.45	...	61	12-54	2.84	1.91	10	6	...
	64% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills	G. Venkateswami Naidu & Co.	23,784	...	...	65.11	6.19	97	12-56	5.57	4.93	20	10	...
Jawahar Mills	Umayambika & Co.	33,472	...	...	76.97	18.54	2.90	12-56	14.47	11.26	25	124	...
	5% Debentures (1st)	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures (2nd)	...	...	...	...	...	...	...	...	...	...	...	...
Kapila Textile Mills	C. P. C. & Co.	15,184	250	20.13	27.74	2.59	4	6-54	62	89	nil	nil	...
	74% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Kothari Mills	C. N. V. Naidu & Co.	19,940	...	11.88	21.78	2.98	41	3-56	2.64	2.80	74	74	...
Kothari Textiles	Kothari & Sons	41,040	300	49.55	81.06	21.49	62	6-57	11.37	12.24	10	10	...
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% B. Preference	...	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	G. Kuppaswamy Naidu & Co.	93,160	201	137.81	272.22	...	8.27	3-56	58.40	45.51	25	25	...
	A. Class Ord.	...	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	Thiagaraja Chetty & Sons Pri Ltd	24,242	2,24	57.06	86.64	24.57	1.02	6-56	10.31	6.28	5	5	...
	5% Cum. Pref	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Madras Mills	A. & F. Harvey Ltd.	485,296	...	...	1527.73	41.71	12.07	12-56	114.50	96.59	74	74	...
Malabar Spinning	Directors	22,592	108	...	27.68	12.13	...	12-56	(d) 2.60	91	4	...	...
Mettur Industries	Beardell & Co. Private	25,636	603	73.26	151.27	40.38	3.91	3-57	37.00	48.17	20	424	...
Mysore Silk Filature	Directors	...	...	...	...	...	...	3-56	26	—1.72	nil	nil	...
Mysore Spun Silk	Directors	...	...	...	22.59	9.44	...	3-57	3.30	42	nil	nil	...
Palanai Ranganathar	S. K. R. Naidu & Co.	10,016	...	34.97	...	...	18	3-56	(b) 4.22	99	6	6	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	Baghyalakshmi & Co.	41,200	...	...	77.92	23.89	1.58	12-56	12.40	7.16	30	24	...
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	C. S. R. Mudaliar & Sons	27,980	...	...	71.28	6.21	...	12-56	(y) 6.58	4.97	16	4	...
Radha Krishna Mills	A. G. Gurusamy Naidu & Co.	55,664	300	...	149.52	...	3.00	12-54	14.37	9.78	16	8	...
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills	Ramco Agencies Private	24,996	...	...	68.95	5.91	1.96	3-56	8.85	7.11	10	10	...
Rajawari Mills	Gudiyatham Textiles Pri	8,400	...	...	23.50	...	48	12-55	5.47	4.51	15	12	...
	Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Sri Range Vilas Ginning	P. S. G. Naidu & Sons	32,128	88	50.80	65.45	...	1.76	12-55	6.22	(a) 5.14	16	12	...
Rajaseema Mills	Rajaseema Develop. Co.	14,800	...	41.19	52.13	2.08	73	12-56	8.62	8.69	10	10	...
Sri Kr. Rajendra	Directors	30,744	292	64.12	99.08	29.59	...	3-57	18.04	24.41	14	14	...
Sri Sarada Mills	V. S. Sengottiah & Bros.	20,472	200	...	62.94	5.42	57	12-55	(a) 7.48	3.32	10	6	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	Emcete & Sons	...	...	95.01	193.60	61.21	3.57	12-56	66.79	52.48	10	74	...
	5% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	Mooljee Ramjee & Sons	18,000	...	...	31.92	14.11	67	12-56	5.86	2.61	114	9	...
Vasanta Mills	R. K. S. Chetty & Bros.	44,424	...	112.87	161.06	18.97	2.22	12-56	21.86	19.92	20	15	...
	64% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills	G. V. G. Naidu & Co.	44,660	268	...	137.37	...	4.18	12-55	28.42	24.68	274	274	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills	Balakrishna & Co.	26,536	...	28.48	43.25	...	71	12-56	3.50	3.17	10	10	...
Virudhunagar Textile	Thiagaraja Chetty & Sons Pri	...	2.00	23.32	...	...	...	12-55	1.19	4	nil	nil	...
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
	Do. P. P.	...	...	...	...	...	...	...	...	...	...	...	...

(Includes stock on hand.)

(a) After transferring Rs 4,45,718 from Depreciation, Renewal and Extension Fund and Rs 2,19,000 from Dividend Fund.

(b) After transferring Rs 2,49,697 from General Reserve.

(c) Rs. 8 lakhs to be capitalised and issued as bonus shares of Rs. 50 each in the proportion of one share for every five shares held.

(d) After transferring Rs 50,000 from General Reserve.

(e) Arrears for 1946, 1947 and 1948

(f) After crediting Rs 1,18,854 being excess provision for bonus for 1951 and Rs. 6,71,776 being E.P.T. and after transferring Rs. 1,80,000 from Dividend Equalisation Fund.

(g) After transferring Rs 24,07,416 from dividend Equalisation Reserve.

(h) After transferring Rs. 3,97,000 from Dividend Fund.

(i) After transferring Rs 8,00,000 from Machinery Replacement Reserve and Rs 18,400 from Reserve Fund.

(j) In addition to dividend, a bonus of one ordinary share of Rs. 10 each at par of Jay Shree Tea Gardens

for every 20 ordinary shares of Kesoram Cotton Mills will be issued.

(k) After transferring Rs. 70,000 from General Reserve and Rs. 37,500 from Dividend Equalisation Reserve.

(l) Dividends for 6 years from 1949 to 1954 at 8 per cent per annum.

(m) After writing back Rs 2,89,446 being excess provision not required.

(n) After transferring Rs 8,02,125 from General Reserve.

(o) Managing Agents have foregone their minimum commission of Rs. 50,000 and have instead charged 10 per cent on net profit.

MILLS—(Contd.)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	Liquid Assets					
	December 1957	December 1956			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others	
	Rs. np.	Rs. as.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	
SOUTH INDIA (Contd.)																
Alagappa Textiles	9 20	9 14	10	15.00	6.00	4.55	—11.13	40.00	60.86	29.09	3.30	22.19	21.88	28	...	
74% C. P.	89 00	100 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...	
5% Debenture	95 00	95 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...	
Asher Textiles	...	...	100	11.99	5.00	...	4	25.72	31.37	15.64	1.08	23.45	3.38	13	5	
Bangalore Woollen	165 00	542 8	100	40.50	116.00	134.16	2.83	82.67	339.77	260.70	29.74	222.13	36.67	2.45	12.09	
6% C.	120 00	123 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...	
Buckingham & Carnatic	155 00	176 8	100	178.48	62.00	215.73	2.28	240.91	669.03	396.63	21.71	328.34	122.57	3.81	49.87	
74% C. P.	139 00cd	146 8cd	100	21.30	...	...	...	...	...	...	...	...	...	...	...	
5% Debenture	990 00	1000 0	100	78.00	...	...	...	...	...	...	...	...	...	...	...	
Cannanore Spg	160 00	162 0xd	100	15.00	5.11	...	9	15.73	47.31	23.63	6	10.08	1.83	29	...	
Cambodia	10 00	14 10	10	20.00	6.00	14.00	54	5.43	42.33	23.99	31	23.06	4.89	35	12	
7% C. P.	111 50	118 8cd	100	1.00	...	...	...	...	...	...	...	...	...	...	...	
Cauvery Spg.	11 87	12 2	10	0.32	...	2.00	59	20.91	50.87	18.02	78	19.49	1.08	44	...	
61% C. P.	95 00	97 0	100	6.58	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	...	...	100	15.23	...	...	...	...	...	...	...	...	...	...	...	
Combatore Cotton	162 00	378 0	100	12.00	9.00	11.60	5	17.23	30.84	24.66	18.37	15.34	7.96	2.00	...	
Combatore Murugan	141 00	...	100	12.10	4.15	3 07	...	24.30	33.96	26.61	2.49	17.31	10.89	31	...	
6% C. P.	94 00	...	100	71	...	...	...	...	...	...	...	...	...	...	...	
Combatore Kamala	...	...	100	3.41	3.00	...	—2.46	30.32	21.29	8.85	...	16.48	6.04	3	...	
Party Paid	50 00	50 0	50	72	...	...	...	...	...	...	...	...	...	...	...	
Combatore Pioneer	235 00	287 8	100	20.00	...	19.40	14	24.97	36.59	24.26	12.73	15.51	11.89	59	...	
61% C. P.	98 25	104 12	100	1.00	...	...	...	...	...	...	...	...	...	...	...	
Combatore Spinning	67 00	90 0	50	20.77	...	2.05	10	92.30	124.06	88.06	16	61.46	17.40	20	...	
Davangere Cotton	...	...	100	24.40	12.00	33	18	44.09	67.23	34.91	13.16	34.68	13.81	20	...	
Dhanalakshmi Mills	216 00	380 0	100	24.35	17.00	4.25	7	18.98	52.74	38.27	6.95	23.32	14.86	15.03	...	
Gnanambikai Mills	130 00	156 0	100	9.27	2.76	...	...	11.70	16.99	8.06	...	11.49	3.04	48	...	
64% Cum. Preference	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...	
Janardana Mills	74 50	100 0	50	8.90	8.56	2.10	...	10.75	31.40	19.97	1.20	8.21	4.12	5.35	...	
Jawahar Mills	13 40	14 13	5	8.90	6.00	8.06	15	45.03	68.04	31.27	33	21.81	12.97	92	...	
Ordinary	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures (2nd)	...	...	1000	4.16	...	...	...	...	...	...	...	...	...	...	...	
Kapila Textile Mills	...	...	10	26.99	...	...	...	27.88	43.67	1.24	...	15.65	2.05	16	3.57	
6% C. P.	...	...	100	6.99	...	...	...	...	...	...	...	...	...	...	...	
74% R. C. P.	...	...	10	1.05	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	2	2.00	...	...	...	...	...	...	...	...	...	...	...	
Kasturi Mills	25 00	30 12	25	7.60	...	2.51	...	10.20	23.48	13.90	1.00	8.01	1.80	13	...	
Kothari Textiles	10 50	16 12	10	42.00	8.00	11.25	92	61.62	105.81	38.28	3.56	57.69	79.1	1.17	3.99	
6% Cum. Preference	8 45	10 12cd	10	12.00	...	...	...	...	...	...	...	...	...	...	...	
6% 'B' Cum. Preference	...	...	5	6.00	...	...	...	...	...	...	...	...	...	...	...	
Lakshmi Mills	100 00	253 0	50	35.64	14.00	52.56	6.52	61.01	161.18	95.51	7.16	36.29	37.00	41.42	...	
A. Class Ordinary	49 00	125 0	25	17.82	...	...	...	...	...	...	...	...	...	...	...	
Loyal Textile Mills	37 50	53 8	50	31.50	...	54	75	25.07	53.20	24.90	24	28.40	14.47	3.44	...	
5% Cum. Preference	66 75	77 4	100	14.99	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	5	2.00	...	...	...	...	...	...	...	...	...	...	...	
Madura Mills	33 75	46 10	15	175.02	170.00	243.82	32.44	134.82	583.52	377.48	48.39	355.54	78.93	67.19	...	
Malabar Spinning	99 00	108 0	200	12.00	3.50	17	...	9.28	29.03	18.77	60	12.94	1.13	3	...	
Mettur Industries	352 50	422 8	100	60.00	38.00	31.14	5	49.24	65.94	45.89	57.65	56.87	29.66	14.20	...	
Mysore Silk Filature	1 50	2 7	10	9.72	...	3.32	—8.27	22.24	21.76	2.59	...	4.38	3.36	8	...	
Mysore Spun Silk	...	...	10	13.62	...	...	4	14.13	29.12	17.83	8	15.22	78	41	...	
Palanalai Ranganathar	109 00	115 0	100	2.40	2.45	35	...	13.33	13.26	3.11	50	4.63	1.16	9	...	
Partly Paid	...	...	50	1.05	...	...	...	...	...	...	...	...	...	...	...	
Palani Andavar Mills	135 00	172 0	50	4.00	1.00	12.00	9	47.64	65.46	25.36	...	25.72	5.46	43	...	
'B' Ordinary	197 50	235 0	75	6.00	...	...	...	...	...	...	...	...	...	...	...	
7% C. P.	58 50	61 0	50	2.00	...	...	...	...	...	...	...	...	...	...	...	
Pankaja Mills	44 50	78 0	100	15.00	...	...	—9.85	45.87	34.20	18.83	8	30.27	4.61	69	...	
Radha Krishna Mills	244 00	340 0	100	16.81	11.00	9.00	29	20.99	63.88	31.39	3.10	23.77	5.20	2.01	2	
'B' Ordinary	120 00	170 0	50	8.41	...	...	...	...	...	...	...	...	...	...	...	
Rajapalayam Mills	135 00	154 0	100	16.14	5.00	7.00	10	15.05	32.72	17.21	65	13.26	9.08	4.79	...	
Rajeswari Mills	...	...	50	8.93	1.01	1.89	3	12.55	22.90	7.74	2.00	4.63	1.96	1.68	...	
Ordinary	...	...	10	1.00	...	...	...	...	...	...	...	...	...	...	...	
Sri Ranga Vilas Ginning	64 00	84 4	50	15.02	6.70	9.59	21	27.14	44.80	25.54	8.17	19.90	4.96	6.22	...	
Rayalseema Mills	112 00	152 0	100	22.32	7.50	4.90	32	15.12	49.64	21.21	1.46	16.21	3.07	98	...	
Starum Spinning	...	...	60	7.80	42	1.70	3	19.97	21.50	16.08	2.41	18.64	3.20	25	...	
6% Cum. Preference	...	...	15	...	...	...	...	...	...	...	...	...	...	...	...	
Sri Kr. Rajendra	83 00	110 0	50	36.70	7.75	12.51	19	69.60	96.27	70.67	33.14	49.5	15.75	3.03	...	
Sri Sarada Mills	77 00	126 0	100	6.35	...	...	1	25.15	27.24	9.11	11	13.60	3.44	19	...	
7% C. P.	100 50	101 0	10	1.00	...	...	...	...	...	...	...	...	...	...	...	
Travancore Rayons	10 65	13 14	10	100.00	20.00	30.07	2.64	126.32	385.56	162.43	...	110.24	16.22	1.01	...	
5% Cum. Preference	7 15	8 11	10	50.00	...	...	...	...	...	...	...	...	...	...	...	
4% Debenture	...	...	5000	21.50	...	...	...	...	...	...	...	...	...	...	...	
Trichinopoly Mills	12 50	13 6	10	13.99	2.50	7.00	63	5.53	17.50	12.41	1.02	16.18	6.72	65	...	
Vasanta Mills	278 00	330 0	100	21.00	18.00	18.50	44	40.61	80.73	47.23	9.25	45.72	13.30	1.21	...	
64% C. P.	104 00	111 4	100	3.00	...	...	...	...	...	...	...	...	...	...	...	
6% C. P.	92 00	98 0	100	1.50	...	...	...	...	...	...	...	...	...	...	...	
Sri Venkatesa Mills	128 00	165 0	50	28.15	1.50	10.00	17	40.12	87.59	58.50	2.04	18.08	5.19	26.03	...	
6% C. P.	53 00	53 8	50	50	...	...	...	...	...	...	...	...	...	...	...	
Vijayalakshmi Mills	105 00	151 8	100	10.09	2.00	1.00	5	20.71	39.37	17.65	33	14.72	3.06	22	...	
Virudhunagar Textile	26 50	38 0	50	11.27	...	...	—8.80	11.66	19.97	6.92	...	5.59	31	5	...	
5% Cum. Preference	60 00	60 0	82 1/2	1.20	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Deferred (P. P.)	...	...	As. 4	8	...	...	...	...	...	...	...	...	...	...	...	

TEA

NAME	Managing Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT			
								Latest	Previous	Latest	Previous	Second Previous	
		Mds.	Rs. A. P.	Mds.	Rs. A. P.	Rs. 000		Rs. 000	Rs. 000				
Amuckie	McLeod & Co. Ltd.	9,635	2 11 4	10,669	2 2 0	71	12-56	7.35	3.80	50	19	72	
Ananda (Assam)	7% C. P. P.	...	...	...	...	...	...	...	...	...	...	...	...
Anandabag	Gill Arbutnot & Co. Ltd.	5,868	1 10 4	5,077	2 15 0	52	12-55	25	5.72	106,044	44,64	149,62	
Arctuttipore	Directors	7,333	3 10 0	6,260	2 7 11	53	12-56	5.11	1.51	124	10	80	
Atal	Goenka & Co.	3,788	1 11 1	3,613	2 7 11	4	12-55	-60	1.83	nil	nil	nil	
	4 1/2% C. P.	4,812	...	3,165	1 11 2	30	12-53	2.50	-1.36	nil	nil	nil	
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	
Baghmati	McLeod & Co.	10,453	2 6 6	9,155	2 1 11	64	12-56	5.82	1.98	25	10	35	
Baitakhal	Ramdudd Ramkissendass	4,715	1 12 7	...	...	13	12-55	67	2.51	5	15	10	
Banarhat	Andrew Yule & Co. Ltd.	40,646	2 47	38,367	1 99	3.06	12-56	28.61	12.87	40	25	120	
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...	
Baradighi	Jardine Henderson Ltd.	18,263	2 0 1	17,728	2 11 7	1.05	12-55	4.53	15.30	30	65	30	
Basmatia	Andrew Yule & Co. Ltd.	7,104	2 57	7,782	2 14	33	12-56	3.60	3.36	20	15	80	
Bateli	National Tea Corp.	9,862	2 4 11 1/2	9,097	1 12 7	74	12-56	6.98	4.25	60	50	80	
Belagachi	National Tea Corp.	5,221	1 9 3	4,045	1 13 10	28	12-55	3.80	3.42	100	40	30	
Betjan	Gill Arbutnot & Co. Ltd.	9,548	3 1 11	8,758	2 9 3	69	12-56	7.14	2.82	100	40	30	
Bhatkwa	McLeod & Co. Ltd.	15,778	2 2 3	17,728	1 13 8	84	12-56	6.37	5.12	25	20	100	
Bijoynagar	Duncan Bros. & Co. (Private)	20,784	2 2 8	18,826	2 0 3	90	12-56	8.94	5.34	16	16	40	
Birpara	Duncan Bros. & Co. Ltd.	15,537	2 2 8	13,808	2 0 3	...	12-56	(a) 5.79	2.23	25	8	8	
Bishnauth	8% C. P.	...	...	...	...	...	...	...	...	...	...	...	
Bloomfield	Williamson Magor	48,494	2 11 11	47,073	2 7 17	1.88	12-56	18.58	7.70	20	20	55	
	Goenka & Co.	1,658	3 1 0	1,491	2 0 1 1/2	9	12-53	24	-1.09	nil	nil	nil	
Bokakhat	Debitures	...	...	...	...	...	...	...	...	...	...	...	
Bormahian	Octavius Steel & Co. Ltd.	44,50	2 8 1	4,655	2 2 0	12	12-56	68	-15	5	nil	10	
	McLeod & Co. Ltd.	6,480	2 6 10	7,703	2 3 8	45	12-56	2.38	3.16	15	20	35	
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	
Borpukhuri	Williamson Magor	7,854	2 7 7	7,597	2 3 5	19	12-56	2.22	50	15	10	30	
Brooke Bond	Directors	42,966	2 12	45,093	1 94	...	6-57	18.52	16.70	17 1/2	6	47 1/2	
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	
Carron	Duncan Bros. & Co. Ltd.	6,926	2 0 0	7,525	1 13 7	16	12-56	1.88	1.48	10	7 1/2	25	
Central Cachar	Jardine Henderson Ltd.	8,738	2 0 4	9,239	2 8 10	9	12-55	(a) 11.00	6.74	nil	7 1/2	nil	
Chamong	Williamson Magor	2,205	3 9 3	1,809	2 14 8	12	12-56	1.19	55	7 1/2	nil	20	
Chandypore	Jardine Henderson	8,846	...	8,755	...	...	12-55	50	66	4	nil	nil	
Choonabhatti	Andrew Yule & Co.	13,052	2 40	13,536	1 99	90	12-56	8.43	4.49	35	20	90	
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...	
Chundecherra	Octavius Steel & Co. Ltd.	8,251	2 1 0	7,798	2 1 0	64	12-55	6.63	8.60	30	30	30	
Clevedon	Duncan Bros. & Co. Ltd.	6,065	2 1 4	6,347	1 14 9	18	12-56	3.89	6.61	30	55	10	
Dauracherra	Duncan Bros. & Co. Ltd.	4,922	2 4 3	4,417	2 4 2	...	12-56	3.81	(r) 8.71	15	20	20	
Dejoo Valley	McLeod & Co. Ltd.	3,480	3 5 6	3,748	2 0 5	37	12-54	4.83	1.59	60	10	nil	
Dessa & Purbuttia	Jardine Henderson Ltd.	14,610	2 8 10	13,887	2 13 10	78	12-55	(a) 17.17	10.04	10	40	20	
Dhelakhat	James Warren & Co. Ltd.	9,018	...	7,864	...	47	12-55	10.43	12.32	25	25	15	
Dhunseri	Directors	7,590	2 26	7,325	1 77	...	12-56	1.38	69	12 1/2	10	50	
Dibruagarh	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	
Dilaram	McLeod and Co. Ltd.	7,323	2 10 2	7,245	2 5 10 1/2	64	12-56	4.55	3.27	30	20	40	
Dimakusi	Directors	1,597	2 6 9	1,697	3 4 5	...	12-55	23	1.11	nil	21	nil	
	Williamson Magor and Co.	8,527	2 88	8,688	2 24	48	12-56	4.77	1.86	30	20	60	
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...	
Dufflaghur	Williamson Magor and Co.	12,248	2 14 9	11,144	2 7 8	1.02	12-56	9.94	5.33	40	40	50	
East India	Williamson Magor & Co.	13,074	2 11 5 1/2	14,424	2 13 4 1/2	33	12-56	3.25	1.98	10	10	35	
Eastern Cachar	Octavius Steel and Co. Ltd.	5,009	2 1 0	4,894	1 12 6	17	12-56	-14	-29	nil	nil	nil	
Ellenbarrie	Duncan Bros. and Co. Ltd.	5,611	1 15 10	4,803	1 14 7	10	12-56	64	(a) 2	5	nil	15	
Engo	Andrew Yule and Co. Ltd.	2,454	1 9 0	2,659	1 67	5	12-56	1.19	-29	nil	110	110	
Ethelbarrie	Directors	6,460	2 9 0	5,817	1 14 3	...	12-56	...	(r) 73	10	12 1/2	50	
Gairkhat	Gill Arbutnot and Co. Ltd.	12,938	2 5 6	10,941	1 14 1	82	12-56	3.14	(a) 49	10	nil	70	
Galle	Davenport and Co. Private Ltd.	2,852	3 01	2,947	2 11	...	12-56	52	-18	nil	nil	25	
Gillapukhuri	Directors	8,247	3 0 9	7,494	2 7 2	...	12-56	4.94	...	nil	nil	6	
Gopur	Williamson Magor and Co. Ltd.	7,460	2 11 4	7,669	2 6 6	38	12-56	3.88	(a) 3.8	30	35	80	
Gopalpur	Secretary	14,232	2 6 4	14,306	2 6 6	...	12-50	5.72	2.43	20	30	50	
Gungaram	Octavius Steel and Co. Ltd.	24,712	2 6 4	24,559	2 0 0	1.46	12-56	12.67	5.34	12	10	12	
	'B' Ordinary	...	...	...	...	...	...	...	8.03	32 1/2	25	50	
	Duncan Bros. and Co. Ltd.	17,091	1 15 6	15,998	1 13 0	46	12-56	5.21	3.91	10	7 1/2	60	
Hanqua	Duncan Bros. and Co. Ltd.	5,773	1 13 5	5,195	1 13 7	15	12-56	1.61	1.67	10	10	25	
Hantapara	Duncan Bros. and Co. Ltd.	35,878	2 2 9	34,882	1 12 11	92	12-56	9.61	3.46	7 1/2	6	60	
Hasimara	8% C. P.	...	...	...	...	...	...	...	...	...	...	...	
	Davenport and Co. Private	71,539	2 65	75,909	2 26	3.09	12-56	25.39	(d) 10.90	22 1/2	10	60	
Hatikhura	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	
Hograjuli	Octavius Steel and Co. Ltd.	16,910	1 12 4	20,455	1 8 1	91	12-56	(a) 1.81	2.68	7	7	7	
Hoolungoorie	Andrew Yule and Co. Ltd.	5,730	2 34	5,838	1 71	16	12-56	1.76	-10	15	5	90	
Huldibari	Andrew Yule and Co. Ltd.	13,240	2 70	13,327	2 34	52	12-56	5.27	2.53	15	7 1/2	55	
	Davenport and Co. Ltd.	21,920	1 87	22,091	1 68	86	12-56	7.69	(w) 4.31	25	12 1/2	80	
Jaypurpara	Andrew Yule and Co. Ltd.	6,826	2 11	5,780	1 78	20.14	12-56	2.02	-1.76	6	nil	65	
Jayshree	Birla Bros Private Ltd.	...	...	...	...	...	12-56	(k) 31.50	22.93	10	10	10	
Joonkollee	6% R.C.P.	9,970	2 5 5	10,400	1 15 2	59	12-56	6.25	3.76	115	86 1/2	120	
Jutibari	Kettewell Bullen & Co.	10,594	2 12 10	8,952	2 3 1	74	12-56	4.84	-49	10	nil	35	
Kalati	Gill Arbutnot and Co. Ltd.	...	...	...	...	...	...	...	...	...	...	...	
Kalinugger and Khorel	Octavius Steel and Co. Ltd.	3,274	1 9 9	3,483	2 0 3	14	12-56	3	1.66	nil	nil	nil	
Kilcott	Bullion Co. Ltd.	4,066	...	3,896	...	...	12-53	2.36	74	20	10	41 1/2	
Kinsley Golaghat	Duncan Bros. and Co. Ltd.	14,691	2 2 0	12,835	1 14 10	12	12-56	6.35	3.56	20	10	41 1/2	
	Directors	14,164	2 3 7	11,780	2 15 9	...	12-55	5.22	12.68	25	25	41 1/2	
	6% preference	...	...	...	...	...	...	...	...	...	...	...	
Kotamulai (m)	Duncan Bros. & Co. Ltd.	16,675	1 15 10	16,115	1 12 2	85	12-56	1.72	46	nil	nil	nil	
	6% Pref.	...	...	...	...	...	...	...	...	...	...	...	
Krishnabehari	Directors	3,929	1 12 10	34.69	2 15 0	...	12-55	87	2.8	10	25	9	

COMPANIES

COMPANIES		MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
NAME	December 1957 Rs. n.p.	December 1956 Rs. A.	General			Others	Carry Forward	Investments				Stocks and Stores	Outstanding	Cash	Others	
			Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	
Amluckie	24 00	...	100	4.46	6.71	2.58	...	14.05	12.44	5.77	15	11.19	1.74	5.68	3.51	
7% C. P.	53 00	...	100	75	...	...	...	...	...	...	...	...	...	...	...	
Ananda (Assam)	27 00	44 14	10	2.77	3.00	2.70	3	6.37	6.54	3.48	3	6.32	1.72	1.64	...	
Anandabag	20 50	35 0	10	7.00	2.25	4.15	50	14.95	12.23	3.34	...	9.67	3.66	6.66	...	
Arctuttipore	9 00	12 0	10	3.00	1.75	...	-3.98	6.32	5.07	1.79	...	3.09	46	26	...	
Atal	6 50	8 6	10	4.50	...	7	-2.30	5.68	12.63	2.59	...	2.42	1.49	1	...	
4 1/2% C. P.	6 12	4 0	10	3.00	...	...	...	...	...	...	...	...	...	...	...	
5 1/2% Debentures	...	...	1000	3.00	...	...	...	...	...	...	...	...	...	...	...	
Baghmari	20 06	25 4	10	5.50	8.61	4.60	43	10.82	18.70	7.48	53	10.59	1.26	6.35	...	
Baitakhal	8 75	10 6	10	4.00	2.25	...	56	2.58	7.48	2.52	50	1.94	1.14	2.35	...	
6% Debentures	1000 0	...	1000	1.50	...	...	...	...	...	...	...	...	...	...	...	
Banarhat	295 00	327 0	100	27.00	29.25	...	4.50	45.11	46.59	21.43	21.64	30.94	15.58	16.26	...	
5 1/2% C. P.	112 50	118 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...	
Bardighi	19 25	25 4	10	6.00	16.00	3.29	43	16.95	40.97	21.01	2	20.15	1.89	2.9	...	
Basmatia	25 12	35 14	10	5.10	9.85	...	54	8.17	12.97	5.33	77	8.05	4.92	2.28	...	
Bateli	19 04xrt	27 4	5	3.30	3.25	1.85	1.30	9.89	12.64	7.97	...	6.59	4.80	3.52	...	
Belach	5 50	59 0	10	2.50	2.00	1.40	38	10.91	3.17	1.43	12.43	2.32	1.38	39	...	
Bettan	21 25xd	44 0	10	6.40	3.70	3.70	69	19.70	11.17	3.51	...	11.28	4.25	11.02	...	
Bhatkawa	19 31xd	30 8	10	9.00	9.00	8.75	45	13.49	20.75	10.25	54	11.79	5.32	12.44	...	
Bijonagar	100 00	155 0	25	8.69	14.25	7.45	2.22	17.89	25.87	7.17	6.18	17.51	5.98	2.15	...	
Birpara	112 00	120 0	100	9.00	5.25	8.96	48	11.82	24.10	7.49	...	15.50	67	3.73	...	
8% C. P.	112 00	120 0	100	1.00	...	...	...	...	...	...	...	...	...	...	...	
Bishnauth	17 00xd	20 6xd	10	33.00	7.00	6.00	3.16	49.16	63.88	28.40	3.22	52.53	5.76	1.33	...	
Bloomfield	2 19	2 4	10	4.00	...	...	-2.58	3.97	7.61	61	1	65	50	5	18	
Debentures	...	...	1000	3.00	...	...	...	...	...	...	...	...	...	...	...	
Bokakhat	15 00	25 4	10	6.00	2.00	50	39	7.57	11.47	2.51	1	5.55	23	27	1.44	
Bormahjan	18 50	20 12	10	7.50	4.53	2.75	36	6.68	10.50	3.35	...	7.78	2.47	4.84	...	
6% C. P.	80 00	73 0	100	1.00	...	...	...	...	...	...	...	...	...	...	...	
Borpukhuri	18 25	23 10	10	4.50	1.50	33	68	9.53	12.06	4.84	1	7.78	1.52	1	...	
Brooke Bond	14 75	19 4	10	35.00	5.35	6.61	5.45	41.87	81.91	29.08	40.73	18.91	7.86	8.99	...	
6% C. P. T.	78 00	77 8	100	35.00	...	...	...	...	...	...	...	...	...	...	...	
Carron	141 00	167 8	100	6.00	4.80	3.44	26	5.06	13.14	3.82	15	9.38	31	41	...	
Central Cachar	72 00xd	64 8	100	10.00	3.75	2.14	5	15.02	23.56	8.74	3	8.78	2.50	1.40	1.40	
Chamanong	10 25	15 2	10	2.80	...	...	...	...	...	...	...	...	...	...	...	
Chandypore	67 00	67 0	100	2.50	...	...	...	...	...	...	...	...	...	...	...	
Chonabhat	265 00	301 0	100	9.00	12.00	43	1.51	13.55	17.04	7.99	8.98	12.51	2.31	5.63	...	
6 1/2% C. P.	113 50	125 0	10	2.00	...	...	...	...	...	...	...	...	...	...	...	
Chundecherra	27 50	27 2xd	10	3.00	4.50	1.95	41	21.65	9.92	3.49	2	5.63	2.45	16.93	...	
Cleveland	...	...	10	4.00	3.50	2.43	42	8.31	7.89	2.24	1	7.29	1.69	6.65	...	
Duaracherra	9 37	14 0	10	6.00	5.60	3.85	50	8.85	9.72	2.33	3.29	6.40	2.76	4.19	...	
Dejo Valley	50 00	47 0xd	10	1.20	2.00	2.00	6	4.11	5.56	1.86	1	4.77	58	31	...	
Dumai & Purbuttia	270 00	320 0xrt	100	6.00	8.40	91	50	13.37	27.66	17.68	...	11.83	1.24	6.03	...	
Dhakhat	20 19	20 6	10	17.53	8.75	...	43	20.66	24.60	5.11	4.79	12.69	6.49	3.91	...	
Dhuner	13 37	19 6	10	4.69	2.70	1.25	1	5.42	8.00	4.33	3	6.00	94	68	3.95	
7% C. P.	2 44	3 5	10	1.20	...	...	...	...	...	...	...	...	...	...	...	
Dibrugarh	24 12	26 15	100	4.50	5.26	3.50	33	9.93	10.66	2.70	52	8.09	94	5.36	64	
Dilaram	149 50	190 0	10	2.00	1.07	56	...	96	3.40	1.56	1	1.11	31	1.04	...	
Dimakuri	20 25	28 8xd	10	1.73	4.56	60	1.17	7.99	13.24	6.20	1.48	8.22	1.87	1.06	...	
8% C. P.	11 50	12 10	10	70	...	...	...	...	...	...	...	...	...	...	...	
Dufflaghur	31 50	35 0xd	10	7.01	9.00	1.50	2.21	16.47	21.35	12.83	2.06	12.06	1.20	12.35	...	
East India	19 62xd	21 14xd	10	10.00	5.00	1.00	1.13	18.58	27.72	10.70	1.15	13.16	4.35	2	...	
Eastern Cachar	4 62	9 0	10	7.00	...	...	-1.34	7.01	8.82	86	1	4.33	40	56	...	
Ellenbarrie	150 00	240 0	100	3.00	1.00	3.15	14	4.56	8.86	3.90	...	6.00	30	50	...	
Engo	400 00	407 0	100	1.20	2.64	...	-3.1	1.51	4.63	2.63	2	2.22	54	27	...	
Ethelbarrie	11 00xd	13 13	10	4.90	30	30	1	12.37	8.68	2.40	2.91	7.00	1.42	27	...	
Gairkhat	150 06xd	268 0	100	7.50	2.70	3.50	42	19.36	17.69	9.56	2	19.03	5.13	1.18	...	
Galle	17 50	25 0	10	2.00	1.76	1.24	-6	1.08	7.84	2.73	48	1.39	68	34	...	
6% C. P.	60 00	87 8	100	2.00	...	...	...	...	...	...	...	...	...	...	...	
Gillapukur	27 0 xd	35 0	10	5.04	4.05	41	18	14.04	11.82	4.90	8.18	4.65	3.88	15	...	
Gohpur	19 12	23 0	10	6.76	2.50	1.75	1.00	8.65	18.21	8.56	...	1.45	8.06	38	1.11	
Gopalpur	19 75	40 0	25	10.50	5.00	4.98	1.32	7.66	17.66	7.49	3.12	8.26	3.94	3.96	...	
Grob 'A'	20 94	34 6xd	10	7.42	9.00	10.83	93	31.01	35.86	8.64	5.00	27.74	4.33	1.53	...	
Grob 'B'	11 50	17 6xd	5	3.61	...	...	...	...	...	...	...	...	...	...	...	
Gungaram	108 00	200 0	100	13.44	8.60	13.53	1.04	12.10	25.00	8.55	5.57	22.07	2.23	2.29	...	
Hansqua	23 75	21 14	10	5.00	5.10	5.34	17	5.25	12.48	3.54	2.71	8.17	77	26	...	
Hantapara	113 00	180 0xd	100	36.00	15.25	23.58	1.83	23.64	59.25	18.38	5.08	44.83	5.01	5.80	...	
8% C. P.	114 00	140 8	100	50	...	...	...	...	...	...	...	...	...	...	...	
Haemara	21 12	30 12	10	32.00	24.50	35.76	3.75	31.54	100.18	47.34	5.80	41 30	9.92	21.10	...	
7% C. P.	116 75	128 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...	
Hattikhira	10 62	15 2	10	12.60	9.50	2.00	20	7.54	29.51	12.08	1	11.24	2.78	37	...	
Hoolingjuri	27 50	25 0	100	5.00	5.75	...	39	4.61	9.28	3.55	52	5.75	1.31	2.44	...	
Hoolingoorie	176 00	301 8	100	8.70	12.30	89	96	13.28	23.90	12.44	9	15.73	5.43	3.42	...	
Huldibari	18 75	27 4	10	8.25	7.00	12.66	1.02	10.25	19.13	8.83	1.65	16.24	3.07	5.92	...	
Jaypurpara	15 62	23 8	10	7.00	5.15	4.17	12	2.92	10.30	4.58	2	4.75	1.29	3.41	...	
Jayshree	9 19	10 8	100	58.57	41.00	...	99	78.11	108.07	...	2.75	47.09	23.66	1.99	3	
6% R. C. P.	...	...	10	72	12.21	4.00	1.56	...	...	...	...	...	...	...	...	
Joonktollie	...	...	10	1.20	...	...	...	12.60	12.33	7.53	2.23	7.79	1.35	14.82	...	
6% C.P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...	
Jutibari	15 50xd	31 4	10	9.00	4.25	2.60	24	14.61	15.61	3.88	...	14.78	2.57	1.61	...	
Kalit	6 00	8 0	10	2.46	...	...	...	9.81	3.03	24	2	2.93	3.18	3.11	49	
Kallinagar & Khorel	87 50	104 8	100	4.50	1.50	1.00	16	3.93	2.74	...	1.10	2.47	3.73	1.04	...	
Killcott	12 19	21 12	10	9.00	7.00	8.24	66	14 30	19.24	6.07	3.07	15.46	1.64	5.85	...	
Kingsley Golaghat	125 00	178 0	100	2.40	10.50	81	70	15.38	12.76	6.73	4.28	13.41	8.20	24	...	
6% Preference	92 00	98 0	5	1.80	60	...	...	33.40	21.42	1.63	2	13.70	1.92	2.20	50	
Kotamullai (m)	12 50	34 0	25	2.18	...	...	...	...	...	...	...	...	...	...	...	
6% Pref.	18 00	25 8	10	3.00	2.1	25	3	7.85	9.31	1.53	25	2.81	2.61	5	...	
Krishnabehari	16 50	16 12	10	...	...	...	...	...	...	...	...	...	...	...	...	

[January 11, 1958]

TEA

NAME	Managing Agents/Secretaries	Total Crop in maunds	Average price per pound	Total Crop in maunds previous year	Average price per pound previous year	Managing Agents' allowance and Commission	Year ended	NET PROFIT					DIVIDEND PER CENT				
								Latest		Previous		Secured Previous	Latest	Previous	Secured Previous	Latest	Previous
								Ra. 00	Ra. 000	Ra. 00	Ra. 000						
Kunchanpore	Duncan Bros and Co. Ltd.	3,810	2 0 9	4,306	1 11 6	10	12-56	8	5	nil	nil	27 1/2	10	10	10	10	10
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	12,139	2 3 8	11,691	2 5 0	78	12-55	10,67	11 86	30	10	10	10	10	10	10	10
Lacktoorah	Gill, Arbutnot and Co. Ltd.	5,452	2 5 4	5,727	1 9 10	15	12-56	1,20	(v) 45	7 1/2	10	27 1/2	10	10	10	10	10
Ledo	Duncan Bros and Co. Ltd.	79,86	3 1 1	77,34	2 10 3	45	12-56	4,56	2,84	30	25	50	10	10	10	10	10
Lingia	Williamson Magor & Co.	9,536	1 9 5	6,581	1 4 9	7	12-55	1,22	8,93	5	20	10	10	10	10	10	10
Longview	Daga and Co. Private Ltd.	38,30	1 9 5	4,615	1 4 9	20	12-56	2	8,93	5	20	10	10	10	10	10	10
Loobah	Octavius Steel and Co. Ltd.	13,306	1 9 5	4,615	1 4 9	20	12-56	2	8,93	5	20	10	10	10	10	10	10
Malhati	D. C. Ghose & Co. Private	6,872	1 14 0	13,581	1 12 7	65	12-56	6,56	5,51	nil	nil	nil	10	10	10	10	10
Manabbarie	Directors	4,958	1 13 5	4,363	1 0 0	25	12-55	1,42	5,51	nil	nil	nil	10	10	10	10	10
Manipur	Gill, Arbutnot and Co. Ltd.	4,419	2 4 7	4,238	1 0 0	19	12-55	2,06	4,94	nil	nil	nil	10	10	10	10	10
Margarets Hope	McLeod and Co. Ltd.	2,016	2 4 7	1,928	3 9 1	19	12-55	—11	5,10	nil	nil	nil	10	10	10	10	10
Manonbarie	Lohia Bros Private Ltd.	5,484	2 10 7	5,558	2 5 5	70	12-55	2,15	4,52	25	40	25	10	10	10	10	10
Maud	Octavius Steel and Co. Ltd.	10,570	2 10 7	11,215	2 5 5	70	12-55	6,05	4,78	20	17 1/2	45	10	10	10	10	10
Mathoni	Andrew Yule and Co. Ltd.	2,092	3 44	2,068	3 16	5	12-56	32	75	10	15	40	10	10	10	10	10
Mim	Duncan Bros Ltd.	4,560	1 11 7	4,507	2 9 1	24	12-55	(u) 11	2,87	nil	nil	nil	10	10	10	10	10
Moheema	6% C. P.	7,042	2 52	6,996	2 27	33	12-56	3,29	2,87	60	50	65	10	10	10	10	10
Mothola	Kettlewell Bullen & Co.	5,244	3 05	5,162	2 47	47	12-56	4,43	2,75	20	12 1/2	45	10	10	10	10	10
Murphulani (Assam)	Andrew Yule & Co. Ltd.	8,344	1 11 0	7,310	2 13 9	26	12-55	1,27	8,04	20	100	30	10	10	10	10	10
Naga Hills	Directors	11,299	2 0 3	12,237	1 12 1	34	12-56	(a) 3,43	2,37	15	7 1/2	40	10	10	10	10	10
Nagaisuree	Duncan Bros.	5,416	2 15 10	5,429	2 4 0	34	12-56	3,44	92	35	15	50	10	10	10	10	10
Nagri Farm	Williamson Magor	5,767	1 14 4	4,801	3 0 0	30	12-55	6,7	4,66	10	30	17 1/2	10	10	10	10	10
Namburnadi	Directors	8,042	2 10 9	7,602	3 5 2	3,08	12-55	5,29	9,12	40	50	17 1/2	10	10	10	10	10
New Assam Valley	Davenport & Co. Private Ltd.	7,056	1 86	5,792	1 65	22	12-56	2,97	1,25	25	15	55	10	10	10	10	10
New Chumta	Duncan Bros. & Co. Ltd.	5,930	2 4 9	4,701	2 0 1	10	12-56	46	(u) 1,32	nil	nil	10	10	10	10	10	10
New Cinnatollah	Andrew Yule & Co. Ltd.	19,225	2 36	20,441	1 95	1,23	12-56	11,75	7,54	35	25	110	10	10	10	10	10
New Doars	6 1/2% C. P.	12,241	2 2 10	12,665	1 15 8	76	12-55	(a) 11,13	12,52	25	nil	6 1/2	10	10	10	10	10
New Samanbagh	Shaw Wallace & Co. Ltd.	3,035	2 3 8	2,499	1 15 9	17	12-56	1,59	64	30	40	67 1/2	10	10	10	10	10
Nilpur Tea	Williamson Magor & Co. Ltd.	9,837	1 10 7	9,165	2 15 6	8	12-55	3,88	9,11	15	20	37 1/2	10	10	10	10	10
N. W. Cachar	Directors	2,289	3 1 0	2,102	2 6 4	8	12-56	24	2	nil	nil	7	10	10	10	10	10
Okayti	Duncan Bros. & Co. Ltd.	8,321	1 11 1	7,865	2 12 2	31	12-55	1,29	8,38	12 1/2	75	20	10	10	10	10	10
Oodlabari	7% C. P.	5,100	1 75	6,078	1 49	19	12-56	—95	17	nil	nil	nil	10	10	10	10	10
Pathemara	Octavius Steel & Co. Ltd.	47,759	2 3 8	50,254	1 12 5	1,59	12-56	29,97	(a) 63,01	25	65	30	10	10	10	10	10
Patrakola	Duncan Bros. & Co. Ltd.	3,021	2 5 7	2,987	1 12 5	10	12-56	72	—11	7 1/2	nil	15	10	10	10	10	10
Phakowa	Duncan Bros. & Co. Ltd.	1,948	2 5 7	2,060	2 5 11	10	12-56	(a) 3,19	5	nil	nil	15	10	10	10	10	10
Pooabang	Davenport & Co. Private Ltd.	1,896	2 56	361	2 66	11	12-56	—4	—3	nil	nil	10	10	10	10	10	10
Pusembing	7% C. P.	1,690	3 10 5	2,573	0 12 0	36	12-54	2,24	1,11	45	10	7	10	10	10	10	10
Putinbarie	Directors	11,267	2 9 6	10,988	1 14 4	95	12-54	11,00	4,25	60	15	nil	10	10	10	10	10
Rajabhat	McLeod & Co. Ltd.	6,013	2 9 6	5,532	2 17	37	12-56	3,66	1,81	40	25	75	10	10	10	10	10
Rajgarh	Andrew Yule & Co. Ltd.	5,127	1 12 4	4,760	1 14 8	18	12-56	4,8	(a) 2,60	10	15	30	10	10	10	10	10
Rajmarg	Shaw Wallace & Co. Ltd.	11,813	2 5 1	12,684	1 14 0	70	12-56	5,86	3,86	20	15	30	10	10	10	10	10
Ranicherra	McLeod & Co. Ltd.	6,309	2 14 7	5,677	1 13 7	47	12-54	4,61	2,21	10	10	35	10	10	10	10	10
Roopacherra	Duncan Bros. & Co.	8,414	2 1 6	9,075	1 13 3	33	12-56	3,43	3,33	20	20	35	10	10	10	10	10
Rungamattie	Duncan Bros. & Co. Ltd.	2,629	3 1 0	2,098	2 9 4	12	12-56	1,18	49	35	20	50	10	10	10	10	10
Runglee Rungliet	Jardine Henderson Ltd.	25,846	...	23,875	...	1,97	12-55	11,38	28,29	50	100	50	10	10	10	10	10
Rydak	Directors	16,218	2 11 0	14,230	2 3 0	45	12-56	7,10	(a) 2,66	25	25	45	10	10	10	10	10
Sapoi	Directors	7,524	2 14 4	7,490	1 15 7	45	12-54	11,43	3,17	110	12 1/2	nil	10	10	10	10	10
Sarugan	Williamson Magor & Co.	44,99	2 10 10	4,601	3 7 4	8	12-55	73	3,96	15	40	30	10	10	10	10	10
Sasuli	Directors	2,470	2 13 1	1,992	2 3 0	0	12-56	51	(u) —9	nil	nil	15	10	10	10	10	10
Sayok	Gill, Arbutnot & Co. Ltd.	2,532	3 12 5	2,271	3 1 0	22	12-56	92	—3	nil	nil	5	10	10	10	10	10
Selimbong	Hoare Miller & Co. Ltd.	2,727	2 68	2,985	2 53	6	12-56	—74	—95	nil	nil	5	10	10	10	10	10
Singell	Geenka & Co. Ltd.	3,300	3 2 4	2,796	2 6 2	38	12-54	3,13	1,57	5	nil	5	10	10	10	10	10
Singtom	5% C. P.	4,521	1 9 3	5,617	2 6 9	...	12-55	—1,38	3,19	nil	12 1/2	nil	10	10	10	10	10
Sonai River	Directors	3,723	3 6 7	3,633	2 9 11	38	12-56	3,60	1,57	40	30	50	10	10	10	10	10
Soom	McLeod & Co. Ltd.	4,723	3 9 7	4,685	2 7 3	44	12-56	4,08	33	15	nil	7 1/2	10	10	10	10	10
Sungma	Gill, Arbutnot & Co. Ltd.	5,285	2 2 10	4,594	1 12 2	26	12-56	1,07	—67	5	nil	30	10	10	10	10	10
Taipoo	Octavius Steel & Co. Ltd.	7,735	2 9 8	7,548	2 2 6	50	12-56	4,72	1,79	30	20	60	10	10	10	10	10
Teesta Valley	Davenport & Co. Private Ltd.	13,726	2 1 0	11,016	2 3 8	41	12-56	9,24	(f) 17,27	15	25	45	10	10	10	10	10
Telapara	Duncan Bros. & Co. Ltd.	9,653	2 8 7	10,032	2 1 7	78	12-56	5,83	3,67	35	25	50	10	10	10	10	10
Telojan	Gill, Arbutnot & Co. Ltd.	7,619	3 1 1	7,466	2 6 10	57	12-56	4,43	1,42	10	7 1/2	65	10	10	10	10	10
Tengpani	Shaw Wallace & Co. Ltd.	31,709	2 4 7	32,034	1 13 3	1,88	12-56	9,71	(p) 8,99	12 1/2	15	50	10	10	10	10	10
Tirihannab	Daga & Co. Private Ltd.	8,585	1 14 11	7,116	2 10 2	48	12-55	—1,40	5,80	nil	nil	nil	10	10	10	10	10
Tongani	McLeod & Co. Ltd.	7,394	1 11 10	4,011	2 10 3	30	12-55	3,85	6,95	30	40	10	10	10	10	10	10
Tukvar	Daga & Co. Private Ltd.	9,186	2 9 2	8,867	2 2 4	10	12-56	1,73	—	10	10	20	10	10	10	10	10
Tyoon	Williamson Magor & Co.	14,597	2 3 6	12,434	1 15 10	1,40	12-54	16,45	4,47	20	15	nil	10	10	10	10	10
	McLeod & Co. Ltd.								—25	nil	nil	10	10	10	10	10	10
									4,11	60	10	nil	10	10	10	10	10

(d) After transferring Rs. 3,50,000 from General Reserve.

(f) After transferring Rs. 11,50,000 from provision for taxation.

(g) After transferring Rs. 1,00,000 from Reserve and Rs. 42,000 Dividend Equalisation Reserve.

(h) After transferring Rs. 1,75,000 from Revenue Reserve; Rs. 49,000 from Building and Machinery Reserve and Rs. 20,000 from Taxation Reserve.

(j) It is proposed to issue bonus shares in lieu of dividend.

(k) After writing back Rs. 2,75,000 from provision for taxation and including the credit balance of the Profit and Loss Account of Rishabhat Tea Co. an amalgamation.

(m) The Indian Estates of The Patrakola Tea Co. Ltd. were transferred to this company at book value as on 1-12-1954.

(n) After writing back Rs. 1,81,885 being provision for taxation in part provided in 1954.

(o) After writing back Rs. 20,000 from excess provision for taxation and Rs. 34,250 from excess provision for liabilities.

(p) After transferring Rs. 1,50,430 from General Reserve.

(q) After transferring Rs. 40,000 from Revenue Reserve.

(r) After transferring Rs. 95,000 from General Reserve.

(s) After transferring Rs. 1,65,000 from General Reserve.

(t) After transferring Rs. 1,00,000 from Revenue Reserve and Rs. 1,20,000 from Building and Machinery Reserve.

(u) After transferring Rs. 80,000 from Revenue Reserve.

(v) After transferring Rs. 1,75,000 from Revenue Reserve.

(w) After transferring Rs. 1,25,000 from General Reserve.

(x) After transferring Rs. 1,50,000 Revenue Reserve.

(y) After writing back Rs. 5,50,000 from Taxation Reserve.

(z) After writing back Rs. 45,25,000 being excess provision for taxation.

January 11, 1958]

COMPANIES

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[January 11, 1958]

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed	Sugar Produced	Sales	Stock	Managing Agents allowance and Commission	Year-ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds. 000	Mds. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
Balrampur	Begg Sutherland	45.92	4.40	95.26	47.59	62	6-55	4.15	8.95	12	15	nil
Basti	Narang Bros.	59.89		85.92	106.65	1.55	4-55	12.99	13.81	10	10	10
Belapur Co.	Ord. B. Class											
Belapur	W. H. Brady & Co.			147.07	47.68	7.44	9-57	70.43	52.24	36	32	32
Beland	Bangur Bros. Ltd.	37.65	3.76	100.16	36.57	2.05	9-56	10.77	4.31	13	10	10
Bharat	Cotton Agents			25.86	30.06	61	6-55	4.44	7.93	15	15	15
Bhopal	5% R. C. P. T.											
Bhopal	Bhiwandiwala & Co.	12.29	1.11	24.98	12.13	43	9-55	4.40	(a) 7.21	10	10	6
Buland	5% C. P.											
Buland	Govan Bros. (Rampur)	36.39	3.48	131.65	25.27	1.70	10-53	22.84	6.97	15	7	10
Carew	Gladstone Lyall & Co. Ltd.	85.75		292.50	114.83	1.91	6-56	10.01	6.28	nil	2	7
Carew	6 1/2% R. C. P.									6	6	6
Carew	6% Debentures											
Carew	5 1/2% Debentures											
Cawnpore	Begg Sutherland & Co. Private	71.45	6.38	164.95	43.89	1.06	10-56	(a) 13.15	(h) 17.57	7	7	7
Champeran	8% C. P.							(e) 10.75	(d) 12.85	10	15	10
Champeran	Begg Sutherland & Co. Pri. Ltd.	56.22	5.43	102.31	107.87	1.33	6-56					
Deccan	Parry & Co. Ltd.			228.07		2.34	5-56	26.57	17.17	15	10	nil
Deoria	7% preference			62.44	2.50	80	8-54	2.18	2.92	7	10	5
Deoria	K. C. Thapar & Bros.	10.69										
Darbhanga	5% Debentures			70.36	18.31		8-54	9.94	16.78	15	15	7
Dyer Meakin Breweries	Directors	28.85	2.99	93.27			3-55	7.71	5.90	11	10	10
Dyer Meakin Breweries	Directors											
East India Distill'y (2)	Parry's Holding Private Ltd.						9-56	5.79	3.60	15	10	10
East India Distill'y (2)	7% R. C. P.									7	7	7
Ganesh	Jajpur & Sons Ltd.	27.02	2.80	72.64	15.88		10-56	4.10	4.59	10	12	15
Ganga Sugar	Directors	39.44		100.78	85.23		3-55	19.05		20	15	
Gwalior	Sir J. P. Srivastava & Sons Pri.	26.91		43.70	38.46	1.01	6-56	9.71		6	nil	nil
Gwalior	7% R. C. P.									7	7	7
Harinagar	Narayanlal Bansilal			126.91	38.01	1.07	9-53	9.36	7.28	7	7	7
Harinagar	Ordinary											
India	India Sugar Agencies	24.369		117.54		1.36	9-55	11.85	11.06	11	17	25
India	7 1/2% C. P. T.									7	7	7
Jagatjit Sugar	Narang Bros & Co.	20.18		31.28	54.99	60	4-55	4.28	4.25	10	10	10
Jagatjit Sugar	R. S. Indus. Corpn.					21	6-55	3.06	4.98	10	10	10
Jagatjit Sugar	6% C. P.									6	6	6
K. C. P.	V. Ramakrishna Sons Pri. Ltd.	2.15	20				6-56	29.01	14.73	7	7	7
K. C. P.	5% R. C. P.									5	5	5
K. C. P.	Deferred									100	100	100
Kirlampudi	Kubera Sugar Managers Private			69.31	54.18	10	6-56	6.51	5.68	nil	nil	nil
Kirlampudi	5 1/2% C. P.									nil	nil	nil
Kirlampudi	5% Debentures											
Madura Sugar	Pandian Rajan & Co. Private	46		40.60	6.30	12	7-56	6.43	3.92	nil	6	10
Modi Sugar	R. B. Multanilal & Sons	41.73		231.48		1.62	10-55	9.27	10.94	6	6	10
Mohini	Ord. Share											
Mohini	K. C. Thapar & Bros.			21.43	6.83	6	11-54	-1.50		nil	nil	nil
Mohini	Founders									nil	nil	nil
Mohini	5% C. P.									nil	nil	nil
Murree Brewery	Debenures									nil	nil	nil
Murree Brewery	Directors											
Murree Brewery	Directors			291.76	60.84		8-51	1.25		nil	nil	
Murree Brewery	Directors						6-56	14.79	15.27	20	20	20
Nawabganj	Narang Bros.	14.92		58.93	86	45	10-54	1.84	4.20	6	10	6
Nawabganj	'B' Class									6	10	6
Nawabganj	5% Debentures											
New India	Cotton Agents			55.33	44.84	1.05	6-55	(i) 4.34	12.01	25	25	25
New India	5 1/2% R. C. P. T.									5	5	5
New India	7% C. R. P. P.									9	9	9
New Savan	K. C. Thapar & Bros.	23.69	3.31			6	5-55	2.69	96	2	2	2
Nizam Sugar	Hyd. Govt. Indust. Trust Fund			305.40	173.61	3.59	6-55	43.11	61.84	18	18	16
Nizam Sugar	5% C. P.									5	5	5
Nizam Sugar	4% C. P.									4	4	4
Phaltan Sugar	Mafatlal Apte & Kantilal	1.25		90.77	34.80	3.50	9-56	27.30	25.95	18	16	16
Punjab Sugar	Narang Bros	18.43		71.47	73	58	10-54	3.59		10	10	
Punjab Sugar	Begg Sutherland & Co. Private	25.97	2.66	66.20	20.35	48	10-56	(b) 6.70	6.75	7	7	7
Punjab Sugar	10% C. P.									10	10	10
Ramnugger Cane	Anderson Wright Ltd.	23.45		128.65	9.48	2.65	8-55	21.12	7.24	20	15	20
Ramnugger Cane	6% C. P.									6	6	6
Ratna Sugar	5 1/2% Debentures											
Ratna Sugar	Ratna Agents			43.29	27.18	52	6-55	3.12		3	3	3
Ratna Sugar	9% C. P.									18	18	4
Ravalgaon Sugar	Walchand & Co. Private			132.56	42.66	3.01	9-56	26.46	13.26	24	18	9
Ravalgaon Sugar	5 1/2% Cum Pref.									5	5	5
Ravalgaon Sugar	Deferred									7	7	7
Ravalgaon Sugar	Debenures											
Raza	Govan Bros. (Rampur)	35.67	3.37	137.40	23.65	1.29	10-53	11.59	3.28	15	7	12
Ryam	Directors	25.77	2.69	43.82	52.31		6-56	6.74		17	17	5
Ryam	6% C. P.									6	6	6
Samastipur	Begg Sutherland & Co Private	28.35	2.64	43.08	46.95	26	6-56	(i) 2.15	(c) 1.30	2	5	5
Shree Anand	Directors	15.55	1.52	46.37	17.31		9-56	1.56	2.63	2	5	5
Shree Anand	Debenures											
Shree Chandoo	A. H. Bhiwandewalla & Co.	19.04	73	57.51	22.28	11	9-56	13.24	11.49	40	16	8
Shree Krishna Gyanoday	Sahu Jain Ltd.	74.73	7.46	238.23	128.73	1.22	7-56	14.69	18.67	10	17	15
Shree Krishna Gyanoday	6% 'A' Pref.									6	6	6
Shree Krishna Gyanoday	5% 'B' Pref.									5	5	5
Shree Krishna Gyanoday	5 1/2% Debentures											

January 11, 1958]

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	December 1957 Rs. np.	December 1956 Rs. A.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others
Balrampur	6 56	5 12	5	14.00	4.50	10.91	21	68.63	39.45	28.98	...	56.73	29.71	1.34	...
Basti	120 50	120 8	100	12.00	9.50	19.47	25.30	105.69	52.26	34.74	21.85	117.42	15.36	2.43	...
Ordinary 'B' Class	...	...	50	3.00	...	...	...	...	...	...	...	...	...	...	...
Belapur	252 00	241 0	7 1/2	70.50	75.19	43.24	3.80	90 14	150.48	108.77	22.79	116.52	14.02	87.02	...
Beland	10 19	10 5	10	19.49	6.75	1.00	73	45.99	33.76	25.31	36	45.02	19.06	1.08	...
Bharat	13 50	17 0	10	15.00	6.50	7.40	13	34.89	16.46	11.78	19.81	31.98	11.87	60	...
5% R. C. P. T	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Bhopal	19 20	16 12	10	17.50	8.87	37	5	8.22	33.04	21.37	3.34	20.58	9.89	1.96	...
5% C. P	94 00	94 0	100	12.50	...	...	...	...	...	...	34.22	37.19	8.85	47	...
Buland	12 00	...	10	33.57	36.00	5.36	3	28.08	41.33	19.37	...	...	...	...	...
Carew	5 87	8 10	10	32.00	16.00	11.44	21	150.25	140.52	95.72	22	156.17	37.63	2.26	...
6 1/2% R. C. P.	81 50	101 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	990 0	1000	19.50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	900 00	940 0	10	400	...	...	...	...	...	...	4.70	80.76	59.53	4.76	...
Cawnpore	14 06	19 1	100	30.00	20.50	45.14	92	120.22	163.31	86.27	...	...	...	...	...
8% C. P.	108 00	127 0	100	10.00	...	...	...	...	...	...	37	120.79	25.22	2.06	...
Champeran	20 44	26 0	10	18.00	14.40	25.32	30	116.88	81.58	55.46	...	...	...	...	...
Deccan	7 85cd	11 12cd	5	19.92	15.00	10.48	1.23	130.78	112.48	57.89	1.34	108.14	12.90	6.36	1.09
7% Preference	5 84cd	6 14cd	5	7.00	...	...	...	...	...	...	...	...	...	...	...
Deoria	10 00	10 2	10	5.99	5.04	1.15	48	15.77	24.59	15.34	10.23	9.08	2.94	18	1.75
5% Debentures	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	19 25	22 12	10	26.00	31.00	2.36	1.12	19.18	57.53	37.24	2.58	36.93	12.89	6.97	...
Dyer Meskin	8 00	5 12	5	16.20	13.47	4.73	8	19.43	27.27	14.69	1.24	27.49	7.15	5.09	34
E. I. D. (2)	28 37	28 7	£1	5.50	7.90	1.74	47	12.03	13.25	6.33	52	9.48	13.35	24	...
7% C. P.	16 40cd	17 8cd	£1	2.00	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 75	19 8	10	20.00	1.50	34.68	5	43.50	67.25	21.37*	25.73	22.57	8.38	16	...
Ganga Sugar	10 00	30 0	10	30.00	16.00	38	23	125.48	29.43	16.81*	26.12	91.24	40.49	42	1.20
Gwalior	69 25	77 0	100	15.94	...	3.09	15	48.95	40.71	23.65	1.75	46.70	12.79	1.58	...
7% R. C. P.	65 00	68 0	100	6.75	...	...	...	...	...	...	...	...	...	...	...
Harinagar	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	100	2.50	10.00	1.50	14	63.39	37.63	30.49*	4.86	44.81	27.49	74	...
India	12 25	16 6	10	7.50	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. P. T	98 00	106 12	100	31.48	14.00	...	5.22	39.74	30.55	18.71	23.27	25.03	50.21	1.31	...
Jagatjit Sugar	...	...	100	1.23	...	...	...	...	...	...	...	...	...	...	...
Jaypore	...	...	10	11.09	11.54	5.37	9.81	50.08	16.18	15.41	13.75	59.97	2.81	58	...
6% C. P.	13 00	13 12	10	10.63	10.79	1.35	6	28.27	30.85	9.80	5.35	15.6	10.68	1.27	...
K. C. P.	99 00	102 0cd	100	2.00	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	120 00	127 8	100	10.52	57.50	23.00	27	195.11	179.03	35.20	25.90	95.18	24.95	2.70	...
5% R. C. P.	100 08	95 0	100	3.29	...	...	...	...	...	...	...	...	...	...	...
Deferred	130 00	160 0	10	2.87	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	39 50	34 8	100	11.59	...	9.58	-19.96	76.56	58.82	19.08	6.02	57.89	13.21	74	...
5 1/2% C. P.	87 50	82 0	100	5.90	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	101 8	100	34.00	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	10	20.00	...	...	-9.26	10.54	27.85	15.39	...	7.87	85	10	...
Modi Sugar	...	...	100	48.00	12.40	80	41	65.32	85.86	39.20	3.70	68.18	18.95	3.84	...
Ord. Share	9 00 N	...	10	14.40	...	...	-3.87	65.57	42.61	8.39	...	36.66	7.09	21	77
Mohini	3 37	4 3	10	10.00	...	...	...	...	...	...	...	...	...	...	...
Founders	...	...	1	25	...	...	...	...	...	...	...	...	...	...	...
5% C. P	70 00	111 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Murree Brewery	...	...	10	24.00	6.13	2.00	-7.88	5.52	7.56	39	4.84	6.87	4.28	4.56	2.08
Mysore	38 50	46 0	10	21.79	62.59	23.75	2.63	112.92	140.89	83.32	22.52	104.68	40.21	3.86	4.76
Nawabganj	...	...	100	12.00	6.50	6.00	4.65	22.66	51.02	27.68	15.63	13.97	8.40	5.30	17
'B' Class	60 00	108 0	1	5.00	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	...	50	10.00	...	...	...	...	...	...	...	...	...	...	...
New India	23 00	39 0	10	7.89	16.50	5.47	1	65.34	34.95	19.36	16.83	51.93	20.54	98	...
5 1/2% R. C. P. T.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. R. P. P.	...	...	100	49	...	...	...	...	...	...	...	...	...	...	...
New Savan	110 00	140 0	10	10.00	...	...	...	...	...	...	...	...	...	...	...
Nizam Sugar	4 62	6 2	25	11.00	2.50	1.70	25	4.06	43.92	25.89	1.07	...	36	5	...
5% C. P.	...	...	25	109.88	25.02	42.42	4	334.54	258.10	138.88	32.83	211.46	109.71	5.80	68.67
...	...	...	25	12.00	...	...	...	...	...	...	...	...	...	...	...
...	...	...	25	23.79	...	...	...	...	...	...	...	...	...	...	...
Phaltan Sugar	146 50	143 0	50	50.00	40.51	16.00	94	76.01	109.71	63.85	2.03	78.99	40.62	15.50	52
Punjab Sugar	80 00	100 0	100	12.00	7.00	5.65	4.55	20.20	29.22	20.41	11.51	7.35	12.87	6.86	...
Portalsporc	10 19	17 10	10	9.00	2.00	17.65	21	22.22	43.99	31.54	...	30.15	13.85	13	...
10% C. P.	13 62	16 2	10	6.00	...	...	...	...	...	...	...	...	...	...	...
Rammugger Cane	19 00	24 9	10	16.60	13.00	22.00	20	29.70	56.12	29.77	...	41.09	5.61	4.84	15.56
6% C. P.	94 50	100 8	100	4.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	500	5.95	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	3 00	4 4	10	11.75	4.08	9	-8.40	35.89	31.34	20.21	10	30.97	1.37	23	...
9% C. P.	...	...	100	20.00	11.00	25.27	68	41.30	95.61	56.01	14.35	84.38	2.71	1.21	...
Ravalpasa Sugar	...	...	50	20.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum Pref.	...	...	100	4.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	20.00	...	...	...	...	...	...	...	...	...	...	...
Debenture	...	...	500	20.00	39.50	5.52	3	25.49	45.46	19.83	21.72	34.37	8.30	43	...
Raza	15 00	...	10	8.00	1.50	4.61	13	49.17	28.73	22.67	3.54	58.25	2.80	24	...
Ryam	21 75	20 3	10	8.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P	8 50	8 12	10	8.00	...	...	...	...	...	...	...	...	...	...	...
Sarnastipur	12 06	13 0	10	11.99	5.70	13.68	4	60.34	44.85	24.12	1	55.05	15.21	40	...
Shree Anand	10 25	10 8	10	20.00	...	...	1	20.89	47.23	16.15	19.10	13.95	3.79	28	...
Debentures	...	...	124	5.00	...	...	...	...	...	...	...	...	...	...	...
Shree Chandoo	28 85	10 15	10	15.00	25.79	11.29	33	41.45	69.56	43.15	8.77	43.69	11.71	6	3.24
Shree Krishna Gyanodaya	9 25	10 15	100	39.71	19.00	3.68	16	163.86	140.85	68.35	7	149.05	31.63	1.05	5.11
6% A' Pref.	85 00	100 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...
5% B' Pref.	75 00	80 0	100	12.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...

[January 11, 1958]

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed	Sugar Produced	Sales	Stock	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds. 000	Mds. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
Shree Sitaram	K. C. Thapar & Bros. 5% Debentures	12.09	...	74.36	3.74	1.24	8-54	8.26	8.47	15	20	10
Sitalpur	Directors	23.98	...	43.96	34.35	...	...	2.03	—72	...	...	...
South Behar	N. K. Jain & Co. 9% pref. cum as to 7 Deferred	...	...	27.45	1.00	12	10-54	—24	...	...	...	...
Standard Refinery & Distily	6% Debentures K. C. Thapar & Bros. 5% C. P.	8.15	...	65.83	7.13	18	12-54	1.54	3.39	5	10	10
Travancore	Parry & Co. Ltd. 5% C. P.	87	8	58.76	26.70	77	4-56	9.78	8.68	10	7½	nil
United Breweries	Directors	...	...	23.94	91	...	3-57	(b) 8.86	5.15	20	20	20
United Provinces	James Finlay & Co.	23.33	2.36	72.60	...	...	9-52	6.33	9.17	15	20	3
Upper Doab Sugar	R. Lal Debi Prasad & Bros.	...	...	168.22	37.97	1.58	9-55	14.86	22.22	12	15	12
Upper Ganges	Cotton Agents 5% C. P.	...	...	185.40	112.23	5.44	6-53	16.74	33.33	25	25	25
Upper India	5% C. P. T. Mitra Mandal 'B' Class Ord.	50.54	...	106.06	108.63	1.87	4-55	18.45	1.42	20	15	10
Vizagapatam	Kantilal & Sheth	...	...	...	...	12	6-54	—2.06	—2.30	nil	nil	5
Walchandnagar Industries	Walchand & Co. Private 7% C. P. 6% Debentures 4½% Debentures	1,901	...	214.63	66.69	6.64	9-56	60.40	55.45	21	18	16

*Depreciation Fund.

(a) After writing back Rs 1,65,000 from Taxation; Rs 37,982 from Gratuity; Rs 17,423 from Equipment Depreciation Rs 15,000 from contingencies and including Rs 80,000 being profit on realisation of Investments. (b) After writing back Rs 1,30,000 from taxation, Rs 50,000 from contingencies and Rs 36,839 from Gratuity. (c) After writing back Rs 1,48,000 from provision for liabilities no longer required. (d) After writing back Rs 2,00,018 being provision for liabilities no longer required. (e) Includes Rs 1,02,625 being profit on sale of machinery; Rs 1,25,000 being provision for taxation no longer required written back and Rs 49,829 being adjustment of stores in respect of previous years.

ELECTRIC

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000	Rs. 000		
Agra Electric Supply ...	Martin Burn Ltd. 4½% Debentures	315.13	38.76	29,067	35.46	1.35	3-57	(a) 11.23	(b) 10.55	10	10	10
Ahmedabad Electricity Co. ...	Killick Industries Ltd. 4½% Debentures	548.693	326.45	485,981	269.18	6.60	9-56	(b) 113.46	77.54	6½	5	6½
Aligarh	Jain & Co.	...	...	...	...	31	3-54	1.70	1.68	9½	10	9½
Amalgamated Elec'y Co. ...	N. C. Javeri & Co. 5½% C. P.	404.81	64.35	332.16	57.07	2.40	3-57	15.48	14.88	8	7½	7½
Andhra Valley Power ...	Tata Hydro Elec. Agencies Pri. 7% C. P. 4% Debentures	333,844	106.48	408,083	131.44	4.56	3-57	45.42	64.07	5,625	7½	7½
										5.25	7	7
Barilly Elec'y Supply ...	Martin Burn Ltd. 4½% Debentures	13.482	24.20	95.84	17.75	82	3-57	(d) 5.90	4.21	12½	10	10
Banaras Electric ...	Martin Burn Ltd. 4½% Debentures	386.48	49.12	279.34	35.84	1.87	3-57	12.34	11.37	12½	12½	12½
Berhampur Electric Supply...	Directors 6% C. P.	...	2.22	...	1.68	...	12-51	1.03	68	5	6	nil
Bhagalpur Elec. Supply	Octavius Steel & Co. 5% Debentures	52.77	13.17	39.72	9.45	25	3-57	2.69	1.76	8½	6½	6½
Bombay Suburban Elec.	Killick Industries Ltd.	60.471	70.66	50,381	61.40	...	3-56	25.96	23.90	7	7	7
Broach Elec. Supply ...	Rajputana Textiles Agencies 6% Debentures	16.69	4.85	14.72	4.84	28	12-55	1.62	1.80	7½	7½	7½
		...	...	...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply ...	Directors 5% C. P.	1,099,400	5,292	13,027	4,996	...	12-54	19.80	16.17	6	6	6
Cochin State Power	5% Debentures Chandrie & Co.	45.12	5.71	44.20	5.49	...	3-54	1.83	1.99	5	5	5
Cuttack Elec. Supply ...	Octavius Steel & Co. Ltd.	51.48	14.06	37.45	10.76	21	3-57	2.74	2.09	10	10	5½
						...	...			8	6½	3
Dharwar ...	Associated Electric Co. 5% C. P.	3.58	...	...	3.25	16	3-55	86	80	6½	6½	6½
		...	...	...	...	...	...	...	...	5	5	5

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MILLS—Contd.

MILLS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	December 1957	December 1956			General	Others	Carry Forward				Investments	Stocks & Stores	Outstand- ings	Cash	Others
Shree Sitaram	11 00	13 0	10	7.95	12.49	6 34	1.06	23.73	31.61	17.68	13.51	9.81	9.77	8.61	95
5% Debentures	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Sitalpur	4 37	4 6	10	10.00	...	27	—4.25	51.11	25.21	13.52	23	36.39	5.28	53	...
South Behar	1 37	1 0	10	6.50	46	...	—16.14	24.66	27.42	11.47	10	6.90	18.88	52	...
9% Pref. Cum. as to 7	20 50	20 8	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 25	0 5	2½	1.75	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	9.64	4.33	39	12	44.27	8.36	3.34	91	17.17	36 89	3.75	4
Standard Refinery	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Travancore	8 90	12 6	10	30.00	2.50	12.70	45	23.87	59.87	22.11	10	34.54	10.61	68	82
5% C. P.	6 90	8 2nd	10	15.00	...	...	...	...	...	...	...	...	...	...	...
United Breweries	176 00cd	193 0cd	75	6.00	9.60	...	6	12.03	24.40	22.65	20.18	4.52	1.04	20	...
United Provinces	12 87	18 0	10	16.00	6.18	3.02	37	28.55	30.29	24.58	...	28.81	16.77	1.18	1.65
Upper Doab Sugar	...	...	100	20.00	12.50	...	1.26	68.91	66.46	40.07	5.36	48.93	21.59	41	...
Upper Ganges	35 00	91 0	10	8.00	13.00	8.42	83	139.76	96.42	57.50	1.53	120.00	24.86	8.07	4.12
5% C. P.	70 00	85 0	100	12.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	70 00	85 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Upper India	127 00	127 0	100	14.00	11.50	8.65	86	120.05	39.41	25.16*	10.20	118.47	18.66	48	4
'B' Class Ordinary	15 00	15 0	12½	7.00	...	...	...	...	...	...	...	...	...	...	...
Vizagapatam	7 12	7 2	10	7.47	42	...	—4.83	39.40	29.22	8.99	25	14.44	7.00	55	...
Walchandnagar Indus.	265 00	260 0	10	101.00	40 00	68.46	1.76	93.54	228.81	99.18	9.01	166.80	13 12	15.44	...
7% C. P.	135 00	135 8	100	3.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	76	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	92 00	...	...	25.00	...	...	...	...	...	...	...	...	...	...	...

(f) Pref. dividend for two years ended 30-6-1956.

(g) After transferring Rs. 1,76,880 Div. Equal. Fund.

(h) After writing back Rs 1,76,880 being provision for liabilities no longer required. (i) After transferring Rs. 1,00,000, from Renovation and Renewals Reserve. (j) After transferring Rs. 1,07,093 from provision for taxation.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	December 1957	December 1956			General	Other	Carry Forward				Invest- ments	Stocks and Stores	Outstand- ings	Cash	Others
Agra Elec. Supply	119 00	155 8xd	100	19.99	17.65	21.07	50	48.71	82.15	31.34	4.12	18.22	11.54	12.49	20.73
4½% Debentures	90 00	94 0	100	10.00											
Ahmedabad Elec. Co.	24 20	93 12	100	874.72	9.39	65.65		94.83	1343.66	248.28	15.41	54.00	59.33	6.88	13.59
4½% Debentures	100 00N	10 0N	1000	200.00											
Aligarh	10 00N	11 3	10	4.59	53	72	1	6.17	11.30	5.68	68	2.13	3.39	21	
Amalgamated Elec. Co.	10 52	105 0	10	72.50	56	13.51	15.48	43.12	185.72	38.73	1.74	16.80	13.70	6.09	4.34
5½% C. P.	91 50	105 0	100	24.15											
5% C. P.	82 50	96 8	100	20.31											
Andhra Valley Power	1117 50	1210 0	1000	302.72	40.28	25.56	41	251.65	723.70	229.05	21.64	25.50	50.94	40.29	135.22
7% C. P.	1025 00	1088 12	1000	49.34											
4% Debentures	970 00		1000	98.28											
Barilly Elec. Supply	12 69	14 6	10	8.00	5.30	7.66	17	22.32	44.92	17.32	1.62	4.84	1.68	8.93	3.79
4½% Debentures	86 00	90 0	100	5.00											
Banaras Elec. Co.	13 87	18 0	10	17.00	15.65	19.50	38	67.22	113.92	37.40	2.79	13.77	14.62	7.67	15.36
4½% Debentures	90 00	94 0	100	12.00											
Berhampur Elec. Supply	6 40	7 14	10	7.38		25	43	2.33	11.83	2.88	1.98	64	1.74	9	
5% C. P.	8 37	9 0	10	1.00											
5% Debentures			20,000	2.00											
Bhagalpur Elec. Supply	8 12	8 2	8	5.91	2.46	3.00	58	11.31	21.34	9.60	50	3.27	3.12	3.04	8
Bombay Suburban Elec. Co.	105 75	107 8	100	175.00	3.00	36.32		49.50	262.21	58.57	4.44	24.03	17.12	1.32	13.25
Breach Elec. Supply	7 52		10	7.07	2	1.29		2.76	15.11	6.93	27	88	97	1.83	5.9
5% Debentures				1.51											
Calcutta Elec. Supply & L.	13 25	13 1	£ 1	42.62	19.01	47.32	1.53	32.91	279.88	91.58	2.43	7.03	5.25	1.33	2.50
5% Cum Preference	9 87	10 10	£ 1	19.00											
5% Debentures	97 00	98 0		41.45		12									
Cochin State Power	9 00	11 7	7½	7.87	1.33	4.60	1.66	4.30	13.37	3.31	8	1.95	1.72	1.77	
Cuttack Elec. Supply	7 50	8 10	10	6.60	2.78	1.99	68	12.59	25.58	7.48	34	2.92	2.52	2.04	71
Dharwar	30 00N	30 0N	50	4.94	3.56	3.15	47	3.04	12.77	2.57	9	1.47	1.00	1.08	
5% C.			100	1.73											

ELECTRIC

ELECTRIC												
NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allottees and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000	Rs. 000		
Disabgarh Power	Andrew Yule & Co. 5% A. C. P. 4½% B. C. P.	...	47.30	...	41.09	84	3-57	8.89	6.76	6½	6	6
Ellore Elec. Supply	Chandrie & Co.	1,608	3.20	14.65	2.91	14	3-54	68	63	7½	7½	6½
Gourepore Elec. Supply	Macneill & Barry 4% Debentures	...	55.84	...	45.12	1.16	3-57	11.88	8.86	7½	5	5
Gudivada Elec. Supply	M. S. Cheloo Engineering Co.	...	1.66	...	1.18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Moona Lall & Sons 6% Debentures	27.23	9.42	21.85	7.82	32	12-53	1.47	1.58	6½	8½	8½
Korbat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1.37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	M. T. N. Burn Ltd	28.096	28.69	24.320	28.19	...	3-57	(b) 6.05	(a) 8.28	9½	9½	9½
Kanadukathan	Directors	...	1.93	...	2.14	...	3-56	82	88	3	3	3
Kanakkal Elec. Supply	A. S. Ahil	8.04	1.56	7.34	1.43	11	3-56	61	50	7	7	6
Kumbakonam Elec. Supply	India Company 6% Cum. Pref.	67.61	9.53	56.98	8.17	44	12-55	3.46	2.88	8½	8½	7½
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36.50	10.02	34.22	9.37	42	3-56	2.36	1.44	10	10	10
Mirzapur Elec. Supply	Octavius Steel & Co.	21.92	6.26	15.41	4.67	22	3-57	1.17	98	10	5½	5½
Monasferpore Elec. Supply	Octavius Steel & Co.	37.61	12.20	25.04	8.11	11	12-56	3.11	1.92	10	nil	nil
Muttra Elec. Supply	Directors	36.26	6.41	31.87	5.39	...	3-56 H	1.62	1.23	7	6	6
Nasik Deolali	Rajputana Textiles Agency 7% Cum. Pref.	57.60	14.66	51.34	12.96	64	12-56	3.45	3.75	10	9½	10
Nagapatam Elec. Supply	India C. Co. Private Ltd. 6% C. P. 4½% Debentures	39.85	3.89	35.97	3.74	24	12-55	1.23	1.14	8½	8½	5
Petna Elec. Supply	Octavius Steel & Co. 5% Debentures	390.21	49.19	294.98	36.85	1.04	12-56	15.96	10.20	10	7½	7½
Poona Electric	Rajputana Textiles Agencies Pri. 7% Cum. Pref. 6% Debentures	66,152	51.52	61,357	49.17	1.14	12-56	11.82	12.68	10	10	10
Saharanpur	Elec'l. Development Corp.	...	5.67	...	...	22	3-55	92	75	7½	9	9
Salem Erode Elec'ty	Partly Paid	...	...	...	...	...	...	...	...	7½	9	9
Saugor Elec'ty Supply	Octavius Steel & Co. 6½% R. C. P.	221.71	20.02	234.87	17.82	42	3-57	4.55	4.07	10	10	10
Shahjahanpur Elec. Supply	Martin Burn Ltd.	1,906	6.21	1,359	4.42	20	3-57	1.01	65	6½	6½	6½
Shikong Hydraulic	Octavius Steel & Co.	35.64	10.07	23.54	6.62	18	3-57	1.77	1.08	6½	5	5
Sijua (Jherriah) Elec. Supply	Development of Industries Partly Paid	...	6.00	...	5.31	40	6-55	2.20	2.04	6	6	6
South Arcot Elec'ty	Bird & Co. Ltd. 5% Debentures	85,273	45.76	908.03	48.64	96	12-55	4.24	5.27	7½	7½	7½
South Madras Electric	Directors 6% C. P. 5½% C. P.	21,265	17.88	17,425	14.27	...	12-54	3.66	2.72	6½	6½	6½
South Orissa Electric	Seshasayee Bros Private Ltd. 5½% 1st C. P. 5½% 2nd Pref. 4% Debentures 4½% Debentures 5% Debentures 5½% Debentures	855.21	53.96	815.12	55.91	52	3-56	14.06	15.56	9	9	7½
Surat Elec'ty Co.	Killick Industries Ltd. 6½% C. P.	28,247	46.66	23,619	40.01	1.15	12-54	9.28	7.36	7	7	7
Tata Hydro Electric	Tata Hydro. Elec. Agencies Pri. 7% C. P. T.	230,313	72.49	271,331	86.58	3.49	3-57	36.46	47.37	5,625	7½	7½
Tata Power Co.	Tata Hydro. Elec. Agencies Pri. 7½% C. P. T. 4% Debentures 4% Debentures	582,908	179.94	715,472	222.90	7.96	3-57	77.87	108.53	5,625	7½	7½
Tinnevely Tuticorin Elec.	Octavius Steel & Co. 6½% R. C. P.	168.44	14.88	169.61	12.59	27	3-57	3.37	3.24	10	10	10
United Provinces Elec.	Martin Burn Ltd. 4½% Debentures	729.95	86.00	661.19	81.14	2.74	3-56	(e) 24.03	21.25	10	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,960	20.76	8,139	13.34	79	3-57	2.87	2.16	12½	9½	8½
Upper Jumna Valley	Martin Burn Ltd.	104.30	19.02	89.48	15.41	74	3-56	2.87	2.00	12½	12½	12½
Vellore Elec. Corpn	Chandrie & Co. Private 6% C. P.	106.03	9.24	87.02	7.68	37	3-56	2.77	1.95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5½% C. P.	116.22	10.92	120.77	11.89	58	3-53	2.60	2.51	10	10	7½

(a) After transferring Rs 69,000 from Deferred Taxation Reserve.
 (b) After transferring Rs 1,09,846 from Tariff and Dividend Control Reserve and Rs 44,000 from Deft. Taxation Reserve.
 (c) After transferring Rs. 8,814 from General Res (b) After transferring Rs. 8,80,000 from Dividend Control Reserve.
 (d) After transferring Rs 90,000 from provision for other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

COMPANIES—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID AMOUNT				
	December 1957	December 1956			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Ra. n. p.	Ra. a.													
Dahargarh Power ...	81 50	100 0	100	43.20	14.00	1.50	8.29	15.84	91.91	32.18	34.28	8.14	6.43	10	15
5% 'A.C.P. ...	74 50	98 0	100	16.00											
4½% 'B.C.P. ...	84 00	88 8	100	12.00											
Ellore Electric Supply ...	11 00	11 10	10	3.00	...	37	4	2.33	6.26	1.73	10	75	61	67	1
Gourepore Electric Supply ...	...	...	100	50.00	14.50	10.69	94	40.87	172.10	49.39	3.64	5.65	10.46	32	22
4% Debenture ...	840 00	855 0	1800	25.00	...	3	3	1.03	2.01	62	6	23	30	18	1
Cudivada Electric Supply ...	71 00	77 0cd	100	1.18	...										
Jhansi Electric Supply ...	8 50	8 8	10	5.35	...	29	3	9.71	21.44	9.16	5	2.98	4.18	25	...
6% Debentures ...	80 00 N	950 0 N	1000	3.80	...	8	-17	1.48	5.88	2.44		32	82	17	1
Jharhat Electric Supply ...	8 00 N	8 0 N	10	2.50	...										
Jamshedpur Preference ...	90 00 N	90 0 N	100	50	...										
6% Debenture ...	...	...	...	35	...	10.14	27	32.36	77.90	35.59	1.47	6.75	8.15	1.49	15.85
Jubbulpore Electric Supply ...	12 00	13 12	10	22.50	10.75										
Kanadukathan ...	...	...	500	5.00	...	1	10	2.14	8.92	4.35	57	81	62	11	56
Karaikkal Electric Supply ...	9 30	9 4	10	2.10	...	35	68	79	3.12	97	...	42	57	71	8
Kumbakonam Elec. Supply ...	10 70	12 2	10	12.49	12	2.05	5	16.05	96.34	9.60	61	2.49	2.24	1.19	...
6% Cum. Pref. ...	9 02	9 6½	10	2.50	...										
Mangalore Electric Supply ...	15 50	14 8	10	5.60	28	3.09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	...
5% Debentures ...	450 00	450 0	500	1.37	...										
Mirzapur Electric Supply ...	9 00	10 0	9	4.95	93	1.31	31	3.56	12.21	5.58	15	2.10	1.82	1.16	...
Muzafferpore Elec. Supply ...	9 12	7 4	10	5.82	1.83	77	49	17.62	19.06	10.28	23	2.56	2.66	1.39	85
Muttra Electric Supply ...	8 81	9 3	10	7.00	60	1.06	15	5.92	14.28	6.97	1.33	1.62	1.63	2.77	...
Nasik Deolali ...	...	...	100	11.68	...	5.37	...	8.17	37.33	11.24	1.41	3.93	2.25	2.12	...
7% Cum Pref. ...	...	...	100	1.00	...										
6% Debenture ...	...	...	...	10.00	...										
Nagapatnam Electric Supply ...	10 00	10 12	10	3.98	...	52	2	3.82	11.15	3.61	22	86	1.13	80	...
6% C. P. ...	8 65	9 9	10	1.00	...										
4½% Debentures ...	...	...	100	2.00	...										
Patna Electric Supply ...	10 81	11 6nd	10	35.07	13.68	20.05	2.46	27.63	124.23	47.63	6.89	10.79	14.23	10.50	...
5% Debentures ...	450 00	477 8	500	20.00	...										
Poona Electric ...	118 75	130 0	100	48.89	51	28.66	1	39.51	128.62	48.22	22.92	5.96	9.78	8.97	...
7% Cum Pref. ...	103 60	...	100	4.00	...										
6% Debentures ...	...	...	...	8.00	...										
Saharanpur ...	100 00 N	...	100	3.62	...	31	1	4.23	7.87	3.94	1.57	86	1.23	53	19
Partly Paid ...	...	...	10	1.14	...										
Salem Erode Electricity ...	13 75cd	14 2ed	10	8.80	5.50	3.91	32	19.44	42.20	14.07	2.12	5.13	3.67	2.92	...
6½% R. C. P. ...	10 60	10 7	10	4.00	...										
Seapur Electric Supply ...	...	...	10	3.00	94	62	2	6.65	6.24	3.16	19	1.97	40	46	5.13
Shajahanpur Elec. Supply ...	6 31	7 4	10	9.10	89	83	53	3.10	14.89	9.25	1.32	4.06	2.19	10.9	15
Skilloong Hydraulic ...	4 84	6 0	9	7.73	1.66	1.56	60	9.11	21.61	9.00	21	5.3	3.02	88	3.40
Partly Paid ...	...	...	...	...	...										
Siwan (Jharriah) Elec. supply ...	10 75	11 2	10	16.80	2.51	6.39	19	13.53	66.49	39.42	1.72	7.16	8.17	8.86	3.04
5% Debentures ...	910 00	960 0	1000	13.80	1.10	88	18	36.27	53.94	13.65	3.19	5.37	2.91	1.01	6.15
South Arcot Electricity ...	...	...	100	16.74	...										
6% Cum Preference ...	...	...	100	2.00	...										
5½% Cum Preference ...	...	...	100	2.00	...										
South Madras Electric ...	12 35	11 6	10	56.00	2.00	2.07	8	79.05	163.34	46.76	17.23	14.51	29.00	1.62	4.32
5½% Ist Cum Preference ...	9 37	10 0	10	22.00	...										
5½% 2nd Cum Preference ...	9 47	9 15½	10	8.00	...										
4% Debentures ...	90 00	90 0	100	2.00	...										
4½% Debentures ...	...	...	100	4.64	...										
5% Debentures ...	...	...	100	1.00	...										
5½% Debentures ...	93 50	97 8	100	2.00	...										
5½% Debentures ...	95 00	97 8	100	2.00	...										
Surat Electric Co. ...	106 50	110 0	100	51.24	4.00	10.16	3	33.51	102.68	30.46	1.25	18.56	8.60	2.25	1.09
6½% Cum Preference ...	109 50	122 8	100	5.00	...										
Tata Hydro Electric ...	115 00	123 0	100	239.98	47.74	21.65	36	206.82	544.60	152.88	44.08	23.83	36.46	10.18	99.9
7% C. P. T. ...	103 00	106 4	100	89.28	...										
Tata Power Company ...	1155 00	1237 8	1000	515.31	94.51	98.39	38	413.55	1327.36	294.58	34.63	72.32	92.36	46.01	228.6
7½% C. P. T. ...	1115 00	1130 0	1000	86.97	...										
4% Debentures ...	1000 00 N	...	...	47.73	...										
4½% Debentures ...	850 00 N	...	...	258.00	...										
Tinnevely Tuticorin Elec. ...	13 65cd	14 0cd	10	9.70	2.68	3.80	19	14.98	37.47	13.23	2.12	4.61	3.52	1.38	...
6% R. C. P. ...	10 00	10 4	10	4.50	...										
United Provinces Electric ...	116 00	158 0	100	56.00	16.90	42.96	81	83.55	279.77	117.35	7.25	23.28	20.29	8.36	8.62
4½% Debentures ...	90 00	95 0	100	30.00	...										
Upper Ganges Valley ...	12 31	13 9	10	5.96	2.40	1.30	9	16.55	19.61	8.74	79	6.88	3.61	4.12	5
Upper Jumna Valley ...	16 87	16 14	10	4.98	3.80	2.93	34	19.82	19.87	8.18	1.27	5.77	9.56	3.43	18
Vellore Elec. Corporation ...	13 60	13 12nd	10	4.00	48	1.57	1.45	16.94	24.17	6.57	63	2.46	2.16	2.76	9
6% Cum Preference ...	7 55	8 14cd	10	1.25	...										
West Coast Electric ...	13 37	13 2nd	10	10.00	...	1.67	52	15.16	26.59	6.42	45	3.25	2.68	1.41	1.00
5½% Cum Preference ...	7 37	7 10cd	10	2.50	...										

(e) After transferring Rs 1,90,372 from Deferred Taxation Reserve

(g) After writing back Rs 35,400 from Deferred Income Tax Liability Account.

SOUTH INDIAN

NAME	Managing Agents, Agents/Secretaries	CASH HARVESTED			Sales Rs. 000	Stock Rs. 000	Managing Agents' allowances and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Pre- vious	2nd Previous
		000 lbs.	000 Cwts.	000 lbs.					Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Alageswar Amalgamated Office	Ramani & Co. Parkins Private Ltd. 6% Cum. Prof. 5 1/2% Debentures	3,61	...	...	6,71	4,62	13	6-57 3-56	2,02 3,22	2,64 —24	10 nil (a)	15 nil nil	15 nil nil
Anandam	A. V. George & Co. 7% C. P. 6% Debentures	...	...	2,15	2,08	1,07	11	12-52	1,09 10	1,09	15 7	15 7	...
Anapalai	Associated Planters Private 6% Debentures	...	6	...	7,12	9,41	37	6-56	3,64	2,12	25	16 1/2	15
Artikala	R. N. Kapur & Co. Ltd. 6% C. P.	3,40	...	...	9,25	70	18	6-55	1,69	50	nil	nil	nil
Athimattam	M. Sebastian 6% Debentures	...	...	62	89	3	...	2-56	34	24	5	3 1/2	3 1/2
Bababudin	A.V. Thomas & Co. (Mysore) 6% C. P.	...	1	...	3,32	...	8	6-55	37	2,35	17 1/2	15	7 1/2
Badra	Young India Agencies Private 7 1/2 R. C. P.	...	3	...	4,18	3,89	23	5-57	2,15	1,58	17 1/2	15	10 1/2
Balanor	Young India Agencies Private 7 1/2% C. P.	4,30	2	39	13,49	3,36	46	3-57	4,54	4,71	17 1/2	25	25
Balmadies	Planting Agencies Pri 6% C. P.	...	2	...	2,87	...	11	5-56	73	58	10	15	12 1/2
Be Be	Mg. Director 6 1/2% C. P. T. 6 1/2% R. C. P. T.	...	...	3,17	5,67	30	...	5-56	1,35	94	6	6	7 1/2
Blue Mountain	Kothari & Sons Agencies Pri...	10,62	14	...	50,38	...	1,38	6-57	13,07	12,18	12 1/2	15	20
Chandramalai Chembra Peak	Directors Peirce Leslie & Co. Ltd.	2,83 13,80	1	...	27,98	6,44	66	6-56 3-57	1,39 8,73	4,21 3,87	15 20	45 10	20 25
Cochin Malabar	Peirce Leslie & Co. Ltd. 7% C. P.	...	...	17,65	37,70	...	83	2-57	11,07	13,50	15	20	15
Coffee Lands	Consol Coffee Estates 5% C. P.	...	...	...	31,21	...	18	6-56	17,67	9,21	25	18	25
Consolidated Coffee	5% Debentures Mg. Director 6% C. P.	...	...	...	69,31	2,91	...	6-56	35,42	25,39	20	22 1/2	17 1/2
Coonor Tea	Matheson Bosanquet & Prvt.Co. 6% C. P.	3,22	...	...	7,90	1,53	12	9-56	1,37	1,55	17 1/2	25	45
Coorg Tea	Parkins Private Ltd. 6 1/2% R. C. P.	3,09	...	...	6,83	95	32	3-55	3,34	2,03	25	15	10
Cottanad Plantations	Directors 7 1/2% C. P. P.	1,21	...	53	6,63	...	...	3-57	2,00	1,40	17 1/2	15	17 1/2
Cowcoody	Peirce Leslie & Co.	...	2	...	4,42	51	7	6-56	2,92	...	50	...	...
Davanahole Devon	Mg. Director Young India Agencies Private 7 1/2% C. P.	3,39 2,78	...	...	6,84 7,78	...	...	12-55 3-57	2,86 2,09	5,15 2,05	25 17 1/2	40 25	25 7 1/2
Emerald Valley	Parkins Private Ltd.	1,18	...	...	2,57	60	11	12-54	1,67	1,02	30	25	15
Gokul Rubber	Young India Agencies	...	...	68	1,22	23	8	12-55	69	61	10	9	6 1/2
Halleyburia	Parkins Private Ltd. 5% C. P. 5 1/2% Debentures	16,04	...	...	21,42	12,59	94	12-55	9,07	14,89	25	25	25
Highland	A. V. Thomas & Co. 6% C. P.	10,18	...	...	21,08	2,44	68	12-55	6,57	11,76	20	25	12 1/2
Kadur	Young India Agencies Private 6 1/2% C. P.	...	...	...	98	85	4	5-57	33	33	7 1/2	7 1/2	6 1/2
Kallas Kalasa	A. V. George & Co. Peirce Leslie & Co. 7% Debentures	...	4,86	...	...	...	32	2-53	3,20	3,30	25	12 1/2	7 1/2
Kalpetta Karikode Rubber	A. V. Thomas & Co. E. J. Agencies Private 6% Cum. Prof. 5% Debentures	2,63	...	3,19	10,98	1,81	32	4-56	2,66	2,84	20	27 1/2	25
Kil Kotagiri	Peirce Leslie & Co. 6% C. P.	3,42	...	...	22,99	3,20	41	10-56	9,21	4,07	20	20	30
Kumergode	Peirce Leslie & Co. Ltd. 7 1/2% Debentures	...	2	...	4,91	...	7	10-56	88	2,16	20	20	10
Kurchimala	Ipe Oommen & Co. Pr. Ltd. 6 1/2% Cum. Prof.	1,69	61	...	3,27	72	14	3-57	1,34	78	7 1/2	6 1/2	7 1/2
Malabar Agricultural Co.	Vimsons Ltd. 6% C. P. 5% Debentures	8,65	...	...	7,37	1,75	...	12-55	1,39	2,88	10	7 1/2	5
Malabar Industrial Malankara Manar Muzara	Mg. Director Johnson's Estates & Agencies Vasanth & Co. Associated Planters Private 6% Preference	...	...	3,09	5,60	38	...	2-56	2,22	...	...	...	...
Midland	A. V. Thomas & Co. Ltd. 6% C. P.	12,47	...	11,30	38,28	2,69	60	3-56	12,52	21,88	20	25	17 1/2

*Ordinance in lbs.

†Cashew in lbs.

(a) Arrears of Preference dividend from 1-6-1947 to 31-3-1956 at the rate of Rs. 8.25 per preference share amounting to Rs. 2,14,000, will be paid by the issue of one new preference share for every two preference shares already held, and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

January 11, 1958]

PLANTINGS

NAME		MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS									
		December 1957 Ra. np.	December 1956 Ra. a.			General	Others	Carry-forward				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Investments	Stocks & Stores	Out Standings	Cash	Others
Alageswar	2 58	3 8	2	6,00	5,25	...	26	5,90	13,39	3,25	51	2,59	3,03	95	...						
Amalgamated Office	10 75cd	11 4	10	4,50	...	8	49	4,11	12,85	1,11	...	5,77	41	1	...						
6% C. P.	8 00cd	13 14	10	4,00	...	...	...	...	...	...	...	...	...	...	...						
54% Debentures	500 00	500 0	500	4,75	...	35	28	1,36	6,31	26	72	1,18	1	24	...						
Anandam	14 00	21 0	10	2,50	...	...	...	...	...	...	...	...	...	...	...						
7% C. P.	9 90	10 11	10	2,23	...	...	...	...	...	...	...	...	...	...	...						
6% Debentures	101 00	101 0	100	9,06	5,30	...	29	12,60	15,81	1,26	2,59	9,99	3,78	27	...						
Anapalai	4 75	4 6	2	3,84	...	...	...	...	...	...	...	...	...	...	...						
6% Debentures	97 50	97 8	100	3,00	11	1,20	44	8,55	7,70	98	6,03	1,06	1,34	16	...						
Artihala	4 00	4 0	5	2,00	...	...	...	...	...	...	...	...	...	...	...						
6% C. P.	9 20	11 0cd	10	3,25	...	50	3	55	3,70	17	...	5	49	27	...						
Azhimattam	1 02	1 4 1/2	2	...	...	...	...	...	...	...	...	...	...	...	...						
Bababuddin	11 50	12 8	5	2,00	1,75	1,00	9	92	5,56	46	...	2,15	5	1,47	...						
6% C. P.	8 86	9 7cd	10	3,00	...	...	...	...	...	...	...	...	...	...	...						
Badra	3 00	3 12 1/2	2	4,25	1,50	1,02	63	2,45	6,91	47	12	2,93	16	1,70	...						
7 1/2% C. P.	10 12	9 10	10	1,50	...	...	...	...	...	...	...	...	...	...	...						
Balanor	14 50	19 0	10	10,99	3,76	1,60	10	5,35	14,97	2,28	21	4,07	1,98	5,35	...						
7 1/2% C. P.	11 00	11 0	10	2,50	...	...	...	...	...	...	...	...	...	...	...						
Balmadies	2 90	3 7	2	3,00	75	85	23	93	3,92	31	24	10	1,67	89	...						
6% C. P.	9 00	10 2	10	75	...	...	...	...	...	...	...	...	...	...	...						
Be Be	2 65	4 1	5	8,66	...	2,87	2	2,34	12,66	...	4,56	51	44	2	...						
6 1/2% C. P. T.	3 13	3 5	5	1,43	...	...	...	...	...	...	...	...	...	...	...						
6 1/2% R. C. P. T.	6 64	7 1	2	2,86	...	...	...	...	...	...	...	...	...	...	...						
Blue Mountain	2 90	5 8	10	52,50	5,00	10,00	89	16,95	68,42	9,73	11	5,07	13,78	7,68	...						
Chandramala	2 67	4 7	2	5,50	6,00	80	30	2,38	11,37	1,88	52	1,93	1,29	1,65	...						
Chembra Peak	2 78	3 10	2	9,33	12,00	...	50	7,47	22,50	6,54	1	8,95	33	4,14	...						
Cochin Malabar	4 25	9 4	3	17,94	24,50	...	72	16,00	52,61	5,60	...	11,09	1,26	93	...						
7% C. P.	50 00	58 8	50	1,13	...	...	...	...	...	...	...	...	...	...	...						
Coffee Lands	32 75cd	26 6cd	10	18,00	16,00	5,50	1,87	18,87	36,05	7,12	56	24,14	13,02	6,97	...						
5% C. P.	83 00	88 0	100	10,41	...	...	...	...	...	...	...	...	...	...	...						
5% Debentures	...	...	...	3,00	...	...	...	...	...	...	...	...	...	...	...						
Consolidated Coffee	28 00cd	20 2cd	10	7,55	36,25	9,63	1,12	41,96	116,23	25,14	19,11	53,79	15,20	15,81	...						
6% C. P.	23 75	28 10	25	18,75	...	...	...	...	...	...	...	...	...	...	...						
5 1/2% Debentures	...	...	...	10,00	...	...	...	...	...	...	...	...	...	...	...						
Coonor Tea	18 50	25 10	10	3,78	3,10	1,35	7	4,71	20,59	91	3	2,06	...	20	...						
6% C. P.	103 87	109 14	100	1,50	...	...	...	...	...	...	...	...	...	...	...						
Coorg Tea	10 00	11 2	5	4,00	1,00	4,25	1,02	2,32	7,84	1,43	11	1,81	3,40	3,37	...						
6 1/2% R. P.	4 50	5 1	5	2,50	...	...	...	...	...	...	...	...	...	...	...						
Cottanad Plantations	13 75cd	20 4cd	10	4,00	1,00	5,16	7	4,26	3,58	51	...	2,05	4,59	24	...						
7 1/2% C. P. P.	11 75cd	14 9cd	10	1,00	...	...	...	...	...	...	...	...	...	...	...						
Cow Coody	7 10	7 9	2	2,55	2,50	...	75	1,97	1,51	35	1,49	2,88	14	2,08	...						
Davanahole	19 00	22 8	10	6,00	9,75	1,41	12	4,15	10,41	2,16	106	93	17	4,75	...						
Devon	17 25	17 6	10	4,48	2,52	1,05	49	2,63	8,93	1,57	10	2,02	1,21	2,49	...						
7 1/2% C. P.	105 00	110 0	100	2,00	...	...	...	...	...	...	...	...	...	...	...						
Emerald Valley	6 50	7 6cd	2 1/2	1,75	1,75	1,65	62	92	3,35	49	1,00	78	19	1,87	...						
Gokul Rubber	1 75	2 4	2	4,50	20	...	1	1,04	3,23	11	1,30	25	15	92	...						
Haileyburia	15 75	22 12cd	10	12,50	8,50	9,00	37	14,40	31,56	4,96	4	14,81	1,65	6,46	...						
5% C. P.	75 00	85 12cd	100	2,50	...	...	...	...	...	...	...	...	...	...	...						
5 1/2% Debentures	1000 00	1000 0	1000	2,30	...	...	...	...	...	...	...	...	...	...	...						
Highland	11 90	14 2	10	18,00	4,81	5 15	47	8,45	25,80	4,94	2,61	4,25	1,85	10,30	...						
6% C. P.	9 57cd	10 0cd	10	3,00	...	...	...	...	...	...	...	...	...	...	...						
Kadu	2 85	3 0	2	1,20	17	...	4	51	1,42	2	...	62	3	37	...						
6 1/2% C. P.	7 16	7 13	10	50	...	...	...	...	...	...	...	...	...	...	...						
Kalais	3 94cd	5 12	2	6,00	6,00	...	30	3,24	12,44	46	...	2,08	10	1,38	...						
Kalasa	12 80	13 2	9	5,40	5,60	56	73	3,18	11,74	1,10	41	2,08	65	4,57	...						
7% Debentures	515 00	515 0	...	3,00	...	...	...	...	...	...	...	...	...	...	...						
Kalpotta	20 25cd	24 0	10	4,00	9,59	1,41	5	4,65	18,32	2,21	23	2,57	46	25	...						
Karikode Rubber	10 25	14 0	10	2,00	...	1,27	7	1,38	5,07	25	...	87	6	1,32	...						
5% Cum. Pref.	8 60cd	9 10cd	10	1,50	...	...	...	...	...	...	...	...	...	...	...						
5% Debentures	100 00	100 0	...	1,00	...	...	...	...	...	...	...	...	...	...	...						
Kil Kotagiri	4 90	6 4	2	8,59	8,25	...	27	9,00	25,36	3,16	25	40,1	3,23	1,39	...						
6% C. P.	9 57	10 4	10	2,50	...	...	...	...	...	...	...	...	...	...	...						
Kumergode	6 55	6 14	2	2,00	1,50	60	37	1,35	5,69	64	...	98	4	93	...						
7 1/2% Debentures	502 50	500 0	500	2,40	...	...	...	...	...	...	...	...	...	...	...						
Kurchimala	6 25	9 0	10	3,45	...	3,20	9	2,05	9,25	...	59	1	...	1,01	...						
6 1/2% Cum Pref.	7 75	8 6	10	1,30	...	...	...	...	...	...	...	...	...	...	...						
Malabar Agricultural Co.	9 00	11 14	10	5,00	1,80	1,00	1	5,20	16,89	1,41	2	2,36	1,13	2	...						
6% C. P.	16 56	16 9	20	5,00	...	...	...	...	...	...	...	...	...	...	...						
5% Debentures	...	...	100	1,00	...	...	...	...	...	...	...	...	...	...	...						
Malabar Industrial	15 00	23 8	10	4,50	61	1,96	4	4,84	6,05	17	56	73	1,80	2,98	...						
Malankara	15 10	27 6	10	9,00	4,75	2,89	...	19,20	2,78	...	...	1,18	2	5,64	...						
Manar	2 67	2 10	2	3,50	40	37	41	1,42	3,27	12	...	1,03	95	97	...						
Marcar Rubber	7 85	8 8	5	3,25	2,50	...	22	2,67	7,08	4	...	1,92	1,95	24	...						
6% Preference	8 91	9 8	10	2,50	...	...	...	...	...	...	...	...	...	...	...						
Midlands	14 50	16 6	10	27,00	16,60	14,51	1,07	15,47	77,71	8,84	3,47	7,18	2,81	9,52	...						
6% C. P.	8 12	9 15	10	17,20	...	...	...	...	...	...	...	...	...	...	...						

[January 11, 1958]

SOUTH INDIAN

NAME	Managing Agents Agents/Secretaries	CASH HARVEST			Sales Ra. 000	Stock Ra. 000	Managing Agents allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs.	Coffee 000 Cwt.	Rubber 000 lbs.					Latest Ra. 000	Previous Ra. 000	Latest Ra. 000	Previous Ra. 000	2nd Previous Ra. 000
Mimalay ...	Directors 7½% C. P.	4.02	...	...	7.36	89	...	3-57	2.26	2.38	18	25	75
Mysore Coffee ...	Pavan & Co. 7% Debentures	...	...	...	3.58	...	12	6-55	42	1.20	7½	7½	7½
Mysore Plantations ...	Mg. Director 6% C. P.	1.29	...	...	3.37	1.51	...	3-56	1.18	1.49	6	7½	6
Neelamalai ...	A. V. Thomas & Co. 5% C. P.	12.65	...	...	28.55	9.23	89	6-55	13.30	19.58	17½	17½	12
Nelliampathy ...	A. V. Thomas & Co. Ltd. 6% C. P.	7.60	...	75	16.07	2.28	48	6-56	3.63	8.96	10	25	12½
Nellithanam ...	Directors 7% C. P.	22½	5*	67	...	...	...	3-52	57	65	7½	7½	6½
Nemmeny ...	A. V. George & Co. 7% C. P.	...	...	4.66	3.70	2.30	22	12-52	1.69	2.21	6½	7	6½
New Glen Morgan Nilambur ...	Ramu & Co. Private Associated Planters (Private) 6% C. P.	4.15	...	1.64	5.86 3.19	78 63	23 9	12-55 12-55	94 86	2.21 83	nil 15	nil 10	nil 10
Nilgiri Tea ...	A. V. George & Co. 6½% C. P.	3.45	...	...	7.87	1.29	12	3-53	1.49	2.58	12½	15	15
Nonsuch Tea ...	Harrisons & Crosfield	8.20	...	...	16.90	...	...	6-53	7.38	7.85	33	35	49½
Ouchterlony ...	Peirce Leslie & Co.	9.30	6	...	36.94	7.19	50	10-56	(a)3.62	10.07	10	20	30
Panchura Parkside Peermade ...	Directors Math. Bosanquet & Co. Aspinwall & Co. (Trav.) Ltd.	2.05 3.61 18.88	6½	...	16.07 32.68	2.28	48 37	6-56 6-56 12-56	1.13 6.00 11.77	1.08 6.27 9.89	30 15 37½	40 25 35	30 25 55
Peninsular Periakaramalai ...	Directors Peirce Leslie & Co. Ltd.	...	31*	2.26	5.66 94.65	2.97 8.55	...	2-56 3-57	3.55 33.42	2.16 40.11	30 35	15 45	20 45
Periyar & Perakanni ...	E. I. Agencies Private Ltd. 7½% R. C. P.	...	...	3.23	5.11	1.46	15	12-56	1.64	...	12	...	...
Pullangode ...	Aspinwall & Co. Ltd. 6% C. P.	...	...	6.12	9.33	1.32	16	3-57	3.23	3.49	5	15	17½
Puthuthottam ...	Ruby & Co. Private	1.77	...	13*	15.35	...	72	3-56	6.82	7.62	10	15	10
Rajagiri ...	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	13.70	21.01	1.39	1.11	6-56	10.20	8.88	25	20	17½
Rajendra Coffee ...	Associated Planters Private 6% Cum. Prof.	...	2	...	3.56	2.37	13	3-57	1.21	1.40	25	20	15
Seremalai Shevaroy Stanes Amalgamated ...	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd. T. Stanes & Co. Ltd.	...	2	...	7.26 1.17 6.05	56 8.36 1.29	6 28 57	11-56 6-56 6-56	1.37 3.27 4.99	1.19 1.20 3.98	15 10 13½	15 7½ 18½	25 7½ 15
Talayar Tea ...	Parkins (Private) Ltd. 6% C. P.	8.08	...	...	14.48	4.67	48	3-56	4.56	7.36	12½	16½	12½
Teakoy ...	East India Agencies Private 6% C. P.	...	...	...	5.32	97	16	3-57	1.72	2.30	6	9	9
Thamarapally ...	A. V. George & Co. 6½% C. P.	...	...	2.29	2.14	1.14	18	12-52	1.39	1.41	25	15	6½
Thirumbadi ...	Peirce Leslie & Co. 7½% Debentures	...	...	8.14	11.10	1.86	11	9-56	3.63	1.79	12½	12½	10
Tyvanore Rubber Trev. Rubber & Tea ...	Directors Aspinwall & Co. (Trav.) 6% C. P.	...	...	5.43 8.90	5.55 34.92	1.57 6.29	...	12-54 12-56	2.69 8.09	2.60 14.16	20 7½	20 12½	20 15
Tropical Plantations Twyford ...	Directors Parkins Private Ltd.	4.57 9.70	...	6.42	17.93 14.44	2.40 6.59	...	12-56 12-55	5.48 2.90	5.49 9.83	12 20	16 20	20 15½
Udayagiri ...	A. V. George & Co. 7% C. P.	...	...	1.56	2.87	62	3	12-52	—7	64	nil	nil	...
United Nilgiri ...	6½% Debentures T. Stanes & Co.	12.95	...	...	27.73	2.40	91	3-56	10.88	13.90	20	35	23
Vakkundam Vayitri ...	Harrisons & Crosfield Young India Agencies Private 5½% Debentures	...	...	4.14	5.07 1.60	1.32 9	11 10	12-52 3-56	2.87 53	2.89 1.05	20 9	20 9	12½ 6
Valmalai ...	Coopootil Kurien & Co. (Pri.) 7% C. P.	48	...	4.55	6.80	1.12	29	2-57	2.41	2.62	12½	15	10
Waterfall ...	Kothari Mehta & Co. Private 6% R. C. P.	9.60	...	...	49.01	2.01	20	6-57	21.46	10.09	12½	15	20
Woodcote ...	Goodall & Co. 6½% C. P.	88	...	...	1.79	15	8	6-57	30	18	9	6	12
Woodlands ...	Directors 6½% C. P.	48	...	2.89	7.69	1.54	...	3-57	2.73	...	66	10	6½

*Cardamom (in lbs.).

(a) After transferring Rs 1,94,598 from General Reserve and writing back Rs 80,000 being surplus provision in previous years.

*Buzhala.

January 11, 1958]

PLANTINGS—(Contd.)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1957	December 1956			General	Others	Carry-forward				Investments	Stocks & Stores	Out Standings	Cash	Others
Mimalay	31 00	45 0	25	3.00	...	1.44	4	2.32	6.77	2.05	77	1.06	73	2.52	...
7½% C. P.	25 87	27 4	25	3.00	...	...	54	1.99	7.81	43	...	1.80	6	5	...
Mysore Coffee	2 85cd	2 8	2	6.00	75	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	3	...	...	...	...	...	...	...	...	...	...	...
Mysore Plantations	1 50	1 15	2	5.00	95	40	3	2.44	9.26	1.15	...	1.70	1.42	8	...
6% C. P.	7 91	8 8cd	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	4 90cd	5 8	5	36.00	6.75	12.70	47	17.61	61.65	9.71	1.48	9.74	5.07	23.31	...
5% C. P.	6 30cd	8 2cd	10	18.00	...	...	...	...	...	...	...	...	...	...	...
Nelliampathy	2 95cd	3 1cd	2	12.00	2.30	2.30	5	8.83	23.43	4.22	11	4.19	1.74	4.71	...
6% C. P.	9 15cd	9 12cd	10	4.50	...	...	...	...	...	...	...	...	...	...	...
Nellithanam	13 00	14 4	10	1.90	...	...	19	4.42	4.40	11	1.03	24	50	54	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nemmeny	14 50	20 4	10	3.35	50	1.00	31	3.09	13.49	1.12	...	2.61	21	6	...
7% C. P.	9 60	10 9	10	3.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	502 8	500	4.00	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	...	2	6.50	2.80	3.02	4	3.48	11.68	1.30	82	1.09	1.51	1.11	...
Nilambur	13 75	16 12	10	2.00	1.20	1.49	5	1.50	5.24	51	...	80	49	62	2.59
6% C. P.	8 06	8 10½	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Debentures	98 00	100 0	...	1.00	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	8 35	8 14	10	5.63	1.50	1.50	13	2.14	15.16	1.96	1	1.86	71	2.98	...
6½% C. P.	4 50	5 4	5	2.80	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	500 0	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Nonsuch Tea	19 00	20 12	10	16.50	...	10.90	19	6.35	24.18	3.64	4.68	5.05	55	3.12	...
Ouchterlony	4 85	4 2	2	19.46	17.05	5.00	—76	9.03	43.87	14.24	3.49	10.06	78	5.82	...
Panchura	3 20	4 10	1	1.50	1.50	...	23	1.12	2.09	12	1.03	84	11	40	...
Parkside	13 87	16 4cd	10	13.54	3.50	11.82	1.16	6.73	27.87	2.43	...	4.95	43	5.93	...
Peermade	20 25cd	27 0	10	17.00	...	9.79	1.55	18.45	32.68	10.68	10.56	11.91	2.50	1.33	...
6% C. P.	100 50cd	107 0cd	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Peninsular	19 50	28 8	10	6.00	2.40	4	61	3.93	7.41	29	1.28	3.10	21	1.28	...
Periakaramalai	4 05	7 12	2	34.77	45.46	...	1.22	29.38	91.59	25.94	2.19	17.24	3.02	20.81	...
Periyar & Praeckann	...	...	10	5.00	40	4	4	2.99	10.09	33	15	1.55	9	2.86	...
7½% R. C. P.	...	...	5	2.03	...	...	...	...	...	...	...	...	...	...	...
6½% Debentures	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 65	2 9	2	16.50	2.00	27	89	3.85	18.91	3.80	2.02	2.08	35	5.47	...
6% C. P.	9 25	10 1	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 65	3 8	2	21.00	9.50	3.50	65	9.65	29.98	1.80	1.94	9.62	1.47	3.09	...
Rajagiri	15 12	22 14cd	10	13.50	3.00	6.90	8	9.93	42.16	3.72	10	2.12	1.17	14.18	...
6% C. P.	8 15cd	9 8cd	10	22.60	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	9 25	12 4cd	5	2.00	1.35	47	31	3.40	4.84	27	1.00	2.13	2.64	18	...
6% Cum. Prof.	8 46	9 8cd	10	1.00	...	...	...	...	...	...	...	...	...	...	...
5½% Redeem Cum. Prof.	7 32	7 4cd	10	1.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	1000 0	1000 0	1000	1.00	...	...	...	...	...	...	...	...	...	...	...
Seremalai	4 05	...	2	3.67	3.00	50	47	1.20	3.68	78	4	96	14	70	...
Shevaroy	1 85	1 15	10	13.50	1.70	2.00	5	3.63	9.80	75	3.22	5.11	1.65	1.84	4.09
Stanes Amalgamated	16 37cd	21 0cd	10	9.00	12.00	9.25	25	6.25	23.66	5.01	3.21	3.89	1.62	1.37	...
5½% Debentures	492 50	492 8	500	2.00	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	8 40	11 2	10	12.50	6.50	6.75	25	6.67	29.40	2.35	2	7.99	3.09	3.03	...
6% C. P.	8 50	10 1	10	7.50	...	...	...	...	...	...	...	...	...	...	...
Teakoy	7 25	10 4	10	10.00	26	2.76	10	3.95	22.44	1.59	11	1.13	29	2.34	...
6% C. P.	8 45	9 7½	10	6.00	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	100 00	100 0	100	1.74	...	...	...	...	...	...	...	...	...	...	...
Thamarapally	20 40	28 0	10	2.50	75	1.25	42	1.44	5.30	...	24	...	1.22	1	1.56
6½% C. P.	4 75	4 15	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Thirumbadi	1 36	2 1½	1	9.15	4.00	...	27	5.17	14.40	96	...	2.57	1.11	86	6.59
7½% Debentures	495 00	500 0	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Travancore Rubber	14 00	22 0	10	6.00	...	46	4	3.29	6.38	...	...	1.99	23	1.18	...
T. R. T. & Co.	6 03	10 2	10	41.00	7.50	6.11	3.47	12.61	81.07	12.64	4.78	8.78	2.15	2.54	...
6% C. P.	7 80cd	9 14cd	10	16.00	...	...	...	...	...	...	...	...	...	...	...
Tropical Plantations	25 65	30 8	25	20.00	...	...	66	7.39	29.29	7.04	...	3.30	5	2.46	...
Twyford	12 50	19 2cd	10	9.00	15.50	1.00	21	6.96	21.34	1.76	1	7.87	1.45	3.77	...
Udayagiri	11 00	16 8	10	2.20	40	2.95	20	87	...	9	...	97	58	1.25	...
7% C. P.	11 00	11 14	500	80	...	...	...	...	7.71	...	...	...	...	...	...
64% Debentures	...	...	10	3.00	...	...	...	...	...	...	...	...	...	...	...
United Nilgiris	15 70	18 6	10	13.71	11.18	6.00	1.13	13.46	38.09	10.40	5.10	4.03	3.52	5.14	...
Vaikundam	26 00cd	31 0	10	6.29	1.52	1.19	33	2.40	23.46	11	...	1.42	9	3.25	...
Vayitr	1 27	1 15	2	4.00	75	30	20	73	5.29	44	2	16	48	47	...
5½% Debentures	...	...	100	32	...	...	...	...	5.01	...	...	...	...	...	...
Valmalai	4 83	6 10	5	6.00	...	3.75	13	3.68	16.73	61	1	1.41	1.18	1.33	...
7% C. P.	9 10	10 9	10	2.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	515 90	515 0	500	4.00	...	...	...	...	...	...	...	...	...	...	...
Waterfalls	3 33	5 9	2	31.50	15.00	8 00	1.09	25.46	53.40	5.24	8.54	5.71	15.54	8.09	...
6% C. P.	8 75	10 5cd	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 65	1 14	1	1.00	...	53	17	58	3.51	82	5	15	21	2	...
64% C. P.	4 12cd	4 7cd	5	60	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	500 00	500 0	100	50	...	...	...	...	...	...	...	...	...	...	...
Woodlands	7 80	13 6	10	6.95	42	1.05	10	3.09	13.88	40	...	2.68	1.09	1.67	...
64% C. P.	8 97	10 1½cd	10	2.32	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	502 50	5 00	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		Market Operations as on Last Day of		Paid-up per Share	Reserves & Income			Sundry Liabilities	Gross Block	Depreciation	Investments	Other Assets						
			Latest	Previous Period	Latest	Previous	December 1957	December 1956		Rs. 000	Rs. 000	Rs. 000					Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
C A L C U L A T I O N																							
Archer Butler	N. Bhat, Trading Co. 7% C.P. 5% Debentures	10-54	-3.45	-1.71	7(n)	nil	4.85 7.75	8 0 10 0	10 9000	6.00 1.30 3.00	4.00	15	-4.73	17.37	12.78	9.57	6	11.99	4.68	5	6.29	82	
Barker Engineering	K.C. Thapar & Brothers Deferred	3-55	-5	-15	nil	nil	...	...	...	...	...	...	-2.61	9.15	3.68	2.61	...	1.74	1.49	10	1.58	1.86	
Bharat Elec.	Bharat Co. Ltd. Directors	12-56	28.27	19.07	124	124	13.87 25.87 28.27	16 0 26 2 28 2	10 10 10	50.00 56.60 23.00	15.00	1.00	9.8	64.08	109.43	66.33	36	58.30	27.63	1.46	9.89	107.34	
Bharat Bridge & Roof	Bharat Bridge & Roof Co. Ltd. 5% Debentures	12-56	42.63	31.82	20	20	25.87 28.27 490.00	26 2 28 2 490 0	10 10 500	12.00 2.00 10.00	17.50	3.50	1.77	53.65	42.55	23.79	93	15.32	29.26	13.66	12.34	15	
Bharat Building	Holmes Wilson & Co. 31% Debentures	3-55	2.94	2.23	10	5	5.94	7 4	2000	10.00	5.00	2.75	55.98	32.72	8.02	2.20	13.63	19.91	15	18.32	...	...	
Bharat Engg.	McLeod & Co. 33% Debentures	12-55	15.47	9.86	15	15	12.19 470.00	14 6 483 0	10 500	38.38 5.00	21.00	16.52	1.28	83.82	63.95	33.77	2	41.68	68.85	1.26	25.00	...	
B.I. Elec. Cons.	Bharat Lavinia & Co. Ltd. Martin Burn Ltd. 7% C.P.	12-56	3.90 137.78	2.09 107.43	Nil 20 7	Nil 7 6	13.81 308.08 112.50 109.50	9 15 316 8ad 119 8ad 109 8ad	10 100 100	13.00 84.00 13.00 15.00	17.00	149.18	-2.16 1.10	33.24 714.53	411.60	10.09 259.04	2	16.78 512.03	8.85 265.29	4 8.02	6.13 25.82	1 ...	
Hindustan Motors	Birla Brothers Ltd. Martin Burn Ltd. 7% C.P.	3-55	35.64	28.00	124	124	6.25 108.00 2.00	9 3 132 0 3 8	10 50 100	496.13 12.50 21.95	100	10.50	5.19	247.77	356.35	94.53	14.48	268.78	192.11	12.97	...	...	
Hoyley Dealing	Deleatras 7% C.P.	12-56	6.18	1.01	nil	nil	23.00N	23 0N	100	3.15	...	...	21	12.01	12.86	88	...	7.42	44.74	41	97.71	...	
India Machinery	Deleatras 6% C.P.T.	6-54	95	...	nil	nil	...	...	...	...	...	...	...	...	...	...	...	7.15	11.54	29	...	...	
I. Calcuttizing	B.L. Lavinia & Co. 6% C.P.T.	12-56	(b)9.80	8.60	10	4	15.08	18 11	10	36.95	4.35	...	90	61.05	47.08	25.18	1	53.96	28.80	1.39	...	...	
Indian Iron	Martin Burn Ltd. 5% C.P.	3-57	967.04	974.23	10	10	18.70 96.00	28 6 161 0	100	518.37 269.95	165.00	1113.03	9.13	3300.09	2278.38	880.54	204.21	865.40	1563.74	213.29	1152.27	...	
I. Mail Casting	Deleatras 4% First Debn. Deferred	3-55	1.38	57	124	Nil	4.47 3.56	7 4 3 11	...	1.74 1.54	...	...	6	13.18	14.22	5.70	76	7.16	5.45	14	...	...	
I. St. Wagon	Martin Burn & Co. Pvt. Ltd. 7% C.P.	3-57	58.69	42.90	30	30	93.08 113.00	215 0 123 8	1000 100	3.00 19.66	6.50	54.05	24	601.84	93.48	61.81	2.66	161.87	121.81	15.78	336.37	5.33	
I. Steel & Wire	India Singh & Sons. Pvt. Partly Paid	3-57	86.63	91.03	40	30	61.08 15.56	79 4 15 15	10	32.27 27	104.45	202.24	9.45	119.80	208.45	123.01	40.92	60.06	87.83	194.06	...	...	
Jay. Engg. works	M. M. Shrivastava & Co. 5% Debentures	3-55	28.60	23.76	12	6	127.00	...	100	20.25	39.10	15.35	20	118.66	147.89	48.03	...	79.53	51.50	4.67	...	...	
Jessop & Co.	5% C.P.	10-55	52.52	30.06	30	15	22.12 83.80	30 4 98 8	10 100	51.00 10.00	36.35	21.42	14	172.66	98.23	52.64	11.86	83.58	125.66	3.47	51.64	...	
Kumarabhai	Bird & Co. Private Ltd. 5% C.P.	11-56	18.55	8.83	201	163	8.19 85.00 420.00	8 15 181 1 435 3	3 100 500	18.43 10.00 10.50	2.75	49.57	25	56.45	68.94	24.23	2.28	42.54	40.16	48	16.93	2.94	
Marshall Sons	4% Debentures Marshall (Din) Pvt. Ltd.	6-56	5.06	4.79	20	15	4.47	4 47	2	10.50	18.50	6.38	1.01	148.63	17.12	12.98	2.07	102.24	73.78	2.78	...	...	
National Iron	Nutting & Co. Ltd. 4% Debentures	3-56	16.80	10.81	64	24	6.62	7 6ad	10	49.96	4.90	...	5.29	59.70	94.81	57.29	3.84	35.57	46.53	1.39	...	...	
National Rolling Steel	4% Debentures 6% C.P.	6-55	(1)1.13	(m) 81	51	51	9.34ad 8.06	9 9 95 0	10 1000	5.08 5.00	22.50	2.50	40	55.09	82.62	17.56	3	26.19	4.07	14	...	...	
National Screw & Wire	6% C.P. D. P. T.	12-56	90	2.31	15	15	8.06	8 06	100	10.00	10.00	17.81	23	42.96	11.64	5.47	84	11.27	34.57	34	...	...	
Richardson & Gradall	3% C.P. 5% C.P.	6-55	33.02	31.91	54	54	7.81 54.00	22 13 89 8	100	10.00	10.00	17.81	23	42.96	11.64	5.47	84	11.27	34.57	34	...	...	
Saras	B. Sutherland & Private Co. Directors	3-57	5.93	3.68	10	6	4.16	8 1	4	6.00	30	6.86	12	28.07	27.31	15.90	50	19.92	8.77	57	...	1.07	
San Ralegh Indus.	5% C.P.	9-56	21.12	16.75	5	5	10.75	10 75	100	58.73	2.00	7.60	29	144.60	138.23	27.39	13.81	75.34	18.32	4.86	14.44	3.03	
Steel Products	D. Khaitan & Sons 5% C.P.	4-52	49	17	Nil	Nil	1.06 2.62	0 14 1 0	34	2.80	...	1.00	-6.16	9.56	4.76	3.78	...	2.47	6.71	4	...	...	
West Machy.	Birla Bros. Private 5% C.P.T. 5% R.C.P.T.	12-56	72.39	50.76	124	10	15.60 97.00	19 11 95 8 63 0	10 100 1000	150.00 10.00 40.00	10.75	17.11	99	267.52	267.51	11.33	1.16	190.92	111.50	3.41	...	...	

B O M B A Y

Ameri Manufg.	Walchand & Co. Private	3-55	3.51	1.81	nil	nil	—	—	10	2.40	18	—	—	22.34	7.80	9	14.72	6.42	10
Alcock Ashdown	4% C.P.	12-55	12.64	8.80	124	124	22.25	27.0	100	33.42	24.50	20.21	1.14	64.93	84.49	9.29	15.13	55.69	22.20
Brady Engineering	W. H. Brady & Co. Private	12-56	2.42	2.09	3	3	39.00	—	60	15.00	2.15	10.28	22	14.56	4.77	—	2.92	1.77	4.27
Cooper Engineering	Walchand & Co. Private	6-56	8.11	6.06	7	6	—	—	100	25.20	1.00	—	—	52.51	36.45	1.22	45.14	16.88	2.26
Hind cycles	Birla Bros. Ltd.	12-55	18.2	13.81	10	10	121.25	14.8	100	30.18	6.02	8.14	39	65.03	59.25	22	66.71	23.56	5.41
Inves. Machine Tools	Invest Industrial Corp.	12-55	—	—	nil	nil	—	—	100	5.00	—	—	—	—	—	—	—	—	—
Jaipur Metals	4% C.P.	12-55	5.16	4.01	4	4	74.00	—	100	10.00	—	—	—	—	—	—	18.63	1.77	10
Joshi's Engg.	4% C.P.	3-57	1.74	57	10	8	58.50	6.0	50	5.00	2.00	2.61	9	14.48	1.16	9	12.03	11.98	8.3
Kamani Engineering	Kamani Bros. Private	9-56	3.93	4.92	nil	nil	6.88	6.0	100	4.00	2.50	8	37	91.78	13.55	50	37.72	67.63	3.88
Kamani Metals	5% C.P.	12-55	2.93	2.23	(b)54	54	61.00	—	100	20.00	26	—	—	77.89	22.42	6.22	27.86	1.63	76
Kirloskar Bros.	5% C.P.	7-55	11.63	8.53	10	10	12.72	16.1	100	15.00	38.31	14.61	6	31.98	39.89	11.12	51.72	29.45	5.29
Larsen & Toubro	5% C.P.	3-57	(2)20.00	(a)16.46	5	5	81.50	94.0	100	15.00	10.00	3.23	27	267.35	17.33	9.08	192.92	118.93	68
Mackenzie	5% C.P.	7-55	2.69	2.47	(g)11	11	65.00	88.0	100	11.00	1.09	1.75	9	33.69	20.10	2.62	15.58	15.04	4.09
Mahindra & Mahindra	5% C.P.	10-56	39.30	20.24	12	10	16.52	15.14	100	5.00	10.00	4.00	2.72	98.19	7.31	19.33	615.61	310.87	29.16
Mukund Iron	6% R.C.P.	3-57	28.17	14.11	10	6	102.01	101.8	100	25.00	10.00	—	19.00	71.34	29.25	9.84	42.85	14.11	9.59
Mysore Kirloskar	5% R.C.P. T.	6-56	7.05	7.95	6	6	100.00N	—	100	10.00	8.45	9.05	—	54.04	33.91	5	31.49	14.92	3.32
Praga Tools	Indust. Trust Fund	12-54	—	—	6	6	—	—	50	69.81	—	—	75	38.59	13.42	—	36.09	6.24	22
Premier Automobiles	5% C.P. Private Ltd.	6-56	71.59	57.31	61	61	87.50	103.8	100	22.00	10.73	28.41	6.05	437.31	149.05	5.56	425.70	113.11	64
Premier Construction	Walchand & Co. Ltd.	12-55	18.78	12.25	284	251	155.00	190.0	100	30	27.50	6.80	118.17	94	50.82	227.39	51.52	1.47	82
Tata Iron	5% C.P. T.	3-57	1159.83	1184.66	12.67	14	160.50	173.8	100	75	963.75	487.30	1776.04	4.15	9344.97	3866.27	538.06	1353.45	1684.71
Tata Locomotive	6% C.P. T.	—	186.56	230.21	5	5	106.75	116.12	100	65.82	—	—	—	—	—	—	2.24	1453.69	246.30
Ashok Leyland	5% C.P.	12-56	14.92	3.22	6	6	4.45	4.45	5	85.61	300	—	—	63.72	23.43	1	141.07	36.51	4.70
Brundage & Co.	A. V. Thomas & Co.	12-55	23	87	6	6	7.00	8.44	10	7.57	36	56	—	9.93	3.76	—	6.23	1.76	11
Indian Steel Rolling	6% C.P.	12-55	2.22	2.93	74	74	11.05	12.0	100	18.75	1.00	1.30	1.04	20.13	12.43	—	3	18.08	6.23
Standard Motor Prods.	5% C.P.	12-55	7.86	6.07	6	6	8.48	9.6	100	5.08	10.00	1.45	28	66.55	4.58	—	64.13	4.91	44
T. I. Cycles	5% C.P.	6-55	28.55	11.81	6	3	88.75	98.0	100	9.16	1.80	—	—	—	—	—	68.54	5.77	3.89
Tatool Co.	T. & M. Industries	4-56	16.99	7.17	15	10	181.00	—	100	70.00	5.00	3.00	71	54.03	11.30	1.13	29.77	22.51	21

M A D R A S

(a) After writing back Rs. 1,50,000 being provision for taxes made in previous years not required. (b) After transferring Rs. 230,000 from Stock Reserve and writing back Rs. 4,32,743 from provision for taxation. (c) Includes Rs. 1,50,000 being excess provision for sales tax made in previous years. (d) Includes Rs. 61,878 being unclaimed dividends forfeited and Rs. 22,465 being refund of R.P.T. (e) After writing back Rs. 7,00,000 being Sales Tax excess provision made in previous years. (f) An additional dividend at 5 5/14 per cent has been paid for the year ended 31-12-54 under Section 23(A). (g) Preference dividend for two years 1946-47 and 1947-48 at 5% per cent per annum. (h) After transferring Rs. 1,35,079 from Investment Reserve, Rs. 1,77,897 from Taxation Reserve and Rs. 1,06,876 from Income-tax liability from 1947-48 to 1948-50. (i) After transferring Rs. 2,50,000 from General Reserve. (j) Dividend for the year ended 31-10-1952. (k) Dividend for the year 1952.

GILTEDGED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-12-57
GOVERNMENT OF INDIA LOANS					
Rupee Loans					
NON-TERMINABLE LOANS					
53,34,000	3	1896-97	3 Months' notice	30-6/31-12	70-97
TERMINABLE LOANS					
57,00,69,000	2 1/2	1946	1961	1-2/1-8	94-20
45,63,07,000	2 1/2	1946	1960	15-1/15-7	96-85
75,86,72,000	2 1/2	1947-48	1962	15-5/15-11	94-65
14,77,48,000	2 1/2	1946	1976	16-3/16-9	83-09
50,35,63,000	3	1951	1958	16-2/16-8	99-66
113,65,64,000	3	1945	1959-61	15-2/15-8	98-93
116,17,46,000	3	1938	1963-65	1-6/1-12	93-65
30,33,10,000	3	1950	1964	15-6/15-12	93-85
110,11,78,000	3	1943	1966-68	1-4/1-10	91-30
115,05,83,000	3	1945	1970-75	15-4/15-10	81-85
248,91,41,000	3	1946	1986	16-3/16	71-16
57,27,36,000	3 1/2	1956	1962	16-1/16-7	97-80
75,29,00,000	4	1953	1961	1-6/1-1	99-63
58,17,90,000	3 1/2	1954	1964	19-4/19-10	97-85
103,67,92,000	3 1/2	1955	1965	1-1/1-7	97-70
33,81,83,000	3 1/2	1956	1967	16-1/16-7	97-73
66,61,95,000	3 1/2	1956	1974	16-1/16-7	98-28
56,92,00,000	3 1/2	1957	1967	1-2/1-8	99-63
46,05,00,000	4	1957	1972	1-2/1-8	100-03
63,30,26,000	4	1926	1960-70	15-3/15-9	100-57
RUPEE COUNTERPARTS					
5,73,000	4 1/2	1928	1958-68	1-6/1-12	100-55
STATE GOVERNMENT LOANS					
WEST BENGAL					
1,75,00,000	3 1/2	1951	1962	17-3/17-9	98-00
3,62,23,300	4	1953	1963	15-1/15-7	99-25
2,00,00,000	4	1952	1964	1-2/1-8	99-25
7,00,00,000	4	1955	1967	1-3/1-9	99-90
7,00,00,000	4	1956	1968	3-3/3-9	98-00
BOMBAY					
3,06,65,500	3	1944	1958	15-2/15-8	99-20
2,92,30,300	3	1950	1960	31-1/31-7	96-60
5,63,12,200	3	1949	1962	1-2/1-8	94-00
2,97,86,300	3 1/2	1951	1962	17-3/17-3	98-00
5,50,35,400	4	1953	1963	15-1/15-7	99-25
3,61,30,900	4	1952	1964	1-2/1-8	99-10
9,00,00,000	4	1955	1967	1-3/1-9	98-25
7,50,00,000	4 1/2	1956	1970	3-3/3-9	93-00
			1969		99-70
MADHYA PRADESH					
5,32,69,800	3	1944	1958	15-2/15-8	99-00
1,01,44,700	3	1950	1960	31-1/31-7	95-75
2,01,28,800	3	1948	1964	1-3/1-9	93-00
1,02,18,100	3 1/2	1951	1962	17-3/17-9	97-25
1,02,18,100	4	1953	1963	15-1/15-7	98-00
1,50,00,000	4	1955	1967	1-3/1-9	96-75
1,50,00,000	4	1956	1968	3-3/3-9	96-50
UTTAR PRADESH					
2,20,93,600	2 1/2	1946	1961-66	1-3/1-9	90-75
3,02,24,500	3	1944	1958	15-2/15-8	99-10
2,17,89,700	3	1945	1960	14-3/14-9	96-00
1,57,42,600	3	1936	1961-66	15-3/15-9	93-20
1,94,11,700	3 1/2	1951	1962	17-3/17-9	97-25
5,65,15,500	4	1953	1963	15-1/15-7	98-30
6,11,45,200	4	1952	1964	1-2/1-8	98-20
8,00,00,000	4	1956	1967	1-3/1-9	96-50
8,00,00,000	4	1956	1968	3-3/3-9	96-50
MADRAS					
3,81,77,200	2 1/2	1946	1961	1-3/1-9	93-50
1,07,95,000	3	1944	1958	15-2/15-8	99-00
1,25,95,600	3	1939	1959	21-6/21-12	98-00
2,78,44,000	3	1945	1960	14-3/14-9	96-70
4,38,25,400	3	1950	1960	31-1/31-7	96-70
3,01,49,000	3 1/2	1951	1962	17-3/17-9	97-30
1,03,309,100	4	1953	1963	15-1/15-7	98-25
5,21,81,200	4	1952	1964	1-2/1-8	98-12
7,00,00,000	4	1955	1967	1-3/1-9	97-00
12,50,00,000	4	1956	1968	3-3/3-9	97-05
MYSORE GOVERNMENT					
5,99,72,900	3	1936	1956-61	20-10/20-4	98-77
5,08,05,700	3	1946	1958	25-1/25-7	98-70
2,95,85,200	4	1933	1953-63	1-6/1-12	100-50
3,33,47,200	4	1953	1963	15-1/15-7	98-00
3,25,00,000	4	1955	1967	1-3/1-9	96-40
4,00,00,000	4 1/2	1956	1968	3-3/3-9	96-80
			1969		98-97
COCHIN					
100,00,000	3	1945	1955-58	16-6/16-12	98-00
30,00,000	3 1/2	1937	1956-61	1-6/1-12	97-75
TRAVANCORE					
300,00,000	4	1953	1963	15-1/15-7	97-50
		1956	1968	3-3/3-9	96-10
MUNICIPAL LOAN					
BOMBAY MUNICIPAL LOAN					
25,00,000	5	1928	1958	1-1/1-7	
26,21,000	5	1929	1959	1-2/1-8	
17,97,000	3	1950	1960	1-6/1-12	102-50
110,00,000	4	1963	1-3/1-9	98-25	
215,00,000	4	1964	1-3/1-9	98-25	
244,14,500	4	1964	1-3/1-9	98-25	
200,00,000	3 1/2	1950	1965	15-2/15-8	92-10
10,00,000	3 1/2	1951	1965	16-2/16-8	92-10
9,00,000	3 1/2	1956	1966	14-3/14-9	
175,34,000	3 1/2	1951	1966	3-4/3-10	97-10
33,00,000	3 1/2	1952	1966	3-4/3-10	97-10
60,00,000	3 1/2	1952	1966	1-2/16-8	97-10
24,50,000	3	1936-37	1967	1-2/1-8	
69,00,000	4	1967	1-3/1-9	98-25	
30,00,000	3	1938	1968	14-3/14-9	
30,00,000	3	1939	1969	1-3/1-9	
64,00,000	3	1940	1970	1-3/1-9	
48,00,000	3 1/2	1940-41	1971	1-3/1-9	
25,00,000	3 1/2	1941-42	1972	1-3/1-9	
135,00,000	4	1973	1-3/1-9		
20,00,000	3 1/2	1943-44	1974	1-3/1-9	
20,60,000	4	1913-15	1974	1-6/1-12	
22,00,000	3 1/2	1944-45	1975	1-3/1-9	
25,00,000	3 1/2	1945-46	1976	1-3/1-9	
54,00,000	3 1/2	1947-48	1977	1-3/1-9	
75,00,000	3 1/2	1947	1977	1-2/1-8	84-00
61,00,000	3	1949	1979	1-3/1-9	
88,14,500	3 1/2	1949	1979	15-3/15-9	84-00
10,00,000	5	1920	1980	1-5/1-11	
80,00,000	3 1/2	1950-51	1980	1-3/1-9	
CALCUTTA MUNICIPAL LOANS					
36,00,000	5	1928	1958	1-5/1-11	102-00
25,00,000	5	1929	1958	1-2/1-8	102-00
10,00,000	5 1/2	1932	1962	1-4/1-10	108-00
33,91,000	3 1/2	1935	1965	1-1/1-7	94-00
60,00,000	3	1936	1966	1-4/1-10	90-00
47,50,000	3	1938	1968	1-6/1-12	90-00
17,64,400	3 1/2	1940	1957	1-4/1-10	99-75
21,10,000	3 1/2	1942	1959	1-5/1-11	96-40
15,49,000	3 1/2	1951	1960	1-4/1-10	92-00
16,33,000	3 1/2	1951	1961	1-2/1-8	97-50
66,88,000	3 1/2	1951	1966	1-4/1-10	97-50
87,36,000	4	1952	1962	1-5/1-11	99-25
72,50,000	4 1/2	1954	1979	1-3/1-9	100-00
222,72,000	4	1955	1985	1-6/1-12	97-50
MADRAS MUNICIPAL LOANS					
2,17,300	6	1925	1955	15-2/15-8	
15,00,000	3 1/2	1951	1961	30-9/31-3	
15,00,000	3 1/2	1952	1962	17-1/17-7	
PORT TRUST LOAN					
MADRAS PORT TRUST					
33,30,862	3 1/2	1947	1977	15th of each month	
9,88,000	3 1/2	1947	1977		
3,00,000	3	1949	1979		
BOMBAY PORT TRUST					
35,00,000	3 1/2	1929	1959	1-2/1-8	
14,35,000	4	1913	1960	1-4/1-10	
10,00,000	4	1915	1960	1-4/1-10	
66,61,000	4	1922	1960	1-6/1-12	
11,51,000	4	1924	1960	1-4/1-10	
12,50,000	3 1/2	1926	1960	1-5/1-11	
48,04,000	3 1/2	1930	1960	1-5/1-11	
12,50,000	3 1/2	1936	1960	1-4/1-10	
13,50,000	3 1/2	1931	1961	1-5/1-11	
36,50,000	4	1932	1962	1-3/1-9	
35,00,000	4	1904	1964	1-1/1-7	
15,00,000	3 1/2	1905	1965	1-2/1-8	
15,00,000	3 1/2	1906	1966	1-3/1-9	
44,00,000	4	1907	1967	1-3/1-9	
10,00,000	3 1/2	1908	1968	1-5/1-11	
75,00,000	4	1908	1968	1-3/1-9	
40,00,000	4	1909	1970	1-1/1-7	
56,00,000	4	1910	1971	1-4/1-10	
75,00,000	3 1/2	1941	1971	1-5/1-11	
110,00,000	4	1911	1972	1-6/1-12	
80,00,000	4	1912	1973	1-2/1-8	
88,25,000	4	1913	1974	1-1/1-7	
55,00,000	4	1914	1975	1-4/1-10	
24,58,000	3 1/2	1915	1975	1-6/1-12	
		1935	1975	30-3/30-9	
CALCUTTA PORT TRUST					
149,30,000	5	1928	1958-88	15-3/15-9	101-00
100,00,000	3	1949	1959	15-2/15-8	98-25
50,00,000	3	1949	1959	20-2/20-8	98-25
100,00,000	3	1950	1960	1-6/15-12	97-00
100,00,000	3	1950	1960	15-6/15-12	97-00
50,00,000	3 1/2	1951	1961	1-6/1-12	98-50
50,00,000	4	1953	1963	14-2/14-8	100-00
25,00,000	3 1/2	1938	1963-68	1-6/1-12	96-00
60,00,000	3 1/2	1935	1965	15-3/15-9	97-50
90,24,000	4	1914	1974	8-2/8-8	97-75
26,90,100	4	1915	1975	1-4/1-10	97-75
50,00,000	3	1946	1975	1-2/1-8	85-00
50,00,000	2 1/2	1947	1976	15-3/15-9	84-75
50,00,000	3	1947	1977	31-3/30-9	74-50
50,00,000	3	1948	1978	15-1/15-7	81-75
50,00,000	3	1950	1978	15-4/15-10	82-00
68,02,300	3	1921	1981	1/10/1-4	82-00
150,00,000	6 1/2	1921	1981	1	

Calcutta Stock Exchange

PRICE TRENDS DURING DECEMBER, 1957

	2nd	3rd	4th	5th	6th	9th	10th	11th	12th	13th	16th	17th	18th	19th	20th	23rd	27th	30th
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Elgins ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Coal ...	228.00	...	...	201.00	234.00	232.00	233.00	...	232.00	231.00	231.00	...	229.00	228.00	...	...	226.00	227.00
Burrakur ...	21.75	22.00	22.06	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.12	22.00	22.00	22.00	22.00	22.00
Howrah ...	16.50	15.94	...	16.12	16.06	...	...	14.87	...	...	...	...	13.81	13.81	14.00	...	13.44	...
National ...	19.50	19.85	20.05	20.20	20.25	20.30	21.65	21.65	21.90	21.90	21.30	21.35	21.50	21.25	21.10	21.60	22.05	22.10
Brooke Bond ...	...	...	...	...	...	...	18.12	...	...	15.00	...	14.60	...	...	...	...	...	14.75
Hasimara ...	...	20.75	...	21.62	...	21.75	...	...	...	...	...	...	...	...	...	...	21.12	...
Tezpor ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
S. K. G. ...	...	...	...	...	...	...	...	...	...	8.94	8.94	...	...	...	...	...	9.25	9.25
Braithwaite ...	26.62	26.56	...	...	...	26.50	...	26.21	...	...	...	...	...	...	...	...	...	25.87
Jessop ...	22.97	23.12	23.37	23.25	22.37	22.62	23.87	23.50	23.44	23.19	22.50	22.25	22.50	22.37	22.12	...	22.06	22.12
Indian Iron ...	19.44	19.47	19.54	19.51	19.57	19.54	19.72	19.50	19.56	19.57	19.10	19.00	18.80	18.39	18.58	18.47	18.38	18.70
TEKMACO ...	17.05	17.05	17.00	17.10	16.95	16.95	17.10	16.85	16.85	16.85	16.10	15.80	15.70	15.40	15.90	15.65	15.50	15.60
Alkali Chemical ...	...	...	...	11.94	12.87	...	...	13.12	13.25	...	13.19	13.12	...	...	13.25	13.31	...	13.37
Indian Copper ...	2.97	2.91	2.91	2.92	2.94	2.92	2.94	2.94	2.82	2.84	2.81	2.82	2.82	2.78	2.81	2.84	2.81	2.82
B. B. Petrol ...	1.81	1.80	1.85	1.78	1.79	...	...	...	...	...	1.80	...	1.80	1.72	...	1.76	...	1.80
India Pulp ...	...	...	...	19.50	19.50	...	...	...	...	...	...	...	...	...	...	...	...	18.87
Orient Paper ...	25.00	25.00	25.25	25.40	25.40	25.40	...	25.20	25.10	25.20	24.90	24.90	24.70	24.15	24.30	24.30	24.25	24.25
Titaghar ...	...	...	...	22.93	...	33.00	33.25	...	...	33.12	...	32.50	...	...	...	32.94	33.12	...
B. I. G. ...	4.13	4.10	4.40	4.45	4.55	4.45	4.35	4.32	4.35	4.15	4.05	4.05	4.02	4.05	4.07	4.02	4.04	3.97
India Steamship ...	11.79	11.81	11.81	11.81	11.81	10.62x	10.81	10.75	10.78	10.78	10.75	10.69	10.75	10.81	10.87	10.75	10.84	10.87
Indian Cable ...	...	...	...	25.94	26.06	26.12	25.50	25.00	25.75	...	...	...	25.37	...	...	26.25	26.62	...
Martin-Burn ...	23.00	23.00	...	22.94	...	23.25	...	23.50	23.56	23.56	23.50	...	...	23.37	23.56	23.62	...	23.68
Metal Box ...	25.75	25.87	...	26.25	26.25	26.25	...	26.31	...	...	...	...	...	26.81	...	...	...	27.06
Dunlop Rubber ...	20.37	20.25	20.25	20.25	20.31	...	20.40	...	...	20.37	...	20.19	20.12	20.12	...	20.12	20.00	20.00
Rontas ...	17.50	17.25	17.31	...	...	17.25	...	17.00	17.25	17.12	15.75x	...	15.68	...	...	...	16.00	16.00

Bombay Stock Exchange

	2nd	3rd	4th	5th	6th	9th	10th	11th	12th	13th	16th	17th	18th	19th	20th	24th
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Bombay Dyeing ...	50.70	50.50	50.60	50.40	50.50	50.30	50.90	51.10	51.10	51.40	51.90	50.70	50.60	50.30	50.10	49.80
Central India ...	86.00	86.50	87.00	86.00	...	86.00	86.00	86.00	86.00	84.50	83.00	82.00	82.00	80.50	76.00	75.50
Century ...	398.25	396.25	395.50	394.50	395.00	392.50	400.00	401.00	400.50	401.00	395.50	393.75	392.50	388.50	384.50	382.00
Finlay ...	...	259.00	...	260.00	...	...	257.00	259.00	...	...	...	...	258.00	256.00	252.00	251.50
Kohinoor ...	262.25	262.00	263.00	268.00	269.25	269.50	271.25	271.25	269.75	270.50	269.00	267.00	265.50	263.50	262.50	259.50
Simplex ...	158.50	158.00	158.00	158.50	159.00	159.00	160.50	160.50	160.50	160.50	159.00	158.50	159.00	157.50	...	154.00
Standard ...	396.00	392.50	398.00	392.00	393.00	394.00	401.00	402.00	401.00	401.50	399.00	394.00	394.00	390.00	390.00	390.50
Svadeshi ...	170.00	169.00	169.00	169.25	169.00	169.00	170.00	170.50	171.50	172.00	174.15	171.50	171.50	169.25	167.50	165.00
Tata Mills ...	39.75	39.50	39.50	39.00	39.00	39.00	39.00	39.50	39.25	39.25	39.25	39.00	39.00	38.50	37.75	38.00
Bank of Baroda ...	103.50	...	...	105.00	106.50	108.00	107.00	...	...	107.00	107.00	106.75	...	106.50	106.00	106.25
Central Bank ...	51.30	51.50	51.50	51.50	51.80	52.00	52.00	51.80	52.00	52.30	52.30	52.00	52.50	52.30	52.30	52.30
Ahmd. Electric ...	97.10	97.40	97.40	97.40	97.30	94.30x	94.20	94.10	94.30	94.20	94.10	94.10	94.30	94.20	94.50	94.20
Tata Hydro ...	115.50	115.50	115.50	...	...	116.00	116.00	116.00	...	...	115.50	...	115.50	115.00	...	115.00
New India Insurance ...	58.75	58.25	47.75	48.25	48.00	48.00	48.00	48.00	48.25	...	48.25	47.75	47.50	47.75	48.00	48.00
Scindia ...	17.36	17.28	17.24	17.60	17.20	17.88	17.20	17.20	17.24	17.32	17.24	17.08	17.12	17.04	17.04	17.00
Indian Iron ...	19.56	19.52	19.52	19.44	19.64	19.60	19.80	19.72	19.72	19.72	19.36	19.08	19.16	18.92	18.56	18.50
Tata Iron ...	166.75	167.50	167.00	166.25	166.25	165.75	167.50	167.50	167.50	168.00	166.75	165.25	165.00	163.25	161.25	160.50
Belapur ...	253.00	253.00	253.00	253.00	254.00	252.50	253.00	254.00	254.00	253.50	254.00	253.00	...	252.50	252.00	252.00
Phalton ...	148.50	148.00	148.50	149.00	149.00	147.50	149.50	149.00	148.50	148.25	147.00	147.00	...	165.50	146.50	146.80
A. C. C. ...	152.50	152.25	151.75	151.50	151.25	151.75	152.00	152.25	154.00	154.75	153.75	151.50	151.75	151.50	151.00	151.00
Alcock Ashdown ...	223.75	222.50	221.25	222.50	222.50	223.75	230.00	230.00	230.00	232.50	228.75	227.50	227.50	...	221.25	221.25
B. B. Petrol ...	1.82	1.80	1.80	1.78	1.76	1.78	1.80	1.82	...	1.86	1.78	1.73	1.78	1.74	1.74	1.78
Indian Copper ...	3.20	2.94	2.94	2.92	2.94	2.94	2.98	2.96	2.88	2.88	2.88	2.84	2.86	2.84	2.82	2.86
Bombay Burmah ...	538.00	540.00	540.00	537.50	536.50	534.00	540.00	540.00	537.50	538.00	537.00	534.00	534.00	529.00	523.00	520.00
Killick Indus. ...	162.50	...	...	...	160.50	...	...	161.00	...	...	162.00	...	162.00	...	155.00x	155.00
Larson & Toubro ...	12.72	12.72	...	12.72	...	12.72	12.72	12.72	12.72	12.72	12.76	...	12.72	...	12.72	12.72
National Rayon ...	214.56	215.25	215.50	214.75	215.25	213.25	215.00	218.50	218.50	218.25	219.25	215.50	216.25	213.25	213.50	211.25
Ptemier Constren. ...	159.00	158.00	158.00	157.00	157.50	156.75	157.25	158.00	157.75	160.50	159.50	157.00	156.50	155.50	153.50	154.00
Shivrajpur ...	85.00	...	84.30	...	...	84.00	83.50	84.00	...	84.00	83.50	83.00	83.50	83.00	83.00	83.00
Tata Chemical ...	12.96	12.96	12.96	12.92	12.92	12.84	13.00	13.00	12.92	13.00	12.96	12.92	12.84	12.76	12.76	12.80
TELCO ...	138.75	139.00	138.50	138.00	138.00	138.75	140.00	141.50	142.50	142.50	140.50	138.50	138.00	136.75	137.50	137.25
TOMCO ...	36.75	36.50	36.25	36.25	36.00	36.25	36.25	36.75	36.50	36.50	36.50	36.00	36.35	35.25	34.75	35.00
WIMCO ...	162.00	161.50	161.50	...	...	...	...	...	...	...	...	...	161.75	161.50	161.00	160.75

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Vol. LXI No. 2

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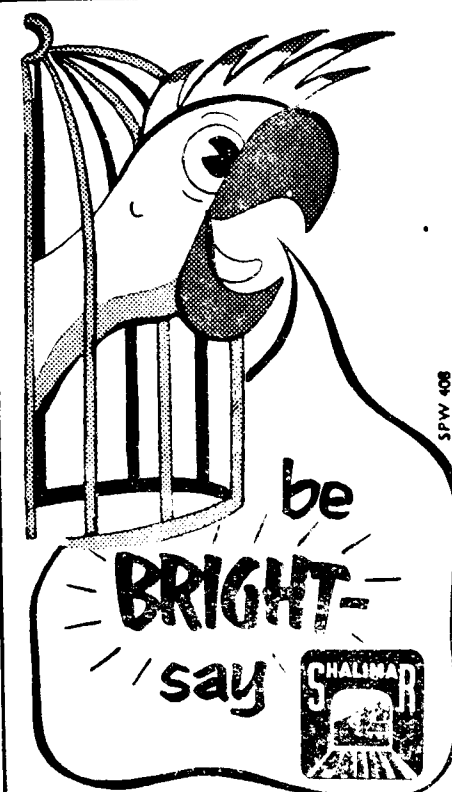
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For the Investor

Bull Phase—or Fizzle Out?

Investment Gossip:

WHEN the stock markets entered on the New Year ten days ago, few believed that they would so soon witness activity of a variety that would reflect a return of confidence among marketmen. Nevertheless, indications were not wanting that, given the right kind of incentives, a revival of buying interest could be expected. I had pointed out in my last two articles that the investment situation in the country was not one continuous blanket of dark clouds but was interspersed with many a silver lining which showed a tendency to brighten and broaden rather than to darken and disappear.

There are two ways of looking at a thing: one way is to strain one's faculties to pick out the flaws and the other is to take an overall view with the bad and good points together. It scarcely needs pointing out that the second method is the proper and right method even while dealing with matters pertaining to the stock market. My friend Phatkaram may well laugh at my naivete but I am firmly convinced that, so long as operators do not abandon their habit of acting only on flash news in utter disregard of the overall economic position in the country, they will be not only exposing themselves to heavy losses but will also drag down with them investors who are the backbone of the stock markets. I have often averred that Phatkaram and his tribe are directly responsible for a considerable part of the investor's loss during the past year.

It would appear that the lessons of last year have, however, engendered a healthy outlook in market-men in general. Even so, the bears seem to think that their supremacy cannot be easily disputed. They probably think that they can safely depend upon the financial difficulties of a Government wedded to the huge Second Plan, coupled with the food shortage and the persistent demands for wage increase and labour participation in industry and the like, to keep the market in their grip.

With the coming Central Budget yet to fulfil the hopes kindled by

the Finance Minister regarding a holiday from fresh taxes for the rest of the Plan period, the bulls seem to lack the requisite energy to strike an aggressive attitude. But they are not blind to the fact that the balance is getting tilted steadily in their favour, especially after the Finance Minister's visit to the US and other Western countries in his quest for loan assistance. Mr. T. T. Krishnamachari's assurance to foreign investors, coupled with the Indian Industrialist Delegation's avowal that an essential prerequisite to a free flow of foreign capital into India is the willingness of domestic capital to participate actively in new enterprises, has revived hopes of the re-establishment of conditions conducive to an unimpeded growth of the private sector. Authority's decision to allow private enterprise to set up fertilizer plants, which have hitherto been reserved for the public sector, and the recent reduction in excise duty on mill cloth seem to confirm the belief that a welcome change is already taking shape.

Speaking in Hyderabad early this week at the Andhra Pradesh Gramdan Seminar, Sir Chintaman Deshmukh felt that, of late, India had been beating a retreat from the goal of socialistic pattern of society. This might be due, he said, to the fear that the present incentives would be destroyed by increased taxation or due to the belief that foreign nations would give them more help.

The publication of the figures of production, for the month of December in the case of TISCO and for the last quarter of 1957 in the case of IISCO, by the two steel companies also served to remind investors of a development which is steadily gathering strength in our economy. The TISCO figures indicate that Tata Steel's Two Million Ton Programme is progressing satisfactorily. The expansion programme is scheduled for completion by mid-1958. A blast furnace which will produce 1650 tons of pig iron is also reported to be nearing completion.

The IISCO figures show that pig iron production in the last quarter has increased by 19,087 tons and steel ingots by 6,022 tons as compared with the previous quarter.

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pared with the previous quarter. It is evident that the increased production is due to the rapid progress of the expansion programme of the company. It is learnt that the company's blast furnace with an output capacity of 1,200 tons of pig iron a day will shortly be put into commission. The rapid increase in the production of steel ingots and pig iron already recorded, the further increase confidently anticipated in the near future and the progress of the steel plants in the public sector, have given rise to the hope that, before the current year is out, India's steel production will make a sizable contribution toward arresting the flow of foreign exchange out of the country as well as earn a substantial amount of foreign exchange. Investors in Indian Iron shares are naturally reminded of Government's assurance that they will consider the question of increasing the dividend when the present phase of expansion is completed.

News from the cloth markets has been encouraging for the first time in many months, and there is renewed hope in Calcutta that

Indian tea may not after all fare badly in the current year. There are also people who discern good cheer for Indian industry in the recession in US. These and other salient features in the investment situation seem to have come to the notice of bull operators, who have been busy during the past few days in registering in a tangible form their satisfaction. Both the steel scrips have recorded sizable gains over the week. It is too early to say whether the current enthusiasm will result in a decidedly bull phase or fizzle out. But it is to be admitted that factors favourable to an upsurge in equity values now far outweigh those which make investment in equities less attractive than most other forms of investments.

With reference to the advertisement of the Associated British Machine Tool Makers (India) Ltd., published in the Indian Finance Annual & Yearbook 1957, attention may be drawn to the fact that the company is incorporated in England, and not, as printed, in India.

The scribe in Olympus has also spotlighted the disturbing developments that threaten the unity of this country.

In this context, he has come to the vehement defence of Rajaji, whom he calls the paradoxical saviour of the country's unity.

Read Olympus.

HIGHLIGHTS

The last of the annual reviews for 1957 is published in this issue.

Of the money market trends during the year past, it is fair to state that we have had an eminently satisfactory year.

Such a heartening assessment was of course in the main enabled by the spectacular increase in the Deposit resources of the banking system.

In the World of Finance section, an attempt is made to discover the significance of such developments. Also, the impact of these figures on bank profits is analysed.

Another subject to which we would draw attention is the Language Controversy. The Peninsula covers extensively the memorandum submitted by the Madras Government on the question.

Indian Finance

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Editorial Adviser
P. R. SRINIVAS
Editor

C. SWAMINATHA RANGASWAMI JR.

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INDIAN FINANCE

January 11, 1958

Investment Notes:

THE Indian Oxygen & Acetylene Company Limited is shortly to become a public company and raise its share capital to Rs 2 crores from Rs 1.32 crores at present. The new issue will be of Rs 68 lakhs out of which Rs 62 lakhs is likely to be issued abroad with a view to cover the foreign exchange requirements of the company for purchasing plant and equipment in order to enable it to step up its production by about 50 per cent. The rest of the shares worth Rs 6 lakhs is likely to be offered to the Indian public. The new shares are to be issued at a premium of Rs 3.50, i.e. at Rs 13.50 per share.

Vaikundam Rubber, Madras, has obtained the permission from the Controller of Capital Issues for the issue of 25,143 bonus shares of Rs 10 each.

The figures, released this week, with regard to the output of the Tata Iron Steel Company and the Indian Iron & Steel Company, are encouraging. Following are the comparative figures (in tons):—

	December, 1957.	November, 1957.
TISCO:		
Pig Iron	95,100	94,900
Steel Ingots	100,500	95,100
Semi-Steel	19,600	13,900
Finished Steel	54,600	52,100
IISCO:		
Pig Iron	190,484	171,397
Steel Ingots	125,194	119,172
Semi-Steel	19,210	13,837
Finished Steel	82,936	82,976

Rajbhat Tea has maintained the dividend at 12½ per cent for 1956.

Kailas Rubber, Madras, has recommended an interim dividend of 10 per cent for the year ended 28th February, 1958.

Electric Company Results

Balance-Sheet Reviews:

THE results of the Hindustan Electric, for the year ended 30th April, 1957, make an impressive reading. The profit has doubled from Rs 5.23 to Rs 10.55 lakhs after providing Rs 10.57 lakhs for Depreciation against Rs 5.81 lakhs in the previous year. The dividend is proposed to be maintained at 6 per cent.

Of the profit, a sum of Rs 2.4 lakhs has been used to write off Goodwill and Rights at cost against Rs 1.22 lakhs. Taxation, including Wealth Tax, claims Rs 4 lakhs, while the transfer to General Reserve, which amounted to Rs 2 lakhs in the preceding year, has been skipped.

The directors have, in their report, stated that, for the first time in India, production of large capacity transformers with 66,000 volts has commenced at the company's Howrah works. Work also started early in April 1956 regarding construction of buildings for high-tension switch-gear division and for switch-gear designs at Howrah works.

Production at Faridabad works No 1 was stabilised and the quality of the productions has improved. In Faridabad Works No 2, construction has been completed and production of electric motors has already commenced and increased considerably. The directors conclude by saying that all the works of the company

are having orders extending over six months, these mainly from the Central and State Governments.

Kirloskar Electric

The expansion programme of the Kirloskar Electric Company Limited, which has completed ten years of its working, has made satisfactory progress during the year ended 30th June, 1957. Besides normal expansion in existing lines, the company has, on hand, schemes for new lines of manufacture. The directors have, therefore, proposed to issue additional capital to the tune of Rs 5 lakhs. Details of this fresh issue are not yet available.

Meanwhile, the working of the company, during the year under review, has resulted in a higher profit which, after making normal provision for Depreciation and Taxation, amounts to Rs 5.42 lakhs as compared with Rs 4.36 lakhs in the previous year. Allocations to Depreciation, Taxation and Development Reserve are higher at Rs 5.50 lakhs; Rs 8.75 lakhs and Rs 1.52 lakhs as against Rs 4.37 lakhs; Rs 4.30 lakhs and Rs 1.46 lakhs respectively. Other appropriations are: Rs 1.2 lakhs against Rs 1.7 lakhs for General Reserve; Rs 80,000 against the same for IFC Loan Redemption Fund; Rs 75,000 against nil for Rehabilitation Reserve and Rs 15,000 against Rs 25,000 for Dividend Equalisation.

(Continued on page 91)

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Manager: D. L. MILNE-DAY

Science and the Cold War

SCIENTIFIC research in the modern age has become increasingly esoteric. The lay man often reaps the fruits, good or bad, without caring to understand the ultimate springs of activity. Between the highly specialised research scientist working in an almost incomprehensible world of his own and the man in the street functioning either as a purchaser of some consumer product or as a victim of some destructive instrument bearing the results of the scientist's work, there is a vast, nearly untrodden no man's land of knowledge. When therefore Professor M. S. Thacker, in his Presidential address to the Indian Science Congress holding its forty-fifth session in Madras this week, invites mass participation in scientific work and invitingly says that "science has room for everyone for all time", the initial response from the public would naturally be tinged with surprise.

This surprise may not completely fade even when the Professor explains that science is a very human enterprise, is basically a methodological approach to understanding and that what he wants from the people and the amateur scientists in particular is no more than the appreciation of the scientific method and a general interest in enquiry among them.

In the latter sense, the appeal is most welcome. If every student imbibes a really rationalistic and methodical approach to the problems that face the individual and the nation, there would surely be more orderly existence, for which this country is now anxiously craving.

But if it is a matter of a substantially wider interest, necessarily critical, in the higher reaches of scientific investigations, then there seems to be scarcely any meeting point between the expert and the lay man. One of the distinguished visitors to this year's annual session is Professor Bardin, a Soviet academician connected with Sputniks. Professor Bardin is associated with an achievement which can evoke only astonishment and very little understanding even among the amateur scientists of Professor Thacker's conception.

Actually, the tracks of material science pursued nowadays are getting more and more removed from nature. This is a phenomenon admittedly unacceptable to humane leaders, whether they be in the realm of science or in politics. But, is a less forbidding alternative in sight? The intense desire for some alteration is beautifully expressed by Professor Thacker in the following words: "The newer knowledge gained, have extended the glory of man, but they have inculcated, at the same time, a fear of knowledge which has potentialities for more harm than good. In this situation of uncertainty and doubt, safety lies in the collective social wisdom, for it alone can determine the direction of technological applications and can hinder or nullify injurious experimental ventures." There is also reference to the exercise of the intellect for the emancipation of man.

Once ideas such as collective social wisdom and the emancipation of man are brought into discussion, we unwittingly stray into the most tempting domain of social conflicts. Collective

social wisdom is now expressed through the State as its most effective agency. And whether it is a matter of picking men of ability, backing them heavily, or giving them freedom to pursue whatever path appears to be most promising, the State is the final deciding authority. The Session President has accepted the brutal fact that not only does the improvement of the material welfare of the people but the advancement of science and technology is conditioned by social purposes and social support.

The overwhelming tragedy of the postwar era is that powerful nations have not chosen to agree on what the proper social purposes are and springing from this basic disagreement are the dangerous developments which are summarised in the two freezing words "cold war". Mr Jawaharlal Nehru describes scientists as neutral agents and demands that they should develop the quality of compassion of saints and all that it implies. He wants them to keep science apart from politics and the cold war. These are extremely lovable thoughts but almost impossible to translate into the realities of social and political life. Mr Nehru, of course, is a sincere advocate of the nonviolent way of settling differences, of a positive form of world peace and of happy co-existence of ideologies.

Unfortunately, in the rest of the world these utterly humane principles knock against closed minds and deaf ears. While there is a general realisation all over the world that international relations as obtaining today are far from satisfactory, the efforts toward a change are for many reasons meagre and half hearted and consequently ineffective. The Prime Minister of India himself accepts that it is the function of the State to encourage science and scientists. The next step is inexorably to tell them what to do as indicated by what a particular State feels are the requirements of its security and material progress. Nothing less or more is being done in every State.

And scientists are as much human as any one else, susceptible to all the prejudices and frequently even to the ferocious animosities which afflict their respective peoples in general. During the last war and the twelve years subsequent to it, new military techniques have been evolved largely from patriotic motives, in every country where the most destructive weapons have been brought to light. There is no use blaming the scientists for this development. The scientists are not responsible for the cold war. Nor can they run away from the implications of it or from being an instrument of it. There may be a few rebels here and there but eventually they do not count. The wedding of science to national interests has brought forth the most horrible progenies. A divorce can be achieved only if a new conception of national interests comes into being. In the majority of countries, now holding the supreme physical power ever attained, the scientist is undoubtedly the weaker partner, often utterly helpless against the State which commands him as to what he should do and should not.

Of the more constructive side of scientific research, we have already some conspicuous

beginnings, in the utilisation of atomic energy, of radar and other instruments and innumerable new devices for the discovery of hidden resources in the world and for the prevention of danger to life through ailments, accidents in transport and through insidious forms of infection.

In India, as Professor Thacker complains, the progress of science from the research laboratory to the field and factory is unjustifiably slow. There is ample need and scope for expediting this progress. From the strictly national point of view, this is a direction of work in which attention could most profitably be concentrated. For the rest, we are inclined to think that it is the politicians rather than the scientists who are capable of taking suitable initiative for minimising the harmful repercussions of the advancement of knowledge.

In Defence of the Weather

Calcutta's cold weather, which we by courtesy call so, is a notorious procrastinator. It behaves much like the naughty boy in the story who leaves home for school and then wastes all his time on the way, playing marbles. It is always supposed to be coming, but never really comes. Or if it does, like the naughty boy again, it plays truant after putting in a dubious appearance. Nevertheless, it causes certain unmistakable changes in the human situation. For instance, it gets our woollens out of naphthalene—under false pretences though—and gives a very special lift to our culture, the season being more full of concerts, cabarets and conferences than even the hardest of culture-addicts can comfortably cope with. It is precisely because of this that we cannot afford to deprecate it, call it a mere thin partition between the moist heat of October and the dry heat of February or decry it as being as unsubstantial as "soup boiled with the shadow of a pigeon that has died from starvation".

Moreover, if the manufacturers of air-conditioning units can tirelessly blazon across acres of newspaper space that the coolth provided by these machines increases efficiency, it should be possible to argue that our cold weather, although far from a cold fact, does the same for a while on a much wider scale and at no cost. An American magazine recently made an editorial announcement saying, "It always takes us a bit of time in the fall to work up steam for the winter, but now that the overcoats are out of mothballs, The New Leader and its authors are once again rapping with space problems. We are just loaded with material, that is, . . ."

In this city, we may not have a winter properly so-called, yet it can be reasonably said that our perpetually incipient cold weather brings us much-needed relief, provided one does not decide to perspire in wool. With the first strains of the cuckoo in February, we had better remind ourselves, it will again be possible for us to sweat in our bath-tubs and fail to quench our parched throats with cold water which, the Psalmist said, was drink for "wild asses" and Dean Inge thought "a poor beverage to offer to a human being".

Indian Finance

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

Three Distinguished Guests

The new year has brought three distinguished foreign visitors to India in quick succession. First came the Premier of Czechoslovakian Republic. Then came the President of Indonesian Republic. The last to arrive was the Prime Minister of Great Britain. The frontiers of economic relations between India and Czechoslovakia have been widening in recent years. Almost simultaneously with the visit of the Czechoslovakian Premier came the news of the finalisation of the conditions of Czechoslovakian participation in a foundry forge project to be erected as part of India's Second Plan. The Czechoslovakian Premier, in a joint declaration with the Indian Prime Minister, has also endorsed the principles of Panch shila.

The Indonesian President's visit, coinciding as it does with that of the British Premier, has given rise to some speculation about its purpose. A somewhat harassed person, Dr Soekarno does need some rest, especially when political conditions in his own country do not seem to give him the opportunity for it. In India he may be trying to combine rest with business. The Indian Union is in profound sympathy with Indonesia's claims to West Irian but differences exist as to the manner in which the claims could be pressed home on the Dutch. If some mutually agreeable formula could be discovered with or without the assistance of the British Premier who is also luckily on the spot, it will be a very desirable outcome of the present visits.

The British Premier has come with the declared purpose of seeing and studying conditions in India, with a view to promote Commonwealth and international goodwill. His call for a non-aggression pact

Editorial Notes

between the Western countries and Russia has been warmly received in India and may provide a most helpful background for his mission. It is pleasing to note that Her Majesty the Queen is also likely to visit India within a few months. Even if such visits are mere courtesy calls, they are bound to have an ineffable effect on the emotions and attitudes of the peoples, which will be all for the good.

Pressing Reassessments

In another few days, the annual session of the Congress Party will meet in Assam. The domestic and international situation would provide as usual a good bunch of important themes of discussion. This time, however, the Party can fulfil its purpose only if it is able to give an imaginative and far sighted new lead on questions which were once thought to have been settled beyond the possibility of controversy. The official language of the Union, co-operative farming and the mutual aloofness displayed by State Congress organisations should surely be among them.

The formation of a ginger group led by a couple of Union Ministers is a significant pointer. Notwithstanding the sarcastic comment which this group has evoked from the Prime Minister and one of the Congress Secretaries, it would be foolish to dismiss as trivial the lively disappointment which leaders in the lower ranks feel over the weaknesses and shortcomings of the party, both on the organisational and on the Governmental side. At least, Mr Nehru knows that the Party ranks do not think as one man on the language issue. It is doubtful if the organisation as a whole will display the catholicity and tolerance of Mr Nehru in reassessing this particular issue.

Co-operative farming is another of those economic idols before which much incense has been burnt in the past and very little done in the practical sphere. It is necessary to reconstruct the Party's recommendations in a manner suited to potentialities as reflected in the attitude of the average Indian peasant.

There is another question in respect of which a wrong step can well turn out to be disastrous. The manner in which the Communist Government came to be set up in Kerala, its record, its contribution to the strengthening of genuinely democratic forces in the country, all these will have to be examined in a dispassionate and long-term spirit.

There are reports from Kerala that some parties now in the Opposition are trying to manoeuvre the Communist Government out, through undignified means. It is difficult to imagine that the Con-

gress would be a party to such tactics. As long as the present Kerala Government conforms to the proprieties and limits set by the Constitution and the conventions which have been evolved in the course of the last ten years, the Congress may find it ultimately advantageous to foster the present co-existence further.

Retrenchment in Industries

Talking to Pressmen in Coimbatore, the Union Minister for Planning and Labour disclosed that a working group would shortly take up the study of the unemployment problem in the cotton and jute industries. The purpose of the study, according to Mr Gulzarilal Nanda, would be not only a full examination of the existing troubles but an equally thorough assessment of possibilities in the same direction with a view to avert them.

That for two of the major industries difficulties of a not unforeseeable kind have developed does not speak highly of the state of official machinery for co-ordination. The accumulation of stocks in cloth mills was warned against in proper time. Nor is similar unemployment confined to the textile industry. Import restrictions introduced in the course of the last year have strangled innumerable small firms and deprived several hundreds of unorganised manual and office workers of their means of livelihood.

A report from Bombay draws a sharp contrast between the congested Port conditions obtaining six months ago and the present when as many as ten berths are lying vacant. Over 4500 casual labourers are reported to have been retrenched, to which has to be added a like prospect before a considerable percentage of the employees in many shipping and clearing agency firms. The extension of the activities of the State Trading Corporation is pointed to be another source of unemployment for those engaged in the mining industry.

The new employment created by the State ventures is likely to be ignored by those who happen to be the victims and it might often be against facts to say that nationalisation reduces opportunities for work. At any rate, the private distributive trade with its ancillary services is no longer the milch cow which it used to be. On the contrary it is shrinking as a field for employment. Among the various considerations which go into the formulation of official policies, that of employment opportunities does not seem to hold any high priority. It is debatable how far this position is economically or politically wise.

Even the conquest of disease seems sometimes to aggravate this particular problem. The success of the National Malaria Control Programme has led to a steep fall in the demand for quinine and consequently has thrown a disheartening question mark over the future of the cinchona industry. The existence of malarial areas in other countries offers some hope but not enough.

The study proposed for the textile industry might as well be extended into a general one comprehending the entire national problem in which all the relevant industries could be examined from the angle of employment.

Reducing Railway Accidents

A major railway disaster near Ambala on the New Year day has come as another tragic reminder of the needs for a better understanding of the possibilities of technological improvements designed to minimise if not, completely avert accidents. The mere fact of the Railway Board or the person at the head of the Ministry, accepting responsibility for these accidents does not improve matters in any way.

The remedy has to be sought elsewhere. It has become customary to institute an enquiry over every mishap with the findings frequently remaining no more than a matter of academic interest. That there is considerable scope for human misjudgment and error is a point which even without expert enquiries could be generally assumed

(Continued on page 88)

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World of Finance

Money Market's Good Showing in 1957

IN the 12 months since the end of 1956, the Deposit resources of Scheduled Banks have risen by the spectacular amount of Rs 292.95 crores to be placed at a new peak of Rs 1,405.55 crores. This, as we reported last week, is the most notable development in the World of Finance during 1957. As we have often urged in this section, it needs moreover to be pointed out that such improvement in Deposit resources is by no means derived solely or even mainly from the windfall accretions in respect of Counterpart Funds accruing to the credit of the US Embassy with the State Bank of India. In this context, it may be noted that the increase in Deposits of the State Bank, over the period, has worked out to Rs 122.95 crores. It is generally assumed that the accrual of windfall Deposits began only during the past year, and we have suggested that there was reason to believe that the special Deposits were possibly being largely made in the last week of each month. In the last two months of the year, the State Bank Deposits do not appear to reflect any receipts under this head; and, in the first ten months of the year, it is possible to suggest that Counterpart Funds may have been for a total amount of roughly Rs 78 crores. Thus, the balance of Rs 45 crores would presumably represent the normal accretions to Deposits experienced by the State Bank. Such a reading would appear to be correct, in the light of the following observations:

- (1) The increase in the Deposits of the Other Scheduled Banks is Rs 170 crores from a level of Rs 870.58 crores.
- (2) This increase of Rs 170 crores works out to an improvement of 19.5 per cent in the case of the Other Scheduled Banks.
- (3) In the case of the State Bank, the increase in the non windfall Deposits is likely, as we have suggested, to be around Rs 45 crores; and the State Bank's Deposits at the end of 1956 were placed at Rs 242.02 crores.

- (4) Thus, the increase recorded in the non windfall Deposits works out to 18.6 per cent.
- (5) The improvement of 19.5 per cent in the case of the Other Scheduled Banks compares with 18.6 per cent in respect of the State Bank.

It is possible, in this light, to put down such improvement in the Deposit resources of Scheduled Banks, as was derived directly

from the heightened tempo of industrial activity, at something like 18.6 per cent—and this leaves out of consideration the so-called windfall Deposits. While this differentiation between normal accretions and windfall Deposits has been necessary to prove that the phenomenon of large scale augmentation was in evidence during 1957, for the rest of the article such distinction is no longer useful.

The additional resources thus secured by Scheduled Banks were put to use under four specific heads. Firstly, borrowings from the Reserve Bank were reduced by Rs 55.43 crores from Rs 79.06 crores to Rs 23.63 crores. During 1956, on the other hand, Scheduled Banks increased their borrowings by Rs 49.04 crores, in spite of an improvement in Deposits of Rs 80.71 crores. Secondly, during 1957, Scheduled Banks added to their Cash Balances, including money at call, by Rs 53.20 crores. In the previous year, Cash Balances actually declined by Rs 8.48 crores. Thirdly, the Investment Portfolio of the Scheduled Banks expanded by Rs 68.52 crores in 1957; during 1956, they had declined by Rs 20.30 crores. Lastly, Advances have shown a rise over the year of Rs 69.60 crores; and this contrasts with a rise, during 1956, of Rs 157.01 crores.

It will be seen that the Scheduled Banks were faced with a shortfall in resources, during 1956, in the sense that the improvement in Deposits was far from adequate to cover the expansion in Advances. It follows that recourse had to be had from the Reserve Bank for additional borrowings, that Cash Balances were somewhat run down and that there was some disinvestment in gilt-edged. On the other hand, during 1957, there has been a plethoric improvement in Deposits, coupled with a much smaller expansion in Advances, which together have enabled the banking system to attain an extremely comfortable position as at the end of 1957.

At this stage, we need, however, to assess the impact of such changes on bank profits. During 1956, with Deposit resources consistently in optimum use, profits of Scheduled Banks registered a very sharp increase. The earnings from Advances during 1956 showed an improvement in consonance with the expansion of Rs 157.01 crores in the total of Advances. As we have seen, during 1957, Advances have risen by a much smaller volume. This will necessarily mean that the income from

interest will not show as large a rise during 1957 as was the case in 1956. In the second place, during 1956, Time Liabilities rose only by Rs 41.10 crores; and, to this, perhaps, we should add also the increase of Rs 49.04 crores in borrowings from the Reserve Bank. These are two heads under which, apart from the other operating expenses, the Scheduled Banks were obliged to meet a higher charge. In 1957, while it is true that borrowings from the Reserve Bank have been reduced by Rs 55.43 crores, regard must be had for the fact that Time Liabilities have shot up sharply by Rs 229.04 crores. Thus, even after allowing for reduction in borrowings from the Reserve Bank, the Scheduled Banks had to pay higher rates for a larger quantum of their resources. However, the average rate of interest paid on Time Liabilities would be somewhat less than the interest payable on borrowings from the Reserve Bank. So, it appears likely that interest paid will register some increase during 1957. Moreover, Bank Rate was raised early in 1957 to 4 per cent, and this should also inflate the expenditure incurred on interest paid. However, this will be correspondingly offset by improvement on interest earned.

There is one element in the earnings of the Scheduled Banks about which it is not possible to make any estimate. This concerns the earnings on foreign exchange business. Here, however, we may be permitted to point out that the import surplus during 1957 has been much steeper, if we make allowance for the fact that there was purchase of currency from the International Monetary Fund for \$200 million. That is to say, the import surplus during 1957 was around Rs 325 crores against Rs 205 crores in the previous year. This will necessarily have meant that Scheduled Banks would have had a larger quantum of foreign exchange business, and if, in this context, we have regard for the fact that the Indian Scheduled Banks have lately been successful in making headway in this sphere, it stands to reason that the earnings of Indian Scheduled Banks from foreign exchange business should be showing a worthwhile rise during 1957.

In a word, the developments in the World of Finance, during 1957, have enabled the Scheduled Banks to achieve a more secure and comfortable position, without, however, affecting their earnings. For reasons already enumerated, we expect such earnings to improve.

We may now turn to a study of the Reserve Bank figures. During 1957, Notes in Circulation rose by only Rs 40.72 crores. This was in spite of deficit financing during the year amounting to Rs 381.66 crores. We are to presume that the contractionist effect of the import surplus mitigated to a corresponding extent the tendency to a rise in active note circulation. In other words, the import surplus must have helped substantially to

Annual Reviews

act as a disinflationary instrument. The import surplus, as we have seen, was around Rs 325 crores; and so, the "uncovered" quantum of deficit financing was, in effect, Rs 56 crores, which led to an expansion in note circulation of Rs 40 crores. During 1956, on the other hand, as against an import surplus of Rs 205 crores, deficit financing amounted to Rs 207 crores. Largely speaking, it may be said that deficit financing was fully covered by the import surplus. Nevertheless, during 1956, active note circulation rose by a much higher amount. During 1956, the increase worked out to Rs 105 crores. The apparent conclusion is that the inflationary pressures were greater during 1956 than they have been during 1957. This is indeed borne out by the decline that has taken place in the index numbers of wholesale prices, whereas, during 1956, they had shown a rise.

At this stage, we would draw attention once again to the evidence of an increase in Deposit resources of Scheduled Banks much more than proportionately to expansion in active note circulation. We drew pointed attention to this phenomenon in the annual review for 1956, early in 1957. The table published below illustrates the pace at which Scheduled Banks are registering an improvement in their Deposit resources.

	Net Rise in Active Notes (1) crores.	Rise in Banks' Deposits (2) crores.	Ratio of (2) to (1) percentage.
1957 ...	37.46	292.95	782.08
1956 ...	92.73	80.81	87.15
1955 ...	182.54	90.81	55.87
1954 ...	64.17	93.14	145.15
1953 ...	26.12	3.74	14.32

To complete this assessment of the money market during 1957, we may briefly touch upon the short term money rates. At the end of 1955, the call money rate in Bombay was 3 per cent; and in Calcutta, 3 3/8 per cent; and in Madras, 3 1/2 per cent. At the end of 1956, the call money rate in Bombay ranged between 3 1/2 per cent and 4 1/16 per cent; in Calcutta, between 3 3/8 per cent and 4 7/8 per cent; and in Madras, between 3 1/2 per cent and 3 5/8 per cent. While these relate to call money from banks, other interest rates also showed similar rise. On the other hand, short term money rates at the end of December 1957 are shown to be lower than those prevailing at the end of December 1956. This is in spite of the fact that, in between, Bank Rate rose by 1/2 per cent to 4 per cent. The relative easiness in money rates, of course, is evidence of the removal of the atmosphere of stringency as a result directly of the phenomenal increase in the Deposit resources of Scheduled Banks. In the present context, we

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merely wish to point out that short term money rates are at healthy levels and lend themselves to being brought into an orderly structure of interest rates for the money market and the economy as a whole.

All in all, 1957 has been an extremely satisfactory year from the money market point of view, and the monetary authorities will have only themselves to blame if they do not seize the initiative offered by such conditions to evolve a policy that suitably strengthens the money market and enables the money market to be of optimum use to the economy.

Brisker Signs of Busy Season

BRISKER signs of the busy season are available in the latest bank returns. Active note circulation has, according to the statement of the Reserve Bank for January 3, risen by Rs 16.36 crores to Rs 1523.06 crores. There has been expansion of currency for Rs 10 crores against Rupee Securities, this expansion being in respect of sales of ad hocs in favour of the Reserve Bank. For the first time, Rupee Securities have crossed the Rs 1000 crore mark to be placed

at Rs 1007.20 crores. Rupee coin has also gone out into circulation for Rs 1.06 crores and the Reserve Bank's cash in the till has been depleted by Rs 7.39 crores to Rs 9.13 crores. Foreign Securities in the Issue Department are unchanged.

Notwithstanding the proceeds from deficit financing for Rs 5 crores, the Centre's balances are lower by Rs 1.04 crores at Rs 52.50 crores. Other Governments have also presumably felt the strain of

month early disbursements, with their balances declining by Rs 5 crores to Rs 8.10 crores from Rs 13.01 crores. Their borrowings from the Reserve Bank, however, are lower by Rs 0.43 crores at Rs 34.60 crores. Other Deposits are marked up by just under Rs 2 crores to Rs 115.70 crores.

The Reserve Balances of member banks have again recorded a decline—for the fifth consecutive week—of Rs 4.31 crores to Rs 66.37 crores. At the same time, they would appear to have had larger recourse to central bank credit, since the Reserve Bank's Other Loans and Advances have risen, for the fourth successive week, by Rs 7.37 crores to Rs 67.41 crores. The advances against usance bills have been marked up from Rs 21.07 crores to Rs 24.92 crores.

Investments are lower by Rs 1.38 crores at Rs 243.74 crores. Balances Held Abroad have been depleted to the tune of Rs 4.46 crores to Rs 17.90 crores.

The State Bank's return for January 3 discloses a rise of Rs 1.49 crores to Rs 366.47 crores in Deposits. Other Liabilities are sharply lower by Rs 7.68 crores at Rs 5.18 crores. Advances, reflecting both the busy season progress and month early disbursements, have been marked up from Rs 170.92 crores to Rs 174.93 crores. As a result, Cash Balances stand reduced at Rs 24.68 crores from Rs 30.72 crores.

The return of Scheduled Banks for the last week of 1957 shows a rise of Rs 7.02 crores in Deposits to Rs 1,405.55 crores. But this has been insufficient to cover the expansion in Advances, which have risen by Rs 10.36 crores to Rs 858.02 crores. Consequently, borrowings from the Reserve Bank have been marked higher by nearly Rs 1 crore at Rs 23.67 crores. Moreover, Cash Balances have been run down by Rs 1.50 crores to Rs 169.03 crores.

BANK PROFITS

Bank profits appear to be slow in being released this year, although two Banks have already made public a summary of their performance in 1957. To Dena Bank once again belongs the credit for being the first to announce preliminary figures in respect of the year past. The other Bank to have vouchsafed some information is the Bank of Jaipur. Both these announcements have been published in the Company Reports page of this issue of Indian Finance. However, they do not offer any clues as to the general performance of banks in 1957. Nevertheless, it is possible to suggest that, generally, most banks would be experiencing an improvement in the balance of profit; and such banks as have a substantial quantum of foreign exchange business may be expected in particular to record praiseworthy performances. By the next week, it is to be anticipated that the first crop of profits of the bigger banks will be available.

Trends of British Stock Market

By PAUL EINZIG

IN recent weeks there were two opposite tendencies running concurrently on the Stock Exchange. On the one hand, equities were inclined to continue to drift downward, even if the movement was moderate and hesitant. On the other hand, Government loans have been quietly firm. It seems reasonable to expect that these conflicting tendencies will continue for some time to come and may even develop into major trends. For, while the prospects of equities are far from encouraging, those of Government securities justify a fair degree of optimism.

The firm tone of the Gilt-edged market is largely explained by the pessimistic outlook about equities. For years there was until September 1957 a growing trend towards switching investments from Government loans into equities. This was due in part to the growing realisation that the real purchasing power of the interest and principal of fixed interest bearing securities was depreciating fast as a result of the relentless rise in prices, and in part to the assumption that the expansion of production, prices and profits would ensure steadily rising dividends on industrial equities. Moreover, Government stocks fluctuated rather widely in recent years, so that they came to be regarded as being practically as speculative as equities. Indeed while the range of their fluctuations was not so wide as that of equities, their long-range trend pointed distinctly downward, so that their holding appeared to entail speculative risk without compensating advantages.

In the circumstances first-rate industrial equities came to be looked upon as much safer investments than Government loans. More and more investors of a highly conservative type switched over to equities, and there was a real danger of a general flight from the Gilt-edged market. There can be little doubt that, had it not been for the increase in the Bank rate to 7 per cent, such a flight would in fact have taken place in the autumn.

The increase in the Bank rate and the other disinflationary measures affected Government issues in two ways. They gave rise to hopes that, after all the inflationary spiral might be brought to a halt, so that the depreciation of the real purchasing power of money invested in Gilt-edged securities would be interrupted. It was the continuous character of the rise in prices which was mainly responsible for the demoralisation of the Gilt-edged market. More and more people felt impelled to abandon hope that this process would ever be halted let alone reversed. With a cautious revival of such hopes the prospects of Gilt-edged securities have improved.

The disinflationary measures gave rise to growing doubts and

the Bank rate the Government clearly indicated its determination to resist wage demands in the public sector of the economy. Its example is expected to be followed to a large degree in the private sector. A wage freeze would effectively halt the rising trend of prices, especially as the cost of raw material has been falling, and there is growing pressure by the Government on manufacturers to lower their prices.

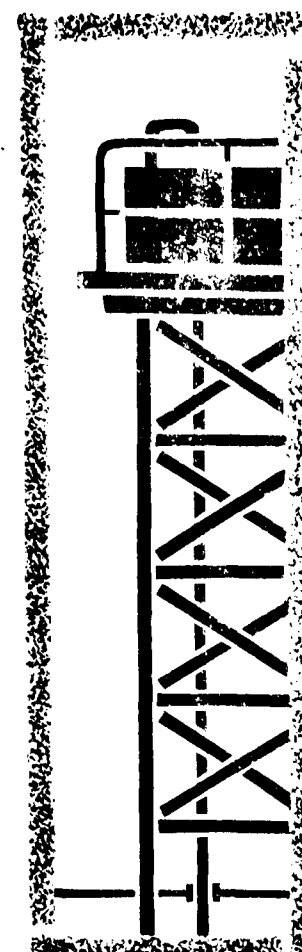
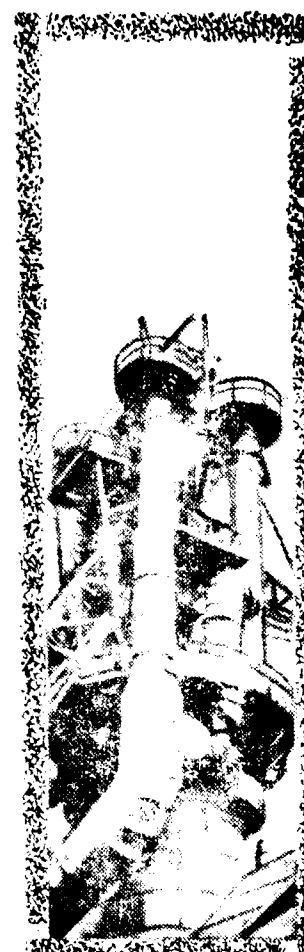
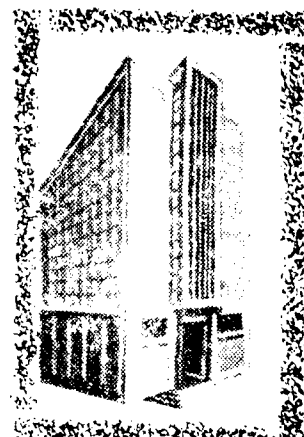
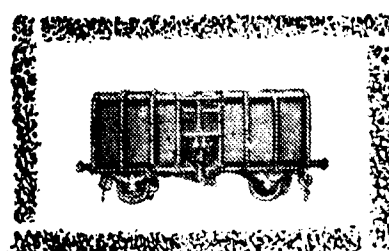
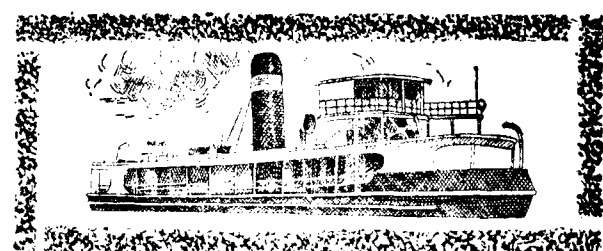
Admittedly, there was an orgy of spending just before Christmas. Most people were holding back their purchases till the last week, as they wanted to see "which way the cat jumped." In the absence of any clear indication whether there would be inflation or deflation in 1958, millions of consumers

who usually spread their Christmas shopping over several weeks rushed to buy during the last few days. There was a record expenditure and the note circulation rose to a new record figure. But this outward evidence of inflationary boom failed to bring about a noteworthy recovery in equities.

There is a feeling that consumer demand will be lower in 1958 than in 1957. There are indications that capital expenditure is already declining. In the absence of substantial wage increases there would not be sufficient consumer purchasing power available to maintain the demand at higher prices. A factor of some importance is the removal of rent control. The resulting increase of rents will trans-

(Continued on page 88)

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World of Jute

Good Start for New Year

The figures for stocks of jute goods at the end of December 1957, released this week, show that the jute industry has begun the New Year well as far as opening stocks are concerned. The fact that total stocks at 75,600 tons are only 4,600 tons higher than at the end of the previous month has come as an agreeable surprise because the trade anticipated a far bigger increase. An additional favourable indication is the decline, though small, in the stocks of hessian.

Compared with the corresponding period of last year, the industry's statistical position now is decidedly better. For, stocks are comfortably below one month's

production. As against total opening stocks of 95,700 tons in 1957, the opening stocks in the current year are more than 20,000 tons lower at 75,000 tons. The good demand for sacking goods during the past year is reflected in the greatly reduced stocks of this category of goods which now stand at 39,200 tons as against 64,700 tons at the beginning of the previous year. A year ago hessian stocks at 19,700 tons were the lowest since 1950; but during the second half of 1957 hessians sales lagged behind. Mills were, however, able to keep hessian stocks at manageable levels by switching over a steadily increasing proportion of their hessian looms to the production of

sackings which were in good demand.

*

The jute goods market opened the year on a quiet note in the absence of foreign enquiries. Prices, however, moved both ways due to purely speculative activity. Hessian 40" x 10 oz Ready was finally placed at Rs 39.40 with the Jan-March and April-June positions at Rs 39.70 and Rs 39.90 respectively. In the Sacking section B Twills Ready was done at Rs 106.30 with Jan-March at Rs 106.90. April-June position was very steady at Rs 107.30.

An easier tendency prevailed on Friday though at one time prices showed some improvement on bear covering. Toward close sentiment again turned quiet. Hessian 40" x 10 oz Ready shaded to Rs 39.30. In the forward positions, while Jan-March was slightly lower on balance, April-June was well maintained at Rs 39.90. Elsewhere, B Twills Ready reacted to Rs 105.85 with Jan-/

March and April-June at Rs 106.50 and Rs 106.75 respectively.

Speculative activity was particularly noticeable in hessian on Tuesday while the rest of the market also recovered on bear covering. Hessian 40" x 10 oz Ready closed 40 nP higher on balance at Rs 39.40 while Jan-March and April-June positions were higher by 25 nP and 15 nP at Rs 39.65 and Rs 39.90. B Twills Ready gained 25 nP to Rs 104.00. The Jan-March and April-June positions were also higher at Rs 104.40 and Rs 104.70 respectively.

The undertone was weak on Monday when bears, encouraged by the absence of fresh business, hammered down prices. Hessian 40" x 10 oz Ready dropped 30 nP with similar falls in the forward positions. Jan-March eased to Rs 39.40 and April-June to Rs 39.75. In the Sacking section B Twills Ready declined by nearly two points to Rs 103.75 while Jan-March reacted to Rs 104.10 and April-June to Rs 104.50.

With the release of December-end stock figures, the upward trend in prices continued in earlier dealings on Wednesday. In later dealings there was selling pressure from speculators and prices began to display a sagging tendency. Towards close there was some bear covering due to settlement considerations. Hessian 40" x 10 oz Ready closed with a small gain on balance at Rs 39.45. In the forward positions, while January-March was slightly better at Rs 39.70, April-June remained unchanged at Rs 39.90. Sacking prices were also a shade better with B Twills Ready at Rs 104.10. January-March at Rs 104.40 was unchanged but April-June at Rs 104.80 was 10 nP higher.

The raw jute market opened steady on the strength of some business done during the holidays. Sellers were also reserved in view of the poor arrivals in upcountry centres. As the week progressed, however, sentiment turned quiet partly in sympathy with the goods section and partly on account of the continued absence of mill interest. Assam Bottoms, which opened at Rs 27.00 per maund, after maintaining a steady front for a time, began to develop a sagging tendency and by close stood half a point lower on balance at Rs 26.50. Northern Bottoms declined from Rs 27 to Rs 26.25 per maund while Dalsee Bottoms moved down to Rs 29.75 from Rs 30.50 per maund. At these lower levels some sizable mill business had been reported done.

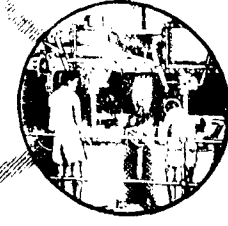
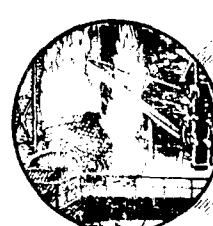
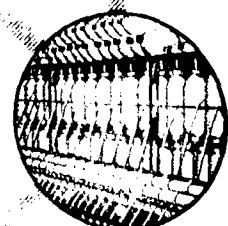
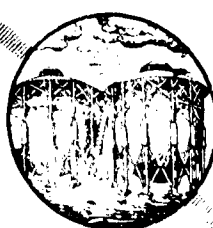
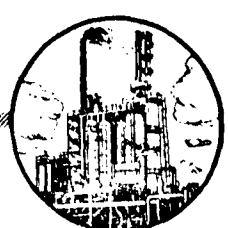
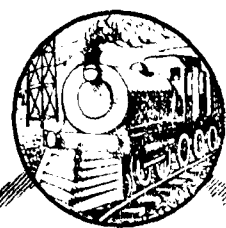
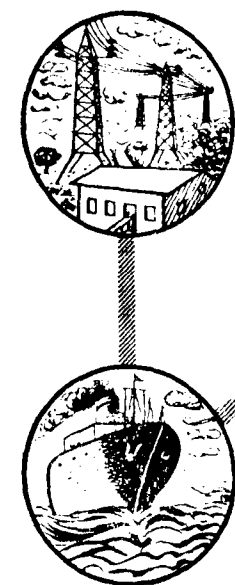
The following table shows the price trend during the week:

Hessian:	Opening Rs nP	Closing Rs nP
40" x 10 oz.		
Ready	39.50	39.45
Jan-March	39.80	39.55
April-June	39.80	39.55

Sackings:

B Twills:	Opening Rs nP	Closing Rs nP
Ready	106.75	104.40
Jan-March	106.70	104.65
April-June	107.15	104.90
Heavy Coes Green	106.50	104.00
Cornsacks	107.50	105.35
Cubans	132.00	130.50
A Twills	129.00	126.50
L Twills	129.00	126.50
D. W. Flours	127.50	125.00
Sugar Bags	122.00	119.50

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World of Tea

Cheerful Opening for New Year

AFTER the holidays, the Calcutta Tea market reopened on a decidedly stronger note and there was a good demand at generally dearer rates. The stronger tone was ascribed largely to floods in Ceylon and fears of a fall in Indonesian output. There is a general feeling that, if the output in Indonesia is affected, its buyers—USA and Holland—might turn their attention to Indian tea. A great deal will, however, depend on Russian buying, which is unpredictable.

In Mincing Lane, the rise in values appears to have been prompted more by prospects that the floods in Ceylon would interfere with the movement of tea from the island to the consuming countries. Demand was also felt to have been boosted following accumulation of orders over Xmas-break.

In the Export Sale held in Calcutta this week, offerings were 61,988 packages. Black Fannings, especially those with a clean black leaf appearance were the strongest feature of the sale. "Teas for price" were sold well and were dearer by 6 to 10 nP per pound. There was good demand for Common and Medium Broken which were 8 to 10 nP dearer, the Fannings grades in these categories being 10 to 14 nP dearer and sometimes more.

Medium BOPs with any quality were sold well; but others in this category were irregular and were a weak feature. Medium Orange Fannings met with more demand and often sold well above valuations. CTC Assams were fairly well supported and generally sold well, particularly the Fannings grades which were often dearer. Non-wither Dooars met with keen competition and were irregularly 10 to 20 nP dearer.

Well-made Whole Leaf grades and stylish BPSs met with a good enquiry at generally dearer rates. The few Darjeelings, on offer, were also sold well. Following rates were quoted, the figures shown within brackets being the closing rates for 1957: Clean Black Pekoe Rs 2.30 to Rs 2.35 (Rs 2.30); Plain BP Rs 1.58 to Rs 1.62 (Rs 1.52); Plain Fannings Rs 1.68 to Rs 1.72 (Rs 1.60); Medium BP Rs 1.64 to Rs 1.68 (Rs 1.58); Medium Fannings Rs 1.78 to Rs 1.82 (Rs 1.68); Best Assam CTC BP Rs 2.60 to Rs 2.80 (Rs 2.80) and Best Assam CTC Fannings Rs 2.50 to Rs 2.60 (Rs 2.60).

In the Internal Sale, offerings were 19,789 packages of Dusts. There was a good general demand for all descriptions with the exception of the fibrous and plain liquoring CTC Assam. Bright liquoring medium and best liquor-

consumption. There was greatly improved demand and prices were dearer. The Green teas, on offer, were sold well with prices generally above valuations.

In the Export Quota section, rates developed a hardening tendency and moved up to 18½ nP from 16½ nP quoted in the previous week. Business was reported done at rates varying from 17 nP to 18½ nP per pound.

About 1,700,000 pounds of Leaf tea were offered for exports in the first auction of the New Year held in Cochin this week. Improved quality teas attracted good general demand and were considerably dearer. Other types were irregularly 10 to 15 nP per pound dearer. Plain types were about steady.

After a lapse of three weeks, auctions were resumed in Colombo last week, when offerings were 6,774,680 pounds. Buyers had successfully exported a fair weight of tea during the interval and there was an active demand. There was a fair selection of Nuwara Eliya teas with quality showing a de-

cline and prices were irregular, resulting in some withdrawals. All grades of high-grown teas met, however, with keen competition at advancing prices.

Among Medium-grown teas, most Broken from Western districts registered an advance of 10 to 20 cents per pound. There was a fair weight of unattractive off-season Uvas, which were sold below last prices following quality.

In Mincing Lane, about 46,600 packages were offered. There was a very strong demand. Prices for good liquoring and flavoury kinds showed advances of 1d to 3d per pound. Plain Fannings were quoted at 3 sh 6d as against 3 sh 5d in the previous week.

Tea stocks in London, as on the 27th December 1957, were 124.12 million pounds as compared to 121.12 million pounds in the previous week and 62.45 million pounds a year ago. Landed between 21st and 27th December were 7.69 million pounds, while deliveries were 4.69 million pounds.

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EDITORIAL NOTES

(Continued from page 82)

The question is how to reduce this scope through the application of mechanical devices, of which several have been put into the field by engineers and scientists all over the world. Special visual aids to the drivers, especially during foggy weather, more powerful lighting or other indications of signals and above all radar, could easily be thought of as some of the means to minimise the number of accidents on the Railways.

At the Transport Users' Conference at Patna, the Railway Minister claimed that the incidence of accidents in India was definitely on the decrease and compared favourably with the most up-to-date railways of the world. On the lay man, who does not have the data to verify the statement, the gruesome character of the accidents may leave a more violent impression. Even if the accidents are less than before, more effective preventives are called for.

TRENDS OF BRITISH STOCK MARKET

(Continued from page 85)

fer some £100 million or more from many millions of tenants to a few hundreds of thousands of landlords. This will mean that, while tenants will continue to pay the same amount in taxation, the amount transferred to landlords will be subject to Income Tax and Surtax which will wipe out more than half of the amount. A high proportion of what remains will be saved by the recipients who being members of higher income groups, save a larger proportion of their income. And a high proportion of what is spent will be spent on luxuries which do not affect the cost of living to anything like the same extent as spending on necessities does. On balance, there will be a marked decline in consumer demand owing to the operation of this factor.

Uneasiness reveals among investors about the prospects of the markets in equities also owing to the decline in raw material prices

and more especially owing to the prospects of a business recession in the United States. It is true, very few people in Britain expect an aggravation of the downward trend in American business. But it is felt that even a moderate recession is liable to have marked repercussions on British business conditions. Few people believe that the "miracle" of 1954, when Britain was able to maintain an inflationary economy in face of a business recession in the United States, without any adverse effect on the balance of payments, would repeat itself in our lifetime. The reason why Britain got away with it last time was that the American recession was operating in 1954 against a background of an expanding world economy. At present the trend of world economy is contracting. Already several raw material producing countries have decided to curtail their imports.

In the circumstances many investors feel that the right course is to switch back into the Gilt-edged market. So the strength of Government stocks is largely due to the weakness of industrial securities. For each investor who believes that Government loans are inherently strong there must be several who prefer them because they are relatively stronger than equities. But whatever be the reason, the outlook for Gilts is good.—(Copyright).

TEA BOARD

EXPORT QUOTA 1958-59

TEA PRODUCERS IN INDIA ARE HEREBY reminded that in terms of Rule 23(1) of the Tea Rules 1954, Tea Estates desiring to be allotted an export quota for the year 1st April 1958 to 31st March 1959 are required to submit an application therefor, which must be filed with the Tea Board not later than the 1st February 1958. No export quota will be allotted unless an application under this rule is duly filed. Application forms have already been issued to all registered estates, but the tea Board will not hold themselves responsible for any omission in this respect, and Proprietors, Agents, Managing Agents or Secretaries who have not received the application forms are requested to apply for these, in the case of estates situated in North India, to the Controller of Licensing, Tea Board, 1-A, Vansittart Row, Calcutta-1, and in the case of estates situated in South India, to the Joint Controller of Licensing, Tea Board, Church Road, Fort Cochin, Cochin-1, South India.

P. V. Govindan,
Controller of Licensing.

S. E. RLY TENDERS

Sealed tenders are invited for Tender No. P.A.G.M.I. (B-5) for supply of 1140 Imp. Gallons of paint Red Lead Ready Mixed non-setting and 465 Imp. Gallons of Paint Red Oxide Ready Mixed. Tenders will be accepted upto 12 noon on 27-1-58.

Tender forms (not transferable) are obtainable from the Controller of Stores on remittance of Rs 5/- (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, S. E. Rly., Garden Reach, Calcutta-23 by local firms.

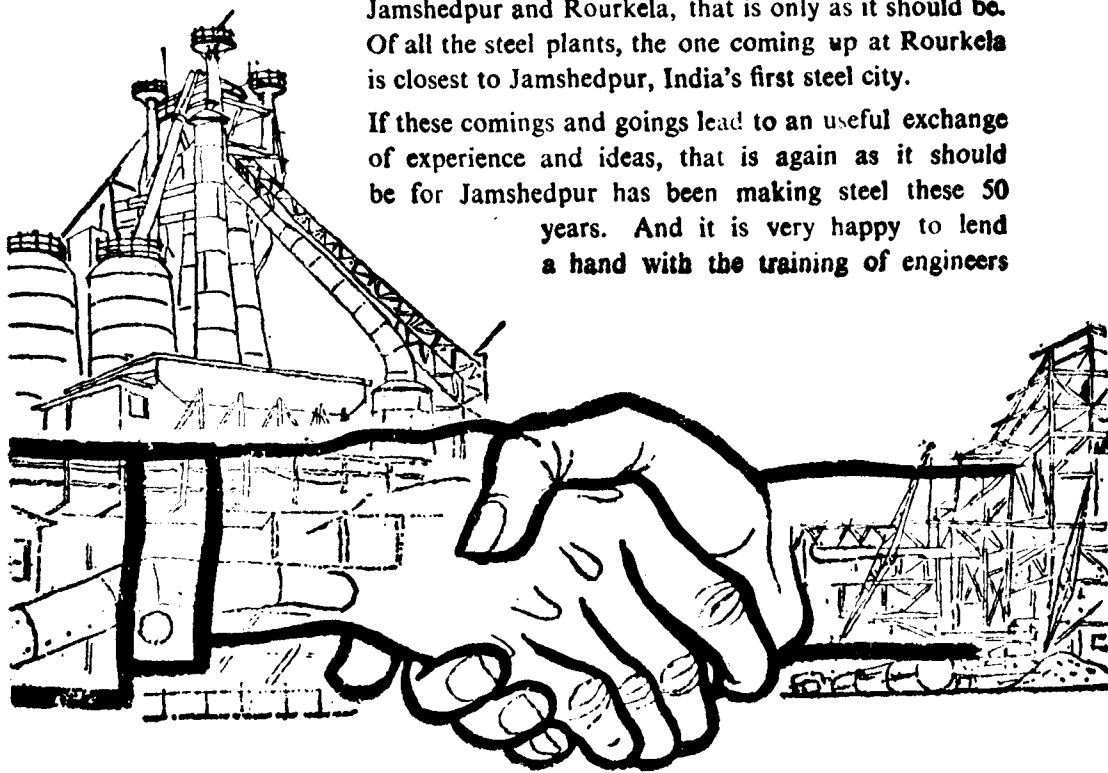
Tender forms should accompany the receipt for earnest money of Rs 920/- from the Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs 1000/- with the Controller of Stores are exempted.

S114 GENERAL MANAGER

From a Neighbour

If there is a lot of comings and goings between Jamshedpur and Rourkela, that is only as it should be. Of all the steel plants, the one coming up at Rourkela is closest to Jamshedpur, India's first steel city.

If these comings and goings lead to an useful exchange of experience and ideas, that is again as it should be for Jamshedpur has been making steel these 50 years. And it is very happy to lend a hand with the training of engineers



Good Wishes
to Rourkela

and technicians for Rourkela. There are nearly 150 of them at Jamshedpur—from key personnel to artisans.

Strengthening these ties of friendship are the surprisingly large number of old Jamshedpur faces that one sees at Rourkela. To them and their colleagues, Jamshedpur sends neighbourly greetings and good wishes.

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Withal, as large a charter as the wind
To blow on whom I please!"
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EDWARD Hilton-Young once likened an organised state to a great factory, and the next step for him was to assert that the Finance Department or the Treasury is, as it were, the engine-house which keeps the machines of government humming with activity. The central importance of the Finance Department is, of course, undeniable; but, for this very reason, it is subject to great strains and stresses, and breakdowns when they occur are all the more dangerous and, therefore, to be avoided. So, paradoxically, the Treasury is both a reservoir of great power and a department of extreme vulnerability. I am not concerned with the strength that flows from the Treasury, but with its vulnerability. I have in mind two Chancellors who have, in recent times, for different reasons, been having a rough time of it.

One is Mr Peter Thorneycroft. Circumstances have compelled him to resign, although the ostensible provocation for such an extreme step appears to be unimportant. In the 12 months that he has been Chancellor, Mr Thorneycroft has had thrown on him a number of problems none of which was of his own making. It was, as it were, his heritage from the Conservative Government of the earlier several years, and events conspired to demand from him a set of measures that could not do otherwise than alienate popular support. The wages costs spiral inflation had gathered terrifying momentum, and during the past financial year the Conservative Government had perforce to adopt stern measures to arrest this alarming trend. I am, as readers know, no friend of a dear money policy. But I am not sure whether Mr Thorneycroft's decision to raise Bank Rate to 7 per cent in September last year was evidence merely of a die-hard adoption of classical policy. For, it was clear in 1957 autumn beyond all shadow of doubt that dear money as such was a futile weapon in the anti-inflationary arsenal. If, then, in spite of such available knowledge, the British Chancellor raised the Bank Rate to 7 per cent, it could only have been if his purpose was something more than merely to continue to fight against inflation with a classical armoury. I should say that the real objective, the underlying aim, must have been to shock the country into an

awareness of the urgency for sacrifice, if necessary, to halt the inflationary pressures. Mr Thorneycroft can at least have this satisfaction that, during his tenure in office, he was able to strengthen sterling in the world's money markets to an extent that has not been, I think, witnessed since the end of the Second World War. But let us make no mistake about it, Bank Rate at 7 per cent and all the attendant concomitant restrictions on credit did not reflect Mr Thorneycroft's capacity for winning friends and influencing people. It is no good wondering how a Labour Government would have acted if it had had to contend with the problems that confronted Mr Thorneycroft. Perhaps, any British Government in the autumn of 1957 would have found inescapable a recourse to unpopular measures. Mr Thorneycroft was all but crucified by one section of the British press. But he stuck to his post; he saw an appreciation in the strength of the pound, he could point to an improvement in the gold and dollar reserves.

But now, Mr Thorneycroft has, if anything, made his exit in a more unpopular way and at an unfortunate and inopportune time. Ostensibly, the reason for Mr Thorneycroft's inability to continue in office is because his colleagues in the Cabinet and he are unable to see eye to eye on the need for cutting down Government expenditures. The amount involved is in itself a drop in the ocean—Mr Thorneycroft has taken umbrage at an estimated increase of £50 million in the expenditure on social services, but £50 million is less than 1 per cent of governmental expenditure. But, if this indeed is the case—that is, if, in principle, Mr Thorneycroft is opposed to any increase in governmental disbursements—then, we have to revise our picture of the outgoing Chancellor, and to label him as the one who has full trust in the classic weapons against inflation. For, while it is undoubtedly true that inflation anywhere, and particularly in the UK, derives part of its momentum from a larger volume of governmental disbursements, the fact is that, in the world as it is today, it is neither practicable nor possible for Government to effect any reduction in social services. Moreover, I may even go to the extent of saying

that, in the perspective of cold war, a reduction in any governmental expenditure is difficult. In the case of the UK, it is particularly hard for defence costs to be scaled down—at least, under the present Conservative Government and in the light of the present attitudes and postures in the cold war of the UK Government. So, where do we go from there? You might say that one answer is to adopt a tougher attitude in regard to labour, that the UK Government should resist any further spiral in the form of acquiescence in any further labour demand for increase in wages. You could say that, in the final analysis, the salvation for Britain from its present inflationary predicament can lie only in higher output as a result of improvement in productivity. That is, in British circumstances, new investment for adding to capacity cannot lightly be permitted, since this in itself releases fresh inflationary pressures. But, on the other hand, higher productivity would, quite definitely, be one answer to inflation. What the new Chancellor, Mr D. Heathcoat-Amory, will do remains to be seen. It is, however, significant that a statement should have been forthcoming to the effect that he would continue to fight against inflation. But, by implication, this is not to include any further strenuous paring of Government expenditure. Does this mean that a new look will be given to the British onslaught against inflation? I hope so, because I personally believe that the time has long passed when classic measures can succeed against inflation. Selective monetary control can alone be effective, unless the country in question is prepared to brave the other economic extreme of deflation or depression. But, here, again, I think there are few governments who can afford to risk large scale unemployment; in these days, no people will countenance such regression in economic policy. Did Mr Thorneycroft believe that the battle against inflation could be vouchsafed only by "correcting" the state of overfull employment by inducing depression? I will not attempt an answer, but I will say this, that Mr Thorneycroft's exit is more likely to be due to the realisation on his part that it would be impossible for him to continue his classic fight against inflation. So, it may be fair, and

not merely charitable, to read in Mr Thorneycroft's decision his anxiety to step aside so that another man could wage another battle with another set of weapons.

Will we be given a preview of what may perhaps be a new economic policy when the Budget for 1958-59 is presented three months from now? I think it is entirely possible that the Government will indeed choose to set at rest the furore that has been aroused by the surprise resignation; and, to this end, the evolution and announcement of economic policy on lines reorientated to the new economics of today would undoubtedly help. Far be it from me to presume to prescribe remedies for Britain's ills. What is more, such prescription would require specialised knowledge of the unique aspects of the British economy, and while I am generally familiar with the problems confronting Britain, I could not go so far as to suggest specifics. There is, however, the duty that I have to draw lessons from international events for the benefit of this country. It is from this point of view that I may now briefly touch upon British inflation, the battle against it, and the significance to India. There was at one time the danger that the Indian monetary authorities might choose blindly to follow whatever the British monetary authorities did. Fortunately for us, it is some years since such "dependence" has been brought to an end. The last occasion when India was more or less aligned monetarily to Britain was in November 1951, when the central banking institution in both countries announced an increase in Bank Rate. Since then, there have been a number of changes in the UK Bank Rate, but there has been only one increase in the Indian Bank Rate. So, I am not worried that, when inflationary pressures make themselves felt in this country, we might adopt tough money policies which, as Britain has discovered, are of no use at all. The one important lesson that Britain offers is that a tough money policy or a dear money policy has been sapped of its strength. The second observation is that, with inflation in Britain, and with the price situation more stable in this country, the rupee price of imports from the UK tends to go up. I may state here that Britain is possibly

more worried in this matter than India. For, unabating inflation can destroy the competitiveness of British goods in export markets. So far, internal inflation in Britain has not greatly adversely affected British exports, because prices continue to be competitive. So, although the rupee cost of our

imports has been going up, the prices have not been unreasonable. If Mr Thorneycroft's exit is, as I have thought it might be, a harbinger of a new economic policy which is more successful in combating inflation, then we have reason to anticipate an improvement in our favour now, since

imports from Britain might cost less.

I would add a last word, and that is that, in Indian circumstances, even the experience of industrialised countries which have been hard hit by inflation does not offer useful lessons. So, I put it to the

reader that we have come to a stage when it would be folly to place undue emphasis on anti-inflationary measures implemented in other parts of the world. The second Chancellor that I am under commitment to discuss is, of course, Mr T. T. Krishnamachari; I will leave him over for the next week.

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The New Year has brought special rejoicing to Clive Street and very rightly. One of the most important members of the British business community, Mr O. T. Jenkins, senior Managing Director, Balmer Lawrie & Co. Ltd., who has spent long years in India has had his services suitably recognised, with a knighthood conferred on him in the Honours List. Other recipients of honours include Mr J. R. Wilson, Deputy Chairman and Secretary of the Assam Branch of the Indian Tea Association, who receives an OBE; Mr T. King, Manager for India, Linotype and Machinery Ltd., and Mrs Z. M. Powell, wife of Mr R. L. Powell, Director of Begg, Sutherland & Co., Ltd., Kanpur. (I might add here that newspapers will feel grateful that Mr King's services have thus won recognition). The New Year honours seem to have missed Bombay's British businessmen this year, but I wish them better luck next time, on the Queen's birthday. Talking of titles, honours and decorations, I do not think they are "birdlime for fools", as a cynic said. I rather think they serve a very useful purpose in marking out people who have achieved distinction in their own fields of work. In India, one notices with regret, authority is somewhat allergic to businessmen and industrialists, especially where official honours are concerned. Mr J. R. D. Tata, it will be recalled, received recognition from the French Government for his pioneering work in the aviation industry and from a private body in the USA for his leadership in business management long before he qualified for a "title" at home. Mr G. D. Birla, if I am not wrong, has been fortunate in obtaining a Padma Vibhushan, but there are several other distinguished names in Indian industry which would seem to deserve recognition. One readily springs to mind, and that one is associated with the great enterprise at Burnpur. There are many examples of the title 'Sir' being levelled down to plain 'Sri', but to let the affected go without some sort of compensation looks less than charitable, especially when many Indians are even now allowed to be decorated by foreign governments.

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One recent case is Sir C. V. Raman, who received the Lenin Prize just a fortnight ago, and another is Dr A. K. Saha, the eminent orthopaedic surgeon, who was recently made an Honorary Admiral of the State of Nebraska while on a lecture tour of the USA.

EAVESDROPPER

Bombay Review

Gateway Gossip

Foreign Investment Balance-sheet

THE Reserve Bank of India has again made an assessment of India's liabilities and assets, and with the latest study, which was released in the Gateway City over the last week end, a picture is available of the Indian foreign exchange balance sheet as at the end of 1955. This, I may remind the reader, is the third Survey that has been made by the Reserve Bank. The first one undertook assessment as at 30th June 1948; the second analysed the period up to December 1953; and the latest reviews developments in this sphere during 1954 and 1955. The Survey is already more than two years old, and to that extent, I am afraid, its usefulness becomes reduced. This limitation is recognised by the Survey, which asserts that it is very likely that, by the end of 1957, India has already become a net debtor country as a result of a sizable decline in the sterling assets and large additions to its liabilities particularly to the USA, the IMF and the IBRD. But while it is true that there has been a revolutionary change in India's international monetary balance sheet, we must bear in mind the fact that the substantial increase in foreign exchange liabilities, which have thus transformed India into a net debtor country, has been derived from the Second Plan efforts at increasing industrialisation. Moreover, the prospect almost certainly is that India will continue to be a debtor country in this wise at least till the end of the Third Plan. It is only then, only by that time, that the new industry set up in this country will have started to contribute to foreign exchange earnings and thus help to reduce, by repayment, foreign exchange liabilities. Where the Survey assumes an important and instructive significance lies in the attitude of the foreign investor as far as this can be discerned in reading between the lines of the Survey. In this light, and looking in particular for implicit rather than explicit evidences, I may now proceed to examine what the Survey has to offer.

As at the end of 1955, India's net international investment position showed a balance in our favour of Rs 961 crores; and this represents the official sector. In the non-official sector, the net position was an excess of liability to the extent of Rs 475 crores. Taking both into account, India's net credit position is to the tune of Rs 485 crores. We figure as a creditor in respect of two countries: the UK, to the tune of Rs 408 crores, and Pakistan, for an amount of Rs 269 crores. But this in itself shows a substantial fall from our net position of credit of Rs 557 crores at the end of 1953, and of Rs 1504 crores at the end of

June 1948. The decline of over a thousand crores in our net credit position is almost wholly derived from our running down of sterling balances, since our UK assets have fallen from Rs 1591 crores in June 1948 to Rs 852 crores in December 1955. Since, subsequently, in 1956 and 1957, there has been a further decline in India's sterling balances to the extent of Rs 400 crores odd, it is clear that, and in view of the purchase of currencies from the IMF as well as the further loans obtained from the World Bank, India will figure as a net debtor country as at the end of 1957.

There is little that needs to be noted in regard to the long-term foreign liabilities and assets in the official sector. The liabilities are largely made up of loans from the USA, from the UK, from IBRD and dollar purchases from the IMF. The total liabilities in the official sector are placed at Rs 173 crores at the end of 1955, and they show a fairly sharp drop from Rs 213 crores at the end of 1953. The decline is largely owing to the repurchase of currency from the IMF, which reduced liabilities by Rs 41.6 crores. Also, on the assets side, the foreign assets of the official sector are found to have gone down by Rs 58 crores to Rs 420 crores. This is due to the settlement of the Inter-Government debt of Rs 48.2 crores due from Burma. Of the foreign assets, the bulk is comprised by Britain, the figure against which is Rs 393 crores.

Next, in respect of the long-term foreign liabilities and assets of business enterprises in India, the total business liabilities at the end of 1955 were placed at Rs 532 crores. Of this, direct investments account for the major share at Rs 411 crores. Of portfolio investments, equity capital is placed at Rs 55 crores, of which investment in manufacturing is shown to be Rs 24 crores. The total foreign capital in manufacturing activities is Rs 178 crores. Among the creditor countries, Britain continues to be predominant with a figure of Rs 402 crores, accounting for 77 per cent of the total business liabilities. The US is a creditor to the tune of Rs 45 crores, and the other countries make up the balance. Against such liabilities under business enterprises in India, the long-term assets of Indian joint stock companies make poor showing. These assets amount only to Rs 54 crores. Of this amount, Rs 20 crores are represented by the UK and Rs 17.6 crores by Pakistan.

Foreign business investments as at the end of 1955 show an improvement of Rs 61 crores over 1953, to be placed at Rs 480.6 crores. However, part of this increase is accounted for by revaluation of assets

by tea companies, and the Survey notes that 'foreign investments in this sector were written up by as much as Rs 20 crores'. So, the net change in foreign investments is thought to be around Rs 39 crores. The cash transfer on account of repatriation of foreign business investments is put down at Rs 10 crores, while inward remittances for investment amounted to around Rs 3 crores. A second way in which the increase in foreign investment was enabled was by addition to reserves. The gross addition to reserves of foreign-controlled companies is put down at Rs 45 crores; but withdrawals for transfer abroad amounted to Rs 22 crores. Thus, the net inflow, in the sense of additions to reserves, was in the vicinity of Rs 23 crores; but the Survey makes it a particular point to note that this estimate refers only to retained earnings held in India—that, earnings transferred abroad may still be retained as reserves by the parent companies concerned. The average annual rate of capital inflow is thought to have declined from Rs 24-25 crores to Rs 17-18 crores.

At this stage, there is the hint that foreign companies are not ploughing back into reserves as much as do the Indian companies, the Survey making a reference to the much higher volume of business savings of the mainly Indian owned companies. In the breakdown of non-banking business investments, attention has been drawn to the plantations industry, wherein apparently there was an increase in investments for Rs 15.7 crores. But this is to overlook the fact that there was revaluation of assets for around Rs 20 crores. Consequently, the Survey says that it appears that 'the plantations industry has repatriated assets to the extent of Rs 4 crores'. Also, of course, there was the fairly substantial element of transfer of ownership of foreign tea gardens into Indian hands.

Significantly, foreign investment in the so-called new companies has been at a faster pace than in companies established prior to July 1948. The new companies received a total net investment of Rs 24 crores as against Rs 11 crores in the case of old companies.

Lastly, a country-wise break-down of changes in business investment indicates that four industrial countries—the UK, the USA, West Germany and Switzerland—increased their investments by Rs 175 crores in the period between July 1948 and December 1955. Although the UK continues to figure as the leading investor of capital, its investment during 1954 and 1955 was much smaller than during the earlier period. On the other hand, investment by the US in India is tending to improve substantially—but such

improvement as has been recently registered was due primarily to the inflow of capital on account of the petroleum industry.

In conclusion, I am afraid that the lesson that 1954 and 1955 have to offer for us is that the scope is extremely limited either for an increase in the foreign assets of the non-official sector or in the flow of new capital investment in the non-official sector. Such, in any case, will be found to be the position as at the end of 1957. Fortunately, there is now the hope that, with the deliberate attempt by Government to make the investment climate more favourable, we may be able to attract a larger quantum of foreign capital in the future.

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BALANCE-SHEET REVIEWS

(Continued from page 80)

Fund. The directors have recommended a dividend of 7½ per cent.

₹ ₹

Calcutta Hydraulic Press

The Calcutta Hydraulic Press Company Limited has recommended a dividend of Rs 3 per share for the year ended 30th June 1957, the last dividend being paid for the year ended 30th June, 1954, at Rs 4 per share. The accounts reveal, before providing for Depreciation, a net profit of Rs 46,784 as against a loss of Rs 22,375 in the previous year. The sum set aside for Depreciation is reduced to Rs 1,946 from Rs 3,244, while a sum of Rs 13,500 (Rs 9,500) has been provided for Taxation.

It may be added here that, in the case of the previous year, the directors had transferred as much as Rs 2.93 lakhs to Block Realisation Account and Rs 94,207 for Reserve for Depreciation on Investments; and this was possible only after transferring a sum of Rs 3.85 lakhs from Reserve; Rs 46,805 being profit on sale of stores; Rs 96,486 being profit on investments and Rs 5,000 for excess tax provisions, no longer required.

₹ ₹

Singareni Collieries

The Singareni Collieries Company Limited has reported satisfactory working results for the year ended 31st December, 1956. Both production and despatches are higher at 1,681,577 tons and 1,566,529 tons as against 1,526,570 tons and 1,462,112 tons respectively in the previous year. The net profit, after providing for Depreciation and Taxation, amounts to Rs 8,20,392 as against Rs 7,56,418 in the previous year.

In respect of allocations to Funds, the directors have provided Rs 35.94 lakhs (Rs 32.12 lakhs) for Depreciation; Rs 6.75 lakhs (Rs 7.50 lakhs) for Taxation; Rs 1.00 lakh (nil) for Wealth Tax and Rs 75,000 (Rs 1.75 lakhs) for Dividend Equalisation Fund. The dividend is, however, passed over.

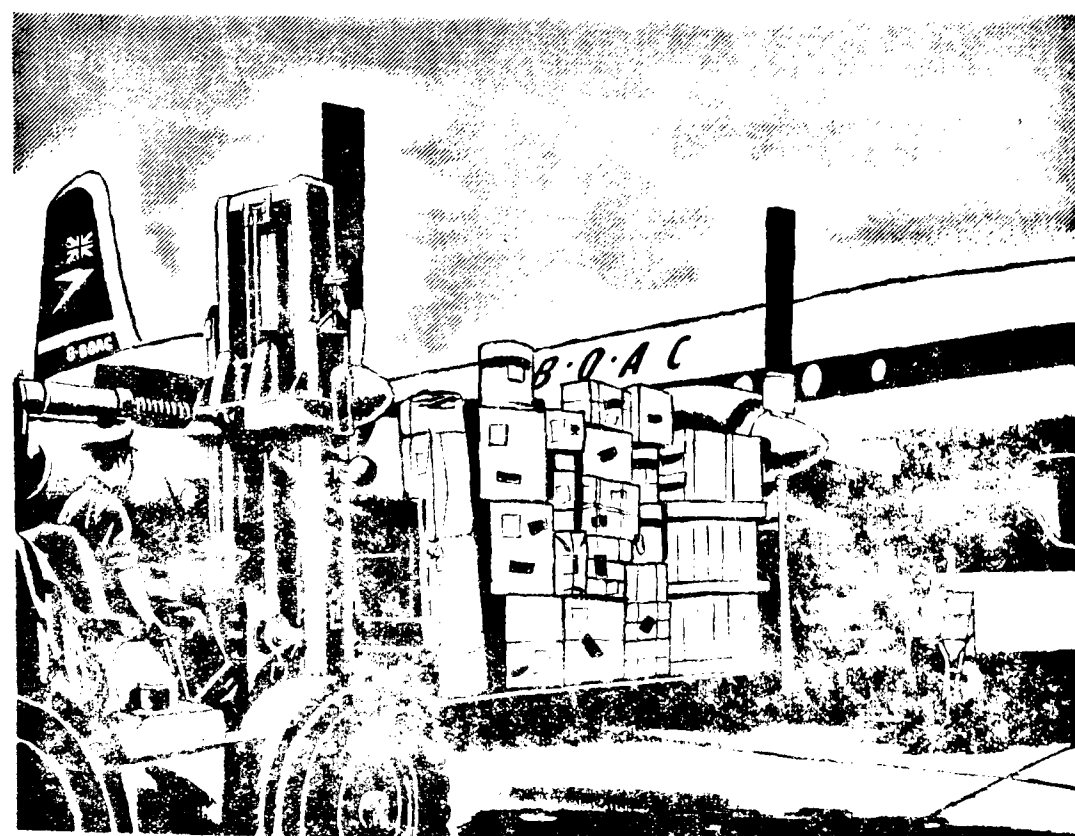
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Bombay Review

The Oil Industry

If the oil industry in our country has taken rapid strides in recent years, it is largely because of the realistic policy adopted by the Government of India. Whereas a few years ago we were importing the bulk of our oil products, today we have three big refineries manufacturing these products from crude oil. Considering the fact that the oil industry from the location of oil upto the stage of its actual use in the multifarious walks of modern life is a complicated and expensive process, the progress achieved by the industry in India is no mean achievement. Our Government have, however, to share the credit with the foreign oil companies who have so magnificently responded to the trust reposed in them by the Indian people.

The vital place of oil in a modern economy is clearly brought out by the fact that in the past 40 years industry has come to depend more and more on oil. As against its share of 20 per cent in 1925, oil has accounted for 49 per cent of effectively utilised commercial energy in 1955. During this period world production of oil has increased from 100 million tons to 800 million tons. The increasing demand for oil in India has become apparent in the course of the past seven or eight years. From a consumption of about 2½ million tons in 1948, it has increased to about 5 million tons per annum at the present juncture. It is calculated that such consumption will double itself in another ten years or so. It is further estimated that with the series of Plans in coming years, India's requirements of oil may touch the 50 million ton mark by 1975. Therefore, it has been the endeavour of Government not only to foster the setting up of oil refineries but to take energetic steps to conduct a systematic and thorough search for oil in the country. It is gratifying to note that the foreign oil companies who have set up their refineries here are also participating in the prospecting for oil.

The rapid growth of the oil industry in India gives the lie direct to the erroneous impression held by some that investments in this country are neither safe nor profitable. An effective answer to these doubting Thomases is found in the progress report issued recently by the Standard-Vacuum Oil Company itself. "The latter factor not only encouraged the investment of private capital in many industries including the oil industry, but demonstrated that

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INDIAN FINANCE

[January 11, 1958]

Gateway Notes

private companies and the Government could establish mutually beneficial relationship in the development of India's resources." The factor referred to is "the favourable political and economic climate in the country".

It will not be out of place here to note a few facts about Standard Vacuum which meets about a fourth of our requirements of petroleum products. In 1956 the company sold 96 lakhs barrels of oil as against 46 lakhs barrels in 1947. The number of employees has increased from 4300 to 6294. The company's contribution to the Indian Exchequer has more than doubled during the past six years to nearly Rs 166 millions. The total assets of the company in India were approximately Rs 117 million in 1949. They are now valued at Rs 415.5 million. An important aspect of Stanvac's operations in India is its planned personnel policy of increasing participation of Indians in positions of higher responsibility.

In their beautifully got up publication "Survey of Activities 1956", Burmah-Shell, who can justifiably lay claim to their status as expressed in their slogan "Burmah-Shell in India's life and part of it", have shown the important place occupied by them in India's oil industry and trade.

The Burmah-Shell booklet give some interesting sidelights on the oil trade and industry in India. Total consumption of petroleum products in 1956 increased by approx-

imately 8 per cent. This rise was largely reflected in two products, kerosene and high speed diesel oil. The pattern of demand in 1948 as compared with that in 1956 reflects in some measure the new emphasis in Indian affairs. Kerosene which constituted only 25.32 per cent of the total demand now accounts for 31.39 per cent. The rapid strides taken by the country in industrialisation and the increased use of diesel transport are brought out clearly by the big increase in the consumption of high speed diesel oil which constitutes 11.14 per cent of the total demand as against 2.92 per cent in 1948. A highly significant fact is that prices of petroleum products have remained steady during the past year in sharp contrast to other commodities.

A glimpse of the future that is in store for us in this country can be had from one of the many charts found in the booklet. One learns from it that in the USA per capita energy consumption expressed in metric tons of coal equivalent is very high. Italy, France and UK have a per capita consumption ranging from 2 to 5 tons. The chart shows that per capita income and energy consumption go hand in hand and concludes that energy consumption per head of population is a reliable indicator of living standards. The inference for India is that with the improvement in the standard of living the per capita energy consumption will go up. As a major supplier of petroleum products (the company already supplies more than half of our requirements of petroleum products) Burmah-Shell has a busy time ahead.

the closing quotation being more than Rs 7 from the starting rate for the Posh contract, the Bullion Association called on the bulls to deposit a margin at the rate of Rs 500 per bar of silver on their net outstanding purchases. Maha delivery closed at a discount of Rs 2 from the Posh contract, reflecting thereby the backwation charge of Rs 2 in favour of the bulls. Spot silver was quoted at Rs 189.56 to Rs 189.69.

The trend of prices in the Gold section was largely in sympathy with silver with Maha delivery advancing to Rs 108.44. Spot gold commanded a premium of Rs 25 nP at Rs 108.59. Sovereign was, however, quiet at Rs 69.87.

Oils and Oilseeds

Sentiment in the Oils and Oilseeds markets remained generally depressed. The continued absence of overseas demand for castor oil mainly demoralised the sentiment. Groundnuts and other seeds moved in sympathy.

In the Castorseed section, conditions remained subdued due to a weakening spot position. Although arrivals were comparatively small, prices tended to decline for want of support. Meanwhile, Castor May delivery touched a high of Rs 139.25, to recede towards the close to Rs 136.50.

Activity in the Groundnut section was at a low ebb. The Government continued their silence regarding export quotas for groundnut oil and HPS groundnut. With the result, sentiment softened noticeably. February delivery opened at Rs 155.62 and, after improving to Rs 155.75, receded at the close to Rs 154.87.

Trading in the Linseed section was dull; and the lack of overseas demand for linseed oil depressed general sentiment. Linseed May delivery started at Rs 31.31 and finished at Rs 31.06.

In the Cottonseed section, February delivery began at Rs 95.50, and, after touching a low of Rs 94.75, finished better at Rs 95.

Yarn

The Bombay Yarn market displayed fresh strength with both Art Silk and Staple-Fibre yarns touching new higher levels on speculative support, although the actual business put through in the ready market was negligible.

The scarcity of imported foreign yarns became more acute. With the result, prices of indigenous yarns also firmed up.

The Rayon section showed signs of slight improvement, thanks to the settlement of the question of Sales Tax on old stocks of rayon cloth.

January 11, 1958]

INDIAN FINANCE

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Bombay Review

World of Cotton

Cloth Market in Doldrums

ACTIVITY in the Bombay Cloth and Piecegoods markets continued to be at a low ebb despite the enactment of the long-awaited legislation to merge Sales-tax with the excise duty and a reduction in the excise duty on medium variety. In general, the market is still groping in the dark, being unable to find a way out, although the legislation is meant to provide some relief to the industry and also to help the clearance of accumulated stocks of cloth. Dealers are of the opinion that the turnover will improve only after the Sales-tax issue on old stocks is resolved.

Perhaps, with the official announcement by the Bombay Government to compound the Sales-tax on textiles, it is just possible that the Central Government may as well induce the various State Governments to exempt from Sales Tax all such goods lying with the trade before December 13, 1957. The expectations are that, as soon as this hurdle is crossed, there will be

substantial enquiries from up-country dealers whose present stocks are reported to be meagre.

Only scattered enquiries are reported from foreign countries. Slack overseas demand is to be attributed to the intervention of the New Year holidays. Hopes are, however, entertained that foreign demand will improve in the near future. Some business is reported done with Burma; but the prospects will improve further when import licences are issued to the Joint Venture Corporations. No fresh business is possible with Indonesia due to the political trouble. There are stray enquiries from Hongkong, while Singapore has booked small quantities of bleached longcloth.

COTTON FUTURES

Although hopes of an export quota and a reduction in the export duty on Bengal Deshi helped forward rates to forge ahead early in the week, prices developed a reactionary tendency towards the close due to profit-taking. Unusually rains in Gujarat and Saurashtra also aided the bearish sentiment and speculators tried to rig up the market by lending fresh support. Turnover was 10,000 bales. ICC Moglai Jharilla started at Rs 670.50 and, after touching a high of Rs 677.75, receded at the close to Rs 674.75.

It is understood that forward trading in cotton will be started simultaneously in Akola and Ahmedabad this month. All the preliminary arrangements have been completed; but the official sanction from the Government of India is awaited. Trading was to have started around January 15; but this has been postponed by about a week.

The market at Akola will be mainly for Vidharbha, Khandesh and Gaorani areas in Andhra which produce about 10 lakh bales, while that in Ahmedabad will enable the local textile industry to hedge about 8 lakh bales grown in Gujarat and Saurashtra. The basis for trading at Akola will be Berar cotton contract of 24-32" and for Ahmedabad MG Kalyan 25-32". Akola will have March, May and July contracts, while Ahmedabad will have April, June and August as delivery months.

Meanwhile, the Forward Markets Commission has been trying to put, on a sound footing, the business at Ujjain and Indore, started last year. Forward business at both the centres has not proved popular. Ujjain has, however, shown good interest in forward business in cottonseed.

SPOT MARKET

The Spot section, however, ruled steady with prices of Vijay cotton advancing on reports that the quality of the new crop was better than expected. Mill demand continued for Berar and Khandesh varieties.

In the export section, attention continued to be centred around the forthcoming meeting of the Cotton Advisory Board. The meeting will be held on the 10th January when shippers are expected to stress the need for a reduction in the export duty on Bengal Deshi variety. A higher export quota will also be demanded by them. The question of importing higher growths of East African cotton is also likely to come up before the meeting.

On the import front, there were no new developments. Spot lots of Americans and East Africans continued to be in good demand.

CROP REPORT

According to the latest reports, the crop in Berar and Khandesh has been marketed to the extent of 65 per cent, and 50 per cent in Moglai areas. About 60 per cent of the crop in the Punjab has also been marketed, while the season has commenced in Karnataka.

NEW YORK COTTON MARKET

Prices on the New York Cotton futures market firmed up last week and the list closed 50 cents to 2 dollars per bale higher. Buying was credited mostly to commission house buying and New Orleans interests. New crop months, which made seasonal highs, led the advance on renewed sentiment among traders that major changes in cotton legislation in time to affect the 1958 crop was unlikely.

Under the present programme, traders looked for a somewhat higher loan on the 1958 crop, because of the prospective further reduction in surplus stocks this season. The shortage of desirable cotton from the present crop and the lack of aggressive hedge selling by dealers also stimulated a good deal of short-covering by professional traders. Middling Spot was quoted at 36.45 cents per pound.

LIVERPOOL COTTON MARKET

In a dull trading on the Liverpool cotton futures market, the near positions tended to be firmer, reflecting the transfer of hedges into later deliveries. Fresh mill hedging in more distant positions also reduced the inter-month discount.

S. E. RLY TENDERS

Sealed tenders are invited for (a) tender No. CS/PC. 1144/B/26 for supply of 2 pumping sets, electrically driven vertical spindle, deep well turbine, capable of pumping 10,000 gallons of clear water per hour against a total head of 150 ft. from all causes complete with motor suitable for 400 volts, 3 phase, 50 cycles supply etc. as per specification for 20' dia. well at Waltair; (b) for tender No. CS/PC/1145/B/27 for supply of 2 pumping sets, electrically driven vertical spindle, deep well turbine, capable of pumping 10,000 gallons of clear water per hour against a total head of 120 ft. from all causes complete with motor suitable for 400 volts; 3 Phase, 50 cycles supply etc. as per specification for 30' dia. well at Waltair. Both the tenders will be accepted upto 12 noon on 27-1-58.

Tender forms (not transferable) are obtainable from the office (P.C. Section) of the under-mentioned on remittance of Rs 2/- (not refundable) per copy of form for each tender by money order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, S. E. Railway, Garden Reach, Calcutta-23 by local firms.

Firms not on the Railway's approved list of contractors must obtain a cash receipt for earnest money of Rs 250/- for each tender from this Rly.'s Chief Cashier and enclose a valid Income Tax Clearance Certificate with each tender without which tender is liable to be rejected.

CONTROLLER OF STORES
112 & 113

GATEWAY MARKETS

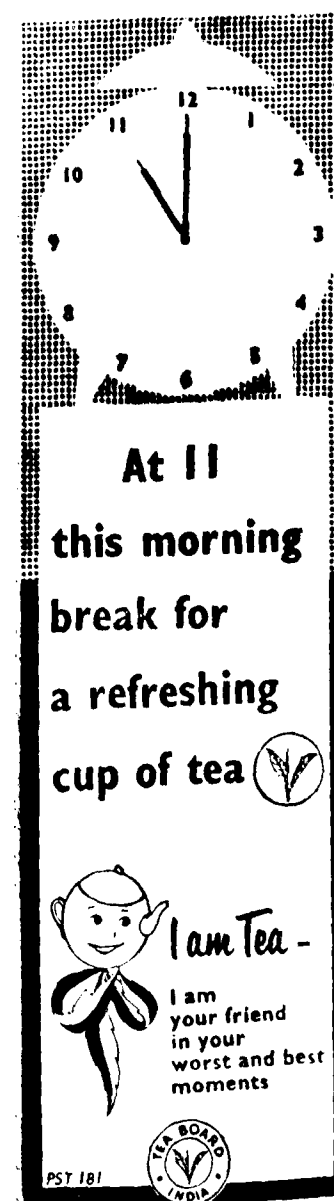
Silver Scales New Peak

THE Bombay Bullion Exchange was spotlighted by a spectacular advance in Silver. This metal scaled a new peak after a long time on very strong support from powerful bull magnates whose financial capacity helped them to extract from bears heavy penalties of backwation charges amounting to Rs 2. The strength of the 'longs' was evident from the fact that the backwation rates, which had shrunk from Rs 1.25 on Saturday to almost nothing due to the receipt of about 200 bars in delivery, rebounded to Rs 2 as a result of the reports that the bulls had already made arrangements to take delivery of as many as 1,000 bars. This led to frenzied covering by 'shorts' who were threatened by a paucity of

stocks. The prices, consequently, soared to higher levels.

Despite low upcountry demand, bulls in the Bombay market succeeded in rigging up the maturing Posh contract to Rs 190, a rise of about Rs 5 per 100 tolas within two weeks. Bulls have been lending support to the market on rumours that import of silver coins from Tibet would considerably decline in the coming three months due to winter.

The trend of forward prices in silver has, however, no relation to demand for the metal in the spot as will be seen from the discount at which it is quoted, being as much as 62 nP over the current settlement rate. The backwation charge having widened to Rs 2 and



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In Defence of Rajaji

AT his monthly press conference last week, Mr Nehru dealt with a number of topics of current interest, but the spotlight was centred mainly round a matter of considerable internal topicality—the question of official language for the purposes of the Union Government. In recent weeks, this issue has been loom'ng large in public discussion and it will be idle to deny that the country is seriously divided over the issue. What is even more disturbing is the fact that this division is not dispersed but has polarised itself in terms that offer the most serious threat to our unity. The issue itself is bound up with the most primitive instincts of group sense and more obviously with bread and butter. In such a situation, it is hardly surprising that it should take on ugly overtones of a political sort, and expressions like Hindi Imperialism and the domination by the North of the South and so forth should be freely used. There is evidence that the sinister possibilities of the situation are being under-estimated by those in authority. It is, therefore, necessary to give the more than immediate background of the problem.

It is well known that, in the South, well defined and well organised political groups with unashamed communal orientations have for a long time been making the issue of North versus South the principal instrument of rabble-rousing and channelling hatred against the minority but comparatively well-off brahmin community. The politics of these groups has at all times hovered dangerously between legitimate, though somewhat hysterical, self-pity at one end and anti-national separatist claims, at the other. In their psychological motivation as also in their consciously adopted attitudes and formal insignia, these parties have all the classic symptoms of incipient fascism. A burning sense of grievance on account of social inferiority vis-a-vis a minority community is being manipulated consciously for the avowed political aim of having a separate Dravidastan alike in all respects with Pakistan. The idea of a homeland overrun by 'foreigners' from the North who rule the roost is sedulously propagated; not even parliamentary legitimacy, achieved by the DMK, one of these parties getting into the legislatures, has made any difference to this final aim. This last statement is not a matter of inference from conduct, but is based on the solemn avowal of the leadership of the party. The dubious politics involved in this attitude is buttressed by a lot of bogus racial hocus pocus (exactly in the manner of the Nazis) and an

almost continuous campaign of baiting the minority by a species of persecution that is not important enough to be considered as anything more than a minor nuisance. Thus, walls are scribbled with insults and thugs in groups prowl about hurling obscenities at passerby with impunity. Every now and then, the papers report acts of hooliganism deliberately fostered by one of these two groups; but the comedy involved in these extravagances (like the solemn burning of classics and deities—another Nazi symptom) blunts somewhat the edge of the morals of these events. More recently, however, acts of violence against the minority community have been increasing in number and daring. Mr Nehru's vigorous, but somewhat general, condemnation of these acts has not helped to bring about any change in the situation. Indeed, a fresh wave of unrest has once again broken in Madras, because of the alleged 'insult' to some leaders of the South by Mr Nehru.

The activities of these people, I am afraid, are for some reason being underplayed. It is true that Drivida Khazakam with Ramaswami Naicker as its leader is less influential than it used to be before the splinter group led by the younger sections of proteges broke away to form a party of their own to be called the Dravida Munnetra Khazakam. It is also true that Mr Ramaswami Naicker is all the time warning his followers against the wiles of his erstwhile colleagues and, indeed, actively worked against them during the last elections. He even went so far as to ask his followers to vote Congress, because Mr Kamaraja Nadar was in the Congress. But the younger party all the time pays its customary homage to the 'Periyar' (as Mr Ramaswami Naicker is called reverently by them) and disapproves of him, if at all, more in sorrow than in anger. As recently as a month ago, there were rumours of a reunion. In any event, the large mass of grievance-ridden following of the two parties has no clear ideas about their mutual differences and, in the common demand for a homeland for themselves in which the brahmin will have no place and which will not take its orders from Delhi, they are united.

The strategy of the Congress in dealing with this menace has at its best been muddled, and at its worst equivocal. Periodical lectures on 'casteism' from the higher ups have meant different things to different people. So much so, a non-brahmin Congressman and indeed any non-brahmin interprets Mr Nehru's frequent references to this topic as a direct admonition of the brah-

min who still puts on his caste mark and has not shaved off his tuft. The brahmin, who has given up long ago all the duties enjoined upon him by the code that had governed the conduct of his forefathers, imagines that Mr Nehru is denouncing the rabid communalism of the Dravida Munnetra Khazakam. In the result, the stark political fact of a communally oriented politics is missed by all. There is also evidence that the central authorities of both the Congress and the Government are not aware of the extent to which political health has been infected in the South and politics in the South has been brought into complete disrepute by these undercurrents, and whoever is the beneficiary of this state of affairs, it cannot be democracy.

All this may seem a far cry from the language question, but it is not. Indeed, a wise decision taken at this juncture may yet turn the tide of southern politics. There is considerable impatience, even among those who ought to know better, at Mr Rajagopalachari's associating himself actively with this issue. Often in the past, Mr Rajagopalachari's cannyness penetrated farther and deeper than what is visible on the surface. In the present context, it is Rajaji's insight into the political consequences of any kind of imposition from above that has made him rush into the arena. Fancy what would have happened if Rajaji had not stepped into the fray and dragged along with him sober and even staid liberal opinion. The Government of Madras have quite naturally their inhibitions in the matter. If Rajaji had not got into the controversy, it would have meant that the championship of the rights of the Tamils would have slipped into the hands of a group of people who are sure to work up the Hindi question into one that would have led to secession of the South from the Indian Union. If anyone thinks that is mere scare-mongering, he may be safely put down as a man who does not know the first thing about the politics of Tamil Nad. Of course, it will be argued that, if any such separatist claim is seriously put forward, it will be firmly resisted with all the powers of the Union. It is true that that is how the demand should be dealt with. But how long can you keep within your fold by force a people who want to clear out? And even if you succeed, does it make for healthy democratic politics?

The only thing to be done was, therefore, to steal the Dravida Munnetra Khazakam's thunder from it and that is precisely what Rajaji has done. Mr Nehru said a number of wise things about the language question at the press conference. As far as he is personally

concerned, he has always held an open mind on the question, and, as he put it, 'he possesses no views that he is not prepared to change in order to have general acceptance'. But he expressed himself pained at the manner in which Rajaji has chosen to act on this question. Here, I am afraid, Mr Nehru does less than justice to Rajaji's finesse and well-known political acumen. As I said, what Rajaji has done is to take in advance the wind out of the sails of any Dravida Khazakam claim that the henchmen of the North in the South have tamely acquiesced in an imposition which every one feels to be an imposition. He has also scotched the possible pretence that the only friend of the people in the South is the Dravida Khazakam or the Dravida Munnetra Khazakam. And, in doing this, he has not played a lone hand, leaving room for all manner of interpretations. (Of Course, as Rajaji must be often feeling ruefully, there is hardly anything that he does that is not subject to this kind of inquisition!) By associating other elder statesmen of equal unimpeachable intellectual integrity patriotism and claim to be listened to with respect, he has in the first place saved the Congress a possible embarrassment. Rajaji's lone voice against Hindi would divide Congress opinion, but an opinion shared by all shades of political thought has no such embarrassment to the Congress. Moreover, it is not now open to DMK and DK to say that it is only Rajaji and not the official Congress who is the friend of the Tamil and they still are the only champions of the people. The language question has now been lifted clean out of the party political sphere and, whatever happens, the DK and DMK can get no political result out of it. This, I submit, is a service to the country of incalculable value, and we have every reason to be grateful to Rajaji for it. It is characteristic of him that he should have sensed the national implications of the whole question and set about doing something about it. It is also characteristic of him that he should have done it in this controversial way! There has never been a solution that he has thought up (and he has thought up dozens of them) that has not always bewildered less astute men and he, for some reason, does not explain all the implications for his action. It is a nice point in psychology worth exploring. In this case, for instance, he has not dealt with the aspect of the question I am discussing. And, surely this must have weighed with him, but why does he do things in this way? Is it unconscious modesty? I, for one, will not rule out the possibility. Some of the greatest men of the

(Continued on page 97)

North Indian Notes

Foreign Aid

THE total amount of foreign exchange that is likely to be spent on various projects in the current financial year has been estimated at about Rs 182.5 crores. This includes a sum of Rs 50 crores on account of assistance under the US PL 480 programme of supply of foodgrains and other agricultural products and Rs 39 crores being the Soviet assistance for the Bhilai steel project. But these exclude the credits of Rs 60 crores to be made available by the USSR from 1959 onwards for heavy machine building works, mining machinery plant, power station at Neiveli, optical glass factory and development of Korba coalfields. Additional aid expected from the USA, West Germany, Japan, Canada, the World Bank and other agencies have not been taken into account in these estimates.

The authorization made up to July last year totalled Rs 783 crores and was made up of Rs 581 crores by way of loans and Rs 202 crores as grants. The amount that had been spent in the course of the First Plan amounted to Rs 212.74 crores while the amount used in the First year of the Second Plan was about Rs 45 crores. The balance that remains to be spent during the remaining years of the Second Plan is Rs 342.52 crores.

Countrywise, the contribution from USA accounts for the major part of the total being about Rs 400 crores made up of Rs 262.65 crores as loans and Rs 136.35 crores as grants. The USSR comes second with a total allocation of Rs 198 crores. Among the agencies, the International Bank of Reconstruction and Development has made a substantial contribution by granting loans totalling Rs 77.57 crores to the public sector and Rs 76.69 crores to the private sector, of which Rs 48.57 crores and Rs 71.83 crores respectively were still available at the beginning of the current Plan period.

Out of a total sum of Rs 212.7 crores which was utilised by the end of the First Plan period a sum of Rs 20.5 crores of IBRD loans was utilised before the commencement of the Plan period and a sum of Rs 4.8 crores was on account of the utilisation of IBRD loans in the private sector. The total spent in the public sector during the First Plan period was Rs 188 crores. About Rs 497 crores is now available for utilisation during the current Plan period for Governmental projects.

Road Development

The financial strains that are being felt by every development project in the country at present

to create a statutory non-lapsing fund for financing the development and maintenance of roads. He made the suggestion for the creation of a road development fund in each State for the State works to which the budgeted amounts passed by the Legislature each year may be credited. According to him this would enable the road engineers to plan their projects on a more rational and scientific basis.

The Indian Roads Congress has been reported to be thinking in terms of a road development plan for the 20 years after the Second Plan. The salient features of the Plan are: no village should be more than 3 miles from a metalled road; no village should be more than one-and-a-half mile from an unmetalled road; every town with a population of 2000 in the plains, 1000 in the semi-hilly areas and 500 in hilly areas should be connected by a metalled road; all industrial and development centres, places of pilgrimage, places of historical importance, places of tourist importance and health resorts should be connected by metalled roads, and finally all administrative units of a district should be interconnected and connected to district headquarters which in turn should be connected to adjacent district headquarters.

Mr Bisht in his presidential address said that it was essential

NORTH INDIAN MARKETS

Rally in Shellac

THANKS to improved buying by the Continent and Britain and some interest in Seedlac on the part of American traders, the Calcutta Shellac market has staged a rally this week with the Pure T.N. quality quoting Rs 82 per maund as against Rs 77.50 quoted at the end of 1957. It is understood that most of this buying comes from the gramophone record industry—the main consumer of shellac.

In London, only eight lots are reported to have been sold due to the interruption of the holidays; but the better tone is still being observed there. Prices are a few shillings higher. February delivery is quoted at 176 sh for buyers and 178sh for sellers.

Meanwhile, export of shellac, during December 1957, have dropped sharply to 24,705 packages from 48,906 packages. This decline is attributed to poor overseas demand last month as ample supplies were available in Calcutta. Out of the total shipments, shellac accounts for 11,882 packages; sticklac for 10,774 packages; but-

tonlac for 666 packages and other grades for 1,383 packages. The corresponding figures for November were 26,142 packages; 19,301 packages; 1,192 packages and 2,271 packages respectively.

Sugar

Sugar markets have remained depressed due to poor buying interest and heavy stocks lying unsold in the markets. Crushing for the new season is now in full swing. The production of indigenous sugar, which has improved to 2.89 lakh tons by the middle of December in the current season as against the corresponding figure last year of 2.65 lakh tons, is also a contributory factor. Stocks with the factories, as on the 15th December, stood at 4.92 lakh tons.

Mill-delivery prices, in the Kanpur market, have recorded a fall of about 50 nP per maund; but spot prices have moved up due to revival of buying enquiry for immediate loading for Saurashtra. The Mazaffarnagar market has, however, continued to remain ac-

tive, thanks to good demand from the consuming centres at unchanged price levels.

The problem of increase in export of sugar has been engaging the attention of both the Government and the industry for some time past; but, as there is disparity in prices here and abroad, export is not all remunerative. India is expected to have a surplus of one lakh tons of sugar out of her last year's production of an estimated total of 21 lakh tons. The Union Government have, it is understood, asked the industry to submit a scheme for the export of the surplus and have agreed to consider definite proposals for the disposal of the surplus. The main question before the Committee, it is stated, is how to meet the loss involved in export.

It is calculated that the sale of Indian sugar in the highly competitive foreign markets will entail a loss of over Rs 20 per bag. To cover the expected loss on exports, it is suggested that there should be a levy on the quantity consumed in the country. Discussions on this and several other suggestions are inconclusive.

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Foodgrains

Quietly steady conditions are noticed in the Foodgrains markets. In the Hapur market, Rice prices have recorded an improvement of about Re 1 per maund due to reports of overall shortage of the commodity in the country. Wheat is quoted at Rs 15.87 per maund for the average quality and Rs 17.36 for the farm quality. The market for Coarse grains rules quiet. Demand for Bajra and Maize is fairly good due to seasonal consumption, while arrivals are supplemented from east Uttar Pradesh and the Punjab. Gram prices remain unchanged. Prices of Pulses have recorded an easy trend as demand for peas, arhar and dals is dormant. Condition of the standing crops of peas and arhar is reported to be satisfactory.

In the Bombay grains market, the Rice section has displayed an easy tendency with the old crop prices registering a decline of about Rs 5 per candy. The weakness is attributed to lack of support, induced by the retailers' desire to await details of the household foodgrain card system of distribution. Prices of new Bajra have improved by about Rs 5 per candy as offerings from the Deccan are smaller in view of the paucity of stocks. Pulses have shown a mixed trend.

Mixed conditions have been noticed in the Delhi grains market.

Madras Review

The Peninsula

Memorandum on Official Language

THE Official Language Convention held in Madras in December enlivened a controversy which was having a more or less fugitive course till then. The first echo of the Convention came in the form of a statement by the Prime Minister, embodied in language which was far from complimentary to the leaders who participated in the Convention and registered a forthright and emphatic protest against the replacement of English by Hindi as the official language of the Union. Counter-statements followed and the public found an amusing diversion not unmixed with an element of sorrow, over some of the most revered men in the country trying to ridicule each other.

This diversion was short lived. Events of a serious character quickly intervened. The three Chief Ministers of Andhra, Madras and Mysore met and jointly declared that it would be impossible to show the door to the English language in 1965. The Chief Minister of Kerala was not available at the time of the joint meeting and for a little while the impression gained ground that the Kerala Government took a thoroughly different stand.

Subsequently the Kerala Chief Minister, pressed to clarify the attitude of his Ministry, said that the general policy of the Ministry regarding the language controversy was in favour of as speedy a transition as possible from English to Malayalam at the State level and to Hindi at the Union level. He added, as his own reaction, that by 1965 it would be rather difficult to change over to Hindi, conceding that under present circumstances in India, English had to be learnt in higher and technical education and as the easiest of international languages.

The Madras Government sent a Memorandum to the Union Government examining the recommendations of the Official Language Commission in detail and expressing their own views on these recommendations. It is not known if the Prime Minister had gone through this Memorandum before he made his second statement on the subject on January 2. This statement was different from what he said at Calcutta, in answer to the Madras Convention's proceedings. The New Delhi statement reveals complete freedom from any rigidity in outlook and a willingness to accommodate diverse views as far as possible.

Above all there was an emphasis on the importance of general

acceptance even at the cost of logic. The Prime Minister put it this way:

"I possess no views even on this important subject which I am not prepared to change in order to have general acceptance. I attach far more importance to co-operation and unity than the following of any rigid pattern simply because it is logically correct in my mind. It is of far greater importance that we should come to an agreement than have anything imposed."

But when it came to the operative part, he just left it to the Parliamentary Committee dealing with the matter, expressing faith in the competence of the Home Minister to deal with these matters in his capacity as Chairman of the Committee.

While the Prime Minister's personal opinion and outlook is of vast significance in the shaping of official policy, the sharp differences in opinion among other responsible leaders cannot be overlooked. For instance, at Madurai, Mr Abid Ali, the Union Deputy Minister for Labour, maintained that English should be driven out of the country after the departure of the British; Mr R. Venkatraman, the Madras Labour Minister, pointed out that English was one of the benefits left behind by the British and it was serving the country well. One prominent MP recently announced his intention to start an agitation against the retention of English for any official purpose. It is no use being blind to the existence of conflicts in the emotional approach to this problem.

In this context, it is worthwhile to examine the Memorandum presented by the Madras Government with a view to see how far it could provide the basis for a compromise agreement. This Memorandum, one feels, is an extremely sober document and as the Madras Finance Minister explained at a Press Conference on January 3, it does not claim any finality in regard to the suggestions made.

The first point made out in the Memorandum was that as a result of the publication of the Report of the Official Language Commission, public opinion in Madras has been disturbed about the language problem. The Memorandum explains:

"The stage is being reached when decisions must be taken by the Government of India which are bound to have a major impact on public opinion in this State as well as other non-Hindi States. The object of this Memorandum is to invite the attention of the Government of India and the Parliamentary Committee specifically to those issues on

which the conclusions and recommendations of the Official Language Commission are unacceptable to the Government of Madras and to explain clearly why they are unacceptable. This Memorandum has been prepared after discussion with leaders of all the parties in the State Legislature and in general agreement with them."

The Memorandum which is a critical review of the Language Commission Report has a large area of agreement with the Report as far as the language for Offices and Institutions under the control of the State Governments goes, the Report and the Memorandum see eye to eye. The Commission's views are accepted on the question of the language in Parliament, with the additional suggestion that simultaneous translation from Hindi to English and vice versa should be arranged for.

Likewise there is no difference of opinion on the question of the language of inter-Governmental communications. There is a limited agreement over the language to be employed in the Union Public Services Examinations and Departmental Examinations; the only alteration the Memorandum seeks is to give the Hindi Paper no more than a qualifying status; it should not at any time be converted into an element of competition among candidates. Eventually, the Memorandum also envisages a position in which not only Hindi and English, but every regional language is admitted as alternative media for examination in the All-India Services and the higher Central Services.

But the points of difference are more numerous. When one says this, it has to be recognised that on the fundamental question of bilingualism for the Union Government, the Memorandum differs from the Language Commission Report only to the extent of asking for a prolonged period. In this respect, the Memorandum does not go all out for English as the Madras Convention did.

It is also useful to speculate that if the Language Commission had not found it difficult to perform its appointed task of preparing a time schedule according to which Hindi might gradually replace English as the Official Language of the Union Government as a whole, the whole complexion of the language problem might well have been different.

The Memorandum makes an unassailable case for the principal stand it has taken i.e. the extension of the bilingual period beyond 1965. The facts mentioned amply prove that the Union Government themselves have not done anything by way of preparatory

work involved for the transition to complete Hindi. For this very reason, the Language Commission felt impelled to throw back on the Government the task of actually drawing up a plan of action and the setting up of a time schedule for it.

The Memorandum makes the position clear. As envisaged by the Constitution, the transition from English to Hindi at the Union level was to have been carried out over the fifteen year period between 1950-65 in two phases; the first phase to be devoted to the progressive use of Hindi in addition to English, in order to prepare for the second phase of progressive elimination of English. Before the first phase was completed, a plan of action for the second phase was also to have been drawn up. Between the Union Government and the Official Language Commission, there has been a default of both these tasks. The Memorandum rightly argues that when the preliminary steps were not taken and no plan of action made ready, there was no point in discussing the second phase.

In this condition, the Madras Government have no doubt that "the total supersession of English by Hindi as the sole official language of the Union Government will not be achieved before 1965. The attempt to eliminate English from official use by the target year 1965 would be to attempt the impossible". This view was communicated to the Language Commission by the Madras Government at the time of the Commission's enquiry.

Objections on the State level are more severe. The Commission have recommended a tri-lingual formula for Secondary Schools in non-Hindi regions, without recommending the same for Hindi regions. The Government of Madras have also decided on a tri-lingual formula but one which is quite different from what the Commission has suggested. According to the Commission, Hindi should be explicitly specified as one of the languages which every pupil must be required to study compulsorily. In Madras, a Committee of the State Legislature had also gone into the question and in accordance with the recommendations of that Committee, the Government have decided to make Hindi an optional third language, while English is to be compulsorily taught, up to a time when all subjects would shift to the regional language.

The Commission's treatment of the question of the medium of instruction in colleges is described in the Memorandum as very unsatisfactory. Actually on this point, beyond suggesting that the regional language, English or Hindi may

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South Indian Notes

Manimuthar Project

THE New Year has begun on a happy note for the State of Madras for it witnessed the opening of the Manimuthar project in the Tirunelveli district of the State. The project is a reservoir capable of impounding 5,500 m.c. ft. of water and has a main canal 28 miles long to supply water to existing rainfed tanks. The dam is 9,600 feet long of which the masonry section is 1,230 ft. long at the river portion.

The chief object of the project was the conservation of the water resources of the Tambaraparani river. Though already the river has nearly eight anicuts capable of irrigating an area of about 83,000 acres of land, irrigation of the area has been found to be far from satisfactory in view of the shortage of supplies in certain parts of the seasons. This was rather inexplicable in view of the large amount of surplus water which a heavy rainy season would always bring in its water. This called for the construction of some reservoirs to store up the surplus water caused in the rainy seasons.

Such a gap was sought to be filled by the construction of the Papanasam reservoir. But it had not helped in improving the position to the extent anticipated and shortage conditions had not disappeared even after the commissioning of this reservoir. The necessity for the construction of another reservoir to supplement the capa-

city of that of the Papanasam was indicated in this position. The Manimuthar project was conceived and undertaken with the object of utilising the surplus water left unimpounded even after the construction of the Papanasam project.

Speaking on the occasion of the inauguration of the project, Mr U. Ananda Rao, the Chief Engineer pointed out that the object of the project was primarily to stabilise supplies to the existing anicuts of the Tambaraparani system and also to supplement supplies to about 320 precariously rain-fed tanks in some of the taluks of the district. He

also refuted allegations of slowness of work on the project and said that they were caused by factors beyond the control of the authorities.

The project has also certain peculiar features. First of all the dam is aligned along a number of hillocks seven in number. The gaps between the hillocks have been closed by earthen dams. Secondly as the bulk of the water-spread of the project lies in a forest area it had involved little hardship to the people and had not given rise to the problem of rehabilitation of the displaced people. Mr Ananda Rao also commended the high enthusiasm shown by the local ryots and landowners towards the project.

Local small crushers were taking up these quantities. The rate for the new crop fluctuated between Rs 145 and Rs 148 per candy.

In the Groundnut Oil section, however, rates developed an easier tendency due to some selling pressure. The ready position was quoted at Rs 297 against Rs 307 per candy in the previous week.

Reports indicate that, as most of the stocks in the hands of medium and small-scale ryots had been marketed, arrivals will hereafter depend on the price factor as stocks have passed on to the intermediate dealers and the bigger ryots who are capable of holding.

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Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides continued to be restricted. Arrivals of Buff hides were also restricted; but there was fair buying for internal consumption. There was no change to report in the Cow Calf and Buff Calf sections.

On the export front, trading was rather quiet. A few sales were reported in selected marks at prices which were about a penny higher as compared to the previous week. The market ruled firm in single tannages. There was very little change in inferior fifties; but North Indian buyers were active, offering good prices.

In the Tanned Skins section, arrivals of both Goat and Sheep skins were not large; but there was a good clearance.

In the export section, trading had not come to the normal. A small volume of business was reported in Goat skins at 3d per pound higher than the pre-Christmas levels. In Sheep skins, there was very little change to report.

The market for Raw Hides continued to rule firm due to small arrivals. In Calcutta, a scramble for the available supplies has been reported.

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OLYMPUS

(Continued from page 94)

world have an unselfconscious assumption that things that are plain to them must be equally plain to others. Or is it a kind of intellectual arrogance that does not deign to explain what is clear to it, but what the others have not wits to see? Frankly, I do not know; perhaps, it is a bit of both. And that is what makes Rajaji one of the most intensely interesting persons. At all events, whatever decision is finally taken, whether Hindi is imposed or not imposed, it cannot be said that the Tamils had no

friends except the DMK. If there is no imposition, the problem solves itself. If there is, the danger of Tamils working themselves into a mood to cede is completely eliminated. After all, Rajaji was also the father of the Dakshina Pradesh idea, and whatever else he is, he is not a man who wants a Tamil country unaffiliated with the rest of Bharata Varsha. Once again, the cause of Indian unity has had a paradoxical saviour in Rajaji, who now seems to many in the North to be a hopeless provincial.

SOUTH INDIAN MARKETS

Rise in Rubber Production

WITH growing production and increased imports, stocks of natural Rubber in the country have risen to 10,082 tons at the end of November 1957 from 8,865 tons at the end of the previous month and 7,895 tons at the end of September.

Out of the total stocks, at the end of November last year, 5,838 tons were with estates and dealers and 4,244 tons with the manufacturers as against 5,619 tons and 3,246 tons respectively at the end of October.

While production of natural rubber has improved from 2,788 tons to 2,855 tons, imports have increased from 522 tons to 1,064 tons. Consumption by manufacturers has also risen from 2,320 tons to 2,702 tons.

Stocks of Synthetic Rubber have, however, declined from 1,565 tons at the end of October to 1,496 tons at the end of the month under review.

The manufacturing industry will require something like 35,000 tons of natural and synthetic rubber this year, in the estimate of the Rubber Manufacturers' Association of India. This will be an increase of 11 per cent over 1956. They do not expect that indigenous production of natural rubber will exceed 27,000 tons. This will necessitate an import of over 13,000 tons.

In general, India will continue to have a deficit in rubber for a few years to come, although the implementation of plans for increasing the rubber acreage in South India has been started. Trees that are planted now, will

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED.

(Incorporated in England)

Notice is hereby given that the Board of Directors of this Company have declared payment of an Interim Dividend on the Company's Ordinary Stock at the rate of £34 per cent net (tax applicable at 8s. 6d. in the £) for the year ended 31st March, 1958. Payment will be made on 15th February, 1958, to those stock-holders whose names are registered in the Company's Stock Register on 27th January, 1958.

Applications for transfers received in this Office before 12 O'Clock noon on Monday, the 27th January, 1958, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,

I. A. MACPHERSON,
Agent.

Victoria House,
Calcutta, 9th January, 1958.

Stock Exchanges

CHEERFUL TRADING

Watch-Dog Writes:

TRADING in stock markets has been on a more cheerful note with prices staging an all-round recovery during the week under review. Sentiment is influenced by the encouraging production figures released by the TISCO and the IISCO. The prospects of early foreign assistance have also provided a cushion for the market.

Under the influence of the speculative issues, the Calcutta Stock Exchange witnessed a slight all-round improvement in prices.

There was a revival of activity on the Bombay Stock Exchange where equities advanced under the lead of Textiles.

Though activity on the Madras Stock Exchange did not expand, a steady tone was visible and selected Plantings recorded fractional improvements over the year-end levels.

The London Stock Exchange regained its poise after last week's unsettled conditions. Sentiment was helped by the upward movement on Wall Street.

Wall Street staged a rally under the lead of Aircrafts, which gained one to three dollars at the close.

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Calcutta

Calcutta, January 10.

PAST week's session on the local Stock Exchange witnessed cheerful conditions, due largely to selective bull support and bear-covering. Sentiment was influenced by the encouraging production figures released by the TISCO and the IISCO. Encouraging corporate news and the prospects of getting foreign assistance in the immediate future were also contributory factors. Towards the close of the week, however, prices shed part of the gains on profit-taking. The closing tone was steady.

The Glitged market was in good form although business was restricted by the shortage of scrip. Short-dated issues were in active demand, while long and medium-dated loans showed no worthwhile changes. 3 per cent 1986 Conversion Loan opened better at Rs 71.17 and, after improving further to Rs 71.25, finished the week lower at Rs 71.02 on profit-taking.

Bank shares ruled fully steady in anticipation of higher profits for 1957. Punjab National changed hands at Rs 46.50 to Rs 47.25 and United Commercial at Rs 58.75 to Rs 59.00.

Except National which forged ahead to Rs 24.55 from Rs 22.65 on renewed cornering by an interested party, jute shares remained generally depressed in the absence of any definite improvement in the conditions of the jute goods market. Anglo-India were offered at as low as Rs 136 against Rs 146; Barnagore at Rs 80 against Rs 86; Birlas at Rs 14.19 against Rs 14.50; Dalhousie at Rs 67 against Rs 72 and Howrah at Rs 13.25 against Rs 13.44. Champdany were better at Rs 103 against Rs 99 with Delta nearly maintained at Rs 89.

Coal shares were dull and listless as operators were generally inclined to await the Price Revision Commission's recommendations which are expected to be announced shortly. Bengal were nearly maintained at Rs 227, while Barrakur were sticky at Rs 22.00. Central India changed hands at Rs 5.87 to Rs 6.19 and Western Bengal at Rs 4.94 to Rs 5.00.

Trading in the Tea section continued to be restricted in view of the uncertain outlook for the industry. However, selected

scrips continued to get good support at steady levels on the feeling that there was a possibility of the surplus Common tea being reduced. It was felt that, if the output in Indonesia was affected, its buyers—USA and Holland—might turn their attention on Indian tea. Brahmaputra changed hands at Rs 2.81 to Rs 3.06; Bishnauth at Rs 18.12 to Rs 18.25; Dufflaghur at Rs 27.62 to Rs 27.87; Gungaram at Rs 101 to Rs 105; Hantapara at Rs 107 to Rs 112; Hatikhira at Rs 8.75 to Rs 9.12; Methoni at Rs 16.25 to Rs 16.37 and Sapoi at Rs 23.75 to Rs 24.00. Brooke Bond were enquired upto Rs 14.75 from Rs 14.00.

Fears that the recent imposition of additional excise duty on the commodity would affect the profit-margins and the bleak prospects for exports caused Sugar shares to turn quiet with prices developing an easier tendency. Cown-pore were on offer at as low as Rs 12.06 against Rs 14.06 and Darbhanga at Rs 17.69 against Rs 19.25.

Textile scrips ruled quietly steady with enquiry confined to a few selected scrips. Kesoram hardened further to Rs 10.25 from Rs 10.12 on reports of the settlement of the labour dispute. Elgins were on offer at Rs 13.00, while New Victoria, after touching a low of Rs 1.21 from Rs 1.37, recovered at the close to the latter level.

Price movements in the Engineering section were mostly influenced by the speculative activity in Indian Irons. Against the week-end closing of Rs 18.51, Indian Irons opened higher at Rs 18.86 at which level renewed bull support coupled with bear-covering pushed up the rate

further to Rs 19.20, to finish the week at Rs 19.16 on modest profit-taking. In sympathy, TEXMACO were taken upto Rs 15.45 from Rs 15.60. Richardson, after touching a high of Rs 9.00 and a low of Rs 8.37, improved to Rs 8.75 at the close. Indian Standard Wagon changed hands at Rs 96 to Rs 100; Marshalls at Rs 4.53 to Rs 4.62 and Burn at Rs 307.50 to Rs 309. Britannia were rather quiet at Rs 12.06 against Rs 12.25.

The setback in Jessop was more pronounced on Thursday. At the annual general meeting held by the company, the majority of the shareholders turned down the directors' recommendation of a dividend of Rs 1.25 per share for the year ended 31st October, 1956. It is understood that, with the result, the dividend was passed over in order to conserve the resources of the company. For obvious reasons, the scrip was pushed down at one time to as low as Rs 19.81 from a high of Rs 21.75, to recover partially towards the close to Rs 20.87 on some replacement buying.

The trend of prices in the Miscellaneous section was rather mixed. Speculative support pushed up Orient Paper to Rs 23.60 from a low of Rs 22.85, while slight profit-taking caused Titagarh to slide down to Rs 31.81 from a high of Rs 32.12. India Pulp and Shree Gopal were quiet at Rs 18.75 and Rs 14.50 respectively. National Carbon met with good demand at Rs 23.87 to Rs 24.19; NICO at Rs 23.00 to Rs 23.50; Indian Aluminium at Rs 12.75 to Rs 13.12; Aluminium Corporation at Rs 9.78 to Rs 9.87; Dunlop Rubber at Rs 20.06 to Rs 20.37 and India Steamship at Rs 10.75 to Rs 10.94. Indian Copper, after being marked down to Rs 2.74 from Rs 2.83 on reports of the strike at the company's mines, closed better at Rs 2.77. BIC were a shade better at Rs 4.11 against Rs 4.06; Osler at Rs 1.93 against Rs 1.81 and Rohtas at Rs 15.56 against Rs 15.25. Martin Burns were enquired upto Rs 25.00 from Rs 24.12 and Metal Box upto Rs 27.25 from Rs 27.19. Phillips India turned rather quiet at Rs 13.94 against Rs 14.19 on lack of fresh support and so also Hindustan Lever at Rs 19.94 against Rs 20.00.

THE PENINSULA

(Continued from page 96)

be totally or partially used according to the discretion of the particular University, the Commission did not put forward any conclusive recommendations. But there is a dubious addendum to the recommendations in the Report, which says that the autonomy of the Universities can have only a qualified bearing and the national language policy must ultimately prevail. It is quite logical to read into this qualifying clause the intention to institute Hindi. The Government of Madras, to favour an increasing number of students taking up Hindi as an optional language in the University course, but they have no doubt that the language which should replace English in Madras is only Tamil and none else.

Equally vital is the question of the language of the State legislature and the language of the Statute Book. Here, the Madras Government's Memorandum is fully opposed to the Language Commission Report. The latter would have the entire Statute Book in Hindi. The Madras Memorandum claims that there is no point in asking a State to make laws in a language different from its own official language. The Memorandum suggests that the Government of India and Parliament should accept this view as an integral part of the Official Language Policy.

Identical is the stand taken by the Government of Madras on the question of the language in High Courts. The Commission consider it necessary that judgments, decrees and orders of the High Court should in due course be in Hindi. The wording of the Memorandum is not quite clear as to whether it asks for a change from the present as far as the language of the High Courts is concerned. What it does ask for is that if and when the language is changed, the successor language should be none else than the official language of the State concerned.

It is, of course, arguable how far it would be helpful to the cause of national integration to allow the language of the Universities and High Courts to differ between every State. Having accepted the desirability of the regional language for collegiate education, there is an inevitability with regard to its extension to all official and public purposes; and in a democratic State functioning on adult suffrage, the claim for the regional language for all public purposes is also overwhelming. All that could be said is that the rigours of State exclusiveness will have to be tempered by deeper inter-regional association in other spheres and by a general hardening of the veneer of national consciousness and obligations.

Even on this point, whatever adverse criticism could be raised against the Memorandum can only go to the extent of saying that it has not chosen to tackle a basic dilemma in the national situation. That by itself is not a serious lapse. The Memorandum has painted a true picture of the repercussions of the Official Language Commission's Report on public opinion in the State and has pointed out where the State Government agree and to what extent with the Report and where and to what extent they differ. On the basis of well argued differences, the Memorandum closes with an appeal to the Union Government to declare in unequivocal terms their language policy, quite properly explaining that it should be the aim of such a declaration firmly to discountenance impracticable and unreasonable expectations in the Hindi region and to provide the re-assurance which public opinion in the non Hindi region needs and expects to secure from the Government of India and Parliament.

In taking a final decision, the Government of India will naturally have to await the recommendations of the Parliamentary Committee which is now reviewing the Language Commission Report. Meanwhile, besides the Prime Minister, several other distinguished leaders from North India have also offered their views on this developing controversy. Mr K. M. Munshi and many others with him look upon Sanskrit as the future saviour and the only language which can provide a genuinely unifying force.

President Rajendra Prasad, though not in the role of a partisan supporter of any cause, has not concealed his personal preference for Hindi, mainly on the ground that it is the language of the largest section of the population in the country. For Union purposes a kind of not very unequal co-existence has already developed between Hindi and English. MPs coming from non-Hindi areas are aggrieved that those hailing from Hindi region, Ministers and other alike, are by every possible means seeking to secure a surreptitious status for Hindi in the proceedings of the two Houses. The All India Radio is another target of similar criticism.

It is unfortunate that two rival crusades have been launched on the language front, with the Prime Minister compelled to take the role of an agonised neutral. He, more than any one else, must have realised the tragic implications of bringing this issue to a nation wide battle front, but till now he has not found it possible either to restrain the extremists in favour of Hindi or to reassure the opposite camp.

When the question is being discussed as also involving the livelihood of persons hailing from particular areas, its potentialities for deeper rifts are easily discernible. A prolongation of the bilingual phase, as suggested in the Madras Government's Memorandum, seems to be the least that could be done to avert the controversy degenerating into a settled conflict.

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees)			
	Week Ended		
	3-1-58	27-12-57	4-1-57
LIABILITIES:			
Notes in Banking Dept.	9,12.85	16,51.53	7,55.18
Notes in Circulation...	1523,05.54	1506,79.06	1481,52.37
	1532,18.39	1523,30.59	1489,07.55
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	275,22.56	275,22.56	447,30.03
Total of A	392,98.59	392,98.59	565,06.06
(B) Rupee Coin	132,00.02	133,05.97	123,76.17
Rupee Securities	1007,19.78	997,26.03	800,25.32
	1532,18.39	1523,30.59	1489,07.55
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	5,00.00
National Agricultural Credit (Long-term Operations) Fund	20,00.00	20,00.00	15,00.00
National Agricultural Credit (Stabilisation) Fund	2,00.00	2,00.00	1,00.00
Deposits—			
(a) Central Govt.	52,50.01	53,53.55	54,34.22
(b) Other Govt's	8,09.81	13,01.02	13,92.58
(c) Banks	66,37.34	70,68.65	48,33.53
(d) Others	115,69.63	113,70.03	13,42.12
Bills Payable	17,37.04	15,05.92	12,15.22
Other Liabilities	25,33.93	25,18.39	108,26.97
	392,37.76	398,17.56	276,44.64
ASSETS:			
Notes	9,12.85	16,51.53	7,55.18
Rupee Coin	3,16	8,49	10,39
Subsidiary Coin	2,17	2,34	9,95
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	3,15.96	2,70.06	2,99.05
Loans held abroad*	17,95.92	27,41.95	81,07.03
Loans & adv. to Govt*	34,60.01	35,02.95	7,74.70
Other Loans & Adv.	67,40.84	60,04.06	99,96.44
Investments	243,73.83	245,12.33	62,52.98
Other Assets	16,32.48	16,23.35	14,38.92
	392,37.76	398,17.56	276,44.64

(1) The item 'Other Loans and Advances' includes Rs. 24,31,58,000 ad. raised to scheduled banks against unsecured bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees)

	Week Ended		
	27-12-57	20-12-57	28-12-56
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)	17,40.04	17,48.09	9,13.65
(ii) Other demand liabilities	700,61.15	696,99.36	643,57.18
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)	20,68.00	22,18.50	2,73.00
(ii) Other time liabilities	666,86.40	661,87.18	457,16.09
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	5,92.05	5,73.93	7,76.49
(ii) Time Liabilities	70.00	45.00	...
Borrowings in India from the R. B. I.			
Cash in India	23,62.80	22,66.25	79,05.84
Balances with the Reserve Bank of India	38,83.87	37,86.72	38,55.14
Balances with other banks in India	67,60.81	70,50.81	51,98.25
Money at call and short notice in India	12,46.96	11,63.79	12,87.21
Investment (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	50,11.25	50,51.33	12,43.45
Advances in India	432,95.79	432,65.36	364,44.48
Foreign Bills Purchased and Discounted in India	712,02.85	698,48.17	622,94.80
Foreign Bills Purchased and Discounted in India	99,42.50	99,90.93	111,43.32
	46,56.85	49,27.93	54,05.12

*Figures are provisional since complete returns have not been received from R.B.I. also.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA (In 000's of Rupees)			
	Week Ended		
	27-12-57	20-12-57	4-1-57
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	6,37.50	6,37.50	6,35.00
Deposits and other Accounts	364,97.83	364,76.29	240,58.91
Borrowings from other Banks, Agents, etc.	1,49.00	1,03.00	6,91.00
Bills Payable	4,82.91	4,25.75	4,01.35
Bills for Collection as per contra	1,06.56	1,06.29	69.80
Acceptances etc. for constituents as per contra	20.60	20.60	8.02
Other Liabilities Including Inter-office Adjustments	12,85.23	11,57.86	6,49.02
Total	397,42.13	394,89.80	270,75.60
ASSETS:			
Cash in hand and with R. B. I.	23,91.56	26,80.54	8,33.51
Balances with other Banks	3,20.38	3,17.04	3,25.79
Money at call and short notice	3,60.00	3,20.00	1,13.33
Government and other Trustee Securities	173,63.70	173,61.82	95,59.07
Other Authorised Investments	10,03.02	10,03.02	11,45.50
Loans Advances cash credits & Over Drafts	152,00.75	147,16.76	113,26.63
Bills Discounted and Purchased	18,91.21	18,78.14	33,14.03
Bills for collection as per contra	1,06.56	1,06.29	69.80
Constituents' Liabilities etc. as per contra	20.60	20.60	8.02
Dead Stock	1,92.62	1,92.39	1,78.26
Other Assets	8,91.73	8,93.20	2,01.66
Total	397,42.13	394,89.80	270,75.60

CLEARING HOUSE RETURNS

Week ended 3rd January 1958

Clearing House	No.	Amount	
		Rs.	pP
Madras	75150	8,62,94,565	00
Delhi	28655	8,02,41,934	69
Kanpur	15704	3,06,27,241	00
Bombay	262926	58,58,34,000	00

BANK OF ENGLAND (In Million £)			
	Week ended.		
	18-12-57	11-12-57	19-12-56
Notes in Circulation	2,118.6	2,080.9	1,997.0
Notes in Banking Department	31.8	19.5	28.4
Govt. debt and securities	2,146.3	2,096.2	2,021.2
Other securities	0.7	0.8	0.8
Gold Coin and Bullion	0.4	0.4	0.4
BANKING DEPARTMENT:			
DEPOSITS:			
Public Accounts	11.0	16.0	12.9
Treasury Special Account	200.2	199.2	200.5
Bankers	80.5	76.0	76.5
Other	291.7	291.2	289.9
SECURITIES:			
Government	223.6	242.4	254.1
Discount and Advances	29.1	21.9	6.6
Other	22.9	23.0	16.9
Total	275.6	287.3	277.6
Banking Department reserves	34.2	21.9	30.3
"Proportion" %	11.7	7.5	10.4

Government debt is £11,015,100 capital £14,553,000
Fiduciary issue reduced to £2,150 million from £2,100 million on December 18, 1957.

STATE BANK OF PAKISTAN ISSUE DEPARTMENT: (In 000's of Rupees).			
	Week Ended		
	27-12-57	20-12-57	28-12-56
LIABILITIES:			
Notes in Banking Dept. ...	7,01.15	10,38.45	10,33.22
Notes in circulation ...	336,75.80	333,40.89	326,45.62
	343,76.95	343,79.34	336,78.84
ASSETS:			
(A) Gold Coin & Bullion	11,33.41	11,33.41	11,33.41
Sterling Securities ...			82,02.81
Govt. of India Securities	66,55.25	66,35.51	23,63.47
India Notes receivable from Reserve Bank ...	43,02.30	43,02.30	43,02.28
(B) Rupee Coin ...	4,53.97	4,56.36	5,55.88
Govt. of Pak. Securities Held with Reserve Bank of India pending transfer	212,41.96	212,61.70	165,30.93
Gold coin & Bullion ...	19.02	19.02	19.02
Sterling Securities ...	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin ...	29.51	29.51	29.51
Total ...	343,76.95	343,79.34	336,78.84
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up ...	3,00.00	3,00.00	3,00.00
Reserve Fund ...	3,00.00	3,00.00	3,00.00
DEPOSITS:—			
(a) Central Govt. ...	76,44.08	73,69.08	43,25.21
(b) Provincial Govts. ...			75.67
(c) Banks ...	15,44.53	14,81.61	14,37.24
(d) Others ...	9,33.07	8,95.32	3,16.89
Bills payable ...	22.37	34.10	28.66
Other Liabilities ...	7,33.19	8,13.08	10,78.83
	114,77.24	111,93.19	78,57.50
ASSETS:			
Notes ...	7,01.15	10,38.45	10,33.22
Rupee Coin ...	31	32	14
Subsidiary Coin ...	25	24	16
Bills purchased & discotd.			
(a) Internal ...	...	...	...
(b) External ...	12.17	14.04	96.07
(c) Govt. Treasury Bills	3,16.00	3,16.00	18.00
Loans & Adv. to Govts.			
Provincial Governments	8,76.45	6,60.85	
Debtor Balances ...	15,06.00	12,94.65	21,71.50
Other Loans & Advances	68,41.70	68,59.28	34,76.54
Investments ...	12,23.21	10,09.36	10,61.87
Other Assets ...			
Total ...	114,77.24	111,93.19	78,57.50
Ratio of Gold Coin as Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange to Banks' notes issued, 36.80 per cent.			
SCHEDULED BANKS IN PAKISTAN (In 000's of Rupees).			
	Week Ended		
	20-12-57	13-12-57	21-12-56
DEMAND LIABILITIES:			
(a) General ...	157,04.99	157,04.63	143,75.89
(i) Deposits from Banks	9,23.99	8,90.97	5,05.19
(ii) Borrowings from Banks			
Borrowings ...	8,99.82	9,18.21	9,25.78
TIME LIABILITIES:			
(a) General ...	61,18.73	62,89.87	53,80.73
(b)(i) Deposits from Banks	4,03.94	3,83.95	3,71.32
(ii) Borrowings from Banks			
Borrowings ...	1,55.00	1,90.00	2,59.00
Borrowings from the state Bk	12,76.75	13,00.30	15,58.00
CASH IN PAKISTAN:			
(a) Pakistan Notes ...	4,38.13	4,66.69	4,25.95
(b) Pakistan Rupee Coins	21.02	20.44	17.47
(c) Pak. Subsidiary Coins	5.59	5.38	3.20
BALANCE WITH THE STATE:			
BANK:			
(a) Principal Office ...	8,05.46	9,02.55	8,55.89
(b) Other Offices and Branches	5,55.52	5,05.94	4,10.12
Balances with other banks in Current Account in Paktn.	4,35.96	4,30.12	4,14.88
Money at call & short notice in Pakistan	14,17.04	9,22.25	11,49.85
INVESTMENT (AT BOOK VALUE):			
(a) In Central Govt. Securities including Treasury Bills ...	80,01.72	79,72.63	69,19.37
(b) In Provincial Govt. Securities including Treasury Bills ...	10,83.03	10,81.92	11,65.90
(c) In Others ...	2,54.52	2,10.13	1,97.41
ADVANCES IN PAKISTAN ...	111,02.35	112,80.48	106,91.19
BILLS DISCOUNTED IN PAK.	14,75.89	14,30.73	15,39.90

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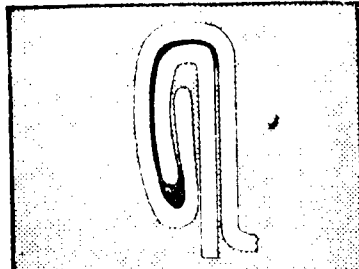
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Vol. LXI No. 3

Saturday, JANUARY 18, 1958

Rs. 1-8

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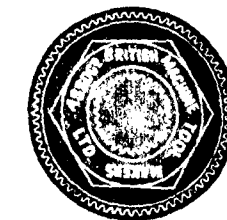


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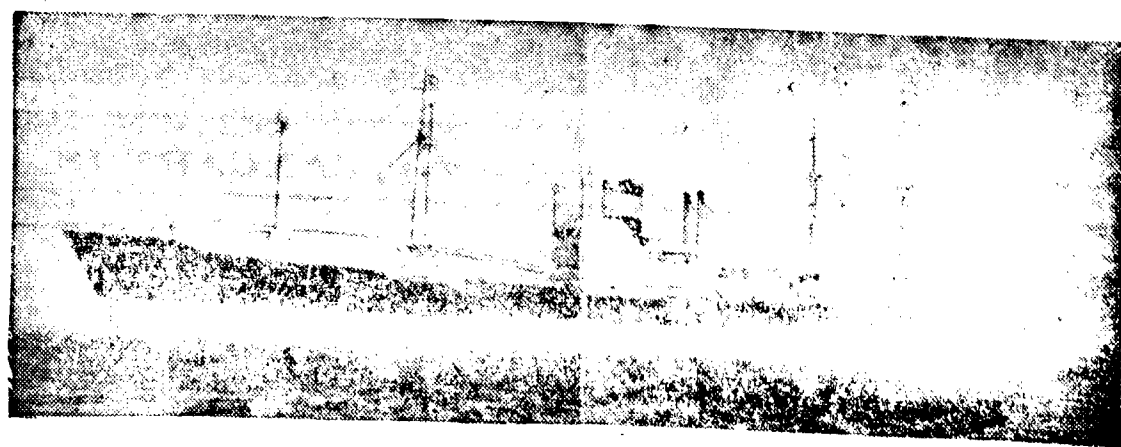
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For the Investor

"Building up Internal Resources"

Investment Gossip:

THE past week has brought the long awaited answer to the poser whether financial aid for us from the US will be forthcoming and if so, what will be the quantum of such assistance. Speaking at a press conference in Washington last Friday, Mr Dulles said that the USA proposed to help India's Second Five Year Plan, but the amount of assistance probably would not be as much as India would like. He, however, expressed the hope that India would receive enough foreign exchange support so that it could carry its Plan in adequate form, if not in the full form that India would like. It has been announced on Thursday evening that a \$ 225 million loan has been sanctioned.

President Eisenhower in his budget recommendations has laid special emphasis on the importance of economic assistance by the US to underdeveloped countries. Pointing out that the Soviet Russia has already begun to make a serious bid in this direction also, he has sought to impress on Congress that any lukewarmness on the part of the American people now may well result in another defeat for them—a defeat which will be much more disastrous than in the matter of the launching of earth satellites.

The two statements read together are of special significance for us in this country. According to Mr Dulles, a major portion of the foreign exchange requirements of the Second Plan will be available to us. It is quite on the cards that, in view of President Eisenhower's appeal, the US Congress may change its opinion on foreign assistance to such an extent as to grant the full amount of the loan asked for. Now that we have it on the authority of Mr Dulles that a major portion of the foreign exchange requirements of the Second Plan will become available to us, it may be presumed that the uncertainty prevailing hitherto in this regard will be greatly reduced if not altogether banished.

The investor may also derive considerable solace from the speech of Mr Morarji Desai at the annual meeting of the Engineering Export Promotion Council in Cal-

cutta early this week. Mr Desai has confirmed the conjecture that India's pig iron production will increase to such an extent as to leave a balance for export. Answering complaints about scarcity of pig iron by the engineering industry he says that we do not have to wait for long for an improvement in the situation. The present shortage will cease by the end of the current year and he has asked manufacturers to get prepared to utilise the large quantities of pig iron that will soon be available within the country. He has also pointed out that, since the cost of production of pig iron in India is the lowest in the world, the engineering industry has great possibilities in the export field.

With the Congress Party at present deliberating on current problems at its annual session in Assam, the investor may naturally be inclined to await the official resolutions before entering into fresh commitments. But from the draft resolutions, it would appear that he may not find himself obliged to change his assessment of the investment situation when the session concludes. For, the draft resolution on economic policy, inter alia, stresses the high importance of "the building up of the internal resources."

Jessops

Investment Special:

THE denouement is the Mundhra affair has not exactly been pleasant, and developments over the last six weeks particularly have been far from settling. There has been some element of litigation, receivers and administrators have been appointed and a Commission of Enquiry is to begin its work. In the midst of all this, one of the companies, which was by way of being the most important of the Mundhra group, has lately received unfavorable—I may add, undeservedly—notice. The unfavourable notice is all too easy to understand; and I will presently explain why it is undeserved.

As the latest published accounts of Jessop & Co Ltd show, there was an instance of an investment of its funds, which although in a good

The profit of the Bank of India Limited for the year ended 31st December 1957, subject to audit, amounts to Rs 93.47 lakhs as compared with Rs 92.03 lakhs in 1956. The provision for taxation has been raised by 2 lakhs to Rs 30 lakhs; the rate of dividend is maintained at 16 per cent, but is payable on the increased capital; and the carried forward subject to Bonus to staff is Rs 31.02 lakhs, against the brought forward of Rs 15.55 lakhs.

The net profit of Andhra Bank Limited for the year ended 31st December 1957, after payment of one month's substantive salary bonus to staff and after effecting revision in the pay scale from 1st May 1957 amounts to Rs 7.23 lakhs, as against Rs 9.43 lakhs in 1956. The ad-interim dividend is 8 per cent compared with 7½ per cent in the previous year. From profits a transfer to statutory reserve amounting to Rs 1.08 lakhs, has been made, against Rs 1.03 lakhs. The net profit available for final appropriations toward taxes, further statutory Reserve, Final dividend etc., is Rs 4.80 lakhs against Rs 7.23 lakhs last year.

The Bank of Baroda Limited has improved its profit by nearly Rs 4 lakhs for the year 1957, subject to audit. The ad-interim dividend which was paid for the half year ended 30th June 1957 at the rate of 12 per cent per annum, free of income-tax absorbed, as in the previous year Rs 6 lakhs. The provision for taxation has been increased to Rs 21 lakhs from Rs 15.75 lakhs. Bonus to staff absorbs Rs 9.50 lakhs against Rs 8.75 lakhs in the previous year. With the final dividend of Rs 4 per share free of Income tax the distribution for the year is

14 per cent, same as last year. Carry Forward is slightly lower at Rs 4.11 lakhs than the Rs 4.76 lakhs brought in.

The profit of The Hongkong and Shanghai Banking Corporation for the year ended 31st December 1957, subject to audit, after providing for taxation etc. amounts to HK\$ 21,035,543.21 against HK\$ 20,635,421 in 1956. The Directors propose to write off HK\$ 4,000,000 off Bank Premises and to pay a final dividend of £1/12/6 per share on the enlarged Capital (working out to £3/5/- on the old Capital) against £3 per share in the previous year, leaving a balance to be carried forward of HK\$ 2,062,463 against HK\$ 11,039,578 brought in.

The earnings of the Central Bank of India Limited continue to be on a high level. Though there is no sharp upsurge this year as in the previous year (profits in 1956 were of the order of Rs 104.37 lakhs as compared with Rs 77.76 lakhs in 1955) the net profit for the year ended 31st December 1957, subject to audit, is sizably higher at Rs 108.75 lakhs. The final Dividend for 1957 is maintained and absorbs a sum of Rs 25.16 lakhs. Total distribution is at the rate of 14 per cent, same as last year. The allocation to Investments account is the same as in the previous year at Rs 15 lakhs; so also the provision for taxation which is placed at Rs 13 lakhs. The staff gratuity fund receives Rs 1.50 lakhs more to be placed at Rs 6.50 lakhs. The head under provision for Bonus to staff is also higher by Rs 2.50 lakhs at Rs 30.00 lakhs. As in the previous year, the carry forward at Rs 18.44 lakhs shows little change from the brought forward of Rs 18.23 lakhs.

scrip—is controversial. The consequence has been that there are many who have apprehended that, in the interim between October 1956—when the accounts of the last year were closed—and the time when Mr Mundhra's influence from Jessop was removed, there might have been other similar instances. I am in a position to state categorically that these apprehensions are all false.

Indeed, Mr S. S. H. Sitwell, Managing Director of Jessops, has taken the proper course to explain all these developments in some detail in his speech to the shareholders of the company held in Calcutta last week. In the first place, Mr Sitwell makes it clear that there was never any question of the appointment of an administrator or special officer to Jessops.

If there has been such an impression, it was because, in recent weeks, we have had the spectacle of other ex-Mundhra companies having the benefit of a receiver to look after their affairs. This impression, erroneous though it is, was further fostered by the fact that Mr S. D. Srinivasan, representing the Life Insurance Corporation, was coopted as a director of the Company. The fact is that the company, in recognising that the Life Insurance Corporation was a very substantial shareholder, had invited the LIC to be represented on the Board of Directors. The nomination made by the Corporation, pending the holding of the annual general meeting, was Mr Srinivasan.

Then, Mr Sitwell has been at some pains to assure the shareholders that, after the one incident

HIGHLIGHTS

Next Monday, the Chagla Commission will get down to its work.

Justice Chagla will be called upon to "enquire" into LIC investments, particularly in the Mundhra group.

We would stress that it would be desirable to conduct the inquiry on a fundamental basis.

That is to say, the rationale of LIC investment policy must be gone into.

Why this is necessary is touched upon by Eavesdropper in Clive Street Gossip.

Also, Gateway Gossip applies itself to the terms of reference as well as to the tasks of the Commission.

The important consideration in this matter is that the LIC must be free to safeguard its investments.

For this purpose, as both the articles point out, it will be necessary for the LIC to conduct open market operations.

For rational views on the controversy of the hour, read Clive Street and Gateway Gossip.

which has been referred to in the accounts, the utmost care was exercised to ensure that there could be no recurrence. And, in fact, there has been no recurrence.

Next, we come to the matter of the present financial position of Jessops. With the late publication of the accounts for 1955-56, another financial year has elapsed. So, Mr Sitwell seized the opportunity afforded him of giving a few figures for the latest accounting year. These figures show that the margin of profit of the company continues to be as satisfactory as ever; and that work done by the company is setting up new records. As Mr

Sitwell points out, the order book of Jessops is now placed at a remarkable figure of Rs 20 crores.

Nevertheless, we cannot gloss over the fact that, stray or single incident though it was, Jessops have been somewhat weakened financially. Consequently, consolidation is in order. For this purpose, the LIC made it known through its representative that it would be desirable for the company to pass over the dividend for 1955-56. In agreeing with the suggestion, Jessops have taken the eminently correct step of passing over the dividend, so that, in short shrift, the company could

be as financially strong as it used to be.

In every way, it can be stated that Jessop has taken every correct step to minimise the adverse effects that the company might have suffered in its encounter with Mr Mundhra.

END

Investment Notes:

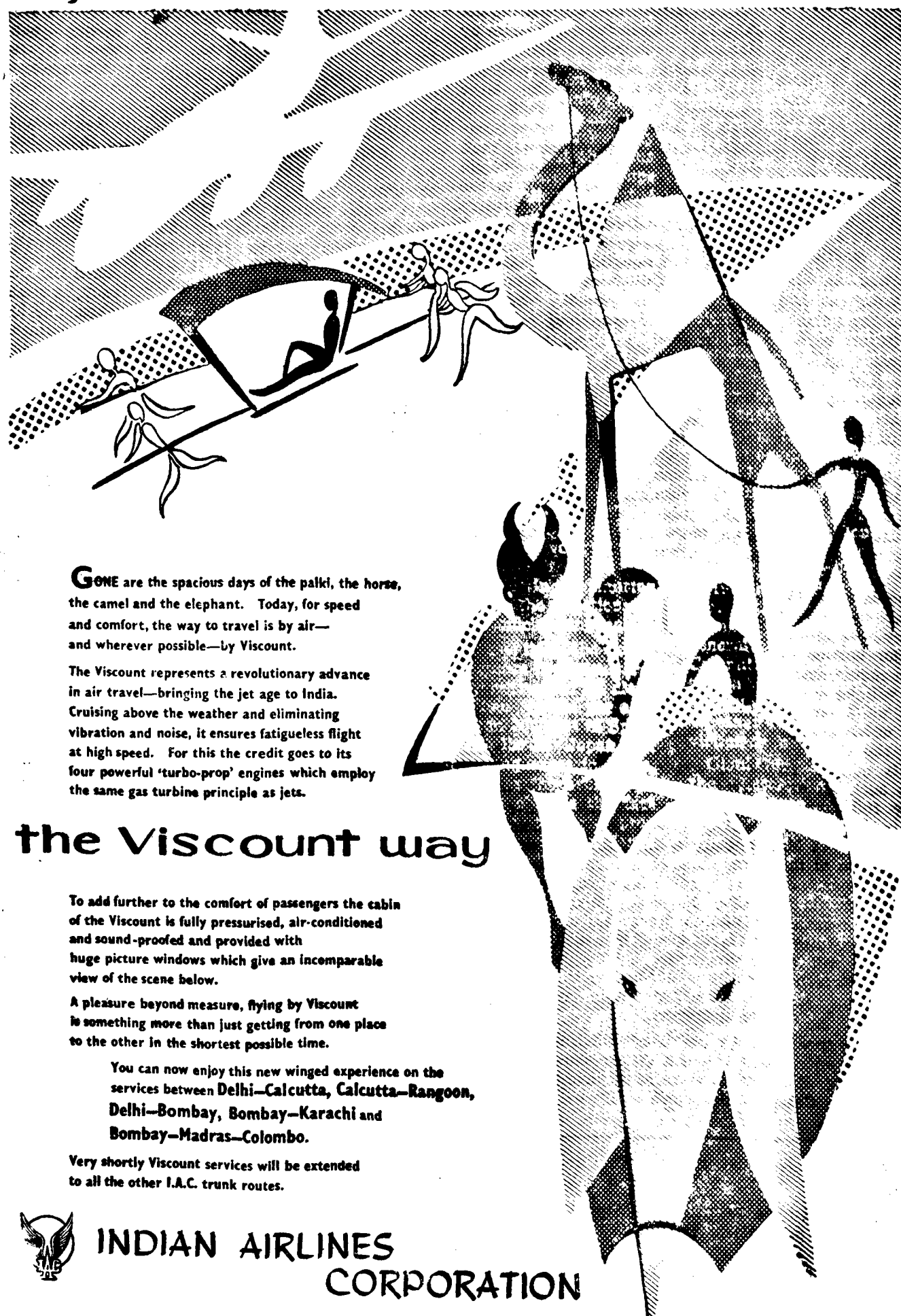
Jessops have staged a smart recovery to Rs 21.25 from the recent low level of Rs 19.87. The emergence of confidence in the scrip is due to expectations of satisfactory results for 1957. In this respect, the

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Y. S. TAYAL,
Secretary.

Dated:
Calcutta, 13th January, 1958.



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Chairman's speech is reassuring, not to speak of the fact that the company's order book stands now at the remarkable figure of over Rs 20 crores and the company has been relieved from Mundhra's management.

It is understood that the Committee of the Calcutta Stock Exchange has suspended dealings in the shares of Richardson & Crundas for three days with effect from Friday, the 17th December, as a mark of resentment against the company's refusal to accept shares for transfer.

In Bombay, Scindia Steams have been ruling very firm at Rs 17.16. Thanks to excellent results, the company has raised the dividend by 25 p to Rs 1.25 per share on the increased capital for the year ended 30th June, 1957. The question of the future managing agency of the company is now in the final stage of discussion, which will be placed before the shareholders very soon for their approval.

END

Investment Briefs:

Cherra-Chhatak Ropeway has announced a dividend of 10 per cent for the year ended 31-3-1957 as against nil in the previous year.

In Bombay, Bombay Burma Trading has decided to maintain the total distribution at Rs 40 per share on the fully paid-up and Rs 16 on the partly-paid-up shares, for the year ended 31-5-1957.

END

Share Offer by Jaipur Udyog

Balance-Sheet Reviews:

THE directors of the Jaipur Udyog Limited have announced that they have not recommended any cash dividend for the year ended 31st March, 1957, with a view to conserving the resources of the company. The profit for the year has declined from Rs 45.45 lakhs to Rs 40.80 lakhs, subject to Depreciation. The provision for Depreciation has amounted to Rs 20 lakhs against Rs 20.21 lakhs. The directors have not made any appropriation of the profit, pending requisite consent from the Controller of Capital Issues for capitalisation of a portion of the profits.

An application has already been made to the Controller of Capital Issues for sanction of the issue of 3 lakhs Ordinary shares of Rs 10 each, at par out of the issue of Rs 1 crore already sanctioned by the Controller. In view of the present state of the capital market, the directors do not propose to raise fresh capital, but issue bonus shares in the ratio of one share for every five shares held by capitalising a sum of Rs 18.75 lakhs, representing 12½ per cent of the equity capital, from current profits, and Rs 11.25 lakhs, representing 7½ per cent of the Ordinary capital, being the interim for the current year. Instead of giving dividend, the direc-

tors have preferred to pay in the form of bonus.

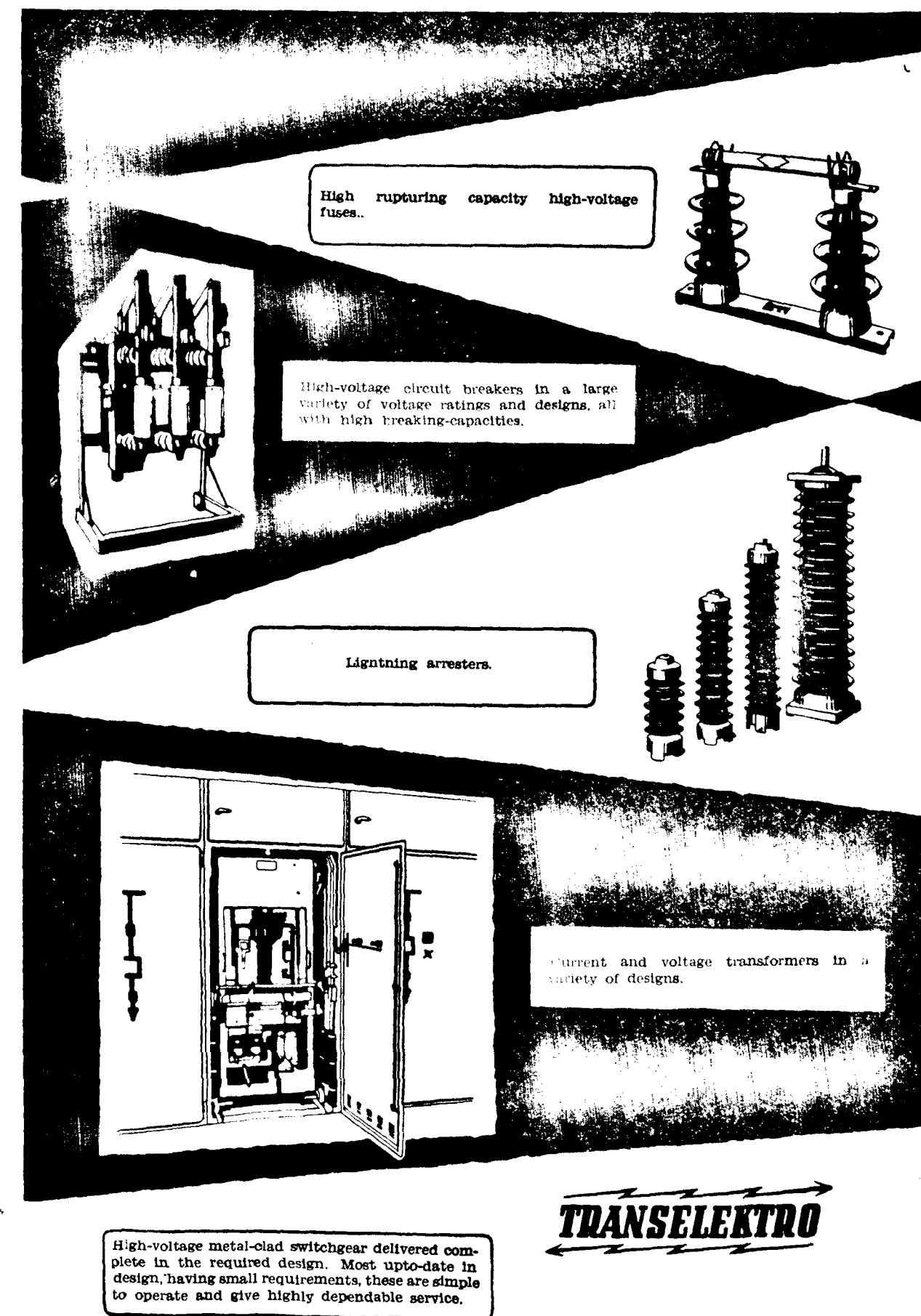
The company's second and third cement plants have been installed without raising any share capital, but largely depending on borrowings besides its own working surplus. The capacity of the second plant is being fully utilised with the coming into operation of the new power plant in August 1957. The third cement plant of 600 tons per day

rated capacity has been switched into production in November, raising the annual installed capacity of the works to 6 lakhs tons. The company has since purchased a fourth cement plant with a daily rated capacity of 750 tons. Most of the machinery has already arrived at the Bombay Port and some at site. It is hoped that this plant should be in operation by the end of 1958.

Premier Construction

It is understood that the scheme of capital reconstruction of the Premier Construction Company Limited has been provided by the Government. According to the scheme, 35,000 Promoters' shares of Rs 3.75 each will be consolidated into 11,666 Promoters' shares of Rs 11.25 each. After consolidation, 11,666 Promoters' shares of Rs 11.25

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INDIAN FINANCE

January 18, 1958

each will be converted into Ordinary shares of Rs 11.25 each.

Then, it is proposed to capitalise a sum of Rs 2,18,730 at the rate of Rs 18.75 each and thereby bringing up the share-value to Rs 30 each. The total Ordinary share capital of the company comes to 75,000 original shares plus 11,666 new ordinary shares, making a total of 86,666 ordinary shares. Thereafter, it is proposed to increase the value of 86,666 ordinary shares to Rs 50 each by capitalising Rs 20 for each ordinary share, amounting to Rs 17,33,320.

It is also proposed to issue bonus shares of Rs 50 each in the proportion of one Ordinary share to each ordinary share held by capitalising Rs 43,33,000. The total number of ordinary shares will be 1,73,332, involving a capital outlay of Rs 86,66,800. After capitalisation, the capital structure of the company will consist of 1,73,332 ordinary shares of Rs 50 each equal to Rs 86,66,800; 10,000 Preference shares of Rs 100 each equal to Rs 10 lakhs; 15,000 Second Preference shares of Rs 100 each equal to Rs 15 lakhs and 5,62,500 Third Preference shares of Rs 10 each equal to Rs 56,25,000.

Thus, the overall capital will be Rs 1,67,91,600. According to the management, the question of issuing bonus shares will largely depend on the result, if any, in the bonus tax, which is 30 per cent now. If the forthcoming Budget should provide for a reduction in this tax, chances of a bonus issue are considered bright.

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New Kaiser-i-Hind Mills:

The results of the New Kaiser-i-Hind Spinning & Weaving Company Limited, for the year ended 31st March 1957, have proved very discouraging, mainly because of the adverse repercussions of the sharp increase in excise duty as from 1st September, 1956. The gross profit for the year has come down to Rs 6.55 lakhs from Rs 29.57 lakhs in the previous year.

The directors have transferred Rs 47,500 from Dividend Reserve to the Profit & Loss Account. Out of this, Taxation has been provided at Rs 1.55 lakhs against Rs 9 lakhs. No provision is made for Depreciation against Rs 3.98 lakhs. The directors have set aside Rs 2.00 lakhs for General Reserve against Rs 1.50

lakhs. The dividend on the Ordinary shares is reduced to Rs 6 from Rs 8.50 per share. Sales, during the year, went down to Rs 2.53 crores from Rs 2.79 crores.

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Chundeecherra Tea

The Chundeecherra Tea Company Limited has reported a slight increase in the crop outturn at 8,623 maunds for 1956 as against 8,251 maunds; but the average price realised is lower at Rs 2.00 against Rs 2.06 per pound. The net profit, after Depreciation, amounts to only Rs 2.26 lakhs against 2.78 lakhs in the previous year. The Depreciation amount is raised to Rs 49,904 from Rs 34,102, while Building & Machinery Reserve is maintained at Rs 1.5 lakh.

The directors have, in their report, stated that, owing to lack of funds in India, they are unable to recommend the payment of any dividend at this stage; and, as and when they are able to have profits remitted from Pakistan to India, a dividend will be declared. Meanwhile, the dividend paid in 1955 was 30 per cent.

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TISCO Bonus

The directors of the Tata Iron & Steel Company Limited have decided, subject to the Government approval, to issue bonus shares in the ratio of one share for every five shares held to mark the Golden Jubilee of the company. The bonus issue is to be made by utilising the premium received on new Ordinary shares issued last year and a small amount out of the Reserves. As these shares are to be issued out of the Share Premium Account, this issue is not subject to the Bonus tax of 30 per cent. The company will, no doubt, have to pay bonus tax on the amount of shortfall, to be met by a withdrawal from the General Reserve.

The bonus issue will entail capitalisation to the tune of Rs 3.85 crores. The Share Premium Account will provide the bulk of the amount. There will be a nominal shortfall in the funds required, as the money in respect of the final call has not yet been fully received. The shortfall is expected to be of the order of only Rs 3 lakhs and this amount will be taken out of the Reserves.

Second Plan: Exit Defeatism

THE long awaited announcement about the US aid to India has finally been made. We may state at the outset that this evidence anew of American generosity must be deemed fully up to the expectations that this country might have had. And yet, we are afraid that the superficial student of the Indian economy is likely to rush headlong to the conclusion that the aid that we have been promised falls short of India's needs, and that, consequently, the uncertainty about securing the foreign exchange for the hard core of the Plan continues. We should like to dispel, once and for all, all such doubt or diffidence about our capacity or resources for seeing through this hard core of the Plan.

It is important to recognise that the US aid announcement is both a culmination and a beginning—the culmination of efforts instituted by Mr T. T. Krishnamachari, the Finance Minister, when he was in Washington last year and the beginning of a suitably enlightened and altogether generous foreign aid programme by America. Thus has been laid to rest any apprehension that Mr Krishnamachari's mission was a failure. Indeed, all developments go to show that the efforts of Mr Krishnamachari and the Industrial Delegation, on the one hand, and of the visit of Mr Nehru to Japan, on the other, are just in the process of bearing fruit. Let us list these developments. The assistance vouchsafed by America in the next 12 to 15 months is \$225 million; and, moreover, fresh negotiations on a supplementary aid under Public Law 480, in respect of surplus commodities, are in train. Also, this excludes the loans that we might obtain from the World Bank, and the present indications are that we can be more or less certain of an annual allotment of \$100 million for specific projects, and particularly in respect of the Railway Plan.

Next, we have the fact that deferred payment terms have been secured from West Germany and from Russia in regard to the two steel plants. To this, we have to add the prospect of Yen credit from Japan for the supply of textile machinery. Lastly, there also seems to be hopeful prospect of France being in a position to extend credit for a sum around \$50 million. All these add up to an aggregate amount of \$700 million; and the bulk of it will be, as it were, utilisable in the period before June 1959. It is, we may point out at this juncture, this period till June 1959 which constitutes the hump period of the Plan. So, we may say, generally speaking, that the foreign exchange gap in respect of the hump period has now been covered.

Let us have no more defeatism in this matter of foreign exchange. There is fresh evidence to show that India's Second Plan has evoked not only sympathy but also a keen desire to help in the countries of the industrialised West, who are in a position to extend such assistance. Of course, we have not received a blank cheque to cover the foreign exchange gap for the Second Plan as a whole. But, surely, we had no right to anticipate that we would receive such a cheque. It is only against particular projects or for specific short periods that assistance in adequate quantity can be forthcoming. Not only can it be forth-

coming; the events of the last week show that they also will be forthcoming.

In this matter of foreign exchange prospects, we would like to add a few postscripts. In the first place, India needs to recognise the timeliness and generosity that America has displayed in its offer of assistance. The measure of the American anxiety to help India is shown in the fact that America has offered to advance over \$150 million from the Export-Import Bank; normally, the credit facilities available from the Export-Import Bank are extended only to the private sector, and this is the first major help being given at a governmental level.

The second postscript relates to the heartening signs of the inflow of private foreign investment. Sir Alexander Fleck, Chairman of ICI, has revealed that new investment by the company in India in the next 12 months is likely to be for an amount around Rs 15 crores. Again, the formation of Oil India Private Limited signifies fresh capital investment in this country by the Assam Oil Company: the foreign exchange expenditure involved has been agreed to be met by the foreign associates of Government—the Assam Oil Company and the Burmah Oil Company—in this enterprise.

Thirdly, there is the clearest indication that, except in the contingency of total failure of crops in this country, we need not apprehend any serious or untoward food situation.

Indo-British Example

MR HAROLD MACMILLAN'S short but strenuously happy visit to New Delhi last week must have been one of the most memorable experiences of his life. From the moment he landed at Palam, he was left in no doubt about the warmth and friendliness of the Indian people and the special sense of intimacy which Indians impart to their affection for the British. Mr Macmillan himself sensed this mood almost immediately on his arrival and fell into it with admirable ease. After a tentative attempt at investing his visit with a formal significance as the first by a British Prime Minister in office, he quickly acquiesced in the mood of informal intimacy. And this mood prevailed despite protocol, banquets and public receptions.

There are, of course, historical reasons for the special sense of closeness. Indeed, there could hardly be a greater force for bringing people together than the memory of a common past of some bitterness—memory that is green enough to give point to present harmony and the past clear enough to look back without rancour. Mr Nehru spoke at some length about the special links we have with Britain and about the significance of the way in which the two countries brought to an end an association of over two centuries. Without seeking to invest the Commonwealth with any "mystique", we may see in the continued association of India and Great Britain in the Commonwealth the inevitable destiny of their common history. Indeed, some may even assert that the Commonwealth idea was not born in 1948 or 1931, but when Britain started

Indian Finance

Established 1928

January 18, 1958

"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

Arrangements are already afoot for assistance from America for \$ 65 million of wheat. Moreover, Mr Ellsworth Bunker, has strongly hinted that, in the next fiscal year, further agreements under Public Law 480 might be possible. Again, Canada would appear to have decided to supply us with 700,000 tons of wheat in addition to supplies recently arranged for from that country under the Colombo Plan. In this situation, the Government of India will be able to avoid dissipating their energies or foreign exchange on the import of food-grains.

Lastly, many of the arrangements for foreign assistance, particularly those with the USA and Canada, afford considerable relief in the matter of internal resources. For, not only are some of the loans returnable in rupees, there is also the stipulation, in some cases, that the counterpart funds could be utilised by India in its development works.

In a word, we would urge that the time has come when we should shrug off all feeling of despondency, doubt or defeatism about the Second Plan. For, it is now abundantly clear that the industrialised world evinces a keen interest in the Indian experiment in planning, and that it is willing to give the assistance that we may stand in need of. Furthermore, whether it is food or internal resources, the situation has been rid of its erstwhile vagueness and uncertainty. Exit, in short, defeatism.

on its colonial adventures. However that may be, India's decision to stay in the Commonwealth after its colonial status was definitely ended, was implied in the very nature of the struggle that it waged against its former bondage. There were, of course, uniquely Indian elements in the Gandhian struggle, but in so far as any external inspiration motivated it, it has to be sought in British constitutional sources rather than in the French or even Russian revolutionary sources. The principal feeders of the central revolutionary urges in India were Burke, Mill and Montesquieu rather than Rousseau or Marx. And so, when Britain acted on the prophetic wisdom of its greatest political philosopher, Burke, and did confer on a former colony the status of an equal, the consequence he predicted of the continued existence of the Commonwealth followed inevitably.

There is thus so much in the common history of these two peoples that has gone to their continued association as members of the Commonwealth. That is why we wonder whether the example of the happy consummation of Indo-British relations which Mr Nehru held up to the rest of the world to solve its other difficulties has anything more than hortatory relevance. There was much in the ways of lives of the two people, in the inspirations that shaped their deadly struggle, in the idealism of the men that controlled the destinies of the two peoples at crucial moments, in the mutual influence that the two peoples had on one another that made both the end of the

old untenable relationship and the beginning of the new relationship not only possible but inevitable. No similar compulsive nexus exists between, say, Russia and the US. Therefore, the value of the Commonwealth in such context has about as much relevance as the example of a perfect marriage. As Tolstoy said, all happy households are alike but each unhappy household is unhappy in its own way.

But we should not be misunderstood. We are not being cynical about the possibility of the present miasma of mutual suspicion and mistrust lifting and of the chances of all of us living together in reasonable harmony,

No Clear Lead

THE annual stock-taking by India's ruling party, meeting at Pragjyothishpur in Assam, has to reckon with more numerous developments of an unfriendly character than most politically-conscious Indians would like to have. The last annual session of the Congress met at a time when the sense of fulfilment and relief over States' Reorganisation was fresh and warm. The first year of the Second Plan provided another source of national self-assurance. There was scarcely any political problem which gave room for serious concern. Whatever shortcomings were felt in the party organisation were sought to be met by prompt measures of reform. The national situation, taken as a whole, was such as to inspire plenty of confidence and single-minded endeavour toward economic development.

Since then, some very uncomfortable deficit items have appeared in the balance sheet. We have never succumbed to the temptation of a pessimistic assessment of the economic developments. Some passing difficulties have only hardened the determination of the Government of India to go ahead with the Plan, seeking economies, with greater earnestness and care. As far as the Plan is concerned, there is scarcely any ground for seeing either the past accomplishments or the prospect ahead in a gloomy light. The firm recognition that the Second Plan is the least that could be achieved in relation to the requirements of the people and the refusal to be cowed down by the emergence of bottlenecks in finance, transport or resources of personnel, speak highly of the calibre of those who have undertaken to steer it through.

Only in one respect have calculations gone dishearteningly astray. The progress in food production has been disappointing. But that is again a case for more vigorous domestic effort rather than for any kind of despair.

It is on the political side that developments have been less agreeable. In the South, the Communist Government in Kerala which could get along well with the Union Government for several months have started murmuring about the President's reference of the Education Bill to the Supreme Court for opinion. The state of public affairs in Kerala under Communist rule is being described variously by different party leaders. What appears to be nearest the facts is a recent indication given by Mr K. K. Menon, Joint Secretary Praja Socialist Party; Mr Menon points out that the ruling party in Kerala has acquired a grip on the people of the State and he warns against any interference by the Centre in Kerala affairs.

In Kashmir, the release of Sheikh Abdullah has introduced into the open a force which fearlessly challenges the status quo. At Thantnag the Ex-Premier of Kashmir spoke for 80 minutes explaining his difficulties in calling upon the Muslims of Kashmir to go to India. He asks, "what justification can I have to advise the Muslims to go to India. No

much as Great Britain and India do. But these are consummations that can be brought about only by dealing specifically with problems that divide mankind. Indeed, such attempts are constantly being made, not least by Mr Nehru and Mr Macmillan. Mr Macmillan's broadcast suggestion of a non-aggression pact on the eve of his departure to India is an instance in point. By patient and persevering efforts, it should be possible to solve many of the problems that bedevil the world today. And in this, the endeavours of India and Britain and other members of the Commonwealth have an important role to play.

amount of repression, intimidation or temptation can influence me to sacrifice the inherent right of my people."

In Maharashtra, a fairly formidable body of opinion has emerged which insists on the revocation of the set up which came into existence in October 1956 and on carving out two linguistic units out of the present Bombay State. In South India, and Bengal the issue of official language has ranged powerful groups and individuals against the policy associated with the Union Government. The failure of the Second Plan targets to make any considerable contribution to the solution of middle class unemployment has created a certain lack of faith in the intelligentsia and made the general social temper more easily excitable.

The Resolutions drafted by the Steering Committee of the Congress reflect a clear awareness of some of these developments; while in respect of others the Congress leaders might justifiably think that silence and secret handling of the problems would yield better results than any formal discussion in the open session. As neither the Subjects Committee nor the full Session is likely to introduce radical changes in the Resolutions put forward by the Steering Committee, these Resolutions may be deemed to embody overwhelming party acceptance.

It is but natural that the Steering Committee should give pride of place to the questions of food production and of the official language.

The Resolution on food mentions the possibility of a 300 per cent increase in agricultural output in India. The average yield of clean rice in India is now less than 800 lbs per acre as compared with more than 3000 lbs in Spain and Italy and about 2300 lbs in Japan. In some of the richest producing areas in India, the annual yield is as high as the average of Japan. But that should not obscure the fact that India is one of the most ancient rice producing countries and that the marginal lands which are now being brought under cultivation offer comparatively very poor yields. The Congress Party is justified in insisting that a 30 per cent increase in food production must be attained during the Second Plan and the indication of possibilities as high as 300 per cent increase is psychologically stimulating. Because, what is sought to be attempted is only a fraction of the potential increase indicated.

The twelve point programme for securing this target consists of all the planks which are familiar. There are two considerations which have to be borne in mind in holding out targets for food production. During the last two years this target has been fluctuating between 15 per cent and 40 per cent. At one time the Planning Commission suggested 40 per cent. A Food Ministers' Conference got it reduced to 27 per cent. The Ashok Mehta Committee thought that even that might turn out to be too ambitious, and now the Congress Party Steering Committee puts it at 30 per cent for a minimum. These ever changing target

figures can well arouse the suspicion that no one in authority has cared to assess the real potentialities for any specific period and there is a measure of speculation and guess work, more than what is warranted by the difficulties in calculating food yields. The mere fiat of Government or of the Congress Party is no equivalent to evaluation based on objective circumstances. It is necessary to convince the public that the targets of production have close affinity to possibilities.

It is undeniable that yields could be improved. That in many areas cultivation does not receive the earnestness and attention, called for particularly at a time of heavy national food shortage is also a fact, the main reason being the wide spread uncertainty resulting from land reforms in varying stages of progress and the organisational vacuum created by the abolition of some of the old systems of tenure.

What the country suffers from is not so much confusion in thinking as the tardiness in the implementation of ideas, in respect of raising agricultural production. The first also is there to some extent. Where ideas sponsored by the Congress Party do not gain sufficient practical response, two courses are open. One is to examine the causes of resistance and to overcome them. If on the other hand, resistance is really rational, the party and the authorities must give in and change their own ideas. In respect of cooperative farming, neither seems to have been done, with the result that there is a general doubt and dilemma in the minds of the peasants. Of a relatively minor character is the question of cutting down water rates. State Governments are often thrown between considerations of finance and food production; they themselves have to decide promptly how the conflict should be resolved. Once food production is given unquestionable priority, the course of action becomes clear. The Congress Resolution will have to be interpreted as giving it that status.

The Resolution on official language, is on the face of it, provokingly non-committal. The only concession given to the opponents of 1965 as the dead line for a complete change over is the inclusion of the condition that the change should be effected only through a general consensus of opinion. In the Subjects Committee, Mr Nehru made a very persuasive speech which must have touched the hearts of delegates from the non-Hindi speaking areas. Whether that speech created intellectual conviction is a different matter.

Giani Gurmukh Singh Musafir, who seconded the Resolution spoke in an altogether different tone and the Congress President, Mr Dhebar was content to dismiss the whole issue with the observation that the provisions in the Constitution would have to be implemented. The Resolution on language, it has to be admitted, only registers the controversy without pointing to any clear cut solution; each section can interpret it as it likes. The least that could have been done was to declare in favour of unequivocally postponing the dead line. As it is, those who want the complete replacement of English by 1965 will start frantically to prove that Hindi language is fit enough by that date; and the others will either stiffen the resistance or imbibe a thoroughly cynical attitude to the whole issue.

The endorsement of non-alignment in a test free world, which the Resolution on foreign policy embodies, is inexorable in the light of the principles and circumstances which have shaped this country's relations with the outside world. The rumblings of a move for an East West Non Aggression Pact and the gestures for peace which have been coming out from Russia, now in a position of superior military strength, can surely be interpreted hopefully.

The New Foods

Professor M. S. Thacker, this year's President of the Indian Science Congress, has made a public appeal to small industrialists to come forward and undertake the manufacture of a multi-purpose food, now being produced on a small scale in the Food Research Institute at Bangalore. This product is credited with high nutritional value.

The Kerala Government have a scheme for the manufacture of a synthetic cereal fashioned in the Institute. Whether the multi-purpose food referred to by Professor Thacker is the same is not known. If the two are different, there is a third one described as mango cereal flakes, into which mango, wheat flour and sugar enter as ingredients. This product also is attributed high nutritional properties besides an appealing taste. Professor Thacker maintains that the multi-purpose food, when manufactured on a wide scale, would help to relieve the country's food deficit.

Any product which holds the promise of relieving the food shortage has to be seized with both hands and zealously propagated. Apparently these valuable new foods, which the Research Institute has been able to discover, have lacked the publicity they deserve. Once in a way, they come in for proud mention on occasions like the Science Congress Session. What is wanted is to keep them constantly before the public eye and to encourage mass production through agencies where the profit motive is combined with an equally dominant concern for national welfare.

If the description of the synthetic and other foods made available by the Bangalore Institute does not exaggerate, it is a pity that they are not enabled to reach the market where the hunger for quality food products is almost insatiable.

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Editorial Notes

Where considerations of nutrition are also applicable, the impact of last year's changes in import control policy may also be examined.

An Uncertain Force

The release of Sheikh Abdullah after about four years of detention is an event which is being interpreted differently in different places. The Premier of Pakistan flatters himself by arguing that the decision to release the Sheikh is the outcome of the pressure of international opinion, to which Pakistan's own efforts have mostly contributed. In India, the end of his detention has been received with guarded approval by some leaders and with naked misgivings by some other. Within Kashmir also it seems to have created the same split response.

The first few statements coming from Sheikh Abdullah after his release are of a kind to dispel the impression that he would not be a thorn on the side of the State Government. The shrewd politician as he is, he has not minced words in giving expression to views directly antagonistic to the declared policy of the Government of India and of the Government of Kashmir. The arrival of Mr Graham, for a second lap of political exploration on the initiative of the United Nations soon after Sheikh Abdullah's release, gives the ex-Premier a special opportunity to marshal public opinion both in Kashmir and abroad in support of whatever stand he wishes to take.

Over the four years during which he has been kept in gaol, there have been some developments, though none of a radical complexion, which call for a reappraisal of the political situation in Kashmir. All these developments have not been in favour of India. Now, there are at least two well organised political groups in the State who can lend considerable backing to a leader of Abdullah's stature, if he is really keen on organising an opposition to the Government. The probabilities are that he will do it and even go to the extent of challenging the fundamentals of the State's present status.

In New Delhi and in Srinagar, these risks could not have been overlooked when the decision to release him was taken. The political gains of the release may be more obscure, a circumstance which naturally compels the authorities in India to keep a vigilant eye on the consequences of the re-entry of a powerful and uncertain force in the politics of Kashmir. That the world would also be watching with equal alertness makes the call on the Indian Union, more taxing.

Railways & Road Transport

A bifurcation which took place as a result of constitutional changes in the process of the integration of princely States has been to some ex-

tent revoked by the decision of the Railway Ministry to invest Rs 1 crore in the Andhra Pradesh State Road Transport Corporation. Till the financial integration in 1951 when the Nizam's State Railway was in existence, State road transport in Hyderabad was part of the Railway. Since then the two got separated and the State Government took over the road transport.

Now that an independent State Road Transport Corporation has been set up in Andhra Pradesh, the substantial association of the Railways must turn out to be beneficial to both railway and road transport. Besides the financial interest the Railway Ministry will have two of its representative on the Corporation, with the Union Transport Ministry putting in a third. The result should be the maximum coordination at all levels, a feature which we are sorry to say, does not obtain in every State.

The possible criticism that some concrete forms of invisible assistance from the Railways may distort the picture of the operational efficiency of the Corporation can easily be dismissed on the score of inherent improvement in coordination in many aspects of the Corporation's work. From the transport users' standpoint bottlenecks between the railways and road transport could be expected to be less than where the two do not meet financially or administratively.

Industrial Labour

The ninth annual conference of the INTUC which was held in Madurai had served to air the views of labour in regard to the Second Plan. And one of the resolutions passed at the conference had stressed the need for re-modelling the Plan in the light of the experience that had been gained during the last ten years.

The textile crisis as a result of which a number of mills had closed down causing unemployment to workers has been viewed with serious concern by the conference. In this connection Mr Khandubhai Desai, former Union Labour Minister pointed out that if the curtailment in production was due to the imposition of additional duties, they must be looked into properly and promptly. It is only natural that labour should be interested not in mere compensation but in increase in production and employment.

The tendency of the employers to rush to the supreme court to evade commitments under labour legislation passed by the Government also came in for criticism at the conference and Mr Desai said that such practices hardly conformed to the spirit of the socialist pattern of society.

The necessity to assure the workers a gradual increase in the share of the national income was

also emphasised. And in this connection Mr Desai pointed out that the justification of the wage boards about which the employers seem to have much misgivings lay in the fact that such boards could keep track of the correlation between wages on the one hand and profits, tax and interest on the other.

The World's End

Hardly a week passes now-a-days without the scientists giving us a jolt, and the latest is from Dr Louis Essen of the National Physical Laboratory at Teddington. The world's end has often been predicted since the days of the Old Testament, but this British Jeremiah gives us a target date accurately worked out with the aid of an atomic clock. He is reported to have found that days are at present one-thousandth part of a second longer than two years ago, a process which should normally have taken a century. The earth's rotation is slowing down fifty times faster than previously anticipated and hence it will come to a dead stop a lot sooner when, moon-like, it will stand still with one half perpetually facing the sun and the other perpetually bound in an ice-cap. Consequently, we are told, there will be a complete break-down in the earth's tidal system, with the sunny part a torrid terror and the dark part a frigid and no human being anywhere to disturb the eternal peace. The only consolation, if we need any, seems to be that the final is still some little way off—16,078 million years. Little does Dame Nature know that the end she proposes for us is being rapidly advanced by our own efforts. A few hydrogen bombs in a few minutes will do the trick much better than she will do it over her millions of years.

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A. T. HOBBS,
Manager.

World of Finance

Interest Rates in India

THE delay in the start of the 1957-58 busy season has been, as it were, compensated by the emergence of demand in a rush for funds in the first two weeks of January. Money rates have perceptibly hardened, although, again, from the point of view of resources, there still appears to be the confidence amongst banking circles that the banking system is not likely to be unduly strained. But, with the hardening of money rates, a very interesting phenomenon is taking place in the Indian World of Finance. That is, while short-term money rates have tended to go up, the gilt-edged market continues to be paradoxically firm. Indeed, the Reserve Bank has lately raised its selling rates on a number of loans. The 2½ per cent 1962 is now quoting at Rs 94.70 as against Rs 94.65; and the 3½ per cent 1962 is quoted at Rs 97.86 against Rs 97.80. This appreciation in gilt-edged values, of course, means that gilt-edged yields are declining slightly. How is this decline in gilt-edged yields to be reconciled with the increase in the short-term money rates? It is from this point of view that we may briefly address ourselves to the question of interest rates in India.

There can be no doubt that the Scheduled Banks generally and the Exchange Banks in particular have been keen bidders for Deposits. In fact, it seems certain that, ever since the start of the 1956-57 busy season, the money market in this country has been experiencing a Deposits war. Consequently, short-term money rates in the banking sector have tended to be artificially high, that is, the short-term money rates are higher than they should be if regard is had for the quite comfortable position of member banks. We presume that the Deposits war has flourished for two important reasons. In the first place, the Exchange Banks, in the light of 7 per cent Bank Rate in London, are not reluctant to bid strongly for Indian Deposits. In the second place, the Indian Scheduled Banks are perhaps eager to prove that they each individually are participating fully in the remarkable accretions by way of Deposits to the banking system. This, then, explains the consistently and relatively higher levels of term money rates. At the same time, however, since the start of the 1957 slack season, the augmentation to Deposits has been so spectacular as largely to eliminate the need for inter-bank money. During the 1956-57 busy season, with an ever present need to secure additional resources, the inter-bank call money rate was maintained at a very high level.

However, during the course of the 1957 slack season, the inter-bank call money rate gradually declined. Even today, the interest rates in this sector have not yet become unduly high. The substantial rise in Deposits would explain the more restrained behaviour of the inter-bank call money rate.

As the Deposits of Scheduled Banks rose sharply, simultaneously the member banks found that a smaller proportion of resources was being profitably utilised. This was due to a number of reasons, the two important ones being the Reserve Bank's directive to Scheduled Banks that there should be general restraint in the extension of Scheduled Bank credit and, secondly, the slight falling off in the demand for funds to finance foreign trade, with the restrictions imposed upon imports. In the result, the Scheduled Banks found that, while their resources were steadily getting larger, and while the interest that they paid on such Deposits was becoming bigger, a greater proportion of their resources was idling in the form of cash. Automatically, such a state of affairs induced a demand for gilt-edged securities. The virtual abstention in 1957 of State Governments from the New Loan market, and the relative smallness of the Centre's New Loan effort, further reduced the availability of gilt-edged for investment. Inevitably, this unsatiated demand for gilt-edged on the part not only of Scheduled Banks but other institutional investors improved the tone and tenor of the gilt-edged market. Thus, it is in this wise and for such reasons as we have given that the contrary trends have obtained in the short-term money rates and in the gilt-edged market.

It is, of course, clear that, with gilt-edged behaving so satisfactorily, a rise in Bank Rate is to be ruled out. It is also clear that the short-term money rates are not an index of the interest that Government will have to pay for their borrowings. Lastly, we may even say that the higher level of interest rates in the short-term money market does not necessarily mean that it is impossible for Government to reduce Bank Rate. For, as we have tried to show, the short-term money rates are linked up more with the need for resources on the part of the Exchange Banks, and linked up, therefore, to a corresponding extent with the Bank of England rate. Bank Rate in this country, on the other hand, should be considered to be related more to the funds seeking investment in gilt-edged rather than to the level of short-term money rates. Leaving apart, for the moment, our thesis that the reali-

sations to Government loans improve with a reduction in the yield obtainable, we urge at this present juncture that the quantum of funds seeking gilt-edged should by itself be exerting a downward pressure on gilt-edged yields and should, therefore, enable a reduction in Indian Bank Rate. We may add here that we are leaving out of the discussion our suggestion that the distorting effect had by the short-term money rates on the overall structure of interest rates needs to be corrected by Government fiat. The one thing that we should like to stress here is that, in respect of the fundamental interest rate, the Bank Rate, the influences at work in the Indian economy point to a downward, and not upward, trend.

Interest Rates in the UK

The rebellion against Bank Rate at 7 per cent is, by implication, gathering momentum, strength and power in the UK. One of the London City Editors, who has consistently crusaded against the 7 per cent Bank Rate imposed by the ex-Chancellor, Mr Peter Thorneycroft, is Nicholas Davenport of The Spectator. In a recent article, Mr Davenport again had a blistering attack on the former Chancellor for believing in the efficacy of high Bank Rate. Not only was such a high Bank Rate futile within Britain, it also had an unfortunate chain reaction. This is what Mr Davenport says on the subject:

"The 7 per cent Bank Rate squeeze is also having unfortu-

nate consequences in the sterling area overseas. Who will want to finance India's growth if 12½ per cent to 15 per cent can be obtained in London? Who will want to finance Australian development if industrialists in Britain are willing to pay more than double the 5½ per cent rate which is all that bank advances in Australia can command? If this situation is allowed to persist, money rates throughout the sterling area will inevitably rise through the attraction of the London magnet, the fall in commodity prices will quicken, the raw material producing countries will cut their imports, overseas trade will contract, our invisible earnings will diminish and before long a deflationary spiral will be set up and gold will again be flowing out of the reserves to meet a dollar deficit. This will be the economic consequence of Mr Thorneycroft's 7 per cent that is, if the game is played much longer."

The general opinion seems to be that Mr Thorneycroft's resignation implies and involves a change in monetary policy on the part of the UK Government. In other words, there is reasonable evidence that, at long last, the UK is beginning to have second thoughts on the deterrent potentiality of high Bank Rate. It is, of course, too early to speculate on how soon or whether the Bank of England Rate will be reduced. But there are at least two reasons to believe that

(Continued on page 128)

Consequences of Mr Thorneycroft's Resignation

By PAUL EINZIG

MR THORNEYCROFT's resignation, and that of the two junior Ministers of the Treasury, came as a bolt from the blue. It has caused grave concern throughout the country and the Prime Minister's efforts to minimise the importance of the event has failed to reassure public opinion. Government spokesmen were at pains to emphasise that the three Treasury Ministers resigned over a "mere" £50 million which they insisted on cutting off the Estimates for 1958-59, in order to carry out the Government's pledge not to increase expenditure above the total for 1957-58. Even if this interpretation were correct, the importance of the principle involved was far in excess of the extent indicated by the figure of £50 million. What really matters is that evidently the Government is weakening in its determination to keep spending down at its level of 1957.

In reality the amount involved is uncertain, because there are bound to be Supplementary Estimates, and their total may well exceed that of the Supplementary Estimates introduced during 1957-58. More important than the actual amount of the difference between Mr Thorneycroft and the

rest of the Cabinet is that the Treasury seems to have received scant support from the spending Departments in its economy drive, and that the Cabinet refused to back up its demand for more drastic cuts.

An additional expenditure of £50 million would not in itself have produced unduly pronounced inflationary effects. But there is good reason to fear that departure from the principle laid down in September last will encourage pressure for further departures. All trade unions are likely to argue that if, on the Prime Minister's own admission, an addition of £50 million is such a trifling matter, then their respective claims, each one of which are well within that figure, could be conceded without disastrous effect. It seems probable that the trade unions, which have been marking time since September, will now press forward with their claim with the utmost vigour.

In such circumstances it is not sufficient for the Government to declare that it is determined to pursue Mr. Thorneycroft's disinflationary policy. That policy is now likely to encounter much

stronger opposition, because the departure from its rigid principle has given much encouragement to its opponents. There is a widespread feeling that the Government, while paying lip service to its disinflationary policy, is in fact much less firm than it was four months ago when the imminence of a grave crisis induced it to adopt strong measures. It is far from certain whether even Mr. Thorneycroft's policy, applied in full, would have been sufficient to arrest the wage spiral. And it is now felt that, since a collapse of sterling is no longer imminent and since the average politician is incapable of seeing ahead till the next crisis in the autumn, the Government is having second thoughts about carrying out in full the disinflationary policy decided upon under the influence of the acute run on the pound in September.

Such criticisms do less than justice to Mr Macmillan and his Government. Most Ministers are probable as keen as ever on disinflation, but they would like others to swallow the bitter medicine that has to be taken. They combined in an effort to frustrate Mr Thorneycroft's economy drive, but they are likely to back up his successor, Mr Heathcoat-Amory in his effort to keep down the volume of credit. Moreover, those who imagine that the change at the Exchequer would be followed by an all-round softening of monetary policy are reckoning without Mr Amory. The new Chancellor of the Exchequer is a man of character and a strong man. He has no political ambitions and is not afraid of applying the Gladstonian principle that the Chancellor of the Exchequer must be willing to sacrifice his popularity to the requirements of his guardianship of the public purse.

Above all, Mr Amory is in a very strong position in relation to the Cabinet. Should he fail to get the support which he demands, he would be in a position to force the Cabinet to back him up. For the resignation of another Chancellor of the Exchequer would be more than Mr Macmillan's Government could survive. Moreover, his disinflationary policy is bound to receive full support from Mr Thorneycroft from outside the Government, and from a large section of the rank and file of the Conservative Party both in Parliament and in the country. The Government's attitude towards inflation will be followed with the utmost attention from now on, and any marked departure from its declared disinflationary policy will encounter strong opposition on the part of Conservatives. So it is considered possible that the Government may feel impelled to implement the policy in defence of which Mr Thorneycroft has resigned.

Mr Thorneycroft should have taken a strong line six months earlier when the Cabinet decided to do nothing in face of the gathering storm. And it is a great pity

that the maximum of his demand was to prevent an increase of the expenditure. He ought to have insisted on substantial reductions below the 1957 level, in which case he could have resigned on a clear-cut issue. As it is, it is arguable that the difference between his policy and that of the Cabinet was merely one of degree.

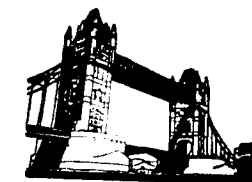
It was not certain that the Government's policy would have achieved the end of checking inflation, and the change at the Exchequer has made it even less certain. One thing is certain. If the reconstructed Government's disinflationary policy should fail, the last hope of the Conservative Party to win the next general

election would disappear. Mr Macmillan does not appear to have realised the extent to which his supporters are in favour of economy in public expenditure. Unless he comes to realise it before it is too late the return of a Labour Government not later than 1960 must be considered a certainty.

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World of Jute

Changing Pattern in Goods Production

WITH the release of the figures of production of jute goods in December 1957, the conditions obtaining in the Indian jute industry and trade in the past year, have become apparent. It would appear that despatches have slightly lagged behind those in the previous year. Output of jute goods has declined by 62,900 tons to 1,029,900 tons in 1957 from 1,092,800 tons recorded in 1956. A redeeming feature, however, is that the industry has started 1958 well as will be evident from the fact that the opening stocks are only 75,600 tons whereas at the beginning of last year stocks stood at 95,700 tons.

The drop in output is explained by the fact that for nearly 7 months in 1956 mills had worked with a larger complement of looms. An analysis of the figures will show that the decline is largely accounted for by sackings which in 1957 totalled 548,700 tons as against 615,500 tons in the previous year. Output of hessian is only 900 tons lower at 414,300 tons. Other manufactures have increased by 4,800 tons.

The pattern of production in the past 12 months shows that mills have made from time to time certain adjustments as regards their looms. In the first half of the year the emphasis has been on the production of hessians. For, during this period hessian production has been kept at a high level with the result that the resealing of the looms from the middle of last year is reflected only in the reduction of sacking output. In the second half of the year the emphasis has shifted to the production of sackings. With a substantial decline in sacking stocks at the end of August, there has been a marked change. As against a production of 43,100 tons in August, production of sacking in September, October, November and December has been 47,300 tons, 47,100 tons, 53,200 tons, and 54,700 tons respectively. It will be interesting to note that the year's highest figures of production for hessian and sackings are found in the first and last month respectively. A significant point that emerges from the trend of production this year—this trend is particularly noticeable in the past two months—is that productivity has increased. For, while mills, working for 206 hours in December 1956 produced 84,900 tons, working for the same number of hours in November 1957, they have produced 91,900 tons. It is evident that the modernisation programme which is being implemented, has already begun to bear beneficial results.

Though total despatches during the past year at 1,043,659 tons are lower by 11,268 tons as compared with the previous year, exports have been higher by 2,832 tons at 864,273 tons. The lower total off-take is solely due to the decline in internal consumption which has amounted to 179,386 tons as compared with 193,436 tons in 1956.

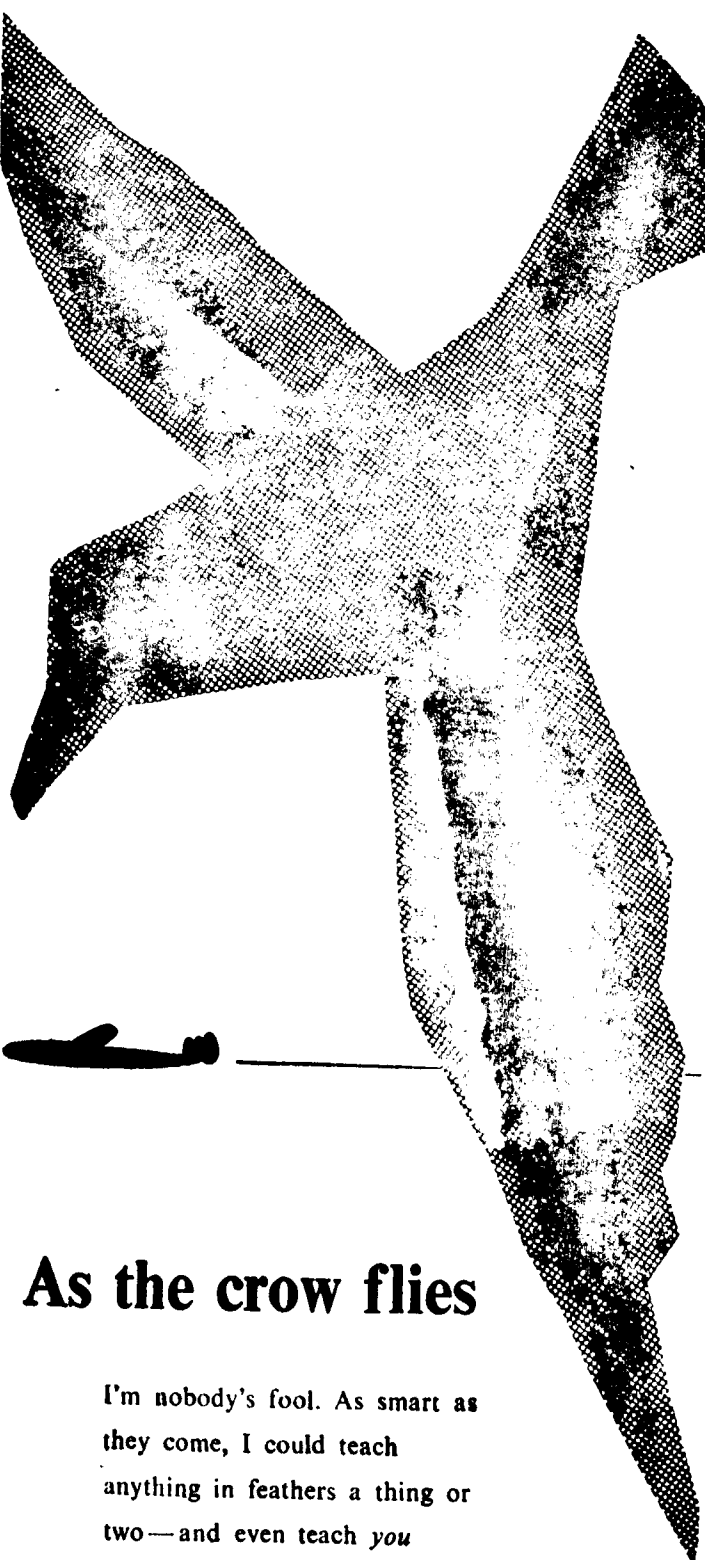
The announcement that burlap consumption in US during December has increased by 8 million yards over November to 71 million yards has not affected market sentiment either way. For, as expected earlier, US burlap consumption last year has been at a disappointing level. The total consumption in 1957 has amounted to only 833 million yards as against 878 million yards. Stocks at the end of the year are also substantially lower at 225 million yards as against 267 million yards at the end of 1956.

It would appear that the jute industry is destined to have one anxiety substituted by another. While sackings have been faring well, hessian have started lagging behind. The steep decline in the burlap consumption in US in the closing months of last year together with the increase in stocks in that country has engendered some anxiety regarding the off-take of hessian. Though it is believed that some improvement in the situation will ensue, the industry does not seem to be very hopeful. It seems to take the view that it will be prudent to keep hessian stocks at a low level. The continued upswing in the production of sackings indicates that the industry is hopeful of receiving good demand for this category of jute goods.

Conditions in the jute goods market during the past week were steadier and prices all along the list showed some fractional improvement. Sentiment was aided by reports of fresh business in cornsacks with Australia and scattered bear covering in both hessian and sackings. Hessian 40"x10 oz Ready opened steady at Rs 39.65 and at one time was done up to Rs 40.06 before closing at Rs 39.95. B Twills Ready also opened steady at Rs 105.10 and after making further small headway to Rs 105.50 closed quietly steady at Rs 105.12.

Prices showed substantial improvement over previous levels when the market opened last Thursday mainly in view of the approach of due date in Fatka. Hessian 40"x10 oz Ready closed the day 20 nP higher on balance at Rs 39.65 with the April-June position placed at Rs 39.10. In the

(Continued on page 128)



As the crow flies

I'm nobody's fool. As smart as they come, I could teach anything in feathers a thing or two—and even teach you when it comes to flying.

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World of Tea

Prices in Sellers' Favour

AUCTION prices, both at Calcutta and Mincing Lane, have recorded further gains during the week under review. Competition is sustained and well-distributed. The floods in Ceylon and the continued labour unrest in the Colombo Port are undoubtedly contributing towards higher values at the auctions. Some concern as to whether Indonesia can maintain normal shipments of tea, as well as adverse weather in Pakistan and East Africa, are also said to be playing their part in firming the market.

On the question of the floods in Ceylon, it is understood that the tea gardens were unaffected, because of their elevation. But the movement of tea, over the next few weeks, is expected to be stepped up somewhat to compensate for hold-up in Ceylon teas. Although the Ceylon gardens were not damaged by the floods, heavy rains there recently have curtailed the December crop. According to certain trade sources, outturn in December is estimated at around 27 million pounds or some 9 million pounds below 1956 December total.

Meanwhile, shipments of North Indian tea, during 1957, dropped sharply to 359,900,000 pounds from 436,100,000 pounds in the previous year. Even allowing for the carry-over of 50 million pounds of 1955 tea shipped in 1956, exports last year disclosed a fall of more than 26 million pounds.

The serious decline in tea exports at a time when the country is faced with an acute shortage of foreign exchange is attributed to keen competition from Ceylon and Africa who were able to offer tea to the world market at rates which were lower than those of India. Competition was particularly keen in Common teas, which formed the bulk of the North Indian production. The reluctance of the Government of India to provide any relief to the tea industry by way of a reduction in, or abolition of, export duties also hampered tea exports. The change in the rate of duty every month on the basis of prices obtained in London auction also retarded exports of tea, as overseas buyers were unwilling to face this uncertainty.

In this connection, the latest monthly bulletin, issued by Messrs J. Thomas & Company, states:

"Common teas were quoted appreciably lower, both in London and Colombo, throughout the 1957 season; and it was indeed fortunate that the absorption by the internal market was sustained, thus preventing a further fall in values on the Calcutta market. From all indications the dependence of the tea industry on the internal market will be even greater in future years. It is, therefore, of ever-increasing importance that the

Indian campaign of propaganda be further intensified if the vast potential demand from within this country is to be exploited to the full.

The cost of production has risen substantially in the last three years and little, if any, relief can be expected in this direction in the coming year. On the other hand, world production is on the increase and competition to Indian teas is likely to become more serious in the future. The current sales have doubtless caused anxiety to the majority of producers in this area and a bright future is hard to forecast.

The political unrest in Indonesia and the recent Port strike and general dislocation in communications owing to rain and floods in Ceylon may provide a temporary stimulus to the Calcutta market. But, the problem of Common teas is deep-rooted. Unless positive steps are taken at once to provide relief in the form of reduced taxation, improvement in transport, warehousing and financial facilities, a lowering in the standards of production and efficiency is inevitable, causing lasting damage to the industry whose large foreign exchange earnings are vital to India's progress and well-being."

In the Export Sale, held in Calcutta this week, offerings were 55,372 packages. There was again a strong and general demand, most sorts selling at dearer rates. Clean well-made teas and those with bright liquors were the strongest feature, especially the Orange Fannings in this category which appreciated by about 10 nP per pound and sometimes more. The BOPs of this description were frequently sold above valuations. The remaining BOPs, however, tended easier and were the weakest feature of the sale.

"Teas for price" were 2 to 4 nP dearer, while plain and medium BPs and Fannings were well supported at 2 to 4 nP above last rates. Non-wither Doors were irregularly 6 to 8 nP dearer, especially those with bright liquors. There was fair demand for CTC teas at about last rates, some of the bright liquoring types selling at a premium. There was fair competition for Whole Leaf grades and BPSs and prices for these were irregularly dearer.

Darjeeling teas met with much better demand and were sold well. Following rates were quoted:—Clean Black Pekoe Rs 2.30 to Rs 2.40; Plain Broken Pekoe Rs 1.60 to Rs 1.64; Plain Fannings Rs 1.70 to Rs 1.74; Medium BP Rs 1.68 to Rs 1.72; Medium Fannings Rs 1.80 to Rs 1.84; Best Assam CTC BP Rs 2.60 to Rs 2.80 (nominal) and Best Assam CTC Fannings Rs 2.50 to Rs 2.60 (nominal).

In the Internal Sale, offerings were 18,083 packages of Dusts. There was very good general demand and the better liquoring Mediums and the best liquoring CTC Assams were, once again, the

strongest feature of the sale, selling at appreciably dearer rates. The fibrous descriptions with ordinary liquors were also in great demand and were firm to dearer.

All descriptions of orthodox manufacture were firm and occasionally dearer, while there was continued support for clean black leafy types from the exporters. Following rates were quoted:—Medium Doors Dust Rs 1.62 to Rs 1.64; Medium Assam Grainy Dust Rs 1.64 to Rs 1.66; Medium Assam CTC Dust Rs 2.00 to Rs 2.20 and Best Assam CTC Dust Rs 2.80 to 3.05.

Also, 1,890 packages of Leaf grades were offered for internal consumption. There was a good general demand and prices were firm and often dearer.

In the Export Quota section, business was reported done at 17, 17½ and 18 nP per pound.

Crop outturn in Northern India has shown a substantial rise of 10.4 million pounds in December 1957 as compared to the corresponding month of the previous year. Total production, to the end of December 1957, is, however, lower at 521.37 million pounds as compared to 540.05 million pounds in the corresponding period of 1956, showing a decline of as much 18.7 million pounds. As compared to the average of 530.89 million pounds for the last three years, there is a decline of 9.5 million pounds.

At the sale held in Chittagong, Dust offerings amounted to 5,439

chests and Leaf 12,486 chests. There was a strong demand for all kinds of Dusts and prices were generally one to two annas per pound dearer. Plain Sylhet Dust was quoted at Rs 2-5-6 per pound.

There was a useful general demand for Leaf grades except for Whole Leaf grades which were a dull market. Brokers, however, competed for at As 2 to As 2½ over valuations, while "teas for price" were a bright feature, selling at from As 2 to As 5 above previous rates. Fannings grades were well supported and generally advanced by about one to two annas per pound. Sale No. 16 will be held on the 29th January, 1958.

At the auction held at Colombo, offerings were 6,386,557 pounds. There was active demand. There was a wide selection of Nuwara Eliya teas; but quality was rather plain and prices were generally below valuation. There was, however, a very strong demand for high-grown teas. Prices of best quality Broken were maintained with some irregularity. For varieties below best, there was an advance of 15 to 20 cents per pound.

Among medium-grown teas, there was an advance of 5 to 10 cents per pound for useful liquoring Broken. Among low-grown teas, Middle Eastern types were again strong with leafy BOPs advancing by 5 to 10 cents per pound. There was more enquiry for all qualities of Fannings which were sold at dearer rates.

(Continued on page 125)

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PAID-UP CAPITAL	"	3,14,54,250
RESERVE FUND & OTHER RESERVES	"	4,02,77,122
DEPOSITS AS AT 31-12-56	"	1,39,01,90,571

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[January 18, 1958]

World Overseas

Britain

THE resignation of Mr Peter Thorneycroft from the Chancellorship of the British Exchequer has naturally provoked a good deal of discussion, both in London and abroad. The full background to the Cabinet dispute will not become clear until both sides have had an opportunity to present their case in Parliament. The general impression in London at present is that it arose out of disagreement about means

rather than ends—that it was, in fact, the result of disagreement about the most effective method of combating inflation inside Britain.

But questions, of course, arose at once. The most obvious, and the most important, was whether Mr Thorneycroft's resignation foreshadowed major changes in the economic policies of the Government, particularly in relation to the fight against internal inflation and the defence of the pound sterling. On this point, however, Government spokesmen have been emphatic and unequivocal. In his letter to Mr

Thorneycroft, Prime Minister Harold Macmillan pointed out that "the policy upon which we are all resolutely determined is to check inflation and maintain the stability of sterling", and added that "the economic and financial measures which we adopted during the past year are, I believe, beginning to bear fruit."

The new Chancellor, Mr Derick Heathcoat Amory, made the same point in even stronger terms. In a statement issued on the evening of the announcement, he declared, first, that "the change of Chancellor means no change in the Government's economic or financial policy"; second, that "the measures which have been successful over recent months in improving our economic position will be maintained,

as long as is necessary, without relaxation"; and third, that the "strengthening of sterling and a stable internal price level are the dominating aims of the Government's economic policies, and nothing whatever will take precedence over them; there have been no divisions between us in the Government at any time on these objectives".

Since then, the new Chancellor has been seeing a number of leading representatives of British industry, and he will no doubt have made it absolutely clear to each of them that the Government intends to maintain existing policies in full rigour.

The firm attitude towards wage increases in the public sector, which could lead to greater Government expenditure, has been generally regarded as a vital part of the new economic policy, and on the day following the change of Chancellor there were indications that the position in this respect had in no way changed.

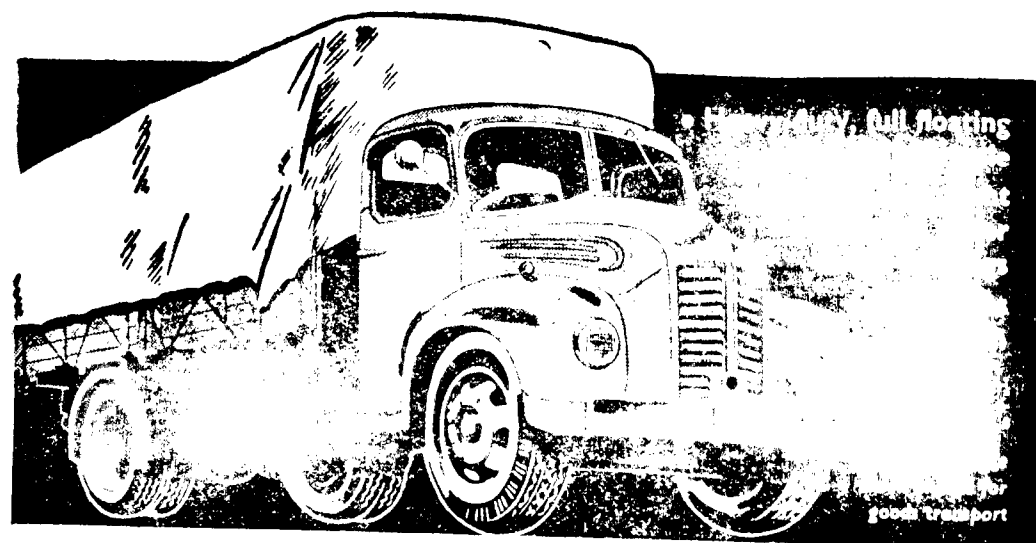
The London Transport Executive, a branch of the nationalized British Transport Commission, rejected for the second time a claim for increased wages put forward on behalf of London busmen; and the new Minister of Agriculture refused to allow an appeal against the dismissal of a number of temporary civil servants which followed the recent award of a wage increase in their department.

Both words and action had their effect in London and abroad. In the London money market there was no sign of the softening in interest rates which might have been expected if the change of Chancellor had been understood to indicate the possibility of an early relaxation of the Government's stringent monetary policy.

Security markets—particularly the market in Government securities—brushed the news off lightly. Gilt-edged stocks were marked down slightly at first, but soon recovered lost ground and became noticeably firm. Foreign exchange markets behaved in a very similar fashion. Sterling fluctuated violently at first, as it would on the announcement of any important Government reshuffle, but became steady again on the day following. The dollar rate, to take an example, was by the end of the week only a fraction of a cent lower than when the news of Mr Thorneycroft's resignation was announced.

It seems clear, then—whatever the detailed reasons for the change of Chancellor turn out to be—that it will not be allowed to have any effect on the direction or vigour of the Government's economic measures. The behaviour of the markets suggests that this fact, so strongly stressed by all Government spokesmen, has been grasped both in London and abroad.

The position has been summed up very fairly by the chairman of the Deutsche Bundesbank. "I cannot imagine", he said, "in view of the world position of sterling, that a change at the United Kingdom Treasury will also mean a change in British monetary policy".



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January 18, 1958]

World of Business

"Communications" and Executive Training

THE laughable and pathetic sides of US business life have inspired innumerable newspaper articles and quite a few outstanding books. "Executive Suite" by Cameron Hawley leads the reader to the remote recesses and nuances of the instincts and conduct of top employees in US business, their secret agonies and frustrations, invariably shared by their spouses. A recent issue of the Management Review carries an article on "human relations techniques" as they are understood and practised in the US. The Time treats us to a lively discourse on schools for Executives. The second title of the article is more instructive: how helpful is industry's new fad?

Lawrence Stessin of the Graduate School of Business, New York University, who contributes the article in the Management Review, points to 'Communications' as paramount among the host of human relations techniques which "in this brave new world, the modern man in management aided and abetted by social scientists, has embraced" and around it "swirls a new kind of interaction between employer and employee designed to bring about understanding, cooperation, and integration of an enterprise. However, communications, ostensibly an antidote to the slide-rule approach to human relations, has itself become a victim of stereotypes, clichés, fables, and fallacies. It has been turned into a gimmick and a gadget. Communications has become an end in itself".

The rest of his narrative is an elaboration of how it has come to be so. The frantic search for new ideas, for the discovery of standardised attitudes and dealings with employees with a view to secure ideal personal relations and eventually the maximum output, especially when backed with colossal expenditure of money and effort, would not all have gone in vain. But the results are not always as friendly or as universally successful as the executives at the top think or perhaps pretend to think. Professor Stessin mentions some amusing situations in which the grandiose ideas of the ruling class in industry have been exposed as fatuous illusions.

Often the top executives have no means of verifying the results of these inescapable methods. Frequently, they are not even enabled to secure the real facts through the organised cunning or stratagem of the employees. Sometimes contacts and morale-lifting techniques which are conceived in a genuinely human spirit are attributed just the contrary motives and arouse resentment rather than affection from the workers. On the whole, the worker's response is vague, incalculable and

not always even sympathetic. Prof. Stessin asks, with his readers, "Does all this mean that communications is a waste of time and money?" "Of course, it does not. But it does indicate that too many executives are emphasizing 'Com-

munications' at the expense of communication, paying too much attention to the gadgets and gimmicks and too little to content and purpose".

The Time article is even less charitable over the training courses for executives in US industry. There is an illuminating para on the results being obtained from these courses.

"Perhaps the biggest objection to the whole idea of executive training courses is that US industry, which spends millions checking on the efficiency of every thing else it does, has no check on the results of executive training. More important, it has not even been able to figure out a way to do so effectively. The biggest reason for this failure is that, as Ralph M.

Besse, executive vice president of Cleveland Electric Illuminating Co., put it 'Those picked to attend classes have already demonstrated ability to move, so you cannot say their class work was the specific cause of my advancement'. When asked point-blank what they got out of such courses, the executive students themselves seem surprised by the question and are often at a loss for an answer. They mumble such replies as, 'Well, it was not a waste of time' or 'I guess it did some good'. Even those who are most enthusiastic about the courses describe the benefits they got as 'intangible' rather than anything that could specifically help them in business. Says a Jones and Laughlin Steel Corp. Official: 'You have to have faith that they do some good, that is all—absolute faith.'"

(Continued on page 138)



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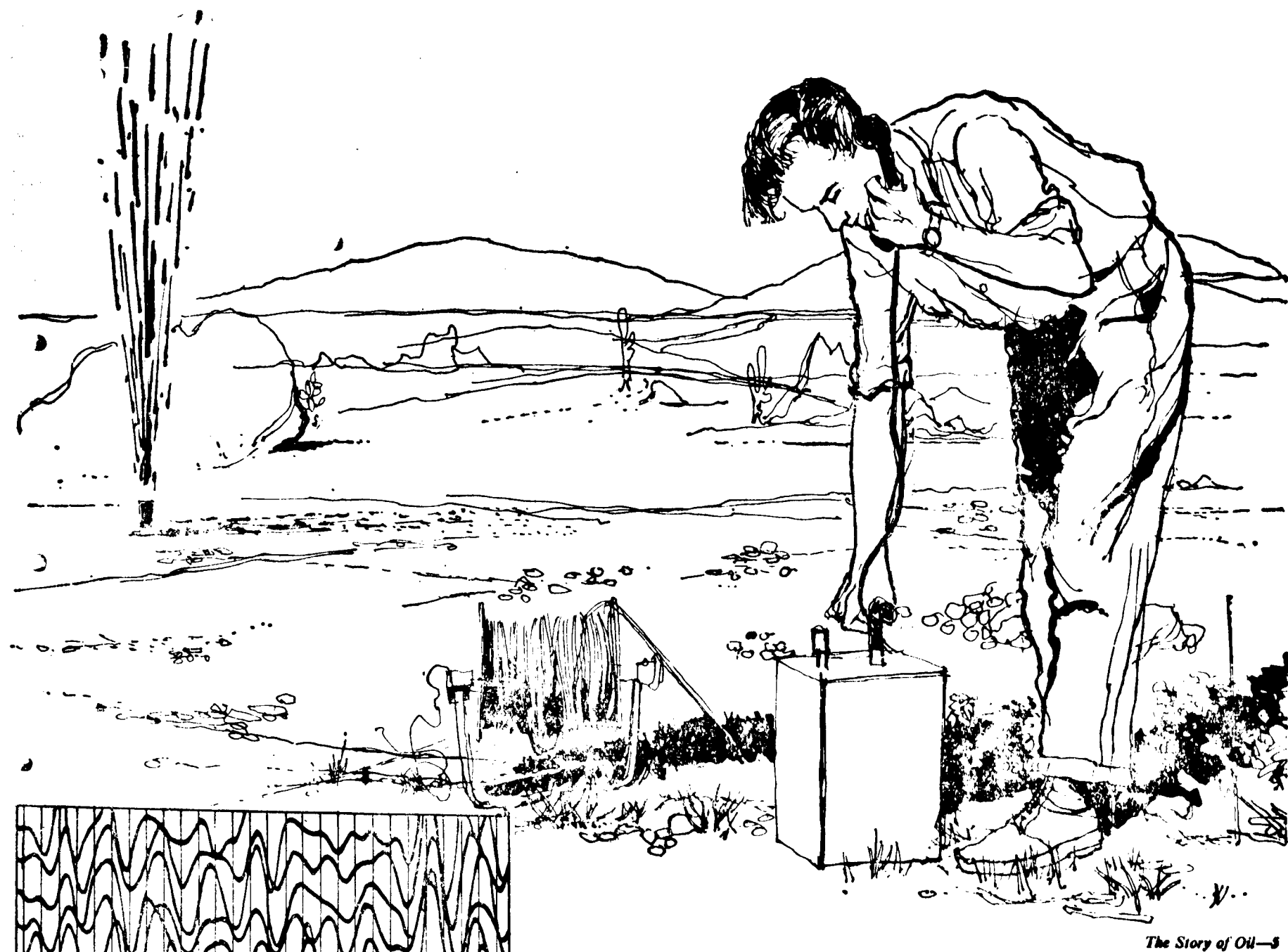
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Mapping buried rocks

Geophysics, which is the science of the earth's physical structure, aids the search for petroleum by making it possible to study the characteristics of rock layers buried deep in the earth's crust.

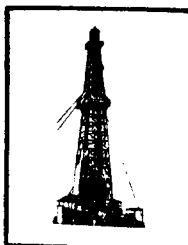
The geophysicist's main "tools" for this job are the gravity meter, the magnetometer, and the seismograph. The gravity meter and the magnetometer, as their names imply, measure the pull of gravity and the magnetic force of the earth. For the sedimentary rocks which may contain oil are lighter than others, and they are less "magnetic" than the harder rocks which never contain oil.

With the seismograph, the geophysicist can measure the intensity and timing of earth tremors. The men of a seismic crew bore a shallow hole in the ground, lower a charge of dynamite into it and set it off. The

shock waves produced by this miniature earthquake travel down, hit the layers of rocks beneath and bounce back to the surface where they are recorded by the seismograph. The waves are reflected strongly from hard rock and less strongly from soft rock. The length of time they take to reach a particular layer and to return indicates the depth of the rock.

All this information is recorded in the form of wavy lines on a chart. By setting off explosions at a number of points it is possible to map the various buried rock formations with a fair degree of accuracy.

When all the results of a geophysical survey have been compared, it may be possible to locate a rock formation that might prove to be oil-bearing. But even if such a trap is found, the only way of proving whether or not it contains oil is by drilling a test well.



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IN the less than 17 months that he has held office as India's Finance Minister, Mr. T. T. Krishnamachari has consistently been dominating the Indian economic scene. Perhaps domination is not quite the word that I have in mind, and it may be more correct to say that the spotlight has centred round him—favourably or unfavourably. He has been embroiled in not a few controversies, and there has been an ever present atmosphere of tension. Not that Mr. Krishnamachari has been consciously at fault. Nor, again, am I inclined to say that nothing can be chalked up against him, but then, the Indian experiment at industrialisation is such that mistakes are possible even with the best intentioned of ideas and by the most moral of our Ministers; so, while it is not my purpose to extenuate the liabilities that figure on the 17 months' balance sheet of the Finance Minister, I wish to take this opportunity of studying the balance sheet as it should be studied, that is, in its totality, and necessarily taking cognisance of the assets side as well. I have hesitated to put my pen to paper in an assessment of this sort of TTK; and the reason, of course, is that I did not wish to provide fresh fuel for the fires of controversy over one who has proved to be a man of controversy. But, when I saw that Mr. Peter Thorneycroft seized what was a fragile pretext for getting out from under his difficulties, I was apprehensive that the criticism, voiced and unvoiced, of the Finance Minister, might certainly be working upon TTK's attitude to his holding office. This apprehension impels me to take stock of the whole performance of TTK as Finance Minister since he took up the portfolio 17 months ago.

There are, in the main, and I am at the outset drawing up the liabilities side of the balance sheet, five distinct and separate controversies which have centred round the Finance Minister. There was, first, TTK's very first decision as Finance Minister to increase the excise duty on cotton textiles. By that one act, he alienated the affections of what, I am afraid, counts as a powerful section of the national economy. Mind you, this is not the context in which I am seeking to find out whether

the raising of the excise duty was in itself bad or good, justified or not, on the part of the Finance Minister. I am afraid that actions and words are less important than attitudes and postures. So, for no fault of his own, TTK started life as Finance Minister by evoking resentment from vested interests and, therefore, unpopularity as far as their attitudes and postures were concerned. Then, there came the interregnum, where the running of Government yielded place to the impending elections. Call it, if you will, the platform speeches that were part of a candidate to office, but the unfortunate fact remains that those seeking election further alienated the so-called vested interests. Since the Congress platform had as its main plank the implementation of the Second Plan and the objective of a socialist pattern of society, the election speeches inevitably funnelled resentment on to the steward of the Finance portfolio, TTK. Thirdly, by the very reason of the election to Government of the Congress Party, the Budget for 1957-58 could not but be one in which an all out effort had to be made to complete the securing of additional revenues from new taxes. While the Budget could be held to have been framed by the Cabinet as a whole—at least as far as the additional revenues sought are concerned—once again the public resentment was directed at the person of the Finance Minister alone. The fourth controversy, though not serious in itself, has had too much public attention to be omitted from this list that we are drawing up, and relates to the interview given by the Finance Minister to the New Delhi Correspondent of The New York Times. The fifth is the one which has raised the greatest amount of furore and relates to the investments made by the Life Insurance Corporation in what are popularly called the Mundhra group of shares. I shall now, if I may, try to distinguish between where Mr. Krishnamachari could be held responsible for an error of judgment and where the outcry against him is completely unjustified.

Let me first clear the air by giving my views on the liabilities side of the ledger. I am afraid that Mr. Krishnamachari has only him-

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow up whom I please!"
—As You Like It.

self to blame for some of the unpopularity that he has earned. He has a fondness for extemporaneous statements, but he has not been as careful as he could be in what he has on occasions said. So, the unguarded statements that now and then issued from him produced such uncertainty, generally that Mr. Krishnamachari perhaps figured at one time as the most feared man in India. To the extent that an iteration of Congress objective was necessary at election time, I can appreciate the need that Mr. Krishnamachari might have had to mince no words. But there was no need, as he has on occasions done, to rub it in. Every politician needs to be careful about his words. More so, the Finance Minister. And the first debit to be chalked up against Mr. Krishnamachari is that he was somewhat less than careful in his public utterances. Secondly, as the amendments to the Budget proposals of 1957-58 show, Mr. Krishnamachari might perhaps have polished his Budget a little more carefully than he did. The revisions that have been entailed by the Select Committee are such that they can only be construed as a reflection on the care with which the Budget proposals were drawn up. Thirdly and lastly, the LIC affair in the form in which it is presently agitating the public mind is again a reflection on the Finance Minister. While the first two debits do not allow of any qualification, I must at this stage hasten to point out that the third debit, if properly viewed, is no debit at all.

Before I go into this last point, about the Life Insurance Corporation, let me add up the credits that Mr. Krishnamachari has earned for himself. It will not be gainsaid that the various tax proposals that he has made are measures which would have been implemented, whomsoever the Indian Finance Minister. No, I must modify this last statement. It is doubtful whether any other Finance Minister would have been stout enough of heart to brave the flood of public criticism in announcing such revolutionary tax measures. So, we may say at best that any Indian Finance Minister would have been required to make a tax effort of the size that we have had in 1957-58; and TTK's credit lies in exhibiting a courage in the face

of the criticism that he must have known would be evoked by his Budget. Thus, in the first place, it is to Mr. Krishnamachari's credit that he unflinchingly set about achieving the tax target that was postulated for him as Finance Minister of India during a time when the Second Plan has been an overriding factor. We come, next, to the manner in which the tax effort has been completed. True, as I have already said, any Finance Minister would have been called upon to raise taxes for completing the Second Plan tax effort. The easy way out would have been to raise the rates of taxes all along the line. But Mr. Krishnamachari has had the vision to foresee the need for and desirability of evolving what, in his words, is an integrated structure of taxes. Call the Wealth Tax and the Expenditure Tax new fangled innovations, if you will. But in India's circumstances, this is exactly what the country needed. Let there be no mistake about it. The most important fact is that, with the new structure of taxes, a start has been made in the closing of loopholes for tax evasion. Ever since the halcyon days of the Second World War, ever since the time when blackmarketing and profiteering were rife, there has been mounting demoralisation of national character, because of the unlimited and apparently uncheckable scope for tax evasion. Furthermore, the tax evasion started a vicious circle that we have just succeeded in getting out of. That vicious circle lay in the fact that, so long as tax evasion lasted, additional tax revenues could be secured only by increasing the rates of taxes; but, with each increase in the rates of taxation, tax evasion became more fruitful and profitable and lucrative. There appeared to be no end to this vicious circle, in which each successive rise in the tax rates merely made this country a laughing stock, because the taxes could not be enforced and because the evaders, like the green bay tree, flourished as before. It stands to Mr. Krishnamachari's credit that he has put the country on the way to getting out of this vicious circle. This, then, is the second asset that he possesses on the balance sheet, and one that is of inestimable value. In the third place, none will begrudge or gainsay Mr. Krishnamachari his ability to act decisively and promptly. Indeed,

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the imposition of higher excise duties on cotton textiles in September 1956 was calculated in the long run to benefit the consumer. The immediate aim was to inhibit consumption and to channel part of the larger margin of mills' profits to the national exchequer. Both the immediate objectives were quickly attained; and, at the present day, the longer term aim to lower prices for the consumer has also been achieved. Similarly, the promptness with which Mr Krishnamachari attended to the extremely difficult banking situation that obtained on the eve of the 1956-57 busy season bespeaks the thoroughness with which he examined the problems as well as the celerity with which he prescribed the remedy. If the 1956-57 busy season did not witness a startling disruption of banking services to industry, a moiety of the credit in all fairness belongs to Mr Krishnamachari for taking the correct steps promptly. Again, it tends to be forgotten that, in more ways than one, Mr Krishnamachari has proved himself an extremely efficient Finance Minister. For example, TTK became Finance Minister at a time when inflationary influences were already on the prowl, and when these pressures had already started distorting the price situation. In recognition of the need to tackle the inflationary problem with all the powers at his behest, Mr Krishnamachari appointed Mr H.V.R. Iengar to the Governorship of the Reserve Bank. With a full understanding between the Finance Minister and the Reserve Bank Governor, monetary policy has been laid down in such manner as to repel the inflationary pressures and indeed to overcome them. In order to appreciate properly the measure of the Finance Minister's achievements, we need only to recall that the so-called industrially advanced countries with well established money markets had waged what was largely a futile battle against inflation. Classically, inflation and fresh investment for new production go ill together. Mr Krishnamachari has proved that inflation and new investment are not necessarily mutually antagonistic, especially in a country which, like India, is in the throes of industrialisation. So, the third asset in Mr Krishnamachari's balance sheet is the perfecting of selective monetary control and the winning battle against inflation.

This brings me, finally, to a consideration of what I might call the crescendo controversy. The investment by the Life Insurance Corporation in the Mundhra group of shares has been made out in some circles to take on the proportions and attributes of a scandal. Questions have been asked in Parliament, the debate has been like so much washing of dirty linen in public, a Commission of Enquiry has been appointed. The issue here is whether, in purchasing shares in the Mundhra group, there has been an error of

judgment or an abuse or misuse in the utilisation of public funds. The Commission of Enquiry, comprised by Justice M. C. Chagla, are to determine this matter. If regard is had only for the fact that, since the purchase of these shares, their prices have come down, you could say that it was a poorly judged investment. If regard is had for the fact that some of the companies whose scrip were purchased have not issued balance sheets for some years, you could say that those who decided upon the investment had not looked too closely into the suitability of particular scrip for purchase by the Life Insurance Corporation. But these are two factors which are, to my way of thinking, the less important determinants in assessing whether or not there has been misuse of public funds. I agree that it was a mistake not to have checked beforehand whether particular companies had defaulted in the publication of balance sheets. But, surely, the LIC or those who made the investment cannot now be arraigned in the dock because prices of particular shares have come down. After all, no purchaser of shares can be 100 per cent sure that the scrip that he buys will not depreciate. Even gilt-edged is not, in the interim between its issue and its maturity date, immune from capital depreciation. But then, the question is whether these particular scrip, in fact, were worthy at all of investment. It is not, I am afraid, a simple matter of coming to a conclusion on Mr Mundhra's reputation or stature in the corporate sector. For the ordinary investor, the person behind the company is undoubtedly of importance. But, for an institutional investor like the Life Insurance Corporation, much more is involved. I submit that the Life Insurance Corporation is charged with the duty not only of investing safely its accruing funds, but also with the responsibility for ensuring that the scope for depreciation in the already existing investments is minimised. And the two of these are undoubtedly interconnected and interrelated. In this context, we need to apprise ourselves of the situation in which the LIC made the purchases that it did. The stock exchanges had plummeted to new depths, thanks to the 1957-58 Budget. The stock exchanges found themselves unable to recover, for a unique reason. That reason lay in the fact that there was a very large quantity of Mundhra scrip floating unabsorbed in the market. How they came to be floating stocks happened in this way. As I hear it, Mr Mundhra, for securing fresh finance, had obtained loans against shares held by him from stock broking interests. These were in the nature of badla transactions, that is, simultaneous with the execution of a sale order, Mr Mundhra also executed a purchase order for a forward delivery date; it was just around Budget time that the time came for Mr Mundhra to take delivery of such scrip. He found himself unable to

do so, but the burden was not so much on him as on the stock brokers, and so long as the stock brokers were weighed down by the need for financing such shares, price movements could not but be lethargic. I submit that, in such a situation, the LIC had its duty clear to disembarass the market, so that prices could be freed from shackles and so that the value of the LIC's investments could also improve. If we call such purchases by the Life Insurance Corporation as open market operations, there is a storm of protest, because the LIC is supposedly disbarred from such activity in the stock exchanges. But I put it to the reader that the LIC's primary purpose was to pave the way for a general improvement in the stock exchange prices, the primary intention not by any means being any desire to help Mr Mundhra. All that happened, as far as Mr Mundhra was concerned, was that he had no longer the commitment to take delivery of these shares. Supposing the LIC had not made such purchases of Mundhra shares: as today, Mr Mundhra would be a broken man. So, the LIC purchases have not in any way changed the situation as far as Mr Mundhra is concerned. What change there has been has been in the sphere of stock exchange prices generally. Let us concede that there has been some element of depreciation in the Mundhra scrip. But what of the appreciation in other share values that has taken place since Budget time? This appreciation could never have taken place so long as the Mundhra scrip were continuing to float around. So, in a sense, the LIC must be held to have acted in a manner to safeguard its total portfolio of investments. It is not taking a look at the whole balance sheet if the depreciation on the Mundhra scrip is alone taken into account, and if the consequential improvement that the LIC purchase facilitated in other equity shares is overlooked. Again, in respect of the question of alleged bogus or duplicated share scrip, the LIC apparently is insured against any loss, since the brokers who sold the shares to the LIC will be held accountable. If you consider the LIC affair in its totality, you will find that we are tending to make mountains out of molehills. The last word I have to say about all this is that it needs to be borne uppermost in our mind that an important and even imperative duty on the part of the LIC is to safeguard its investments by supporting the stock markets in particular sections or even in particular scrip.

This, then, is all that I have to say about Mr Krishnamachari. He may have made some mistakes, but all this is far outweighed by his real achievements as Finance Minister. It would be a pity if precipitate decisions were to be taken resulting in our deprivation of TTK as Finance Minister for the rest of the Second Plan period.

The reception given by Delhi and the surrounding areas to Mr Macmillan, the British Prime Minister, must have opened many eyes in Clive Street which had remained either fully or partly shut since the visit to this country of Messrs Khrushchev and Bulganin. Doubtless, this is one of the good things Mr Macmillan's visit has done. Sections in Clive Street, I am afraid, have never adequately appreciated a cardinal fact of the Indian character, and that is its attitude to the foreigner, be he from America, England, Egypt, Indonesia or Russia. The average Indian is a very hospitable being and that is why he likes to make much of a foreign visitor even to the point of exuberance. If a foreigner goes into the Indian countryside, he invariably finds whole villages turning out to see him, even if from a distance, and the race complex never works in their minds. The old Sino-Japanese type of xenophobia is absent from Indian history. Another point. The east is very festival-minded, and if an occasion is provided by the visit of a foreigner for a big tamasha, it is seized with alacrity without any thought of east being east and west being west. The village women who unveiled their faces to have a look at Mr Macmillan are the same who had run across furrowed fields, children in arms, to greet the Russians when they were here. His visit has cleared the air a lot and, so far as this country is concerned, three things contributed to the success of his visit. The first is doubtless the constructive proposal he had bade on the eve of his departure from London to reduce the cold war temperature. The second is his assurance that the UK is impartial over Kashmir and the third, his frank and friendly attitude to our Second Plan.

What I have just said about the average Indian being basically a hospitable animal will find added confirmation from the welcome given earlier this week by Calcutta to the Czech Premier, Mr Viliam Siroky. Having travelled a good deal in his trail, I found him greatly interested in Indian affairs and conditions. He was apparently so fascinated by the handloom products manufactured by the cottage industry unit of the Indian Statistical Institute that Mrs Mahalanobis, wife of the Director, whose special pigeon it is, happily thought of presenting Mr Siroky with a couple of beautiful scarves. Mr Siroky went over all the departments of the Institute as well as the Cancer Institute which he visited earlier, and was treated to a cultural show at the New Empire. If, later on, he made a good impression on India by his statement that Kashmir is part of this country, I am sure that the people in general realised why he could go that far and why Mr Macmillan could not.

RAVESDROPPER

Bombay Review

Gateway Gossip

The Chagla Commission

MR Justice M. C. Chagla, as a one-man Commission, begins, on January 20, his enquiry into the facts connected with the investment of LIC's funds in shares of companies belonging to what has come to be described as the Mundhra group. The enquiry will be public in the sense that the proceedings are open to the public and may, therefore, be expected to be reported in some detail in the daily press. The deliberations are likely to take five to six weeks; and the report is to be presented to the Government by March 8. The terms of reference to the Commission, which has been set up under the Enquiry Commission Act of 1952 and in pursuance of the undertaking given in Parliament by the Finance Minister, are to inquire into (i) whether the purchases (of Mr Mundhra's shares), were in accordance with normal business or practice; (ii) the propriety of the purchases; (iii) the person or persons responsible for the purchases; and (iv) any other circumstances which to the Commission may appear relevant.

The Commission's task is, thus, restricted to the Mundhra affair; and the first impression created in one's mind is that the purpose of the enquiry is to find out if there was any malafide in the investment; and, if so, who is the person or persons guilty of such malafide. Such an impression is further strengthened by the tenor of the debate in the Lok Sabha. In knowledgeable circles, however, it is believed that, with his sure eye for whatever is essential and with his unerring instinct for principles, Mr Chagla will link this particular transaction with the "relevant circumstances"; and this link means that the Mundhra affair is to be viewed as part of an investment pattern that the LIC, in obedience to policies and directives decided at Government level, has been evolving over the past few months.

The starting point for this policy is the assurance given by the Finance Minister, at the time the LIC Bill was being piloted through the Parliament, to the effect that the proportion of the LIC's new investments in the private sector would continue to be maintained. This policy, coupled with the snowballing portfolio in gilt-edged, makes the LIC the largest single holder of Government Securities as well as of industrial shares. The LIC has, thus, a vital stake in a healthy market for gilt-edged, and also for equity shares. Price recessions in the one or the other have a direct adverse effect on the over-all value of the LIC's total funds. With the life funds of over a hundred companies

getting consolidated and unified, the LIC's stake in the Stock Exchange behaviour has not only increased many-fold, but has become a continuing responsibility demanding vigilant watching and alert initiative. In simple terms, the LIC has had to evolve a kind of open market strategy in defence of existing values.

If the LIC's purchases of stocks and shares over the past twelve months were carefully studied, it will be clearly realised that a moiety of such transactions were in the nature of open market strategy. When the State Loans were sinking to new depths, and the concerned Governments stood piteously helpless, it was the LIC that emerged as a large scale buyer of all the state scrip that were on offer, and that, by this means, arrested the rot. The Reserve Bank does not engage its own funds to any great extent in open market purchases pertaining to State Loans. So, the LIC's intervention was opportune and effective; and the State Governments were truly grateful to the LIC declared categorically and unequivocally that the purpose and intentions behind such operations were, in effect, open market strategy.

When driven to a corner, official spokesmen may even disdain all intention of open market strategy and stoutly assert that the sole concern of the LIC authorities is bonafide investment—just investment and nothing more. But, let the record of the LIC's purchases be examined in relation to the vicissitudes of Stock Exchange behaviour; and any impartial student will come to the conclusion that a good proportion of recent purchases has all the attributes and purposes of open market operations; and that the policy underlying such purchases is what is undeniably in the interest of the LIC with its extensive and enormous stake in stock exchange securities.

To most people in India, open market operations, in particular reference to the LIC, may appear high-sounding and farfetched. That the accumulating funds at the disposal of the Treasury in respect of insurance schemes controlled or directed by Government

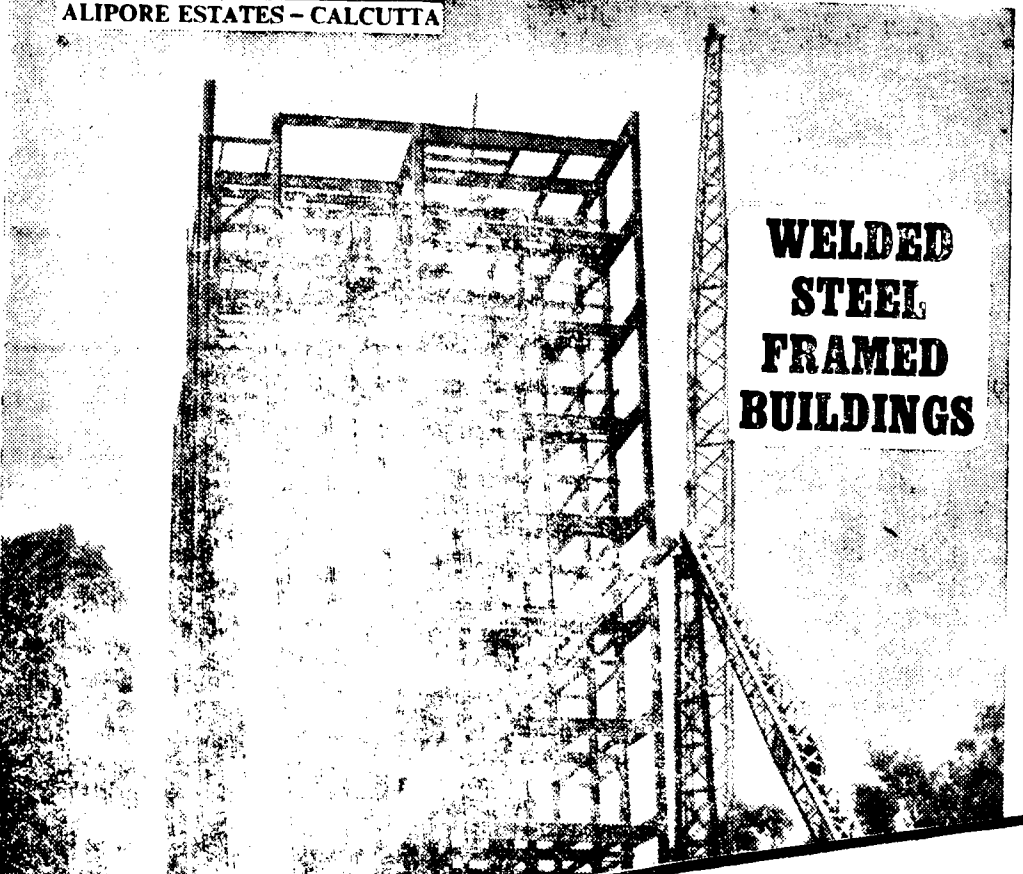
No one in authority has so far been truly grateful to the LIC declared categorically and unequivocally that the purpose and intentions behind such operations were, in effect, open market strategy.

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Bombay Review

Central Provinces

Railways Company

The annual report of the Central Provinces Railways Company made up to 30th September 1957 reveals an improvement in the financial resources of the Company. A favourable cotton and grain crop last year resulted in increased passenger traffic as well as goods traffic and thus created conditions for an increase in its receipts.

Notwithstanding such a favourable position, it has not been possible for the Directors of the Company to declare a final dividend. This was because there has been a corresponding increase in the commitment of the Company, called for by increase in the combined rate of income-tax and super-tax payable by companies as well as the introduction of new taxes as the Wealth tax. The provision for taxation had increased by about Rs 1,14,134, the provision for Wealth tax alone being about Rs 91,000 for the two years ended 30th September 1957.

While presenting the annual report Mr A. N. Haksar the Chairman of the Company removed the wrong notions that the members might have about the steps that had been taken by the Directors in improving the prospects of the Company and stated that the Government had not been sympathetically inclined in the matter of the fluctuating fortunes of the shareholders. He also pointed out how the suggestions for improving the revenue of the Company and for expanding the line of the Company had been coldshouldered by the Government. The Government had similarly turned down a proposal by the Directors of the Company for the purchase of the Railways at a price which would be agreeable both to the Government and the Shareholders. An alternative suggestion to guarantee shares and profits of the Company so that the shares might become eligible as trustee securities fared no better at the hands of the Government.

Mr Haksar did not raise high hopes about the prospects of the Company for the coming year. The expected fall in cotton crop will surely have adverse impact on the earnings of the Company. The reorganisation of the Bombay State has also revived the competition from motor transport. But the Chairman did not foresee any change in regard to the other items of transport. Thus unless the expected reduction, on account of the diversion of cotton crop is offset by increase in other items it would be difficult to maintain

the returns to the Company at the old levels.

Small Savings

Speaking to pressmen in Bombay Mr N. V. Naidu, National Savings Commissioner, stressed the need for carrying the small savings movement into the rural areas in view of the fact that it had become the main plank of internal resources. So long the movement had been confined to urban areas and this had largely militated against spectacular results.

The need for stepping up the movement and for carrying it into the countryside has been underlined by the prohibition of State Governments from entering into the market for raising loans. Naturally they would be left with the only alternative of going to the common man for his savings. This would call for some real effort from the State Governments who were all along in the happy position of being able to meet their revenue needs by approaching some wealthy individuals. The disinflationary potentialities of the thrift habit are another reason for stimulating efforts at intensifying the campaign in the rural areas. How such participation by the people could contribute to the success of the various

projects is indicated by the fact that out of a total outlay of Rs 3.5 crores, incurred in connection with the implementation of the Manimathar Project in Madras State, an amount of nearly Rs 1 crore had been collected by way of contribution in kind and labour from the local people.

Mr Naidu also explained the cumulative time deposit scheme under which villagers could pay Rs 5 a month for five or ten years at the nearest post office, the amount being returned after the period in a lump sum. Under the scheme every village would have a post office to handle the work. Mobile vans to go to the interior and collect at fairs and conferences were also being thought of. Besides post offices, such organisations as scheduled banks, State Bank branches, cooperative societies and the Life Insurance Corporation would also be entrusted with the task of stocking and selling such certificates.

The publicity work in connection with the popularisation of the scheme would be shared between the Central and State Governments. For this purpose small savings information and sales centres at important places would be set up. This attempt at broadbasing the small savings movement, if it succeeds, would considerably strengthen the financial resources of the Government and also instil in the village folk a sense of participation in the nation's endeavours towards better standards of living.

GATEWAY MARKETS

Oils and Oilseeds Firm

THE markets for Oils and Oilseeds took a definite turn for the better, mainly reflecting short-covering attracted by the recent downward trend in prices. Rumours of reduction in export duty on Castor Oil and unfavourable weather reports mainly evoked buying interest, while Groundnuts were supported by millers by encouraging upcountry advices. Other oils and oilseeds moved up in sympathy.

Castorseed May delivery opened quiet at Rs 134.75 and, after improving to Rs 139.50, finished the week at Rs 138.00. Ready was done at Rs 27.25 and Castor Oil, commercial, at Rs 14.62.

In the Groundnut section, February opened at Rs 155.25 and, after touching a high of Rs 158.87, finished at Rs 158.50. Ready bold quality was done at Rs 31.50 and Groundnut Oil at Rs 17.31.

The Linseed section ruled steady despite the Government's permission to export freely linseed oil upto September. This was because ship-

pers pointed out that Indian prices were about £6 per ton above world parity and export business was not possible in competition with Argentina, which supplied oil at £110 per ton. May delivery was done at Rs 30.31. Ready was done at Rs 30.50 and Linseed Oil at Rs 16.69.

In the Cottonseed section, May delivery changed hands at Rs 97.75 to Rs 100.25. Business to the extent of 1,000 tons was reported to have been put through in cottonseed oil on hopes of the Government announcing new export quotas. The UK had been the main buyer; but a good quantity was taken by Rumania and other Communist countries.

Gold & Silver

The Bombay Bullion Exchange buoyed up further on extensive speculative support following the firm trend in the ready section and higher advices from the upcountry centres.

Gold made a spectacular advance with values establishing new highs for several years. Rumours of possible legislation by the Pakistani Government providing stringent punishment for smugglers acted as an additional influence. Arrivals amounted 2,000 tolas as against an offtake of 2,500 tolas. Unrefined metal receipts totalled 3,500 tolas. Maha delivery changed hands upto Rs 110.47 from Rs 109.72, to finish the week at Rs 109.75. Ready was done at Rs 109.94 to Rs 110.12, while Sovereign remained almost steady at Rs 70.25.

Similarly, in the Silver section the rate for Maha delivery shot up at one time to Rs 183.31 from Rs 188.56, to finish at Rs 188.56. Ready was done at Rs 187.50 to Rs 187.69.

Non-Ferrous Metals

The Non-Ferrous Metal market ruled generally steady with price movements confined to a narrow range. Copper ready was firm at Rs 170 per cwt as against Rs 168, mainly due to a squeeze by Actual Users trying to cover up whatever material was available in the ready market. Zinc remained quiet at Rs 55 per cwt in the absence of fresh influence. Lead was quoted at Rs 66 per cwt, the demand and imports appearing to be well-balanced. Tin was steady at Rs 127 per quarter; and there was fairly good demand as Calcutta prices were much higher than in Bombay.

On the London Metal Exchange, Copper was quoted steady at £176 per ton, mainly influenced by the belief that the reported decision by the Chilean Government to cut production by ten per cent would halt a further fall in prices and stabilise the market. Zinc moved upto £63½ from £62½ per ton on reports of some demand from consumers. Lead was quiet at £72½ per ton in the absence of consumer interest. Tin remained unchanged at £730 per ton. There was a belief that the Indonesian unrest might hold up supplies of tin ore from that country.

Yarn

Firm conditions continued to prevail in the Yarn market, Art Silk and Staple-Fibre yarns having risen to fresh higher levels. Actual business put through in the ready section was, however, small. The outlook for staple-fibre yarn was considered to be bright on account of increasing demand.

The shortage of foreign yarns pushed up the prices of indigenous yarns also. The scarcity was attributed to the Government's policy of not granting important licences to established importers.

Trading in cotton yarn continued to be listless. However, there was a belief that conditions would improve following a rising trend in cotton and textile markets.

January 18, 1958]

INDIAN FINANCE

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World of Cotton

Bombay Review

Cheerful Conditions

CHEERFUL conditions were noticed in the Bombay Cotton futures market during the week under review, thanks to higher spot advices and encouraging news from the cloth market. The Cotton Advisory Board, which met after a lapse of several months, recommended an export quota of 50,000 bales in respect of Bengal Deshi, but without a reduction in the export duty. In addition, the Board recommended export of 25,000 bales of old crop 3/4" cotton.

As regards imports of foreign cotton, the Board seemed to have left the position rather vague in view of the difficult foreign exchange situation; but, at the same time, assured cotton mills that it would consider allowing imports, depending on their requirements and the availability of foreign exchange.

Thus, the market seemed to have completely recovered from the bad effect of the recommendations made by the Board. Mill enquiry broadened considerably in the ready market, with the result spot rates of most varieties hardened by about 15 points. The cloth market also displayed strength following the growing consumption of cotton by mills and renewed enquiries for export. All these factors helped futures rates to soar. Turnover was 10,000 bales. ICC Jharilla March, after opening at Rs 684, steadily advanced to Rs 691.50, to recede again to Rs 689 on profit-taking, finally closing at Rs 691.25.

The Spot section ruled firm. Demand continued for Khandesh and Berar Jharilla varieties, while local mills were free buyers of Broach Vijay, Surti and other varieties.

In the export section, scattered transactions were reported to have taken place in Zoda and Yellow pickings.

In the foreign section, a local group of mills was reported to have purchased a sizable quantity of American cotton for Feb/March shipment. With the talk of further damage to East African varieties, demand was inclined to broaden in this section.

Meanwhile, the quantity of cotton stapling 1 3/16" and above, permitted for import from sterling areas, has now been raised from 30,000 to 40,000 bales. Mills, which have already applied in terms of the Government's announcement on December 16, 1957, will now be allotted quotas on this basis. Mill interest in the US growths continued to be at a low ebb.

STATISTICS:

According to official statistics, Indian mills have consumed, during November 1957, 390,784 bales of domestic cotton and 51,031 bales of foreign growths as compared to 369,505 bales of Indian and 48,413 bales of foreign growths in the same month of 1956. Total consumption, in the first three months of this season (September to November 1957) is now placed at 1,162,699 bales of domestic and 148,756 bales of foreign cotton as against 1,117,406 bales of Indian and 151,639 bales of foreign cotton consumed in the corresponding period of the previous season.

NEW YORK COTTON MARKET:

Prices on the New York cotton futures market, after being marked down early in the week, recovered partially towards the close on trade buying. Some selling was attributed to hedging against latest purchases of cotton from the CCC by dealers for unrestricted use. Middling Spot closed at 36.45 cents per pound.

LIVERPOOL COTTON MARKET:

Price trends on the Liverpool cotton futures market were rather irregular. The initial easiness was attributed to hedge selling and some liquidation on local account. New York advices were discouraging and the offtake was confined to some American buying in the distant deliveries.

CLOTH AND PIECEGOODS:

The Cloth market, which had been experiencing sluggish conditions for well over a year, hummed with activity during the week. With the Sales Tax tangle in the Bombay State having been solved in a way, the cloth trade has witnessed better conditions, resulting in an improved offtake. According to one estimate, sales to the tune of one lakh bales had been effected during the past one week. Reports from Ahmedabad also indicated that the turnover had been excellent, with goods sold being placed around 60,000 bales.

Because of huge accumulation of stocks with the mills, the improvement in offtake was not,

(Continued on page 128)

STEEL AND YOU

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Mr Macmillan in Delhi

WITNESSING the way in which Delhi showed its warmth and affection for the Prime Minister of Britain last week, I could not help recalling the very different kind of welcome accorded to Mr Khrushchev and Marshal Bulganin when they visited this country two years ago. The representatives of both these two countries went through more or less the same kind of schedule: indeed, New Delhi has put through this kind of routine so often for so many visiting dignitaries, that the whole thing goes off with the smooth efficiency of a turn that has been done a hundred times over: the reception at Palam, the ceremonial parade, then the drive, the formal banquets, the visit to Rajghat and a community development project and then a civic reception at Red Fort or Ram Lila Grounds. If there is time, a visit to Bhakra Nangal is thrown in. In between, there is a press conference and there is also a broadcast over All India Radio.

But despite the same kind of routine through which the British representatives and the Russian representatives went, there were significant differences in the reaction of the people to them as well as their own reaction to the atmosphere in which they found themselves. The difference in the quality of the welcome and the reaction to the welcome tells us a good deal about the personalities concerned, about the countries they represent and the nature of our relationship with them. Thus, there was a certain flamboyancy and extroverted and almost contrived jollity about the "wild" enthusiasm for the Russian leaders. This accorded with the somewhat loud, strenuous and insistent good fellowship of Mr Khrushchev. It was as though he was all the

time telling us that he was no stuck-up big stiff like some other friends of ours he could name, and that Russia was a jolly fine country to know and if we knew the truth, the only friend we had. On our part, the selfconscious welcome we gave the Russian leaders was due at least partly to a sense of oddity, of an anticipatory thrill when we meet some object which is at once mysterious and phenomenal. Our attitude to Russia, like that of many besides us, has been one of reluctant admiration for its great achievements combined with a vague sense of mystery. Part at least of the wild cheers that greeted the Russians was due to the first spectacle of an exotic object—a wild orchid, or a particularly cute performing animal at a circus.

The atmosphere during the visit of the British Prime Minister was entirely different. It had something to do with the personal charm of the British Prime Minister, the informal poise of the British ruling class. If Mr Khrushchev was unmistakably and even arrogantly Non-U, Mr Macmillan was unselfconsciously and even bashfully U. Secondly, an Englishman, unless he is a hopeless cockney, is perfectly at home in India. This is due, of course, to the intimate association of over two hundred years. There are indeed many Englishmen from Kipling to John Masters to whom India is a spiritual prop, in a rather unusual sense. There is pathos as well as humour in that stock character of British comic mythology, the retired colonel in Bermondsley recalling his palmy days in Poona. And then there are, of course, distinguished Britons, who have given as much to India as to Britain, Britons who should find a place in any Indian

Roll Call of Honour. And more than all this, two centuries of being thrown together, with all its concomitants, anger, frustration, heartbreak and above all the final kissing and making up (rather in the manner of Drayton: "Since there is no help, come let us kiss and part") have contributed to a peculiar intimacy between the two nations. If I may vary the metaphor, it is like a couple who have been married for longer than they can remember and have been quarreling all the time and finally, in a rare moment of reasonableness, decided that the racket was more than either of them could bear and decided to live apart. Then, miraculously, every subsequent meeting of theirs has been gracious, intimate and even touched with a little humour and pathos. Not that there is not a revival of the old days. The tiffs over Suez and Kashmir are instances. But, on the whole, they live in reasonable harmony without losing any of the former intimacy.

It is this quality of intimacy which was completely absent in our welcome to the Russians and which was present in every nuance of the emotion that was stirred by the presence of Mr Macmillan here last week. Mr Macmillan made the point that he was the first Prime Minister of Britain to visit India. And he attributed the real warmth of friendliness shown to him as really something intended for the country he represents. Without taking anything away from the genuine modesty of this avowal, we can say that this is true. After all, we in India have traditionally been more at home with the Labour Party than with the Conservatives. And some of Mr Macmillan's past political stances have not been of a sort that would have put us in instinctive sympathy with him. And yet there was nothing but the most affectionate friendliness for him. This can be only understood in the rather mystical terms in which Burke, with his magnificent clairvoyance, described the relationship between members of a Commonwealth bound together by nothing more than respect for the liberty of the others. These bonds are, as Burke put it, light as air, but strong as hoops of iron. It is one of the ironies of Indo-British history that successive Conservative governments did not learn this most important lesson of the most brilliant Conservative in history and the spiritual father of conservatism in England. Happily, however, thanks to a Labour Government acting on a Conservative tenet, a Conservative Prime Minister is able today to visit India and be treated as an intimate friend.

Mr Nehru, being the indefatigable political moralist that he is, drew a slightly different lesson from the friendliness of our people to the British Prime Minister. While I was struck by the historical and the human aspects of the matter, his passion for world peace made him see in the phenomenon a lesson for the whole world in the art of living together and solving mutual problems. This point, of course, has been made by others and in other contexts, but in the present context, the moral is telling. Indo-British relations even in the worst days of mutual hatred had the good fortune, at least on the Indian side, of being in the hands of men with the rarest idealism. There never was a man who was a more discerning admirer of Britain than Gandhiji. And at all times, we were taught by him not to confuse the issues involved in the fight with the British. The consequence was that not only did the parting of the ways take on an aspect of "miracle" (as Mr Nehru described it), but also it made possible the subsequent participation of India in the Commonwealth. The lessons of this event for the solution of world problems are obvious enough and, if better international behaviour could be secured by good examples and pious exhortations, we could have had a better world long ago.

Two circumstances made popular admiration for Mr Macmillan even greater than it would have been otherwise. The first had nothing to do with either our mutual relations or world peace. It was the serenity with which he dealt with the domestic Cabinet crisis that blew up on the eve of his departure for the Commonwealth tour, and the assurance with which he did not allow it to interfere with his plans. On the merits of the dispute in the Cabinet, too, he had popular approbation on his side. For, however vigorous may be the shaking of heads of economic pundits, the slash of Government expenditure, presumably in items relating to social service, is not likely to commend itself to popular imagination. This is particularly so, when the defence expenditure is at the level at which it is now. With the futility of an arms race in which you want to match hydrogen bomb for hydrogen bomb being increasingly realised, there is less patience with a defence expenditure that necessitates cuts in welfare items. And, lastly, though the British colonial problems today are not in as bad a shape as the French, still the Middle East involvement and troops in Cyprus would seem

(Continued on page 127)

North Indian Notes

Planning in Uttar Pradesh

The total outlay that would be spent for implementing the various projects during the third year of the Second Plan, in Uttar Pradesh, has been, with the concurrence of the Planning Commission, finalised at a figure of Rs 48 crores. With the Centre having agreed to meet nearly Rs 28 crores, the State's share would come to Rs 22 crores. The official reaction to this allotment by the Planning Commission, is one of satisfaction.

The most important of the schemes that has found acceptance at the hands of the Planning Commission is the multi-purpose project of Rihand Dam which is expected to cost nearly Rs 48 crores. The State has been assured of all the foreign exchange requirements in respect of this project. The State has also succeeded in negotiating a working arrangement with the Centre about several major industrial projects outside the official plan. The aluminium factory to be located near the Rihand Dam site, a heavy electrical machinery plant at Allahabad and a heavy chemical (soda ash) factory at Banaras are the three schemes which fall under this arrangement.

The aluminium factory would be a joint undertaking of the Birlas and some foreign firms and work on this is scheduled to begin shortly. The heavy machinery manufacturing project, work on which is due to begin next month, is being taken up singly by the G. E. C. The heavy chemical factory which is an undertaking of the Dalmias is already in process of being set up. All these three, being situated in the excessively populated eastern districts of the State, should go a long way in improving the economic situation of the area.

Apart from these, two medium sized schemes, namely, the cement factory at Churk and precision instruments factory at Lucknow have also been assured of the necessary foreign exchange for their expansion. These two are in the official plan. Further several medium irrigation projects with an irrigation potential of nearly eight lakh acres of agricultural land are also awaiting completion during the coming financial year.

Thus nearly all the major official schemes relating to medium size industries, power projects, irrigation and food production seem to have been approved by the Planning Commission without any major cuts. In addition to these, there are also certain Centrally-sponsored schemes such as flood control, promotion of tourism, urban water supply, slum clearance, rural housing etc which are expected to cost nearly Rs 6.5 crores.

The Union Government is understood to have agreed to meet a major part of the expenses in respect of these schemes.

National Productivity Council

One of the latest moves of the Central Government to increase national wealth, per capita income, and production per unit of capital invested, is the setting up of an autonomous National Productivity Council. The decision of the Government to set up such a council comes as a sequel to the recommendations of the Productivity Seminar held in New Delhi in November 1957, regarding the general principles on which the productivity drive in the country should be based.

In an underdeveloped country where labour is the abundant factor such increases in per capita productivity would have a profound impact on the standard of living of the country. But such productivity drives involve the introduction of modern techniques both social and technical, and this calls for a climate of cooperation from all the interests concerned such as labour, employers and the Government.

The main principle behind this productivity drive is that by the increase in production and improvement in quality, which this necessarily involves, the standard of living as well as the working conditions and welfare of labour could be substantially improved. Increased

productivity would also have a stimulating effect on employment, and employers and Government have been asked to take specific measures against the possibility of unemployment. In the distribution of the benefits of such productivity as been labour, capital and consumers, the principle of equity has been held as inviolable.

The productivity drive is to be launched in all spheres of the nation's economy since integrated improvement is considered all important. In the field of industries it would cover the large-scale industries, as well as the medium, small-scale and light industries in the public and private sectors. The creation of the necessary climate involves encouragement of joint consultation, participation of labour in management and promotion of mutual understanding between management and labour in each industry and in each individual enterprise. The National Productivity Council is expected to stimulate and facilitate the establishment of productivity councils through which productivity services would be made available.

The Council would be composed of representatives of national organisations and confederations of employers and labour, Government and other interests, such as consumers, technicians, consultant, small industries and scholars. The total membership of the Council is expected to be about 60. The representatives of Government employers and labour on the Council would be equal.

NORTH INDIAN MARKETS

Sugar Markets Depressed

SUGAR markets have continued to remain depressed on account of poor buying interest and easy supply position. Crushing at all centres is also in full swing, while cane supplies to the factories are reported to be satisfactory. Following rates (per maund) are quoted in the Muzaffarnagar market:— Meerut (D-28) Rs35.37; Rohana (B-29) Rs 37.37; Mansoorpur (B-29) Rs 37.62; Shamli (B-29) Rs 37.44; Daurala (B-29) Rs 37.00; Amroha (D-28) Rs 34.50; Bijnore (E-29) Rs 34.69 and Mowana (B-29) Rs 37.25.

The question how to increase export of sugar has not yet been solved by the trade and the Government, as there is disparity of prices here and abroad. Our sugar prices are about £50 to £51 per ton at the moment, while foreign quotation is around £41. In view of this discrepancy in rates, the In-

dian Sugar Mills Association had suggested to the Government to have a special levy or indigenous production, so that exports can be feasible through the levy which might be used by way of subsidy. The proposal for this levy is to the tune of about Rs 5 per bag.

The Deccan mills are, however, strongly opposed to the move of subsidy from the start. Even the Government have turned down this proposal as it will mean additional burden on consumers as the excise duty was already doubled up last year in May.

The ISMA, at its meeting during the year-end, considered the overall position; but could not come to any decision. A meeting has, once again, been convened on the 17th January to review the difficult situation.

The main hurdle is how to encourage exports when foreign prices are considerably lower. Without some export outlet, the industry will find it difficult to market the increased production smoothly this year as domestic consumption is not likely to move up materially in view of high prices as well as rise in the cost of living. On the whole, export prospects, during the current season, are gloomy.

Gur

The Gur market also rules quiet with prices developing an easier tendency. At Hapur, prices have recorded a fall of 37 nP per maund, to be quoted at Rs 11.25. Arrivals were small; and total arrivals, from the beginning of the season, were put at about 260,000 maunds as against 292,000 maunds in the corresponding period of last year. Outside demand is being diverted to the Punjab side where prices are lower. Stocks of new gur are estimated at 8,000 maunds.

In the Muzaffarnagar market, prices have also eased slightly. Laddu is quoted at Rs 12.50; Pansera at Rs 12.50 and Chakku at Rs 13.25 to Rs 13.75 per maund.

Foodgrains

Easy conditions are noticed in the Hapur Foodgrains market. Wheat has recorded a fall of about 37 nP, to be quoted at Rs 15.50 for the average quality and Rs 17 for the farm quality. Crop prospects, however, continue to be not very bright for want of winter rains. Rice prices rule quiet in sympathy with other grains. Coarse grains have recorded an easy trend despite good seasonal demand on easy Punjab advices. Peas and Arhar have also declined sharply as demand is poor.

Barring Wheat and Rice, conditions in other sections of the Delhi grains market ruled quiet. Demand for wheat was strong from the flour mills, while Rice hadened by about Rs 3 per maund as a result of restricted arrivals. Following reports of better prospects of the new Gram crop, traders began to sell their old stocks due to which the rates for this commodity eased from Rs 11.75 to Rs 11.35 per maund. The market for Coarse grains also ruled quiet.

The downward tendency in Rice prices was distinctly marked in the Bombay grains market, as traders anticipated arrivals of 30 wagon loads of bold rice from the purchases made at auction held in Burma. There was a slight decline in the prices of new crop Jowar. New Bajra declined following the news that the Uttar Pradesh Government had stopped their purchases. Pulses remained steady.

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Indian Science

AT the recent session of the Indian Science Congress at Madras, Mr Nehru was rather facetious about his now traditional association with the annual sessions of this body. The jokes were well received, but Mr Nehru is doing himself and the Science Congress authorities less than justice if he seriously believes that he is asked and he accepts because he is the Prime Minister. In sober fact, both the invitation and the acceptance of it are symbolic of an unavowed secret compact between him and these men interested in the discipline of free inquiry. It is not just that Mr Nehru is "interested" in science as a man is interested in, say, photography. It is not even that he feels it his duty to evince some interest in whatever goes on in the country and therefore looks benignly on. It is that, deep down in him, he feels that, at several levels, science and scientific temper are the only hopes for mankind and India. In the simplest and most immediate terms, he sees in science the chance of ushering in the industrial and technological revolution in India which alone will bring better material standards for our people. At a different level, he feels that, by giving scientific knowledge a humane and unutilitarian orientation, there will be plenty for all the peoples of the world and we can all live in comparative harmony with one another. Lastly, as a humanist with a passionate love of free inquiry, he feels perfectly at home in an atmosphere in which thought is unbounded by convention or dogma. His association with the deliberations of Indian scientists is, quite simply, a symbolic act of fellowship.

On this, as on all such occasions, Mr Nehru had a number of wise things to say. Talking about what he called the "temper of science", he made the extremely interesting point that India has been having the spirit of free inquiry far longer than the traditionally scientific West. The unthinking clichemongers of both the East and the West who talk of the "scientific West"

and the "spiritual East" had short shrift at Mr Nehru's hands. He was withering about the supererogatory Indian claim to spirituality (whatever that may mean). The true contrast, he rightly pointed out, was between those in both the East and the West who will pursue inquiry to the "edge of thought" and those who won't. In this context, he brought up the idea of the "Pagan", which at one time included only folks of the non-Christian part of the globe. Of course, the word pagan means different things to different people. But the Greek, to whom western science pays its homage as its own fore-father, was first cousin to the Vedic Aryan and there was hardly any difference in the inspiration of their respective thoughts. In any event, in talking of the pagan ideal, Mr Nehru is not so interested in its "historical aspects" as in its ideological (in its literal sense) content. "Where the mind is without fear", there is science. It does not matter whether you call it a pagan attitude, or a modern attitude.

Mr Nehru dealt at some length upon the various other problems that face science and the practice of science. Professor M. S. Thacker, the President of this session of the Science Congress, had also a number of interesting and important things to say on the subject. Listening to them, it occurred to me that a discussion of the place of science in the scheme of things in an Indian context has certain odd features. For one thing, many of the things that would be bothering a similar gathering in the West do not bother us except as a matter of academic interest. Similarly, problems that are peculiar to Indian science are either completely absent or do not have the same teasing and exasperating urgency in other contexts. Thus, a scientist in Europe or the US and even the USSR has agonising problems of moral choice. Should he, should he not, assist at the manufacture of deadly weapons? What is the true nature of loyalty? Loyalty to the nation, or to the

universe, or to science? Should he or should he not spy on his friend who is suspected of being a secret Communist, though he is a first rate scientist. And should he submit himself to absurd rules about secrecy for reasons of security? What are the limits of the demands of the state to your allegiance? Such questionings could be both obstinate and unanswerable. These are not trivial or finicky, go to the root of the moral issues involved in the practice of science. Such problems, however, do not exist for the Indian scientist.

Again, the impact of science on society, the rights and wrongs of a society that merely multiplies wants, the corrosion of the roots of a stable society by technological restlessness, the sociological problems of the lonely crowd and so forth are as yet comparatively remote subjects for us. It is true that this very Science Congress session discussed the impact of industrialisation on caste and other traditional props of a stable society; to the extent that these problems have arisen, our technological situation is assimilated to the world pattern. But, even so, it is true that the issue of man versus machine has not yet reached the point of no return in our country and, therefore, it is still possible for us to phase our progress so as to avoid the sociological malaises of lopsided technocracies.

Another familiar problem in the context of western science concerns the relative virtues of specialisation and a broad pattern of general humanistic discipline. Over-specialisation is a bugbear that may yet catch us up, but, at the moment, it is true to say that our education is simply not sufficiently scientifically oriented.

Many of these problems have been mercifully spared us. God be thanked, Sir C. V. Raman does not have to face the kind of choice that Oppenheimer had to make, nor does he have to put up with the kind of indignity that Oppenheimer had to put up with. But, on the other hand, the kind of problems that we have is of a complexity and immediate intractability that makes the problems of western science comparatively simple. Our problems are the more prosaic one of resources and availability, while those of the West are moral and sociological. In other words, we do not have the kind of problems that the West has, for the simple reason that we do not yet have the kind of science they have. We have not yet started on the journey at all, really speaking. We have largely avoided the problems created by technology by the simple expedient of not having

technology worth speaking of. In that sense, we are still in the pre-science and pre-technology era. This, of course, is an advantage, but since we have decided to have technology, the problem is really one of resources in skills and techniques.

And here, we are faced with many paradoxical difficulties. First of all, there is the extreme dearth of trained manpower. Yet, there is side by side technological unemployment. There is apparently a great need for expanding our known potential wealth of resources, and the only way to do it is to have an intensive programme of research and training in modes of research. Yet, as Mr Thacker and Dr Mahalonobis pointed out, we are not spending even one per cent of our low national income on research, whereas the West is expending a very much greater percentage of its enormously great national income on science. The West, which is already comparatively well provided in technical manpower, is hungry for more scientists, and full page advertisements asking for keen young men to join scientific endeavours are an every day occurrence. In India, it is not unknown for a bio-chemist to be minding foundries.

There is no room for controversies in our country as to whether research should be fundamental or practically oriented, since we

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South Indian Notes

Planning in Andhra

As a result of a reduction of Central assistance, the total outlay for the third year of the Second Plan in Andhra Pradesh has had to be scaled down from Rs 42 crores as originally envisaged to Rs 30 crores. Out of this the Centre is expected to provide a sum of Rs 18 crores leaving the balance to be found by the State Government. Notwithstanding this pruning of the Plan as such, is not expected to receive a set-back. The cut which is mostly confined to large-scale industries would not also affect the other sectors such as agriculture, animal husbandry and education. The impact that this would have on the Plan for the State is, that the pace of industrial development would be slowed down.

One of the important schemes to suffer as a result of the reduced allocations is the Nagarjunasagar project. Against a claim made by the State Government to the tune of Rs 11.5 crores for the implementation of this project, during the third year of the Plan, the Centre has granted only a sum of Rs 7 crores. But the Government of India have agreed to include the Tungabhadra High-level Canal Project in the second Plan and a provision of Rs 4 million has been made for it to be spent during 1958-59.

The Centre's inability to meet the State Government's request for a provision of Rs 2 crores in respect of electricity and medium irrigation in the 1958-59 programme has meant that the ceiling of Rs 175 crores for the full five years would have to be revised. The State Government seem to be thinking in terms of revising the targets for electricity and medium irrigation and also rephrasing the programmes in respect of these. The foreign exchange shortage is expected to affect the industrial programmes to a certain extent.

Apart from the sum of Rs 30 crores which has been finalised for being spent during the third year of the Plan, another Rs 2 to 3 crores is also expected to be made available by the Centre in respect of centrally-sponsored schemes such as urban water supply schemes, flood control schemes, loans, handloom development, and khadi and village industries.

The proposal of the State Government to start a fertiliser factory in the State has also not made any appeal to the Central Government though the latter has indicated that they would extend their co-operation by the provision of the necessary foreign exchange for any private enterprise in that direction.

Export of Ores

The visit of Mr K. Ranagaswami, Joint Chief Controller of imports

and exports Madras to the Visakhapatnam city provided an occasion for the commercial interests of the region especially those interested in the export of mineral ores to bring to the notice of the Joint Chief Controller the various difficulties experienced by them in carrying on their trade. First of all it was pointed out that stocks of manganese ore which were registered with the export trade authorities for shipment against contracts entered into before 31st March 1957 should be permitted to be shipped subsequent to September, 1957 as shippers have not been able to avail the benefit offered by Government before that date for various reasons beyond their control, the most important being congestion in port and lightning strikes.

The restriction on the free export of low grade ore from districts other than Srikulam had created problems of marketing for low grade ores from such places as Visakhapatnam, Koraput, Cuttack, Bolangir etc. In making a case for relaxing the restrictions on the export of ores from these places, it was pointed out that these districts were relatively underdeveloped and also that there was no fear of mixing. The prohibition of ores moved by lorries in the free zone area for shipment

was also brought to the notice of the Controller.

Another point of grievance with the exporters was that the terms and conditions of the quota slip were unfavourable to them. While the shippers are required to utilise a quantity of at least 40 per cent of the tonnage permitted in the quota for export of manganese ore containing a manganese content of 42 per cent this has been taken to mean that the rules are applicable to the extent of 40 per cent of the quota only and not to the full quantity of 60 per cent. The necessity for simplifying some of the procedural matters in connection with the issue of licences and shipping bills was also emphasised.

It was also strongly urged that there should be definite export policy for a minimum period of 3 years to enable the trade to plan out their sales and shipments.

Mr Rangaswami while assuring sympathetic consideration of the points raised by the members stressed the need for stepping up the exports of the country on new lines such as increasing exports of traditional goods, exporting new commodities to markets which already exist, diversifying exports and finding new sources. He also assured that no preferential treatment would be given to the State Trading Corporation in the matter of exports of minerals.

SOUTH INDIAN MARKETS

Coffee Exports

THE Coffee Board has decided to sell for export 5,294 tons of Plantation variety and 2,609 tons of Arabica Cherry, totalling 7,903 tons from the 1957-58 crop. According to present estimates, there is no surplus Robusta available for export. The Pool receipts of the 1957-58 crop, till the end of December 1957, amounted to 3,849 tons, consisting of 3,666 tons of Plantation variety; 160 tons of Arabica Cherry and 23 tons of Robusta. Of this, 2,524 tons were received from the West Coast.

It was proposed to sell about 508 tons of Plantation variety early in January. But, due to the delay in curing, the first export sale of the season was being postponed to the first week of next month. The total release of coffee in the internal market, during last year, amounted to 26,230 tons, which was 10 per cent above the offtake in 1956 and 17 per cent above that in 1955.

Meanwhile, in the major coffee Pool auction held in Coimbatore last week, offerings totalled 1,125 tons consisting of 400 tons of Plantation variety; 225 tons of Arabica

Cherry and 500 tons of Robusta. Following were the price ranges (per cwt.):—Plantation PB Rs 230 to Rs 232; Plantation "A" Rs 225 to Rs 285; Robusta Rs 165 to 168 and Arabica Cherry Rs 172 to Rs 180. The next Pool auction will be held by the Coffee Board at Mysore on the 22nd January when 875 tons will be offered.

Groundnuts

The Madras Groundnut market continued to rule quiet with prices developing an easier tendency. Arrivals last week averaged 40 to 50 tons a day; and these were taken by local small crushers and, to some extent, by Calcutta interests. The rate for the new crop was quoted at Rs 141 against Rs 146 per candy quoted in the previous week.

In the Groundnut Oil section, the rate for the ready position declined to Rs 290 from Rs 300 per candy. There were similar declines in the forward position. Southern-side mills were reported to be prominent sellers, while there was some nervous selling, too, due to the absence

of sustained buying by Calcutta interests.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides were small; and these were taken up by shippers at firm prices. Arrivals of Buff hides were in restricted quantities and, as a result, there was a rise in prices by 3 nP per pound. Although arrivals of Buff Calf and Cow Calf hides were restricted, prices remained practically unchanged.

In the export section, there was a slight improvement in enquiry. Some business was reported done in prime 5/5½ lbs at 44d to 46d. There was a small demand for 10/12 lbs runs at 41d for common tonnages; but it was extremely difficult to sell combined lots of fourths, fifths and runs.

In the Tanned Skins section, arrivals of both Goat and Sheep skins were moderate. Prices of adulterated Sheep skins were marked up by 19 per pound, while those of Goat skins were higher by 6 nP per pound.

On the export front, support was meagre and only odd lots were reported to have been sold at prices in a way acceptable to Madras dealers. Also support from France was slowly receding. In Sheep skins, sellers were asking an advance of 6d in common adulterated qualities; but no business worth mentioning was reported at the higher levels.

WORLD OF TEA

(Continued from page 113)

In Mincing Lane, offerings this week were 19,891 packages, including 17,999 packages from Northern India. A strong market continued to prevail and all offerings were readily absorbed. The strongest feature were the Dooars Fannings. Good Plain Brokeners were well sought after and generally sold in seller's favour. Quotations were unchanged.

Tea stocks in London, as on the 3rd January 1958, were 128.74 million pounds as compared to 124.13 million pounds in the previous week and 67.39 million pounds a year ago. Landed between 28th December 1957 and 3rd January 1958 were 14.90 million pounds while deliveries during the same period were 10.29 million pounds. Total afloat was 43.03 million pounds including from Calcutta 29.92 million pounds; from Chittagong nil; from Colombo 5.73 million pounds; from other Ports 116,000 pounds. The average price realised was 55.95d per pound against 53.74d in the previous week and 72.33d a year ago.

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Statement by Mr. S. S. H. SITWELL, the Managing Director

THE following is the speech of Mr S. S. H. Sitwell, who Presided over the 25th Annual General Meeting of Jessop & Co. Ltd., held at the registered office of the company on 9th January, 1958:

Gentlemen:

The next item on the Agenda today is to receive and consider the Accounts together with the Reports of the Directors and Auditors for the year ending 31st October 1956. These documents have been in your hands for some time and you have heard the Acting Secretary read the Auditors' Report. With your permission I will not read the Directors' Report which in the main covers the period up to 31st October 1956 though it also reveals certain important happenings after that date. I think, however, that it will be in the general interest to correct certain misapprehensions that have received some currency and to bring you even more up to date before I move the adoption of the Report and Accounts and so give you an opportunity to discuss them.

Early in December 1957 your Board was advised that by reason of certain actions on his part Mr. H. D. Mundhra had vacated his seat on the Board, the Registrar of Companies was advised accordingly, the date being December 5th.

I would now like to draw your attention to some changes that have taken place in the composition of your Board of Directors since the Report was printed.

Firstly, Mr. K. N. Tapuria tendered his resignation as a Director on 2nd January 1958. Your Directors accepted this resignation with regret for they have always found him a useful and likeable fellow worker.

Secondly, Mr. S. D. Srinivasan was co-opted as a Director under Clause 107 of the Company's Articles on December 13th, 1957, and this calls for some explanation.

Some of you will know that the Life Insurance Corporation of India is a large shareholder in your Company. In fact it owns just under 20% of the Ordinary Shares and about 70% of the Preference Shares. In view of this fact your Directors, some months ago, approached the Life Insurance Corporation with the suggestion

that they nominate a Director on your Board. This suggestion culminated early in December by the Corporation nominating Sir Dhiren Mitra before, incidentally, he took up other appointments which have recently been in the public eye. Sir Dhiren is over 65 years of age and therefore under the Companies Act cannot be brought onto the Board except at a General Meeting. You will note that a Proposal to that effect will be moved later today. In the meantime your Directors co-opted Mr. Srinivasan, the Zonal Manager of the Corporation here in Calcutta so that the Life Insurance Corporation should not go unrepresented. Mr. Srinivasan retires at this Meeting and is not standing for re-election.

I would remark at this stage that contrary to impressions in various quarters, no Administrator, Receiver or other Official has been appointed for this Company by the Government or any other party. Your Directors themselves, as I have already said, invited the Life Insurance Corporation to nominate a Director and also took an opportunity to strengthen the Board by co-opting Mr. B. P. Khaitan the well known Calcutta Solicitor and Mr. B. N. Chaturvedi, who is, inter alia, the Chairman of the Calcutta Stock Exchange Association.

Unfortunately the Meeting today is very much overdue. I would remark however that those of you who are Shareholders of long standing will remember that our Annual General Meetings were usually held about July. In 1956, by a very great effort, we held the Meeting in February but experience then gained showed that with the large and varied nature of our business the time between February and the closure of the Company's Accounts at the end of October was too short. It had been our intention to hold this Meeting during June or July 1957 but we delayed in the hope that so doing would aid us in recovering the monies due to the Company.

In view of the fact that another of our financial years ended on 31st October 1957 I can tell you today a little of the more recent working of the Company. I must be brief and you must appreciate that figures must in many cases be approximate.

The Sales this last year increased to over 7½ crores as against 6½

crores for the period we are reviewing today and the margins have remained at a satisfactory level. As forecast in the Report now in your hands the activities of the Import and Trading Departments continued to deteriorate but those of the Works increased by over 40% during 1957 as against 1956.

The increased activity in the Works was of a general nature though one new project, the manufacture of Diesel Road Rollers, got fairly on its way. During the period January to September 1957 the Company completed 100 Rollers but in the Autumn production came to a halt for lack of steel. Production is now continuing but the steel situation is very difficult and it is not easy to see how we can economically produce a standardised article such as a Road Roller unless we can get some real continuity of supplies of raw material.

The new Factory built for the manufacture of Electric and other Railway Coaches is now virtually complete and a small amount of work has already started. This Factory will be in full operation during the second half of this year.

On the end cover of the Report you will see a photograph of Level Luffing Wharf Cranes at Alexandra Dock, Bombay. These form part of a contract for 34 cranes for the Bombay Port Trust the last of which has just completed 12 months service. We have orders in hand for 9 similar cranes for Calcutta and 4 for Madras and we have just received a further contract from Bombay for another 54 cranes. These cranes are entirely designed and manufactured here in India, only some special electrical equipment and such items as ball and roller bearings being imported. The local manufacture content is of the order of 75% so that on the new contract from Bombay, which totals about 164 lakhs, this Company saves India some 120 lakhs in foreign exchange. I think I am right in saying that, apart from Japan, India is the only country outside Europe and North America where such cranes are being designed and manufactured, and in this country your Company is the only one so doing.

It remains to add that the Company's Order Book now stands at the remarkable figure of over 20 crores and that the Works and

their connected staff and employees are in an excellent position to tackle this great volume of business. I am glad to say in this connection that our relations with our employees have been consistently good throughout the year just ended and the satisfactory working results that I have been able to forecast are chiefly due to the sustained efforts of all the Company's employees to whom all thanks are due.

As I have already told you your Company has a very good Order Book on which it is earning satisfactory margins. There is no reason why it should not continue to do so provided that it continues to receive adequate supplies of steel, a commodity which unfortunately is in increasingly short supply with little prospect of easing within the next two years. Fortunately a very large portion of our activities are concentrated on the manufacture of rolling stock for the railways which carries top priority for steel supplies while the remainder of our Order Book covers contracts having a very high degree of priority, thus we can be sure of obtaining our full share of what steel supplies are available.

Turning back to the past I would emphasise that what is now revealed in the Directors' Report in fact happened over a year ago and that as soon as the position was known prompt steps were taken which prevented any further happenings of the same sort. There is no disguising the fact that your Company has suffered severe damage but, to adopt medical terms, the wound is not mortal, bleeding was promptly stopped and the patient is on the road to recovery. However the days of convalescence are frequently difficult ones and there is no exception in the case of your Company. It is now obvious that we were entangled in a mesh of events the full extent is only now becoming apparent. I use the past tense advisedly for I believe that we have succeeded in disentangling ourselves from the net, but it still remains obvious that any measure that can be taken to conserve the Company's resources will materially assist in making its recovery more sure and more swift.

(NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting).

OLYMPUS

(Continued from page 122)

to be a needless extravagance. In any case, Mr Peter Thorneycroft seemed to many in this country and elsewhere to be straining at a gnat after swallowing substantial camels. Therefore, Mr Macmillan had a fortuitous aid to his popularity here. Moreover, his assurance in the face of domestic crisis invited comparisons with the attitude of others, notably that of his predecessor. Such comparisons made him even more of a hero.

The second circumstance that sent up Mr Macmillan's stock was his broadcast suggestion, a couple of days before he left on his tour, that there should be a no war declaration by the big powers. This suggestion was warmly welcomed by many countries and Mr Nehru himself had commended it before Mr Macmillan's arrival. There is evidence that the US is none too pleased with the suggestion, which, oddly enough, makes it in the eyes of some even more of a good suggestion. But, as Mr Nehru pointed out, any step that is taken to rouse the nations from a torpor of arms race, which they are fatalistically accepting as inevitable, is worth taking, if only it helps to break the ice. It is no use saying that we are likely to play into Russian hands by agreeing to talk to them. It may be that the recent intense diplomatic offensive of Soviet Russia is full of traps for the unwary. It may be that Marshal Bulganin's sudden itch for letter writing is nothing more than propagandist ruse. It may be that a summit conference with thirty nations is, as Mr Macmillan suggested, not the way to set about the business. It is true that an eminence that accommodates as many as thirty is not a lonely Everest, where only the very great meet, but a plateau where all and sundry would be holding a party. It may be true that even a summit conference of the big four or five may achieve nothing without a good deal of preliminary work, and the psychological effect of the failure of a summit talk may be disastrous. But, what sort of diplomacy is it that is haunted by snares? As Mr Hugh Gaitskell put it the other day, there are at least three points on which we can agree to talk with the Russians, either at the summit or at a lower level. These are the proposals to suspend nuclear tests, to have an atom free zone in Europe, and to discuss plans for ending tension in the Middle East. Mr Gaitskell quite rightly added that, on each of these issues, we should try to enlarge the scope of the discussion to include more fundamental issues. But Mr Macmillan's own colleague in charge of foreign affairs, Mr Selwyn Lloyd, talks vividly of four things that could be done in 1958: trying to avoid public recriminations, increasing personal contacts between the Soviet Union and Britain, through exchange of students, tourists, etc., attempting to in-

crease mutual trade and, lastly, "seeking an obvious success in the sense of an agreement achieved which is acceptable to both sides upon some issues". These are laudable aims, no doubt, but do they breathe any sense of urgency? Except perhaps for the last item, which, again, is vague enough to mean nothing, there is nothing specific in any of them. And all the time Mr Dulles wants further assurances of good faith from the Soviet Union. What sort of assurances would satisfy Mr Dulles? And what sort of assurances is he willing to give the Soviet Union even for consenting to talk to him? Would he, for instance, give up the recent NATO decisions to have rocket bases in Europe even before he began to talk to the Soviet Union? Does it occur to him that this constant harping on prior proof of good faith even before you open your mouth puts your good faith in some doubt? It can be said that every time the Soviet Union proposes something (with whatever motive), the West rejects it even without discussing it. At any rate, if the Soviet Union wanted to create evidence to this effect, it has succeeded remarkably in the last week.

The fact is, as Mr Macmillan has realised but as Mr Eisenhower and his advisers have not yet realised, the time has come to talk to the Soviet Union instead of talking among your friends. Whether it is at the Foreign Ministers level, or at a higher level, or at a lower level (Earl Russell sensibly suggests a secret negotiation between the US and the Soviet Union in which the give and take of negotiation will be unaccompanied by meticulous press reporting) the time to talk has arrived. It is to be hoped that Mr Macmillan's talks with Mr Nehru have convinced him completely of this stark necessity.

BIRDS INVESTMENTS LIMITED.

NOTICE is hereby given that the Twentyfirst Annual General Meeting of the Shareholders of the Company will be held at the Registered Office, 4, Lyons Range, Calcutta, at 12 noon on Wednesday the 19th day of February, 1958, for the following purposes:—

- (1) To consider and approve the audited accounts of the Company for the year ended 30th September, 1957, and to receive the Directors' and Auditors' Reports thereon.
- (2) To declare the dividends recommended by the Directors.
- (3) To elect a Director in place of Mr. S. B. Bose who retires by rotation and being 69 years of age, is not eligible for re-election unless his appointment is approved by a resolution of the Company in General Meeting specifically declaring that

the age limit shall not apply to him.

And in this connection to consider and, if thought fit, to pass the following resolution of which special notice, as required under Section 281(2) of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which, as required by Section 173 of the said Act, is appended below.

TO BE PROPOSED AS AN ORDINARY RESOLUTION:—

"That the restriction as to age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to Mr. S. B. Bose and that he be and is hereby re-elected as a Director of the Company, whose period of office as such Director will be liable to determination by retirement of Directors by rotation."

- (4) To elect Directors in place of Mr. K. F. L. Harris and Mr. N. D. Bangur who also retire at this Meeting.
- (5) To appoint Auditors and fix their remuneration.

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

The Share Transfer Registers of the Company will be closed from 5th February, 1958, to 19th February, 1958, both days inclusive.

By Order of the Directors,
LOVELOCK & LEWES,
Secretaries.

CALCUTTA,
16th January, 1958.

NOTE: Dividends, if declared, will be paid to Registered Shareholders or their mandatees only.

EXPLANATORY STATEMENT.

In the Special Notice given to the Company of the resolution under Item No. 3 of the above Notice, it has been stated that the services of Mr. S. B. Bose have proved most useful to the Company, and as he has considerable experience and personal knowledge of the affairs of the Company, he should continue to remain on the Board of Directors.

TYROON TEA COMPANY, LIMITED.

NOTICE is hereby given that the 67th Annual General Meeting of the Shareholders of Tyroon Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 6th February, 1958, at 3-30 P.M. for the following purposes:—

1. To consider the Profit and Loss Account for the year ended the 31st December,

1956, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.

2. To declare a Dividend.
3. To appoint a Director in place of Mr. G. T. Routledge, the Director retiring by rotation at the Meeting.

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

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

Special Notice dated 24th December, 1957, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a Special Notice of the Special Resolution is given to satisfy the requirements of Sections 190 and 261(1)(f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. G. T. Routledge is presently a Director of this Company which is a subsidiary of McLeod & Co., Ltd., the Managing Agents to the Company, and that, therefore, he is an associate of the Managing Agents within the definition in Section 2(3) (c)(1) of the Companies Act, 1956, who may only be appointed or re-appointed a Director liable to retirement by rotation by a Special Resolution, of which Special Notice has been given to the Company.

4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from 25th January, 1958 to 6th February, 1958 both days inclusive.

By Order of the Board,
MCLEOD & CO., LTD.,
C. HOCKLEY,
Secretary,
Managing Agents.

3, Netaji Subhas Road, CALCUTTA, 10th January, 1958.

NOTE:—

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.
2. Payment of the proposed Dividend, if declared, will be made on or after 14th February, 1958, only to those members whose names are registered in the Books of the Company on 6th February, 1958, or to their Mandatees.

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

WORLD OF FINANCE

(Continued from page 110)

a change is in the offing. The first concerns the unexpected success of the New Loan issued by the Treasury early this week. Of the offer of £500 million, one of the biggest in recent years, as much as half is thought to have been taken up by banks and other investors. It was nowhere envisaged that new money for such a gigantic amount would be available or choose to invest in gilt-edged. Earlier estimates had been that no more than £100 million would, in the first instance, be taken up by outside investors. If the realisations have exceeded all hopes, there must have been strong provocation to induce the British banks and investors to subscribe to the New Loan in such a heartening way. Our own reading is that the London money market is of the view that a reduction in Bank Rate is imminent; and, in such a contingency, it would follow that gilt-edged prices would improve. So, in anticipation, the British investor has bought hugely. Secondly, in the middle of this year, an even larger loan is due for maturity. Although the bulk of the £600 million loan maturing in June is believed to be held by the departments, the Government would nevertheless seek to refinance as large a part of the maturing loan as possible. Undoubtedly, a reduction in Bank Rate would provide just the necessary fillip to the gilt-edged market to make conditions more propitious for a refinancing loan of this order. It is, therefore, fair to state that the trends of interest rates in the UK are also downward.

Interest Rates in the USA

The realisation came to the American monetary authorities some three months ago that prosperity was not so much to be feared as the already overhanging threat of recession. As a first step, five Federal Reserve Banks reduced the discount rate two months ago from 3½ per cent to 3 per cent. Strangely, however, the action of the Federal Reserve Board merely followed developments that had already taken place in the market. That is to say, for several weeks before the middle of November, with personal incomes falling, production declining and cuts in projected new investment, both interest rates and bank loans had already dropped in America. So much so, it is feared in some quarters that the switch over from the anti-inflationary to an anti-deflationary policy may have come too late. The Times Correspondent in New York says: "It is still by no means certain that the recession will remain within the bounds of an orderly re-adjustment and not grow into something much more serious". While, thus, the first step was taken by reducing the discount rates of the Federal banks, the Government have at last woken up to the fact that they need to do much more if the recession is not to develop into a depression. Defence spending has

been stepped up. The availability of credit for construction work has been liberalised. And Government's spending on public works is to rise substantially.

But, as The Times Correspondent has pointed out, there continues to be the danger that the recession might get out of hand. So, as a further anti-deflationary step, we may count upon a further reduction in interest rates in the US.

In brief, the trend of interest rates in India, the UK and the USA is downward.

The 1957-58 busy season has received a powerful impetus during the course of the first two weeks in January, and while it seemed till recently that the current busy season might not present a demand for funds on the size of last year, it now appears possible that, in the coming weeks, its pace and tempo might be stepped up substantially. In the week ended January 10, Active Note circulation has expanded sharply by Rs 17.67 crores to Rs 1540.72 crores; and Rupee Coin has also gone out into circulation for Rs 1.19 crores. There has been expansion of currency for Rs 25 crores against Rupee Securities, which are now placed at Rs 1032.10 crores. There has been contraction against Foreign Securities, by transfer to the Banking Department, for Rs 5 crores. In the result, the Reserve Bank's cash in the till is marked higher by Rs 1.08 crores at Rs 10.21 crores.

In the Banking Department, Investments are lower by nearly Rs 12 crores at Rs 231.87 crores; and this may be presumed to be transfer to the Issue Department. Since Rupee Securities in the Issue Department have risen by Rs 25 crores, we are to understand that there has been deficit financing for around Rs 13 crores.

In spite of deficit financing for such an amount, the Centre's balances, in declining by Rs 2.81 crores, have gone below the Rs 50 crore mark to be placed at Rs 49.63 crores. While the indebtedness of the State Governments is practically unchanged, their balances have almost doubled to Rs 16.16 crores from Rs 8.10 crores; and this would suggest the possibility of some inter-Governmental transactions.

While some part of the expansion in currency may be said to be due to deficit financing and to Government disbursements, it is clear that the rise in Active Notes is also owing to the generally accelerated tempo of the busy season. In this regard, it may be noted that the Reserve Balances of member banks have again fallen by Rs 6.09 crores to Rs 60.29 crores. At the same time, they would appear to have borrowed more from the central banking institution, as witness the rise of Rs 6.06 crores to Rs 73.47 crores in the Other Loans and Advances of the Reserve Bank. It is significant that the advances

against usance bills have risen by Rs 5.38 crores to Rs 30.29 crores.

Lastly, there has again been depletion of foreign exchange holdings. After transfer of Rs 5 crores from the Issue Department, Balances Held Abroad are higher only by Rs 1.67 crores.

The return of the State Bank for January 10 offers further proof of the busy season gathering sudden and quickening momentum. Deposits are lower by Rs 3.24 crores at Rs 363.23 crores. The total of Advances has been marked up by nearly Rs 6 crores to Rs 180.83 crores. Even after running down Cash Balances by Rs 4.67 crores, the State Bank has had to increase its borrowings from Rs 3.49 crores to Rs 7.83 crores.

Month early disbursements and the gathering momentum of the busy season have made their impress on the return of Scheduled Banks for January 3. Firstly, the total of Advances has risen steeply by Rs 22.61 crores to Rs 880.63 crores. Secondly, Deposits have been marked down by Rs 6.74 crores to Rs 1398.81 crores. Thirdly, borrowings from the State Bank are higher by Rs 1.11 crores at Rs 7.73 crores. Fourthly, borrowings from the Reserve Bank are higher by nearly Rs 7 crores at Rs 30.59 crores. However, Cash Balances are slightly higher at Rs 169.26 crores against Rs 169.03 crores.

WORLD OF JUTE

(Continued from page 112)

heavy goods section, B Twills Ready gained 70 nP to be quoted at Rs 105.10 while the April-June position closed more than a point dearer at Rs 106.00.

Cornsacks in the heavy goods section was in the limelight on Friday when on reports of business from Australia this construction spurred to Rs 107.00. Mills were reported to have sold a substantial quantity of goods at prevailing levels. In the absence of enquiries in other sections, the market closed on a quiet note. Hessian 40"×10 oz Ready declined to Rs 39.34. In the forward position April-June was however firm at Rs 40.10 Elsewhere B Twills Ready came down sharply to Rs 103.70, but April-June position was comparatively steady at Rs 105.50.

The market ruled fully steady on Monday due to scattered covering business by shippers and partly due to speculative interest in Hessians. Hessian 40"×10 oz Ready moved up briskly and crossed the Rs 40 mark to be finally placed at Rs 40.05, with April-June also higher at Rs 40.56. In the heavy goods section B Twills Ready also advanced to Rs 105.50. The April-June position was done at Rs 106.40.

Prices of ready goods suffered a setback on Tuesday in the absence of fresh interest. Rates in the forward positions, however, were well maintained with April-June Hessian 40"×10 oz at Rs 40.40 and B Twills at Rs 106.10.

GATEWAY GOSSIP

(Continued from page 119)

can be legitimately used for open market strategy, is conclusively proved by the oft and frequent use to which the British Treasury puts its large extra-departmental resources, especially on the eve as well as after the flotation of a New Loan. No MP in England has sought to question the wisdom of these operations, the what and how and whether of the transactions therein embraced.

Nor has there been any inquisition into the magnitude or results of open market operations conducted by the Reserve Bank of India from time to time. The Bank has a statutory responsibility for open market operations and statutory power to execute them at its full discretion. This discretion is nowhere questioned; its bona fides are nowhere assailed. It will be news to many that, in its twenty and odd years, the Reserve Bank must have provided Rs 20 and odd crores for depreciation in gilt-edged holdings. It must be news to many that the Bank had to write off nearly Rs 1 crore lent by it to stave off a banking crisis. Such depreciation is incidental to this kind of business; and no one will suggest that the Reserve Bank must cease doing such business.

If it is argued that the LIC's funds belong to the policyholders and, therefore, should not be exposed to the hazards of open market strategy, the answer is that the Reserve Bank's funds belong to the entire public, to you and me and everyone who has a five rupee note or any paper currency.

The Finance Minister's reply to Mr Feroze Gandhi gave the wrong emphasis by dwelling on the investment aspect in the Mundhra affair, and not at all on the open market strategy aspect. The case which should now be placed on behalf of the Government before Mr Chagla should deal with the ethics and economics of open market strategy.

WORLD OF COTTON

(Continued from page 121)

however, accompanied by a rise in prices. But, the revival of demand on a large scale imparted a measure of relief to the trade and industry, which had been nursing huge unsold stocks. What was significant was, that the prices of medium varieties tended to register a modest improvement.

On the export front, trading conditions were also better. Fair business was concluded with Sudan and Ethiopia. East Africa also accounted for some business in the usual lines. Scattered enquiries were reported from Singapore and Hongkong. Shippers were reported to be making purchases for export to Indonesia in anticipation of the issue of import licences by that country in the near future.

Stock Exchanges

BULLISH SENTIMENT

Watch-Dog Writes:

THANKS to the announcement about the offer of the US loan to India, stock markets have been generally in a cheerful mood during the week under review. Sentiment was also aided by the decision made by the TISCO to issue bonus shares.

There was brisk activity on the Calcutta Stock Exchange where prices, under the lead of speculative and Tea shares, marked up.

The decision made by the TISCO to issue bonus shares in the ratio of one share for every five shares held, caused a bullish sentiment on the Bombay Stock Exchange.

There was renewed firmness on the London Stock Exchange, following President Eisenhower's optimistic statement on the United States business outlook and the news of the cut in share purchase margins in America.

Wall Street staged a brisk rally following President Eisenhower's budget message, calling for record peace-time spending, emphasis on missiles and an increase in the debt ceiling.

Calcutta

Calcutta, Friday Evening.

THE local Stock Exchange was in a more cheerful mood last week with signs of broadening interest and, under the lead of speculative and Tea shares, prices in all other sections were marked up, the only exception being Jute. The main factor, contributing to a remarkable improvement in sentiment, was the announcement of the offer of a 25 million-dollar US loan to India to enable her to meet the most crucial and immediate requirements of the Second Five-Year Plan. Higher advices from Bombay, following the TISCO's decision to issue bonus shares, subject to the Government

THE ATTOCK OIL COMPANY LIMITED

(Incorporated in England)

At a Board Meeting held in London on 16th instant, the Directors declared an Interim Dividend for the year 1957 at the rate of 1s-0d free of United Kingdom Income Tax, per £1 unit of Stock payable on 4th March, 1958, to Stockholders on Registers as at 31st January, 1958.

The above payment represents a higher interim payment than was made last year. It is made in order to space payments more evenly over the year and must be looked upon in that light.

The Directors hope to be able to pay dividend for 1957 (interim and final) at a total rate of 2s-8d free of United Kingdom Income Tax per £1 unit of Stock which would be equivalent to that paid for 1956 calculated on the original capital plus that part of the 1957 issue as was paid for in cash.

STEEL BROTHERS AND COMPANY LTD.

approval, were also a contributory factor. Profit-taking, however, erased some of the gains at the close.

Although activity in the Gilt-edged section was somewhat restricted due to the absence of sellers, prices were well maintained. There was more demand for medium and short-dated issues. Banks kept out of the market following signs of emergence of seasonal demand for funds as a result of which their activity slowed down.

Bank shares maintained a steady front on reports of the increase in earnings for 1957. Punjab National were taken up to Rs 50.25 from Rs 49.00; United Commercial up to Rs 59.75 from Rs 59.25 and Hind up to Rs 47.00 from Rs 46.50.

Jute shares fared slightly better in sympathy with the general trend of the market and on firmer advices from the jute goods market following the news of the increase in US burlap consumption. National, after being taken up to Rs 25.85 from Rs 24.65, finished the week at Rs 25.40. Howrah were taken up to Rs 13.75 from Rs 12.75; Kankannarah up to Rs 44 from Rs 41.00; Gouapore

(Continued on page 128).

THE INDO-BURMA PETROLEUM COMPANY LIMITED.

NOTICE is hereby given that a General Meeting of the members of the abovenamed Company will be held at the Registered Office at Gillander House, Netaji Subhas Road, Calcutta, on Monday the 10th day of February, 1958, at 10 o'clock in the forenoon to consider and, if thought fit, to pass, with or without modification, the following Resolution which will be proposed as a SPECIAL RESOLUTION namely:—

"That the Regulations contained in the draft submitted to the meeting and for the purpose of identification subscribed by the Chairman thereof, be and the same are hereby approved and adopted as the Articles of Association of the Company, in substitution for and to the exclusion of, all the existing Articles thereof."

By Order of the Board,
STEEL BROTHERS AND COMPANY LIMITED.
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta, 16th January, 1958.

Notes:—

- (1) A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
- (2) An Explanatory Statement concerning this Resolution as required by Section 173(2) of the Companies Act, 1956, has been posted to the members.

THE UNITED PROVINCES ELECTRIC SUPPLY COMPANY, LIMITED.

NOTICE

Notice is hereby given that the Annual General Meeting (being the Eighty-second Ordinary General Meeting) of the Company will be held at the Registered Office, No. 12, Mission Row, Calcutta, on Monday, the 10th February, 1958 at 11-0 a.m. for the following purposes:—

1. To receive and adopt the audited Accounts for the year ended 31st March, 1957, and the Reports of the Directors and the Auditors thereon.
2. To declare a Dividend.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.
5. As special business to consider and, if thought fit, to pass, with or without modification, the following Resolutions which will be proposed as Special Resolutions:—

(a) That the requirements of Articles 82, 83, 87, 121, 176, 180 and 181 of the Articles of Association of the Company be not complied with in respect of the half-year ended the 30th September, 1957.

(b) That the Articles of Association of the Company be altered in manner following:—

(i) Articles 82 and 83 shall be deleted and the following new Articles substituted therefor:

"82. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956 and, subject to the provisions of Section 166(2) of that act, as such times and places as may be determined by the Directors."

"83. The General Meetings referred to in the last preceding Article shall be called Annual General Meetings; all other meetings of the Company shall be called Extraordinary General Meetings."

(ii) Article 87 shall be deleted and the following new Article substituted therefor:

"87. The business of an Annual General Meeting shall be to receive, consider and adopt the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring, to appoint

Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special."

(iii) In Article 121, line 1, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor:

(iv) Article 176 shall be deleted and the following new Article substituted therefor:

"176. At every Annual General Meeting the Directors shall lay before the Company a Profit and Loss Account made up to and a Balance Sheet as at the 31st day of March immediately preceding the date of the meeting and such Profit and Loss Account and Balance Sheet shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the Companies Act, 1956, so far as they are applicable to the Company."

(v) In Article 180, line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor:

(vi) In Article 181, line 1, 2 and 3, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" wherever appearing shall be deleted and the words "Annual General" substituted therefor:

(c) That, subject to the approval of the Central Government under Section 268 of the Companies Act, 1956, Article 109 of the Articles of Association of the Company be altered by deleting therefrom the third sentence thereof.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 4th February, 1958 to the 10th February, 1958, both days inclusive.

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

By Order of the Board,
MARTIN BURN LIMITED
S. GUPTA
Director,
Managing Agents.

12, Mission Row,
Calcutta-1
The 13th January, 1958.

Indian Finance

LIST OF QUOTED SHARES

PREFERENCE SHARES
CALCUTTA

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
BANKS			
Allahabad 5% C.P.	100	100 00	113 0
Bank of Behar 5% C.P.	50	22 25	22 4
ELECTRICS			
Calcutta 5% C.P.	21	10 00	10 9
Dishergarh 5% C.P.	100	74 50	88 0
Dishergarh 4% C.P.	100	84 00	88 8
Jorhat 5% C.P.	100	90 00	90 0*
Kurseong 5% C.P.	100	90 00	90 0*
COAL			
Asso. Karanpura 4% R.O.P.	100	24 50	24 8
Bengal-Nagpur 7% C.P.	100	68 00	83 8
Bharat 5% C.P.T.	100	49 75	51 0
Borra 5% C.P.	100	98 00	108 0
Burrakur 7% C.P.	100	99 00	114 8
Burrakur 5% C.P.T.	10	7 47	8 10
Equitable 5% C.P.	100	98 00	101 0
Ghushick & Mulla 5% C.P.	100	95 00†	98 8
Gourangdi 5% C.P.	100	40 00	40 0*
Jogta 5% C.P.	100	30 00	45 0*
Karanpura 5% C.P.T.	100	44 50	63 12
Khas Kajora 5% C.P.T.	10	5 00	3 12
New Beerbhoom 7% C.P.	10	10 60	12 0
New Churulia 5% C.P.	10	2 50	2 8
New Huntodih 5% C.P.	100	60 00	84 0
Uda 5% C.P.	100	95 00	108 0
Parasea 5% C.P.T.	100	80 75	86 4
United Collieries 5% C.P.	100	88 00	85 8
JUTE			
Agarpara 7% C.P.	100	94 50	101 0
Alexandra 7% C.P.	100	83 00†	97 8
Alliance 5% C.P.	100	69 00	97 0
Anglo-India 7% C.P.	100	97 00†	100 8†
Auckland 5% C.P.	100	75 00	80 8
Auckland 4% R.O.P.	100	52 00	62 0
Bally 7% C.P.	100	91 00	101 8
Barnagore 5% C.P.	100	30 00	41 0
Belvedere 7% C.P.	100	95 50	111 0
Bengal 5% R.O.P.	100	64 50	70 8
Birla 7% C.P.T.	100	75 00	80 0
Budge-Budge 7% C.P.	100	88 00	107 8†
Caledonian 5% C.P.	100	78 00	78 0
Caledonian 7% C.P.	100	93 00	100 0
Cheviot 7% C.P.	100	93 00	112 8
Chitavalah 7% C.P.	100	91 50	108 0
Clive 5% C.P.	100	53 75	80 8
Clive 7% C.P.	100	74 00	91 0
Dashoula 7% C.P.	100	79 00	102 0
Delta 5% C.P.	100	70 00	90 8
Empire 7% C.P.	100	87 00	108 0
Fort Gloster 7% C.P.	100	100 00	105 8†
Fort Gloster 5% C.P.	100	64 00	72 0†
Fort William 7% C.P.	100	95 00	107 0†
Ganges Mfg. 5% C.P.	100	100 00	112 0
Gouropore 5% C.P.	100	70 00	80 0
Hastings 5% C.P.	100	87 00	86 0†
Hooghly C.P. (1)	10	7 25	13 2
Howrah (A. Pref.) 7% C.P.	100	90 00	102 8
Howrah 7% C.P.	100	95 00	107 0
Hukumchand 7% C.P.	100	89 50	102 0
Kamarhaty 5% C.P.	100	74 00	80 0
Kankarhar 5% C.P.	100	77 00	87 8
Kedarnath 5% C.P.	100	68 00	78 0
Kedarnath 6% C.P.	100	85 00	95 0
Kelvin 7% C.P.	100	88 50†	108 0
Khardah 5% C.P.	100	73 50†	89 8†
Kinnison 7% C.P.	100	85 50†	111 8
Lansdowne 7% C.P.	100	87 00	100 8
Lawrence 7% C.P.	100	96 00	108 0
Lawrence 5% C.P.	100	85 00	78 0
Nahati 7% C.P.	100	88 00	110 0

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
Nahati 4% R.O.P.	100	57 00	73 0
National 7% C.P.	100	95 00	108 8†
Neilmara 5% C.P.	100	79 00†	97 9
New Central 7% C.P.	100	88 50	101 8
Northbrook 5% C.P.	100	62 75	79 8
Rameshwara 5% C.P.	10	10 10	10 3
Reliance 5% C.P.	100	69 00	94 8
Shree Ambika 7% C.P.	100	81 00	91 4
Soorah 7% C.P.	100	100 00	107 0
Standard 5% C.P.	100	74 50	85 0
Union 7% C.P.	100	93 00†	101 8
Waverley 5% C.P.	50	30 00	49 0

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
COTTON			
Besanti 5% C.P.	10	7 56	7 6
Bengal-Nagpur 7% C.P.	100	75 00	100 0
Bowreah 5% C.P.	100	130 00	140 0
Bowreah 7% C.P.	100	65 00	70 0
Delhi Cloth 4% C.P.	25	17 75*	17 12*
Eigin 5% C.P.	100	109 28	135 12
Eigin 5% C.P.	10	7 25	9 6
Jagajit Cotton 5% Pref.	100	50 00	...
Jyajeswar Cotton 5% C.P.	100	92 00	97 0
J. K. Cotton 5% C.P.	100	90 00	100 0
Keoram 7% C.P.	100	91 00	114 8
Mulr 5% C.P.	100	63 00	81 8
New Victoria 5% C.P.	10	3 58	4 12
Pravati 5% C.P.	10	5 00	8 0
Shree Niwas 4% C.P.	100	85 00	...
Swadashi 5% C.P.	100	86 00	90 4

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
ENGINEERINGS			
Arthur Butler 7% C.P.	10	6 87	10 0
Britannia Bldg. 5% C.P.T.	100	78 00	100 0
Burn & Co. 7% C.P.	100	109 00†	119 8†
Burn & Co. 5% C.P.	100	102 50†	109 0†
Indian Iron 5% C.P.	100	95 75	100 0
India Machinery 7% C.P.	100	23 00*	23 0
Indian St. Wagon 7% C.P.	100	115 00	127 8
Jessop & Co. 5% C.P.	100	83 00	98 8
Kumardhubi 5% C.P.	100	85 00	101 1
Richardson & Croddas 5% C.P.	100	54 00	80 8
Steel Products 5% C.P.	10	2 62	1 0
Tek. Machinery 5% C.P.	100	87 00	94 0
Tek. Machinery 5% R.O.P.	100	80 00	83 0

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
TEA			
Assam Gardens.			
Amtukola 7% C.P.	10	58 00	...
Norman Jan 5% C.P.	100	80 00	78 0
Brooke Bonds 5% C.P.T.	100	78 00	77 8
Dhruv 7% C.P.	10	2 44	3 8
Dumakul 5% C.P.	10	11 50	12 10
Kingsley Golaghat 5% C.P.	100	98 00	98 0
Moheema 5% C.P.	10	8 31	9 8
Tarpore C.P. (2)	10	11 12	12 6
Darjeeling Gardens.			
Giele 5% C.P.	100	80 00	87 8
Okarti 7% R.O.P.	100	93 00	100 0
Pussimbing 7% C.P.	100	95 00	85 0
Singtom 5% C.P.	10	7 12	7 4
Dooars Gardens.			
Banarhat 5% C.P.	100	112 50	121 8
Birpara 5% (Pref.)	100	112 00	120 0
Choonabhatti 5% C.P.	100	113 50	125 0
Hantapara 5% C.P.	100	114 00	140 8
Hastimara 7% C.P.	100	118 75	128 0
New Dooars 5% C.P.	100	118 00	128 0
Cachar Gardens.			
Sonal River 5% C.P.	100	93 00	100 0
Sirhet Gardens.			
New Samanbagh 5% C.P.	100	100 00	100 0
South Indian Gardens.			
Kotamulid 5% (Pref.)	25	16 50	25 8
Teral Gardens.			
Atal 4% C.P.	10	6 12	4 0
Tirribanah 10% C.P.	10	18 00	12 12

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
SUGAR			
Carew 5% R.O.P.	100	81 50	101 0
Cawnpore 5% R.O.P.	100	109 50	127 0
Gwallor 7% R.O.P.	100	65 00	68 0
Gwallor 7% C.P.	100	65 00	68 0
Jarwant 5% C.P.	100	75 00	80 0*
Mohini 5% C.P.	100	70 00	111 0
New India 7% C.P.P.	100	110 00	140 0
Purabpore 10% C.P.	10	13 82	15 2
Ramnugger Cane 5% C.P.	100	94 50	108 8
Ryam 5% C.P.	10	8 50	9 5
South Behar 5% C.P.	100	20 50	20 8
Shree Hanuman 5% C.P.T.	100	60 00†	65 0
Sri Kr. Gyanoday 5% C.P.	100	85 00	100 0
Sri Kr. Gyanoday 5% C.P.	100	78 00	90 0
Upper Ganges 5% R.O.P.	100	70 00	85 0

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
CEMENT, POTTERY AND FIRECLAY			
Dalmia Bharat 5% C.P.	100	84 00	91 0
Dalmia Bharat 5% C.P.	40	30 00	38 0
Jaipur Udyog 5% Pref.	100	40 00	...
Kalyanpur Lime 7% C.P.	100	80 00	74 8
Kalyanpur Lime 5% C.P.	100	100 00	...
Kumardhubi Fireclay 7% C.P.T.	100	101 00	118 0*
Kumardhubi Fireclay 5% R.O.P.T.	100	54 50†	72 0*
Orissa cement 4% C.P.	100	40 00	...

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
CHEMICALS			
Alkali & Chemical 5% C.P.	100	97 00	101 8
Bathgate & Co. 4% C.P.	100	40 50	42 6
Bengal Chemical 7% C.P.	10	11 00	12 12
Bengal Chemicals 4% C.P.	100	77 50	80 0
Frank Ross 4% Pref.	100	36 50†	41 0
Lister Antiseptic 5% C.P.	100	13 00	13 0
Smith Stanistreet 10% C.P. (4)	50	64 50	64 0

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
MININGS AND MINERALS			
Associated Mining 5% C.P.	50	31 00	33 8
Chrestien Mica 5% C.P.T.	100	55 00	52 4†
Metal Corp. 5% C.P.	100	80 00	84 0
OILS			
L. B. Petrol 7% C.P.T.	100	86 00†	101 0
N. L. Oil 5% C.P.	100	40 00	80 0

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
PAPER MILLS			
Bengal Paper 7% C.P.	50	60 75	64 4
Bengal Paper 7% 'A' C.P.	100	100 00	120 22
Bengal Paper 5% C.P.T.	100	78 00	81 22
Orient Paper 5% C.P.	100	81 50†	95 0
Orient Paper 5% C.P.T.	100	81 00†	72 0
Shree Gopal 4% C.P.	100	100 00	118 8†
Star Paper 5% R.O.P.	100	64 50	67 8
Titaghar Paper 5% C.P.	100	131 50	150 0†
Titaghar Paper 4% C.P.	100	78 75	88 12†

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
PRESSING			
Bhagwati 5% R.O.P.	100	45 00	50 0†
REAL PROPERTY			
Darjeeling Prop. 5% C.P.	10	4 00	4 0
Humayan Prop. 5% C.P.	10	7 25	9 5
New India Bldg. 4% C.P.	50	15 00	21 0
Regent Estate 4% C.P.	100	35 00	35 0
SAW MILLS AND TIMBER			
Benal Timber 5% C.P.	100	33 50	32 12

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
SHIPPINGS			
Bengal-Assam Steam 7% C.P.	50	61 50	62 0
India Genl. Nav. 5% C.P.T.	210	64 00	70 0
India Steam 5% R.O.P.	100	81 00	94 0

*Nominal. †Ex-Dividend. ‡Cum-Dividend. §Ex-Rights.

NAME	Paid-up per share.	Quotation as on	
		10-1-58 Rs. n.P.	10-1-57 Rs. a.
MISCELLANEOUS			
Alum. Corp. 5% R.O.P.	100	69 00	98 0
Alum. Corp. 5% ...	100	88 00	114 0
Amalgamated Develop 5% Pref.	100	49 25	90 0
Associated Hotel 7% C.P.T.	100	57 00	66 0
Bharat Vegetable 5% C.P.	100	30 00	30 0*
Birds Inv. 5½% C.P.	100	54 00	76 8
Britannia Biscuits 5% C.P.	10	10 90	11 6†
British Ceylon Corp.	10	8 50	9 4
5% C.P. ...	100	101 00	119 0
B. I. Corp. 5% C.P. ...	100	101 00	119 0
Calcutta Credit Corp.	100	50 00	55 0
5% C.P. ...	100	50 00	55 0
Calcutta Credit Corp.	100	40 00	...
5% C.P. ...	100	50 50	66 0
Calcutta Silk 5% C.P. ...	100	40 00	55 0
Calcutta Tanneries 5% C.P. ...	100	40 00	40 0
Calcutta Trans 5% C.P.T.	21	7 14†	8 2
Dunlop Bros. 4% C.P. ...	100	55 00	60 12
Dunlop Rubber 5% C.P. ...	100	112 00	124 0
Dunlop Rubber 6% C.P.T.	100	86 00	93 8
Eastern Inv. 5% C.P.T.	100	77 50	77 8
Mico. Conan. 5% Pref. ...	100	55 00	..
F. & C. Oiler 4½% C.P.	100	41 50	56 8
Gillanders. Arbuthnot 5% R.C.P.T.	100	56 50	60 12
Godfrey Phillips 5½% C.P.T.	100	61 00	68 12
Greaves Cotton 5% Pref.	100	50 00†	..
Greaves Cotton 5% Pref.	100	49 00†	..
Hall & Anderson 4½% C.P. ...	100	62 00	..
Hindustan Nat. Glass 4% C.P.T. ...	100	80 00	..
Indian Aluminium 5% R.C.P.T. ...	100	55 50	77 8
Indian Cable 5% C.P.P.	10	21 50†	31 7†
Indian Plastics 5½% C.P.	100	51 50†	52 0
India Rubber 5% R.P.	100	90 00	88 8
James Wright 5% C.P.	50	32 00	33 8
Jardine Henderson 5½% C.P.T. ...	100	58 00	61 0
Kettlewell Bullen 5½% C.P.	100	48 50	76 0
Kettlewell Bullen 4½% C.P.	100	48 00	68 0
Kusum Products 5½% R.O.P.T. ...	100	75 00	78 0
Martin Burn 5% C.P. ...	100	92 50	100 0
Metal Box 5% R.C.P.T.	100	84 50	92 0
National Rolling 6% R.P.	100	95 00†	95 0
National Tanneries 5% R.O.P. ...	10	4 50	5 0
National Tobacco 5% R.O.P. ...	100	64 50	66 0
National Tobacco 4½% R.O.P. ...	100	55 00	62 10
Oiler Elec. Lamp 4½% C.P.	100	38 00	70 0
Prernath Transport 5% C.P. ...	100	5 00	5 0*
Rails 6% C.P.T.	100	61 50	68 0
R. B. Nodda & Co. 5½% C.P. ...	100	54 50	86 8
Sahas Industry C.P.(S)	100	110 00†	124 4
Sahas Industry 4½% B' C.P. ...	100	57 00†	64 8
San Raleigh 5% Pref. ...	100	70 00	..
Sodepur Glass 5% C.P. ...	100	38 00	38 0
Shaw Wallace 6% C.P.T.	100	66 00	67 8
Spencer & Co. 6½% A' C.P.T. ...	10	7 13	7 7†

NAME	Paid-up per share.	Quotation as on	
		10-1-58	10-1-57
Lawrence ...	100	85 50	86 8
Mahabir ...	100	85 00	86 0
Magna ...	100	80 25	85 0
Nalhati ...	100	55 50	71 0
Naskarpara ...	10	12 00	13 8
National ...	10	24 55	18 2†
Nellimaria ...	10	10 25	10 9
New Central ...	10	11 81	13 4
Northbrook ...	10	16 37	21 15
Nudea ...	10	27 75	30 4
Orient ...	100	72 50	105 0
Presidency ...	5	3 28	4 7
Rameshwar ...	10	3 69	5 15
Reliance ...	10	5 69	8 5
Shree Ambia ...	10	15 25	15 4
Shree Luchmiparayan ...	10	9 25	15 12
Do (Conty.) ...	5	5 25	5 4
Soorah ...	10	13 12	16 8
Standard ...	100	49 75	77 0
Union ...	100	94 00	125 0
Waverley ...	2	3 19	3 0
COTTON			
Basanti ...	10	5 68	6 14
Bengal Luxmi ...	40	32 00	40 0
Bengal-Nagpur ...	10	4 50	9 6
Bira Cotton ...	10	34 50	35 0
Bowresh ...	100	110 00	123 0
Cawnpore Textile ...	5	4 44	8 15
Century Spg. ...	100	383 00	385 0
Delhi Cloth ...	25	34 25	37 12
Dunbar ...	100	125 00	199 0
Elgin ...	10	13 00	24 0
Jagajit Cotton ...	10	9 00	9 0
Jayashree Textile ...	10	6 00	5 14
Jyajeeras Cotton ...	10	5 85	10 4
J. K. Cotton ...	100	100 00	115 0
Kesoram ...	10	10 19	14 8
Muir ...	100	64 75	85 0
New Victoria ...	24	1 31	1 14
Pravati ...	10	2 00	3 0
Rampooria ...	10	15 06	15 6
Shree Niwas ...	100	166 00	248 0
Shree Bhawan ...	10	10 80	...
Sutlej Cotton ...	10	74 00†	110 0
Swadeshi Cotton ...	10	11 34	12 8
Swadeshi Cotton (P.O.) ...	10	11 37	11 6
ENGINEERING			
Arthur Butler ...	10	4 85	8 0
Bharati Electric Steel ...	10	13 62	16 0
Braithwaite & Co. ...	10	25 87	26 4
Bri. Bldg. & Iron ...	10	5 94	7 4
Britannia Engineering ...	10	12 06	14 6
B. I. Electric Concn. ...	10	13 81	9 18
Bridge and Roof ...	10	29 00	38 10
Burn & Co. ...	100	311 00	311 0
Guest Keen Williams ...	10	28 56	23 3
Hooghly Docking ...	10	108 00	132 0
Indian Galvanizing ...	10	13 19	18 8
Indian Iron ...	10	19 16	28 2
India Machinery ...	10	2 00	8 8
Indian Mill Castings ...	5	4 47	7 4
Indian Stand. Wagon ...	25	105 00	215 0
Indian Steel & Wire ...	10	57 00†	79 4
Indian Steel (Conty.) ...	1	15 01†	15 15
Jay Engineering ...	100	127 00	...
Jessop & Co. ...	10	21 00	27 12
Kumardhul ...	5	8 19	8 11
Marshall ...	5	4 50	5 0
National Iron ...	10	6 62	7 1
National Screws ...	10	7 00	9 15
Richardson & Cradock ...	10	8 81	21 10
Soren ...	4	4 15	8 1
Steel Products ...	10	1 06	0 14
Textile Machinery ...	10	16 45	19 5
TEA			
Amuluckie ...	10	18 50†	...
Ananda Assam ...	10	27 00	44 14
Anandabag ...	10	20 50	35 0
Baghmari ...	10	20 06	25 4
Barduar Tea ...	5	8 00	6 4
Beamatia ...	10	20 32	26 14
Betell ...	5	19 04	27 2

NAME	Paid-up per share.	Quotation as on	
		10-1-58	10-1-57
Betjan ...	10	21 25†	44 0
Bishnauth ...	10	18 87	18 10
Bokakhat ...	10	15 00	25 4
Bormahjan ...	10	18 50	20 12
Borpukhuri ...	10	18 25	23 10
Brahmapootra ...	10	2 97	7 5
Brooke Bond ...	10	14 00	19 4
Dejoo Valley ...	10	50 00	47 0
Dessal and Furbutta ...	100	270 00	320 0†
Dhelakhat ...	10	20 19	20 7
Dhuner ...	10	11 37	19 6
Dibrugarh ...	10	24 12	26 15
Dimakuri ...	10	20 25	28 8
Dufflaghur ...	10	27 87	35 0
East India ...	10	19 62	21 11
Gillapukri ...	10	27 00	35 0
Gohpur ...	10	19 12	23 0
Grob "A" ...	10	20 87	34 6
Grob "B" ...	10	11 50	17 6
Hapjan Purbat ...	10	14 00	18 8
Hoograjuli ...	10	28 00	25 0
Hoolungoorie ...	100	176 00	301 8
Juthbari ...	10	15 50†	25 6
Kingsley Golaghat ...	100	125 00	178 0
Krishnabehari ...	10	11 00	16 12
Kyang Tea Seeds ...	10	5 00	5 4
Ledo ...	10	17 12	23 0
Maud ...	10	15 50†	16 12
Methoni ...	10	15 37	19 0
Moheema ...	10	24 00	24 12
Mothola ...	100	450 00	400 0
Murphulani ...	10	30 00	26 0
Murphulani (P.O.) ...	10	81 00	81 8
Naga Hills ...	10	34 00	43 0†
Namburnadi ...	10	16 00	21 0
New Cinnatollah ...	100	112 00	110 0
New Coollekoome ...	10	8 00	10 8
Rajgarh ...	10	38 75	39 8
Sapoi ...	10	24 75	25 0
Seajuli ...	10	17 12	32 12
Teen All ...	10	26 31	25 12
Teloljan ...	10	22 94	26 0
Tengpani ...	10	39 00	119 4
Tezpor ...	10	15 19	20 14
Tongani ...	10	8 00	12 0
Tycoon ...	10	44 25	47 12
Darjeeling Gardens.			
Bloomfield ...	10	2 19	2 0
Chamong ...	10	10 24	15 2
Darjeeling ...	100	116 00	235 0
Dilaram ...	100	149 50	190 0
Helle ...	10	17 50	25 0
Jayashree ...	10	9 12	10 0
Lingia ...	10	16 75	29 6
Margaret's Hope ...	10	9 97	16 8
Mim ...	10	201 00	255 0
Nagri Farm ...	10	18 62	26 2†
Okayti ...	100	440 00	500 0
Pashok ...	10	9 00	14 4
Poobong ...	10	7 43	10 0
Puseimbong ...	10	9 97	10 8
Runglee Ranglo ...	100	200 00	270 0
Seeyok ...	10	12 00	17 12
Singell ...	100	20 00	20 8
Singtom ...	10	5 00	6 1
Soom ...	10	27 00	28 0
Sungma ...	10	10 56	10 14
Teesta Valley ...	10	21 37	27 4
Tukvar ...	10	8 87	14 2
Deoria Gardens.			
Banarhat ...	100	296 00	327 0
Baradighi ...	10	19 25	24 4†
Bhatkora ...	10	19 31	30 8
Birpaca ...	100	100 00	155 0
Caroon ...	100	141 00	167 8
Chooosbhatta ...	100	265 00	301 0
Ellenbarrie ...	100	150 00	240 0
Engi ...	100	400 00	407 0
Ethelbari ...	10	11 00	13 13
Gairkhatia ...	100	150 00	268 0
Gopalpur ...	10	19 75	40 0
Hantapara ...	100	112 00	180 0†
Hastimara ...	10	21 12	27 14
Huldhari ...	10	18 75	27 4

NAME	Paid-up per share.	Quotation as on	
		10-1-58	10-1-57
Jaytirpara ...	10	15 62	23 14
Killoot ...	10	12 19	21 12
Malhati ...	10	21 00	15 14†
Manabardi ...	10	68 00	70 0
Nagalsurree ...	100	145 00	190 0
New Doora ...	100	267 00	315 0
Oodlabari ...	10	20 50†	30 0
Phaskowa ...	100	82 50	190 8
Rajabhat ...	10	18 25	24 4†
Ranicherra ...	10	15 19	21 0
Rydak ...	10	27 25	47 8†
Sarugam ...	10	32 25	37 0
Cochar Gardens.			
Arcuttipore ...	10	9 00	12 0
Central Cochhar ...	100	72 00	64 8
Chandypore ...	100	67 00	67 0
Eastern Cochhar ...	10	4 62	9 0
Kallinugger and Khoreel ...	100	87 50	104 8
Kunchanpore ...	10	5 30	10 2
N.W. Cochhar ...	100	90 00	210 0
Pathemara ...	10	5 44	11 8
Roopacherra ...	10	14 50	22 0
Rungamattie ...	10	62 00	114 0
Sonal River ...	10	12 00	15 6
Tea Producing Co. ...	10	10 87	10 6
Tilkhah ...	10	9 00	12 8
Chittagong Gardens.			
Dantmara ...	5	5 00	5 0
Kodala ...	10	12 38	30 0
Kornafull ...	10	11 50	12 10
Oodaleah ...	10	12 00	15 0
Thandanoheri ...	10	4 00	4 0
Sylhet Gardens.			
Baltakhal ...	10	8 75	10 8
Chundeecherra ...	10	27 50	27 2†
Dauracherra ...	10	8 25	14 0
Hattikhira ...	10	6 00	8 0
Kaliti ...	10	20 00	33 0
Lackatooah ...	10	5 19	8 0
Loobah ...	10	19 00	25 4
New Samanbagh ...	100	122 00	220 0
Patrakola ...	10	11 00	16 8
Rajnar ...	100	114 00	217 0
Tellapara ...	10	12 50	34 0
South Indian Gardens.			
Kotamullai ...	10	6 50	8 6
Belgachi ...	10	59 50	60 0
Gungaram ...	100	101 00	181 0
Hansqua ...	10	23 75	22 2
Longview ...	10	9 25	11 12
New Chumta ...	10	33 00	43 8
New Terai ...	10	18 00	25 4
Pahargoomlah ...	10	35 50	63 0
Putinbaroo ...	10	40 00	56 8
Tirrihannah ...	10	27 50	32 4
SUGAR			
Balarampur ...	5	6 56	5 12
Belsund ...	74	10 19	10 0
Bharat ...	10	13 50	17 0
Basti ...	100	120 50	120 8
Buland ...	10	12 00	...
Carew ...	10	5 69	7 1
Cawnpore ...	10	12 06	19 1
Champanan ...	10	20 44	22 14
Darbhanga ...	10	18 06	22 0
Deoria ...	10	10 00	10 2
Dyer Meakins ...	5	7 45†	8 10
Ganesh Sugar ...	10	19 75	19 8
Ganga Sugar ...	10	10 00	30 0
Gwallor ...	100	69 25	77 0
Jaswant ...	10	6 00	11 0
Mohini ...	10	3 37	4 3
Nawabganj ...	100	60 00	100 8
New India ...	10	23 50	39 0
New Savan ...	10	4 62	6 2
Punjab ...	100	50 00	100 0
Purtabpore ...	10	10 19	17 10
Ramnugger Cane ...	10	17 75	24 9
Ratna ...	10	8 00	4 4
Raze ...	10	15 00	...
Ryam ...	10	21 75	20 8
Samatipur ...	10	11 75	13 0

*Nominal. †Ex-Dividend. ‡Cum-Dividend. §Ex-Rights

NAME	Paid-up per share.	Quotation as on	
		10-1-58	10-1-57
Shree Anand ...	10	10 25	10 8
Sitalpur ...	10	4 87	4 6
South Behar ...	10	1 37	1 0
Sree Hanuman ...	10	15 25†	16 0
S. K. Gyanoday ...	10	9 28	11 2
Shree Sitaram ...	10	11 00	13 0
Upper India "A" ...	100	127 00	127 0
Upper India "B" ...	25	15 00	15 0
Upper Ganges ...	10	30 00	31 0
United Provinces ...	10	12 87	18 0

CEMENT, POTTERY AND FIRECLAY

Assam-Bengal Cement ...	10	4 00	6 14
Ashoka Cement ...	10	7 69	10 13
Bengal Potteries ...	24	3 25	3 9
Dalmia Bharat ...	10	9 87	12 0
Dalmia Bharat ...	24	2 47	2 15
Jalpur Udyog ...	10	11 87	...
Kalyanpur Lime ...	100	102 00	100 0
Kumardhubi Fireclay ...	10	24 00	25 0
Orissa Cement ...	10	12 56	13 0
Reliance Firebrick ...	10	20 00	22 0
Sone Valley Portland ...	5	4 47	7 13

CHEMICALS

Alkali and Chemical ..	10	13 25	18 6
Bathgate ...	10	1 00	1 7
Bengal Chemicals ...	100	88 75	99 6
Bharat Starch ...	10	8 06	3 1
Burma Lime ...	10	8 00	8 4
Dherangdhara ..	100	112 00	137 6
Frank Rose ...	6	2 19	2 8
Indian Starch ...	10	5 81*	5 1
Lister Antiseptic ...	100	4 87	4 1
Smith Stanistreet ...	5	13 12	12 8

NAME.	Paid-up per share.	Quotation as on	
		10-1-58 Rs. nP.	10-1-57 Rs. a.
DEFERRED SHARES			
Aluminium Corpn. ...	2½	4 56	6 1
Assam-Bengal Cement ...	1	0 95	1 6
Associated Mining ...	5	5 25	5 12
Chrestien Mica ..	5	6 94	7 17
Dalmia Cement ...	1	2 02	5 6
Humayan Properties ...	1	1 94	1 15
India Mail. Castings ...	1	3 56	3 11
James Wright ..	1	0 31	0 10
Macfarlane ...	1	0 47	0 9
Metal Corporation ...	1	1 93	3 1
Rampooria Cotton ...	1	4 80	2 4
South Behar Sugar ...	2½	0 25	0 5
Union Tobacco ...	8	2 06	2 0

GOVERNMENT OF INDIA LOANS

(Non-Terminal Loans).

8% Govt. Paper	71 15	72 9
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(Terminal Loans).

8% Loan (1986)	71 02	73 1
2½% Loan (1961)	94 20	93 5
2½% Loan (1960)	96 85	96 6
2½% Loan (1962)	94 70	93 15
2½% Loan (1970)	83 09	82 14
8% Loan (1958)	99 66	99 8
8% Loan (1959-61)	98 95	97 10
8% Loan (1963-65)	93 75	94 3
8% Loan (1964)	93 85	94 7
8% Loan (1965-68)	91 40	92 4
8% Loan (1970-75)	85 73	86 13
2½% Loan (1962)	97 83	98 4
2½% Loan (1961)	96 63	96 5
2½% Loan (1964)	97 75	98 3
2½% Loan (1968)	97 65	98 2
2½% Loan (1967)	97 73	98 5
2½% Loan (1974)	98 28	98 6
4% Loan (1960-70)	100 45	100 9
4% Loan (1972)	100 08	...

(Rupee Counterparts).

4½% Loan 1958-59	100 55	102 10
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G.P.=Cumulative Preference.
O.P.T.=Cumulative Preference Taxable.
O.P.P.=Cumulative Participating Preference.
R.P.=Redeemable Preference.
R.O.P.=Redeemable Cumulative Preference.
R.O.P.T.=Redeemable Cumulative Preference Taxable.

PREFERENCE SHARES

MADRAS

NAME.	Paid-up per share.	Quotation as on	
		10-1-58	10-1-57
		Rs. nP.	Rs. a.
BANKS			
Canara Banking 5% O.P.	50	50 00	50 0
Canara Banking 4½% O.P.	50	45 00	45 0
Canara I. & B. Sva. 5% O.P. ...	100	100 00	115 0
Canara I. & B. Sva. 5% O.P. ...	10	9 56	10 0

ELECTRICS

Berhampur 5% O.P.	10	8 37	9 6
Guntur 5½% O.P.	100	98 00	92 8
Kumbakonam 5% O.P.	10	8 90	9 6½
Nagapattinam 5% O.P.	10	8 65	9 9
Salem Erode 5½% O.P.	10	10 28	...
South Madras 5½% 1st O.P.	10	9 37	9 14
South Madras 5½% 2nd O.P.	10	9 47	9 15½
Tinnevely Tuticorin 5½% O.P.	10	9 68	9 14½
Vellore 6% O.P.T.	10	7 35	8 14
West Coast 5½% O.P.T.	10	7 37	7 10

COTTON

Adoni 5% O.P.	10	10 00	10 4
Alagappa Textiles 7½% O.P.	100	89 00	101 0
Anglo-French 5% R.O.P.	100	88 00	98 0
Bangalore Wool 5% O.P.	100	117 00	120 0½

NAME	Paid-up per share.	Quotation as on	
		10-1-58 Rs. nP.	10-1-57 Rs. a.
Buckingham 7½% O.P.	100	135 25½	142 12½
Cambodia 7% O.P.	100	180 00½	115 0
Cauvery Spg. 5½% O.P.	100	95 00	96 0
Colimbatore Murugesan 5% O.P.	100	94 00	...
Colimbatore Pioneer 5½% O.P.	100	98 25	104 12
Hemalatha 5% O.P.	100	85 00½	...
Kothari Textiles 5% O.P.	10	8 45	10 2½
Loyal 5% O.P.	100	87 25	77 4
Palani Andavar 7% O.P.	80	53 50	61 8
Rajalakshmi 6½% O.P.	90	53 00	56 0
Sri Sarada 7% O.P.	100	100 50	101 0
Tirupati 5½% O.P.	100	10 00	10 0
Trav. Rayon 5% O.P.	10	7 15	8 10
Vasanta 5½% O.P.	100	104 00	111 4
Vasanta 5% O.P.	100	92 00	98 0
Sri Venkatesa 5½% O.P.	80	53 00	53 8
Vijayakumar 5% R.O.P.	100	95 00	104 0
Vijayamohini 5% O.P.	100	95 00	98 8
Virudhunagar 5% O.P.	100	59 00	50 0

ENGINEERINGS

Brunton 5% O.P.	10	6 75	8 0
Indian Steel Rolling 5½% O.P.	10	8 45	9 6
Standard Motors 5½% O.P.	100	98 75	98 0

PLANTINGS

(S. India).

Amalgamated Coffee 5% O.P.	10	8 00½	13 14½
Anandam 7% O.P.	10	9 90	10 11
Arthala 5% O.P.	10	9 20	11 0½
Bababuddin 5% O.P.	10	8 56	9 2½
Badra Coffee 7½% R.O.P.	10	10 12	9 10
Balanoor 7½% O.P.	10	11 09	11 0
Balmadies 5% O.P.	10	9 00	10 2
Be Be 5½% O.P.	10	8 13	3 5
Be Be 5½% R.O.P.	10	6 64	7 1
Cochin Malabar 7% O.P.	80	50 00	58 8
Coffee Lands 5% O.P.	100	88 00	88 0
Cons. Coffee 5% O.P.	25	23 75	28 6
Coonoor Tea 5% O.P.	100	108 87	108 14
Coorg Tea 5½% O.P.	5	4 50	6 1
Cottanad 7½% O.P.P.	10	10 35	13 6½
Devon 7½% O.P.	100	108 00	110 0
Hallebury 5% O.P.	100	75 00½	80 12
Highland Produce 5% O.P.	10	9 27	9 11½
Kadur Coffee 5½% O.P.	10	7 16	7 13
Karikode 5% O.P.	10	8 30	9 5½
Kil Kotagiri 5% O.P.	10	9 57	10 4
Kurchemala 5½% O.P.	10	7 75	8 6
Malabar Agri. Co. 5% O.P.	20	16 56	16 9
Manimala	10	9 50	10 0
Mercara Rubber 5% O.P.	10	8 51	8 8
Midlands 5% O.P.	10	8 12	9 18
Miamalay 7½% O.P.	25	25 87	27 4
Mysore Amalgamated 5% O.P.	10	6 30	...
Mysore Plantation 5% O.P.	10	7 91	7 14½
Neelamalai 5% O.P.	10	6 05	7 14
Nellampathy 5% O.P.	10	8 85	9 7½
Nenmeny 7% O.P.	20	9 60	10 9
Nilambur 5% O.P.	10	8 08	8 10½
Nilgiri Te 5½% O.P.	5	4 25	5 4
Peermade 5% O.P.	100	94 50	101 6
Ponmudi 5½% O.P.	10	10 00	...
Pullangode 5% O.P.	10	9 25	10 1
Rajgiri 5% O.P.	10	7 75	9 8½
Rajendra 5% O.P.	10	8 16	8 15
Rajendra 5½% O.P.	10	7 32	7 14
Ruby 5½% O.P.	10	9 75	...
Sangameswar 7% O.P.	10	10 00	...
Talayar Tea 5% O.P.	10	8 56	10 1
Teekoy 5% O.P.	10	8 45	9 7½
Thamarapally 5½% O.P.	5	4 75	4 15
T. R. & T. Co. 5% O.P.	10	7 57	9 10
Udayagiri 7½% O.P.	10	11 00	11 14
Vellimalai 7% O.P.	10	9 10	10 8
Waterfalls 5% R.O.P.	10	8 75	9 12
Woodcote 5½% O.P.	10	8 79	4 2
Woodlands 5½% O.P.	10	8 80	9 7½
Woodlands 5½% R.O.P.	10	8 97	9 7½

NAME	Paid-up per share.	Quotation as on	
		10-1-58 Rs. nP.	10-1-57 Rs. a.
SUGAR			
Cauvery 5% O. P.	100	100 00	98 0
Deccan 7% O.P.	5	5 67	6 1½
E. I. D. 7% O.P.	20sh.	16 40½	17 8½
India 7½% O.P.	100	98 00	105 13
Jeyapore 5% O.P.	100	98 00	95 0½
K. C. P. 5% R.O.P.	100	100 00	98 0
Kirumpudi 5½% O.P.	100	87 50	82 0
Travancore 5% O.P.	10	6 90	8 2

CEMENT, POTTERY AND FIRECLAY

Andhra Cement 5% O.P.	100	105 00	105 8
Dalmia Cement 5% O.P.	100	81 00	100 0
Dalmia Cement 5% O.P.	40	32 00	40 4
Dalmia Cement 5% O.P.	10	10 00	10 0
India Cement 5% O.P.	100	88 25	92 8
Orissa Cement 4½% O.P.	100	95 50	100 0

CHEMICALS

Central Scientific 5% O.P.P.	5	4 90	5 8
Mettur Chemicals 5% O.P.	100	90 50½	97 0½
Mysore Chemicals Mfg. 5% O.P.	10	8 78	9 4½
Trav. Chem. Mfg. 5½% O.P.	10	9 37	10 0

MISCELLANEOUS

Amrutnjan 7½% O.P.	100	135 00	114 8
Andhra Scientific 5½% O.P.	10	5 12	6 2
Aspinwall & Co. 5% O.P.	10	8 45	...
A. V. Thomas 5% O.P.	100	73 00½	79 0½
A. V. Thomas India 5% O.P.	10	6 12	6 2
Enfield 5% R.O.P.	100	100 00	...
Indian Aluminium 5% O.P.T.	100	84 25	79 0
Madras Vansapati 5½% O.P.	100	33 00	33 0
Marikar 5% O.P.	50	45 50	...
Mysore Lamp 4% O.P.	10	5 80	6 0
Parry 5% O.P.	10	7 30	9 2
Rallis 5% O.P.T.	100	80 00	75 0
Rane 5% O.P.	5	4 70	5 0
Rane 7% O.P.	5	4 90	5 0
Sen Raleigh 5% O.P.	100	78 00	85 0
Spencer 'A' 5½% O.P.	10	8 05½	9 4½
Spencer 'B' 5½% O.P.	10	10 20½	10 8½
T. Stanes 7% O.P.T.	100	100 00	100 0
United Electricals 5% O.P.	10	10 00	...
Vanjinad Matchee 5½% O.P.	10	8 00	8 0
W. I. Flywoods 5% O.P.	100	94 00	...

ORDINARY SHARES

MADRAS

NAME.	Paid-up per share.	Quotation as on		
		10-1-58	10-1-57	
Rs. nP.				Rs. a.
BANKS				
Andhra ...	100	111 75	120 0	
Andhra ...	80	97 00	...	
Bank of Mysore ...	100	249 50	249 0	
Canara Banking ...	50	80 00	80 8	
Canara I. & B. Sva. 'A' ...	100	178 50	177 0	
Canara I. & B. Sva. 'C' ...	1	8 00	1 13	
Indian Bank ...	100	204 00	199 0	
Indian Bank ...	50	175 00	...	
Indian Overseas ...	100	148 00	157 8	
Indo-Commercial 'A' ...	100	42 50	42 8	
Indo-Commercial 'B' ...	25	11 00	10 8	
Indo-Commercial 'C' ...	50	25 00	20 0	
Pandayan ...	25	37 50	40 0	
Punjab National ...	25	47 50	50 8	
Travancore ...	25	16 30	15 18	
Trav.-Forward ...	10	4 45	4 15	

NAME	Paid-up per share.	Quotation as on	
		10-1-58 Rs. nP.	10-1-57 Rs. a.
Gudivada	100	71 00	71 0
Guntur	100	199 00	150 0
Karakai	10	9 30	9 4
Kumbakonam	10	10 88	12 2
Nagapattinam	10	10 00	10 12
Salem Erode	10	12 75½	13 2
South Madras	10	12 40	11 6
Tinnevely Tuticorin	10	12 65½	13 0
Vellore	10	13 00	13 12
West Coast	10	13 37	13 2

COTTON

Adoni Spg.	10	78 00	11 13
Alagappa Textiles	10	9 20	9 14
Anglo-French	100	77 50	98 0
Balsubramania	60	60 00	75 0
Balsubramania "B"	70	105 50	136 8
Bangalore Wool	100	187 00	542 8
Buckingham	100	156 00	174 0
Cambodia	10	9 30	14 12
Cannanore	100	158 00	163 0
Cauvery Spinnings	10	11 87	11 4
Colimbatore Cotton	100	155 00	375 0
Colimbatore Kamala	100	108 50	108 8
Colimbatore Murugesan	80	50 00	50 0
Colimbatore Pioneer	100	235 00	289 0
Colimbatore Spinnings	50	67 00	90 0
Dhanalakshmi	100	207 00	370 0
Gnanambikai	100	130 00	156 0
Hemalatha	10	9 50½	...
Jamardhana	50	77 50	102 8
Jawahar	5	13 40	14 13
Kadri	100	162 00	175 0
Kadri	10	16 00	17 8
Kaleswara	100	325 00	335 0
Kannapiran	10	10 40	...
Kasturi	25	25 00	30 12
Kothari Textiles	10	10 30	15 12
Kr. Rajendra	50	83 00	110 0
Lakshmi Mills	80	104 00	249 0
Lakshmi Mills "A" Class	25	52 00	124 0
Loyal	50	38 00	49 8
Madura	15	33 75	47 12
Madura Spinnings	200	99 00	106 0
Spencer 'A' 5½% O.P.	100	353 00	420 0

INDIAN FINANCE

[January 18, 1958]

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
INSURANCE			
Andhra ...	50	80 00	105 6
United India Fire ...	7 1/2	5 40	5 4
Vanguard Fire ...	10	4 15	5 2
DEFERRED SHARES			
Dalmia Cement ...	1	2 87	4 6
India Cement ...	8	4 70	5 10 1/2
K. O. P. ...	10	130 00	160 0

PREFERENCE SHARES
BOMBAY

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
ELECTRICS			
Amalgamated 5% ...	100	82 50	96 8
Amalgamated 5 1/2% O.P. ...	100	91 50	105 0
Andhra Valley 7% O.P.T. ...	1000	1025 00	1088 12
Poona Elec. 7% O.P. ...	100	103 00	108 8
South Madras 5 1/2% 1st. O.P. ...	10	10 00	10 0
South Madras 5 1/2% 2nd. O.P. ...	10	10 00	10 0
Surat 5 1/2% O.P. ...	100	108 00	108 2
Tata Hydro 7% O.P.T. ...	100	103 50	106 4
Tata Power 7 1/2% O.P. ...	1000	1115 00	1131 12
COTTON			
Adoni 5% O.P. ...	10	10 00	10 4
Ahmed. Advance 5% O.P. ...	100	98 00	107 8
B. R. Cotton 5% O.P. ...	100	80 00	70 0
Bradbury 7% O.P. ...	80	58 50	63 8
Central India 5% O.P. ...	500	335 00	405 0
Elphinstone 7% O.P.T. ...	100	72 00	89 8
Jyajeero 5 1/2% O.P. ...	100	93 75	...
Khatav Mankaji 4% O.P. ...	100	75 00	81 8
Kothari 5% O.P. ...	10	10 00	10 2
Lakshmi 5% O.P.T. ...	200	187 50	210 0
Madhusudan 4% O.P. ...	100	7 80	7 8
Mahendra 5 1/2% Pref. ...	100	90 00	...
Mafatal Fine 4 1/2% O.P. ...	100	86 00	95 0
Mafatal 4 1/2% 2nd. O.P. ...	100	92 00	95 0
Mysore Spg. 4 1/2% O.P.T. ...	80	30 50	30 0
New Great 5 1/2% O.P.T. ...	200	143 75	180 0
New Kaiser-I-Hind 5% O.P. ...	100	82 50	90 0
Podar 4% O.P. ...	100	72 00	80 0
Shree Niwas 4% R.O.P. ...	10	68 00	80 0
Swadeshi Mills 5% O.P. ...	100	99 00	115 0
Swadeshi (Kanpur) 5% O.P. ...	100	92 00	92 0
Vishnu 7% O.P.T. ...	500	520 00	587 8

ENGINEERING

Brunton 5% ...	10	8 00	8 6
Hindustan Motor 5% O.P. ...	80	34 75	...
Indian Iron 5% O.P. ...	100	97 30	102 0
Jaipur Metals 6% Pref. ...	100	55 00	...
Kamani 5 1/2% R.O.P.T. ...	100	61 00	71 0
Larsen & Toubro 5% ...	100	81 50	90 8

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
PLANTINGS			
Highland 5% O.P. ...	10	9 50	9 11
Midland 5% O.P. ...	10	9 00	9 15
Neillampathy 5% O.P. ...	10	9 00	9 7
Rajagiri 5% O.P. ...	10	8 50	9 8
Waterfall 5% R.O.P. ...	10	9 50	9 11
SUGAR			
Bhopal 5% O.P. ...	100	94 00	94 0
Cauvery 5% O.P. ...	200	100 00	50 0
Maharashtra 7% O.P. ...	200	240 00	...
Nizam 5% O.P.T. ...	25	20 00	...
Walchandnagar 7% O.P. ...	100	185 00	135 0
CEMENT, POTTERY AND FIRECLAY			
Andhra 5% O.P. ...	100	100 00	150 0
Bombay Pottery 5 1/2% O.P.T. ...	100	68 00	...
Bombay Pottery 4 1/2% O.P.T. ...	100	50 00	...
Dalmia 5% ...	100	91 00	100 0
Dalmia 5% ...	40	40 00	40 0
Digvijay Cement 5% R.O.P. ...	100	83 50	96 8
CHEMICALS			
Alemble Chemicals 5 1/2% O. P. ...	00	88 50	90 0
Amar Dye Chem. 5% R.O.P. ...	100	100 00	100 0
Dhruvachandra Chem. 5% R.O.P. ...	100	83 00	90 0
Poly. Chem. 7 1/2% R.O.P.T. ...	80	80 00	30 0
Tata Chemicals 5% O.P. ...	100	91 00	97 8
PAPER MILLS			
Orient Paper 5 1/2% O.P. ...	100	90 00	...
Orient Paper 5 1/2% O.P.T. ...	100	73 00	...
Sirpur 5% R.O.P. ...	100	100 00	...
West Coast Paper 5% Pref. ...	100	100 00	75 0
SHIPPINGS			
Great Eastern Shipping 5 1/2% R.O.P. ...	100	96 50	100 0
MISCELLANEOUS			
Bombay Silks 5% O.P. ...	100	90 00	...
B. I. Corp. 5% ...	100	130 50	117 0
Digvijay Tiles 5% O.P. ...	100	83 50	96 8
Estrella 5% O.P. ...	80	35 50	38 8
Ferro Alloys 5% ...	100	100 00	...
Hindustan Elec. 5% O.P. ...	100	82 00	96 0
India Dye Stuff 5% R.O.P. ...	100	100 00	100 0

PLANTINGS

Highland 5% O.P. ...	10	9 50	9 11
Midland 5% O.P. ...	10	9 00	9 15
Neillampathy 5% O.P. ...	10	9 00	9 7
Rajagiri 5% O.P. ...	10	8 50	9 8
Waterfall 5% R.O.P. ...	10	9 50	9 11

SUGAR

Bhopal 5% O.P. ...	100	94 00	94 0
Cauvery 5% O.P. ...	200	100 00	50 0
Maharashtra 7% O.P. ...	200	240 00	...
Nizam 5% O.P.T. ...	25	20 00	...
Walchandnagar 7% O.P. ...	100	185 00	135 0

CEMENT, POTTERY AND FIRECLAY

Andhra 5% O.P. ...	100	100 00	150 0
Bombay Pottery 5 1/2% O.P.T. ...	100	68 00	...
Bombay Pottery 4 1/2% O.P.T. ...	100	50 00	...
Dalmia 5% ...	100	91 00	100 0
Dalmia 5% ...	40	40 00	40 0
Digvijay Cement 5% R.O.P. ...	100	83 50	96 8

CHEMICALS

Alemble Chemicals 5 1/2% O. P. ...	00	88 50	90 0
Amar Dye Chem. 5% R.O.P. ...	100	100 00	100 0
Dhruvachandra Chem. 5% R.O.P. ...	100	83 00	90 0
Poly. Chem. 7 1/2% R.O.P.T. ...	80	80 00	30 0
Tata Chemicals 5% O.P. ...	100	91 00	97 8

PAPER MILLS

Orient Paper 5 1/2% O.P. ...	100	90 00	...
Orient Paper 5 1/2% O.P.T. ...	100	73 00	...
Sirpur 5% R.O.P. ...	100	100 00	...
West Coast Paper 5% Pref. ...	100	100 00	75 0

SHIPPINGS

Great Eastern Shipping 5 1/2% R.O.P. ...	100	96 50	100 0
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MISCELLANEOUS

Bombay Silks 5% O.P. ...	100	90 00	...
B. I. Corp. 5% ...	100	130 50	117 0
Digvijay Tiles 5% O.P. ...	100	83 50	96 8
Estrella 5% O.P. ...	80	35 50	38 8
Ferro Alloys 5% ...	100	100 00	...
Hindustan Elec. 5% O.P. ...	100	82 00	96 0
India Dye Stuff 5% R.O.P. ...	100	100 00	100 0

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
ORDINARY SHARES BOMBAY			
Motor & Genl. Fin. 10% O.P. ...	20	36 00	36 0
National Elec. 4 1/2% ...	100	80 00	80 0
National Rayon 5% O.P.T. ...	100	67 00	78 8
New India Fisheries 5% ...	100	101 00	100 0
Polson 5% O.P. ...	100	84 70	87 0
Rohtas Indus. 7 to 9% O.P. ...	100	122 00	...
Rohtas Indus. 4 1/2% O.P. ...	100	57 50	...
Supreme Indus. 5 1/2% O.P. ...	100	70 00	80 0

ORDINARY SHARES
BOMBAY

NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
BANKS			
Allahabad ...	50	98 00	...
Bank of Baroda ...	50	100 00	100 0
Bank of Bihar ...	25	10 00	10 0
Bank of India ...	50	133 25	138 12
Bank of India 'A' ...	50	133 75	138 8
Bank of Jaipur ...	50	37 50	39 8
Central Bank ...	25	52 20	52 0
Central Bank 'A' ...	25	55 00	54 12
Devkaran Nanjee ...	50	47 25	40 0
Hindustan Comm. ...	50	14 25	14 4
Hindustan Mercantile ...	50	10 00	71 0
Jodhpur Comm. ...	5	1 24	1 2
Mysore ...	100	247 00	247 0
Punjab National ...	25	49 00	51 0
Punjab and Sind ...	25	30 00	30 0
Union ...	5	7 55	7 1
United Commercial ...	50	50 80	54 4
ELECTRICS			
Ahmedabad ...	100	94 80	93 7
Amalgamated ...	10	10 16	10 10
Andhra Valley ...	1000	1093 75	1206 4
Bassein ...	10	8 50	8 8
Bombay Suburban ...	100	106 75	109 0
Brooch Electric ...	10	7 52	11 0
Dharwar ...	50	51 00	50 0
Poona Electric ...	100	120 00	130 0
Saharanpur ...	100	105 00	100 0
South Madras ...	10	10 00	...
Surat ...	100	106 75	111 14
Tata Hydro ...	100	119 00	123 0
Tata Power ...	1000	1140 00	1221 4
COTTON			
Adoni ...	10	10 40	11 10
Ahmedabad Advance ...	100	130 00	180 0
Apollo ...	1	2 02	2 74
Asam Jali ...	100	62 00	92 0
B. R. Cotton ...	100	24 00	47 8
Berar ...	200	30 00	30 0
Bhawani Cotton ...	10	10 00	...
Bombay Dyeing ...	25	50 80	...
Bradbury ...	50	152 00	217 8
Central India ...	100	82 00	122 0
Century ...	100	392 00	481 0
Colaba ...	100	53 00	85 0
Coorla ...	100	134 50	130 0
Davangere ...	100	118 00	118 0
Dawn ...	50	82 00	168 0
Edward Textiles ...	200	224 25	310 0
Elphinstone ...	50	48 00	48 0

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NAME	Paid-up per share.	Quotation as on 10-1-58 Rs. n.P.	10-1-57 Rs. a.
ENGINEERING			
Alcock Ashdown ...	100	217 50	256 4
Bombay Cycle ...	20	20 00	20 0
Brady Engg. ...	50	43 00	...
Brunton ...	10	5 00	8 6
Hind Cycle ...	100	121 50	142 8
Hindustan Elec. ...	100	95 00	100 0
Hindustan Motors ...	10	5 78	7 9
Indian Iron ...	10	19 12	28 0
Jaipur Metal ...	100	72 50	...
Joint Engineering ...	50	58 50	69 0
Kamani ...	10	7 00	6 10
Larsen and Toubro ...	10	12 68	15 12
Mackenzies ...	100	65 00	86 0
Mahindra and Mahindra ...	10	16 68	15 14
Mukund Iron ...	10	11 32	13 12
Premier Auto ...	100	87 20	102 0
Premier Construction ...	50	158 75	177 8
Sen Raleigh ...	10	10 76	12 6
Structural Eng. ...	100	205 00	...
Tata Iron ...	75	164 84	170 0
Tata Iron (New) ...	50	155 50	...
Tata Locomotive ...	100	137 25	153 0
Tex Machinery ...	10	16 20	...
United Motors ...	50	19 00	24 8
PLANTINGS			
Blue Mountain ...	2	2 00	6 10
Halleyburia ...	10	15 76	22 14
Highland ...	10	11 72	14 0
Kalpeth ...	10	19 76	24 0
Midland ...	10	14 52	16 6
Neillampathy ...	2	2 82	2 13 1/2
Rajagiri ...	10	15 60	23 2
Twyford ...	10	14 00	19 2
Waterfalls ...	2	3 06	7 0
SUGAR			
Belapur ...	50	232 00	242 0
Bhopal ...	10	19 20	16 6
Cauvery ...	200	87 00	50 0
Changdeo ...	100	28 75	...
Kear ...	40	55 30	40 0
Maharashtra ...	200	880 00	810 0
Modi ...	10	9 00	9 0
New Swadeshi ...	100	200 00	225 0
Oudh ...	100	136 25	145 0
Phaitan ...	50	147 50	145 8
South Behar ...	10	1 00	...
S. K. Gyanoday ...	10	9 20	12 12
Vishnu ...	100	285 00	...
Walchandnagar ...	100	272 50	286 14
CEMENT, POTTERY AND FIRECLAY			
Andhra B ...	10	11 00	15 11
Ashoka ...	10	7 88	11 0
Associated Cement ...	100	150 25	181 0
Associated Cement New ...	50	76 50	...
Bagalkot ...	10	8 76	...
Bombay Pottery ...	100	64 00	40 0
Dalmia Cement ...	10	9 60	14 2
Indian Cement ...	10	28 75	37 0
Jaipur Udyog ...	10	12 00	11 12
Digvijay ...	100	135 50	151 0

THE PENINSULA

(Continued from page 124)

simply do not have even a fraction of what we need of both.

So, our problems are as workaday and as mundane as money and resources. Of course, I am not suggesting that the Science Congress should concern itself with the finding of these and be diverted from its legitimate task of pursuing such research as it is at the moment able to carry on. But the problem is there, and the Science Congress is certainly entitled to expect the rulers of the country to find the money and resources for carrying on research. It is also entitled to ask that such manpower as is available is put to better use. It is entitled to demand that measures that will expand research facilities quickly should be taken.

On the other side, the scientists themselves have certain obligations. There is a general impression in the country (how far justified, I am not competent to pronounce) that we are not getting the full value for even such funds as we now spend on research. It is said that the various national laboratories and other agencies of research (with the exception of the Atomic research centre) have not yielded results commensurate with the hopes entertained when they were started. There is widespread frustration and cynicism among younger scientists about the opportunities of their usefulness and

the value, in the present set up, of their calling. This is a dangerous mood in which to find the country's best brains. There are also occasional misgivings (again, I am in no position to judge their validity) about the standards of excellence and quality of much of the research that is going on. There is a general complaint that much of the research that is done in our laboratories is imitative and secondhand. I am not listing these deficiencies in a carping spirit. The problems that face Indian scientists deserve the most sympathetic understanding at the hands of the lay public. It is also true that, as compared to what obtains in Soviet Russia and the US, recompense for scientific excellence is woefully inadequate in our country. Indeed, it is inadequate even if such comparisons were unavailable. But, when all the excuses have been made, it will still be true that he will be a poor scientist who wants rewards dangled before him before he starts to wrest the secrets of nature from her. It is also axiomatic that science has no use for the second-rater. A passion for the highest excellence and an undefeatable energy for laying bare the truth are the true hall marks of a scientific temper. It is to be hoped that, in the years to come, we will find our research establishments permeated with this spirit.

WORLD OF BUSINESS

(Continued from page 115)

In a country such as the US, where as some one humorously puts it, the difference between a rich man and a poor man is only that the first employs some one else to wash his Cadillac and the other washes it himself, high levels of wages and of standards of living combined with ample and almost unlimited opportunities for rising in the economic ladder, form the basis of industrial relations.

It is an environment where vast sums of money can be staked in the pursuit of ideas, which promise a little more of industrial peace or a little more of productivity per worker. Even if such ideas turn out to be wholly illusory, the waste involved in terms of social effort or expenditure is negligible. In India, the entire environment in industrial relations is quite different. Here the average worker is still about the bare levels of existence. For him, there can be no substitute or compensation for a bulkier paycheck; and he is quite probably apt to look upon every endeavour of the employer in relation to him primarily on that basis.

For this reason, the highly refined though ill-tested techniques in vogue in the US and other Western countries designed to foster sound management labour relations may fail to create any perceptible result. Particular individuals, however, may respond; but when collective bargaining and extraneous leadership determine not only the broad framework of relations but

often even the minutest details within it, such individual responses are of little use.

This is not to say that some of the methods used in other countries are superfluous or unwanted in this country. Only, what they could do and what they could not, should be clearly kept in view.

Oil India (Private) Limited

The signing of an agreement by the Government of India with the Burmah Oil Company and the Assam Oil Company for the formation of a Rupee Oil Company, marks the culmination of the negotiations which have been going on for three years for the starting up of a rupee Oil Company in the country.

The Company which would be called the Oil India (Private) Limited would be started with an authorised capital of Rs 50 crores which would be divided into five lakh shares of Rs 1000 each. The distribution of the shares as between the contracting parties is in the ratio of 2:1, the Burmah Oil Company holding two-thirds of the shares and the Government of India having one-third them.

The starting of the new company is not the first step in the way of exploration and exploitation of the oil resources in the Nahorkatiya, Hugrijanand Meran areas of Upper Assam. The Assam Oil Company has

already successfully completed a programme of boring nearly 36 deep wells most of them being good producers of oil in these areas. The oil potential of this region is estimated to be rich and therefore this augurs well for the progress of the oil industry in the country. The new Company would now take over the assets of the Assam Oil Company in the newly discovered areas. This integration should considerably help in streamlining the administrative machinery for the speedy implementation of the projects now undertaken.

The activities of the new Company would only be confined to the production of crude oil in these

areas. The process of refining would be done in the two refineries to be set up in the public sector by the Government of India. For the transport of the crude oil which this involves, the Company has undertaken the construction of pipe lines from the oilfields to the refineries in North Bihar in two stages.

The Burmah Oil Company has undertaken to advance a sterling loan to the extent of £10 million to the new Company. This is expected to meet the foreign exchange requirements in respect of the construction of the first stage of the pipeline to an intermediate point between the oilfields and Baruauni in North Bihar.

STOCK EXCHANGES

(Continued from page 129)

upto Rs 215 from Rs 200 and Budget upto Rs 70 from Rs 63. New Central and Neillmaria were quoted around Rs 12.12 and Rs 11.08 respectively.

Coal shares were a steady feature with price movements confined to a narrow range. Operators seemed to be awaiting the announcement of the recommendations of the Price Revision Committee. Bengal were taken upto Rs 231 from Rs 228. Burrakur, after touching a high of Rs 22.32 on settlement considerations, receded at the close to Rs 22.12 on profit-taking. Central India were well maintained at Rs 6.37 with Western Bengal closing better at Rs 5.25 against Rs 5.18.

Tee shares changed hands at considerably higher levels although activity was confined to only a few selected scrips. Apart from the continued better prices obtained at the past few auctions, a section of the operators continued to hold the view that, with supplies from Ceylon and Indonesia being interrupted, foreign buyers were likely to turn their attention increasingly to India in the coming weeks. Most prominent were Brahmaputra taken upto Rs 3.70 from Rs 3.12; Birpara upto Rs 1.05 from Rs 1.01; Bishnauth upto Rs 20.25 from Rs 19.12; Brooke Bond upto Rs 17.63 from Rs 15.50; Bhatkawa upto Rs 20.00 from Rs 18.62; Grob "A" upto Rs 23.25 from Rs 22.50; Sungma upto Rs 10.87 from Rs 9.87 and Methoni upto Rs 17.12 from Rs 16.75. Jayshree moved between Rs 9.19 and Rs 10.12 and Sapal between Rs 25.25 and Rs 25.50.

Fertile scrips staged a recovery from the recent low levels following the improvement in the conditions of the cloth market, although the best levels could not be retained till the close due to profit-taking. Two bright features were Kusoram, which recovered smartly to Rs 10.37 from a low of Rs 9.81. New Victoria, after touching a low of Rs 1.12 from Rs 1.28, improved to Rs 1.25.

Sugar shares were freely offered at lower rates due to fears with regard to the profit margins of the mills following the recent levy of additional excise duty. The only two features were Carew having improved to Rs 5.78 from the recent low of Rs 5.69 and SKG being well maintained at Rs 8.94. Rammugger were better at Rs 18.94 against Rs 17.75.

Price movements in the Engineering section were mainly influenced by the

speculative activity in Indian Irons which, in turn, were subjected to settlement considerations till mid-week. Against the week-end closing of Rs 19.15, the scrip opened lower at Rs 19.08 and receded further to Rs 19.05 at which level renewed bull support and heavy bear-covering caused the scrip to advance steadily towards the close to Rs 19.74—the highest level touched for the week. The settlement rate was Rs 19.28 against last settlement of Rs 18.52. The basis for the next settlement was fixed at 6 np.

Among other engineering, Jossip after touching a low of Rs 30.93, improved steadily to Rs 21.60 following the encouragement derived from the Chairman's speech, to ease off again at the close to Rs 21.06 on profit-taking. Richardson touched a high of Rs 9.17 and a low of Rs 8.19 to close finally at the latter level on Thursday. From Friday, dealings in the scrip were suspended by the Calcutta Stock Exchange Committee's decision for a matter of three days (details given in Investment Notes).

The Miscellaneous section, provided a few firm spots on investment considerations. Prominent were Indian Cable being absorbed upto Rs 29.64 from Rs 25.00; National Carbon upto Rs 24.25 from Rs 24.00; NICCO upto Rs 23.63 from Rs 23.31; Dunlop Rubber upto Rs 21.56 from Rs 20.62; India Steamship upto Rs 12.08 from Rs 11.00; Hindustan Lever upto Rs 20.00 from Rs 19.87 and Philips upto Rs 14 from Rs 13.87. Indian Copper, after improving at one time to Rs 2.87 from Rs 2.77 on reports of the end of the strike at the company's mines, finished the week at Rs 2.85 on slight profit-taking. BIC were on offer at Rs 3.88 to Rs 4.00; Osler at Rs 2.00 to Rs 2.31 and Angelo Brothers at Rs 16.44 to Rs 17.75. Alkali Chemicals were a shade quieter at Rs 12.25 against Rs 13.25, while Hindustan Motor changed hands at Rs 5.58 to Rs 5.75; Shaw Wallace at Rs 10.19 to Rs 10.37; Martin-Burns at Rs 25.22 to Rs 25.62; Metal Box at Rs 27.50; Indian Aluminium at Rs 12.75 to Rs 12.87 and National Rubber at Rs 6.62. In the Paper section, Orient Paper were taken upto Rs 23.55, from Rs 23.35, while Titagur closed better at Rs 32.12 against Rs 31.87. Shree Gopal were quoted around Rs 14.25.

January 18, 1958]

RESERVE BANK OF INDIA

(In 000's of Rupees)

LIABILITIES:	Week Ended		
	10-1-58	3-1-58	11-1-57
Notes in Banking Dept.	10,20,79	9,12,85	13,16,20
Notes in Circulation	1540,72,18	1523,05,54	1495,21,33
	1550,92,97	1532,18,39	1508,37,53
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India	...	...	...
Sterling Securities	270,25,68	275,22,56	447,30,03
Total of A	388,01,71	392,98,59	565,06,06
(B) Rupee Coin	130,80,85	132,00,02	123,06,15
Rupee Securities	1032,10,41	1007,19,78	820,25,32
	1550,92,97	1532,18,39	1508,37,53

BANKING DEPARTMENT:

LIABILITIES:	Week Ended		
	10-1-58	3-1-58	11-1-57
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	5,00,00
National Agricultural Credit (Long-term Operations) Fund	20,00,00	20,00,00	15,00,00
National Agricultural Credit (Stabilisation) Fund	2,00,00	2,00,00	1,00,00
Deposits—			
(a) Central Govt.	49,68,83	52,50,01	54,00,40
(b) Other Govt.	16,15,78	8,09,81	4,93,99
(c) Banks	60,28,52	66,37,34	56,24,69
(d) Others	115,66,33	115,69,63	13,11,04
Bills Payable	15,21,73	17,37,04	11,54,09
Other Liabilities	26,28,01	25,35,93	108,90,22
	390,29,20	392,37,76	274,74,33
ASSETS:			
Notes	10,20,79	9,12,85	13,16,20
Rupee Coin	9,51	3,16	8,69
Subsidiary Coin	3,09	2,17	10,94
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	3,73,62	3,15,96	1,96,63
Balances held abroad*	19,63,31	17,95,92	80,30,30
Loans & adv. to Govt.	34,61,85	34,60,01	8,59,70
Other Loans & Adv.	73,47,06	67,40,84	106,59,69
Investments	231,87,18	243,73,83	49,47,91
Other Assets	16,62,79	16,32,48	14,44,27
	390,29,20	392,37,76	274,74,33

(1) The item "Other Loans and Advances" includes Rs. 30,29,08,000 advanced to scheduled banks against reserve bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

Jemand Liabilities in India	Week Ended		
	3-1-58	27-12-57	4-1-57
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	15,61,05	17,40,94	6,93,91
(ii) Other demand liabilities	690,48,22	700,61,15	641,43,48
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	17,94,00	20,68,00	2,34,00
(ii) Other time liabilities	674,77,35	666,86,40	455,26,41
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	7,08,31	5,92,05	10,08,93
(ii) Time Liabilities	65,00	70,00	...
Borrowings in India from the S. B. I.	30,58,73	23,62,80	73,19,49
in India	40,31,29	38,83,87	37,37,92
Liabilities with the Reserve Bank of India	66,39,50	67,60,81	48,12,88
Liabilities with other banks in current account in India	12,15,69	12,46,96	11,30,30
any at call and short notice in India	50,39,20	50,11,25	8,96,55
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	433,48,05	432,95,79	364,45,30
Advances in India	720,08,69	712,02,85	636,72,79
and Bills Purchased and Discounted in India	115,58,67	99,42,50	113,75,40
Foreign Bills Purchased and Discounted in India	44,95,78	46,56,85	52,44,55

*Figures are provisional since complete returns have not been received from Banks. Excluding borrowings from R.B.I. also.

INDIAN FINANCE

STATE BANK OF INDIA

(In 000's of Rupees)

LIABILITIES:	Week Ended		
	10-1-58	3-1-58	11-1-57
Capital Paid-up	5,62,50	5,62,50	5,62,50
Reserve Funds	6,37,50	6,37,50	6,35,00
Deposits and other Accounts	363,23,14	366,47,21	247,76,16
Borrowings from other Banks, Agents, etc.	7,83,50	3,49,50	16,64,00
Bills Payable	4,82,80	4,74,92	4,01,70
Bills for Collection as per contra	1,12,13	1,06,44	71,82
Acceptances etc. for constituents as per contra	20,43	20,41	8,68
Other Liabilities Including Inter-office Adjustments	4,97,88	5,17,71	3,59,74
Total	394,19,83	393,16,19	284,79,60

ASSETS:	Week Ended		
	10-1-58	3-1-58	11-1-57
Cash in hand and with R. B. I.	15,18,48	18,74,87	15,22,54
Balances with other Banks	2,89,64	2,50,80	3,36,73
Money at call and short Notice	1,33,33	2,86,67	1,40,00
Government and other Trustee Securities	173,92,72	173,72,88	95,57,13
Other Authorised Investments	10,23,04	10,12,98	11,45,50
Loans Advances cash credits & Over Drafts	159,61,18	153,43,06	118,91,44
Bills Discounted and Purchased	21,22,01	21,50,31	32,49,56
Bills for collection as per contra	1,12,13	1,06,44	71,82
Constituents' Liabilities, etc. as per contra	20,43	20,41	8,68
Dead Stock	1,91,89	1,91,50	1,78,69
Other Assets	6,55,03	7,06,27	3,77,46
Total	394,19,88	393,16,19	284,79,60

CLEARING HOUSE RETURNS

Week ended 10th January 1958

Clearing House	No.	Amount	
		R.	P.
Madras	99316	10,86,66,782	...
Delhi	42328	8,72,60,271	...
Kanpur	21316	3,78,57,500	...
Bombay	326743	70,80,66,000	...

BANK OF ENGLAND

(In million £)

Notes in Circulation	Week ended		
	18-12-57	11-12-57	19-12-56
Notes in Banking Department	2,118'6	2,080'9	1,997'0
Govt. debt and securities	31'8	19'5	28'4
Other	2,146'3	2,096'2	2,021'2
Other securities	0'7	0'8	0'8
Gold Coin and Bullion	0'4	0'4	0'4

BANKING DEPARTMENT:

Deposits—	Week ended		
	11'0	16'0	12'9
Public Accounts	...	...	...
Treasury Special Account	200'2	199'2	200'5
Banks	80'5	76'0	76'5
Other	291'7	291'2	289'9
Total	...	...	...
Securities—			
Government	223'6	242'4	254'1
Discount and Advances	29'1	21'9	6'6
Other	22'9	23'0	16'9
Total	275'6	287'3	277'6
Banking Department reserves	34'2	21'9	30'3
"Proportion" %	11'7	7'5	10'4

Government debt is £11,015,100 capital £14,553,000
Fiduciary issue reduced to £2,150 million from £2,100 million on December 18, 1957.

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT:

(In 000's of Rupees)

LIABILITIES:	Week Ended		
	3-1-58	27-12-57	4-1-57
Notes in Banking Dept.	8,82,23	7,01,15	8,21,12
Notes in circulation	339,81,75	336,75,80	328,36,79
	348,63,98	343,76,95	336,57,91
ASSETS:			
(A) Gold Coin & Bullion	11,36,60	11,33,41	11,33,41
Sterling Securities	...	...	82,02,81
Govt. of India Securities	71,55,25	66,55,25	23,68,47
India Notes receivable from Reserve Bank	43,02,30	43,02,30	43,02,28
(B) Rupee Coin	4,37,81	4,53,97	5,34,95
Govt. of Pak. Securities	212,41,96	212,41,96	165,30,93
Held with Reserve Bank of India pending transfer	19,02	19,02	19,02
Gold coin & Bullion	4,40,63	4,40,63	4,40,63
Sterling Securities	1,00,90	1,00,90	1,00,90
Govt. of India Securities	29,51	29,51	29,51
Rupee coin	...	...	...
Total	348,63,98	343,76,95	336,57,91

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	3,00,00	3,00,00	3,00,00
Reserve Fund	3,00,00	3,00,00	3,00,00
DEPOSITS:—			
(a) Central Govt.	74,74,48	76,44,08	50,35,06
(b) Provincial Govts.	50,62	...	50,48
(c) Banks	14,37,95	15,44,53	14,37,86
(d) Others	9,72,16	9,33,07	3,17,42
Bills payable	71,66	22,37	75,73
Other Liabilities	8,42,05	7,33,19	10,03,41
	114,48,84	114,77,24	85,19,96
ASSETS:			
Notes	8,82,23	7,01,15	8,21,12
Rupee Coin	29	31	14
Subsidiary Coin	18	25	16
Bills purchased & discontd.			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	4,98	12,17	49,87
Loans & Adv. to Govts.	37,00	3,16,00	90,00
Provincial Governments	8,62,67	8,76,45	2,53,51
Debtor Balances	15,25,30	15,06,00	19,01,12
Other Loans & Advances	71,93,71	68,41,70	44,48,20
Investments	9,42,48	12,23,21	9,55,84
Other Assets	...	...	...
Total	114,48,84	114,77,24	85,19,96

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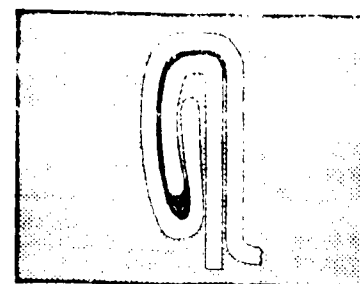
Ghee	Breakfast foods	Vanaspatti and other food oils
Butter	Cocoa	Baking powder
Evaporated and Condensed milk	Coffee	Tea
Barley	Biscuits	Honey
Glucose	Confectionery	Processed fruits and vegetables
	Cashews	



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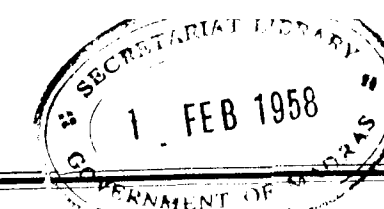


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= Volume LXI No 4
= Price: Rs 1 50

HIGHLIGHTS OF THIS ISSUE

With this issue, Indian Finance completes its 30th year of publication.

This landmark is being availed of to give a new look to the journal.

But our policy and our interpretation of Indian Finance's role in the national economy remain unchanged.

These are, as before:
To champion the ideal of a

mixed economy as we know it, where full opportunity will be offered to the private sector for development.

To interpret Government policy accurately.

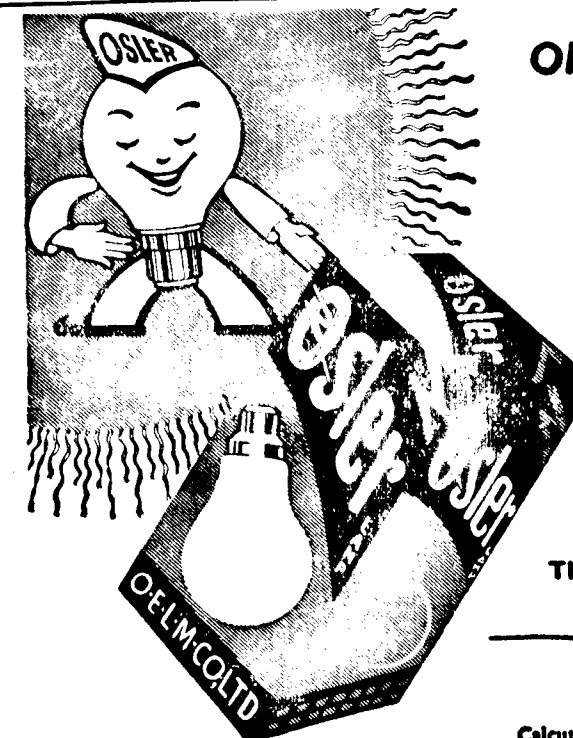
To criticise only when we can offer, at the same time, constructive suggestions.

To provide a bird's eye view and

comprehensive picture at all times of the Indian economy.

To have a vigilant care for the interest of the investor, and to safeguard as best as we can his stake in the national economy.

In a word, Indian Finance reaffirms that, in its attitude toward the world, it has neither predilections nor prejudices: it tries always to be on the side of what is right.

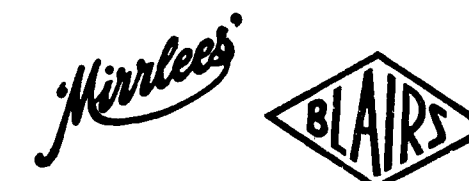


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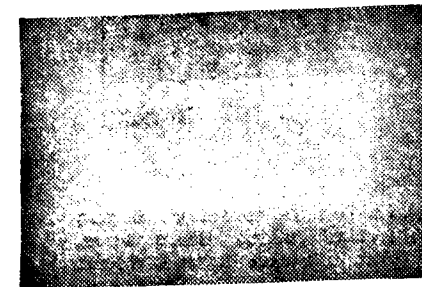
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January 25, 1958



No Damage to Private Sector

Investment Gossip:

THE Gauhati session of the Congress has concluded without bringing anything that has not been already known of the ruling party's attitude toward current problems. With the rest of the population, the stock exchange fraternity has also been awaiting news of the proceedings of this year's annual session with a view to glean from the speeches of the key personalities in the Congress camp and the official resolutions, information as to latest trend in official policy in so far as it affects the world of business.

It is to be admitted that this section has not got much in this regard in the shape of definite indications. But it cannot be denied that it has not at all been disappointed with the session; may be, operators would have been pleased if the Finance Minister had given some sort of indication of a tax cut. But most persons know that even if he has anything like that up his sleeve he is quite unlikely to give any indication of it in a speech which he was making when the Central Budget was only a few weeks away.

Beyond a passing reference to the need for a substantial reduction in the disparities in the social and economic life of the country, and marketmen can find very little to disturb them in Mr Dhebar's address. Though Mr Nehru categorically reaffirmed the Congress's faith in socialism, he has made it abundantly clear that such faith will not find concrete expression in hurried nationalisation of banking and other companies. Mr Krishnamachari has also strongly refuted the allegation that Government are departing from the goal of a socialistic pattern of society. But he has made it clear that the socialism visualised by his party does not concern itself with mere distribution of wealth. It aims also at production of more and more wealth. For this reason, it does not want to do any damage to the private sector. His reference to rates and Indian Iron & Steel Company as concerns contributing to national production and hence deserve to be helped is a pointer toward current official thinking on private enterprise.

It may be permissible to conclude from the trend of the discussion on the resolution on the economic situation that there is a fair consensus of opinion among Congressmen that the private

sector has and will continue to have, an important role in the development of the country. As such it may be presumed that as Mr A. K. Sen, Union Minister for Law has pointed out, the economic policy of the country will be such as would provide incentive for higher production and for further investment which will again increase production.

That the stock exchanges have found nothing disturbing in the speeches at Gauhati can be inferred from the continued upsurge in prices during the past week. The happy precedent of TISCO in announcing a bonus issue, has aroused fond hopes of a similar gift from IISCO as well. Whether such an expectation materialises or not, there seems to be a greater possibility for an increased distribution to shareholders of the company in the not distant future. Apart from the immediate prospect, it is now distinctly clear that IISCO is well on the way to increased prosperity and that such improvement is bound to have a desirable effect on the return on its shares. The scrip has several times during the past few days risen above the Rs 20 mark though at the close of transactions on Wednesday it has come back slightly below that level. It would appear that the fact that the Calcutta Stock Exchange will remain closed from Thursday upto Monday next is perhaps responsible for this slight setback.

£R\$

Indian Oxygen Share Issue

Investment Special:

A forthcoming new issue is in the news.

The announcement has been made that The British Oxygen Co Ltd, London, is offering for sale 600,000 Ordinary shares of Rs 10 each in Indian Oxygen Ltd; the price at which the shares are being offered is Rs 13.50 each.

All the shares on offer have been underwritten by The Industrial Credit and Investment Corporation.

So, it is an understatement to aver that the issue will be a success.

The question For the Investor is: How much of a success will it be?

To answer this question, the investor has to take account of a number of considerations.

Firstly, the Indian Oxygen offer is on the lines of the fairly recent Hindustan Lever placement of shares.

Secondly, the stake offered to the Indian investor is fairly sizable, amounting to 600,000 shares as against the issued and fully paid capital of Rs 2 crores.

Thirdly, the Board of Directors is notable for its distinguished personnel.

Fourthly, the present shares being offered will rank for the dividend for 1957-58.

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Fifthly, sales of Indian Oxygen have multiplied nearly four times in the space of a decade.

Sixthly, the company has in hand an expansion programme which is estimated to cost nearly Rs 3½ crores. Expenditure already incurred is a shade under Rs 1 crore.

The programme has been financed mainly by The British Oxygen Co Ltd; and the intention is that the offeror, British Oxygen, will make available to Indian Oxygen the proceeds from the offer as loan for 7 years.

Lastly, in each of the last four financial years, Indian Oxygen has paid a dividend of 10 per cent.

I suggest that these considerations will weigh heavily with the investor, and the result will be that, as in the case of recent issues of

blue-chip companies, there will be substantial over-subscription.

That is to say, the Indian Oxygen offer will prove, again, that the investor has more than sufficient resources to support and make a success of every worth while new issue.

Let us hope that the Indian Oxygen issue will mark the turning point in the fortunes of Indian Stock Exchanges.

£R\$

Investment Notes:

PREMIER Automobiles Limited has proposed to issue Debentures to the extent of Rs 2 crores, of which Rs 1.60 crores will be offered to the public at present. The rate of interest will be 6½ per cent per

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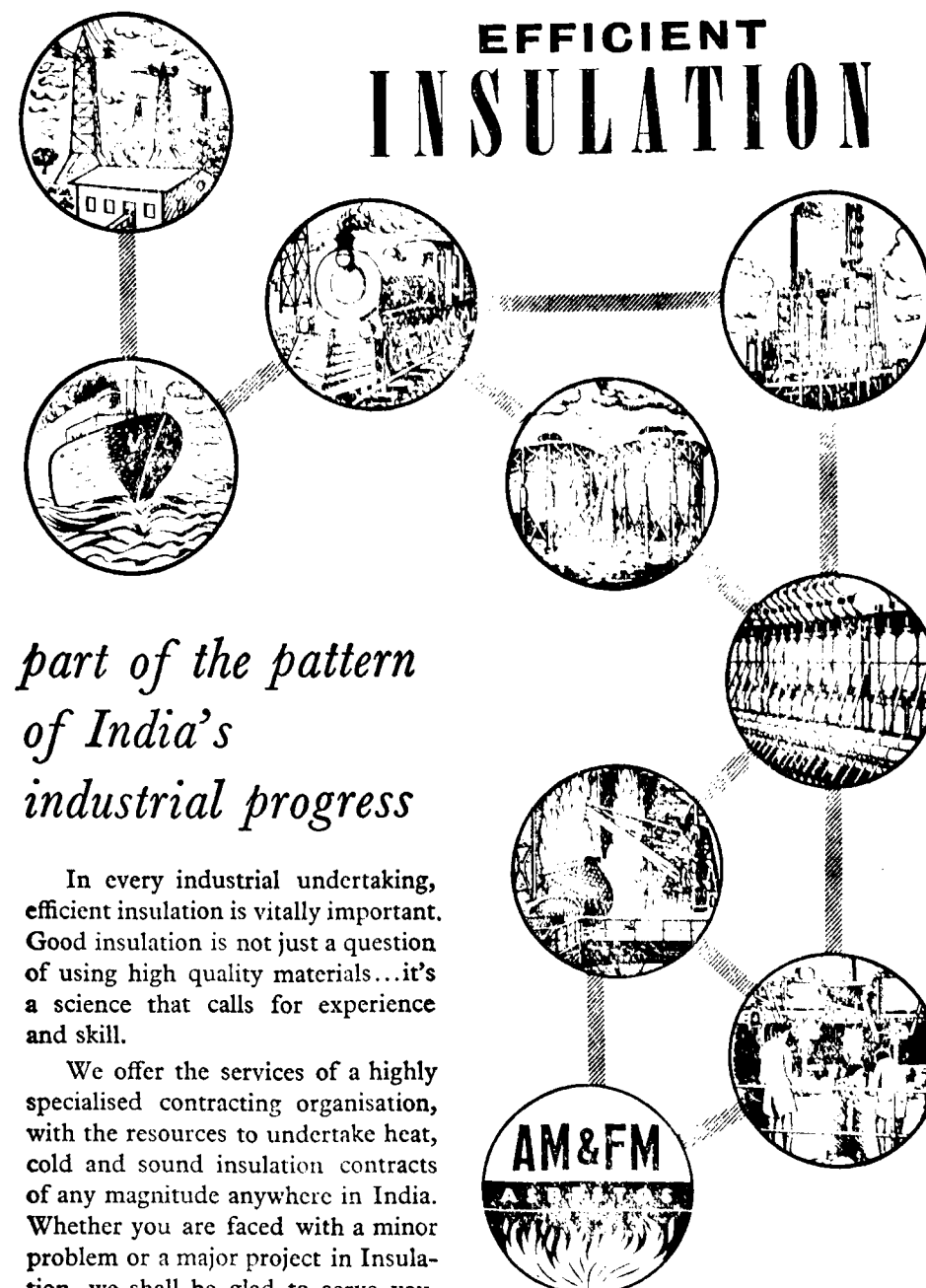
Central Office: MADURAI

Paid-up Capital .. Rs. 10,00,000
Reserve Fund as on 31-12-56 .. Rs. 10,25,000
Working Funds as on 31-12-1956 .. Rs. 2,94,40,773

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annum, subject to tax. The Debentures will be redeemable, at par, at the end of 15 years from the date of allotment, with an option to redeem, at par, at any time after 10 years by giving 6 months' notice. The Debentures will be convertible into "A" Ordinary shares under certain conditions.

The Andhra Cement Company will shortly issue 7 per cent tax-free Second Preference shares to the tune of Rs 25 lakhs. The shares will be offered, in the first instance, to the existing shareholders. The subscription list will open early in February. The amount is raised for financing the expansion programme of the company.

Chandramalai Estates have proposed to issue 68,750-7½ per cent tax-free Cumulative Redeemable Preference shares of Rs 2 each, at par, to the existing shareholders in the ratio of one preference for every four Ordinary shares held. The balance of the unsubscribed preference capital will be offered for public subscription.

£ R S

Investment Briefs:

G. K. WILLIAMS Limited has declared an interim dividend of 8 per cent for 1957.

In Williamson Magor Tea group, Dufflaghur has recommended an interim dividend of 10 per cent and Soom 15 per cent for 1957, payable on or after the 6th February 1958. Tyroon, in McLeod group, has raised the dividend from 30 to 45 per cent for 1957.

In Bombay, Gannon Dunkerley has proposed to raise the dividend from 4½ to 6 per cent for the year ended 31.3.1957.

Podar Mills have reduced the interim dividend to Rs 4 per share for last year as against Rs 5 paid in 1956.

Bombay Swadeshi Co-operative Stores have maintained the dividend at 50 nP per share for the year ended 30.6.1957.

In Madras, Madura Mills have reduced the dividend from 17½ to 15 per cent for 1957.

Among Banks, Travancore Bank has raised the dividend from 4 to 5 per cent for 1957, while Pandyan Bank has maintained the dividend at 7½ per cent.

2 R S

Scindia Steam
Raises Dividend

Balance-Sheet Reviews:

THE accounts of the Scindia Steam Navigation Company Limited, for the year ended 30th June 1957, make excellent reading. In this connection, it might be recalled that the company issued bonus shares last year in the ratio of one share for every five shares held.

The company has earned a substantially higher net profit of Rs 1.04 crores against only Rs 48.40 lakhs in the previous year after providing Rs 13.66 lakhs (Rs 25.74 lakhs) for managing agents' commission; Rs 1.87 crores for Depre-

cation including the transfer of Rs 72 lakhs to Special Depreciation Reserve (Rs 1.72 crores); Rs 10 lakhs for Debenture Sinking Fund (Rs 10 lakhs); Rs 31 lakhs for Taxation (nil) and Rs 24 lakhs for Deferred Taxation Reserve (nil). The allocation to the Annual and Special Survey Reserve has been pruned from Rs 20 lakhs to Rs 10 lakhs, while the allotment to the Dividend Equalisation Reserve has been raised from Rs 13 lakhs to Rs 24 lakhs. The allocation to General Reserve, which claimed Rs 90.75 lakhs in the preceding year, has been skipped. The directors have recommended a 25 per cent rise in the dividend for the year at Rs 1.25 per share on the increased capital of the company.

Earnings of freight and passage money have recorded an increase from Rs 10.18 crores to Rs 12.46 crores. The cargo arrived improved from Rs 19.14 lakh tons in 1955-56 to 18.66 lakh tons during 1956-57 and the freight earnings have increased from Rs 9.80 crores to Rs 11.93 crores. The directors have, however, pointed out that the year under review included a very abnormal period for the shipping industry arising out of the Suez Canal crisis. It is, therefore, extremely difficult to draw any useful comparison between these earnings and those of the previous year or to base estimates for the future years' trading on them.

The question of the future managing agency of the company is now in the final stage of discussion and the same will be placed before the shareholders very soon for their approval.

Out of the ships ordered from the German builders, four ships were delivered during the year and the remaining two ships are expected to be delivered, one in 1959 and the other in 1960.

As against the subscribed capital of Rs 11.38 crores, Reserves and surplus amount to Rs 9.03 crores (Rs 7.20 crores); secured loans Rs 8.51 crores (Rs 7.48 crores); unsecured loans Rs 7 lakhs (Rs 10.55 lakhs) and current liabilities and provisions Rs 4.45 crores (Rs 2.61 crores).

Fixed assets, less Depreciation, are valued at Rs 21.87 crores (Rs 17.79 crores). Investments aggregate Rs 5.84 crores (Rs 5.73 crores). Current assets total Rs 97.83 lakhs (Rs 79.87 lakhs); Loans and Advances Rs 1.94 crores (Rs 1.92 crores) and cash and bank balances Rs 3.57 crores (Rs 2.13 crores).

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The Congress and the Country

BARRING the vague and half-hearted concession made on the issue of official language, to which we have already referred in our earlier comment, this year's annual session of the Congress seems to have done very little by way of indicating new directions for national efforts. The very fact that it has been one of the most poorly attended sessions, with no more than 200 delegates present when discussing the more important Resolutions, may be interpreted as sign of a general weakening of interest in the annual function. The phenomenon can be explained in two different ways. The absentee delegates and with them the bulk of the country's intelligentsia might well feel that the party in charge of the Governments of the Union and nearly all the States, with settled long term programmes of action wedded to well understood social and economic aims, has neither the need nor the justification for thinking of any serious deviation from policies year by year. There was nothing new to be expected from the annual session.

There is a great deal to be said for this explanation. Actually, nearly all the Resolutions were either reaffirmations of those approved by the party in earlier sessions or were calls for better effort toward achieving the aims accepted before. The Avadi Resolution holding out before the nation a socialistic pattern of society to be pursued by peaceful means within its power, was re-emphasised. The Resolution on the economic situation approved of the general approach to the budget proposals of last year, the new direction given to the tax structure with its stress on the fullest incentive to work and earn and on the removal of inequalities and the ill-effects of large concentration of wealth among a few persons. Likewise, the role of small savings in the provision of capital for further development was again pressed into attention.

A call for a more vigorous food drive also is familiar. Only, the setback of the last two years has imparted a fresh sense of urgency to it. The Resolution on land reforms reiterated the party's faith on ceilings for holdings under personal cultivation and in co-operative economy based on village communities. In the field of education, the value of the basic system was again reaffirmed.

Certain new developments and new problems did come up for discussion. The status and emoluments of teachers as those responsible for shaping the rising generation received special attention. As it was found that general and extensive supplies of irrigation water remained unutilised, a categorical lead had to be given in the matter of water rates. The uncertainty over the State's attitude to methods of establishing co-operative farms has found an answer in the unambiguous reference to voluntary association. But these are more or less in the character of details by the side of the general ends and the programmes designed to attain them.

The comparative colourlessness of the session can also be due to a sincere general acceptance of not only the soundness but the success of the party's policies which are now being implemented by the Union and all the

State Governments except one. Domestically, the Second Five-Year Plan has survived most of its impediments, with no more than a few minor scars. It was a hopeful coincidence that just on the eve of the annual session, the US announced a hefty instalment of financial aid for the Second Plan, along with the indication of more to come. Very substantial sums have been offered by several other countries such as Japan, France, Switzerland and Czechoslovakia. When the Congress session met, there was hardly any trace of last year's anxiety over the financial situation as concerning the future of the Plan. In 1958 there will possibly be more opportunities for our leaders to talk of the pleasures rather than of the pangs of development. In another year, the pangs will have been completely left behind.

Far more outstanding is the success of the foreign policy which has received the inspiration and blessings of the Congress Party. The basic principles of India's foreign policy are even now not sufficiently well understood in every important country and both within and without criticism has all along been harsh and even vindictive at times. This criticism which takes its roots from the attitudes and interests of the ruling groups in the country concerned or of the Opposition parties in India, has not had even the barest impact on the Congress or on the Union Government. In a world full of conflict, of astonishing changes in the relative strength and techniques of the power blocs and when India itself was being pressed by various conflicting considerations, the essentials of the foreign policy could be stuck to; this disciplined sustenance is testimony to its inherent invulnerability and positive strength and to the foresight and political acumen of the leaders who are in charge of foreign relations.

When Mr Jawaharlal Nehru repeats time and again that India's neutrality is no matter for compromise and that it is based on certain relentless principles, it is not everyone who is ready to accept it as such. An unprejudiced review of the hazards and temptations which could have shaken this policy would convince even the most unfriendly critic that it has been possible for the Prime Minister to assess national interests rigorously in relation to the basic principles to which the nation was committed. Innumerable instances of a positive contribution to international peace directly resulting from the unique and consistent stand taken by India can be cited. The invisible gains of India's stand can be calculated on the hypothesis of serious deviations in recent years, by swinging to this or that side currently dead-locked in ideological conflict. In a way the country is lucky in having a certain measure of coincidence of principles with material interests. But at no time has the national leadership given in to the weakness of emphasising the interests at the cost of principles. It is primarily for this reason that neutrality combined with active service in removing the threats to world peace has gained wider and wider acceptance among other nations, softening the irritations of powerful nations who would like India to behave differently and securing the applause

Indian Finance

Established 1928

January 25, 1958

"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

of the weaker who can see in India's foreign policy an example which can be fearlessly followed.

So much for an agreeable explanation of the causes for the lukewarm interest in the Congress session. An alternative explanation is also possible. At least there were ample clues for it from the Congress President's address and from the very context of the present state of public affairs in India. A special session not open to the public was held on January 20, to discuss matters of organisation and discipline. The proceedings of this session must have been very revealing if all the delegates who had something to say said it frankly and fearlessly and also sought to secure answers to the questions surging up in their minds. Whatever might have happened in that secret session, we are sure that an adequate answer cannot be found for the paradoxical problem of a party full of past achievements failing in its appeal to youth and unable to keep its leadership and ranks wedded to a unified outlook on domestic problems. Presumably, even the best that the Congress Government could achieve has been found to fall short of the material requirements of the people, who incidentally are being bred on dreams of higher and higher standards of comfort.

The experience of the Communist regime in Kerala is ample proof of the fact that there are certain difficulties in the national situation which no party howsoever daring in its ideas and programmes can wipe off overnight. Time and sustained national effort alone can provide the relief and solace which in terms of material welfare the nation is hungry for. But unfortunately, the Congress being the party in power is looked upon as answerable for the obstinate persistence of some of these difficulties. The party does deserve blame to some extent for not putting across a wholly realistic picture of what can be achieved and what cannot. Amidst a growing population, the material progress which is being achieved is largely neutralised and the consequent frustration breeds discontent and antipathy to the Government.

The rival experiment in Kerala has now made it possible for the Congress party to ask the people to assess its performance in a more realistic and matter of fact fashion. Such a call might go some way to rehabilitate the confidence of the youth of the country in the Congress party and to revive its prestige as a dynamic and progressive political organisation. It is not enough if this call is confined to periodical speeches. Field work of a really political character seems to be nowhere accepted as an elementary obligation on the part of Congress leaders. This outlook must go.

The problem of discipline appears more intractable. Because every issue which creates division springs from and thrives on emotional loyalties which are sub-national. This is what happened in the case of the linguistic State agitations and what is happening over the language issue. Appeals for a unified voice from the party have gone unresponded. Whenever such conflicts arise,

the wisest course would be to give up any rigid stand and to seek compromises which are workable and which will not deprive the Congress of the support of large sections or areas. That is how the State reorganisation problem was met. That is how the Prime Minister wishes to find a satisfactory answer to the language issue.

That Mr Nehru functions as an overwhelming unifying force is both an advantage and a drawback for the organisation. His readi-

The Last of the Great

EARLIER this week was held the sixtieth birth anniversary of Netaji Subhas Chandra Bose, and the enthusiasm generated by it is renewed proof that the country will not willingly let his memory die. Since his death or, shall we say, mysterious disappearance in 1945, how often have purely apocryphal stories circulated of his resurrection or re-emergence; and every time people have seized them and made them occasions for jubilation or demanding fresh enquiries to ascertain the truth about his putative end. In the face of the strongest evidence, the people refuse to believe that the great leader is dead, and when the public attitude is as sentimental as this, it is not surprising that every enquiry has so far been regarded as faulty in one respect or another and the finding inconclusive. Even the finding of the last official enquiry has been disputed. Naturally, some political parties have indulged in what may perhaps be called political body-snatching and tried to thrive on stories of the leader's continued existence in disguise, biding, we have been told, his time to reappear on the Indian scene. Call all this naive or pure folly if you like, but it is nevertheless an indication of the affection in which Netaji is held, an affection whose temperature has remained constant through the years. This is certainly an amazing fact of Indian politics.

Why are people so Netaji-mad? Bose had quarrelled with the Father of the Nation and the Congress High Command at a time when to do this was inevitable political suicide. With the rights and wrongs of that quarrel, we are no longer concerned. What is important is to consider how he managed to survive it so triumphantly. The Congress High Command needed then but to stir a finger to quell or kill a contentious spirit. In the fairly long history of the Congress since the rise of Mahatma Gandhi, such had been the prestige of the organisation that no one, however big, could secede and yet remain a political force. Moonje, Nariman, the Ali Brothers—all left the Congress to become wraiths of their former selves. There were only two exceptions—Jinnah and Bose, and how unlike they were to each other. The former was a man of wrath, a divider whose vanity feasted on blood and tears and the latter a patriot in whose incandescent zeal even personal ties dissolved. He lived for the country and for it alone. He was the spiritual heir to Sivaji and Rana Pratap, whose old-time idealism had taken possession of his soul. If any one had told him that the country would gain freedom if he would agree to have himself cut up in pieces, he would have gladly stripped himself and refused ether, too. It was this flaming sincerity of his which preserved him from the consequences of the schism which he had caused in the Congress—a quality not very evident in the country at the present time.

Netaji Subhas was the last of the great sons of modern India, who could match magnificent dreams with magnificent deeds. The stirring tale of the Azad Hind Fauz filled the splendid penultimate chapter of the history of our freedom's battle. It is now generally accepted

ness to accommodate dissent and to give majority opinion on fundamental issues no more than the value it deserves, has unhappily not premeated all his colleagues in the party. If the Congress is keen on laying a sound foundation for a democratic order, it will have to show a livelier appreciation of the peculiar characteristics of Indian national life and adjust its ideas accordingly. Discipline should not be confused with dictatorship or majority rule with tyranny.

that, but for the part played by the Fauz, we might not have reached our goal for quite some time yet. On the chains that held us, it delivered the final disintegrating blow. But if Netaji did this for us, what have we done for him—Practically nothing, beyond naming a few streets after him or putting up a few statues. But, contrary to the popular feeling, we think that this is just as well, for no

The New Law of Master and Servant

Changing Conceptions

By M. SUR

THE old principles of common law which governed the relationship of master and servant are steadily being replaced by the industrial courts. That this is the right line of progress for the Welfare State is endorsed by the highest courts in the land. Two recent cases, one in the Supreme Court and one in the High Court of Bombay, are a good illustration of this trend.

THE WAGE CONTRACT

"The English common law still regards the wage bargain as a contract between an individual employer and an individual worker, and that the general policy of the law has been and is to leave to the two contracting parties a general liberty of bargaining, so long as there are no terms against public policy."

So writes Sir Frank Tillyard in "The Worker and the State". Compare with this the obiter dicta of the Supreme Court in the case of Crown Aluminium Works (LLJ 1958, p.1):

"The old principle of absolute freedom of contract and the doctrine of laissez-faire have yielded place to new principles of social welfare and common good. . . . In deciding industrial disputes in regard to wage structure, one of the primary objectives is and has to be the restoration of peace and goodwill in the industry itself on a fair and just basis to be determined in the light of all relevant considerations. There is, however, one principle which admits of no exceptions. No industry has a right to exist unless it is able to pay its workmen at least a bare minimum wage. . . . If an employer cannot maintain his enterprise without cutting down the wages of his employees below even a bare subsistence or minimum wage, he would have no right to conduct his enterprise on such terms."

One of the grounds for appeal by the company was that the Appellate Tribunal in giving its award against the company had based its decision solely on the convention that wages once fixed by a tribunal could not be reduced. The Supreme Court agreed that the company's argument was theoretically valid. "We do not think it would be correct to say that in no conceivable circumstances can the wage structure be revised to the pre-

earthly monuments that we raise to the great dead can compare with the imperishable halls of fame they build for themselves with their own deathless deeds. Netaji was one of them and he has passed into immortal legend. So long as there is an India, so long will Netaji's towering figure dominate its history, and perhaps some future chronicler will say of him what Hendrik Van Loon says of Napoleon in his Story of Mankind:

"But should I happen to look out of the window, down upon the Seventh Avenue, and should the endless procession of trucks and carts come to a sudden halt, and should I hear the sound of the heavy drums and see the little man on his white horse in his old and much worn green uniform, then I don't know, but I am afraid that I would leave my books and the kitten and my home and everything else to follow him wherever he cared to lead. My own grandfather did this . . . millions of other people's grandfathers did it. . . . they cheerfully gave legs and arms and lives to serve (him)."

judice of workmen", but they hastened to add that "even theoretically no wage structure can or should be revised to the prejudice of workmen if the structure in question falls in the category of the bare subsistence or the minimum wage."

In dealing with a claim for downward revision of wages the Supreme Court said it would be for the industrial tribunal to consider whether the company's financial difficulties could be met in other ways; the duration of the financial difficulties; the discontent which would be caused by reduction and the fact that a wage structure beyond the industry's capacity to pay might jeopardise its existence and so lead to unemployment. There is here a contradiction which seems inevitable once principles of social welfare replace the principles of common law. An industry has no right to exist if it cannot pay a subsistence wage, but its closure may lead to retrenchment, which is equally abhorrent to the social conscience.

CONTINUITY OF SERVICE ON TRANSFER OF BUSINESS

"The doctrine of sanctity of contract. . . governed the relations of employer and employees in the nineteenth century but is now obsolete."

Thus speaks the High Court of Bombay in the case of Chavan N. J. vs. Sawarkar P. D. (LLJ 1958, p.36). The case was one raised by a dispute over continuity of service of certain employees of a cinema which had been mortgaged and put in the hands of a receiver. The cinema was subsequently leased by another man and the receiver before he left discharged all the employees, who were then re-employed by the lessee. The High Court held that:

"An employer cannot deprive his employees of the benefits that have accrued to them by reason of past services merely by transferring his business to another person. . . . By continuity of service it is not meant necessarily legal continuity but only continuity in fact; that is, the employees must continue to serve the business without a substantial break in service. Thus, if the transferor gives notice of termination of service and the transferee makes a fresh appointment, this by itself, although it may

in law amount to a break in continuity, will not affect the continuity of service for the purpose of determining industrial relations. Nor does it constitute a break in service if a short time elapses between such termination of service by the transferor and appointment by the transferee (which are legal forms resorted to by the employer in an attempt to deprive the employees of the rights and privileges they have acquired by reason of past service) so long as the employees continue to serve the business, even after the termination and before the re-employment."

In order that employees should continue to enjoy rights acquired by reason of past service the High Court held that there were three

Recent Production Trends in Western Europe

United Nations Survey of Last Quarter of Last Year

THE United Nations Economic Bulletin for Europe for November, 1957, has pointed to a slackening of production in the industrial sector in the countries of Western Europe during the last quarter of the year as compared to the second quarter. Apart from this, the highlight of the economic situation so far as Western Europe was concerned was the new record levels reached in intra-European trade. In the East European countries, the most notable features were a fairly widespread increase in agricultural production, uninterrupted pace of industrial expansion and greater coordination of their economic plans and policies with those of the Soviet Union.

The trends in industrial production in the Western European countries, far from being uniform, show marked divergences. While in Austria, Greece, Italy and Yugoslavia the production machinery was keyed to the highest pitch, in Belgium and Denmark, the high water mark which industrial production touched in the first quarter could not be maintained, the rising trend having been reversed in the second quarter itself in these two countries. For these countries the index numbers of industrial production which stood at 127 and 119 respectively in the first quarter were driven down to 115 and 112 respectively in the third quarter. Industrial activity in the United Kingdom showed signs of deliverance from the stagnation which had seized it since last year.

The subdued pace of industrial production was reflected in the slower rate of growth in the basic industries particularly coal. Labour absenteeism in England and shorter working hours in Western Germany did not augur well for any increase in the production of coal. Production in the countries of the European Coal and Steel Community is not expected to show any improvement over that of the 1956 level. While ordinarily a reduction in coal output should have led to a slackening in the pace of industrial production, the exceptionally high stocks of coal partly made up of higher imports from the US, averted that possibility.

Production in the metal-using industries also received a setback, the decline being particularly sharp in Belgium and Western Germany. But other basic industries such as shipping, steel and automobile manufacture witnessed new spurts in activity. The relaxation of the restrictions on the imports of motor vehicles into Australia and capture of American market helped the automobile industry of Britain tide over the crisis created by the Suez happenings and the preceding deflationary policies. The more notable feature with regard to steel, however, was not the

conditions; there should be transfer of the business, continuity of service and identity of business. It was explained that by identity of business the Court meant that the same business must be carried on by the transferee, and that it was not sufficient that the business carried on by the transferee was similar or of the same nature as that previously carried on by the transferor. Thus, while the Court has taken away the opportunity of avoiding liability for continuity of service by termination and re-employment, it has still left a loophole to the transferee to avoid responsibility for the employees' past service by altering the nature of the business on transfer sufficiently to be able to claim that it is not the same.

Reference LLJ=Labour Law Journal

rising pattern of production which continued during the year but the pressure on prices which was particularly noticeable in France, Britain and Western Germany.

The employment situation strikingly belied general expectations as to the effects an arrested industrial expansion would have on it. The number of unfilled vacancies has not shown any tangible decline except in those countries where deflationary policies have been in effect for some time.

The price situation has been generally under control. Wholesale prices have tended to level off mainly because of slower stock accumulation, improved supplies and larger imports. Retail prices have risen appreciably only in France, Finland, Netherlands and Ireland, being mainly the result of certain specific policy measures such as the abolition of subsidies on butter and bread.

In regard to trade, the third quarter witnessed record levels in intra-European trade, while trade with overseas also continued to be high. With the cessation of extraordinary imports from US, which was necessitated by the Suez crisis, the balance of payments position of Western Europe vis-a-vis the US also improved considerably. The adverse balance of payments with the US which was as much as 458 million dollars in the first quarter of 1957 was in the second quarter brought down to below 73 million dollars. Nearly half the countries of Western Europe showed a rise of exports of more than 10 per cent and though imports also increased, this was necessitated by the increase in industrial demand.

As between countries, there have been marked differences in the movement of trade and in the balance of payments position. While in the United Kingdom, the dollar and gold reserves declined by more than half a million dollars, in Western Germany, the foreign exchange reserves increased by 17 per cent during the third quarter. The continued drain by India and the customary seasonal payments for wheat and tobacco seemed to have been the chief elements of strain on the balance of payments position of the UK. Further, the British exports have not followed the general pattern and defying even the restrictions on internal demand, exports have shown signs of slowing down.

Thus while as at present the general economic situation in the Western European countries does not show any sign of weakness, the prospects before it as indicated by the trend in the commodity markets and the outlook of US economy are by no means reassuring.

Prices of nearly all major commodities entering into international trade have been declining in recent months. The recession of economic activity in the US, as evidenced by a falling off in manufacturing employment is also fraught with adverse consequences for the countries of Western Europe, such effects could be particularly severe now, in view of the less favourable distribution of the reserves which could have provided a cushioning influence. In such a situation, the economic policies of some of the countries seem hardly conducive to the maintenance of a high level of economic activity. Especially in the United Kingdom, whose balance of payments problem is supposed to be amenable only to a continuing high rate of investment, steps toward the stabilisation of public investment expenditure in the next two years, the limitation of bank advances to the private sector to the average level of the preceding twelve months, stricter control of capital issues etc, had the reverse effect of putting a brake on investment activity.

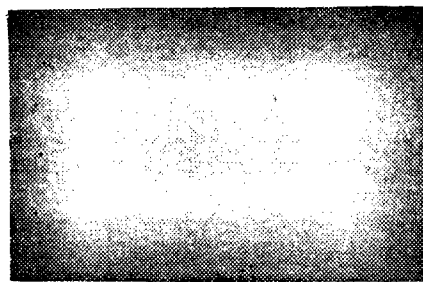
Though the US holds the key to the expansion of economic activity in the Western European countries, Western Germany, with its high level of foreign exchange reserves and of investment activity is also believed to offer immediate possibilities of providing the necessary stimulus to economic growth in the region as a whole.

The economy of the Eastern European countries have shown a rising tempo of activity. Agricultural production has been uniformly good with the exception of Czechoslovakia the combined grain harvests being estimated to be at least 6 million tons better than last year's. Industrial production is also estimated to have progressed according to schedules, actual performances in Bulgaria and the Soviet Union having exceeded planned levels. The rate of expansion in Poland during the current year was 8 per cent while in Eastern Germany the rise was 7½ per cent. In the Soviet Union the annual rate of 11 per cent rise in industrial output was maintained.

Notwithstanding such high rates of growth, the economies of some of these countries have developed serious bottlenecks in transport and power supplies. Restricted power supply was particularly noticeable in Poland, Czechoslovakia and Eastern Germany and had been a great restraint on the rate of growth of industrial output. Transport difficulties were severe in Eastern Germany and have affected constructional activities. Moreover industrial production in some of these countries has not been geared to the public requirements and has also not satisfied calculations of costs.

So far as Hungary is concerned, the effect of the uprising of last year has been practically wiped out and the economy has shown ample signs of resilience. A favourable weather has combined with other factors such as changes in land tenure and agricultural marketing to produce a good harvest. Industrial output which had suffered heavily consequent on the political troubles has also been restored to the old levels. But the recovery seemed to have been achieved at the cost of low home investment and large foreign disinvestment and was based on a policy of financing by credits and a balance-of-payments deficit that had added about 8 per cent to total disposable national income.

Finally, the Eastern European countries are also being brought closer together by a process of coordination in respect of economic policies and plans. This has so far mainly taken the form of agreements in respect to the supply of credit and long term trade agreements. A multilateral payments scheme between the member countries is also projected to take shape next year.



Call for Investment

There is a traditional reluctance to take the protestations of Communist leaders at their face value. When the Chief Minister of Kerala sent a message to the Congress President on the eve of the Party's annual session, seeking an increasing area of cooperation between all the political parties in India, he could not have been completely confident of the response it would receive from the Congress leadership. Already some uncomplimentary cartoons have appeared in newspapers, warning the Congress against the real intentions behind the offer.

Mr Nambudiripad, however, seems to have approached the Congress Chief with not much of political design. Economic conditions in Kerala have failed to respond graciously to the somewhat feeble efforts of the Communist Ministry toward improvement; the result is that the immediate problems of the State present themselves in a manner as to repel any undue emphasis on purely political considerations.

The Prime Minister's appeal for avoidance of strikes and other dislocations of work, is now finding an ampler echo in Kerala, where the Government are anxious to evolve a basis for a long term industrial truce; which, in more precise terms, is described as an industrial agreement between employers and employees all over the State for at

least three to five years on all basic issues.

The recent closing down of three plantations and the sporadic clashes between rival trade union groups have awakened the Ministry to the grim realisation that it was not enough to give the police a non-interfering role. Talking to the members of the All India Manufacturers' Organisation at Bombay, Mr Nambudiripad expressed himself in favour of attracting foreign capital on terms more agreeable to the investors than what they could secure in their own countries; nationalisation, he assured, would be resorted to only when the country decided on it and after payment of full compensation. These statements related to Kerala. By implication, they relate to the whole of India as well.

If in the international sphere, the professions of Communist countries can be relied on as practicable basis for cooperation, there is no reason why the Kerala Chief Minister's appeals for and assurance behind requests for investment of private capital in the State should go unheeded, simply for lack of faith. The entire situation becomes clearer, when it is also taken into account that Soviet Russia and other Communist countries are also substantially participating in India's Development Projects.

“Socialistic” Reserve Bank ?

Presiding over the Annual Conference of the All India Reserve Bank Employees' Association, Dr Gyan Chand pleaded for a complete change in the functional and organisational aspects of the Reserve Bank of India; the change he had in mind was to conform to the objective of establishing a socialist society in the country. Dr Gyan Chand is the President of the Association and is naturally prone to views which would be pleasing to his colleagues and followers.

The representation of employees on the management of the Bank for which he has put in a special plea is not an innovation for India. It would only be carrying a principle already applied in several industrial units in the private and public sectors. A front rank economist like Dr Gyan Chand knows to what extent this principle could be applied to the Reserve Bank. A limited association of the employees, as is being done in a few industrial units, may be conducive to happier internal relations. But, even as it is, the scales of pay in the Reserve Bank compare exceptionally well with those obtained in other similar institutions, though there may be room for sectional discontent.

How exactly the Reserve Bank can promote socialist aims is rather obscure. The Reserve Bank's functions have only a remote bearing on social changes as conceived by Dr Gyan Chand. Nor can it hope to usurp functions which are aimed at bringing about such changes. Within its sphere, the Reserve Bank as it now operates, does provide substantial stimulus to the econo-

mic uplift of the weaker sections, besides exercising some check on the unsocial use of public funds.

Shipping Tonnage

From the approximate figures available, world merchant fleet should have stood around 120 million tons at the end of 1957, the US leading with about 26 million tons and UK coming next with over 20 million tons. Over the previous year the latest annual increase may be put at more than 15 million tons. For India, which has not yet found a place among the leading maritime countries of the world, the year recorded the highest addition to shipping tonnage since 1948; 12 vessels totalling 78,800 tons were acquired during the year, increasing thereby the total tonnage available to 597,800 tons. After allowing for certain alterations in the tonnage of some vessels and sale of three vessels, totalling 11,300 tons, the strength of Indian shipping stood at about 586,500 tons at the end of 1957.

During the current year the total tonnage is expected to go up by about 140,000 tons, through 23 vessels, 9 from the Hindustan Shipbuilding yard and 14 from foreign yards.

Ethos Behind Languages

In the battle of languages which has been convulsing India, the zealots of Hindi seem at long last very near throwing in the towel. They fought obstinately, irrationally and in unholy alliance with men in high places. But the champions of sanity are now on top. The most important single symptom is the abandonment of the Hindi Raksha Samiti's campaign in the Punjab, but West Bengal and Madras also provide strong evidence. In these latter States, especially, the anti-Hindi protests have generally been expressed through conferences, symposia, magazine articles and private discussions, and hardly has anybody spoken in hot blood. But the effect seems to have been a steady and growing stiffening of the opposition to the militancy of the Hindi fanatics. Their main argument—consolidation of the unity of India through one national language—has been carefully investigated and torn to tatters, its hollowness being proved with the aid of examples from Switzerland, Russia and other countries where several languages co-exist without any detriment to their political unity.

If we had a language as advanced as English, there would certainly have been no difficulty in installing it as the national language. Unfortunately, we do not have such a one, and must retain English as our lingua franca, even if it is foreign. It has been the language of administration for nearly two centuries, and the country's most advanced elements, the economically and culturally most viable units, have used it as their medium of inter-communication.

One other point that does not appear to have received much

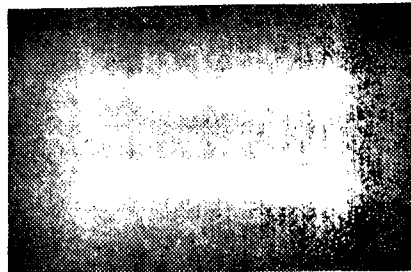
attention in the controversial heat is that we badly need the continuance of English in our period of national reconstruction for a very special reason. Every language has an ethos behind it. Sanskrit, for example, is a language of subtle beauty, but associated with it are ideas of leisurely ease and slow movement, quite out of character with the modern concept of progress. As for Hindi, it has a crude vigour of its own, but scarcely anything else. English is modern, and breeds efficiency, punctuality, speed and other virtues without which progress will remain a mirage for us.

More Roads Than One

In his Presidential address at the eleventh All-India Commerce Conference held at Nagpur, Mr L. N. Birla took for one of his themes the fiscal and financial policy of the Government and its impact on the capital market. He drew a comparison with Germany where the task of rehabilitation within a brief period made more strenuous calls on the economy than perhaps the requirements of economic development in India. The outstanding feature of German fiscal policy has been gradual reduction of taxation since 1950 which also had the effect of bringing in more revenue to the State.

How far the German example is useful to India however will have to be determined in relation also to the difference in contemporary social aims, in the structure of economic development and in the volume of foreign aid made available. In India, the State had to step in and give a direction to the whole economy. There is indeed a case for other methods than what India has chosen. Mr Birla's address effectively drew attention to one such.

January 25, 1958



No Selling Pressure in Giltedged

THE onset of the busy season, later though than the norm as it has been, has nevertheless begun to alter somewhat conditions in the giltedged market. Activity has petered out. But the interesting point is that there is no evidence of any selling pressure. So, even though there has been no new demand for giltedged, prices have kept fully steady. In the case of the State loans, demand is good, but there are no sellers. In the course of the past few months, consequently, a discernible improvement has been registered in the State Government Loans. For example, between the beginning of September and the middle of January, the 4 per cent Madras 1968 has improved from Rs 96.30 to Rs 97.20. The 4 per cent Andhra 1968 has fared even better by moving, over the period, from Rs 95.60 to Rs 97.10. Another representative scrip, the 4 per cent UP 1968, has put on exactly one rupee to be placed at Rs 97.20. Similar gains have been recorded in all other representative State Government Loans. We shall give one more instance, that of the 4 per cent Mysore 1968, which has moved up to Rs 97.20 from Rs 96.00. During the same period, the Central Government Loans, issued in recent years, and of a longer term nature, have not fared as well. Thus, 4 per cent 1972 is higher only by 3 nP at par; and the 3½ per cent 1974 has actually shed 5 nP at Rs 98.25. The apparent conclusion is that, although the yields available on the State and longer dated Central Government Loans do not vary too substantially, we have still to witness an emergence of any sizeable market for longer dateds. Again, if the comparable medium dated scrip are taken into account, it will be seen that the 3½ per cent 1967 has lost 10 nP to be placed at Rs 97.60. Does this mean that the giltedged market is interested only in short dated Central Government Securities and medium dated State Government Securities?

That, again, would seem to be the apparent conclusion. It is undoubtedly true that the institutional investors, who have a penchant for medium dated, have so far preferred State Government Loans. But we would suggest that we have now reached the stage where, inevitably, the funds of such institutional investors will need necessarily to be diverted to

Central Government Loans. This diversion is likely to take place because of the “famine” conditions which are developing in respect of the State Government Loans. The accruing funds of such organisations as Provident Fund societies cannot long lie idle. With the State Government Loans unavailable, there will be an inescapable need for investment in Central Government Securities.

We have now to consider whether this diversion will be to the medium dateds or longer dateds. At this stage, we may remark that the institutional investor may consider the longer dated Central Government Loans more closely to resemble the State Government Loans than the medium dated issues. For one thing, the interest payable on the 1972 and 1974 issues are 4 per cent and 3½ per cent respectively, whereas the interest on the medium dated Central Government Loan which offers comparable interest is 3½ per cent 1967. The outstandings of this issue amount only to Rs 56.92 crores. On the other hand, the two longer dateds that we have mentioned have outstandings aggregating more than Rs 115 crores. For this reason, we anticipate that, even in the midst of the busy season, we may conceivably witness an appreciation in the prices of 4 per cent 1972 and 3½ per cent 1974. If the Reserve Bank's holdings in these two scrip are not very large, it may even become necessary for the Central Government to create a special longer dated issue for such of those institutional investors who are presently unable to lay their hands on State Government Loans.

Very Substantial Deficit Financing

There would appear to have been very substantial deficit financing during the week ended December 17. On the one hand, Rupee Securities in the Issue Department have risen by Rs 24.72 crores to Rs 1056.82 crores. On the other hand, Investments in the Banking Department are marked up by Rs 23.55 crores at Rs 255.43 crores. Unless the Reserve Bank has effected large scale purchases of giltedged in the open market—but this is extremely doubtful—the increases in the two departments would in the aggregate constitute the quantum of deficit financing during the week. We may assume that such deficit financing was for Rs 50 crores. The question that we need to answer is why deficit financing on such a large scale was necessitated. Firstly, we may state that the Central Government needed to replenish their resources for effecting some payments to the State Governments. This would be indicated by the fact that the balances of State Governments have nearly doubled, in rising by Rs 15.19 crores to Rs 31.35 crores. Secondly, deficit financing may

have been considered necessary, because, in the previous week, the Centre's balances had fallen below the so-called “minimum” of Rs 50 crores. In the current week, they have improved by Rs 2.42 crores to Rs 52.11 crores. In the third place, there would appear to have been some special transactions, the nature of which we cannot at the present moment divine. For, in the Banking Department, Bills Payable are shown as having increased steeply by Rs 20.82 crores to Rs 36.04 crores. While, normally, this would represent liabilities of the Reserve Bank, it may be that this liability is payable by the Reserve Bank in behalf of the Central Government. We must look to future changes in the Banking Department for a clue as to the disposition of this Rs 20 crores odd. Nevertheless, it can be seen, under these three heads, the extra resources that the Central Government had to find were in the vicinity of Rs 38 crores. The surplus of expenditure over income, or the net expenditure, during the week on the part of the Central Government would account for the balance of the deficit financing of Rs 12 crores.

According to the returns of the Reserve Bank for January 17, there has been a fractional decline of Rs 0.47 crores to Rs 1540.25 crores in Active Note circulation. Rupee Coin has returned from circulation for Rs 0.08 crores. The expansion of currency against Rupee Securities was offset by a countervailing transfer from Foreign Securities to Balances Held Abroad in the Banking Department. In the result, the Reserve Bank's Cash Balances are placed higher by Rs 0.56 crores at Rs 10.76 crores.

In the Banking Department, there has been some little improvement in the position of the member banks. The Reserve Balances of Scheduled Banks are higher by Rs 4.91 crores at Rs 65.20 crores. The Other Loans and Advances of the Reserve Bank have declined by Rs 1.11 crores to Rs 72.36 crores. The Advances against Usance Bills are practically unchanged at Rs 30.65 crores. Finally, after transfer from the Issue Department, Balances Held Abroad show a rise of Rs 22.56 crores, indicating that the foreign exchange depletion during the week has amounted to a little more than Rs 2 crores.

According to the return of the State Bank for January 17, a rise in Deposits of fairly substantial nature has occurred after an interval of several weeks. Deposits have improved by Rs 7.82 crores to Rs 371.05 crores. Nevertheless, borrowings have been marked up by Rs 0.32 crores to Rs 8.15 crores. Investments continue to be unchanged, but Advances have registered a further rise of Rs 3.13 crores to Rs 183.96 crores. So, the bulk of the resources derived from the increase in Deposits has gone to augment Cash Balances, which

Bank Profits

The net profit of the Punjab National Bank Limited for the year 1957, subject to audit, amounts to Rs 111.11 lakhs and compares with the net profit of Rs 87.85 lakhs recorded in the previous year. The directors have recommended a final dividend of Rs 2.50 per share. This will make the total distribution—an ad interim dividend of Rs 2.50 has already been paid—for the year 20 per cent on the increased capital as against 16 per cent paid last year. Provision for taxation is Rs 50 lakhs. Transfers to Reserve Fund, Bonus to staff and charity get Rs 22.50 lakhs, Rs 18 lakhs and Rs 1 lakh respectively. The proposed carry forward of Rs 4.56 lakhs is against Rs 2.35 lakhs brought forward.

The Indian Overseas Bank Limited has earned a net profit, subject to audit, of Rs 32.50 lakhs for the year ended 31st December 1957 as against Rs 28.65 lakhs in 1956. Provision for taxation is higher by Rs 2 lakhs at Rs 16 lakhs. Transfer to Reserve Fund gets Rs 7.32 lakhs against Rs 6 lakhs, while provision for bonus to staff is Rs 25,000 higher at Rs 3.75 lakhs. The Directors propose to recommend to the shareholders at the next general meeting payment of dividend of 10 per cent, which is the same as last year. There is a carry forward of Rs 2.32 lakhs against a sum of Rs 2.52 lakhs brought in.

The audited net profit of the Canara Bank Limited for the year 1957 amounts to Rs 11.28 lakhs against Rs 8.21 lakhs in 1956. Provision for income tax is increased to Rs 7.30 lakhs from Rs 4.60 lakhs; Bonus to Staff is higher at Rs 1.90 lakhs against Rs 1.40 lakhs; Dividend is maintained at 10 per cent. The carry forward at Rs 44,767 is against the Rs 38,502 brought in.

are higher by Rs 5.36 crores at Rs 24.77 crores. Also, this would mean that the increase in the Reserve Balances of member banks, as shown in the Reserve Bank's return for January 17, have been on account of the State Bank.

The Deposits of Scheduled Banks have, according to the return for January 10, again declined, with a fall of Rs 8.52 crores to Rs 1390.29 crores. This decline, we may put down to the needs of constituents in respect of month early disbursements. However, the total of Advances is lower by Rs 3.47 crores at Rs 877.16 crores. But, in order to replenish their resources, the Scheduled Banks had to increase their borrowings from the State Bank from Rs 7.73 crores to Rs 8.65 crores; and, moreover, borrowings from the Reserve Bank have risen by Rs 4.67 crores to Rs 35.26 crores. In spite of the higher level of borrowings and the decline in Advances, as a result of the drain on Deposits, Cash Balances stand reduced by Rs 15.50 crores at Rs 153.76 crores.

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British Resistance to Inflation

By
Paul Einzig

THE confusion around the circumstances and consequences of the resignation of the three Treasury Ministers is gradually abating. Mr Thorneycroft and his two colleagues explained their decision in public speeches, in so far as this

was possible without betraying Cabinet secrets or disclosing unpublished details of Estimates. It is now fairly clear that there was no clear-cut difference of £50 million or any other definite figure between Mr Thorneycroft's figure, but that of the Cabinet, and that the main reason for his resignation and that of his two colleagues was the feeling that the Cabinet was lacking determination to resist the rising trend of expenditure.

History repeated itself to a remarkable degree. In December

1886 Lord Randolph Churchill resigned his office as Chancellor of the Exchequer, in circumstances that bore striking similarity to those of Mr Thorneycroft's resignation. It may not be without interest to quote the relevant passages from Lord Randolph Churchill's resignation speech delivered on January 27, 1887 in the House of Commons:—"I resigned because I could not become responsible for the Estimates. I was deeply and repeatedly pledged by many speeches I had made in

Indian Finance

various parts of the country to a policy of retrenchment and economy, because I was convinced by what I had learnt at the Treasury that such a policy was not only necessary but perfectly feasible, and because, viewing these pledges, it was impossible for me usefully to retain office as Chancellor of the Exchequer in a Government in whose policy effective retrenchment finds no prominent place.

"The only request I made to my colleagues was that they should make a sensible and appreciable effort to return to a more normal expenditure. I named no figure. In my own mind—and I may have mentioned it casually in conversation without insisting upon it—I thought that a reduction of £1 million in time of peace on the military and naval expenditure would have been an adequate reduction. It was only when I found from the view they held that they were absolutely unable to make even the commencement of an effort to return to a more normal rate of expenditure that I was forced to send my resignation.

When it is suggested that a difference of £50 million is not sufficient reason for a Chancellor to resign it is interesting to recall that seventy years ago a Chancellor resigned on account of a difference of a mere £1 million. In both instances it was the Cabinet's general attitude rather than the actual amount of the difference that induced the Chancellor to resign.

Mr. Thorneycroft was right in making firm stand. If Britain wants to defend sterling a line must be drawn somewhere. Even a minor retreat from that line is liable to open the floodgates to costly concessions, and the line is liable to become untenable. Possibly the shock of the resignation of the Treasury Ministers may prove to have produced a beneficial effect. Had Mr. Thorneycroft and his colleagues attempted to continue to fight the battle of retrenchment from within the Government, it is certain that they would have been overruled, because their resistance would have received no publicity. As it is, the Government's unwillingness to cut some expenditure in order to keep the grand

Announcement

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January 25, 1958

total unchanged has received a great deal of hostile criticism in the Press. The searchlights of publicity are now focussed on Mr. Thorneycroft's successor. And public opinion has been thoroughly aroused. The fact that three prominent politicians are prepared to risk their political future in the cause of expenditure cuts has made millions of people realise the importance of budgetary economies.

This means that Ministers are expected to feel impelled to make a supreme effort to cut expenditure, far beyond the extent to which Mr. Thorneycroft would

have been able to induce them to cut it if he had remained in the Government instead of resigning. There is no doubt about it that a supreme effort will be made to defend the internal and international value of sterling. The setback in sterling that followed Mr. Thorneycroft's resignation, and again his speech explaining the circumstances of his resignation, provided a useful reminder to the Government that the battle of the pound is yet to be won.

It is true, the political crisis that threatened to arise from the resignations seems to have blown

over. Mr. Thorneycroft promised his support to the Government, and the large number of Conservative Members of Parliament who share his views will not do anything to embarrass the Government. It would be indeed suicidal to take action that might lead to the resignation of the Government or the dissolution of Parliament. In existing circumstances a general election would result in a large Socialist majority, and this would mean the advent of a spend thrift Government with highly inflationary policies. For this reason, Mr. Thorneycroft and his sup-

porters can have no choice but to support Mr. Macmillan.

The new Chancellor of the Exchequer shares Mr. Thorneycroft's determination to defend sterling at its present parities. At the moment the undertone of sterling is firm, largely owing to the seasonal improvement of the balance of payments. But there is no place for easy optimism. The Sterling Area is bound to be affected by the fall in raw material prices, and the recession in the United States is also a potential adverse factor.

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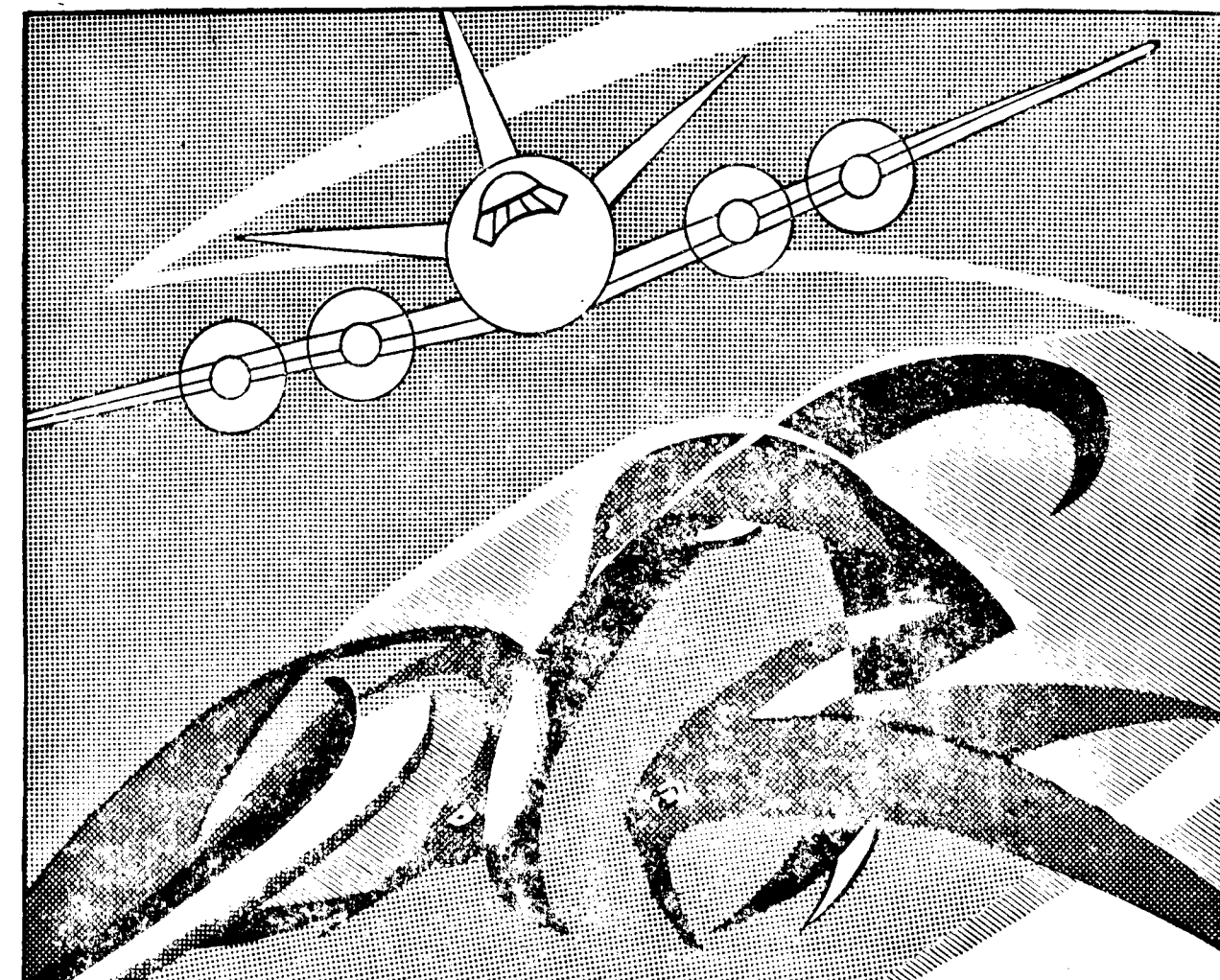
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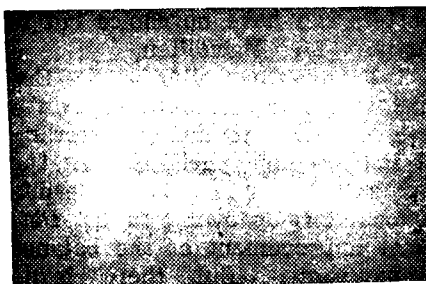
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The Foundry Industry

With domestic production of iron and steel far below our requirements, large imports have become necessary to feed indigenous industries like the foundry industry. Even so the supply position has never been brought to a satisfactory level as will be evident from the wide gap between demand and supply in pig iron, which is the principal raw material of the foundry industry. During the last year the allocation of pig iron was only 230,000 tons against 392,618

tons in 1956. It is estimated that present demand is of the order of 700,000 tons. It would appear that this reduced availability is due to the cumulative effect of the drastic cuts in imports and the fact that steel works carried heavy outstanding.

It is, however, gratifying to note that the biggest handicap of the industry will soon disappear, thanks to the increasing tempo of production in the steel works. It is expected that supplies will increase to about 500,000 tons in the current year as three new blast furnaces come into commission one each at Burnpur, Bhilai and Rourekala. It may be recalled that in his recent address at the Engineering Export Promotion Council, Mr. Morarji Desai, Union Minister for Commerce and Industry, asked the engineering industry to get prepared from now on to use the largely increased quantity of iron that would be available. According to him it is quite probable that a quantity of pig iron will be left over after meeting domestic demand in full, for export even as early as next

year. Sardar Swaran Singh, Union Minister for Steel Fuel and Mines who inaugurated the annual meeting in Calcutta last week of the Indian Foundry Association, assured his audience that the current year would be last year of shortages and that there "will be enough to go round in 1959". The supply position can be expected to show improvement even during the current year because the railways, which have been taking their share from the common pool hitherto, have now arranged for their own imports.

In the course of his presidential address Mr. K. L. Jalan complained that in the past two years or so the foundry industry did not get any scrap from the railways whereas till then a good quantity had been available from that source. As a consequence the price of scrap more than doubled during the period. In reply Sardar Swaran Singh explained that the railway scrap continued to be made available to the industry as a whole though it went perhaps only to such of those units as supplied the

requirements of the railways. Moreover, exports of all types of scrap that could be used in the country had been banned and a control on prices of scrap had been imposed. It would, however, appear that there is still room for further improvement as in the case of the supply of skull scrap. The suggestion that a systematic arrangement should be made for the allocation of skull scrap from the main producers to different units in different regions deserves active consideration. In this regard the industry would also do well to take note of the suggestion that industries should themselves co-operate and evolve a mechanism for scrap collection.

Another handicap to which attention of Government was drawn by Mr. Jalan is the supply of hard coke which is as essential a raw material to the foundry industry as pig iron. The supply of hard coke is "inadequate irregular and hectic", sometimes resulting in the closure of some units. The scarcity of the two vital raw materials combined with the inadequate transport facilities has retarded the growth of foundry industry, the demand for whose products is daily increasing as will be evident from the recent figures of production of some of the important engineering industries where castings play an important part.

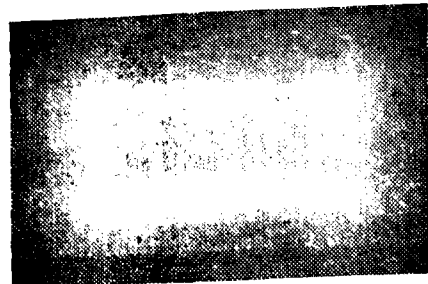
In common with other industries, the foundry industry is also adversely affected by the inadequacy of transport facilities. It is said that this has further aggravated the difficulties because the industry has had to grapple with three important problems all at the same time. Sardar Swaran Singh has also admitted that there is shortage of wagons with railways but has assured the industry that Government are reviewing the position. It is also gratifying to note that Authority realises that the complaint that wagons are not allotted when available should be investigated. It is to be hoped that Government will bestow their attention on this aspect of the transport problem because even when adequate supplies of wagons become available such avoidable drawbacks as idle wagons may yet make the progress achieved in a vital sector unavailing.

PRINCIPLES OF BUSINESS FINANCE by A. K. Sur, published by Research & Publications Division, All-India Institute of Social Welfare & Business Management, College Square West, Calcutta. Price Rs 4/- only.

Mr. A. K. Sur who can claim a long and intimate experience of the working of Corporate institutions, the stock market and financial institutions in general, has given a detailed account of the manner in which business finance is raised, the problems involved and in India the methods by which these can be better managed. As Mr. G. Basu in his Foreword rightly recommends, chapter XI of financial planning and budgeting is of special value, especially in countries where this aspect of company promotion and management is not properly emphasised.

Indian Finance

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Jute Production in 1957-58

THE all-India final estimate of jute for 1957-58 season released on Tuesday by the Ministry of Food and Agriculture puts production at 4,088,000 bales of 400 lbs each and area at 1,754,000 acres. Compared with the final estimate figures for the previous season, production has declined by 200,000 bales while the area is also smaller by 154,000 acres. Thus production and acreage during the year have declined by 4.7 per cent and 8.1 per cent respectively. A redeeming feature, however, is that most of the jute growing areas have recorded increased yield thereby pushing up the all-India average yield from 899 lbs per acre in 1956-57 to 932 lbs in the current season. The highest average yield of 1,254 lbs per acre has been recorded by Assam whose average yield was 1,182 lbs in the previous season. The Union Territory of Tripura, West Bengal and Orissa also showed increased yields per acre. In Tripura the yield increased to 1,158 lbs from 1,086 lbs, in West Bengal to 964 lbs from 812 lbs and in Orissa to 865 lbs from 805 lbs.

The fall in production despite higher yield in most jute growing areas is explained by the fact that jute cultivation in Bihar and Uttar Pradesh has been adversely affected by drought conditions during the sowing and growing periods. As a result, both acreage and yield have declined. In Bihar the average yield has declined from 830 lbs per acre in 1956-57 to 652 lbs in 1957-58 while in Uttar Pradesh yield has declined from 1,121 lbs to 879 lbs.

It may be recalled that there had been some apprehension about the prospects of this year's crop because of the delayed onset of the monsoon. But when crop reports were available, it was generally believed that, beyond being somewhat delayed, the new crop had not suffered any adverse trend. The apprehensions regarding a smaller crop were revived later on when there were reports that most growing areas were experiencing drought conditions. Even so, it was expected that the final size would not record any sizable decline in view of the energetic efforts put forth in the direction of intensive cultivation. The figures now made available generally confirm these surmises.

Conditions in the jute markets during the past week were easier, with the general trend influenced by the continued absence of foreign

enquiries and the Calcutta dock strike. In the hessian section prices were moving within a narrow margin with the undertone rather quiet. In the Sacking section the undertone was easier with B Twills encountering pressure most of the time.

The raw jute section was generally unchanged with prices maintained at around previous levels. In earlier sessions the undertone was steady consequent on some mill interest. A contributory factor had been the information that raw jute arrivals during December were lower in comparison with the previous month. Last Friday it was announced that arrivals of raw jute into Calcutta and Mill Stations during December 1957 were 7,88,000 bales comprising 6,83,000 bales of Indian origin jute and 1,05,000 bales of Pakistani. Thus, arrivals in the past six months amount to 32,68,000 bales made up of 28,56,000 bales of Indian origin jute and 414,000 bales of Pakistani. Compared with the corresponding period of last year (July-Dec. 1956) total arrivals are lower by 59,000 bales with arrivals of Indian jute showing a larger reduction of 81,000 bales. But this year arrivals from Pakistan are ahead of those for the corresponding period of last year. For, during the last six months 414,000 bales of jute have been received whereas the relevant figure for the previous year is only 390,000 bales. The increase is accounted for largely by the exceptionally large arrivals during December when 1,05,000 bales have been received as against 81,000 bales in the previous month and 69,000 bales during the corresponding month of 1956. Compared with the figures for December 1956, arrivals during December 1957 are slightly higher as the total for the former is 7,61,000 bales.

The jute goods market ruled easier in the absence of genuine business. B Twills were particularly subject to speculative manipulations. Sentiment in this section, was aided for some time by announcement of a Government of India tender for 13,000 bales. Hessian ruled comparatively steady with the opening and closing quotations for Hessian 40"x10 oz Ready placed at Rs 39.80 and Rs 39.65 respectively. In forward delivery Hessian 40"x10 oz April-June moved within a narrow margin opening at Rs 40.30 and closing at Rs 40.25. In the sacking section B Twills Ready opened steady at Rs 105.00 but closed easier at Rs 104.45, while B Twills April-June declined from Rs 106.29 to Rs 106.00.

The market opened on Friday on an easier undertone induced by selling pressure in Fatka. Buyers showed little interest in ready delivery. Hessian 40"x10 oz Ready closed 5 nP lower on balance at Rs 39.75 while B Twills ready was down by 50 nP at Rs 104.50. In forward delivery, Hessian 40"x10 oz April was also 5 nP lower at Rs 40.25 while B Twills for the same position was 60 nP lower at Rs 105.60.

The strike in Calcutta port had an adverse effect on sentiment on the market on Monday. There was selling pressure in the Fatka as shipping orders so far in the month were disappointing. Rates were, however, generally unchanged. Hessian 40"x10 oz Ready was slightly better at Rs 39.80 at the close of the day but B Twills Ready recorded a small decline of 5 nP at Rs 104.45. Elsewhere Hessian 40"x10 oz April-June was also slightly higher at Rs 40.30 as also B Twills April-June at Rs 105.75.

The news of a Government of India tender for 13,000 bales of sacking for January-February delivery imparted some steadiness to the sacking section in earlier dealings on Tuesday but with the keen interest noticeable for selling prices could not make much headway and the market closed with only fractional gains. Hessian 40"x10 oz Ready was unchanged at Rs 39.80 while the April-June position was better at Rs 40.35. In the Sacking section B Twills Ready improved to Rs 104.65 with the April-June position placed at Rs 106.00.

In the absence of foreign enquiries and in view of the continued strike in the Calcutta port, the market ruled easier on Wednesday and prices all along the line were marked down. Hessian 40"x10 oz Ready eased to Rs 39.65 with B Twills Ready done at Rs 104.45. In forward delivery, Hessian 40"x10 oz April-June lost 10 nP to be finally placed at Rs 40.25 and B

Twills April-June was unchanged at Rs 106.00.

The following table shows price trends during the week.

Hessians:	Opening	Closing
40' x 10 oz Ready	39.75	39.65
40' x 10 oz April-June	40.25	40.25
Sackings:		
B Twills Ready	104.50	104.45
B Twills April-June	105.60	106.00
Hy cees Green	104.25	104.00
Cornacks	106.00	106.25
Cubans	130.00	130.00
A Twills	125.50	125.50
L Twills	119.25	119.00
D.W. Flour	124.75	124.00
Sugar Bags	120.25	119.25

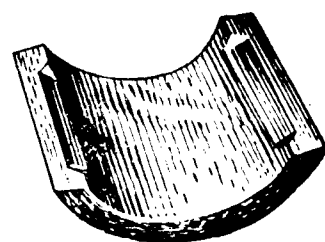
The raw jute market opened the week on an easier undertone but with sellers reserved probably due to smaller arrivals of raw jute into Calcutta and mill stations during December 1957, prices were well maintained in later dealings. Small business was reported done in Assam Bottoms at Rs 26.25, Assam Tossa Bottoms at Rs 29.50 and Dalsee Mesta Bottoms at Rs 24.25 all per maund for January-February shipment. There was no change in rates on Monday and Tuesday. While prices continued to remain unchanged on Wednesday also, small mill business was reported done in Dalsee Mesta at Rs 24 and Jungli Mesta at Rs 22 both per maund basis Bottoms for January-February Shipment.

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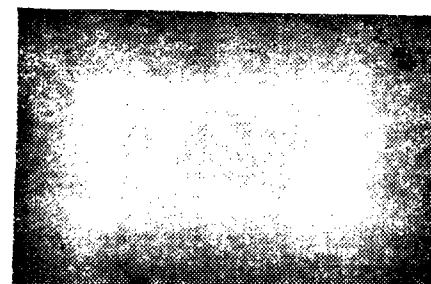


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Trend of Production

INDIA'S Tea crop in 1957 was maintained at the record level of the preceding year despite unfavourable weather conditions in Northern India, which accounts for the bulk of production. The total Indian tea crop, last year, was placed at 666.3 million pounds as against 667 million pounds in 1956. Though the crop in North India declined from 540.1 million pounds in 1956 to 521.4 million pounds last year, production of tea in South India recorded a spectacular increase of 18 million pounds from 126.9 million pounds to 144.9 million pounds. This clearly indicates that the Indian tea industry is capable of even exceeding the Second Plan target of 700 million pounds without any expansion of the area under tea, provided climate conditions are favourable and tea prices are remunerative to producers.

In London, blenders are beginning to alter their views about the surplus of tea owing to the upheavals in Indonesia, the strikes and floods in Ceylon which are expected to reduce December output in the island and the speeding up of Indian shipments. The North Indian crop may be exhausted by June, which will leave a gap of a month or so before the new crop arrives in quantity. Blenders are not, of course, concerned about a shortage of Plain teas, which seems most unlikely. But, in certain qualities, supplies are already low. This is specially true of Assams owing to the unfavourable

weather in North India over the past nine months.

Meanwhile, following production figures are released from London:—crop in Pakistan in December 2,600,000 pounds, making a total of 45 million pounds for 1957 as against 54.6 million pounds in 1956 and Ceylon November crop 36,200,000 pounds, making a total of 83.3 million pounds as against 76.9 million pounds. Thus, the latest crop returns from North India, Pakistan, Ceylon and Indonesia reveal that output is about 1,153.3 million pounds as compared with 1,127.5 million pounds in 1956, which puts the 1957 total, so far, some 25.8 million pounds ahead of the 1956 figure.

In the Export Sale held in Calcutta this week, offerings were 58,041 packages. Although there was a good general demand, prices, in contrast to the last few weeks, developed a slightly easier tendency. Medium and Common Broken grades declined by about 2 to 4 nP per pound, while the Fannings grades were about 4 nP lower except those with clean black appearance which were firm and occasionally dearer. "Teas for price" were a little irregular.

Bright liquoring Assam BOPs were steady, while the Orange Fannings of the same sort were frequently dearer. The ordinary BOPs were 5 to 10 nP easier and sometimes more; but the Orange Fannings did not decline to the same extent and were only upto 5 nP below last rates.

CTC teas were in good demand, the best being fully firm and occasionally dearer. The lower qualities however, tended to be easier and frequently sold 10 nP below valuations. Legg-cut teas were generally 4 to 6 nP easier; but those, which had bright liquors were sold well, sometimes above valuations.

Whole Leaf grades met with a good demand and these were the strongest features of the sale. Dargeling teas were sold well, especially those which had stylish leaf

appearance of flavoury liquors. Following rates were quoted:—Clean Black Pekoe Rs 2.35 to Rs 2.40; Plain BP Rs 1.58 to Rs 1.62; Plain Fannings Rs 1.66 to Rs 1.70; Medium BP Rs 1.66 to Rs 1.70; Medium Fannings Rs 1.76 to Rs 1.80; Best Assam CTC BP Rs 2.60 to Rs 2.80 and Best Assam CTC Fannings Rs 2.50 to Rs 2.60.

In the Internal Sale, offerings amounted to 19,781 chests of Dusts. There was fair demand at generally easier rates. All orthodox descriptions were from 2 to 4nP per pound easier, while non-wither Dusts were in less demand and shared in the general decline of the market.

The better Mediums and the best liquoring CTC sorts were the strongest features of the sale and were fully firm; but the more Ordinary kinds were sometimes up to 10 nP easier. Following rates were quoted:—Medium Doars Dust Rs 1.60 to Rs 1.62; Medium Assam Grainy Dust Rs 1.62 to Rs 1.64; Medium Assam CTC Dust Rs 2.00 to Rs 2.20 and Best Assam CTC Dust Rs 2.85 to Rs 3.05.

Also, 2,603 packages of Leaf grades were offered for internal consumption. There was a fair demand; but prices were irregularly easier.

In the Export Quota section, the rate, after opening steady at 17 nP, declined steadily to 13 nP, to finish the week better at 14 nP per pound. Business was reported done at all the levels.

In the Cochin market, a little over six lakh pounds of Dusts were offered for internal consumption at the auction held towards the end of last week. The sale opened with a very strong general demand and prices were irregularly 10 to 15 nP per pound dearer for all types. Fine Dusts were the strongest feature of the sale and occasionally advanced more. High-grown Dusts were well supported at dearer rates.

The Ceylon Government will shortly launch a seven-year scheme

to rehabilitate and develop the tea industry. The scheme, estimated to cost 100 million rupees, will be financed by a four-cent cess on every pound of tea exported from Ceylon. A Bill seeking levy of the cess will be presented to Parliament before the end of the month. The proposed scheme will free small-holders from dependence on advances from shippers for production and marketing of Green Leaf teas by enabling them to set up factories for processing their leaf and to compete in the market with the finished product.

Again, the Ceylon Ministry of Trade and Commerce has decided to release mid-country teas for London auctions without any limitations for short period. This step is taken due to congestion in the Port of Colombo and the consequent cancellation of local tea auctions. This decision means the suspension of restrictions on the export of mid-country teas for London auctions. All sales of such teas for London auctions from January 15, until restrictions are re-imposed, will be outside the quota. But, the quota of 32½ million pounds weight for high-grown teas will continue unchanged.

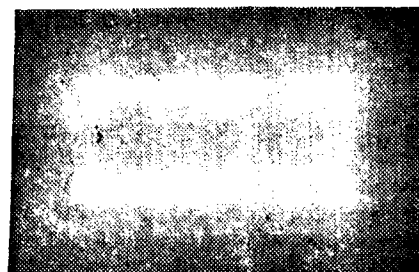
There are some eighteen million pounds of tea awaiting auction in Colombo at the moment, which should ease the immediate situation. Shipments from Colombo have been started again although the labour troubles there are not over.

Ceylon was mainly responsible for the increase in tea imports into the USA in November 1957. Imports went up from 1.53 million pounds in November 1956 to 3.4 million pounds during the month under review.

In the Colombo market, offerings were 4,559,704 pounds. There were no Russian buyers in the market and all other centres operated cautiously. Best high-grown fell by 50 cents to Re 1 per pound, while low best were 20 cents a pound easier. Medium Broken were generally dearer; but low-grown teas declined by 5 to 8 cents a pound. Coloury medium-grown were occasionally dearer. As the sale progressed, Persian Gulf types met with an easier demand. Fannings were the best feature of the sale with all other Fannings grades dearer. Commons were comparatively steady at the close of the sale.

In Mining Lane, offerings were 51,870 packages. There was a rather quiet tone and prices showed considerable irregularity. Medium qualities were steady at last rates. Plain liquoring sorts were often easier. Plain Fannings were quoted at 3sh 7½d per pound.

Tea stocks in London, as on the 10th January, were 127.16 million pounds as against 128.24 million pounds in the previous week and 69.85 million pounds a year ago. Landed between 4th and 10th January were 9.44 million pounds, while deliveries during the same period were 11.02 million pounds.



The New Motor Rates

THE Tariff Committee of the General Insurance Council, Insurance Association of India—a statutory body constituted under the Insurance Act 1938 as amended in 1950—have announced modifications in rates for private car insurance of all descriptions and in the rates for insurance of vehicles of other types. It has been stated, on behalf of the Tariff Committee that the Miscellaneous Sectional Committees in India have carefully analysed the All India experience of the Motor Insurance business during the past years and are convinced that reduction in the liabilities to the Public Risks and "Act Only" Rates—meaning the rates for insurance of minimum liability under the Motor Vehicles Act 1939—are fully warranted. The Tariff Committee have therefore reduced the existing liability to the Public Risks and "Act Only" Rates by 20 per cent under all sections of the new Tariffs except in those cases where the current rates do not exceed Rs 15.

The Tariff Committees have, however, a different story to say with regard to comprehensive insurance, particularly of private cars. Although it has been stated, on behalf of the Committee, that suitable increases or reductions as indicated by past experience have been made for different categories of vehicles in the country, in actual practice comprehensive insurance rates for private cars in Bombay City will go up by 40 per cent over the existing rates. The rates go up by 40 per cent in Delhi and about 20 per cent on the average in Calcutta.

All the new rates are effective from 1st January 1958.

Another innovation that will take effect from 1st of January 1958 will be the alteration in the basis of rating of private cars. The present Horse Power basis of rating will be replaced by rating calculated on Cubic Capacity. According to the findings of the Tariff Committee, Cubic Capacity basis of rating is considered to be more scientific in view of the changes in engine design in recent years.

To offset the resultant increased premiums to some extent, "No Claim" Bonus rates have been liberalised so that the careful motorist gets a discount in premium from 10 per cent at present to 15 per cent in the first year, 25 per cent in the event of no claim in consecutive two years, going up to 33.1/3 per cent in the event of no claim in three consecutive years as against the current rate of 10 per cent in the first year 15 per cent in two 20

per cent in three years, 25 per cent in four years and finally to 33.1/3 per cent in five years.

The Tariff Committee have reduced by 20 per cent public liability premiums. The Committee have not overlooked the incidence of accidents for they have generally enhanced comprehensive rates. There is, in general, a co-relation between accidents and liabilities to the public, although not necessarily mathematical. In India, due to widespread ignorance of the public about rights guaranteed by law, a large number of payable claims on insurers are not pursued. This has drawn attention of the Government of India and, therefore, Regional Claims Panels have been envisaged in the amendments to the Motor Vehicles Act. When the proposed amendments came into force, the Regional Claims Panels will, in fact, be the arbiters of payable claims. A large number of claims, otherwise payable, in the experience of insurers are not pursued. Insurers themselves in one pretext or the other, taking advantage of the ignorance of the public, are able to dodge many claims, which it is believed will be payable when Regional Claims Panels come to be established. Traffic Committee in reducing liability premiums have gone by the statistics they could collate. They could not for obvious reasons probe into the large reservoir of claims with insurers, which but for the apathy and ignorance of the public, would have been largely payable and in any event would have been payable had there been Regional Claims Panels as proposed in the recent amendments. From this point of view, third party rates already reduced in 1953 do not merit a reduction at this stage. The reductions, made by the Tariff Committee on and from 1st January 1958 will thus appear premature and quite correctly should have been deferred. The build up of a premium is composed of many factors, not necessarily of experience alone for the experience itself may be unreal. Correct prognoses of the future should have entered into the calculations of the Tariff Committee. Experienced insurance men should not be guilty of amateurish handling.

The Tariff Committee again consider cubic capacity basis more scientific as against the current basis of Horse Power in view of the changes in engine design in recent years. The point at issue is the fixation of correct premium resulting from adequate compilation of statistics. The basis of charging premium is ultimately intimately associated with the administrative convenience of the insurers and the convenience of the public. The basis is only a measuring rod, there is nothing sacred or inviolate about it. Whatever may be the engine design, the ultimate issue is collection of correct premiums. This could have been easily devised on the basis of Horse Power, easily understood and to which the public has been adapted by long usage. The so called Blue Books (now white in Calcutta) do not contain the cubic capacity although Horse Power

forms an integral part. All sale and purchase are influenced by Horse Power not cubic capacity, and the design and the year of manufacture. This academic innovation, therefore, is bound to cause widespread confusion and bewilderment in the minds of the public. Very few of the motor using public are aware of intricate issues of engine design and the mechanism thereof, although all of them are familiar with Horse Power. To thrust on them, without due notice, a new so called scientific contraption with which they are completely unfamiliar, is likely to be resented. The harassed insurance office staff must, perforce, make themselves familiar with the new basis, but the time and energy which they have to devote in mastering the new conception and to explain to every motor owner the need and necessity of charging the basis cannot but be considerable; not to speak of the inadequacy, on the part of the insurance assistance or the official, of correct knowledge of the 'why and how' of the new change. In large part, they will be speaking without confidence taking refuge under dispensation from above, thus saving themselves from considerable embarrassment.

Comprehensive premium rates have gone up steeply by about 40 per cent in Bombay and Delhi and by about 20 per cent in Calcutta. The only area where the rates appear to have gone down is Madras. The names of cities are, however, misleading. What they are really meant to convey is the regions controlled by the Regional Councils located in these places. Thus, Calcutta Region comprises of West Bengal, Assam, Orissa, Bihar and some other specified areas. The Tariff Committee must have the advantage of studying statistics of these regions collated from the returns of insurers in deciding the enhancements. Since rates have been regionalised, there is no reason why they should not be more regionalised. Thus if claims ratio in Assam is lower and much higher in Calcutta city, there is no reason why Assam motorists should subsidise their Calcutta counterparts by paying premiums higher than is warranted by experience in Assam. And since such claims for regional treatment could have been devised by fixing one rate for the length and breadth of India by collating and averaging all India statistics. This would have nipped in the bud all claims for regional treatment and would have exonerated the Tariff Committee from all charges of selection and discrimination. Indeed, that would have been more appropriate to the character of the title of the boon of the Tariff Committee called "All India Motor Tariff".

From the point of view of the motorist, he can quite legitimately moan that he is being made a helpless victim to many factors, quite outside his control, which result in accidents—mainly traffic problems—not to speak of exceeding high repairing charges—again outside his control. The problem of accidents is intimately asso-

ciated with traffic conditions. A city like Calcutta has grown up enormously in recent years. Its streets and roads, which grew up without planning barring a few made by Calcutta Improvement Trust, were not designed for the heavy traffic of postwar years. Calcutta's growing political and commercial importance particularly after partition make it one of the most congested cities in the world. Its roads are thus much less than what the traffic can bear. Most of the other cities in India are substantially of the same pattern. The careless pedestrian, the overloaded lorries and vehicles, the enormous buses plying in narrow roads utterly unsuited and never designed for such traffic, rickshaws and the 'thelas' not to speak of the roaming bulls and insufficient lighting of most streets, all contribute to their quota of accidents. Many cities of India including Calcutta and notorious Howrah are thus nightmare for the motorists and it is a marvel that accidents are not many times as high as it is today. For a large part of the accidents, the State Governments and local bodies are thus directly responsible. To saddle the motor owners with levies which directly or indirectly should be shared by other bodies seem, on the whole, inequitable. The Tariff Committee quite naturally have no purview over these matters, but it seems only fair that the Committee should take up these issues with the appropriate authorities.

Nevertheless, the motorist must pay enhanced premiums if the compilation of statistics of the Tariff Committee is adequate. They should have taken, in all fairness, a larger period to base their calculations and whether they have, in fact, taken pre 1953 figures in their calculations can only be answered by the Tariff Committee. The careless motorist would do well to bear in mind the new rates of 'No Claim Bonus' which, as stated earlier, have been liberalised. The traffic jungle does pose a problem and the motorist can as well start an agitation. In actual fact, there is nothing in the world of motorists that can be called a pure accident. It arises from the fault or negligence of the one or the other. Since, therefore, the word accident can be expunged from the books of the motorists, it behoves the public and the traffic to be careful and not negligent in all matters within their control. In that state, there will be no claims to worry the insured and the insurer. That is, by and large, a vast issue and not the subject of this note. While, therefore, the motorists on and from 1st January 1958 will grudgingly pay largely enhanced premiums for comprehensive insurance, he will undoubtedly hope that the public, state governments and local bodies will cooperate with him in minimising so called accidents appropriately to be called price of fault and negligence of the one or the other. Its equitable distribution, in the present state of things, is incapable of solution with the result that it is shared by the motorist and the insurers themselves.

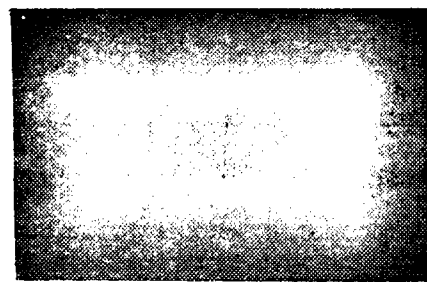
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J. W. YOUNG, MANAGER



US Notes

FLEXIBILITY has been the key word for the United States government's monetary and credit policies throughout the post-war period. These policies have been adapted to the needs of the time, and have changed as conditions in the money markets have changed. This week has seen yet another example of this type of flexibility, generally acknowledged to have played an important role in maintaining economic growth and stability.

The US Federal Reserve Board (FRB), in effect the nation's central bank and credit manager, announced a significant reduction in stock market margin requirements—from 70 to 50 per cent. This means that a buyer of corporate stock now has to put up only half the purchase price, and can use credit to finance the \$2,000 worth of securities today has to pay out only \$1,000 in cash, compared with a required \$1,400 yesterday.

In explaining this credit easing move, FRB spokesmen point to the recent slackening of speculative credit pressures. They emphasize that the margin reduction is not an attempt to bolster stock prices. The Board, they observe, 'does not regulate the prices of securities.'

Customer credit for buying or carrying stocks, they note, has fallen to about \$3,600 million from a total of more than \$4,000 million at the end of 1955. And broker and dealer credit has declined over the same period from \$2,600 million. How far these levels are from being excessive may be seen in the fact that in 1929 brokers' loans alone hit a peak of \$8,500 million. The 70 per cent margin requirement—an increase from the earlier 60 per cent—had been in effect since April 1955. At that time, the American economy was in the early stages of a strong upsurge and the FRB was beginning to tighten anti-inflationary credit policies.

The post-war margin requirements rose to a high of 100 per cent in later 1946 and early in 1947. FRB authority to regulate stock market credit goes back to the Securities and Exchange Act 1934. This Act was passed to prevent the excessive use of speculative credit, which, it is generally conceded, helped bring on the stock market collapse of 1929. Financial circles welcome the latest FRB action, which caught them pretty much by surprise. Some conflicting views have been expressed as to the effect it may have on stock market prices, but there is a general agreement that the margin cut is entirely in keeping with credit trends.

New York Stock Exchange President Keith Funston, who had been

advocating a cut in the margin requirements for some months, is quoted as saying that the Board's action will "facilitate industry's job of raising new money." Funston and other financial leaders have consistently called attention to the need for increased investment if American industry is to keep on meeting the expanding demands of a growing population.

The cut in stock margin requirements follows other credit-easing actions by the FRB in recent months. Last November, it lowered its discount rate—the interest it charges

on loans to commercial banks—from 3.5 to 3 per cent. And lately, it has been channelling a large supply of loan funds into the money market. Some experts anticipate still another cut in the discount rate, noting that interest charges on short-term commercial loans have dipped below the present per cent of discount rate. But whatever future actions the board may take, it has by now given unmistakable evidence of its intention to ease credit policies whenever it deems such a move desirable and in keeping with national interest.

President Eisenhower's budget for fiscal year 1959, on the basis of present U.S. population estimates, comes to \$427.86 per head.

The U.S. missile programme averages a small percentage of this figure, \$30.67 for each person.

The figures are based on the official January 1 population estimate of 172,800,000. Because there will be about 1.5 million more Americans by next July 1, when the new fiscal year starts, the individual share then will be lowered slightly, if the budget stays at the figure Mr Eisenhower has proposed.

Indian Finance

January 25, 1958



Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

ATLAS
WEIGHING MACHINES
PLATFORM, CART,
TRUCK, LORRY
&
WAGON WEIGHBRIDGES

Makers:
THE INDIA MACHINERY
COMPANY LIMITED
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Four hundred young engineers who will man the three new State steel plants will spend six weeks at Jamshedpur before they go abroad for training.

Here at the steel city, an orientation course will acquaint them with the first essentials of steelmaking in India. And they will undoubtedly get a friendly tip or two from Tata Steel veterans.

Jamshedpur is proud to welcome these steelmakers of tomorrow.

TATA STEEL
ON TO TWO MILLION TONS

SLIGHTLY over two years ago, Mr Rajagopalachari made his now famous appeal to the United States to renounce unilaterally the use of nuclear weapons. Almost exactly two years ago, I wrote in these columns commending the idea and explaining not only the moral but practical implications behind such advice. Since then, the world has muddled along in an atmosphere dark and murky with the imminence of nuclear extinction, with no one having the courage to act on the suggestion of Mr Rajagopalachari. Indeed, in a wholly hypnotised way, Great Britain—from whom many of us have been expecting greater political maturity—has opted for the futile and empty honour of being the third and latest nuclear power. If other powers do not follow this path of sterile, self-defeating, and for their people, intolerably burdensome glory, it is largely because there is a natural limit to the taxability of people, even when they can be easily seduced by the prospect of nuclear frills. The obsessive compulsions of cold war paranoia have merely made great powers, especially the USA and the USSR, go on further multiplying, refining and perfecting the possibilities of self-annihilation. At the time I wrote about Rajaji's articles, "rocketry" and ballistic missiles were only in the experimental stage. Today, they are grim and efficient realities. And, with the launching of the Sputniks by the Soviet Union, the possibilities of war become not only intercontinental but inter-planetary.

Does this unprotesting and fatalistic acquiescence to the relentlessly self-destructive propensities of a few maniacs mean that mankind has lost its self-preservative instinct? How is it that the agonisingly urgent appeals from passionate idealists, to the political and moral good sense of the rulers of the world, do not evoke any kind of response from these self-absorbed men of power? There must be something profoundly opposed to clear thinking in the atmosphere in which those who take political decisions function. Otherwise, it is difficult to understand the sudden and breath-taking volte face of a clear and hard-headed thinker like Mr Bevan. Not that these people—who go on working on the details of a policy based on the great deterrent, mas-

sive retaliation and so forth—are morons. Indeed, if you dodge, as they do, the first few premises that ought to govern any discussion of this subject, their arguments have the same degree of mad and precise logic that obtained in Alice's Wonderland. But, since their premises are all wrong, these people are enmeshed in the toils of their subsequent fallacies, and are impatient with those who tell them that they are leading us all, unwittingly but inevitably, toward the brink of destruction.

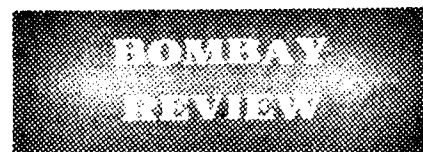
It is, therefore, no wonder that Rajaji's recent letter to Mr Khrushchev, making an appeal similar to the one he made to Americans two years ago, should get the kind of reply it did. The full text of the correspondence, consisting of two letters from either side, has recently been published. It certainly makes depressing reading. For, even on a first reading, it is clear that the two persons are not speaking the same language. By this, I do not mean that Mr Khrushchev was writing in Russian and Rajaji in English though, of course, it is possible that the sense of urgency behind Rajaji's appeal may not have got across to a man who is not as at home in English as Rajaji (which Mr Khrushchev is not). I mean that the words do not seem to evoke the same kind of "memory pictures" or the same kind of other responses in the two. Though Mr Khrushchev professes not only to have given thought to Rajaji's letter, but also to have taken counsel with his friends and comrades, his reply contains nothing but stock responses. I will not do him the injustice of thinking that his words are merely propagandist claptrap, concealing a more sinister and cynical disregard of the values that Rajaji holds dear. To my way of thinking, it would be better if the words were consciously hypocritical and if the thoughts, however cynical, were real. That at least would imply the existence of positive evil, with which we can deal. But the tragic thing is precisely that Mr Khrushchev's thinking is as banal and as cliché-ridden as his words, and he means only too dimly what he says. There apparently is no way of weaning Mr Khrushchev from not reacting in the familiar way, the moment the word "USA" is mentioned. In one sense, of course, this is a phenomenon familiar to

those who have given some thought to the involutions of a mind sucked on Communism. The Soviet Communist, who is clear-headed on, say, the way in which a satellite is to be launched, believes without any sense of incongruity the naivest and the most palpable falsehoods about the kind of world that does not accept his ideology. In his Reith Lectures over the BBC, Mr George Kennan has explored this aspect of the matter with great astuteness, and I recommend them to the reader for further elucidation of the question. (The Reith Lectures have been published in *The Listener*, November and December 1957).

But it is only in one sense that Mr Khrushchev's reply is in the nature of a conditioned reflex. Ironically, the substance, as opposed to the manner, of his rejection of Rajaji's plea is almost identical with that of similar rejections by the West. I do not know whether a rather odd thing has struck you: The number of things on which the USSR and the USA think alike is remarkable. On all questions of security and possible threat to their respective sovereignties, the mental processes are identical, with this difference, that the names of the two countries are reversed by each in the appropriate places. Professions to the contrary, the Soviet Union believes with the same fervour as that of the US in the theory of the great deterrent and its concomitants (including the errors in thinking it involves). Of course, in the matter of diplomatic, political and propagandist initiative and in the striking of appropriate postures, the Soviet Union is far and away the more successful. (But this last is perhaps the accident of the personalities involved. For, Mr Dulles would succeed in putting his foot in his mouth, however far from each other removed these two parts of his body are kept). But, in the need for achieving first equality with, then the edge over, the other fellow in number, variety and deadliness of ultimate weapons, the two nations think alike. It is no use telling the Soviet Union, as it is not any use telling the USA, that the saturation point in nuclear supremacy has been reached long ago, and that further doses of strength on either side are literally unusable. The destruction that one side with

a lesser strength can inflict will be as near as makes no difference as the destruction that the other side with the greater strength inflicts. It is no use telling them that they are putting their people to intolerable strain—and, in the case of the Soviet Union, needless deprivation of the essential needs of its people—because of their obsession with armaments which are of absolutely no use. It is apparently no use telling the Soviet Union that you would be able to make your people accept Communism with greater spontaneity if you divert the funds expended on armaments for other productive purposes. It is no use telling the Soviets that the intolerable spiritual strain of the deprivation of individual liberty and the free ways of life can be lightened, if only the bogey of fear of the insatiable enemies of the Soviet Union is lifted. By the same token, it is no use telling the US that the grass roots of the idealism of its founders are being steadily corroded by the concomitants of a nuclear age. It is no use telling the Americans that the quintessence of unAmericanism, namely, McCarthyism, was the illegitimate child of fear and blackmail. The midwife who assisted at its lying-in was none other than the mystery surrounding these death-dealing experiments. It is no use telling either the Soviet Union or the USA that there are large areas of the world, hungry for capital for development which could readily be spared them, if only they would desist from what is essentially and demonstrably a senseless activity even from the limited viewpoint of strategy.

It is this identity in error that makes the whole business an absurdity of the surrealistic kind. No wonder Rajaji gets the same kind of reply from both. If all this is so obvious, why did Rajaji bother to write this letter? Was he being naive in thinking that he could make Mr Khrushchev do what others, including Bertrand Russell, have not succeeded in persuading him to do? Or was he merely calling a bluff, by proving that the Russians, for all their fine words, are just as bad as the others? Or was he reacting, rather belatedly, to the taunt that it was only the West which Rajaji can lecture, since the other fellow will just laugh him away? (At least, in the

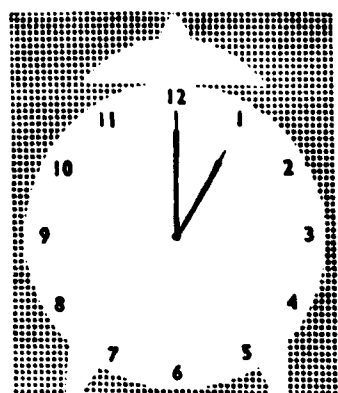


DEVELOPMENTS in regard to the reopening of the Sholapur mills by Government are, to say the least, intriguing. The latest information reaching here is that Government are likely to obtain high court permission to "take over" the mills in the sense that they would be allowed to run it by payment of a nominal rent for a prescribed period.

There are some Gateway citizens who wonder whether this will not constitute "backdoor" nationalisation since if the experimental efforts prove successful, there appears to be a Government intention to continue as a manufacturer.

However, it is hardly likely that Government will secure "nominal rent" facilities for a longer period. The present scheme, it needs to be remarked, is in the nature of emergent help to the nearly 5,000 strong labour force which is now idle. The terms and conditions for labour reflect the make-shift and stop-gap character of the step now proposed to be taken.

For, the wages payable to labour will be two-thirds of normal wages; and, if the worker so desires, the remaining third will be met from provident fund accumulations in his credit.



At 1
this afternoon
take tea
for
relaxation



PST 182

Make-shift Help

A rider to the scheme is that, if the mills work at a profit, the surplus will be distributable among the workers. If the current predicament of the textile industry is taken into account, it seems scarcely likely that any surplus will be earned. We may add that the continuance of Government in management of Sholapur mills is partly contingent upon such profits being earned.

Two further points may be mentioned. Firstly, we suppose that this represents a perfect example of workers' participation in management, even going so far as to reserve for them the profits (if any) from the enterprise. Secondly, however, importance is being attached in Gateway circles to the fact that the experiment could, in a manner of speaking, hardly have been conducted in an industry with more straitened prospects than the cotton textile industry; and so, the apparent conclusion is that the scheme will not long endure.

Secondary Education

The low standards of education at all levels in the country is no new complaint and dissatisfaction with it had been expressed at frequent intervals of time by eminent educationists of the country. But much confused thinking had gone into the analysis of the causes that have led to such deterioration. In this connection a plea has often been made in certain quarters to reduce the number of subjects which the students have at present to study. But the achievements of Soviet Russia where a ten-year course of universal education which included many as 12 subjects including literature, science, physics, polytechnics and draftsmanship, would not lend plausibility to the view that Indian students lagged behind because they had to study too many subjects.

Addressing the 13th session of the Bombay State Head-masters' conference in Poona Mr C. D. Deshmukh, Chairman of the University Grants Commission urged the members to give serious attention to the question of improving the standards of education in secondary schools, and expressed the opinion that it should be possible for secondary schools in India to devise a broadbased educational pattern so that the educational system could produce fully educated and active youths.

Mr Deshmukh also expressed doubts on the wisdom of the Bombay Government's policy of teaching English in the secondary stage for only four years instead of six years as in other States. This would only have the effect of placing the students of the State at a disadvantage as compared to students from other States, and

already complaints about such disadvantages suffered by the students of the State had been made. Mr Deshmukh therefore urged the State Government to give up their exceptionable stand on the pattern of teaching English, in the secondary stage.

Mr Deshmukh visualised a stage when students of secondary schools would have to be split into two categories—those aspiring for higher education and those who would seek employment. This would necessarily involve the re-organisation of education on the basis of utility and academic content.

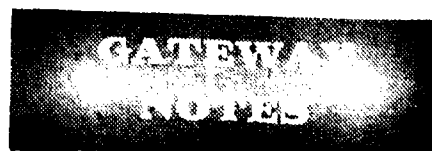
Mr L. N. Chhapekar who presided, strongly urged the need for reorganising the whole pattern of educational system. He suggested a course of language study which involves the compulsory study of the mother tongue or the regional language at the secondary school stage, compulsory study of a foreign language from the fifth standard and compulsory study of Hindi for at least four or five years.

Rural Development

Speaking on the problems of developed and underdeveloped countries in Bombay, Professor Alvin Hansen, noted American Economist warned of the dangers inherent in any kind of economic planning which does not take into account the sociological problems that crop up in the process of economic change. In this connection he expressed the view that the emphasis given to industrialisation in the Second Plan at the expense of rural development which had been treated with relative neglect was a wrong approach which would not help solve the social problems created by the peculiar economic conditions of underdeveloped countries, like India. The problem before such countries was one of removing the disparity between the vast undeveloped rural sector and the developing but limited urbanised industrial sector. In his view neglect of rural development might spell a serious setback to the country's overall development.

In the advanced countries such as America, the problem according to Professor Hansen was one of keeping a balance between expenditure in various directions so that it might conduce to a healthy social life. In America for instance the expenditure on automobiles was twice that on schools. The radio and television had polluted public taste and was a corroding influence on home, religion and education. In such conditions of materialistic attitude towards life, other vital aspects of human culture such as mental and spiritual development had received scant attention. Mr Hansen was highly

Indian Finance



sceptical about the educational prospects in the United States where economic development was based on the multiplication of mechanical gadgets.

Referring to underdeveloped countries Prof Hansen said that these countries suffered from vast populations, lack of resources, poor technical know-how and a large unemployed rural sector. The social problem in these countries is one of educating the illiterate masses a majority of whom were uneducated even in regard to their own problems. He stressed the need for removing the disparity between the rich and poor countries, which stood in the way of a harmonious sociological growth of both the categories of nations.

Prof Hansen also stressed the indispensability of steps towards some kind of welfare state since according to him accumulation of wealth through "brute capitalism" was impossible, under conditions of the present century.

Principal T. M. Advani, Vice-Chancellor of Bombay University who presided, regretted that the services of economists and engineers were not being properly utilised in the country, and said that unless this was done the progress of the Second Plan would be seriously hampered.

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GENERAL MANAGER

S116

January 25, 1958



THE International Cotton Advisory Council, in its latest monthly bulletin, has estimated this season's total world production of Cotton at slightly under 39 million bales as compared with 41 million bales in 1956-57. World consumption is presently expected to be roughly equal to last season's 42 million bales. The aggregate free world production outside the United States is estimated at 16.3 million bales in 1957-58 as against 15.9 million bales in the previous season. The Council predicts a "further marked contraction" in the carry-over of cotton in the USA this season, and stocks will fall to about 85 million bales.

The Council states that the production of cotton in the People's Republic of China, during the last few years, has been much larger than what it had been previously. The production in China for 1956-57 is estimated at about 6 million bales. It adds that the gap between production and consumption of cotton in the Communist world might go up in 1957-58 and amount to about one million bales, which will probably cause the Communist countries to increase their imports of cotton from the West.

Meanwhile, the Government of India seem to be confident that no problem of insufficiency of foreign cotton is likely to arise during the current cotton season. They have assured that adequate supplies of foreign cotton will be made available to the textile industry within the allowable limits of foreign exchange. Normal mill consumption of foreign cotton has been officially estimated around 600,000 bales annually. At the end of the last season, there was a carry-over of 264,000 bales of foreign cotton and, taking into account the cotton which will arrive against licences issued in the previous season, the available supply is placed around 349,000 bales. Hence, the Government will have to import about 251,000 bales of foreign cotton for the current season.

Trade circles are looking forward for an announcement of an import quota of about 70,000 bales of East African cotton. There has been a good demand for this type of cotton in view of its relative cheapness as compared to American cotton. It remains to be seen as to how the allocation of the quotas will be made.

Several leading cotton textile mills have been dissatisfied over the contemplated change in the allocation of Sudanese cotton for which the import quota was recently raised by 10,000 bales to 40,000 bales. According to the original arrangement, these quotas were to be determined on the basis of consumption; but the proposal seems to have been changed. Certain leading mills, which have got

a record of consumption, have now been told that they cannot get the quota on this standard as they have got fair stocks. To this, the mills are understood to have protested. Their plea is, that they should be allowed to arrange their purchases in view of the fall in values in terms of their consumption and that it will be unfair to pass on the benefit of lower prices to those mills, who had desisted from making purchases earlier on account of their financial or other circumstances.

The quantity of cotton licensed for import, during the first four months of the current season, has amounted to 85,549 bales, while actual arrivals, including cotton licensed in the previous season, have amounted to 1.09 lakh bales. Egypt has been a supplier to the extent of 31,997 bales, while the USA comes next with 30,213 bales and East Africa third with 24,793 bales.

Trade circles entertain hopes that the Government of India will permit a further export quota of 50,000 bales of Bengal Deshi cotton. These hopes are based on the assumption that the total available supply of this type of cotton will be of the order of 382,000 bales as against an estimated consumption of 250,00 bales, leaving an export surplus of 132,000 bales. The Government have already allowed exports of 50,000 bales and, during the first four months of the current season, India exported about 18,301 bales against 57,771 bales during the corresponding period last season. Currently, there seems to be keen enquiry for Bengal Deshi from the USA, Japan and France.

The peculiar feature of this season has been the early arrivals of the new crop in many cotton tracts and a burdening sense of accumulation is likely to be felt temporarily with the accelerated arrivals of Vijay, Surti and other Gujerat and Saurashtra crops, although the overall statistical position remains unaltered. It is the increase in the pace of arrivals that are now acting as a check on the bullish fervour of the market.

STATISTICS:

Exports by rail from 1st September 1957 to 16th January 1958 were 99,875 bales. Estimated mill consumption in Bombay, during the same period, were 500,377 bales as against 487,972 bales in the corresponding period of the previous season. Estimated stock of raw cotton, held by exporters, dealers and mills, in Bombay on the 16th January 1958 were 455,696 bales as against 447,487 bales on the corresponding date of last year.

COTTON FUTURES:

Early in the week, cotton futures advanced in rates under heavy

Prospects

bear-covering and sellers' reserve. Sentiment was aided by higher spot and upcountry advices. However, there was a slightly reactionary tendency towards the close as buyers turned rather cautious. ICC Moglai Jharilla March opened at Rs 691.50 and, after touching a high of Rs 697, receded to Rs 691 at the close. Turnover was 15,000 bales.

SPOT MARKET:

The Spot section ruled steady with prices of Vijay spurting following trade ideas of restricted supply in this quality. Good business was also reported done in Berar, Khandesh and Madhya Bharat Jharilla varieties.

In the Export section, enquiry for superfine Bengal Deshi was reported from Japan and the United States.

In the foreign section, Ahmedabad mills bought sizable quantities of American cotton, while the local and southern mills bought East Africans.

NEW YORK COTTON MARKET:

Although prices on the New York Cotton futures market were generally marked down early in the week, a mild rally developed towards the close under the leadership of nearby deliveries where improved trade demands and short-covering was attracted by the recent declines. Some support in the new crop months was prompted by the opposition of some leading agricultural spokesmen of Congress to the administration's farm proposals. Many traders were, however, inclined to await further Washington developments. Middling Spot was quoted at 36.35 cents per pound.

LIVERPOOL COTTON MARKET:

Values on the Liverpool cotton futures market tended to ease further under continued hedge pressure. Sellers, however, were not

pressing and a steadier tone developed later with some trade and local support.

Trading in Sudan contract remained inactive. Little attempt was made to open fresh accounts and, with reports of disappointing outturns from recent shipments, buyers were disposed to stand aside. The market closed quiet.

CLOTH AND PIECEGOODS:

The Bombay Piecegoods market continued to rule better with prices showing a further improvement over last levels. There was good demand for super-fine varieties. Among medium varieties, there was better demand for grey and bleached dhoties and sarees and prices for these showed a marked improvement.

On the whole, there are clear indications that the market has turned the corner. In Bombay alone, business for about a lakh of bales is reported to have been concluded and about 40,000 bales are expected to be sold during this week. Advices from Ahmedabad are also encouraging.

Dealers are hopeful that the Sales Tax on old stocks will be compounded in other States also as has been done in Bombay. Moreover, stocks in upcountry centres are not adequate. With the result, the demand from the consuming areas is expected to be better for some more weeks to come. Although the demand is still selective, the improvement in the off-take has provided a measure of relief to the industry.

On the export front, too, slightly better conditions were witnessed. Satisfactory business is reported to have been concluded with Sudan, while moderate business has been booked with Ethiopia. The anticipated bulk business with Burma has not yet materialised. There have been enquiries from Persian Gulf Ports. Shippers are still hopeful that exports to Burma will improve in the near future.

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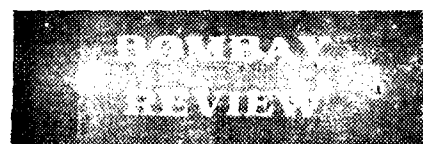
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AFTER a lapse of several months, the demand for Cotton Yarn has broadened in the principal markets of the country, thanks to the offtake by weavers and stockists. Consequently, prices, which were subdued for a long time, have tended to harden. The rise in prices is more pronounced in respect of 26s and the increase has ranged between As 4 and Re 1 per bundle of 10 lbs. Trade circles have the feeling that the market will continue to be active in the following weeks as the demand for cotton piecegoods has tended to broaden in the past few days.

Meanwhile, the Government of India have announced that they will continue to grant quotas for cotton yarn for export during the January-June 1958 period. Export licences will be issued against the allotment

memos issued to mills. The mills may either directly effect exports against their quota or through nominated exports. Applications against the allotment of each mills should be made separately.

Both Rayon yarn and Staple-Fibre yarns have touched new high levels on fresh speculative support. The rayon mill industry has made rapid progress in regaining export markets and shipments are reported to have gone up by Rs 20 lakhs to Rs 1 crore in 1957, thanks to the improvement in quality, introduction of new attractive designs at competitive prices and efforts at standardisation.

Staple-Fibre yarns met with excellent support on reports that prices of indigenous fibre were raised by As 2 per pound. Buyers were mainly from Surat and Banaras.

Yarn Markets Active

The scarcity of Art Silk yarns has become more acute and prices have shot up further in Bombay and Calcutta.

★ Oils and Oilseeds

The markets for Oils and Oilseeds, after ruling firm early in the week, turned a shade quieter towards the close on lack of overseas demand. A section of the trade started quoting lower rates to overseas buyers for castor oil and business to the extent of 300 tons was reported to have been put through with the UK. However, higher levels could not be retained till the close due to profit-taking. Castor May delivery opened at Rs 136.25 and, after touching a high of Rs 138.50, finished the week at Rs 136.75.

Prices in the Groundnut section yielded, ground on lower spot advices. February delivery opened at Rs 157.25 and, after touching a high of Rs 159, finished at Rs 157.00.

Conditions in the Linseed section were rather dull. May delivery, after opening at Rs 30.50 and touching a high of Rs 30.56, closed at the lower level of Rs 30.12.

In the Cottonseeds section, February began at Rs 99 and concluded at the same level after touching a high of Rs 100.

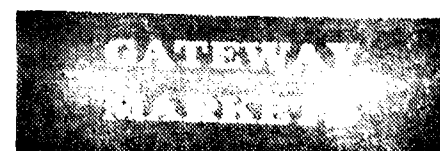
★ Gold & Silver

Prices on the Bombay Bullion Exchange, after touching fresh higher levels, developed a slightly reactionary tendency towards the close on profit-taking.

Paucity of Kolar gold supply and improved spot demand mainly stimulated the sentiment in the Gold section. Arrivals and offtake were balanced at 2,000 tolas. Gold Maha delivery changed hands at Rs 110.31 to Rs 110.87 and Fagan delivery at Rs 110.31 to Rs 110.89. Sovereign remained very steady at Rs 70.25. Spot gold was done at Rs 110.50 to Rs 111.06.

It appears that the bull group has been gradually switching over from silver to gold in the past few days in view of regular arrivals of silver coins from Tibet. As a result, gold prices have gone up in Calcutta and other upcountry centres. All releases by indigenous producers have, therefore, been easily absorbed and an atmosphere of shortage has been created. Sustained demand, paucity of stocks and reports regarding increasing vigilance on the part of customs authorities to check smuggling have aided bull operators, who have been absorbing a large volume of arrivals from upcountry centres.

Although prices in the Silver section advanced on encouraging offtake, they failed to retain their highest levels till the close. Arrivals and offtake were estimated at 10 and 17 bars respectively. Maha delivery changed hands at Rs 188.19 to Rs 189.12 and Fagan delivery at Rs 188.81 to Rs 189.69. Spot was done at Rs 187.50 to Rs 188.50.



Although the bull group has succeeded in cornering a large part of silver stocks, some of them have started liquidating on account of financial difficulties. Upcountry markets are still below Bombay parity by a rupee.

★ Non-Ferrous Metals

The Non-Ferrous Metal market ruled generally quiet. Copper Ready was quoted steady at Rs 172 per cwt. A good quantity of metal, both electrolytic and blister, is expected to arrive by January shipment; and the supply position is likely to ease somewhat. Zinc, after touching a new low level of Rs 51.50, finished better at Rs 52.50 per cwt. The stock position is reported to be satisfactory. Lead also showed a declining tendency with the rate hovering idly around Rs 66 per cwt. With firm advices from Singapore, Tin remained firm at Rs 127 per quarter.

On the London Metal Exchange, Copper was quoted lower at £169½ per ton. There was a feeling that even the expected 10 per cent cut in Chilean production would not balance the statistical position, but would only reduce the surplus. Zinc, however, ruled steady at £61 per ton, thanks to some improvement in the basic position of this metal. The market for Lead remained dull at £71 5/8 per ton. Market circles seemed to be awaiting the American tariff situation to be clarified. Tin was unchanged at £730 per ton and the demand was reported to be rather slack.

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TITAGHUR PAPER

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The American Loan



LAST week's announcement of the details of the final shape of the US assistance to India is the first fruit of a series of patient endeavours of a countless number of people who have tirelessly worked for Indo-American understanding. More particularly, it constitutes the first concrete result of those who have tried to indicate to the US the importance of the success of Indian planning as a test case of democracy in action and the importance of US assistance in the success of such planning. The most persevering of such interpreters, let it be said with gratitude and admiration, have been American themselves, more particularly, the successive US ambassadors to India. The total US aid from 1950 to June 1957 has amounted to 965 million dollars. This truly magnificent record gives a measure of the US interest in Indian development. Not a little of the assistance in such generous measure has been the direct result of the labours of the representatives of the US administration in India. Mr Chester Bowles has evolved in successive books the outline of a policy that should govern US relationship with India in the context of our new status as a most important world power. And the relationship he outlined involves a direct stake in the complete success of the Indian effort of self-amelioration by planned development. It was he who started the series of particular agreements of assistance to India for specific projects. His successors have continued the good work. Mr John Sherman Cooper, the first representative of a Republican President, has shown remarkable ingenuity and idealism in devising modes of assistance which will be of help to India and the US at the same time. The agreement of commodity exchange under Public Law 480 by which the US will let us have its surplus grain is an ingenious device to help the two countries at two of the most vulnerable points of their respective economies. The spectre of famine and possible shortage of grains has been a nightmare of Indian planning. The consequential inflationary pressures have more recently taken on the proportions of an obsession. Thirdly, the cost of imports of foodgrains is depressing both because of its involving diversion of funds from tasks of a more permanent kind and because of its draught on scarce foreign exchange resources. On the other hand, excessive agricultural production and consequent embarrassments of plenty that bedevil American agriculture have been a chronic political migraine for American political parties. To the Republicans especially, a device that will win them the farm vote will be particularly welcome. In such a circumstance, the devising of an

agreement that will be mutually advantageous and will solve their respective problems is something of an answer to a prayer. That is precisely what the agreement under Public Law 480 has done. India is relieved greatly from its fear of famine and inflation since it has a buffer stock of grain which it can deploy at times of stress. Since it does not have to pay for it immediately, it relieves the pressure on resources. And most important of all, the repayment is to be in rupees, which means that our scarce foreign exchange resources, especially of dollars, are conserved. Finally, the rupee counterpart of this assistance is to be spent in India by the US in a large measure. The devising of a mode of help that will serve such a multiplicity of purposes is an act of ingenuity which it is hard to overpraise. And it is to Mr Cooper's wily idealism we owe this agreement.

Continuing the good work of his predecessor, Mr Ellsworth Bunker, the present Ambassador, has been most active in making possible the present series of loan programmes. I shall have to say more about the details of the latest instalment of American aid, but let me first indicate the somewhat unsympathetic political climate in which these phenomenal results have been achieved. Indo-American political relations have all along been a victim of the exigencies of the cold war and significant differences in emphasis on particular aspects of the present world situation. There is no use denying the fact that, on the current problems that confront the world today, we have a basic difference in approach.

The next person to be congratulated on last week's announcement is Mr T. T. Krishnamachari. There can hardly be any doubt that, but for his visit to the US last autumn and his indefatigable exposition of the Indian situation, the assistance we have now been vouchsafed would not have been forthcoming. Wherever he went, he has had to encounter a lot of misunderstanding about India's economy and its creditworthiness, and it was his persuasive presentation of the Indian case to the American authorities that has made possible this expeditious help. And, in this task, the quiet but never failing assistance of Mr G. L. Mehta, our Ambassador at Washington, has been of crucial importance.

The actual details of the proposed assistance must be familiar to readers from the daily press. The most important to note about the matter is that it takes the form of a loan, and no grant. This is a most welcome feature, since what we need from abroad is no charity but loans which we have always had a record of honouring on the dot. The US is, therefore,

taking a good investment risk in putting at the disposal of India some of its funds. Secondly, the interesting point about this present programme is that a major portion of it, about 70 per cent, comes from the Export-Import Bank, which has so far been normally doing business only with private parties. This is a significant shift in the emphasis in the US programme of assistance of particular value to underdeveloped countries. As Mr Gunnar Myrdal and other experts on the development of underdeveloped economies have often pointed out, the basic tasks of development in the underdeveloped regions have to be undertaken only by government agencies. Therefore, a prejudice against assisting governments born of one's own economic climate—the extreme form of which we saw in the announcement some time ago by the Economic Cooperation Administration of the US to the effect that it will concern itself only with the private sector—is to defeat the very economic philosophy behind assistance to underdeveloped countries. The present loan by Export-Import Bank is the first heartening indication of the definite giving up on the part of the US of this particular economic superstition.

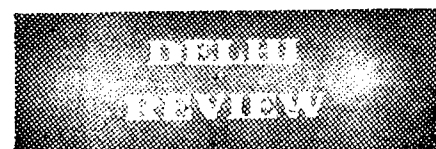
The second feature of the loan proposal is that the total of expected assistance has been announced in advance and the projects that are to be the beneficiaries are to be discussed after the announcement of the loan amount. From the point of view of the recipient, this has obvious advantages over the other method usually followed by the World Bank, whose detailed scrutiny of particular projects before it lends you the money may be psychologically somewhat irksome. Even in practical terms, a system that gives us the room to work out our own order of priorities and affords opportunity and room for manoeuvre is preferable.

The third important aspect of the present loan programme is that it is by no means the whole of the possible US assistance available for the Plan period. The amount of 225 million dollars has come from the Export Import Bank and the President's Development Loan Fund—these two being most immediate and expeditious sources from which the US can give us funds we need immediately. These loans are expected to be utilised in the next fifteen months, which means that this is by way of helping us meet the immediate foreign exchange crisis, which is expected to be at its worst during the next fifteen months. Moreover, any other form of assistance from government sources would have involved Congressional intervention, which would have meant delay and other possible obstacles. A moment in which you ask for approval of a record defence budget from a Congress that is panicky about the

Russian military and technological superiority is not exactly propitious for asking for sizable diversion of tax payer's funds elsewhere. (This is also the Congressional election year). A year from now, the elections will be over and a new balance of power would have been achieved. And let us hope, a more sensible attitude toward the intolerable burden of heavy armaments expenditure will emerge, the consequence of which may well be to make the Congress more amenable to releasing funds to underdeveloped countries. The compulsive logic of the need for negotiation with Russia and the evolving of a *modus vivendi* brings the prospect of such a hope within the realm of practicability. Therefore, there is really no need to imagine that the US assistance for the Plan period is over.

This hope makes the prospects of the Plan, about which we have been having such gloomy prognostications in the recent past, very bright. In the last few months, undaunted by gloomy cassandras of doom, Government have steadily worked out methods of meeting the difficulties arising out of the present foreign exchange difficulties. The various steps taken add up to a considerable achievement. The deferred payments arrangements for the West German and Russian steel plants, the prospects of a yen credit from Japan, the conclusion of agreement with British oil interests for new investment the foreign exchange counterpart of which will be taken care of by the oil interests concerned, and, finally, the present US loan, all these have made comfortable a situation which was considered desperate a few months ago. Moreover, Mr Bunker has also stated that, in view of the present food shortage in the country, there will be negotiations between the US and India to replace cotton by wheat in the Public Law 480 agreement. Moreover, further agreements under Public Law 480 are also likely with the US, while similar agreements are in prospect with Canada. These, besides saving foreign exchange on food imports, make our domestic situation easier. Another interesting point is that such food imports are to be set off by export by us of manganese and other ores. In this context, the possibility of stepping up export of iron ore should also be considered so that export promotion is effectively dovetailed into programmes of foreign assistance.

On the whole, the announcement of the US programme of loans has not only made a difference to the practical tasks before us, it has been of immense psychological value. The time has now come to give up defeatism about the Plan. The tasks before us are certainly exacting. But they are not of a sort that are beyond us, if we bring to bear the necessary resources in courage and ingenuity.



India's engineering industries are one of the major hopes for both domestic consumption and export trade. The nourishment of these industries, is therefore, among the first calls on the nation. Just now along with others, the engineering industries have not escaped completely the problems resulting from the difficult foreign exchange position. There is a shortage of pig iron, steel and even essential capital goods. The scheme of deferred payment was considerably tightened last year.

In his welcome address at the conference of Engineering Industries and trade held at Calcutta on 21st and 22nd January, Mr B. M. Chinal, President of the Federation of Indian Chambers of Commerce & Industry, referred to some of

A Hopeful Note

these problems. He is, however, hopeful that inspite of these problems which may linger on for little time more, the engineering industries will rise up to expectations and make a suitable contribution to total industrial production and export trade. Lately, a number of expert committees have investigated the special problems of different sectors of the engineering industry and we have now a more precise understanding of capacities, requirements and prospects.

Progress of production in recent years has been quite satisfactory. Production of industrial machinery alone rose to Rs 35 crores in value in 1957 from less than Rs 10 crores in 1951. In 1947, India produced nearly nothing by way of industrial machinery. By the end of the Second Plan, the production is expected to go beyond Rs 100 crores in value, though even on that figure it will be no more than one-third of the total estimated national requirements.

At present, engineering goods earn Rs 4 crores a year through exports and are confined to a few items like iron and steel trunks, G. I. buckets, electric fans, sewing machines and parts, pipes and fittings. Recent investigations conducted by three delegations and the number of market surveys have indicated a scope by no means small. As production expands, export trade in these goods may also be expected to go up accordingly.

Mr Chinal complains of pilfering of personnel between one sector and another. This problem, of which we have been hearing for sometime, is likely to persist so long as there is a heavy shortage of technically trained personnel suitable for the varied requirements of engineering industries. If even now, when the national demand is not more than 72,000 engineers there is a severe shortage, any substantial relief seems impossible, when the demand at the Second Plan is estimated to be three to four times the present figure.

Low Cost Roads

Of late there has been increasing realisation on the part of the Government authorities about the necessity to increase the tempo of road development. The pace of economic development is itself vitally linked with progress in the construction of roads in the country. But in a country of India's dimensions quick results are possible only on the basis of a scheme of low-cost construction. A seminar was organised under the auspices of the ECAFE at the invitation of the Government of India to make some practical suggestions on the subject of road development.

The seminar has recommended the establishment of a separate Road Fund out of the revenues derived directly from tax on petrol, diesel and other fuel oils, lubricants tax on motor vehicle registration,

licence fees, tolls on roads and bridges etc, and other taxes such as surcharge on transport fares and freights. The other sources suggested are a certain percentage of the total income derived from the import duty on petrol, diesel oil and spare parts as well as sales-tax on all these items. These various sources are expected to meet the requirements of road development in the country adequately. That allotment of funds for road works should be non-lapsable is considered important and a recommendation has been made to this effect.

The seminar laid down some standards for the construction of low-cost roads such as land width required, gradients etc. It has also made some suggestions on the technique of design and construction calculated to withstand the disintegrating effects of traffic. The construction of roads on the lines made by the seminar is held to reduce the cost of construction. The preparation of cheap type designs for the construction of culverts and bridges on roads taking into account the conditions peculiar to the region, is another important contribution the seminar has made to the problem of low-cost roads. Besides such practical suggestions, it has also stimulated new interest on the question of road development.

The ECAFE Secretariat is expected to help in arranging for the training of engineers in the technique of low-cost road construction. Possibilities of procuring scholarships for trainees under various aid programmes such as the Colombo Plan, the UN Technical Aid Administration and the International Cooperation Administration are also being explored.

Small Scale Industries

The urgent need for increasing employment opportunities is one of the cardinal issues in our development plans. This has necessitated the placing of equal emphasis on the building of large scale industries and on the development of small scale enterprises. Such simultaneous endeavour in seemingly opposite directions alone can ensure the solution to the twin problem of rapid industrial development and widespread unemployment.

The concentration of national effort on the establishment of large scale industries in an under developed country with a large population will no doubt, yield rich dividends but it cannot bring gainful employment for all the people. Moreover in the present state of our economy it is not practicable to set up the requisite number of large scale industrial units which can utilise all the available manpower. The answer, therefore, is to be sought in small scale industries which by virtue of their considerably low outlay and flexibility as to location, have immense potentialities for affording employment.

Indian Finance



In this regard the experience of countries like Japan affords us a valuable guide. In Japan, for instance, paper production is of the order of 228 million tons per annum and most of this comes from small units operated by small groups of workers. But it is essential that there is an integration of the large and small scale industries. That there is vast scope in our country for the side by side development of both the sections, there is no doubt; but mutual confidence is yet to be established.

The development of small scale industries is rightly receiving sustained attention of Government. Sizeable amounts are being set apart in the budget year after year for the specific purpose of giving aid to the small units. In his address to the tenth meeting of the Small Scale Industries Board in Calcutta early this week Mr Manubhai Shah, Union Minister for Industry, disclosed that the assistance in the last two years had been higher than the plan allocation.

The terms and conditions of the loans to small entrepreneurs have been considerably liberalised. For, small industrialists can now get a loan of upto Rs 1000 on a personal bond and upto Rs 5000 against one or two sureties. The rates of interest are low and the loan can be repaid in easy instalments spread over ten years.

Government's programme for setting up a large number of industrial estates both in the urban and rural areas is making good progress. There are now about 51 estates in working or under construction. The programme under the Second Five Year Plan envisages the setting up of another 150 industrial estates.

The programme can achieve the desired result only when the facilities offered are easily available to operators of small scale units. It is gratifying to note, therefore, that this aspect has been fully recognised by Authority for Mr Shah has pointed out that the assistance to be effective, same amount of risk is necessary.

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General Manager.

January 25, 1958



FOLLOWING disquieting reports about the sugarcane crop, ready Gur prices have tended to rise during the past few days. The firmness in prices has been aided by keen buying interest evinced by the consuming centres. Arrivals in the main producing centres in Northern India—Muzaffarnagar, Meerut and Hapur—have been, from the beginning of the season, small when compared to previous years. Trade circles feel that the production of gur, during the current season may not touch the previous season's level. Consequently, ready gur prices have risen to Rs 11.56 per maund in Uttar Pradesh and to Rs 11.75 in the Punjab.

Daily arrivals of gur, last year, at Muzaffarnagar, were placed at around 30,000 maunds as against the current level of 13,000 maunds. Daily arrivals at Meerut and Sonapat amount to 8,000 maunds against 14,000 maunds last year. At Hapur, arrivals average three to four thousand maunds daily as against seven to eight thousand maunds last year. Total arrivals, from the beginning of the season, were put at 270,000 maunds, the corresponding figure for last year being 300,000 maunds.

Sugar

Quiet conditions have continued to prevail in the Sugar markets at all centres, as demand from consumers has been slack. Following mill-delivery rates (per maund) are quoted in the Hapur market: Meerut (D-28) Rs 35.31; Amroha (D-29) Rs 34.25; Simbhauli (E-29) Rs 34.87; Mansoorpur (E-29) Rs 37.35; Shamli (B-29) Rs 37.44 and Bijore (E-29) Rs 34.50.

According to the Indian Sugar Mills Association, production, during December 1957, was 357,000 tons, bringing the total production, upto 31st December 1957, to 493,000 tons as against 336,000 tons in the corresponding period of the previous season. Offtake from factories (including despatches for exports), during December, was 141,000 tons as against 166,000 tons. This brings the total despatches from factories, upto 31st December 1957, to 295,000 tons as against 318,000 tons in the corresponding period of last year. Closing stock, as on the 31st December, was 627,000 tons as against 660,000 tons on the corresponding date of last season.

Meanwhile, the outlook for sugar exports does not appear to be too encouraging for this year. Although the Government decision to abolish Sales Tax by raising the excise duty on the commodity has enabled the industry to offer lower prices to overseas buyers, exports are considered difficult since Indian rates are still about £12 per ton above the world parity.

Rise in Gur Prices

The industry appears to be keen on exports. With a carry-over of about 4.5 lakh tons for the current season and an expected production of upto 20 lakh tons, sugar mills fear that they will be compelled to reduce internal prices in the coming months. Exports of up to 2 lakh tons will help in stabilising domestic prices. A section of the trade, therefore, suggests that exports should be made by the industry even at a loss.

Foodgrains

The Foodgrains market continues to rule quiet. In order to supplement their stocks which are fast depleting, the Government of India are arranging more of imports; and a total of 4 lakh tons is to be shipped from Canada during this winter and early spring.

At Hapur, Wheat prices are mostly unchanged, average quality being quoted at Rs 15.50 per maund and the farm variety at Rs 17. The market for Rice also rules quiet. Gram prices have registered a slight fall, while Maize and Bajra remain almost unchanged. Prices of Peas have, however, registered some gains, thanks to outside demand.

The US loan offer to meet food shortage has caused a subdued sentiment in the Delhi grains market. Wheat prices have shown losses of 25 to 50 nP per maund, while Rice rates have moved down by about Rs 2 per maund. Barley has eased in sympathy with the recession in wheat prices. The market for Coarse grains rules quiet in the absence of buyers.

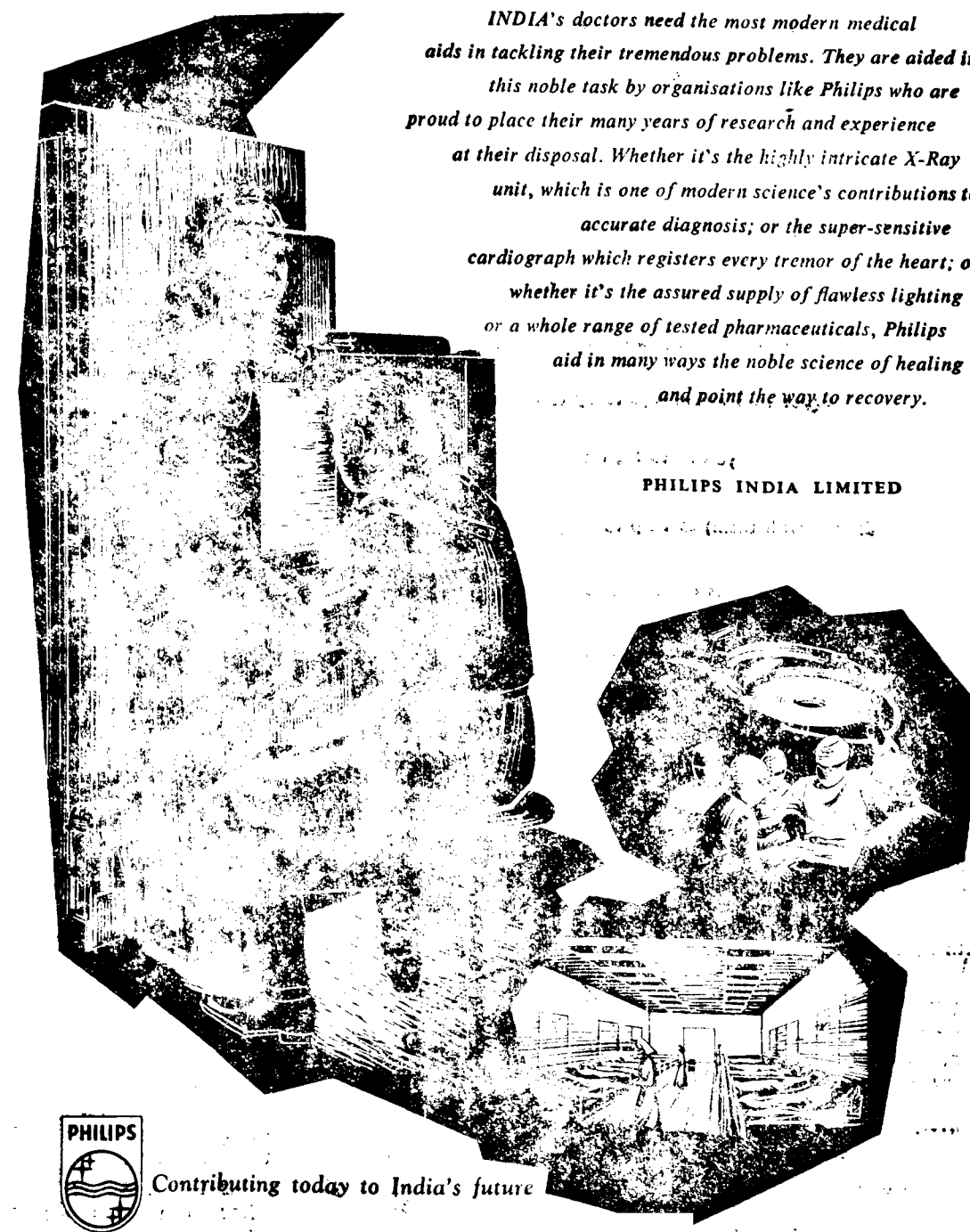
Prices in the Bombay grains market have also displayed an

easy trend with a fresh fall in cereals and pulses. The Rice section has shown a mixed pattern of trading. There is a good demand for the Old crop Burma quality, while the new crop has eased by Rs 5 to Rs 7 per candy. Trading in Jowar is marked with a further break in prices of the new crop. With increased arrivals in the face of a subdued demand and larger stock position, the Madhya Pradesh and Uttar Pradesh qualities are quoted lower at Rs 100 and Rs 108 per candy respectively. A fresh fall in the prices of new crop has characterised trading in Bajra, following a higher receipt of about 8 wagon-loads per day from the upcountry centres. The market for Pulses ruled quiet despite the announcement regarding the release of a special quota for export to Ceylon.

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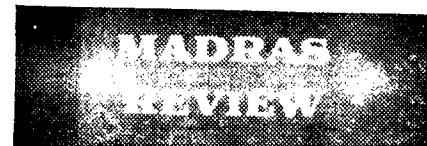
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THE Forum of Free Enterprise has in its top ranks some of the ablest men in Indian business. In the eyes of the Government, the Forum may appear outmoded in its approach to current economic problems in India and consequently just a pompous nuisance. How the Forum appeals to the Leftist parties in India needs not be mentioned. The Forum does represent orthodox private business and it does not seek to conceal the fact. The term 'orthodox private business' may also call for a little explanation.

In my view, it is just a group of people who wish to apply strict business principles in the evaluation of situations or problems and understand them in that light. Without being unduly charitable to the Forum, one can say that orthodoxy in business so described does

When Advice Should Stick

not imply any regressive social outlook. With restraint on its side and unprejudiced understanding on that of others, the Forum can function as a constructive force for economic thinking in India. The pity is that sometimes the temptation to strike too hard on the Government becomes irresistible for the spokesman of the Forum and, from the Government side, the temptation to dismiss even the soundest views offered from the Forum merely on the feeling that it is purely factious seems equally irresistible.

Last week two distinguished businessmen, Mr A. D. Shroff and Mr M. A. Sreenivasan, both prominently associated with the Forum, addressed a public meeting at the Bangalore Town Hall. Both the speeches were replete with unassailable and wise observations but in the company of statements less so.

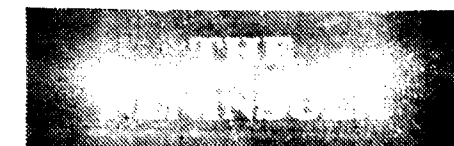
Mr Sreenivasan endeavoured to explain that the Forum of Free Enterprise was an educational platform and not a political one. Therefore, he wanted those who were in sympathy with the Forum and its cause but reluctant or shy to participate actively, to shed their hesitation to join the Forum. Had he stopped with this appeal, one would not have found fault with his speech at all. When Mr Sreenivasan started accusing the country's leading politicians as having given themselves enormous status, power and authority, "which even the Maharajas" did not enjoy, he was overlooking some of the basic facts behind this power. The Maharajas in India were virtually a feudal aristocracy submitting to the overlordship of the Viceroy.

The Nizam, who at one time wanted to put his illusion of sovereignty to the test and demanded from Lord Reading a definition of paramountcy, Lord Reading's brusque reply was that paramountcy was paramount. Even Mysore which was among the most advanced of the Princely States, had its own tales of oppression, intrigues and petty tyranny. The fact that these features survive in a fugitive manner in the new democratic set up in India is no reason to decry the set up itself. It is inevitable that in a sovereign State the ruling politicians exercise more authority and power than the Maharajas who occupied a subordinate status in the country and it is equally inevitable that to a larger extent, economy, administration, education, industry and agriculture are dominated by politics. Current social aims are determined by the will of the people as expressed in the legislatures which in turn are the politicians' preserve. There is no use quarrelling over the logic of facts, however disagreeable they are.

But all this does not mean that the politicians should be insensitive to the counsel of expertness and experience which the businessman has often within his power to give. When Mr Sreenivasan pleads for an unbiased hearing for such counsel, he is only asking for something which can do the nation a great deal of good.

It is also slightly unfair to describe the Government as giving a deaf ear to criticism of its economic activities by responsible leaders outside. The rephrasing of the Plan, more rigorous import controls, severe economies in the administration, all these are the result of internal reassessment and external criticism; no democratic government can afford to be indifferent to sound and constructive criticism.

Mr A. D. Shroff regretted that after ten years of independence, with unfettered freedom for the Government to shape their policies, the country should still experience



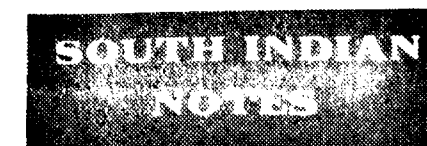
continued food shortage. His explanation was that there was "something wrong in the State of Denmark".

That is certainly too harsh a judgement of the Government. It is true that certain miscalculations have been made but in the matter of planning for expansion of food production it is unfair to take the authorities to task for any serious lapse or shortcoming as far as the broad frame work of policy is concerned. The last two years witnessed setbacks primarily due to insufficient monsoons and drought. There is only one way in which the dependence on monsoons can be reduced. That is by extending irrigation facilities, what the Governments are anxiously trying to do.

As for the import of fertilisers, to which Mr Shroff has referred as a drain on foreign exchange, it is surely preferable to the import of food, which will cost much heavier amounts. Again, Mr Shroff wants that the country must be taught to appreciate that the food problem was not a passing difficulty. If Government's targets for food production and the methods suggested for achieving them are borne in mind, this criticism will appear without foundation. The food problem is undoubtedly understood as a long term one especially in the light of the growing population of India. At the Congress session, the Prime Minister mentioned expert opinion that India can produce yields from 200 per cent to 300 per cent higher than the present. For the next three years he suggested only 30 to 40 per cent more.

Mr Shroff wanted to have an enquiry into what he described as "the thoughtless and indiscriminate issue of import licences in 1956" which, according to him, had contributed heavily to the deterioration in foreign exchange resources. Even if unduly heavy imports were permitted through licences given in that year, Mr Shroff himself has given a justification for it; the Government wanted to push the tempo of development. That is a field where over-enthusiasm especially for an under-developed country is not only excusable but laudable. That even now some silver-coated ware or crockery is coming in is no ground for condemning a policy dictated by the desire to make India self-sufficient in industrial production as quickly and in as many spheres as possible.

When it was found that drastic cuts could be made, they were made relentlessly. The import cuts announced last year have evoked wide spread protests from another section of India's businessmen and even from among the consumers of certain products. Once the complexities of the Indian economic situation are conceded, there should also be corresponding appreciation of the dilemmas which policy makers had to face.



Diwan Chaman Lal, the head of the Hotel Committee is hopeful of earning Rs 100 crores annually through tourist industry, in a few years and Rs 200 crores later on. If the rate of increase between 1951, when earnings of foreign exchange from this source stood at Rs 2½ crores, and 1956 when it reached Rs 16 crores is to be kept up, Diwan Chaman Lal's hopes err only on the side of modesty. Much would surely depend on his Committee's efforts and consequent State and public action.

In India, as in all other Eastern countries, certain basic adjustments have been made to meet the requirements of foreign tourists as distinct from those of inland tourists. On the whole, the hotel facilities existing at least in bigger cities which invariably attract foreign tourists do not appear to fall short of requirements. In Delhi, one of the head-cooks in a hotel is reported to draw emoluments comparable to High Court Judges.

Such expenditure will not be a waste if it meets a well understood purpose. Visitors coming from the wealthier countries will also make very little call on food stuffs in short supply. Seldom are they rice eaters. All the same, it might be unduly costly to envisage expenditure on hotels and other establishments intended to stimulate foreign tourism on the assumption that the annual income would be of the order of at least more than Rs 100 crores. The domestic expenditure on tourism will have to proceed roughly in accord with immediate prospects.

As for inland tourism, the scope is unlimited. How far it needs to be encouraged through positive

DUNCAN BROTHERS & COMPANY, LIMITED.

INTERIM DIVIDEND ON PREFERENCE SHARES.

NOTICE is hereby given that the Board of Directors has sanctioned payment on 4th February 1958 of an interim dividend on Preference shares for the year ended 31st December 1957 of 2 per cent without any deduction for income-tax paid by the Company.

The Preference share register will be closed from 30th January to 4th February 1958, both days inclusive.

Warrants will be issued to shareholders whose names appear on the Company's register on 4th February 1958 or in accordance with their registered mandate instructions.

DUNCAN BROTHERS & CO., LD.
31, Netaji Subhas Road,
Calcutta, 21st January, 1958.

Spending on Tourists

measures on Government initiative is another matter. The Railways, suffering from acute pressure of passenger traffic, if permitted to have a say on the subject may advise restraint.

Atomic Energy for Power

It is generally believed that reserves of coal together with hydro electric potential in the country will be enough to meet our energy requirements for a considerable time to come. But it would appear that if we have to make rapid economic progress we should have much larger energy potential than is available in the shape of conventional fuel resources. The tremendous development of atomic science has opened up new vistas which can lead us to the desired objective.

Speaking in Bangalore last week Dr H. J. Bhabha, Chairman of the Atomic Energy Commission disclosed that if we were to have a per capita consumption of energy comparable with that in the more advanced countries we would exhaust our coal reserves in about 12 years. Our hydro electric potential and oil reserves which were also not plentiful, would also not be of much help. The answer, therefore, lay in the harnessing of atomic power for peaceful uses.

The moment production of atomic power is mentioned one is apt to think automatically of US, UK, or the USSR because of the high cost involved in putting up such plants. But Dr Bhabha pointed out that due to the peculiar conditions obtaining in our country, nuclear power could be economical even in our present stage of economic development. Three main considerations favouring the setting up of atomic plants in India were the geographical distribution of coal, the shortage of transport and the acute shortage of power in certain parts of the country. Calculations showed that the transport of coal which had to be often carried over thousands of miles increased production costs of industries. Moreover, for want of power new industries could not be put up in places where other raw materials were available. For such regions it would be economical to have nuclear power plants. Other points in favour of an early setting up of atomic plants were the increasing cost of coal and the distinct possibility that atomic power would become progressively cheaper as a result of technical advances.

The facts that there is already large known reserves of uranium and thorium and that commendable progress has already been made in our country in atomic research favour an early quickening of endeavours in the new field. If as Dr Bhabha's calculations show nuclear power is not going to cost

us more than other conventional types of fuel in the long run, there is every reason to hope that nuclear power plants will soon be in operation in many parts of our country.

Industrial Research

Addressing the Madras Institute of Management, Sir Harold Hartley, British scientist and industrialist, and President of the World Power Conference, stressed the need for industrial concerns to undertake research work themselves. Much of the progress achieved by the countries of the West, in the field of industrial production, could be attributed to the application of science to problems of industrial production. The discovery and successful use of synthetic materials is an outstanding example of what scientific techniques and processes could do in improving industrial production. The prominence given to research work by the industrial concerns in such countries as England is evident from the example given by Sir Hartley as to how industrialists in his own country had quickly raised a fund with which they had started about 200 schools for such studies. But in India scientific research has found only a small place in the activities of the industrial concerns.

Sir Hartley also stressed the need to exercise control in the use of raw materials and in the processes of manufacture and said that this required a great deal of mathematical analysis. He attributed the great scientific achievements of Soviet Russia to the attention paid in that country to such studies.

Referring to the prospects for industrial development in the country Sir Hartley pointed to the hindering influences which absence of oil and natural gas in the country are likely to exert on development. This could only be made up by the optimum use of the alternative sources of power such as uranium and thorium the reserves of which are estimated to be abundant in the country. He envisaged a future for India on the basis of small atomic units to generate the power needed by industries.

The human element is an important factor to be reckoned with in the organisation of production, and this raises problems of labour management relationship which have to be tackled successfully in the interest of greater production. In England it is a practice with labour-management teams to go round the factories making a productivity count. This according to Sir Hartley had an important influence in improving industrial relationship. Personal contacts between the manager and those working under him could also

contribute much to promote mutual goodwill and remove bitterness, and this has been recognised at the Duke of Edinburgh's Study Conference at Oxford on the human problems of industrial communities within the Commonwealth.

As regards the capital needed for industrial development it was pointed out that it was a matter for the legislators of each individual country to decide how much of the national income was to be spent on present enjoyment and how much for production.

BLACKWOODS INDIA LIMITED

Notice is hereby given that the Annual General Meeting of the Company will be held at the Company's Registered Office at 2, Mangoe Lane, Calcutta, on Tuesday, the 11th February, 1958, at 4 P.M., for the following purposes:—

- (1) To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st March, 1956.
- (2) To elect Directors.
- (3) To appoint Auditors and to fix their remuneration.

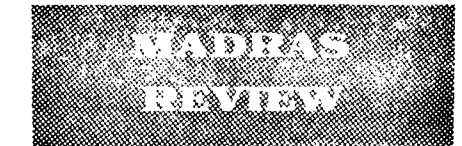
AS SPECIAL BUSINESS:

To consider and if thought fit to pass with or without modifications, the following resolutions as Ordinary Resolutions.

- (4) Resolved that Shri A. P. Bhargava, who has completed 65 years of age, be and is hereby re-appointed a Director of the Company, and that the age limit prescribed under Section 280 of the Companies Act, 1956, shall not apply to him.
- (5) Resolved that the Board of Directors be and is hereby permitted to borrow monies from time to time for carrying on the business of the Company, notwithstanding that the monies to be borrowed together with monies already borrowed by the Company apart from temporary loans obtained from the Company's Bankers in the ordinary course of business will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

The Share Transfer Registers will remain closed from 1st February to 11th February, 1958, both days inclusive.

By Order of the Board,
G. V. RAMAN,
Managing Director.
Calcutta, the 10th January, 1958.



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wheels of commerce and industry

moving and thereby make a success of

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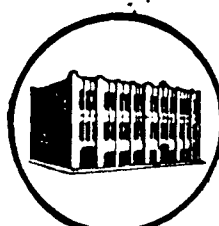
Ceylon, Malaya and Singapore

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of the world.

Secretary

D. P. PARTHASARATHY



MADRAS REVIEW

PEPPER prices have, of late, been showing a tendency towards a steady decline in prices. For the first time since 1947, rates have gone below Rs 465 per candy in the Alleppey market and Rs 550 in the Kozhikode market. The price crash is attributed to lack of demand from the USA—the main buyer of this spice—and reported existence of a world over-production.

Producers are upset by this sudden and swift turn in the market tendency of the commodity and are not sure whether there will be a further

	Alleppey		Wynaad		Country	
	High	Low	High	Low	High	Low
1957:						
January	587.50	450.00	700.00	630.00	650.00	600.00
February	562.50	512.50	640.00	610.00	635.00	600.00
March	550.00	518.75	635.00	610.00	610.00	590.00
April	587.50	537.50	655.00	625.00	630.00	590.00
May	606.25	593.75	690.00	675.00	660.00	630.00
June	625.00	575.00	675.00	650.00	650.00	630.00
July	600.00	581.25	670.00	625.00	640.00	610.00
August	593.75	582.50	640.00	625.00	620.00	590.00
September	600.00	550.00	630.00	600.00	610.00	595.00
October	562.50	550.00	630.00	590.00	601.25	570.00
November	562.50	550.00	650.00	625.00	625.00	600.00
December	556.25	525.00	675.00	620.00	625.00	575.00
1958:						
Upto Jan. 16th	500.00	462.50	625.00	550.00	600.00	525.00

	London Sarawak		(Rates Per Pound)		New York		New York	
	High	Low	Malabar		Sarawak		Sarawak	
1957:								
January	22	19½	28½	25½	27½	25	27½	25
February	20	19½	29	25	28	24½	28	24½
March	19½	18	25½	24	25½	22	25½	22
April	18½	18	27½	24½	26½	24½	26½	24½
May	...	...	29½	26½	28½	27	28½	27
June	20½	19½	30½	28½	29½	26½	29½	26½
July	19½	18½	27½	26½	26½	25½	26½	25½
August	19½	18½	27½	26½	26½	25½	26½	25½
September	19	18½	27½	25½	26½	25½	26½	25½
October	18½	16½	25½	24½	25½	24	25½	24
November	17½	15½	24½	24½	24	23½	24	23½
December	17½	17	26	24½	25	23½	25	23½
1958:								
Upto Jan. 15th	17	16½	24½	23½	23½	23	23½	23

Taking advantage of the reported prevalence of over-production in the world, US buyers are reported to be busy making deals at lower price-levels in Indonesia, Sarawak and Singapore. As a result, the usual big turnover, during the year-end, had not materialised during the current season. Against the normal transaction between 1,500 and 2,000 tons of pepper, which used to change hands between the Indian exporter and the US importer during this season every year, only about 200 tons were contracted for in the 1957 season.

The new crop is being harvested and a good lot of it is now coming into the market. Trade sources stick on to their previous estimate that the 1957-58 crop will amount to 24,000 tons. There will not be much difference from the previous season's crop. A noteworthy feature of the new season is that the buyers have become more price-conscious; and business takes place only at lower prices.

With the steep decline in the price, however, consumption has been increasing substantially in India. It is estimated that as much as 45 to 50 per cent of the production in this country is being con-

price recession or whether they can hold on to the current price level. At the same time, their holding capacity is stated to be so low that they are forced to sell at the best available terms under the prevailing circumstances.

Another factor, which makes a further fall in the price of pepper, is stated to be heavy selling pressure from Bombay dealers in the forward position. The following table gives the trend of prices since the beginning of 1957 (rates per candy):—

	Alleppey		Wynaad		Country	
	High	Low	High	Low	High	Low
1957:						
January	587.50	450.00	700.00	630.00	650.00	600.00
February	562.50	512.50	640.00	610.00	635.00	600.00
March	550.00	518.75	635.00	610.00	610.00	590.00
April	587.50	537.50	655.00	625.00	630.00	590.00
May	606.25	593.75	690.00	675.00	660.00	630.00
June	625.00	575.00	675.00	650.00	650.00	630.00
July	600.00	581.25	670.00	625.00	640.00	610.00
August	593.75	582.50	640.00	625.00	620.00	590.00
September	600.00	550.00	630.00	600.00	610.00	595.00
October	562.50	550.00	630.00	590.00	601.25	570.00
November	562.50	550.00	650.00	625.00	625.00	600.00
December	556.25	525.00	675.00	620.00	625.00	575.00
1958:						
Upto Jan. 16th	500.00	462.50	625.00	550.00	600.00	525.00

	London Sarawak		(Rates Per Pound)		New York		New York	
	High	Low	Malabar		Sarawak		Sarawak	
1957:								
January	22	19½	28½	25½	27½	25	27½	25
February	20	19½	29	25	28	24½	28	24½
March	19½	18	25½	24	25½	22	25½	22
April	18½	18	27½	24½	26½	24½	26½	24½
May	...	...	29½	26½	28½	27	28½	27
June	20½	19½	30½	28½	29½	26½	29½	26½
July	19½	18½	27½	26½	26½	25½	26½	25½
August	19½	18½	27½	26½	26½	25½	26½	25½
September	19	18½	27½	25½	26½	25½	26½	25½
October	18½	16½	25½	24½	25½	24	25½	24
November	17½	15½	24½	24½	24	23½	24	23½
December	17½	17	26	24½	25	23½	25	23½
1958:								
Upto Jan. 15th	17	16½	24½	23½	23½	23	23½	23

sumed locally. Still, there is no doubt that much in excess of demand is produced. This is the principal factor responsible for the steady fall in the price of this commodity, which was selling at prices nine to ten times higher than the present prices some seven to eight years ago.

There is even a suggestion that the principal producers of this spice get together like the producers of tea and coffee have done and take jointly certain measures to arrest the fall in prices. Regulation of export as well as sales promotional activities are necessary; and these should be done with the co-operation of all the principal producers to make them effective.

Groundnuts

Prices in the Madras Groundnut market firmed up last week when arrivals averaged only about 40 tons a day. Local small crushers were the main buyers and business was reported done at Rs 148 per candy.

In the Groundnut Oil section, there was fair turnover and the rate for the ready position improved to Rs 300 from Rs 292 per candy.

Landslide in Pepper Values

Calcutta interests took up small quantities.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides were restricted and prices remained firm. Arrivals of Buff hides were, however, fair, while those of Cow Calf and Buff Calf were extremely poor.

On the export front, business was mostly confined to light weights. There was a good enquiry for fifts and business was reported done in single tannage prime marks upto 68/58/48d for runs, fourths and fifts respectively. There was some enquiry for 10-12 lbs runs at 41d.

In the Tanned Skins section, arrivals of both Goat and Sheep skins were on the same level as in the previous week and prices were steady.

On the export front, trading was restricted. Madras sellers were re-

ported to be quoting 3d lower all-round for prime goat skins; but no business materialised. There was no change in Sheep skins, as buyers were unwilling to pay increased prices.

The markets for Raw Hides and Skins ruled firm.

Lemongrass Oil

Russia is now showing some interest in the purchase of Lemongrass Oil. It is reported that, in December last, 50 tons were shipped, while another 50 tons are expected to be shipped during the current month. But, the price of the commodity has fallen to such a low level that growers may well put their land under Tapioca which, with the rice shortage and higher grain prices, may be more paying. At any rate, it is expected that the crop in the next season may not be as large as in the previous two years.

ROOPACHERRA TEA COMPANY, LIMITED

NOTICE is hereby given that the 49th Annual General Meeting of the Shareholders of Roopacherra Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 20th February, 1958, at 3-30 P.M. for the following purposes:—

- To consider the Profit and Loss Account for the year ended the 31st December, 1956, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
- To declare a Dividend.
- To appoint a Director in place of Mr. D. N. Mukerji, the Director retiring by rotation at the Meeting.

And, in this connection to consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—
“That Mr. D. N. Mukerji be and is hereby re-appointed a Director of the Company.”

Special Notice dated 10th January, 1958, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a Special Notice of the Resolution is given to satisfy the requirements of Sections 190 and 261(1)(f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. D. N. Mukerji is presently a

Director of Tyroon Tea Co. Ltd., which is a subsidiary of McLeod & Co. Ltd., the Managing Agents to the Company, and that, therefore, he is an associate of the Managing Agents within the definition in Section 2(3)(c)(1) of the Companies Act, 1956, who may only be appointed or re-appointed a Director liable to retirement by rotation by a Special Resolution, of which Special Notice has been given to the Company.

4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from 8th February, 1958 to 20th February, 1958 both days inclusive.

By Order of the Board,
MCLEOD & CO. LTD.,
C. HOCKLEY,
Secretary,
Managing Agents.
3, Netaji Subhas Road,
Calcutta, 20th January, 1958.

NOTE:—

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

2. Payment of the proposed Dividend, if declared, will be made on or after 27th February, 1958, only to those members whose names are registered in the Books of the Company on 20th February, 1958, or to their Mandatees.

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

Profit-Taking at Higher Levels

Watch-Dog Writes:

STOCK markets have shown further evidence of returning confidence, although activity is still restricted. Sentiment is distinctly cheerful and prices, under the lead of Steels, have displayed a rising tendency. However, buyers seem to be cautious to follow the rise in prices, being inclined to book profits at bulges.

Dull but quietly steady conditions prevailed on the Calcutta Stock Exchange where most of the shares came in for slight profit-taking at the close due to intervening holidays.

Equities on the Bombay Stock Exchange, after making a further advance early in the week, turned a shade quieter towards the close on lack of fresh support.

On the Madras Stock Exchange, the general trend of prices was inclined to be steadier.

A cautious trading was noticed on the London Stock Exchange. Wall Street closed irregular with the list showing a small on-balance gain for the week.

Calcutta

Calcutta, Friday Evening.

THE local Stock Exchange remained closed from Thursday due to holidays. During the period the market remained open, conditions remained steady, but quiet. Although attempts were made to push up rates from the week-end levels, they proved futile as operators were hesitant to enter into fresh commitments in view of the approaching holidays. Moreover, with the news of the labour strike at the docks and only a few weeks left for the Central Budget, they were inclined to be cautious and to book profits at the recent high levels. However, the confidence of the market was reflected by the resistance shown to profit-taking. The market finished at slightly below the best levels for the week.

Although the volume of business in the Gilt-edged section was much restricted, a fairly steady tone was maintained. With the growing demand for short-term funds, banks showed hardly any interest. Consequently, medium and long-dated Loans presented a neglected appearance. 3 per cent 1986 Conversion Loan opened at Rs 70.95 and, after improving at one time to Rs 71.30, finished the week at Rs 71.15.

The Banking section evoked fairly good enquiry and changes in prices were in favour of buyers. Punjab National were taken upto

Rs 52.25 from Rs 50.75 and United Commercial upto Rs 61.00 from Rs 60.50.

Except for selective enquiry, Jute shares ruled generally quiet, partly due to the news of the strike at the docks and partly to lower advices from the jute goods market. The only bright spots were Anglo-India having improved to Rs 136 from the recent low level of Rs 131; Bevedere to Rs 69 from Rs 64; Howrah to Rs 13.81 from Rs 13.75; India to Rs 99 from Rs 95.50 and Reliance to Rs 5.69 from Rs 5.50; Kinnison were marked lower at Rs 115 against Rs 127, while National receded further to Rs 24.00 from Rs 25.40, to finish the week better at Rs 24.15.

Coal shares came in for selective support on the view that production was increasing and in response to the hope that the selling price for the commodity might soon be raised. Bengal were taken upto Rs 236 from Rs 230; Central upto Rs 6.44 from Rs 6.34 and Amalgamated upto Rs 15.19 from Rs 14.94. Burrakur were, however, sticky at Rs 22.12 with Western Bengal maintained around Rs 5.25.

Tea shares, which were the most active counter and recorded substantial gains last week, turned a shade quieter due to some profit-taking, being influenced by the news of the labour strike at the docks and the slightly lower prices obtained at this week's auction. Brahmapootra changed hands at Rs 3.56 to Rs 3.69; Bishnauth at Rs 18.62 to Rs 18.75; Grob "A" at Rs 23.00 to Rs 23.12; Hasimara at Rs 22.87 to 23.00; Jayshree at Rs 9.69 to Rs 9.87; Methoni at Rs 16.96 to Rs 17.25; Rajabhat at Rs 15.62 to Rs 15.81 and Tezapore at Rs 17.31 to Rs 17.50. Brooke Bond were cheaper at Rs 17.50 against Rs 17.62.

Sugar shares were practically neglected due to lower advices from the commodity market. The only two bright spots were Carew and S.K.G., having support upto Rs 6.19 and Rs 9.00 from Rs 5.78 and Rs 8.94 respectively. Balrampore were, however, on offer at Rs 5.44 against Rs 5.50.

Thanks to better advices from the cloth market, Textile scrips staged a moderate recovery from the recent low levels. Kesoram had buyers upto Rs 10.37 from Rs 10.12 and Jayshree upto Rs 6.12 from Rs 6.06. Cawnpore and New Victoria were nearly maintained at Rs 5.28 and Rs 1.25 respectively.

Price movements in the Engineering section were mostly influenced by the speculative activity in Indian Irons. Against the week-end closing of Rs 19.74, Indian Irons opened slightly lower at Rs 19.68 at which level renewed bull support caused the scrip to touch a fresh higher level of Rs 20.13 (highest touched since July), to recede again towards the close to Rs 19.90 on profit-taking of lower Bombay advices. In "kerb" trading on Wednesday, there were even sellers at Rs 19.85.

In sympathy, TEXMACO were at one time taken upto Rs 16.50 from Rs 16.45; Jessop upto Rs 21.12 and Marshalls upto Rs 5.12, to finish the week at Rs 16.40; Rs 20.19 and Rs 5.06 respectively. Thanks to the

announcement of an interim dividend of 8 per cent for 1957, G. K. Williams met with good demand at Rs 28.75 to Rs 28.94. Burn scored another Rs 2 at Rs 312 with Britannia better at Rs 12.44 against Rs 12.00.

Miscellaneous issues were selectively supported on good corporate news. Most prominent were Indian Cable having buyers upto Rs 26.37 from Rs 25.44; Dunlop Rubber upto Rs 22.25 from Rs 21.56; NICCO upto Rs 23.87 from Rs 23.56; Indian Aluminium upto Rs 12.03 from Rs 12.59; National Carbon upto Rs 24.50 from Rs 24.25 and Martin Burns upto Rs 25.25 from Rs 25.00. Sustained speculative buying caused Orient Paper to touch a fresh higher level of Rs 23.86 from Rs 23.70, to finish at Rs 23.80. Titagurh changed hands at Rs 32.00 to Rs 32.12 and Shree Gopal at Rs 13.25 from Rs 14.44. Indian Copper, after being taken upto Rs 2.90 from Rs 2.81 on reports of encouraging production during the quarter ended December, eased off at the close to Rs 2.87 on profit-taking. India Steamship had buyers at Rs 11.69 to Rs 11.87; Aluminium Corporation at Rs 9.44 to Rs 9.62; Phillips India at Rs 13.81 to Rs 13.94; Hindustan Motor at Rs 5.84 to Rs 6.25; Hindustan Lever at Rs 19.75 to Rs 19.94 and Rohtas at Rs 16.12 to Rs 16.25. In the Mundhra group, BIC and Osler were offered at Rs 3.77 and Rs 2.56 respectively.

Madras

A smart recovery in the Textile scrips was the main feature of trading on the Madras Stock Exchange. Plantings met with selective support, while Bank shares remained firm.

TEXTILES Despite a lower dividend for 1957, Madras improved to Rs 35.25. Buckingham, Bangalores and Travancore Rayons met with good demand at quoted rates. Metturs were taken upto Rs 862.50; Coimbatore Cottons upto Rs 170 and Lakshmis upto Rs 112.

MISCELLANEOUS Shares in this section came in for selective support. Aluminium Industries were taken upto Rs 14, while FACTS improved to Rs 5.35 on better support. Railis had, however, some sellers at Rs 28.50. Central Scientifics met with some enquiry at Rs 5.50, while Spencer continued to be in good demand at the market rate. Among Cement shares, India Cements rose to Rs 26, while Andhra "B" moved up to Rs 11.25.

Bombay

SENTIMENT in the stock exchange showed a marked improvement during the past week though the week's highest levels could not be maintained till the last. The incentive to the upward trend was provided first by the decision of the directors of the Tata Iron and Steel Company Limited to issue, subject to Government approval, ordinary shares as fully paid bonus shares in the ratio of one share for every five shares held by utilising the premiums received on new ordinary shares issues last year and a small amount out of the reserves.

The announcement that the US has decided to grant a loan of \$225 million to India also gave a powerful fillip to market sentiment. For, although the amount granted certainly fell far short of our requirements, the consensus of opinion was that more would be forthcoming from that source and in any event, a major portion of the foreign exchange needs of the Second Plan would be available as help from other countries was also strongly indicated.

With the Calcutta market remaining closed upto Monday next from Thursday due to the intervention of holidays there, marketmen on Dalal Street seemed to have considered it prudent to adopt a cautious attitude. Moreover, the sharp rise in the early part of the week had also attracted some profit-taking. The undertone at close was steady.

In the steel section, Tata Iron began the week on a buoyant note on announcement of a jubilee bonus share in the proportion of one share for five held, and advanced rapidly in the subsequent two sessions to be placed on Monday at Rs 173.50 as against its opening quotation of Rs 165.25. In the last three days the scrip steadily lost ground on lack of follow-through support coupled with profit-taking at higher levels to close on Wednesday at Rs 171.75. Partly in sympathy with TISCO and partly due to good Calcutta buying, Indian Irons also improved from Rs 19.28 to Rs 20.08 to close at Rs 19.84.

Textile shares were generally steady. In earlier dealings Bombay Dyeing received speculative support to be done upto Rs 52 from Rs 50.70 and but finally quoted at Rs 51.50. Century encountered profit taking in the beginning but rallied in midweek to be done upto Rs 398.50 only to be pushed back to its starting point of the week of Rs 392. Kohinoor was a bright spot having been done upto Rs 292.50 from Rs 268.50. The scrip closed somewhat lower at Rs 268.50. Swadeshi at Rs 170.50, Central India at Rs 86.50, Simplex at Rs 160.00, Finlay at Rs 264.00 and Phoenix at Rs 126.25 were all higher on balance.

London

CONDITIONS on the London Stock Exchange remained generally quiet and there was very little to assist sentiment. Various adverse factors, including the further rise in the American unemployment figures and the Chancellor of the Exchequer's warning that deflationary measures were to continue, created a note of caution among the operators.

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share	Quotation as on 17-1-58 Rs nP	17-1-57 Rs nP
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BANKS

Allahabad 6% cp 100	100.00	114.00	
B. of Behar 5% cp 50	22.25	22.25	

ELECTRICS

Calcutta 5% cp ...	21	10.00	10.37
Dishergarh 5% ...	100	75.50	98.00
Dishergarh 41% cp 100	84.00	88.50	
Jorhat 6% ...	100	90.00	90.00
Kurseong 6% cp 100	90.00	90.00	

COAL

Asso. K'pura 41% 100	24.50	24.50	
B-Nagpur 7% cp 100	68.00	83.50	
Bharat 51% cp 100	49.50	50.25	
Borrea 61% cp ...	100	90.00	103.00
Burrakur 7% cp 100	99.00	114.50	
Burrakur 6% cpt 10	7.47	8.82	
Equitable 6% cp 100	88.00	101.00	
Ghusick & Mus- lia 5% ...	100	95.00+	103.00
Gotrangdi 5% cp 100	40.00	40.00	
Jogta 5% cp ...	100	30.00	45.00
K'pura 51% cpt ...	100	44.50	63.75
Khas Kajora 5% 10	5.00	3.75	
N. Beerhoom 7% 10	10.69	12.00	
N. Churulla 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 61% cp ...	100	95.00	108.00
Parasea 61% cpt 100	50.75	56.25	
Uni. Colliery 5% 100	88.00	85.50	

JUTE

Agarpara 7% cp 100	91.50+	101.00	
Alexandra 7% cp 100	83.00	97.50	
Alliance 6% cp 100	69.00	97.00	
Anglo-India 7% cp 100	97.00	100.50	
Auckland 51% cp 100	75.00	80.50	
Auckland 41% rep 100	52.00	60.00	
Bally 7% cp ...	100	91.00	101.50
Barnagore 5% cp 25	30.00	41.00	
Belvedere 7% cp 100	95.00	107.50+	
Bengal 51% dcp 100	72.50	79.50	
Birla 71% cpt ...	100	75.00	90.00
Budge-Budge 7% 100	88.00	107.50+	
Calcutta 61% cp 100	78.00	78.00	
Caledonian 7% cp 100	93.00	109.00	
Cheviot 7% cp ...	100	93.00	109.00+
Chittavalah 7% cp 100	91.50	108.00	
Clive 6% cp ...	100	53.75	78.00
Clive 7% cp ...	100	74.00	91.00
Dalhousie 7% cp 100	79.00	102.00	
Delta 5% cp ...	100	70.00	87.50+
Empire 7% cp ...	100	87.00	100.00
F. Gloster 7% cp 100	100.00	105.50	
F. Gloster 5% cp 100	64.00	72.00	
F. William 7% cp 100	95.00	107.00	
Ganges Mfg. 8% 100	100.00	112.00	
Gourepore 6% cp 100	70.00	80.00	
Hastings 6% cp 100	87.00	86.00	
Hooghly cp(1) ...	10	7.25	13.12
Howrah (A. Pref.) 100	90.00	102.50	
Howrah 7% cp ...	100	95.00	107.00
H'chand 7% cp ...	100	89.50	102.00
K'hatty 6% cp ...	100	74.00	80.00
K'narrath 6% cp 100	77.00	87.50	
Kedarnath 6% cp 100	68.00	78.00	
Kedarnath 6% cp 100	85.00	95.00	
Kelvin 7% cp ...	100	88.00	108.00
Khardah 6% cp ...	100	73.50	89.50
Kinnison 7% cp 100	85.50	111.50	
Lansdowne 7% cp 100	87.00	100.00	
Lawrence 7% cp 100	95.00	108.00	
Lawrence 51% cp 100	65.00	76.00	
Nahat 7% cp ...	100	82.00	110.00
Nahat 41% rep 100	57.00	73.00	
National 7% cp 100	95.00	108.50	
Nellumaria 6% cp 100	79.00	97.50	
N. Central 7% cp 100	88.50	101.50	
N'brook 51% cp 100	62.75	79.50	
Rameshwar 6% 10	10.19	10.19	
Reliance 7% cp 100	69.00	94.50	
S. Ambica 74% cp 100	81.00	91.25	
Soorah 7% cp ...	100	100.00	107.00

NAME	Paid-up per share	Quotation as on 17-1-58 Rs nP	17-1-57 Rs nP
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Standard 6% cp 100	74.50	96.00	
Union 7% cp ...	100	98.00	101.50
Waverly 5% cp ...	50	30.00	49.00

COTTON

Basanti 61% cp 10	7.56	7.31	
B-Nagpur 7% cp 100	75.00	100.00	
Bowreah 8% cp 100	130.00	140.00	
Bowreah 7% cp 100	65.00	70.00	
Delhi Cloth 41% 100	17.75+	17.75	
Elgin 8% cp ...	100	109.25	135.75
Elgin 5% cp ...	10	7.25	9.37
Jagatjit Cotton 5% 100	50.00	...	
Jiyajeeao 51% ...	100	92.00	92.00
Kesoram 7% cp 100	90.00	100.00	
Muir 6% cp ...	100	91.00	113.50
N. Victoria 8% cp 5	3.00	4.87	
Pravati 6% cp ...	10	5.00	8.00
S. Niwas 4% cp 100	55.00	...	
Swadeshi 6% cp 100	86.00	90.25	

ENGINEERING

Arthur Butler 7% 10	7.25	10.00	
Br. B'dg. 6% cp 100	70.00	100.00	
Burn & Co. 7% cp 100	109.00	119.50+	
Burn & Co. 6% cp 100	102.50	109.00	
I. Iron 5% cp ...	100	96.50	103.00
I. Machinery 7% cp 100	23.00*	23.00	
Ind. Std. Wagon 7% 100	115.00	127.50	
Jessop & Co. 5% 100	83.00	98.50	
K'dhubi 5% cp 100	85.00	101.06	
Rich. & Cruddas 51% ...	100	54.00	89.50
S. Products 5% cp 10	2.62	1.00	
Texmaco 51% cp 100	87.00	94.00	
Texmaco 51% R 100	60.00	63.00	

TEA

Amluckie 7% cp 10	53.00	...	
Bormah Jan 6% cp 100	74.00+	73.00	
Brooke Bond 6% 100	78.00	77.50	
Dhunsari 7% cp 8	2.44	3.31	
Dimakist 8% cp 10	11.50	12.62	
Kingsley Gola 6% 100	92.00	98.00	
Moheema 6% cp 10	8.31	9.19	
Tezpora cp(2) ...	10	11.12	12.37
Darjeeling.			
Okley 6% cp ...	100	75.00	87.50
Okley 7% rep ...	100	93.00	100.00
Pussimbing 7% cp 100	95.00	86.00	
Singtom 5% cp ...	10	7.12	7.25
Dooars.			
Banarhat 61% cp 100	112.50	121.50	
Birpara 9% (Pref.) 100	112.00	120.00	
C'bhutti 61% cp 100	113.50	125.00	
Hantapara 8% cp 100	114.00	140.50	
Hasimara 7% cp 100	116.75	128.00	
N. Dooars 61% cp 100	116.00	125.00	
Cachar.			
Sonal River 8% 93.00	100.00	100.00	
Sylhet.			
N. Samanbagh 8% 100	100.00	100.00	
South Indian.			
Kotamullai 6% 25	16.50	25.50	
Teral.			
Atal 41% cp ...	10	6.12	4.00
Tirrinannah 10% 10	14.00+	12.75	

SUGAR

Carew 81% rep ...	100	81.50	99.50
Cawnpore 3% ...	100	109.50	127.00
Gwalior 7% rep 100	65.00	88.00	
Gwalior 7% cp ...	100	65.00	69.00
Jswant 51% cp 100	75.00	80.00	
Mohini 5% cp ...	100	70.00	111.00
New India 71% 100	110.00	140.00	
Purtah 10% ...	100	13.62	14.14
Rannugger 6% 100	94.50	100.50	
Ryam 6% cp ...	100	8.50	9.31
S. Behar 9% cp 100	20.50	20.19	
S. Hanuman 5% 100	60.00	65.00	
S. K. Gyan 6% 100	85.00	65.00	
S. K. Gyan 5% 100	75.00	80.00	
Upper Ganges 5% 100	76.00	85.00	

NAME	Paid-up per share	Quotation as on 17-1-58 Rs nP	17-1-57 Rs nP
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Dalmia Bharat 6% 100	84.00	94.00	
Dalmia Bharat 6% 40	31.00	37.75	
Jalpur Udyog 3% 100	40.00	...	
K'pur Lime 6% cp 100	80.00	74.50	
K'pur Lime 6% cp 100	100.50	...	
K'dhubi Fire 7% 100	101.00	116.00	
K'dhubi Fire 51% 100	54.50	72.00	
Orissa Cement 4% 100	40.00	...	

CEMENT, POTTERY & FIRECLAY

Gillanders 5% ...	100	56.50	69.75
Godfrey Phil. 51% 100	61.00	68.75	
Greaves Cot. 6% 100	50.00	...	
Greaves Cot. 6% 100	49.00	...	
Haji & Anderson 100	62.00	...	
Hindusthan Nat. Class 4% C.P.T. 100	80.00	...	
Ind. Alum. 5% 100	55.50	77.00	
Indian Cable 6% 10	21.50	31.44	
Ind. Plastics 51% 100	51.50	52.00	
I. Rubber 5% ...	100	90.00	88.50
James Wright 6% 50	32.00	35.50	
Jar. Hendon. 51% 100	58.00	61.00	
K. Bullen 51% 100	49.50	70.00	
K. Bullen 4% 100	48.00	68.00	
Kusum 51% ...	100	75.00	75.00
Martin Burn 5% 100	94.00	100.00	
Metal Box 6% 100	112.00+	124.25	
Nat. Rolling 6% 100	84.50	92.00	
Nat. Tannery 5% 10	4.50	5.00	
Nat. Tobacco 5% 100	65.00	66.56	
Nat. Tobacco 41% 100	55.00	62.62	
Osler Elec. 41% 100	38.00	70.00	
Prem. Trans. 5% 100	5.00	5.00	
Rallis 6% C.P.T. 100	61.50	68.00	
R. B. Rodda 51% 100	54.50	86.50	
Rohitas Indus. 7% 100	112.00+	124.25	
Rohitas 41% B ...	100	66.50+	64.50
Sen. Raleigh 5% 100	70.00	...	
Sodepur Glass 5% 100	38.00	38.00	
Shaw Wallace 6% 100	63.00+	67.00	
Spencer & Co. 10	6.51+	7.44	
Spencer & Co. 10	8.88+	9.31	
Union Tobacco 5% 100	22.00	22.00*	

MININGS AND MINERALS

Asso. Mining 5% 50	31.00	31.00+	
Ch. Mica 51% ...	100	55.00	51.00+
Metal Corp. 5% 100	80.00	84.00	

OILS

Alkali 5% ...	100	97.00	101.50
Bathgate 41% ...	100	40.50	42.37
Beng. Chem. 71% 10	11.00	12.75	
Beng. Chem. 41% 100	77.50	83.00	
Frank Rose 41% 100	36.50	41.00	
Lister Anti. 6% 100	13.00	13.00	
Smith Stand 10% 50	56.00	64.00	

PAPER MILLS

Bengal Paper 7% 50	57.25+	64.25	
Bengal Paper 6% 100	103.50+	135.75	
Bengal Paper 7% 100	72.00+	81.69	
Orient Paper 51% 100	81.50	95.00	
Orient Paper 51% T 100	81.50	72.00	
S. Gopal 4% cp 100	98.00	115.50	
Star Paper 5% rep 100	64.50	67.50	
Titagarh Paper 8% cp ...	100	131.50	139.00
Titagarh Paper 41% cp ...	100	76.75	90.50

PRESSING

Bhagwati 5% rep 100	45.00	50.00	
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SEAL PROPESTY

Dar. Prop. 6% ...	10	4.00	4.00
Humayun Prop. 6% cp ...	10	7.25	9.31
New India Bldg. 41% cp ...	50	15.00	21.00
R. Estate 4% cp 100	35.00	35.00	

SAW MILLS AND TIMBER

Ben. Timber 8% 33.50	32.75		
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SHIPPING

MISCELLANEOUS			
Alum. Corp. 5%	100	69.00	75.00
Alum. Corp. 6%	100	88.00	97.00
Amal. Dev. 5%	100	49.25	90.00
Asso. Hotel 7%	100	57.00	72.00
Bharat Veg. 5%	100	30.00	30.00
Birds Inv. 51%	100	54.00	76.50
Br. Biscuits 8% cp	10	10.50†	11.37
B. Cey. Corp. 6%	10	8.50	8.06
B. I. Corp. 8%	100	102.00	118.00
Cal. Cr. Corp. 6%	100	50.00	56.00
Cal. Cr. Corp. 5%	100	40.00	...
Cal. Gas 51% rept	100	50.50	66.00
Cal. Silk 6% cp	100	40.00	55.00
Cal. Tanneries 5%	100	40.00	40.00
Cal. Trans 5% cpt	£1	7.14	8.12
Dunlop Bros. 4%	100	55.00	60.75
Dunlop 6%	100	112.00	119.00
Eastern 3%	100	86.00	93.50
Eastern Inv. 5%	100	77.50	77.50
Elec. Consn. 6%	100	55.00	...
F. & C. Osler 4½%	100	41.50	53.50
*Nominal. †Ex-Divid nd. ‡Cum-Dividend \$Ex-Rights.			

NAME	Paid-up per share	Quotation as on 17-1-58 Rs nP	17-1-57 Rs nP
Shree Anand ...	10	10.25	10.50
Sitalpur ...	10	4.37	4.37
South Behar ...	10	1.37	1.00
Sri Hanuman ...	10	15.25	16.00
S. K. Gyan ...	10	8.94	11.37
Shree Sitaram ...	10	11.00	13.00
Upper India 'A' ...	100	127.00	127.00
Upper India 'B' ...	25	15.00	15.00
Upper Ganges ...	10	30.00	91.00
Uni Province ...	10	12.87	16.00

CEMENT, POTTERY & FIRECLAY

A-B. Cement ...	10	4.19	6.37
Ashoka Cement ...	10	7.75	10.87
Bengal Pottery ...	2 1/2	2.25	3.50
Dalmia Bharat ...	10	10.00	12.44
Dalmia Bharat ...	2 1/2	2.47	3.06
Jaypur Udyog ...	10	12.00	...
Kalyanpur Lime ...	100	102.00	100.00
K'dhubi Fireclay ...	10	24.00	25.00
Orissa Cement ...	10	12.50	13.06
Reliance Firebrick ...	10	20.00	22.00
Sone Valley ...	5	4.50	7.94

CHEMICALS

Alkali ...	10	13.25	18.37
Bathmate ...	10	1.00	1.50
Bengal Cheml. ...	100	88.75	105.00
Bharat Starch ...	10	8.00	3.06
Burma Lime ...	10	8.00	8.50
Dharangdhar ...	100	112.00	137.00
Frank Rose ...	5	2.19	2.19
Indian Starch ...	10	5.81*	5.81*
Lister Antiseptic ...	100	4.87	4.87
Smith Stanstreet ...	5	13.12	9.56

MININGS AND MINERALS

Assam Sillimanite ...	10	10.10	...
Assoc. Minings ...	10	9.00	10.06†
Bisra Stone Lime ...	10	26.50	30.37
Burma Mines ...	3sh	1.68	2.81
Consoll. Tin ...	5sh	0.81	1.81
Chr. Mica ...	10	10.25	14.05†
Indian Copper ...	2sh	2.85	3.69
Kangra Valley ...	100	85.00	120.00
Karapur Devel. ...	10	7.25	8.19
Metal Corp. ...	10	5.12	8.19
Orissa Minerals ...	10	19.75	20.00
Sutna Stone Lime ...	10	20.12	18.00
Tavoy Tin ...	2sh	0.48	0.62

OILS

B. B. Petrol ...	5sh	1.77	2.81
Cochin Bhar. Oil ...	10	2.00	...
I. B. Petrol ...	10	24.12	34.37
Northern India Oil ...	10	2.31	1.62
Tide Water Oil ...	10	12.25	14.00

PAPER MILLS

Bengal Paper ...	25	78.50†	110.00
India Paper ...	10	18.75	22.37
Orient Paper ...	10	23.70	31.62
Shree Gopal Paper ...	10	14.25	16.50
Star Paper ...	10	11.00	10.00
Titagarh ...	10	31.87	38.12
Titagarh P.O. ...	2 1/2	3.31	3.50
Upper India ...	100	60.00	60.00

PRESSING

Bhagwati ...	10	7.00	3.75
Cal. Hydraulic ...	100	70.00	81.00
Camperdown ...	100	121.00	121.00
Central Hydraulic ...	100	129.00	129.00
Hooghly Ganges ...	10	5.40	5.56
Shiva Jute ...	100	65.00	100.00

SEAL PROPESTY

Bengal Bonded A ...	500	785.00	825.00
Bengal Bonded B ...	62 1/2	102.88	107.00
Bengal Bonded C ...	100	145.00	166.00
Bengal Bonded D ...	12 1/2	18.18	22.25
Comm. Prop. ...	5	0.31	0.50
Darjeeling Prop. ...	10	1.00	5.00
Hindustan Bldg. ...	10	4.25	6.75
Humayan Properties ...	10	10.00	13.00
New India Bldg. ...	5	0.50	1.00
Midnapore Zamindary ...	100	17.25	25.00
Regent Estate ...	10	1.00	2.00

SAW MILLS AND TIMBER

Assam Saws ...	5	1.50	3.50
Bengal Timber ...	100	41.00	41.00

NAME	Paid-up per share	Quotation as on 17-1-58 Rs nP	17-1-57 Rs nP
SHIPPING			
Bengal-Assam ...	100	107.00	139.00
Steam ...	10	13.87	14.25
Cal. Landing ...	10	14.06	12.95
Cal. Steam ...	10	16.19	14.12
Fraser & Co. ...	10	...	...
India General ...	210	55.00	71.03
Navigation ...	10	12.00	9.94
India Steam ...	10	15.81	14.87
Port Shipping ...	20	17.25	18.50
Scindia Steam ...	20	...	...

MISCELLANEOUS

Airways (India) ...	10	4.65	4.94
Aluminium Corp. ...	10	9.75	10.69
Amalgam. Devel. ...	100	50.00	70.00
Angelo Bros. ...	10	17.75	21.62
Accoc. Hotel ...	10	5.31	10.75
Assam Match ...	10	15.31	20.37
Balmer Lawrie ...	100	149.00	152.00
Bararee Coke ...	10	10.18	17.20†
Bharat Commerce ...	10	2.56	3.62
Bharat Vegetable ...	10	5.25	5.25
Bhartia Co. ...	100	54.75	52.25
Bhartia Sone ...	10	2.87	2.81
Birds Invest. ...	10	13.00	17.87
Bihar Rice ...	10	1.50	1.75
Britannia Biscuits ...	10	12.25†	14.75
Br. Ceylon Corp. ...	10	3.91	8.44
B. I. Corp. ...	5	3.95	8.37
Cal. Credit Corp. ...	10	4.12	5.44
Calcutta Gas ...	10	6.50	6.75
Cal. Invest. ...	100	50.00	50.00
Calcutta Safe ...	10	8.19	8.50
Calcutta Silk ...	10	4.06	4.50
Cal. Tanneries ...	10	0.50	0.50
Cal. Trams ...	41	15.87	16.00
Cambay Invest. ...	100	75.00	82.00
Cherra Chhatrak ...	5	5.00	4.75
Cherry Row Inv. ...	10	8.69	9.75
Darjeeling Rope ...	10	5.75	7.37
Duncan Bros. ...	100	88.00	115.00
Dunlop ...	10	21.56	26.62
Eastern Invest. ...	100	104.50	129.50
Elec. Const. ...	10	8.97	10.12
F. & C. Oeler ...	10	2.35	8.00
French Motor ...	10	21.25	20.37
Ganges Rope ...	100	138.00	182.00
Gillanders ...	10	11.25	11.19
G. E. Hotel ...	250	255.00	250.00
Graevs Cotton ...	100	116.50	124.00
Hall & Anderson ...	10	7.75	...
Hindusthan Gas ...	7	7.63	10.37
Hindusthan Ice ...	5	0.94	1.25
Hindusthan Lever ...	10	19.94	...
Hindusthan Motors ...	10	5.69	...
Hindusthan Nat. ...	10	3.00	3.00
Hindus Pukington ...	10	10.00	...
Hoare Miller ...	10	5.75	6.87
Ideal Invest. ...	10	7.25	7.25
Impl. Tobacco ...	10	11.94	14.00
Indian Alum. ...	10	12.75	14.44
Indian Cable ...	10	25.44†	32.37
Indian Plastic ...	10	5.25	5.62
Indian Rubber ...	10	16.62	23.50
Indian Wood ...	10	42.50	43.50
In. Turpentine A ...	10	12.00	12.00
In. Turpentine B ...	5	6.12	6.12
Indust. Inv. ...	100	65.00*	65.00
Indus. Corp. of ...	10	0.31	0.31
Ivan Jones ...	2	2.00	2.75
James Wright ...	5	3.00	4.12
Jardine Henderson ...	100	57.00†	80.00
James Alexander ...	10	5.08	5.06
Jewani ...	10	6.00	5.87
John Paterson ...	10	2.00	2.00
Kallimping Rope ...	10	2.50	2.00
Kettwell Bullen ...	100	150.00	150.00
Kishore Trading ...	100	75.00	70.00
Kusun Products ...	10	5.75	5.75
Macfarlane ...	5	3.25	3.06
Martin Burn ...	10	25.25	22.44
Marwar Trading ...	100	200.00	208.00
Metal Box ...	10	27.00	28.31
Moradabad Water ...	10	4.87	5.68
Nat. Carbon ...	10	24.50	26.12
N. I. Cables ...	10	23.58†	26.75
Nat. Rolling ...	10	10.00	9.06
Nat. Rubber Mfg. ...	10	6.62	...
Nat. Tanneries ...	10	2.40	2.50*
Nat. Tobacco ...	10	9.12	9.56
Nat. Safe ...	5	4.60	2.50
New I. Invest. ...	75	53.60	49.80
Oeler ...	5	2.15	4.06

NAME	Paid-up per share	Quotation as on 25-1-58 Rs nP	25-1-57 Rs nP
Pearl Invest. ...	10	1.25	1.25
Philips India ...	10	13.94	...
Publicity Society ...	4	10.00	10.00
Prem. Trans. ...	10	1.50	1.50
Rallis ...	100	27.00	38.00
R. B. Rodda & Co. ...	10	4.63	8.31
Rohtas ...	10	16.31†	19.62
Sen Raleigh ...	10	10.75	12.50
Sodepur Glass ...	10	1.56	2.56
Shaw Wallace ...	10	10.44	11.44
Spence's Hotel ...	2	1.06	1.00
Spencer & Co. ...	10	17.00	17.25
Star Co. ...	100	81.00	81.50
Star Trading ...	25	8.00	8.00
Straw Products ...	10	16.00	20.12
Union Co. ...	100	75.00	107.50
Union Tobacco ...	10	0.25	0.25
Walford ...	1	1.72	1.87
Walford (Po) ...	1	1.25	1.62
W. Stockholder ...	1sh	0.75	0.87

ELECTRICS

Berhampur ...	6%	10	8.37	9.00
Guntur ...	6%	100	93.00	92.50
Kumbakonam ...	6%	10	8.90	9.50
Nagapattinam ...	6%	10	8.65	9.58
Salem ...	6%	10	10.28	10.11
S. Madras ...	5 1/2%	10	9.37	10.00
S. Madras ...	5 1/2%	10	9.47	10.00
Tinnevely ...	6%	10	...	...

INSURANCE

Concord of India ...	2 1/2	11.62	10.75
General ...	25	15.00	23.00
Hercules ...	10	20.12	26.00
Indian Trade ...	40	21.50	26.00
National Insur. ...	100	344.00	344.00
New Asiatic ...	5	3.37	3.87
Ruby General ...	8	5.94	5.94
Standard ...	10	3.50	4.00
Triton ...	25	130.00	160.50

RAILWAYS

Ahmedpur-Kutwa ...	100	50.00	60.00
Arab-Sasaram ...	100	90.00	71.50
Bankura-Dumodur ...	100	40.00	58.75
Banspur-Basirhat ...	100	8.00	10.00
Bardwan-Cuttack ...	100	50.00	58.00
Bukh-Bihar ...	100	10.00	8.87
Chapar-Siligat ...	100	40.00	52.87
Dahat-Rohitas ...	10	10.00	13.31
Fatwah-Islampur ...	100	40.00	53.37
Howrah-Amita ...	100	50.00	62.50
How-Shankhala ...	100	40.00	65.00
Kata-Lalabazar ...	100	65.00	72.00
Shalidar (Delhi) ...	100	120.00	129.50

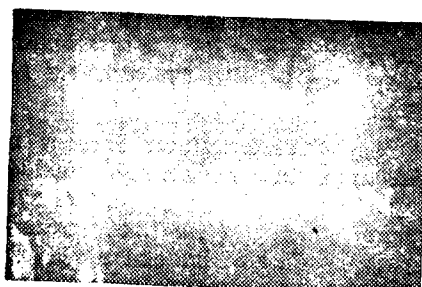
Deferred Shares

Aluminium Cor. ...	2 1/2	4.56	6.06
A-B. Cement ...	1	0.93	1.19
Asso. Mining ...	5	5.25	5.69†
Chrestian Mica ...	5	6.94	7.12†
Dalmia Cement ...	1	2.02	5.37
Humayun Proper ...	1	1.94	1.94
India Mail Cust. ...	1	3.50	3.69
James Wright ...	1	0.31	0.62
Macfarlane ...	1	0.47	0.56
Metal Corp. ...	1	1.56	3.12
Rampooria Cotton ...	1	4.60	2.25
S. Behar Sugar ...	2 1/2	0.25	0.31
Union Tobacco ...	8	2.00	2.00

GOVERNMENT OF INDIA LOANS

(Non-Terminable Loans).			
3% Govt. Paper ...	71.20	72.56	
(Terminable Loans).			
3% Loan (1986) ...	71.25	73.25	
2 1/2% Loan (1961) ...	94.50	93.31	
2 1/2% Loan (1960) ...	97.35	98.37	
2 1/2% Loan (1962) ...	94.74	93.94	
2 1/2% Loan (1976) ...	83.09	82.87	
3% Loan (1958) ...	96.66	99.50	
3% Loan (1959-61) ...	98.95	97.62	
3% Loan (1963-65) ...	93.74	94.19	
3% Loan (1964) ...	93.85	94.44	
3% Loan (1966-68) ...	91.65	92.25	
3% Loan (1970-75) ...	85.73	86.87	
3 1/2% Loan (1962) ...	97.83	98.25	
3 1/2% Loan (1961) ...	99.63	99.37	
3 1/2% Loan (1964) ...	97.75	98.25	
3 1/2% Loan (1965) ...	97.60	98.12	
3 1/2% Loan (1967) ...	97.73	98.50	
3 1/2% Loan (1967) ...	99.63	...	
3 1/2% Loan (1974) ...	98.28	98.50	
4% Loan (1960-70) ...	100.63	100.62	
4% Loan (1972) ...	100.06	...	
(Rupee Counterparts).			
4 1/2% Loan (1958-68) ...	100.56	102.62	

*Nominal. †Ex-Dividend. ‡Cum-Dividend.
§Ex-Rights.



CUSTOMS AND EXCISE REVENUE COLLECTED IN THE INDIAN UNION STATEMENT FOR THE MONTH OF SEPTEMBER 1957

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea, land and air customs revenue collected in the Indian Union during the month of September, 1957, amounted to Rs 15.95 lakhs as compared with Rs 15.17 lakhs in the corresponding month of the previous year.

The comparison in the subsequent paras should be taken to refer to that of the current figures with those of the corresponding period of the preceding year, except in the case of air customs for which the previous year's figures are not separately available.

Of the total customs revenue collections, import duties accounted for Rs 13.06 lakhs as against Rs 12.17 lakhs, export duties for Rs 2.31 lakhs as against Rs 2.60 lakhs, land customs and miscellaneous for Rs 44 lakhs as against Rs 40 lakhs, and air customs for Rs 14 lakhs.

The total gross collection of Union excise duties amounted to Rs 22.16 lakhs as compared with Rs 15.42 lakhs.

During the six months, April to September, 1957 the grand total of gross customs and Union excise revenue realised was Rs 218.44 lakhs as compared with Rs 166.47 lakhs during the corresponding period of the preceding year. Of this amount, import duties accounted for Rs 81.85 lakhs as against Rs 66.45 lakhs, export duties for Rs 10.43 lakhs as against Rs 12.11 lakhs, land customs and miscellaneous for Rs 2.12 lakhs as against Rs 1.64 lakhs, air customs for Rs 20 lakhs, and Union excise duties for Rs 123.84 lakhs as against Rs 86.27 lakhs.

INDUSTRIAL RELATIONS IN NOVEMBER 1957

Time-loss due to industrial disputes during November 1957 decreased by 242,321 man-days. The average duration of disputes current at any time during the month was 5.5 days as against 5.1 days in October.

There were 121 fresh disputes in November, bringing the total number of disputes current at any time during the month to 156 including 19 lock-outs. The corresponding figures for October were 170 fresh disputes in 219 disputes current.

One hundred and twentytwo disputes terminated during November. Of these, 86 lasted not more than 5 days each and only 5 lasted more than 30 days each.

During the month, time-loss increased in 'construction' to 14,456,

in 'services' to 11,795 and in 'miscellaneous' group to 15,801, and decreased in the remaining groups. West Bengal recorded the highest time-loss (54,305), followed by Madhya Pradesh (36,191), Bihar (33,656) and Bombay (33,603). Compared to the previous month, time-loss increased in Madhya Pradesh, Andhra and Rajasthan, and decreased in all other States.

Industrial relations, according to reports received from the States, were almost normal everywhere excepting Madhya Pradesh where there was some unrest due to closure of bidi establishments at Jabalpur and Durg.

For the manufacturing industry group, the index of industrial unrest (base 1951=100) for November was 56. The index of industrial relations (base 1939=100) for the month was 347.

CONSUMER PRICE INDEX NUMBERS FOR WORKING CLASS INCREASE AT 9 CENTRES DURING NOVEMBER 1957

The consumer price index numbers for working class (base shifted to 1949=100 except where otherwise indicated) increased at 9 centres, decreased at 5 and remained stationary at one during November 1957.

According to the Labour Bureau, Government of India, the maximum rise of 3 points was recorded by the index number for Ajmer, which stood at 102. The index numbers for Berhampur, Jabalpur and the plantation centres (base January to June 1949=100) appreciated by 2 points each to 113, 109 and 112 respectively, and for Jharia, Gauhati, Ludhiana, Kharagpur and Beawer (base August 1951 to July 1952=100) by one point each to 108, 106, 95, 111 and 94 respectively.

In this group of centres, the food group index appreciated at 8 centres, the clothing index at 4 centres and the miscellaneous group index at 4 centres.

FALL IN 5 CENTRES

The maximum fall of 4 points was recorded by the index number for Silchar, which stood at 104. The index number for Bhopal (base 1951=100) receded by 2 points to 99, and for Delhi, Dehri-on Sone and Tinsukia by one point each to 112, 108 and 120 respectively.

In this group of centres, the food group index declined at 4 centres, the fuel and lighting index at 2 centres and the miscellaneous group index at 2 centres.

The index number for Akola showed only a fractional rise and stood at 98.

The provisional index numbers for Jamshedpur, Monghyr, Cuttack, Mercara (base 1953=100) and Satna (base 1953=100) stood at 122, 107, 110, 118 and 100 respectively.

The provisional all-India index number showed only a fractional rise and stood at 113 during November.

SUGAR PRODUCTION AND STOCKS

According to the Indian Sugar Mills Association, the sugar production during the month of December,

1957, was 3,57,000 tons bringing the total production upto 31st December, 1957 to 4,93,000 lakh tons. The corresponding figures for the 1956-57 seasons were 3,36,000 and 4,52,000 tons respectively.

The off-take of sugar from factories (including despatches for exports) during the month of December, 1957, was 1,41,000 tons as against 1,66,000 tons during the corresponding period last season. This brings the total despatches from factories upto 31st December, 1957, including despatches for exports, to 2,95,000 tons as against 3,18,000 tons on the same date last season.

The total closing stock of sugar with factories on the 31st December, 1957, was 6,27,000 tons as against 6,60,000 tons on the same date last season.

EXPORT NEWS

The office of the Joint Chief Controller of Imports and Exports, Government of India, Calcutta announces:

A limited quota of Nigerseed oil cake for export to all permissible destination excluding the Portuguese Possessions in India during the period January-September 1958, will be allowed.

The shipment period of the unutilised quota of linseed oil cake released in April 1957 has been further extended up to the end of March 1958 or till the ceiling is reached, whichever is earlier.

A limited quota of rice products, viz. parched rice (murmura), ground parched rice (Sattu), parched paddy or puffed rice (kheer) and beaten rice (chura) for export from Calcutta will be allowed during the period January-September 1958 or till the ceiling is reached, whichever is earlier.

EXPORT OF CHEMICALS

The office of the Joint Chief Controller of Imports and Exports, Government of India, Calcutta, announces:

Acetone, Aluminium Oxide, Arsenic Sulphide, Calcium Carbide, Caustic Potash, Dibutyl Phthalate and Dimethyl Phthalate, Hydrogen Peroxide, Phosphorous and Sodium Hydrosulphite will continue to be licensed freely on shipping bills as hitherto, for export to all permissible destinations until further orders.

Established shippers and crushers who were given quotas during the period July-December 1957 will be granted repeat allotments for the period January-September 1958. Supplementary allotments made during July-December 1957 will not be repeated. This is in respect of the export of crushed bones and bone grist.

PAY COMMISSION: ANNEXURES TO THE QUESTIONNAIRE

The following is an extract from the main conclusions—recommendations of the 15th session of the

Indian Labour Conference held in July last year. Reference to this is made in point 14 of the Questionnaire under section "Minimum Remuneration":—

"(1) While accepting that minimum wage was 'need-based' and should ensure the minimum human needs of the industrial worker, the following norms were accepted as a guide for all wage fixing authorities including minimum wage committees, wage boards, adjudicators, etc.:

(i) In calculating the minimum wage the standard working class family should be taken to comprise three consumption units for one earner, the earning of women, children and adolescents being disregarded.

(ii) Minimum food requirements should be calculated on the basis of a net intake of calories as recommended by Dr Akroyd for an average Indian adult of moderate activity.

(iii) Clothing requirement should be estimated on the basis of a per capita consumption of 18 yds. per annum, which would give for the average worker's family of four a total of 72 yds.

(iv) In respect of housing, the rent corresponding to the minimum area provided for under Government's Industrial Housing Schemes should be taken into consideration in fixing the minimum wage.

(v) Fuel, lighting and other miscellaneous items of expenditure should constitute 20 per cent of the total minimum wage.

(2) Wherever the minimum wage below the norms recommended above, it would be incumbent on the authorities concerned to justify the circumstances which prevented them from adherence to the afore-said norms."

There are four classes of Central Government servants. In Class I Service, there are 25 scales of pay and two of the scales are also applicable to the Indian Administrative and Police Services. There are 10 scales in Class II Service while in Class III, there are 51 scales; in class IV, 10 scales.

The following are the estimated figures of employees:—

Classification	No. of employees (in lakhs)
Central Government employees	18.00
Employees of the State Governments	21.00
(a) Employees of Local Bodies (excluding school teachers)	12.00
(b) Teachers under Local Bodies	4.70
*Employees of Government aided educational institutions	4.15
Total	59.85

*Estimates are only in respect of employees drawing pay not exceeding Rs 250/- p.m.

Indian Finance

January 25, 1958

RESERVE BANK OF INDIA

ISSUE DEPARTMENT:	(In 000's of Rupees)	Week Ended
		17-1-58 10-1-58 18-1-57
LIABILITIES:		
Notes in Banking Dept.	10,76,07	10,20,79 17,65,59
Notes in Circulation...	1540,25,29	1540,72,18 1490,88,98
	1551,01,36	1550,92,97 1508,51,57
ASSETS:		
A Gold Coin & Bullion:		
(a) In India	117,76,03	117,76,03 117,76,03
(b) Outside India	...	...
Sterling Securities	245,53,81	270,25,68 442,33,16
Total of A	383,29,84	388,01,71 560,09,19
(B) Rupee Coin	130,89,24	130,80,85 123,23,19
Rupee Securities	1056,82,28	1032,10,41 825,22,19
	1551,01,36	1550,92,97 1508,54,57

BANKING DEPARTMENT:	(In 000's of Rupees)	Week Ended
		17-1-58 10-1-58 18-1-57
LIABILITIES:		
Capital Paid-up	5,00,00	5,00,00 5,00,00
Reserve Fund	80,00,00	80,00,00 5,00,00
National Agricultural Credit (Long-term Operations) Fund	20,00,00	20,00,00 15,00,00
National Agricultural Credit (Stabilisation) Fund	2,00,00	2,00,00 1,00,00
Deposits—		
(a) Central Govt.	52,11,22	49,68,83 50,70,89
(b) Other Govt.	31,35,02	16,15,78 7,03,06
(c) Banks	65,19,70	60,28,52 52,98,34
(d) Others	115,83,39	115,66,33 13,28,98
Bills Payable	36,03,92	15,21,73 13,72,70
Other Liabilities	29,43,07	26,28,01 111,66,30
	436,96,32	390,29,20 275,40,27
ASSETS:		
Notes	10,76,07	10,20,79 17,65,59
Rupee Coin	8,29	9,51 9,16
Subsidiary Coin	3,06	3,09 11,43
BILLS DISCOUNTED:		
Internal	...	...
External	...	...
Govt. Treasury Bills	4,05,53	3,73,62 90,80
Balances held abroad*	42,20,39	19,63,31 81,23,64
Loans & adv. to Govt.	35,36,65	34,61,05 8,41,70
Other Loans & Adv.	72,36,02	73,47,06 102,61,03
Investments	255,42,55	231,87,18 49,70,17
Other Assets	16,67,76	16,62,79 14,66,75
	436,96,32	390,29,20 275,40,27

(1) The item "Other Loans and Advances" includes Rs. 80,65,00,000 ad. raised to scheduled banks against finance bills under section 17 (a) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)	Week Ended
	10-1-58* 3-1-58* 11-1-57
Demand Liabilities in India	
(i) Borrowings from banks other than the State bank & a notified bank (A)...	15,83,75 15,61,05 4,62,54
(ii) Other demand liabilities	693,85,83 690,48,52 649,35,38
Time Liabilities in India	
(i) Borrowings from banks other than the State bank & a notified bank (A)...	17,95,00 17,94,00 2,07,00
(ii) Other time liabilities...	672,64,31 674,77,35 455,26,23
Borrowings in India from the State Bank and/or a notified bank	
(i) Demand Liabilities	7,94,93 7,08,31 10,56,47
(ii) Time Liabilities	70,00 65,00
Borrowings in India from the R. B. I.	
Cash in India	35,26,08 30,58,73 79,10,42
Balances with the Reserve Bank of India	38,49,64 40,31,29 35,13,22
Balances with other banks in current account in India	58,28,09 66,39,50 50,74,31
Money at call and short notice in India	11,47,51 12,15,69 10,21,77
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	45,51,01 50,39,20 6,87,64
Advances in India	434,06,25 433,48,05 362,46,72
Inland Bills Purchased and Discounted in India	728,56,62 720,08,69 636,27,52
Foreign Bills Purchased and Discounted in India	108,49,59 115,58,67 110,19,60
	44,09,61 44,95,78 52,37,64

*Figures are provisional since complete returns have not been received from...
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees)	Week Ended
	17-1-58 10-1-58 18-1-57
LIABILITIES:	
Capital Paid-up	5,62,50 5,62,50 5,62,50
Reserve Funds	6,37,50 6,37,50 6,35,00
Deposits and other Accounts	371,05,22 363,23,14 245,75,86
Borrowings from other Banks, Agents, etc.	8,15,50 7,83,50 18,75,00
Bills Payable	4,24,13 4,82,80 4,41,91
Bills for Collection as per contra	1,08,08 1,12,13 74,28
Acceptances etc. for constituents as per contra	20,30 20,43 7,89
Other Liabilities Including Inter-office Adjustments	5,01,56 4,97,88 3,61,88
Total	401,74,79 394,19,83 285,34,32
ASSETS:	
Cash in hand and with R. B. I.	20,34,63 15,18,48 13,90,13
Balances with other Banks	3,08,64 2,89,64 4,12,67
Money at call and short Notice	1,33,33 1,33,33 60,00
Government and other Trustee Securities	173,92,70 173,92,72 95,59,92
Other Authorised Investments	10,13,04 10,23,04 11,45,50
Loans Advances cash credits & Over Drafts	162,06,03 159,61,18 119,42,39
Bills Discounted and Purchased	21,90,44 21,22,01 35,35,01
Bills for collection as per contra	1,08,08 1,12,13 74,28
Constituents' Liabilities, etc. as per contra	20,30 20,43 7,89
Dead Stock	1,92,39 1,91,89 1,80,58
Other Assets	5,75,21 6,55,03 2,25,95
Total	401,74,79 394,19,83 285,34,32

CLEARING HOUSE RETURNS

Week ended 17th January 1958	No.	Amount
		Rs. nP
Clearing House		
Madras	65384	7,04,74,085 00
Delhi	38656	2,35,72,760 16
Kanpur	21316	3,78,57,925 00
Bombay	309620	74,12,70,000 00

BANK OF ENGLAND

(In million £)	Week ended
	18-12-57 11-12-57 19-12-56
Notes in Circulation	2,118.6 2,080.9 1,997.0
Notes in Banking Department	31.8 19.5 28.4
Govt. debt and securities	2,146.3 2,096.2 2,021.2
Other securities	0.7 0.8 0.8
Gold Coin and Bullion	0.4 0.4 0.4
BANKING DEPARTMENT:	
Deposits—	
Public Accounts	11.0 16.0 12.9
Treasury Special Account	200.2 199.2 200.5
Bankers	80.5 76.0 76.5
Other	291.7 291.2 289.9
SECURITIES:	
Government	223.6 242.4 254.1
Discount and Advances	29.1 21.9 6.6
Other	22.9 23.0 16.9
Total	275.6 287.3 277.6
Banking Department reserves	34.2 21.9 30.3
"Proportion" %	11.7 7.5 10.4

Government debt is £11,015,100 capital £14,553,000
Fiduciary issue reduced to £2,150 million from £2,100 million on December 18, 1957.

STATE BANK OF PAKISTAN

(In 000's of Rupees)	Week Ended
	10-1-58 3-1-58 11-1-57
LIABILITIES:	
Notes in Banking Dept.	10,75,89 8,82,23 10,24,18
Notes in circulation	341,76,80 339,81,75 330,28,60
	353,52,69 348,63,98 340,52,78
ASSETS:	
(A) Gold Coin & Bullion	11,36,60 11,36,60 11,33,41
Sterling Securities	...
Govt. of India Securities	76,55,25 71,55,25 23,63,47
India Notes receivable from Reserve Bank	43,02,30 43,02,30 43,02,28
(B) Rupee Coin	4,65,52 4,37,81 5,29,82
Govt. of Pak. Securities Held with Reserve Bank of India pending transfer of Gold coin & Bullion	212,41,96 212,41,96 168,85,46
Sterling Securities	19,02 19,02 19,02
Govt. of India Securities	4,40,63 4,40,63 4,40,63
Rupee coin	1,00,90 1,00,90 1,00,90
	29,51 29,51 29,51
Total	353,52,69 348,63,98 340,52,78

BANKING DEPARTMENT:	(In 000's of Rupees)	Week Ended
		10-1-58 3-1-58 11-1-57
LIABILITIES:		
Capital Paid-up	3,00,00	3,00,00 3,00,00
Reserve Fund	3,00,00	3,00,00 3,00,00
DEPOSITS:		
(a) Central Govt.	79,14,70	74,74,40 51,90,86
(b) Provincial Govts.	...	50,62 50,03
(c) Banks	14,59,03	14,37,95 14,47,47
(d) Others	9,60,61	9,72,16 3,18,20
Bills payable	37,24	71,66 24,25
Other Liabilities	8,64,84	8,42,05 10,37,12
	118,36,42	114,48,84 86,67,93
ASSETS:		
Notes	10,75,89	8,82,23 10,24,18
Rupee Coin	30	29 14
Subsidiary Coin	21	18 17
Bills purchased & disc'd.		
(a) Internal	...	...
(b) External	4,67	4,98 9,93
(c) Govt. Treasury Bills	3,16,00	37,00 1,74,00
Loans & Adv. to Govts.	...	...
Provincial Governments	10,59,93	8,62,67 2,09,80
Debtor Balances	18,10,75	15,25,30 21,39,48
Other Loans & Advances	65,87,04	71,93,71 40,98,04
Investments	9,81,63	9,42,48 10,13,09
Other Assets	...	...
Total	118,36,42	114,48,84 86,67,93

Ratio of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange to Banks' notes issued, 38.62 per cent.

SCHEDULED BANKS IN PAKISTAN

(In 000's of Rupees)	Week Ended
	3-1-58 27-12-57 4-1-57
DEMAND LIABILITIES:	
(a) General	155,67,88 156,20,68 141,47,64
(b) (i) Deposits from Banks	8,33,

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Indian Finance

Indian Finance

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Saturday

February 1, 1958

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Volume LXI No 5

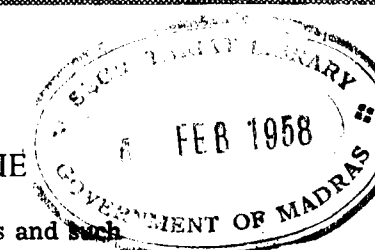
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HIGHLIGHTS OF THIS ISSUE

The time has come to think of interest rates and such.
Inflation's not the thing to worry us so much.
A slump instead it is that we must apprehend.
Or else the Plan is doomed to die an abrupt end.

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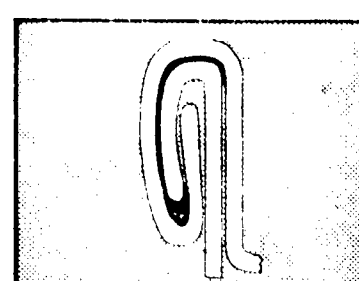


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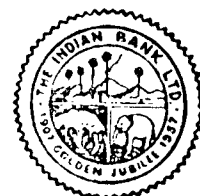
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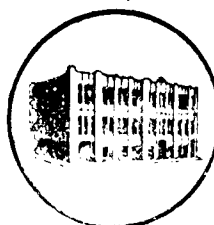
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SUBSCRIBED CAPITAL	Rs.	5,76,60,125
PAID-UP CAPITAL	Rs.	3,11,51,250
RESERVE FUND & OTHER RESERVES	Rs.	4,02,77,122
DEPOSITS AS AT 31-12-56	Rs.	1,39,01,90,571

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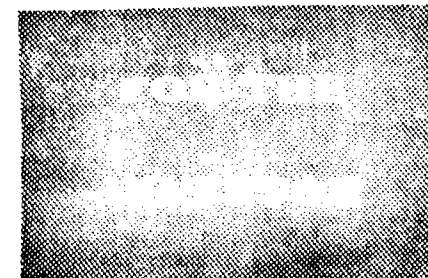
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Metamorphosis

Investment Gossip:

IT is already the end of January, but the apprehensions of what the next Budget may offer have by no means weighed down the Stock Exchanges. On the other hand, in the course of the recent past, a metamorphosis has taken place in the Stock Exchange outlook, and sizeable gains have been recorded. In the case of Tata Ordinaries, the upward pressure exerted on the market quotation was, of course, derived from the company's decision to apply to Government for permission to capitalise from the share premium account and distribute bonus shares. While such application is not tantamount to a bonus issue, the reasoning in market circles is that the company has a Government director on its board, and the fact that it now formally approaches Government can only mean that, tacitly, the Government director has, shall we say, "no objection".

Strangely, the first reaction in Calcutta was not of a similar windfall for Indian Iron shareholders. But, gradually, the feeling has seeped through that what is sauce for Tata Ordinaries can be pudding for Indian Iron. Like TISCO, IISCO also has a share premium account; so, why not a like application for a bonus issue? In talking over such prospects with a friend, I was gratified to find that his outlook has changed completely. He now states confidently that steel shares have "a wonderful future" before them. Firstly, he is sure that Government will so far unbend as not only to approve the two bonus issues, but also to permit a higher distribution in the form of dividend. Secondly, he thinks that the two private sector steel producers will always compare advantageously with the Government steel plants, and from this viewpoint, he has higher expectations of profits. Thirdly, he cannot envisage a time when there would not be a ready market—either internal or external—for steel. In short, he says, the steel shares have never had so good a future ahead of them.

Other than this expectation of good news for the steel section, there has scarcely been anything to excite the volte face of the erstwhile bears in the market. Of course, the American promise of substantial aid has meant that the tempo of economic activity will not unduly suffers as a result of any drastic pruning of the Plan; and, to that extent, it has been welcome news for the market.

I should say that the brightness that is now discernible is owing to something more fundamental—a change that has already set in in the market hawa. This is because, at long last, the market has come to realise that the private sector is certainly going to be accorded an even more fruitful role in the Second Plan. Then, again, the Congress Party's economic resolution appears studiously to have avoided any sentiment that might be construed unfavourably. As a result, there is now the confidence that, whatever may be the extent of re-phasing in the Plan, the targets for the private sector will be unaffected; if anything, they might be revised upward.

So, we come to the Budget; which is exactly four weeks away. How are we to explain the fact that we are having precious little of speculation as to the contents of the Finance Minister's briefcase, come February 28? I should think that the conspicuous absence of conjecture is indicative of the stock market's belief that, definitely, no new imports are on the cards. The exception may be a Gifts Tax; and there may be readjustments in excises. But these apart, no new taxation is likely, and instead there is the prospect of marginal relief. To what extent these concessions will be forthcoming, is anybody's guess. But, even in the contingency that there are no concessions, the market should not fall prey to a fresh bout of bear fever. For, since the May 1957 Budget, there has been so much correction of prices, that share quotations are lower than they should be. Indeed, overcorrection may be said to have taken place. Thus, so long as there are no new taxes, even the absence of concessions should not prevent a much more cheerful stock exchange atmosphere.

ER3

Indian Oxygen

Investment Special:

Indian Oxygen Limited is the new name after its conversion into a public company on the 15th January 1958 of the well-known Indian Oxygen and Acetylene Company which is carrying on business in India for the past 28 years. As its name denotes, the company is engaged in the supply of industrial and medical gases and it may be noted that it is now the main supplier of India's requirements in these gases and equipment for welding and various other processes involving the use of industrial gases.

A glance at the figures showing the total sales turnover during the last ten years will show the growing demand for the company's products. From Rs 1.33 crores in 1950, sales have gone up to Rs 4.18 crores in 1957.

The industrialisation in our country has by no means reached its optimum. On the contrary, it

will be correct to say that it has only just begun. The Second Five Year Plan with its huge schemes and emphasis on the establishment of heavy industries both in the public and private sectors will bring about a big increase in the demand for industrial gases and equipment. The expansion programme of the two steel plants in the private sector and the three steel plants in the public sector are already making a large demand on the products manufactured by Indian Oxygen. To meet the increased demand, Indian Oxygen has already embarked upon a huge expansion programme of its own costing about Rs 3.20 crores. The company has already incurred an expenditure of nearly a crore of rupees. The expansion and modernisation programme of the company is expected to be completed by 1960.

The company's previous status as a wholly owned subsidiary of the British Oxygen Company Limited has conferred on it many advantages as to technical and other know-how connected with the manufacture and distribution of industrial and medical gases and equipment. The same facilities and guidance are to be attained by Indian Oxygen Limited by means of an agreement. British Oxygen is also extending substantial financial and other help to the new company. Indian Oxygen is hopeful of securing the necessary foreign exchange for implementing its expansion and replacement programme.

The Indian Oxygen and Acetylene Co., Private Limited which is the former name of Indian Oxygen Limited has been paying consistently good dividends in the past. In the last three years it has paid a dividend of 10 per cent per annum. It is to be noted that the shares now being offered will confer the right to any dividend in respect of the company's financial year ending 30th September 1958 for which no dividend has yet been declared.

Considering the growing demand for the products of the company in our country and its financial background, there is every reason to hope that shareholders of this company will get an attractive return for their investment. The dividend history fully justifies the premium asked.

STATE BANK OF INDIA

The following is a note of the net profits of the State Bank of India for the year ended the 31st December 1957 and their distribution:—

Net profits for the year	Rs.	187,45,400
Brought forward from last year	Rs.	41,91,300
	Rs.	229,36,700

The Directors have declared a dividend of Rs. 16/-

per share, absorbing	Rs.	90,00,000
Transferred to Reserve Fund	Rs.	25,00,000
Transferred to Pension Funds	Rs.	6,37,500
Bonus to Staff	Rs.	32,00,000
Transferred to Staff Welfare Fund	Rs.	10,00,000
Transferred to Staff Co-operative Housing Fund	Rs.	10,00,000
Carried forward	Rs.	55,99,200
	Rs.	229,36,700

Bank Profits

The net profit of the State Bank of India for the year ended 31st December 1957 has amounted to Rs 187.45 lakhs against Rs 156.18 lakhs in the previous year. The dividend is maintained at Rs 16 per share. Bonus to staff absorbs Rs 8 lakhs less at Rs 32 lakhs. Transfer to Reserve Fund is sharply higher at Rs 25 lakhs against Rs 2.5 lakhs. Transfer to pension fund is at Rs 6.38 lakhs against Rs 6.14 lakhs while transfer to Staff welfare fund is unchanged at Rs 10 lakhs. A new item is the staff co-operative housing fund which is credited with Rs 10 lakhs. Carryforward is higher at Rs 55.99 lakhs against Rs 41.91 lakhs brought in.

The United Commercial Bank Limited has reported a net profit, subject to audit, of Rs 59.70 lakhs for the year ended 31st December 1957 as against Rs 56.52 lakhs in the previous year. The directors propose to recommend payment of a dividend of 7½ per cent as against 7 per cent paid last year. Transfer to the Reserve Fund is Rs 1 lakh lower at Rs 19 lakhs. Taxation Reserve is Rs 2.50 lakhs higher at Rs 18.50 lakhs. Provision for bonus to staff is Rs 50,000 higher at Rs 7 lakhs. The carry forward at Rs 49,432 is against the Rs 29,420 brought in.

The Indian Bank Limited has made a net profit, subject to audit, for the year ended 31st December 1957, of Rs 40.15 lakhs, including the amount brought forward from the previous year's account and after providing for contingencies and paying bonus to staff and meeting other Golden Jubilee expenses totalling nearly Rs 12 lakhs. The total dividend for the year is 15 per cent as against 13 per cent paid last year. The dividend for 1957 includes a Golden Jubilee dividend of 2 per cent.

ER3

Investment Briefs:

Balmer Lawrie & Company has announced an interim dividend of 5 per cent for 1957, payable on or after 28th February, 1958.

Bisra Stone Lime has maintained the dividend at Rs 1.75 per share for the year ended 31-3-1957.

In Bombay, Central India Spinning has passed over the dividend even on the Preference shares for the year ended 30-6-1957.

Indian Finance

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Investment Notes:

On the Calcutta Stock Exchange, enquiry for Coal shares has broadened considerably during the past few days. This is mainly due to good working reports from most of the collieries following the increase in raisings and despatches last year.

In the Jute section, New Central has firmed up to Rs 13.69 from Rs 12.00 on renewed buying support. The main inspiration is derived from the company's proposal to apply to the Controller of Capital issues for permission to issue bonus shares in the proportion of one share for every two shares, by capitalising Reserves.

In the Miscellaneous section, Indian Cables have strong buyers upto Rs 27.12 from Rs 26.37. The directors have proposed to make a supplementary distribution of 4 per cent on the Ordinary shares for the year ended 31st March 1956, making a total of 19 per cent for that year. There is, therefore, a possibility of making a similar distribution for the year ended 31st March, 1957 when the dividend was 15 per cent.

Martin-Burns have announced a dividend of Rs 1.50 and a Cash Bonus of .62 nP per share, making a total of Rs 2.12 for the year ended 30th September 1957, same as in the previous year. The shares are quoted around Rs 25.37.

In Bombay, Phalton Sugars, after being taken up to Rs 154.50 from Rs 148, are now quoted around Rs 152. The directors have announced a total distribution of Rs 12 (including a bonus of Rs 3) for the year ended 30-9-1957 as against Rs 9 in the previous year.

The directors of the New India Assurance Company Limited have passed a resolution to increase the authorised capital from Rs 6 crores to Rs 10.5 crores by the creation of an additional 4 lakhs shares of the face value of Rs 75 each and 10 lakhs new "A" shares of the face value of Rs 15 each. It is also proposed to issue bonus shares in the ratio of one new "A" share for every three shares held.

Lower Dividend by Madura Mills

Balance-Sheet Reviews:

IT was generally anticipated that the earnings of the spinning mills particularly, would be adversely affected on account of the slump in yarn prices in the latter half of 1957 and the heavy accumulation of stocks. The announcement of a lower dividend by the Madura Mills Company Limited, for 1957, has not, therefore, come as a surprise. The dividend is reduced to 15 from 17½ per cent paid in 1956. The dividend is payable with a transfer from Reserves to the extent of Rs 25 lakhs.

The net profit for the year, after providing for Depreciation and Taxation, amounts to only Rs 73.610 as against much as Rs 44.2 lakhs in

the previous year. A sum of Rs 42.15 lakhs (Rs 51.50 lakhs) is provided for Taxation. In the face of lower earnings, the taxation provision appears to be on the high side. It may be, that additional provision has to be made in respect of the earlier year consequent on the increase in Corporate Taxation in May last.

Changdeo Sugar

The Changdeo Sugar Mills Limited has presented encouraging working results for the year ended 30th September, 1957. The company has earned a higher gross profit of Rs 25 lakhs as against only Rs 14 lakhs in the previous year. The directors have recommended a dividend of Rs 2.25 per share on the increased capital as against Rs 5 per share in the preceding year.

In respect of allocations to Funds, the Development Rebate and Depreciation amount to Rs 8.50 lakhs against Rs 12.50 lakhs. The provision for Taxation totals Rs 10 lakhs on account of the liability on the issue of bonus shares of the value of Rs 22.50 lakhs and excess dividends distributed during the year. During the previous year, there was no liability on account of taxation.

Sugar produced amounts to 117,021 bags against 73,389 bags in the previous year. The company hopes to maintain the production at the same level during the current season 1957-58.

Tyroon Tea

Thanks to a substantial rise in profits, the Tyroon Tea Company Limited has raised the dividend from 30 per cent to 45 per cent for 1956. The net profit for the year, after Taxation and Depreciation, amounts to as much as Rs 7,22,567 as against only Rs 2,45,327 in the previous year. The directors have provided Rs 80,928 (Rs 1,11,891) for Depreciation; Rs 4,35,424 (Rs 2,96,200) for Taxation and Rs 5 lakhs (nil) for Building and Machinery Reserve.

Crop outturn is lower at 15,188 maunds against 15,693 maunds; but the average price realised is higher at Rs 2/14 5 against Rs 2/6 3 per pound. The smaller crop made was due to earlier cessation of plucking under the ITA Voluntary Restriction Scheme. The final crop of the 1957 season is expected to amount to 16,366 maunds.

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Engineering and Small Scale Industries

ANY one called upon to review the engineering industries in India can fall back on a solid measure of achievement in the last one decade and feel stimulated by the unambiguous prospects held out for the future. At the Engineering Conference at Calcutta, Mr the Engineering Union Minister of Industry, Manubhai Shah, Union Minister of Industry, could give a heartening picture of the growth of this basic sector of economy in all its major departments. The latest annual increase in the output of light electrical industries has been most satisfactory. Storage batteries show a 46 per cent increase, house service meters 43 per cent, copper wire conductors 16 per cent, winding wires 45 per cent, radio receivers 20 per cent, and electrical fans 51 per cent. In less than a decade production in this department of engineering industries rose from Rs 50 millions in value to Rs 250 millions per annum. Encouraged by this proud measure of progress and considering the growing demand in the country, the Government seem to be now thinking of raising the targets by about 50 per cent over what is envisaged in the Second Plan. There are a few big gaps between current production and targets. It is hoped that most of these will be covered before 1961.

The progress of the light mechanical industry has in respect of a few items, even surtripped the light electrical industries. The output of ball bearings in 1957 is 60 per cent over that of 1956 and of water meters 90 per cent more. Bicycle parts have recorded an increase of 50 per cent and razor blades of 37 per cent. Against Rs 20 millions worth of goods in 1948, the production in 1957 was valued at Rs 350 millions.

For heavy electrical industries the annual increase of production during 1957 has averaged 35 per cent and the total production is valued at Rs 285 millions against Rs 48 millions in 1948. Here the gap between the latest annual figure and the target set for the Plan is unduly heavy and is of the order of Rs 320 millions.

The performance of the heavy engineering industries is much more impressive. In 1957, the production touched Rs 500 millions in value against Rs 60 millions in 1948. Indigenous production of components for trucks, jeeps and cars averaged 50 per cent and in particular cases, it has gone up to 60 per cent to 65 per cent.

The two spheres in which India has to travel almost the whole distance yet are machine tools and machinery building industries. For the first, the record is not completely blank. In 1957 Rs 35 millions worth of goods were produced. In another three years the annual production is scheduled to reach at least Rs 100 millions in value. The public sector is very much in the picture and Mr Manubhai Shah hopes that production in this sector, which last year was about Rs 20 millions in value, could be raised to Rs 60 millions in value by the end of the Plan period. With the establishment of the machinery building industry, the manufacture of structural like travelling cranes, mobile cranes, under frames and heavy bridge sections will have to be taken up.

The country's need for heavy machinery and capital goods is indicated by the import figure of Rs 1,500 millions in 1957. A part of the requirements of textile, sugar, jute, cement and various other types of machinery is now being produced indigenously but being a comparatively new development, the entire value of production has not extended beyond Rs 35 millions. The heavy machinery projects sponsored by the Central Government and enlisting the collaboration of foreign finance and technical skill on a very large scale will be the foundation of the entire engineering industry for the future. It is noteworthy that Britain, Russia, Germany and Czechoslovakia are participating in this field. From the point of view of industrial production, generally, these heavy machinery plants would mark a vital turning point.

While the huge steel and machinery plants and the industries generated and fed by them impart a new tempo and tone to the development of the economy, the growth of the small scale industries will have to be regarded as of even greater significance, in view of the relatively larger employment potential they hold. In the Second Plan Rs 2,000 millions has been set apart for the development of these industries. Hitherto, mostly in a neglected state, these industries have now been provided with a general climate in which it is easy for them to pick up and thrive even in open competition with the large scale producing units.

At the Central and State levels a vast net work of new establishments has come into being, each with its own specifically allotted range of functions and responsibilities and all linked together in terms of the common purposes of solving every detailed problem of these small scale industries and rehabilitating and expanding them on a firm and secure foundation.

Mainly the concern of the State Governments, these industries are being helped by the Centre through innumerable ways. The Union Government have undertaken to provide direct financial, technical and marketing assistance through independent organisations, boards and corporations, in addition to taking a hand in the execution of schemes of development. That in this particular field, the cooperative set up is making satisfactory headway is evidenced by the fact that over the last ten years, industrial cooperatives have increased more than fivefold. It is not alone the industrial units as such which are being helped by the new organisations. The traditional artisans and individuals who came forward either as trainees or as small entrepreneurs are also offered opportunities for rehabilitation, a new start or a place in the schemes which are being projected or executed all over the country.

It needs scarcely to be emphasised that the economic aspirations of the newly awakened masses of India could be fulfilled adequately only through the development of small scale industries and by proper rehabilitation and expansion of agriculture. In the Community Development Projects and Extension Block areas, both are being striven for on a coordinated basis. Mr Manubhai Shah, in his address

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

to the Small Scale Industries Board held at Calcutta, pointed out how the stage has now been completely ready for intense efforts on the part of the State Governments.

During the last three years, the State Governments on the whole have displayed an awareness and enthusiasm. But all the impediments have not been got over. There are still procedural delays in the grant of funds; there is still fear in the minds of both the independent artisan and the small industrial owners that they are being led into uncertain channels. Above all, the problem of marketing has not yet been fully met.

At present for the engineering and the small scale industries alike, there are two main problems on hand. One is the shortage of raw materials and the other the need to develop a steady and stable foreign market. To the extent that the small scale industrial units are also being integrally associated with the bigger engineering enterprises, both these problems may be said to be mutual.

There are also two ways of looking at the problem of foreign market. From the Government's side, the emphasis lately has been toward even overlooking the pressure of domestic demand and cultivating the markets abroad. For the manufacturers, the policy might involve some amount of self-denial. As long as these industries have virtually to depend on a balanced offtake between the domestic and foreign buyers, the present requirements of foreign exchange will have to be understood as a variant of a long-term consideration as well. For engineering goods, international competition will be much severer than for almost every other item of exports from India. For small scale industries, which have special artistic or cultural appeal, there will be no such handicap.

Insufficiency of pig iron and steel, which holds up the pace of expansion in engineering output, is expected to continue at least for another year. It is generally hoped that in 1959 domestic production and imports, the latter necessarily at a declining rate, would together be sufficient to feed all the industries in full.

Eavesdropper adds:

It did one's heart good to hear Mr Manubhai Shah, Union Minister for Finance, giving, at the conference of the Engineering Industries convened early last week by the Federation of Indian Chamber of Commerce and Industries in Calcutta, an impressive list of their performance as well as their plans for further progress with the Government playing the role of a sympathetic pater familias. First of all, he referred to the need for caution in the use of steel which is in short supply and likely to remain so for some time more. The engineering industries, he said, had progressed in this country at a faster pace than any other.

As for machinery to manufacture machinery, he said that remarkable strides had been made in the local manufacture of textiles, jute, sugar and various other machinery, the value of it all being at present about Rs 350 millions. But, as against this, the 1957 imports cost in

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foreign exchange about Rs 1,500 millions. In Ranchi, he announced, the central heavy machinery building plant had been established with Russian collaboration. A foundry forge plant at the same place would be shortly established with Czech assistance. At Durgapur, a heavy mining equipment plant would be set up with Russian aid with a cost of Rs 300 millions to produce about 30,000 tons of mining equipment a year. British collabora-

ECAFE: Problems of Agricultural Development

THE economic development of the underdeveloped countries of Asia and the Far East is to all intents and purposes a question of lifting the present depressed nature of agricultural production in these countries. Development in other sectors itself is dependent on the stimulus imparted to them by the increasing quantities of food and raw materials which an expanding agricultural production makes possible. In the present day advanced countries of the West, the industrial revolution had in almost all cases been preceded and its pace had been determined by the revolutionary changes introduced in the techniques and methods of cultivation. In the countries of Asia and the Far East, the need for particular attention being given to agricultural development rests on the lopsided orientation of their economies. Apart from the preponderant role of agriculture as the major source of income and livelihood to the people of the region and the need to ensure sufficient supplies of foodgrains for the growing population, which in themselves are overriding considerations, calling for planning of agriculture, the problem of balance of payments, with which development is intimately linked in these countries, is amenable to solution only on the basis of increased agricultural production since the export trade of many of the countries is still dominated by agricultural products.

The need for keeping in view considerations of balanced growth in the various sectors of the economies of these countries is the subject of a special study in the November issue of the United Nations Economic Bulletin for Asia and the Far East. The chief elements of an expanding agriculture are increasing internal demand, an urban population, improved communications, and agricultural raw materials, all of which are linked up with the pace of development in the non-agricultural sector. Thus, considerations of balanced growth demand a proper dovetailing of the programmes for development in the agricultural and the non-agricultural—especially industrial—sectors in such a way as to promote mutual growth and subserve the overall interests of the national economies. The dangers of development which proceeds in mutual isolation are either inflation and an adverse balance of payments on the one hand or stationary and even reduced levels of income to the farmers on the other.

So, various considerations such as that of ensuring adequate supplies of food for the underfed population of the region, producing more raw materials for domestic industry, and making the maximum contribution to export earnings highlight the necessity for immediate improvements in agriculture. If these conditions are to be created, evidently agricultural development has to be pushed to that point where the peasant would be left with a surplus to be sold in the market after his own needs for food have been satisfied. This

ration, he disclosed, was being sought in erecting a heavy plate and vessels works as also German help in erecting a heavy machine tool plant. The establishment, at Bhopal, of a heavy electrical plant was already under way with the assistance of the Associated Electricals, he said. All this certainly provided a much-needed boost to our industrial morale, but the thing to keep in the forefront of our minds is the little done and the undone vast.

would considerably help swell the transactions in both the industrial and agricultural sectors and the volume of exchange between the two. The essence of economic development in these countries lies in giving stimulus to such mutual contacts between agriculture and industry.

The Bulletin has distinguished between four categories of measures in a scheme of improved production. The first one is aimed at directly increasing production and includes measures such as irrigation, land development and reclamation, use of fertilisers, and eradication or control of pests and disease. The second category of measures embracing extension, community development, basic surveys and research is intended to provide services as aids to production or to future planning. The third has to do with incentive measures such as price policies, subsidies and tax concessions while, fourthly, institutional changes such as agrarian reform, and credit and marketing facilities are also considered important.

The technical means for increasing agricultural production referred to in the Bulletin are the familiar ones of extensive and intensive cultivation. Though the limited scope for extending cultivation by means of reclamation, irrigation and drainage has been recognised, the longterm significance of such schemes has been emphasised. Intensive cultivation offers immediate possibilities for raising agricultural production per acre and also entails less of expenditure on investments and research. The Bulletin has pointed to the complicated nature of a choice between the various technical means, an optimum combination of which could only be found out on the basis of detailed studies of natural conditions and thorough research.

The Bulletin has also called for the need to adopt the cost and benefit analysis in the appraisal of various projects. The financial analysis, which has so far held the field, has been found to be inadequate for the purpose of evaluating between various projects since it gives only part of the story and has only limited scope. The cost and benefit method is held to be of great help in giving a clearer understanding of the economic implications of various alternatives.

In respect of incentives, the main recommendation is in regard to price policies with a view to guaranteeing adequate price levels, and offering special incentives to the producer to increase the output of certain products on which special emphasis is placed in the developmental plan. The case for a guaranteed price level rests on the low elasticity of demand for food products. Under such conditions of demand, even a small excess of supply of food crops over effective demand is likely to cause a disproportionate fall in prices. Such an incentive price level, if it is to have the desired effect on production, should be fixed at a level which, in the judgment of the

Indian Finance

cultivators, is sufficiently high in relation both to the prices of goods bought by them and to the prices of other agricultural products that compete with the desired product for the use of land, labour, and production requisites. At the same time, the agriculturists should also be assured of access to improved methods of cultivation such as improved seeds, fertilisers, etc, in the absence of which even an incentive price level would be unable to bring about increased production. The stagnant position of rice production in Ceylon, even in the face of an incentive level of price, is a warning against complacency in such matters.

A scheme of financial subsidy offers an alternative to a system of incentive prices for agricultural products. This has been a normal feature of agricultural planning in many of the countries of this region. Such subsidies could be given both for extending cultivation and for increasing yield per acre. In the former case, an acreage subsidy may be given in order to increase the area sown to a particular crop while, in the latter case, the subsidy may take the form of below-cost sales by Government of the ingredients of an improved system of cultivation and which substantially contribute to a rise in productivity. The main attraction of a subsidy to a government which administers it is that it obviates the increase in the price of the product, which is not the case in a scheme of guaranteed price level. But a system of subsidies is not without its crop of problems, the main objection to it being that it inevitably begets resistance on the part of the cultivators to its ultimate abolition when such a course is warranted by the increased productivity. Another important problem which presents itself in the initial stages is that of determining the most effective level of subsidy consistent with a reasonable level of costs to public exchequer. There is also the problem of maintaining a sound administrative machinery and the need to work out appropriate procedures to ensure timely and fair distribution of subsidies and for ensuring that the benefits are received by the cultivator himself and also that effective use is made of the assistance.

The institutional changes that are considered as having a bearing on increase in production have mainly to do with the question of giving protection to the tenants. Drastic land reforms are indicated by the obsolete and unjust forms of tenancy prevailing in most of these countries. Fixation of ceilings on holdings of lands by owners, sufficiently long periods of lease, rights to compensation for improvement, restriction of grounds for eviction and fixation of rents at reasonable levels are the various measures which a scheme of land reform, if it is to contribute to increased agricultural production, should include. The abolition of landlordism in China is credited with having contributed considerably to the increase in production and to the improvement in farmers' living standards. But such land reform measures enhance the responsibility of the State in the matter of capital formation, since the abolition of landlordism entails the suppression of a class with a surplus of funds which would otherwise have found an outlet in agricultural improvement.

The system of agricultural taxation in most of the countries is also in need of a thorough change on the basis of equity and yield. The present systems of taxation have impinged heavily on the meagre resources of the small cultivators while the bigger landlords have been much less severely affected. In this connection, the Bulletin has pointed out that in any system of planned development, the incentive effects of a tax should be evaluated against the increased earning power and real income which may be derived from Govern-

February 1, 1958

ment expenditure not only by way of direct grants, price supports and subsidies to agriculture but also from various essential economic and social overheads. The role of an improved system of marketing and a reorganised source of credit to agriculture in contributing to a high level of production is also prominently mentioned.

As regards allocation of resources between various projects, apart from policy considerations which broadly determine such allocations the use of technical criteria is held to add precision to calculation in respect of such allocations. A series of such criteria such as cost and benefit analysis, capital output ratio, method of resources budgeting and commodity balance, the principle of "accounting prices" are indicated. The Working Party on Eco-

nomic Development and Planning in Asia and the Far East is of the view that such tools and techniques of analysis might prove highly useful for some particular purpose and that it would, therefore, be best to combine them when applying them in practice.

The Bulletin has also pointed to the tendency for implementation of programmes to lag behind and has attributed this to the shortage of trained technical personnel. The degree of success in implementation is also dependent on the care which has gone into the timely preparation of detailed programmes and the extent to which the development activities of various departments have been coordinated. Procedural delays in the matter of granting financial approval are also a limiting factor.

The Role of Small Business in the American Economy

By ROBERT B. ANDERSON

SMALL and independently owned and managed businesses are fundamental to the American economy. Our great economic growth and our high standard of living have been based upon new production processes and improvements in efficiency, as well as on the availability of capital to provide machinery and equipment. We need to have as many centres of economic initiative as possible to give the greatest opportunity for new ideas and new techniques to be developed.

Each separate business in the country provides one more element in our system of competition. Fair competition—and the avoidance of any semblance of cartel or trust arrangements—have been important features in our economic development. We must continue to expand our competitive economic system. The ready opportunity for new businesses to be formed and to grow is a major element in a competitive system.

A soundly growing economy provides abundant opportunities not only for established firms to expand and prosper, but also for new businesses to be safely started.

In this respect, Federal Government policies that promote confidence on the part of investors, businessmen, and consumers, and that encourage the spirit of free enterprise by preserving and strengthening competition, constitute in a broad sense the most powerful aid that can be given small business.

This Administration's recognition of the importance of maintaining a healthy and progressive business population has been evidenced in many ways.

In 1953 legislation was enacted establishing the Small Business Administration, the first Government agency in our history devoted exclusively to financial assistance and many other forms of aid to small business. This agency now has about 50 regional, branch and sub offices in the continental United States, Alaska, Hawaii, and Puerto Rico.

The extent of its financial assistance to thousands of small businesses is indicated by the fact that through October 31, 1957, it has approved more than 8,000 businesses loans aggregating more than \$374,000,000.

In addition, this agency conducts technical assistance programmes covering a broad range of small business problems. It provides counseling services on financial and general management matters, on the development of new products and markets, and on Government procurement contracts.

The Small Business Administration prepares and distributes publications dealing with the management problems of small firms. It issues other publications dealing with Government purchases and specifications. It consults and cooperates with other Government departments and agencies to make sure that small business receives a fair proportion of Government purchases and contracts for supplies and services.

These activities in the field of technical assistance are probably of at least as much value to small business as the loans granted.

In addition to the Small Business Administration, various services of the Department of Commerce, the Atomic Energy Commission, the Department of Labour, and the Government Services Administration (a purchasing agency) actively assist small business. Special small business programmes have been set up in these agencies and also in the Department of Defence, the International Cooperation Administration, the Federal Trade Commission, and the Anti-trust Division of the Department of Justice.

To maintain a continuing study of small business problems, to develop new programmes

and to coordinate the activities of departments and agencies in this field, the President on May 31, 1956, appointed a special Cabinet Committee on Small Business.

This Committee after careful study made a report to the President listing fourteen recommendations.

Some of these recommendations have already been carried out, specifically:

(1) A thorough review of Government procurement policies and practices for the primary purpose of assisting small business, resulting in a comprehensive recommendation for amendments to the procurement laws which is expected to be followed by a legislative proposal in the near future.

(2) The issuance of a Government-wide regulation prescribing policies and procedures with respect to advance or progress payments to small suppliers.

(3) A Conference on Technical and Distribution Research for the benefit of small business which was held in Washington in September, 1957.

(4) A study by the Bureau of the Budget for the purpose of simplifying the reports and statistics required of small business.

Legislative proposals with respect to other recommendations are now before the Congress.

In considering the question of adequate financing for small business, I am impressed with the fact that there appears to be a number of channels through which credit is now available.

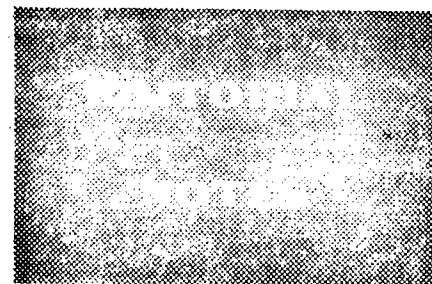
These include the private banking system, insurance companies, factors and other finance companies, suppliers, state and local development credit corporations, and other government agencies. In addition, the Federal Reserve Banks have authority to make loans. Finally, the Small Business Administration exists for the purpose of providing financial assistance which is not otherwise available on reasonable terms.

The Federal Reserve Board is undertaking a study of the whole problem of financing small business for the purpose of determining where the gaps are, if any, and how those gaps can best be filled. The study they are undertaking will be extremely thorough and will develop not only the facts as to the actual use of credit facilities but also the attitudes and experience of both lending institutions and small business recipients of or candidates for financial assistance.

Pests, rat and other

RATS are a universal pest. If Aesop cuts them out of his fables—which we suppose is the fact—there is no reason to conclude that they were not there in ancient Greece. One tends to think rather that the old fabulist was so pestered by them that he decided in a mood of vengeance to maintain a one-man conspiracy of silence over them. But his Indian counterpart, Vishnusarma, author of the East's greatest bestiary, the Hitopadesha, seems to have held very different views, for, he gives us many rats. One group, as many will recall, wreaks such havoc on a hermitage that its owner is compelled to employ a cat to get rid of the trouble-makers. Poor thing! It makes such quick short work of them that the hermit, no longer in need of its services, sacks it—an example of the ingratitude of employers. Elsewhere—and this shows how generous the Indian was by comparison with the Greek—Vishnusarma gives us an honest rat which repays a good turn by nipping the cords of a net in which a lion, an erstwhile benefactor, finds itself enmeshed. Since those days, the doings of rats have been depicted in many places, including the Pied Piper of Hamelin and the Walt Disney cartoon strips, and almost

invariably in an unfavourable light. Quite naturally, they are such a nuisance. Not too long ago, there was a newspaper report that they had raided a government excise godown and consumed two hundred bottles of country liquor: but, on the consequences, it did not proceed to say anything, leaving us to guess what awful things they must have done, thus primed, to the poor cats in the neighbourhood. And at this moment these tiny rodents are causing a crisis for the Calcutta Corporation which, we are told, cannot find enough rat-catchers, ostensibly because the rate offered by it comes short of the "cost of production". If they go unmolested, then, one fears, with the mosquitoes multiplying thick and fast and the flies vying with them while the small-pox and the cholera are on the way, Calcutta will be able to make a bold bid for the title of the world's least habitable city. Nobody can pretend, especially after the recent mayoral admission as to the prevalence of corruption in the Corporation, that it has much reputation to lose. But it seems that this venerable body will have to work harder at doing less, before what little remains of it becomes nought.



Holidays and Productivity

One of the incidental conclusions which the U.N. Sub-Commission Report on the protection of minorities has arrived at is that too many religious holidays have affected efficiency and productivity in India and Egypt. Dr A. Krishnaswami, M.P. who submitted the Report in his capacity as Rapporteur to the Sub-Commission feels obliged to make another observation, that because a State did not give religious holidays or cut down a few, it could not be considered discriminative, thereby indicating the nature of the compulsions behind such holidays.

The conclusion on productivity is, apparently, not the result of any detailed study of that particular problem as such, but more or less a general inference drawn from the fact that there are too many holidays in some countries compared to many others. In India, it is, of course, true that there is scope for curtailment on the worker's holidays, if public sentiment can be made reconciled to it.

The direct linking of the number of holidays and productivity, however, bears the risk of overlooking several other factors, such as comparative hours of work, differences in climate, the extent of mechanization as an aid to human labour and the enforced leisure which the worker has to undergo in many

occupations, particularly in agriculture. The factory worker in India has a longer working day than his counterpart in most Western countries and yet per capita productivity is often not even half of what obtains in those countries.

The occurrence of holidays is no answer for this phenomenon. In the United States and in many countries in Europe, Saturday is a holiday for most industries. In India, Saturday is a full working day for factories and thus has less number of total holidays. The impact of holidays on productivity and efficiency will therefore, have to be regarded as somewhat obscure. At any rate, there does not appear to be any clear pointer to the conclusion presented in the U. N. Sub-Commission Report.

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Holidays or Hollow Days

India and Egypt have much that is common. Both have ancient civilisations, a strong Prohibitionist slant, a shared faith in Panch Sheel and, it now appears, too many religious holidays. This last every employer in India has felt to be a positive hindrance to efficiency and production. Dr Arcot Krishnaswami of India recently submitted a report to the UN Sub-Commission on the protection of minorities and prevention of discrimination, and in the course of the discussion that followed Mr Mohammed Awad of Egypt, Chairman of the Sub-Commission pointed out that too many religious holidays are a common bane of Egypt as well as India. Indeed, it is scarcely possible to look at our calendar without being shudderingly aware of the tyranny of the "red figures", and this must be Egypt's experience, too. Religion, when it was at full tide, was a strong productive force. The Egypt of the pyramids, Renaissance Europe and the India of the Ajanta caves produced miracles not only in architecture and painting, but in every sphere of art and thought and religion was then a strong spiritual yeast. But in its present-day decline it has become a sterilizing factor and a disincentive to work much as we may regret this. Just think of the large number of man-days lost to our mills, factories, offices, law courts and educational institutions through holidays and what it means in terms of loss in national product. In India the situation is complicated by the existence of a large number of religions, each of which has its own quota of holidays. With the result that quite unnecessary overheads are incurred on work on such days, courses remain incomplete in schools and colleges and unwieldy arrears accumulate in courts. The worst of it is perhaps the encouragement of a habit of indolence in a country not remarkable for its industriousness, and too many holidays are in any case inconsistent with planning for progress.

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Science of Weather

With the development of air travel all over the world, the importance of meteorology as an aid to human

welfare has gone up. That the traditional uses of the science are still intact, particularly in countries where agriculture continues to be largely dependent on the weather. It is also conducive to restoration of man's faith in nature to be told by authoritative experts that the energy needed to create a small quake is equivalent to thousands of atomic explosions.

At the same time, it is somewhat disturbing to hear from Dr W. Bleeker, the President of the Commission for Synoptic Meteorology saying that for correct forecasts, the knowledge of the science must be combined with instinct. Possibly, the function of instinct will become less and less conspicuous in future. The instruments for conveying weather news have become more numerous and more efficient in recent years. It is now easy to reach these news even to the remotest villages through the radio, with the help of which the pilot and the farmer alike are able to anticipate changes in the weather and take whatever precautions possible.

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Aid Developments

Last week's discussion in New Delhi between Finance Minister Mr T. T. Krishnamachari and Mr J. Burke Knapp, Vice President of the World Bank raised hopes of a further loan to India from that body. The immediate subject of discussion between the two was a loan of about Rs 50 crores for major port development works and power and other projects against the background of the country's general economic situation. Up to July last year the Bank had advanced to India loans totalling about Rs 160 crores for the benefit of various power projects and the railways. Mr Burke Knapp also met the Union Ministers for Commerce and Industry and Irrigation and Power. Mr S. K. Patil, Minister for Irrigation and Power, is reported to have stressed the need, in his discussion, for a further loan of Rs 15 crores towards the development of the Damodar Valley activities and the Koyna Project in Bombay. Mr Burke Knapp is accompanied on his present tour by Mr J. R. Goodman of the Bank's Operation Department for South and West Asia.

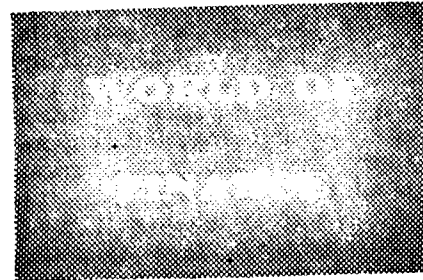
The Government of India are reported to have approved last week a comprehensive Rs 51 crore programme for the manufacture of drugs, chemicals and pharmaceuticals subject to the availability of foreign collaboration and deferred payment terms. In this programme U. K. assistance is conspicuous by its absence, while Soviet and West German aid figures prominently with US aid trailing as a not inconsiderable third factor. It includes the establishment of an anti-biotics plant and a synthetic drugs plant with Soviet collaboration and a plant for the manufacture of intermediaries of drugs, dyes and plastics with West German. US aid is expected to contribute towards a substantial extension of the Pimpri penicillin factory so as to enable it to produce streptomycin and some other anti-biotics. The Soviet-assisted plants constitute the back-

bone of the programme, and it is expected that the Union Government will shortly make a formal request to the Soviet Government—the preliminary informal discussions have already been completed for the necessary financial assistance amounting to Rs 12 crores. The West German assistance in the intermediaries plant will be of the order of Rs 5 crores and that of the American firm of Pfizers and Mercks, of Rs 2 crores. All these plants will be in the public sector and go into production in the current plan period, though they will assume full capacity in the first year of the Third Plan. In full production they will ensure an annual saving of nearly Rs 35 crores in foreign exchange.

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Crying Wolf at the UN

Mr Aglia Shahi, Pakistan's Acting Permanent Representative to the United Nations, drew the attention of the Security Council Members through his letter addressed to Mr Gunnar Jarring, the President, to the fact that Mr Arthur Lal's latest communication in connection with the construction of Mangla Dam is a repetition of his earlier letter. He further pointed out that, India has not only occupied Kashmir illegally but fortified the area by constructing the Banihal Pass tunnel on the pretext of exporting fruits, etc. He added that the tunnel was constructed so that India could move in its tanks and troops at any time it liked. Mr Shahi alleges also that some six prominent members of the "Azad Kashmir" are in favour of constructing the dam and condemn India as trying to starve the Pakistanis through the "water cut". He then said that a few of those who decried the project were doing so for personal differences with the President of "Azad Kashmir".



Contra-Seasonal Trends

THE returns of the Reserve Bank for January 24 again disclose a decline in Active Note circulation. Occurring as this does in the midst of what should be busy season in full stride, the question must arise as to whether, following upon the re-establishment of a slack season during 1957, there now takes place an abatement or mitigation of busy season rigours as we have experienced them in recent years. That the trends are abnormal is a circumstance which has given rise to conjecture in certain quarters as to whether the national economy is in itself in the midst of, perhaps, sweeping readjustment. In muted whispers, there is talk of the prospect and possibility of recession. Mounting stocks with various industries and the overtaking of supply by demand in other fields where, until lately, shortages had persisted are taken to be ominous straws in the wind.

This feeling of uncertainty has been aggravated by the appearance of soft spots in the American economy and the decline in the interest rates that have taken place in America and West Germany. It is argued that, against the background of recessionary pressures in the countries of the industrialised West, it will prove a more difficult task for the Indian authorities to prevent a downward turn in economic activity. While such a down trend in economic activity will accord with the pruning of the Plan as already been decided upon, we have nevertheless to face up to the paradoxical possibility of recession in the midst of planned development.

It is time that we began to pay serious thought to an analysis of the reasons underlying the fact of a much lower volume of expansion in bank credit as compared to last year. This, of course, is tied in with changes in the other economic indicators. It is the trends that are important and not the specific figures and, therefore, a broad assessment of the position will suffice, obviating the necessity for any detailed analysis of these figures at this stage. That broad analysis will show that Active Note circulation has not risen as sharply as last year, that Scheduled Bank credit has not expanded as substantially, that Bank Deposits are almost static, that borrowings from the Reserve Bank are much lower and that Cash Balances continue to be fairly substantial. These are all, especially as compared to last year, contra-seasonal.

It is all the more difficult to understand why Active Note circulation is not rising as sharply, if regard is had for the fact that, in recent weeks, the pace of import surplus has slackened; for, this means that an import surplus does not now exert, as it did last year, a contractionist pressure upon Active Note circulation. If, therefore, without the benefit of such extraneous contractionist influence, the level of Active Notes has tended to be relatively stable, it could only be because the demand generated in the internal economy has been much less severe and onerous. Again, if this last hypothesis is correct, apparently the only conclusion to be drawn is that there is a slower tempo in economic activity.

However, it would not do to rush headlong to such a conclusion. For, besides the pruning of the Plan, which might account for some element of down swing in the economy, there have obtained during the current busy season two specific factors which are likely to have contributed to a reduction in the demand for funds. Firstly, the drastic import restrictions that have been effective for more than a year began to make their impress felt on the balance of payments only as from, say, October 1957. But, as far as their impact upon trade accommodation is concerned, it is fair to state that a diminution in the stocks of imported goods and, therefore, a reduction in the cost of financing trade began to be evidenced from, say, May 1957. The Reserve Bank breakdown of figures relating to advances to trade, commerce and industry is not at the moment available. It is possible that, when these figures are ready, they will show some element of decrease in the advances to trade and commerce, and by implication we are to understand this as relating to the diminished stocks of imported goods requiring bank accommodation. Secondly, it is generally known in banking circles that the financing of crops has this year got off to a somewhat late start. It is too early to say whether this presages another year of crop failures. Here, again, evidence as to whether crop financing has thus far tended to be on a smaller scale should become available only after some time. Moreover, with the continuance of restrictions on advances against foodgrains, it may be that the demand for funds upon the organised monetary sector has tended to be artificially reduced. Be that as it may, it can be assumed with some confidence that these two factors together would have accounted for some lessening in the demand for funds, which is evidenced in the figures relating to the Advances of Scheduled Banks.

So, judging solely from the point of view of Bank Advances, it would be hasty to imagine that the failure of bank credit to rise proportionately to last year's expansion is a harbinger or index of business retrogression.

However, when we come to the matter of Active Note circulation, and of accretions to Scheduled Bank Deposits, such an argument is not tenable. The fact is, a mitigation of the import surplus notwithstanding, Bank Deposits have proved to be static, whereas they rose considerably last year, and Active Note circulation has been merely creeping up, as against a sharp up trend last year. As far as Bank Deposits are concerned, one possible explanation is that, following the spectacular increase that was registered during 1957, there is now a lull in the accretion of new Deposits. But then, the pace of Government spending has not slowed down. So, the only possible explanation is that the extra purchasing power generated by such Government disbursements is not being dissipated in the purchase of consumer goods. That is to say, in the hands of the non-banking classes, the additional purchasing power, instead of being expended on consumer goods, is being partly diverted to savings. This explanation would also satisfy the present phenomenon of a static condition in the demand for or sale of some consumer goods. Whether it is cotton textiles or sugar, the fact that stocks have been mounting can be interpreted as displaying a disinclination on the part of the non-banking classes to fritter away their newly earned purchasing power on consumer goods. Secondly, in the matter of Active Note circulation, the slower pace of Government disbursements combined with a probable generation of savings in the non-banking classes might possibly account for reducing the rate at which Active Note circulation has expanded during the current busy season.

We have been at some pains to show that the money market indicators lend themselves to a suggestion of a down trend in the economy. But we have also taken the precaution of stating some of the reasons which, while not recessionary, might have caused such changes in the money market figures. What we have now to see is whether, in a developing economy, the danger of recession really exists. That threat is not quite consistent with a state of affairs in which enormous Government disbursements are adding to basic purchasing power. On the other hand, in an era of planning such as we in India are living, as we have pointed out on earlier occasions, inflation is not the only threat—there is also the recurrent likelihood of production in some fields, and for temporary periods, overtaking demand. We are of the view that we are fast approaching that stage, when the supply of quite a number of commodities is in sight of exceeding indigenous demand. Besides the two commodities that we have mentioned in the course of this article, it may at this stage draw the attention of readers to the fact that Government consider the position in cement to be so comfortable now as to remove the system of licens-

ing for many categories of construction. It is not improbable that, in the future, we shall have a similar temporary excess production in such commodities as paper and steel—yes, even steel. In the not so long run, demand for such commodities temporarily in excess supply is bound to pick up. But it is for the monetary authorities of this country to take the appropriate steps to ensure that the temporary surpluses in availability are not permitted to sow the seeds of recession. To put it briefly, the problem before the Indian monetary authorities will be to differentiate and distinguish between temporary overproduction and recession; and they will also have to arrange for helping industry over the interim period during which there might be overproduction. This, of course, must be done by liberalising advances to the industries concerned.

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Sharp Rise in State.

Bank's Deposits

THE returns of the Reserve Bank for the week ended January 24 disclose a decline of Rs 6.62 crores to Rs 1533.63 crores in Active Note circulation. Rupee Coin also returned from circulation for Rs 0.66 crores. In the result, the Reserve Bank's cash in the till has improved by Rs 7.28 crores to Rs 18.04 crores.

There is no evidence of deficit financing, but the Central Government's balances have been marked up by Rs 10.32 crores to Rs 62.43 crores. This is presumably to some extent linked with the sharp decline in Bills Payable, which are lower by Rs 15.71 crores at Rs 20.33 crores. It may be recalled that, in the last week, a rise has occurred under Bills Payable, necessitating deficit financing by Central Government. So, it is possible that certain transactions have taken place during the week to restore Bills Payable to their erstwhile figure by the payment to the Central Government of some amount. On the other hand, State Governments are more unfavourably placed vis-a-vis their balances with the Reserve Bank to the extent of Rs 8.50 crores, of which

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A. C. BHAT
General Manager.

Rs 7.50 crores is accounted for by a decline in Deposits of State Governments and Rs 1 crore by increase in their indebtedness.

The Scheduled Banks have appreciably improved their position vis-a-vis the Reserve Bank. Their Reserve Balances have been marked up by Rs 8.64 crores at Rs 73.84 crores; but this is in large part due to the State Bank, whose cash on hand and with the Reserve Bank rose in the relevant week by Rs 7 crores. Similarly, the Other Loans and Advances of the Reserve Bank have declined sharply by Rs 10.72 crores to Rs 61.64 crores. Of this, nearly Rs 7 crores is attributable to the State Bank. Lastly in this context, the Reserve Bank's advances against usance bills stand reduced by Rs 9.28 crores at Rs 21.37 crores.

Investments are more or less unchanged at Rs 255.07 crores. Depletion in Foreign Balances has worked out to Rs 2.31 crores during the week, with Balances Held

Abroad now placed at Rs 39.89 crores.

The return of the State Bank for January 24 incorporates the transfer to Reserves from the profits for 1957. This and other adjustments relating to profits of the last year have reduced Other Liabilities from Rs 5.02 crores to Rs 0.98 crores. For the second successive week, the State Bank has had a steep increase in Deposits, the latest rise being one of Rs 20.53 crores to Rs 391.58 crores. These accruals have enabled a reduction in borrowings from Rs 8.15 crores to Rs 1.35 crores. In spite of such reduction in indebtedness, Cash Balances have improved by nearly Rs 7 crores to Rs 31.62 crores. Investments are largely unchanged. Advances show a rise of Rs 3.20 crores to Rs 187.16 crores.

According to the return of Scheduled Banks for January 17, Deposits have risen by Rs 12.72 crores to Rs 1403.01 crores. This, of course, was largely due to the State Bank, which in the relevant week had shown a rise in Deposits of nearly Rs 8 crores. But the total of Advances has risen by Rs 9 crores to Rs 890.17 crores. A little over Rs 3 crores of this is traceable to the State Bank. While borrowings from the State Bank have been marked up slightly, indebtedness to the Reserve Bank is lower by Rs 1.84 crores at Rs 33.42 crores. Cash Balances are practically unchanged at Rs 153.92 crores.

Disinflationary Policy Reaffirmed

By Paul Einzig

THERE is a distinct revival of strength in sterling and in the gilt-edged market. It is largely attributable to the simultaneous termination of political uncertainties arising from the Bank Rate Leak allegations and from the resignation of Mr Thorneycroft. The former cause for uneasiness came to an end on January 21st with the publication of the Tribunal's Report which emphatically stated that there was no improper disclosure of confidential information and rejected all allegations to the contrary directed against Members of the Government and bankers. Even though the Opposition has every intention of misinterpreting the Report and the evidence in a way as to provide material for an attack against bankers and speculators, there is nothing in the findings which would weaken the Government's position in the country. Hence the relief that found expression in the firmer tone of sterling and of Government securities.

What is much more important is that the danger of a split in the Conservative Party resulting from Mr Thorneycroft's resignation, is now definitely past. It is true, Mr Thorneycroft and the two junior Treasury Ministers who resigned with him feel very bitter and criti-

cal towards the Cabinet for its failure to back up their economy drive. They have a very considerable following both in Parliament and in the country. But Mr Thorneycroft's resignation speech on January 23 made it absolutely clear that he intends to remain a wholehearted supporter of the Government. Indeed, largely as a result of his speech the Motion of Confidence was passed by an unusually large majority.

Mr Thorneycroft and those who share his views will of course criticise the new Chancellor of the Exchequer if he does not display sufficient zeal in keeping down expenditure. Judging by the statesmanlike tone of Mr Thorneycroft's resignation speech it is safe to take it for granted, however, that there can be no question of any "revolt" similar to the one staged by seven Conservative Members of Parliament who had expressed their disapproval of the withdrawal from Suez by resigning from the Conservative Party and by occasionally abstaining from supporting the Government with their votes. No matter how critical Mr Thorneycroft and his supporters will be of the inadequacy of the economic drive, they are certain to give the Government their full support on every occasion when such support is essential. This means that even if the Government should lose a few by-elections it would retain a safe and dependable majority.

The attitude of Mr Thorneycroft and his supporters in voting for a Government whose financial policy they consider inadequate is perfectly reasonable and understandable. For in his speech during the debate on January 23 the Leader of the Opposition Mr Gaitskell made it quite clear that on assuming power a Labour Government would embark on a policy of economic expansion regardless of costs. Such a policy superimposed as it would be on the existing inflationary background, would greatly accelerate the pace of inflation. This means that even though Mr Macmillan's Government does not go as far towards Budgetary economy as Mr Thorneycroft would like them to go, the alternative resulting from a defeat of the present Government, would be the complete abandonment of any effort to resist inflation.

The declared policy of the Socialists to disguise growing inflation behind a screen of physical controls. Both Mr Gaitskell and the prospective Chancellor of the Exchequer in the next Labour Government Mr Harold Wilson, reaffirmed their intention to do away with the credit squeeze and replace it by import restrictions to prevent domestic inflation from affecting the balance of payments. They refuse to see that such a policy is bound to prove to be futile under the Labour Government from 1945 to 1951.

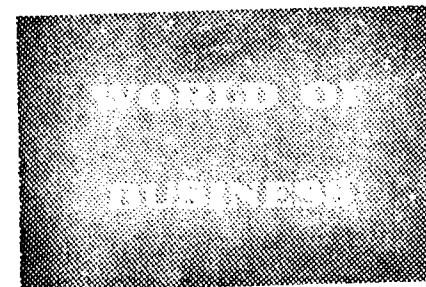
Inflation would be inevitably detrimental to exports not only because prices of many goods would cease to be competitive abroad but also because inflated domestic demand would divert goods from export to the domestic markets. This

means that in spite of import controls the balance of payments would be gravely affected, especially as this is a limit beyond which the import of food and raw materials could not be curtailed. Before very long too much money would be chasing too few goods and in order to ensure a fair allocation of the inadequate supplies domestic controls over raw material allocation and rationing of food stuffs would have to be re-introduced.

If the policy of disinflation pursued by the Government is open to criticism, it is on the ground that it does not go far enough. It has actually produced some impression on wage claims which are no longer pressed with the same vigour as before. There has been no supreme test case so far as the trade unions do not appear to be keen on bringing matters to a head. They show an unusual degree of willingness to submit their claims to arbitration or conciliation. Provided that the new Chancellor of the Exchequer Mr Amory, succeeds in convincing them that he would be no less tough than his predecessor had been there is some hope that excessive demand would not be pressed unduly.

On that ground alone there is now justification for some degree of guarded optimism. An additional ground is the growing evidence of a return to cheap money in other countries. During the past week there were bank rate reductions in the United States, Germany and Holland. A contrast between the inflationary policies indicated by these changes and the continued disinflationary policy in Britain justifies some optimism regarding the prospects of sterling. Needless to say depression in the commodity producing countries of the Sterling Area, combined with business recession in the United States, is liable to affect unfavourably the Sterling Area gold and dollar reserve. Provided, however, that domestic inflation is handled effectively Britain has no cause to be unduly pessimistic about the outlook.

Unfortunately temptation to take the line of least resistance remains as strong as ever. Addressing the shareholders of Lloyds Bank Sir Oliver Franks put forward the proposal of a large international loan for the purpose of reinforcing the gold reserve. Such a solution would mean the end of the disinflationary efforts. Whereas it is not for the fear that the sterling crisis would return next Autumn the Government would have relaxed its disinflationary drive as soon as sterling rose above parity and as soon as the outflow of gold became reversed. Such disinflationary efforts as it would maintain would encounter increased resistance by those who being incapable of seeing beyond their nose would prefer to enjoy the fruits of the false security conveyed by the appearance of thousands of millions of borrowed dollars. Given also the insatiable appetite for dollars of the Sterling Area countries it would not take long before the easily acquired dollars would become easily depleted. —(Copyright).



Inland Water Transport in Bihar

The interim report of the Bihar Inland Water Transport Services Inquiry Committee, known as the Mitra Committee, has just been published—rather, belatedly, since the Ganges Service of the Joint Steamer Companies has already closed down at the beginning of this month and there are now no steamers plying in Bihar. The Committee state that they are convinced that genuine hardship will be experienced by skeletal form. They point out that the only railway bridge across the Ganga in Bihar is still under construction at Mokameh Ghat and will not be ready until the end of 1959, though there are railway ferries at Patna and certain points further down the river. In the absence of steamers movement from one bank to the other above Patna is entirely dependent on country boats, which are not very safe, particularly in the monsoon.

The Committee recommend a traffic survey and in the meantime that the Ganga-Brahmaputra Water Transport Board should endeavour to maintain the steamer services, including the triangular service between Calcutta, Bihar and Assam, through a private agency with assistance if necessary, that suitable craft should be obtained from the Joint Steamer Companies, selected with the help of experts, and that the Companies' floating workshop at Patna should be handed over to the Government.

Inland water transport, in North East India has been reviewed a number of times in recent years. There was the Otto Popper mission under ECAFE in 1950, and a further international survey in 1951. More recently the Ganga-Brahmaputra Water Transport Board was established with the object of developing and co-ordinating transport on these two rivers. Various plans have been mooted for improving wharfage facilities, widening channels, river control and deepening of waterways to make the Ganga navigable, as it used to be, up to Benares and even beyond. Then there is the plan to make the Bhagirathi permanently navigable, instead of for 5 or 6 weeks only at the height of the monsoon, and thus provide a direct route from Bengal to Bihar and avoid the complications of border control, customs, passports, etc. on the West Bengal-East Pakistan border. And as recently as December the Union Minister for Transport and Communications announced a new advisory body to co-ordinate road and inland water transport in the Transport Development Council.

With all this expert investigation, the problems of river transport in Bihar and possible solutions should by now be fully known, and it seems rather strange that the Inquiry Committee should at this late stage be recommending a traffic survey. It has been known for a long time that the services of the Joint Steamer Companies in Bihar were uneconomic, and talk of closure has been raised at various times for the last six or seven years. The Companies point out that there is no regular traffic for their services in Bihar and that between Bihar and Calcutta the traffic was almost entirely one-way, there being little to offer on the upward journey. The regular traffic with Assam and East Bengal at no time had its counterpart in Bihar, where the people were served by railways on both sides of the river and were not in such need of river transport as the less accessible districts of Assam and East Bengal. The Biharis maintain that, had the Steamer Companies offered a more frequent and regular service, better use would have been made of it and it could have been made a paying proposition. There was, however, no chance of testing this argument, for in recent years the Steamer Companies have never had enough vessels to increase their service. The steamers plying in Bihar were mostly old vessels, but the Companies lacked the finance to purchase new vessels and Government, it seems, have not been willing to assist with a loan. Modern vessels run on diesel oil are much more economical than the old steam vessels, the efficiency of which decreased as their upkeep becomes more expensive. Whatever the possibilities for development of river traffic in Bihar, it is clear that without new vessels the problem of river services cannot be tackled properly.

The Inquiry Committee recommend obtaining suitable craft from the Steamer Companies and operating them through a private agency under the Ganga-Brahmaputra Water Transport Board. The Union Minister for Transport and Communications said in December that he had every hope that some enterprising industrialist would come forward and take up the operation, but so far no one sufficiently enterprising has been found. Probably a small entrepreneur with less overheads than the Joint Steamer Companies could run such a service, even with the old vessels, but how much longer will they last and how are they to be replaced? It could only be a stopgap arrangement unless new vessels are built or purchased. There is no reason why suitable vessels should not be built in Indian shipyards, if only the finance is forthcoming.

The other serious problem raised by the withdrawal of the Joint Steamer Companies from Bihar is that of river conservancy. The Companies, with only a small subsidy from the Bihar Government, have for years undertaken all the river conservancy work in Bihar. A river such as the Ganga requires constant control of

channels, surveys, pilotage and maintenance of lights. The Steamer Companies employed quite an army of bandallers who year by year trained the channels, and lightmen who tended the lights, in addition to expert river surveyors and pilotage staff. This organisation is also dispersed with the closure of the Ganges Service, and unless the Government steps in to maintain river conservancy—which no small entrepreneur could afford to do—the river will quickly get out of control, and instead of plans for making it navigable in its higher reaches, we shall be faced with the prospect of it becoming unnavigable even in the stretches operated hitherto, so that it will be only fit for country craft and dangerous even for them.

Tobacco Production and Trade

Though a newcomer to our country, tobacco has found the soil and climate in fairly extensive areas quite congenial to its growth. As an important source of revenue, it has also qualified for special attention by Government. The Indian Central Tobacco Committee has been established with a view to make available to tobacco growers in the country the benefit of research and generally to help them tackle problems connected with the raising of the crop. Quite recently, a tobacco export promotion council has been set up to take care of the needs of the commodity in the export field.

Some idea of the importance of tobacco to the national economy can be had from the fact that in 1955-56, the excise revenue from tobacco has been to the tune of Rs 35.64 crores out of a net Union excise revenue of Rs 144.75 crores. In the same period, it has earned foreign exchange to the value of Rs 13.83 crores through exports.

Production of tobacco has considerably increased in the past year. Whereas in 1955-56 area and production were 921,000 acres and 580 million lbs, in 1956-57 they have both increased to 1,022,000 acres and 685 million lbs respectively. Out of the total production, Virginia tobacco, the variety that is in demand in overseas markets, accounted for 132 million lbs against 128 million lbs in the previous year. Virginia tobacco is grown in Andhra Pradesh. About 30 million lbs of Virginia tobacco are consumed internally leaving about 100 million lbs for export. During 1956-57 about 99.27 million lbs of this variety were exported, showing an increase of 6.92 million lbs over the exports of 1955-56.

Virginia tobacco from India is imported by a number of countries. The most important markets during last year were the UK, China, Hong Kong, Japan, Indonesia, Aden and Dependencies, Belgium, Egypt and Ceylon. UK is by far the largest single importer with its offtake aggregating 33.52 million lbs as against 29.57 million lbs in the previous year. China has also taken a larger

quantity as its share increased from 21.3 million lbs to 28 million lbs. Aden and dependencies have imported 6.5 million lbs against 5.9 million lbs. There has been a marked fall in the offtake by Indonesia which has taken only 4.5 million lbs against 11 million lbs. It is pointed out that this sharp decline has been due to Indonesia entering into a long-term agreement with the US for the purchase of American Virginia tobacco.

Speaking at the recent annual meeting of the Indian Central Tobacco Committee, Mr B. N. Uppal, pointed out that though the position as regards production and exports had been satisfactory in the past year, there was need for utmost vigilance. For, Indian tobacco was encountering very keen competition in the international markets both from America and Rhodesia. A disappointing feature of the current year's export trade is that there has been no demand from China so far. This is, however, offset to some extent by the fact that USSR has entered into an agreement with the State Trading Corporation for the purchase of sizable quantities of Indian tobacco.

Drugs Industry

Amidst the preoccupations of the Second Plan, the Government of India have been trying to look much further ahead, and make preparations for the succeeding Plan, which in certain respects, may even be more arduous. It is now reported that substantial beginnings for the development of manufacture of drugs, chemicals and pharmaceuticals are already under way. A programme of production which may cost well over Rs 500 millions has been outlined to cover antibiotics, streptomycin drugs and intermediaries plants. The expansion of the Pimpri Penicillin factory will also belong to this programme.

US, Soviet and German participation in one or other of these plants is envisaged; negotiations are in progress. Though the finalisation of all these schemes and advent of some of them could be within Second Plan period, a little more time might be required for their attaining full capacity and production. According to current estimates, when these new schemes are implemented fully, the total value of the output of the industry would be around Rs 350 millions annually.

Steel Files Industry

The engineers' Steel Files Industry has made rapid strides in the past two years. Whereas in 1955 there were only two units, there are at present five manufacturing units. The total rated capacity on single shift basis has consequently increased to 455,000 dozens per annum from 55,000 dozens in 1955. Production of steel files has increased from 44,219 dozens in 1955 to 154,629 dozens in 1956 and 160,127 dozens during the first ten months of 1957.

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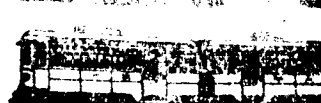
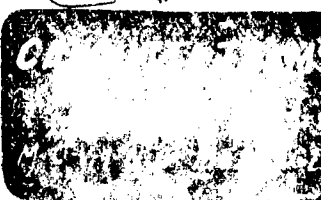
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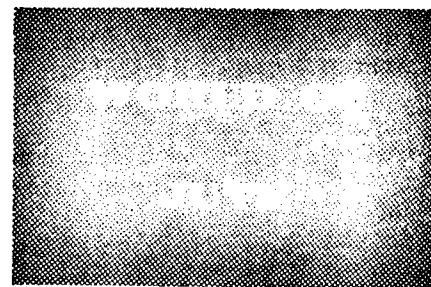
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Problems of Jute Industry

ONE of the factors responsible for the quiet trend in the jute goods market since the turn of the year is the decline in the burlap consumption in the US last year. The decline is generally attributed to the slight recession in the country's economy in the second half of the year and the smaller crop in some regions. As a major supplier of hessian to the US, India is naturally worried about the lower off-take.

But when one studies the figures of import of burlap into USA, the position does not seem to be very discouraging. During the first nine months of 1957 total imports at 168,900 tons were only slightly lower than the total of 169,800 tons for the corresponding period of 1956. Of the nine month total, imports from India were 145,100 tons. The relevant figure for the previous year is 142,400 tons. This works out to 86 per cent of total imports in January-September 1957 against 83.6 per cent in January-September 1956. Among the remaining countries, Japan has recorded a sharp decline from 5200 tons to 1400 tons; UK's share has been reduced from 4300 tons to 3500 tons. Belgium, West Germany and Netherlands have recorded slightly higher imports. Pakistan's share has increased to 10,800 tons from 8,800 tons.

From the trend in the first nine months it may be permissible to draw some broad conclusions. Indian hessian has been able to underquote most of its competitors in the US market. Japan which was making rapid headway till the previous year has now come to occupy an almost insignificant

place. Most of the continental manufacturers except Belgium, West Germany and Netherlands are losing ground. The only serious competitor left in the field is Pakistan. It may be recalled here that imports of hessian from Pakistan have considerably increased in the past three years. From 1900 tons in 1954, Pakistan's share has gone up to 2,700 tons in 1955. In 1956 it has shot up to 13,700 tons and indications are that the figures for 1957 may better those for the previous year. It is to be expected that the competition from Pakistan will progressively increase as the Pakistani industry is more advantageously placed both in regard to raw material supply and efficiency of its mills.

Apart from the growing competition from Pakistan, the Indian industry has to take urgent note of the declining demand for jute goods. Many of the erstwhile importing countries in the Middle East and South East Asia are putting up their own manufacturing industries in a bid to attain self-sufficiency in jute manufactures. This new development has already somewhat slowed down the off-take from India. The most serious threat is still from substitute packaging materials and bulk handling methods. It is common knowledge that jute goods have already irretrievably yielded ground to paper in some lines of trade in the US. It has been pointed out in some quarters that last year's decline in burlap consumption in US has been partly brought about by increase in bulk handling. It is, therefore, clear that if jute goods are to maintain an important place in the export field, the jute industry has to ensure that its products are available in plenty and at attractive prices. At the same time it has to be constantly devising new uses for jute as well as carry out necessary changes in the pattern of manufacture to suit the changing needs of its overseas customers.

After a steady opening the jute goods market closed the week on Wednesday on an easier undertone. Hessian 40" x 10 oz Ready declined over the week from Rs 40.50 to Rs 39.60 while B Twills Ready reacted from Rs 107 to Rs 104.20.

It would appear the sharp fluctuations have been brought about mainly by speculative buying and selling. Following the settlement of the dock dispute, speculative interest pushed up prices but in the continued absence of foreign enquiries in subsequent days there was selling pressure in the Fatka and prices receded. Sentiment in the sacking section was aided in earlier dealings by rumours of a fresh Government order for B Twills but there was no confirmation till now.

It would appear that odds are against bullish interpretation of the near term outlook. In the first place the first three months of the year are usually lower burlap consumption months. Moreover, there has been no indication that US consumers are anxious to increase their off-take in the current month; and reports from that country seem to show that buyers may be expecting a substantial drop in prices of jute manufactures. The trend of shipments so far in the current month has given rise to the expectation that mill stocks at the end of the month may show a larger than expected increase. A contributory factor for the reactionary tendency toward close has been the rumour that Pakistan has reissued licences for the export of cuttings to India. It would appear that contradictory rumours about these licences have been utilised effectively by speculators to manipulate prices. Evidently part of the rise in sacking prices has been due to the expectation that these licences will not be reissued, for in that event the raw material supply position as far as sackings are concerned will become somewhat difficult.

The jute goods market opened the week on Saturday on a very steady note with prices showing substantial increase over previous closing rates. The rise in rates was mainly due to speculative interest. Hessian 40" x 10 oz Ready advanced to Rs 40.20 from Rs 39.45 while B Twills moved up to Rs 107 from Rs 106.25. In forward delivery April-June Hessian 40" x 10 oz was placed at Rs 40.80 with B Twills marked up to Rs 108.25.

Indian Finance

The undertone on Monday was rather quiet as speculators were inclined to book profits at the higher levels. Hessian 40" x 10 oz closed 10 nP lower at Rs 40.10 but B Twills remained unchanged. April-June Hessian 40" x 10 oz was lower by 30 nP at Rs 40.50 while B Twills for the same delivery recorded a decline of 25 nP at Rs 108.00.

Selling pressure in the Fatka increased on Tuesday and with mills coming out as sellers in both ready and April-June positions the market closed quiet. Hessian 40" x 10 oz Ready came back to Rs 39.95 and B Twills reacted to Rs 106.50. In forward delivery Hessian 40" x 10 oz was placed at Rs 40.20 with B Twills at Rs 107.37.

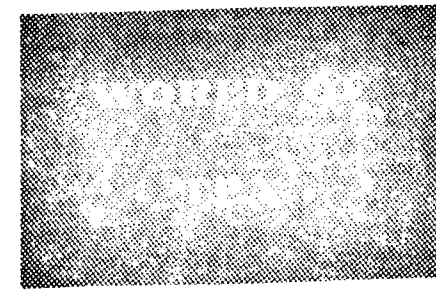
Prices in the sacking section recorded a sharp decline on Wednesday presumably due to the rumours regarding reissue of licences for the import of Pakistan cuttings. B Twills Ready was pushed down to Rs 104.20 with the April-June position marked down to Rs 105.10. In the hessian section Hessian 40" x 10 oz Ready dropped another 30 nP to come back to Rs 39.60 while the April-June delivery was also easier at Rs 40.05.

The raw jute market opened steadier in sympathy with the goods section but toward close turned quiet in keeping with the trend in the finished goods section. The rumours about the issue of licences for Pakistani cuttings had also some reactionary influence. In earlier dealings with sellers rather reserved mills showed little interest and most of the time the quotations were only nominal. Toward close sellers were keen for business but mills in their turn became reserved with the result business passing continued to be at a low ebb.

Price trends during the week:

	Week's Opening Rs.	Week's Closing Rs.
Hessian:		
40" x 10 Oz.		
Ready	40.10	39.60
April-June	40.50	40.05
Sackings:		
B. Twills		
Ready	107.00	104.20
April-June	108.00	105.10
Heavy Coes Green	104.00	103.00
Cornacks	108.00	106.00
Oubans	131.00	130.00
A. Twills	126.75	124.75
L. Twills	120.75	118.80

February 1, 1958



A Further Fall in Prices

THE rising trend, noticed in Tea prices till the second week of January following political unrest in Indonesia and floods in Ceylon, appears to have been checked as evidenced by the declining trend in the past two week's auctions. This is mainly due to the fact that a gloomy outlook for North Indian Common tea is visualized by the Chairman of the Dooars branch of the Indian Tea Association. He says that there is clear sign of over-production of tea in the world and, in the wake of the same, North Indian tea has suffered heavily in its export markets.

But, it is not in export demand alone that North Indian tea has found itself in the lurch. Export prices are also on the downgrade. Thus, the highest and lowest prices of Plain Broken Pekoe ranged, during the past year, between Rs 1.98 and Rs 1.48 as compared with Rs 2.37 and Rs 1.44 per pound in the previous year. Common tea was quoted appreciably lower, both in London and Colombo throughout the season. It is, however, fortunate that the absorption by the internal market was sustained, thus preventing a further fall in values on the Calcutta market.

In this connection, the Chairman of the Dooars branch of the Indian Tea Association points out that the bulk of the tea produced in the Dooars and Assam is Common tea and the crops in the Dooars are on the upgrade. He adds that, "from all indications, it will appear that the dependence of the tea industry on the internal market will be even greater in future years. It is, therefore, of over-increasing importance that the Indian tea campaign of propaganda be further intensified if the vast demand from within the country is to be exploited to the full."

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 63,782 packages. There was a fair general demand. The strongest feature of the sale were Medium OFs. Although a few lines of these were sold slightly below valuations, most were considerably dearer, especially those which were bright in cup. A weak feature were Medium BOPs which were 10 to 20 nP easier except where quality showed improvement.

Plain and Medium BPs declined by 4 to 6 nP, while Fannings were from 6 to 8 nP easier except where they had a clean leaf appearance or bright liquors when they were about steady. There was only fair demand for CTC types which irregularly declined by upto 20 nP

per pound, Fannings grades generally receiving more support than Broken. A few best liquoring invoices, on offer, were sold well at about valuations. There was fair demand for brown Dooars teas although these were sold generally 6 to 8 nP below last rates. The few best liquoring invoices in this category were, however, well supported at about valuations.

Darjeeling teas were sold well and, where quality showed improvement, prices were generally above valuations. Who's Leaf grades came in for fair competition although prices tended to be a little irregular.

In the Internal Sale, offerings were 20,285 packages of Dusts. Demand continued to be fairly general, but prices showed a further decline. Buyers for the Middle East showed certain interest although at lower rates. Commons, Dooars and Assams of orthodox manufacture were generally upto 6 nP per pound easier and occasionally more.

Export Sale:—	14.1.58 Rs.	21.1.58 Rs.	28.1.58 Rs.
Plain BP	2.40	2.40	2.35
Plain Fannings	1.64	1.62	1.56
Medium BP	1.72	1.70	1.64
Medium Fannings	1.84	1.80	1.72
Best Assam CTC BP	2.80	2.80	2.70
Best Assam CTC Fannings	2.60	2.60	2.50
Internal Sale:—			
Medium Dooars Dust	1.84	1.82	1.58
Medium Assam Grainy Dust	1.66	1.64	1.60
Medium Assam CTC Dust	2.20	2.20	2.00
Best Assam CTC Dust	3.05	3.05	2.90

In the Cochín market, offerings were about 900,000 pounds of Leaf teas. Quality continued to show improvement, particularly among the low Medium and Medium teas. A rather better selection of high-grown teas was also on offer. There was a strong and general demand for all types, with prices following quality. Low Medium and Medium teas were 15 to 20 nP per pound dearer. Good Mediums also advanced by a narrower margin. High-grown teas were well supported at dearer rates, while high-grown Fannings were again a weak feature.

Whole Leaf grades met with keen competition, particularly flowery Pekoes and Pekoes. Following rates were quoted:—Plain BP Rs 1.45; Low Medium Rs 1.70 to Rs 1.80; Medium Rs 1.85 to Rs 2.20; Good Medium Rs 2.35 to Rs 2.55 and quality Rs 2.75 to Rs 4.80. The next Export Sale will be held on February 4.

In the Colombo market, offerings were 4,559,704 packages. Quality showed generally a slight improvement, but demand was quieter. There were no offerings of Nuwara Eliya teas. Among high-grown teas, South African demand was more limited and prices of the best Dim-bua/Dickoya BOPs fell sharply by 50 to 70 cents per pound. The quality of medium-grown teas showed some improvement, particularly from Uva districts. There was strong demand at dearer rates for all colour Broken. The market for low-grown teas fell by about 10 cents per pound, while Middle-Eastern types were rather irregular. There was, however, much better demand for useful liquoring Fann-

generally upto 6 nP per pound easier and occasionally more.

CTC Assams were the weakest feature of the sale and, with the exception of a few bright liquoring invoices, prices were often upto 20 nP lower and sometimes more. The few Darjeeling invoices with attractive flavour were sold well. Following rates were quoted:—Medium Dooars Dust Rs 1.56 to Rs 1.58; Medium Assam Grainy Dust Rs 1.58 to Rs 1.60; Medium Assam CTC Dust Rs 1.80 to Rs 2.00 and Best Assam CTC Dust Rs 2.70 to Rs 2.90 (nominal).

Also, 2,427 packages of Leaf grades were offered for internal consumption. There was again a fairly good general demand, but prices were irregularly easier.

In the Export Quota section, business was reported done at 13, 13½, 14 and 14½ nP per pound. At the close, the rate was quoted at 14 nP. Following were the price trends (per pound):—

Export Sale:—	14.1.58 Rs.	21.1.58 Rs.	28.1.58 Rs.
Plain BP	2.40	2.40	2.35
Plain Fannings	1.64	1.62	1.56
Medium BP	1.72	1.70	1.64
Medium Fannings	1.84	1.80	1.72
Best Assam CTC BP	2.80	2.80	2.70
Best Assam CTC Fannings	2.60	2.60	2.50
Internal Sale:—			
Medium Dooars Dust	1.84	1.82	1.58
Medium Assam Grainy Dust	1.66	1.64	1.60
Medium Assam CTC Dust	2.20	2.20	2.00
Best Assam CTC Dust	3.05	3.05	2.90

ings grades, which were generally dearer.

Tea production in Ceylon has reached an all-time record of 397.70 million pounds in 1957 as against

only 376.70 million pounds in 1956. The previous record was 380 million pounds in 1955. Output in December last amounted to 28.1 million pounds as compared with 36 millions produced, both in November and the previous December.

With an outturn of only 2.6 million pounds in December 1957, the total Pakistani crop last year amounted to 44.9 million pounds as compared with 54.6 million pounds in 1956 and 52.5 million pounds in 1955. The marked decline of nearly 10 million pounds in production is attributed to adverse weather conditions at the beginning of the season as also to early onset of the cold weather.

In London auction, offerings were 33,251 packages including 28,763 packages of Northern India teas and 1,590 packages of Pakistani. There was a good demand for most teas for a sale which showed a falling away in quality. Low colour types were the strongest feature; but thin Medium kinds between 4sh and 4sh 6d were generally easier to buy at slightly reduced rates. Good Assam CTC teas were a little irregular and the browner Leaf Fannings met with little demand and often fell by as much as 4d to 6d per pound. Rates remained unchanged at the close.

Tea stocks in London, as on the 17th January, were 121.72 million pounds as compared with 127.16 million pounds in the previous week and 68.48 million pounds a year ago. Landed between 11th and the 17th January were 6.66 million pounds, while deliveries were 2.13 million pounds.

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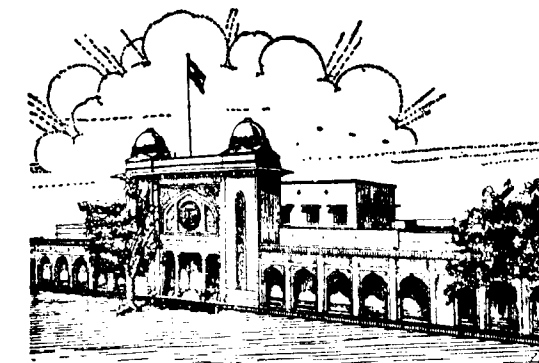
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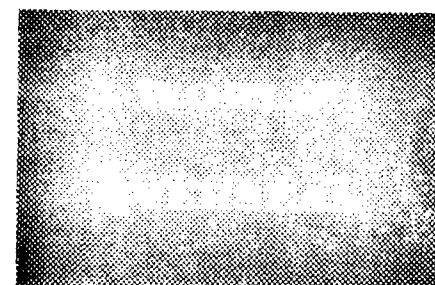
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US Notes

TO the ordinary citizen—the theoretical 'man-on-the street'—it usually comes as a surprise and shock when he learns of an obvious wrong that apparently has not been anticipated and prevented through proper legislation.

Such reasoning overlooks the fact that much of a nation's legislation is the result of disclosures of abuses.

Now Congressional investigations of various areas of national scene serve to unearth practices or potential situations that are obviously undesirable, and how they encourage consideration of specific legislation to deal with such matters in the future, is dramatically revealed in the special message on labour law sent to the Congress today by President Eisenhower.

With the sometimes startling revelations of the Senate Committee investigating labour and management still making headlines, Mr Eisenhower's recommendations for corrective legislation, through amendments to the nation's basic labour law (the Taft-Hartley Act), are, in effect, the Administration's attempt to establish the safeguards demanded by the general public.

President Eisenhower's recommendations are directly related to the testimony received by the Senate Investigating Committee. 'No labour-management relations legislative programme today can ignore the disclosures of corruption, racketeering and abuse of trust and power in the labour management field,' Mr Eisenhower said.

While noting that states and local governments are taking actions, and union officials are 'doing much to eliminate the few in the ranks of organised labour who are corrupt,' President Eisenhower nevertheless feels that federal legislative action is needed 'in order to protect the basic rights of individual worker and to maintain the integrity of trade unionism itself.'

The President's recommendations deal with control of union funds (unions handle millions of dollars annually in connection with health, welfare, and pension plans, in addition to dues), election of union officials, financial dealings between employees and labour organisations, and secondary boycotts in strike situation, among other problems that have arisen during the past 75 years.

As is to be expected of proposals dealing with so vital a subject as the day-to-day relationship between workers and employers and details of union administration, the President's recommendations will receive intensive analysis. The se-

condary boycott proposal that would require reporting and public disclosure of the operations of all health, welfare, and pension plans, whether union, employer, or jointly managed. Labour favours this, but management is not entirely convinced of the need.

Another illustration of the comprehensive nature of President Eisenhower's proposals is his recommendation that, in view of specific legislation in recent years barring members of communist organizations from holding union office or employment, the non-communist affidavit requirement of the existing law should be eliminated. Labour strongly favours this action, contending that the basic law discriminates by requiring affidavits only from labour members.

Awaited as they were—and exemplifying as they do the close relationship between Congressional investigation and legislation—the President's recommendations are only some of the proposals for labour law amendments the Congress will have before it this year. The Investigating Committee itself, of course, is expected to produce proposals.

Meanwhile, the American Federation of Labour and Congress of Industrial Organizations continues to tighten its influence of national and local labour unions, under its own powers. And there is no doubt of the AFL-CIO determination for a "house-cleaning." Proof enough was its ouster last month of the powerful 1,330,000-member teamsters' union because of its failure to take action in the light of the Investigating Committee's disclosures of malpractice on the part of some officials.

The free labour movement of the United States undoubtedly will derive even greater strength from the combination of labour union action and labour law amendments designed, as Mr Eisenhower has said "to benefit and protect the welfare of American workers and the general public, to curb abuses, and to provide greater harmony and stability in labour-management relations."

Britain

"TWO aims will be paramount with me—maintaining the strength of the pound and internal price stability," said the Chancellor of the Exchequer, Mr Derick Heathcoat Amory, in a speech at Shaldon, Devonshire, on January 17.

"The tough, drastic deflationary policies that the Government adopted last September will be continued without relaxation until success has been achieved," the Chancellor declared. "They were undertaken with the entire approval of us all. We have supported them wholeheartedly since. They have already had some success. It would, indeed, be folly to lay them aside or weaken them, and I have not the smallest intention of doing so.

"There is no soft way through our inflationary difficulties," Mr Heathcoat Amory went on. "Whatever steps we take, if they are to be

effective, are bound to hurt. So 'no change' is the order of the day there.

"There will be no economic appeasement. The decision to hold total capital expenditure in the public sector at this year's money total stands, and so do the tighter restrictions on lending. For the present, the right policy must be to keep money scarce and expensive.

"I want to make it clear that there is no main sector of national expenditure which will be sacrosanct against cuts. When it comes to social services, we have got to cut our coat according to our cloth there too. But the selection of precise cuts must be a matter of judgment—and very difficult judgment, too. Economy is not an end in itself, but a means to an end. In the present circumstances, the end is the beating of inflation. In going for cuts, therefore, the chief test must be whether a particular action will help or damage the anti-inflationary effort."

Mr Heathcoat Amory repeated his predecessor's warning that in the present circumstances the Government would not make extra money available for further inflationary wage increases.

Three Indian graduates now training with the world famous British steel firm of Dorman, Long at Tees-side, in north-east England, said in an interview that they were learning much that would help them when they took over appointments at the Durgapur (West Bengal) steel plant on their return to India. They are all training under the Technical Co-operation Scheme of the Colombo Plan, and are among the 300 graduates selected by the Indian Government for training in the United Kingdom as future engineering officers with the Durgapur project.

The three Indians are Messrs. B. N. De, of Calcutta; S. C. Basu, of Meerut, U. P.; and A. K. Mustafa, of Asansol, West Bengal—all graduates of Calcutta University. They are engaged at present at Dorman, Long's coke-oven plant at South Bank, near Middlesbrough, Yorkshire—one of the most rapidly expanding industrial areas in Britain.

Mr De went to the United Kingdom in 1944 to join the research department of the English Steel Corp., at Sheffield. Later he worked with Colvilles, steel and iron manufacturers; with Carbometals; and at the Vauxhall car factory. Mr De was awarded a Colombo Plan scholarship last November, and has since been with Dorman, Long studying blastfurnace operation—a new side of the steel industry to him, he said.

Mr Basu went to Dorman, Long direct from India with the first batch of Durgapur trainees. In India he had taught at Agra Engineering College and worked with Hollerith; the D.C.M. Chemical Works; and Hindustan Steel. Mr Basu, who arrived in Britain last November, moves to Stockport, Cheshire, next month to work for about nine months with Simon-Carves.

Mr Mustafa went to the United Kingdom in 1953 under a private

training scheme, and joined the Davy & United Engineering Co. of Sheffield. Later he worked at a Middlesbrough foundry; with the South Durham Steel & Iron Co.; and, since last November, with Dorman, Long, where he began a year's training under the Colombo Plan for an appointment at Durgapur. Before going to Britain he was a graduate trainee with the Indian Iron & Steel Co. for two years.

The substantial improvement in the United Kingdom trade position in November was maintained in December, the trade gap being cut by a further £3,000,000 to only £19,000,000, according to provisional trade figures for the month released by the Board of Trade in London on January 13.

The value of United Kingdom exports in December was £282,400,000—£4,500,000 less than in November, but 2 per cent above the rate for the first 11 months of the year.

Imports amounted to £313,700,000—£6,000,000 less than in November and 8.5 per cent below the rate for the first 11 months of the year.

Re-exports, £12,200,000, were over £1,000,000 more than in November. The trade gap was thus reduced to £19,000,000, the lowest figure (apart from two previous occasions when the figures were distorted by the Suez crisis) since November 1950.

Exports to North America in December amounted to £34,000,000 (£4,000,000 less than in November). Exports to the United States totalled £20,100,000 (£1,000,000 less than in November) and to Canada £13,900,000 (£3,000,000 less than in November). For the year 1957, exports to North America amounted to £432,000,000, 8.5 per cent more than in the previous year.

PROVISIONAL TOTALS FOR 1957: The provisional total of United Kingdom exports to all destinations for the year 1957 is £1,326 million, an increase of £154,000,000 or nearly 5 per cent in value over the previous year of 1956. The provisional total of imports is £4,079 million, an increase of £133,000,000 or 3 per cent in value over the previous year. Re-exports totalled £133,000,000, a reduction of 9 per cent on the previous year. The visible trade deficit in 1957 was £2,620,000,000—£52,000,000 more than in the previous year.

Silver bullion repayments and the carry-over of imports from 1956 into 1957 following on the Suez crisis more than account for the increase in the trade gap in 1957, it is pointed out in London. The monthly trade gap was substantially narrowed in the fourth quarter of the year, and the volume increase in exports was rather more than 2 per cent for the whole year. The volume increase in imports was also about 2 per cent.

In assessing these figures, it should be remembered that they cover only part of current overseas transactions, describing only visible trade and not containing the outcome of invisible transactions such as shipping, insurance, and so on. The United Kingdom has a substantial favourable balance in these items, amounting in the first half of 1957 to £150,000,000, and probably still growing.

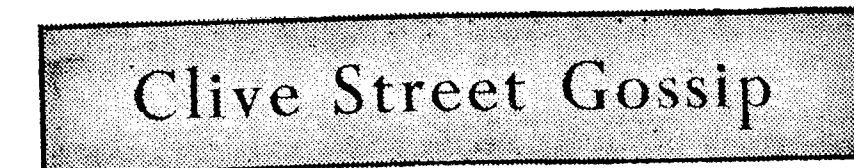
Indian Finance

February 1, 1958



ANOTHER Republic Day has come and gone. All over the country, the occasion was celebrated with a mixture of formal decorum and spontaneous gaiety that is just right. In New Delhi, some conscious and even conscientious direction is given to the kind of spectacle that should be put on on such occasions. Besides the usual parade of armed forces (which was climaxed this year by the flying formation of 74 jet aircraft of the Indian Air Force, two of which dived headlong to crash through the sound barrier), there was the pageantry in the form of successive tableaux giving a glimpse of the rich variety of our regional cultures. And then there are other functions connected with the day's rejoicings, including, this year, the festival of folk dances from various parts of the country. The rest of the country follows this pattern, and State capitals and district headquarters endeavour to bring a little colour and animation in an otherwise drab existence. Newspapers bring out supplements on the occasion and leader writers turn out their formal salutes to the Republic with the right degree of condescension that has come of years of practice at this sort of thing. The other pages are filled with ads by folks who offer their congratulations (muted respectfully or brashly loud, as the case may be) to the Republic. My somewhat desultory study of these ads has indicated two species: one that links their prosperity with that of the nation and the other that implies that the prosperity of the nation depends upon their own prosperity! As for the articles in these supplements, well, I hope I am not letting out a professional secret when I say that, for the most part, these consist of hand-outs supplied by hard working information departments.

How much of all this demonstrative and self-conscious patriotism is real, and how much of it synthetic and hypocritical? Would the cynic regard the whole thing as a mere thamasa put up by bored officials whose sole concern is to put it over and be done with it? How much of justice is there in the notion that newspapers view the occasion as Royalty is said to be viewed in England, as an adjunct to their advertising department? And is that austere and conscientious accountant right, who thinks



"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

that the Republic Day is yet another example of the national habit of shirking work at the slightest pretext? He would point, with at least some show of justice, to the fact that we have at least three national holidays, one in August, one in October (Mahatma Gandhi's birthday) and one in January. His criticism will have particular point this year since we have had two holidays for the Republic Day on the rather tenuous ground that the actual Republic Day fell on a Sunday! (Indeed, Calcutta had this year a rare stroke of luck in that last week end they had five days off in a row, if you don't count Saturday, on which no one does any work any way!) Some time ago, a German friend of mine told me in tones of shocked incredulity that we had a scandalous number of holidays in this country.

Let me straightaway say that I consider the cynic entirely in the wrong, though I have important reservations about the criticism of the cost accountant and the German friend. Despite all the organisation and conscious direction involved in these celebrations, there can be no question about the spontaneity and basic sincerity of the demonstrations of patriotism and dedicated purpose on the Republic Day functions. In my view, it is not as though the world, and more specially India, is so surfeit with gaiety that we should deny our people a little of enjoyment on a national day. The sneer, that there is nothing an Indian likes so much as a fair—in which he goes about accoutred in the most outlandish garb, running through his meagre capital in buying gewgaws—is among the cheapest in my experience. Whoever has seen such sights and has failed to be thrilled and touched at the same time, has lost some of his feeling for life. Is Indian life so replete with colour and gaiety that we should frown on a little of it? As for the formal nature of these enjoyments, well, every one knows that there is nothing like a spectacle to stir one to one's depth. And when such spectacle is given direction and purpose as emphasising the rich variety of our country and the unity that binds them all together, there is an unconscious emotional integration which is the most important need of our people at the moment.

There is a curious point worth noting in this connection. It seems to me rather odd that it is countries which are formally republic and not those that are monarchies that show a certain self-consciousness in celebrating their national day. Great Britain, for example, has no formal national day. They have, of course, the Queen's birthday, and the Coronation Day, but except on the occasion of the actual coronation, when the event and the person of the ruler is ritualistically invested with a certain mystique, Britons take their national days in their stride. On the other hand, Americans, Frenchmen and Russians, to quote but a few examples, paradoxically take their national day rejoicing with a certain amount of seriousness. The 4th of July, the anniversary of the October revolution and the Fall of the Bastille are special occasions in the national calendars; and though the celebrations on these occasions take on the hues of the respective national characters, the fact remains that the celebrations themselves are central to the collective psyche of the respective peoples.

Why is this so? I can think of one reason. Republics, especially Republics that have been born out of a revolution, have apparently a certain sense of insecurity. How much of such sense of insecurity is conscious and how much it is unconscious is something that is difficult to assess. But, by and large, there is a larger element of conscious insecurity in dictatorships where present needs no less than unconscious compulsions make an effort at emotional cohesion of the people an absolute necessity. But the rather demonstrative celebration of most Republics would seem to arise from unconscious conditioning by the original chaos out of which these Republics were born. Moreover, as a focus of loyalty, a constitution (where it does exist) is not as emotionally satisfactory as a sovereign. The Queen is a living person, and even if the Press did not serve up absurd tittle tattle about Royalty's domesticity, she is still very much present in the minds and hearts of the British. But no such aid is available for a Republic unless, of course, you have a father-substitute in Papa Stalin. The absence of an automatic and palpable rallying point like the King or Queen is a genuine dis-

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advantage to a Republic. Ersatz products for replacing it are not very successful. For instance, the efforts of American public relations experts to make of like a similar archetypal image have not succeeded particularly. And, in France, of course, no such attempt is ever likely to succeed, for the simple reason that the French have too lucid an apprehension of the nuances of affection. No sales promotion campaign can ever sell, for instance, Mendes-France or even General de Gaulle to them, which fact perhaps explains why July the fourteenth sees the French almost hysterically enjoying themselves.

Well, there may be nothing in all this. As far as India is concerned, I should not be averse to a certain conscious purpose in the impression on the popular mind and imagination of the idea of the Republic. The reason for wanting this is of course obvious. There is yet insufficient emotional integration of our people as a whole and the slightest encouragement loosens bonds laboriously built over years and even centuries. Languages and religions and even sects divide us. The most powerful force that has held us together, the cementing force of fundamental philosophical and cultural values, has steadily lost its potency. The anti-Brahmin riots in the South are a clear indication that to look for a cohesive force in religious unity is to look in vain. Administrative and economic compulsions do play their part. But they are easily blasted by communal and linguistic and other separatist factiousness. So it is of the highest national importance that opportunities for generating a common nationhood like the celebrations on Republic Days should not be curtailed. The few man hours lost for other purposes should not be considered too high a price for this recompense.

There is another anniversary and one with which I am personally associated that I should like to refer to on this occasion. I mean the completion of thirty years of continuous service to the nation by Indian Finance. During all these years, and indeed from the very first issue, I have been gathering impressions and reflections that the environs of Clive Street have given birth to. I should have very much liked to look on all these years and

set down by impressions about the vast and tremendous changes that have come over the beloved haunt of mine. But that must await a future occasion. One change is obvious enough. Clive Street is no longer Clive Street even in name, and the name it yielded place to significant enough. But there is one comment I would like to make. Behind all that has been written in this journal over all these years and in all the celebrations, grave and gay, in these columns, the impulse has been an unclouded patriotism, an ever present sense of this country's great past, a painstaking desire to understand its present as it has unfolded itself from time to time and an unwavering vision of its great future. On the larger horizon has always been the faith in values that are

affirmative of life. This has implied a definite preference of the individual to the crowd, both organised and unorganised, the championship of the little man against the big bully, whether he be organised bureaucracy, corporation or trade union. It has also implied—and I hope that the writings have shown them—an absence of priggishness and an aversion for pomposity and above all an ability to laugh. These are certainly virtues I should like to think I have brought to my weekly gossip with you, and these are certainly virtues that I would strive to bring to it in the future.

It gives me great pleasure to record that so soon after my plaint that India's official honours have a habit of missing industrialists and

businessmen, Sir Jehangir Ghandy of Tatas has been the recipient of a Padma Bhushan in this year's Republic Day honours list. But when I notice that, out of a liberal shower of "lotuses", only one has hit an industrialist, I feel in no mood to change my opinion. I most certainly do not grudge the motley crowd which has pushed its way into the list its good luck in having done so. Nevertheless, I do feel that honours, to have meaning, must not look like being thrown about with reckless facility, or having a suspicion of partiality. The list of the holders of the British Order of Merit or of the Royal Society members is never long, and there are only Forty Immortals in the French Academy. As it is, there are too many film people jostling with too

Indian Finance

many sportsmen in the present honours list, while there is a palpable omission or, at any rate, a very niggardly inclusion of notable scholars and men of letters. I do not recollect that Sir Jadu Nath Sarkar or Sri Tarasankar Banerjee has so far qualified for any Government award. Though the precincts of the Home Ministry may be thick with hunters after titles and decorations, "to the seekers alone shall be given" should not be a principle or excuse for their distribution.

It is unfortunate to have to write two obituaries in two successive weeks. Last week I mentioned the death of Mr K. L. Jatia, and this week it is my unwelcome task to record that of Mr N. C. Ghosh, Commercial Editor of the *Amrita Bazar Patrika*. He was a much bigger man than his official designation seems to indicate, having risen to be the President of the Indian and Eastern Newspaper Society and being connected with quite a few business enterprises.

An interesting point was raised in the Bombay High Court recently when Mr Justice N. A. Mody dismissed a suit filed by Major General Shanta Shamsher Jung Bahadur Rana against Kamani Brothers Private Ltd., holding that a managing director could have no legal right as such. The case was raised under Section 42 of the Specific Relief Act, which lays down that any person entitled to any legal character may institute a suit against any person denying his title to such character. His Lordship said that the term "legal character" in the Act had not been judicially defined so far and there appeared to be no general principles for determining it. The personality of a managing director had no peculiarity unconnected with or independent of his right or power as the managing director, and there could be no legal right which a managing director could have as such. He was a creature of a contract between him and the company and he was a mere agent by reason of delegation of powers. Therefore, he could not raise a suit under Section 42 of the Specific Relief Act. The plaintiff's case was that the company had appointed him in its whole-time service in March, 1956, and as joint managing director in June, 1957, but that in September, 1957, the Board had passed a resolution removing him from his office as managing director. It was argued that this resolution was invalid because it was the company alone which could pass such a resolution in general meeting. This was not accepted by His Lordship, who observed that if it had been necessary to go into this point he would have held that the Board had the power to revoke the plaintiff's appointment as managing director, and that as the plaintiff was not a shareholder of the company he was not entitled to rely upon its Articles of Association.

LEAVESDROPPER

February 1, 1958



THE past few days have been quite a busy period for the entire nation and particularly for the citizens of the Gateway city. As the seat of the Chagla Commission enquiry, all eyes and ears have been turned to Bombay. In the city itself, large crowds, on some days running to several thousands, gathered in front of the Council Hall, where the enquiry is being held, to hear the proceedings firsthand. The millions, however, preferred to wait impatiently for their morning or evening papers and it will be no exaggeration to say that in the past few days the daily routine of many people has been badly upset. I have no doubt that similar should have been the case all over the country. It is undeniable that the material contained in page after page of the daily papers provided very interesting reading material; and, by the same token, I think, if it is published in book form, it will prove to be the best seller of the year. I don't think I will be involving myself in any contraventions whatsoever when I say that the prestige of India has gone up quite a good deal in the past few days. Democracy is being redefined for the benefit of those who may not know it both here and abroad.

Meantime, the Republic Day celebrations have served as a timely reminder of our achievements and ambitions. Freedom has come to us after a long, painful, and arduous national struggle, the like of which the world had never seen. The emphasis in our country, at least since the advent of Mahatma Gandhi, has been on non-violence and truth. The superiority of the weapon of Satyagraha forged from these two concepts has been demonstrated beyond doubt. The purity of the means has been the sustenance of the end when it has been attained. If, today, India is holding a high place in the comity of nations, it is largely because of its adherence, by and large, to the ideals postulated by Mahatma Gandhi.

But we cannot rest content with ruminating on visions of the past or conjuring up dreams of our future position in the international field. Our achievements no doubt are great. The two general elections have proved to the world that our vast population, the majority of whom are illiterate, are in no way behind other peoples in assimilating the fundamentals of a democratic way of life. But all these achievements will be of no avail if there is no economic improvement in the country.

The past ten years have witnessed a serious attempt at planned development. The First Five Year Plan has achieved its main objective. The Second Five Year

Straws in the Wind

Plan has been drawn up and it is already reaching the end of its second year. Unlike the First Five Year Plan, the Second has come up against heavy odds soon after it has got under way. Various theories have been advanced to explain the difficulties facing the Government in this regard. But it has been generally accepted that, without a large dose of foreign aid, the implementation of the Plan is impracticable. Official circles, however, do not concede this position. While the value of foreign assistance is recognised, there is no attempt to lessen the emphasis on the need for intensifying national effort.

The main problems have, however, remained almost unchanged. This is because, in the first place, they are too overwhelming to be effectively tackled in a short time. Moreover, it is not as though we have been left completely undisturbed to concentrate on the tasks on hand. New problems have arisen and sometimes they have assumed such huge proportions that the tackling of them has become an urgent necessity. Nevertheless, significant progress has been achieved in many fields while the new problems have been solved in a more or less satisfactory manner.

One of the problems that have seriously unsettled calculations is the recurrent food shortage. A few years ago, it appeared as if we had found the solution. But it has again reared its ugly head, and today we are keeping famine in the country at bay only by the import of millions of tons of foodgrains from foreign countries. In the context of the large foreign exchange requirements under the Second Plan, such large scale food imports cannot be viewed with comfort. Quite apart from the cost of the foodgrains, we need a large amount of foreign exchange to pay as freight to foreign ships to carry the food imports to our shores as we do not have enough ships on the overseas trade.

Speaking in the city on the Republic Day, Mr K. M. Munshi gave two slogans to the people and asked them to put their best efforts to achieve them. These two slogans are: "National Unity" and "Freedom from Foreign Food". Every one will agree that the two represent our most immediate problems. Despite the emphasis on agriculture, food production has not kept pace with demand. It is quite true that, during the First Five Year Plan, significant advances have been made in this direction, but the fact remains that we are far from self sufficiency. The alarming rise in the rate of population growth has underlined the need for a substantial increase in food production.

In his Republic Day message, Mr Sri Prakasa has suggested a new approach to our problems. He has pointed out that since a nation is only a cluster of homes, our efforts should be primarily directed

But improvement in this direction seems to depend not on increased irrigation facilities and fertilizers alone. This is a matter that is inextricably connected with the actual tiller of the soil. If mere decisions to increase food production by such and such a percentage over a certain period can work the miracle, we will be having no trouble at all on the food front. Government efforts have been successful only to the extent of proving that, by improved methods of cultivation and by using adequate quantities of fertilizers, yields in our country can also be sizably improved as in other countries. But the result is yet to be attained on a wide scale: In other words, the problem is still one of arousing the interest of the tiller of the soil in the national importance of increasing food production. It is doubtful if this can be achieved so long as Government do not show, by action and deed, that they recognise the important role of the farmer to the nation as a whole. It is idle to expect improvements on the food front as a result of domestic production until the cultivator finds that he gets equitable return for his labours Mr Munshi's slogan will, therefore, serve to remind the population at large that the tiller of the soil is a person who deserves their respect and utmost consideration. As the provider of one of the most essential things for our sustenance, his reasonable wants must be satisfied and the State should see to it that he and his family are given all facilities to develop their mental and moral faculties.

The second slogan, National Unity, is in some respects more important than the first. For, all our plans will lose their meaning and significance if there are powerful discordant voices. The establishment of a Communist government in Kerala is a potential threat to the oneness of India. The recent and prevailing controversy over the Union language is another indication that great care is needed in keeping the diverse sections constituting the country in one national whole. There are strong local factors which, if neglected or glossed over by policy makers, may assume unmanageable proportions and strange forms. The responsibility of the Central Government in this regard is indeed great. And unless they bring to bear on each and every matter affecting the lives of the people their most careful attention, they will be running the risk of antagonising whole sections of people.

toward strengthening the home. Many of the difficulties that confront us will automatically disappear once the emphasis is laid on the improvement of the home. "If there is anything wrong in our home, then there can be nothing right in the world for us. If everything is right in the home, then everything is right everywhere also." Therefore it is of utmost importance that the home is made a real home. Once this is achieved, the younger generation can be expected to grow into true citizens of the country.

The emphasis on the home will help strengthen the very foundations of our society. The task of making the home a real home in our country is, however, no easy matter. It involves simultaneous action on many fronts. The first prerequisite in this regard is the provision of clean and healthy abodes for the people at large. This itself is a huge task. Despite strenuous effort no workable plan has so far been devised. Then there is the unemployment problem which has also been defying solution. The liquidation of illiteracy, improvement in public health and rural communications are some other urgent prerequisites to a strengthening of the home. It is these objectives that have shaped our programme of development as embodied in the First and the Second Five Year Plans.

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Tender forms should accompany the receipt for earnest money of Rs 1000/- from this Railway's Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs 1000/- with the Controller of Stores are exempted.

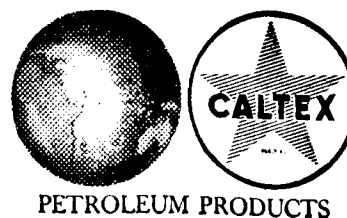
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BOMBAY REVIEW



The budget of the Bombay Municipal Corporation for the year 1958-59 had been variously described as progressive, satisfactory, colourless and disappointing by the members who participated in the discussions on the budget estimates of the Corporation. The general reactions of the members to the budget were more or less in line with their party alignments.

The notable features of the budget apart from the deficits which it discloses, are the provision which it makes for free and universal primary education with the help of a new cess and the increase in the wage scales of the Municipal staff. In fact it is the increase in the wage bill of the workers which primarily accounts for the deficit of the budget.

The views of the members on the budget were naturally coloured by their attitude to these two measures. The Congress members generally seemed to bemoan the loss of nearly Rs 6 lakhs entailed by the abolition of fees in upper primary classes consequent for the introduction of free and universal primary education. One of the Congress members suggested the setting up of a committee for giving advice on the expenditure on establishment. But the most unexpected criticism came from one of the members belonging to the Samiti Bloc. His complaint with the budget was that it visualised neither the expansion of the existing services nor the undertaking of new ones. While he associated himself with the action taken by the Corporation in having granted the demands of the workers, he insisted that it must be related to ability to pay as well as to the effect on the efficiency and quality of the workers who had benefited thereby. The same member also made some suggestions for augmenting the resources of the Corporation such as the setting up of a municipal bank, amalgamation of the various budgets, and economic intelligence bureau to make surveys, examine the allocative efficiency of spending departments and to present to the Corporation a Work Budget which he called Performance Budget.

Mr S. S. Gaikwad Chairman of the Education Committee, proudly claimed the new provision made in regard to primary education as the unique feature of the budget, but deplored the State Government's indifference in the matter of giving more grants to the Municipality. He suggested that the State Government should come forward to share at least 50 per cent of the expenditure incurred by the Corporation on primary education.

One of the members of the Samiti found the justification for the educational cess, inspite of his personal opposition to it, in what he described as the "escapist" methods of the Congress party and

Bombay's Civic Budget

the new burden thrown on the Corporation by the extension of the city limits.

*

Asian Economic Ties

At a public meeting at Surat recently, Mr Asoka Mehta pleaded for greater emphasis by India on the economic and cultural aspects of its foreign policy so that it might facilitate the evolution of a confederal unity of under-developed nations of Asia, for their mutual benefit. To start with, Mr Mehta wants India try for greater cultural and economic relations between India and Pakistan. If Pakistan is equally keen on such contacts, there would scarcely be any problem. The whole of Indo-Pak relations has got dead-locked through un-reciprocated goodwill and self-denial.

In the sphere of commerce, there is already a growing realisation, to some extent expressed in concrete trends, that countries of Asia should develop more and more mutual dependence to the elimination of dependence on other countries. But the sway of political considerations is to be reckoned with. Pakistan and a few other Middle East countries have found it more profitable to like and trade with non-Asian countries. India, just now, has neither the capacity nor justification for competing with these powerful nations. Those Middle East countries look up to for preferential trade and assistance in various forms.

Between India and Burma, there is a certain measure of reciprocity in trade relations but Burma has difficulties no less formidable than those of India. The last bulk contract for the import of rice had to be on the basis of India writing off a good part of the debt due from Burma. Such deals involve self-denial and emphasis on non-material considerations for which India is somewhat disabled at present.

As for cultural relations, no one seems to have yet found a way of securing greater mutual respect and understanding between India and some of the Asian countries. In many places, both the masses and leaders of thought are inclined to exaggerate differences and anxious to perpetuate them rather than try to understand a "culture" different from their own.

Cultural contacts are being suspected as a cloak for surreptitious aggression, and when commercial motives are also present, evoking open hostility.

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Eradication of Untouchability

One of the biggest changes which a countryman of ours who happens to come back to his motherland now for the first time since its

attainment of independence will expect to witness is the eradication of untouchability and all its attendant ugly manifestations. This expectation is based on the knowledge that since the welfare of the backward people and especially Harijans was a matter that had been nearest to the heart of the Father of the Nation, the Government of the day who claim to follow the path fashioned by Mahatma Gandhi will have considered the rehabilitation of these unfortunate citizens as a task requiring their urgent attention. But the newcomer will soon enough find that the ten years of freedom and Congress rule have done little to improve the social status of the people belonging to the so-called depressed classes.

What then is the reason for this flagrant neglect of a matter which has loomed large in the affairs of the national organisation not infrequently. Is it because there is no longer any powerful champion of the cause or is it because Authority thinks that a nation which is taking big strides in many fields can ill afford to be bothered by smaller problems. The answer, it would appear, has to be sought from both.

It is undeniable that ameliorative measures have been formulated; but these have not been always followed by the right kind of approach in their implementation. The result is that the disabilities of the affected section have, by and large, continued undiminished.

That the lot of the so-called depressed classes has not improved much in the past ten years is not mere conjecture but the naked truth has been revealed the other day in Ahmedabad by no less a person than Mr L. M. Shrikant, Commissioner for Scheduled Castes and Scheduled Tribes, Government of India. While inaugurating a 10 day camp of social workers, Mr Shrikant has narrated a tale that does little credit to the Congress Governments both at the Centre and the States. The Centre has displayed little enthusiasm and it would appear that this indifference has percolated to the State Governments. While the Centre seems to be oblivious to the existence of the Commission, the States seem to think that the time devoted to the study of the Commission's reports and the collection of statistics requested by them, as time wasted. With such indifference all round him it is not surprising that Mr Shrikant finds himself often wondering why he is continuing in office.

This attitude of the Congress Governments toward a matter which is a blot on our national character especially in the context of our country's growing prestige in the comity of nations only seems

to prove that since its assumption of power Congress Party has forgotten some of its original ideals which played a large part in making it into a great national organisation.

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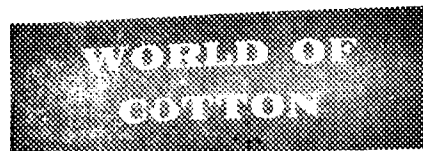
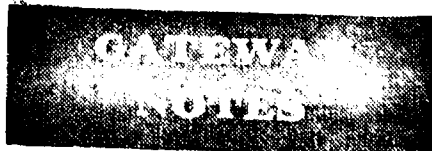
Food Imports and Shipping

If the present foreign exchange shortage in our country has posed many difficult problems it has also brought fresh opportunities for intensifying national effort in a number of directions. For instance, the heavy import of foodgrains involving large expenditure of foreign exchange, has, among other things, focussed attention on our shipping industry. Mr M. A. Master pointed out in Bombay last week that by quickening the tempo of acquisition of ships, we could effect a considerable saving in foreign exchange. During the past five years the country had paid Rs 157 crores of foreign exchange as freight in respect of food imports. Last year freight paid to foreign ships amounted to Rs 32 crores, a sum which is only Rs 5 crores less than the entire allotment for shipping under the Second Plan. In view of the general estimate that we have to import an additional 6 million tons of foodgrains, we may require about Rs 80 crores foreign exchange for payment as freight.

Apart from the foreign exchange aspect, investment in shipping seems to be quite desirable even from the point of view of return. It has been calculated that a ship costing about Rs 120 lakhs can earn from Rs 25 to Rs 80 lakhs a year as freight for nearly 20 years. The entire capital can be taken back in about five years and sizable profits are assured for a considerable period thereafter.

The present position is that the allotment of Rs 37 crores under the Second Plan has already been spent; but due to high cost of ships, there will be still a gap of 210,000 GRT between attainment and target at the end of the current plan period if no further action is taken. In this regard it may be noted that Government have indicated that a sum of Rs 50 crores will be available from the Shipping Development Fund.

Even when the target of 900,000 GRT is reached, the share of our shipping in the overseas trade will not be more than 15 per cent as against the present 6 per cent. Our aim must be to achieve a target of 50 per cent of the total overseas trade if the saving in foreign exchange is to be sizable. Mr Master's plea that concerted effort should be made to acquire more ships to carry foodgrains imports, therefore, deserves the most urgent consideration of Government.



WHILE arrivals of the new crop from Gujerat and Saurashtra have been fast increasing, many mills in Bombay have bought sufficiently for their immediate requirements and have deferred their further purchases, pending a clearer picture of the Government's policy in regard to import and export of the commodity.

The Government of India have now decided that import of American cotton under P.L. 480, which was suspended on November 30 last, will be resumed with immediate effect for the balance quantity. On June 21 last, the Government announced that 60,000 bales of cotton with stapling 1 1/16" and above would be permitted to be imported from the USA under the P.L. 480 aid programme. Till November 30 last, the authorities had issued licences for the import of 48,000 bales of American cotton. Thus, the balance quantity amounted to 12,000 bales for which licences will be issued till the ceiling is reached. In this connection, it is also announced that the ceiling, fixed for the import of American cotton under P.L. 665, has been reached and hence no further application will be entertained with immediate effect.

Since the Government of India are inclined to bring food instead of cotton from the USA, it is believed that the future requirements of the textile industry will be met mostly from the sterling area countries. India requires about 5 lakh bales of foreign cotton every year. It appears that the authorities have already licenced imports of about 2.25 lakh bales so far and arrangements for the balance will be made soon. Fortunately, the carryover of foreign cottons is higher at 2.65 lakh bales this season and the industry has been switching over from imported to indigenous varieties. Traders have suggested that the import policy should be announced as early as possible with a view to taking advantage of the current low rates of cotton. Attempts should also be made to procure good varieties and to arrange payment in Indian rupees.

Meanwhile, reports from Sudan indicate that this country has agreed to pass on the benefit of a 50 per cent reduction in the export duty in November last to overseas buyers. Indian Importers, who had put in a business of 15,000 bales with that country just before the duty was reduced, hope to get the duty refunded.

With regard to exports, the Government's decision to extend the shipment period of export licences for Bengal Deshi by three months to April 30 has been welcomed by shippers. It appears that shippers could not put through sizable business with overseas buyers as many of them were unable to buy from India on account of the sterling shortage. A large part of the ex-

Imports and Exports

port quota, therefore, remained unutilised. It is believed that the extension will help towards more exports in the coming months.

Indian short-staple cotton enjoys good demand from all over the world. The world's shortest and coarsest cotton—Comilla—is in keen demand in foreign countries. Because of extreme harshness of staple and springy and resilient nature of the fibre, these short-staples can be mixed well with wool in the manufacture of blankets and other woollen goods. The major buyers of these varieties at present are the USA and Japan. Because of the good demand from these countries, attempts are being made to increase production in India.

The total annual production of Bengal Deshi and Comilla in India averages about 337,000 bales, of which about 105,000 bales are exported. While Comilla is produced in the hills of Assams, Bengal Deshi is produced in the Punjab, Rajasthan and Uttar Pradesh. The Indian Central Cotton Committee is now encouraging the cultivation of these cottons in exclusive areas where there is no risk of their being mixed with long-staple cottons. It is estimated that the acreage under these cottons can be increased by 3 lakhs bales. The prospective States, which can begin production of these cottons, are Rajasthan, Madras, Andhra, Uttar Pradesh, Madhya Pradesh and Assam.

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COTTON FUTURES:

Prices in the futures market moved either way, but displayed a steady undertone. Early in the week, operators were reluctant to extend their commitments, being unnerved by rumours of Government intervention in the market in the event of a further rise in prices. While the direct intervention in the market by the Government was ruled out, certain trade circles believed that the price level for introducing "margins" would be lowered by Rs 50 to Rs 700 per candy. It appeared that the authorities were not inclined to allow forward prices to go far above Rs 700 per candy on account of a difference of Rs 50 per candy in spot and ready prices.

Values, however, staged a marked recovery towards the close of the week following increased buying by option dealers, strong upcountry advices and export quota announcement. Encouraging reports from the cloth market and the consequent prospects of greater demand for cotton also aided sentiment. ICC Moglal Jharilla March opened at Rs 690 and, after touching a high of Rs 696.50, finished the week at Rs 694.25.

x

SPOT MARKET:

The Spot market was steady with good demand reported in Khandesh, Berar Jharilla, Vijay and Surti varieties.

In the export section, shippers' interest to be limited.

In the foreign cotton section, good business was reported done in East African and American varieties at unchanged prices. Buyers were principally Ahmedabad mills. Small fresh business also took place in Sudans and these purchases were made against the previous quotas. Most mills are reported to have submitted their applications for licences against their quotas and it is hoped that licences will be made available to them without delay.

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STATISTICS:

Exports by rail, from 1st September 1957 to 23rd January, amounted to 102,442 bales. Estimated mill consumption in Bombay, during the same period, was 525,437 bales as against 518,232 bales in the corresponding period of the previous year. Estimated stock of raw cotton, held by exporters, dealers and mills in Bombay, on the 23rd January was 482,194 bales as compared to 501,178 bales on the corresponding date of last year.

x

NEW YORK COTTON MARKET:

Price movements on the New York cotton futures market were rather erratic. Trade buying on the scale-down offered the main support. Some of the selling was traced to the continued slow conditions in the cotton textile market and the uncertainty about farm legislation. The Census Bureau's spinning report was somewhat below trade ideas; but had little influenced on the market. Middling spot was quoted at 34.25 cents per pound.

Hopes for a fundamental change in United States cotton policy, at any rate by 1959, are expressed by the President of the Liverpool Cotton Association. He has given three reasons for his optimism. The heavy export movement over the past two years coupled with the heavy deterioration suffered by the 1958 United States crop has brought about a reduction in the Commodity Credit Corporation's controlled surplus stocks from the peak of 14.4 million bales to around 4.5 million bales and most of the remaining cotton is comprised of undesirable lower grade. Secondly, opinions are being expressed in all segments of the American cotton industry favouring a return to freer production and marketing on the grounds that a continuation of the present policy of drastic acreage curtailment and high loan supports would not only create a deficiency of desirable cotton for both domestic consumption and export; but would also encourage the use of rayon and other man-made fibres by American mills to the detriment of cotton. Thirdly, there is no doubt that the United States Department of Agriculture is seriously concerned over the disruptive effects of the two-price system on the traditional methods

x

LIVERPOOL COTTON MARKET:

Prices on the Liverpool cotton futures market ruled generally easier under mill hedging which found the offtake limited. Demand for actual cotton continued to lag for this period of the season. The relatively small enquiry was mainly for USA cotton of medium and lower grades for shipment during February. In the higher grades, demand was filled from outside growths, including Mexican, Iranian and Nigerian. The Sudan contract closed quiet.

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ALEXANDRIA COTTON MARKET:

Prices on the Alexandria cotton market developed a downward trend, reflecting the lack of demand from abroad. The long-staple positions registered larger losses than the medium-staple contracts.

In the Spot section, quiet conditions prevailed; but the premiums remained firm and unchanged except for medium grade Karnaks which were easier. Export sales, during the second half of December 1957, were 32,156 bales. Following were the quality-wise exports (figures in bales):—

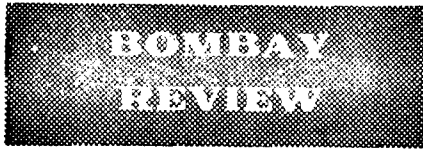
	Season 1957-58	Season 1956-57
Karnak	105,615	110,119
Menoufi	128,348	56,399
Giza-30	35,872	58,526
Ashmouni	114,502	40,127
Others	8,574	2,145
Total	392,911	267,316

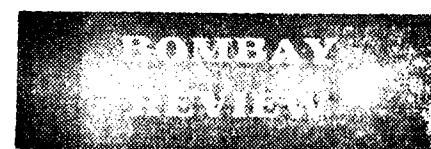
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CLOTH AND PIECEGOODS:

Conditions in the Bombay Piecegoods ruled steadier last week, enquiries continuing to be better and maintained at a higher level. Merchants from Andhra are said to have now entered the market to book business and they seem to be interested in both old and new stocks. It is felt that business with this State will improve further in the near future. It is also stated that a solution has been found to the Sales Tax Issues in West Bengal. It is, therefore, felt that business with dealers in this State will also broaden considerably. Again, there are reports that there is a move to find a solution to the Sales Tax problem in Madras. As soon as this issue is solved, demand from this State will also improve. Thanks to the general improvement in the trading activity, stocks with the mills and the trade are gradually declining.

On the export front, too, conditions are reported to be better. Shippers have reported better enquiries from Sudan in the usual lines. Fair business is concluded with East Africa, while enquiries from Indonesia are likely to broaden in the near future.





Shortage of Copper

COPPER prices have staged a further rise following scarcity of the spot metal. The rate is quoted upto Rs 170 per cwt in the Bombay market and Rs 169 in the Calcutta market. Though, on the London Metal Exchange, the rate has receded further to £163½ from £168 per ton, it has no effect on the markets in India.

The present firmness in contrast with the world downward trend has occurred mainly due to shortage of domestic supplies in the face of a good demand. Sheet rollers have made a complaint with regard to the acute shortage of the metal, while importers seem to be reluctant to part with their stocks except at their prices. Actual users have been told by the Government to buy their requirements from importers since they will not get import quotas for the current licensing period. Moreover, the inflow of supplies from abroad has fallen short of expectations, as a number of possible importers have not established their quotas on the basis of past imports.

Anyhow, the shortage of copper in Bombay and Calcutta has caused concern to the Government of India. The Controller of Import and Export has, therefore, called a meeting of prominent metal importers and smelters on February 3 to discuss the supply position of the metal and the import policy for the current half-year.

Zinc prices are moving within a narrow range around Rs 53.75 per cwt, specially in view of the steady-

ness in London prices. Lead is quoted at Rs 65 per cwt. The stock position is reported to have become healthy due to sizable quantities being lifted by the Government against tender enquiries. A consignment of 350 tons of the metal is expected shortly. There has been fairly good demand for Tin, which is quoted at Rs 128.50 per quarter.

Meanwhile, the international outlook for Copper is considered to be obscure in view of the pressure of supplies. Cutbacks in production, planned for the Belgian Congo and Chile, have failed to support the price of the metal, which has lately reached new "lows" for post-war free trading in the London market.

The healthier tone in Zinc, despite a setback in copper prices, has indicated that zinc has almost stabilised around £63 per ton. The market for Lead continues to rule quiet with the rate hovering idly around £72 per ton. Tin remains very steady at £730 per ton.

Oils and Oilseeds

The markets for both Oils and Oilseeds have continued to rule quiet although Castor is an exception. The recent announcement of a 26 sh cut in freight rates for bulk shipment of oil between Indian and UK/Continental Ports has no effect on the market, because the gap between Indian and overseas prices is greater than the reduction in freight. While Brazil has been supplying castor oil to London around £108 per ton, Indian ship-

pers have found it difficult to prune the rate below £114 per ton for commercial quality. Shippers have pointed out that fresh business will not be possible unless the export duty is reduced from Rs 175 to Rs 100 per ton.

Meanwhile, Castor May delivery opened at Rs 136.25 and, after touching a fresh lower level of Rs 135.75, improved at one time to Rs 137.87 on short-covering on prospects of business with Russia, to finish the week at Rs 137.00. In the ready section, the rate is quoted at Rs 27.25 and Castor Oil, commercial quality, at Rs 14.06.

With buyers generally reserved, Groundnut prices have fallen under liquidation prompted by discouraging advices from upcountry centres and disappointing performance of spots. Vanaspathi interests have also not shown any interest in their purchases. With the result, February delivery started on a disappointing note at Rs 153.87 and finished further lower at Rs 153.25. In the ready section, Bold quality is quoted at Rs 31.25 and Groundnut Oil at Rs 17.25.

Prices in the Linseed section moved in sympathy. May delivery opened at Rs 29.62 and, after touching a high of Rs 30.00, finished at Rs 29.75. Ready is quoted at Rs 29.25 and Linseed oil at Rs 16.31.

Trading in the Cottonseed Oil section remains subdued. Although good business was put through with Rumania and other Communist countries after the Government permitted free exports upto Septem-

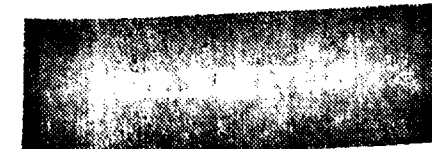
ber, the progress could not be maintained as world buyers had preferred to wait for some time, pending clearer indications of a regular flow of cheap cottonseed oil from the USA. Meanwhile, May delivery moved between Rs 95.00 and Rs 96.50, to close finally at Rs 95.25.

Gold & Silver

Prices on the Bombay Bullion Exchange, after suffering a setback in mid-week, improved slightly towards the close on encouraging spot demand and technical considerations.

Following trade reports of a price decline in Tibetan coins, bulls in Silver preferred to liquidate holdings. However, at the close, there was a modest rally. Arrivals and offtake amounted to 8 and 45 bars respectively. Unrefined metal receipts totalled 9 bars. Maha delivery moved between Rs 186.94 and Rs 188.50 and Fagun delivery between Rs 187.75 and Rs 189.37. Ready changed hands at Rs 187.37 to Rs 188.06.

In sympathy, prices in the Gold section, after showing an easier tendency, tended to improve at the close. Arrivals and offtake were estimated at 2,000 and 5,000 tolas respectively. Unrefined metal receipts totalled 3,000 tolas. Maha delivery moved between Rs 110.56 and 110.95 and Fagun delivery between Rs 110.25 and Rs 110.62. Ready changed hands at Rs 110.75 to Rs 110.94, while Sovereign remained firm at Rs 70.37.



Economists Endorse Plan Targets

THE Panel of Economists advising the Planning Commission held a three day session here last week to review the progress of the Second Plan and to advise Government on the lines along which the future course of action should be charted. Readers will recall that these experts have been associated with the Plan ever since its germinal ideas were formulated by Professor Mahalanobis, and that his tentative "Plan-Frame" was approved in general terms by them. Now that Government are actively engaged in the task of reappraising targets in the light of recent developments with a view to announcing the final shape of the Plan during the Budget session, it is to be presumed that they are taking counsel with this expert body before they finally make up their minds on the subject.

From the communique issued at the end of their deliberations, it is clear that the conclusions of the experts on rephrasing of the Plan accord more or less with the Government's views already indicated in broad terms. In view of immediate difficulties, especially in regard to balance of payments, the pruning of the Plan to the core is thought to be inescapable. Secondly, in view of the rise in cost owing to inflationary conditions, both within and without the country, the physical returns for the financial outlay originally outlined have unfortunately but inevitably to be much less than originally hoped for. Thirdly, disappointing performance on the agricultural front has made extensive drafts on funds, both internal and external, a necessity, and to that extent the original estimates of the Plan have gone awry. In the circumstances, the only course open to Government was to put up reluctantly with lesser returns on an original outlay from which more was hoped for. The other alternative of seizing this opportunity of relaxing efforts to achieve at least the financial targets originally planned for is firmly ruled out. As the Panel of Economists puts it, "Considering that the rate of domestic savings implied in an investment target of this order is by no means high, it should be possible to devise ways and means of raising the resources required without causing serious strains in the process". This is worth saying, because people who originally considered the Plan targets ambitious have now been going about saying that they have been proved right and, therefore, the rigours of development should be relaxed. They go further and point to the admittedly lower expectations in physical performance as the last straw that will break the back of the camel. Such counsellors of despair should be firmly resisted since, in terms of the real needs of the country,

what was originally aimed at was woefully inadequate, and what we are now going to achieve is even smaller. This circumstance should make us more and not less determined. It is, therefore, a matter for gratification that the panel of experts as a whole approves of the scale of effort required for the tasks ahead.

Of course, this does not mean that the experts promise automatic success. The conditions for achieving even the limited ambition of achieving the core of the Plan are listed by the panel as follows: These are, principally, the availability of external assistance to the tune of Rs 700 crores and the achievement of targets of domestic savings of all forms. A further condition of success is the maximum utilisation of facilities already available. In this context, economists are unhappy at the failure to utilise fully the irrigation facilities already provided and the time lag in the provision of transmission facilities in certain power projects where power itself is ready. It is this kind of waste of the fruits of the Plan rather than the effort involved in raising the necessary wherewithal that makes one disheartened.

Yet another condition for the success of the Plan is the control of the domestic inflationary situation. On this, the economists have some sensible things to say. The extent of inflationary pressure on the economy at the present moment is to some extent misleading in that its full impact is somewhat counter-acted by a balance of payments situation in which there is an import surplus. On the other hand, there is no need to run into a state of despair about the intractability of inflation generated, among others, by a shortfall between savings and investment of the order envisaged in the Plan. On this question, the experts are hearteningly reassuring. They are "definitely of the view that the inflationary pressure has not been in the past nor is it likely to be in the future such that (sic) it cannot be held in check by an appropriate policy, including direct controls at particular points". Indeed, the relative success achieved by selective credit control shows that ingenuity in devising instruments of dealing with inflation is sure to help us tide over any difficulty that is likely to arise.

As regards the possibility of additional external assistance of the order of Rs 700 crores, the panel of experts is rather doubtful. I have not the relevant figures with me at the moment, and the economists do not give any detailed data on the subject. However, in the light of recent developments, there is no reason why at least a substantial portion of this expecta-

tion should not be fulfilled. The recent American announcement of the loan of the order of nearly Rs 150 crores with indications of more to come is one hopeful feature. Thereafter, in quick succession we have had the announcement of the Yen credit and the near certainty of deferred payment credits from West Germany. Talks with France for similar assistance are on their way. There is also the recently concluded agreement with British oil interests which relieves Government of external financial commitments on that particular enterprise. There is then the World Bank loan of 100 million dollars which has recently been announced. On the whole, the prospect for obtaining the requisite quantum of external finance would appear to be brighter than indicated by the panel.

For obvious reasons, the panel has not indicated what particular projects should in its view be included in the "core" of the Plan. But the experts have some interesting suggestions to make about certain aspects of rephrasing that are worth thinking about, in spite of the fact that they are in rather general terms. The panel would seem to imply that the marked success in industrial production achieved in the last few years may be somewhat illusory and conceal the fact of the continuance of a basic weakness in the country. In other words, according to it, though there has been a marked increase in assembling capacity in various lines, the manufacturing activity is being confined to the fewest and simplest final operations. This would be a disadvantage in the long run, if it means a perpetual dependence on essential manufacturing ability elsewhere. Of course, since we are only starting, it is possible we are concentrating on a large measure of assembling work and it would not have been possible to start from scratch all at once. For one thing, we do not have the technical equipment; and, in any case, ability and resources for the manufacture of the machinery needed for manufacturing the components do not as yet exist in the country. It is, of course, the ancient dilemma of retarded development, the horns of which we are trying to catch without hurting ourselves one way or the other. Indeed, it is the central feature of the Indian plans. It is a question of phasing, and there is no general answer to the question of how best to phase it. In many cases, foreign cooperation—without which we may not even be able to get started—may not be forthcoming if our plans are such as not to offer foreign interests a fairly long stake in the Indian counterpart. This might conceivably involve a certain unwilling postponement of complete independence on foreign

manufacturing skills. Even if we assume that foreign interests are unselfish enough actively to assist us in our endeavour to stand on our own technological legs, there is the question of the import bill for the necessary machinery or sometimes even raw material for increasing the manufacture-content of our industrial undertakings.

The question is, therefore, one that can never be answered in general terms, and each industry has to be judged by its own particular needs and possibilities. The only thing that can be ensured is that the pattern of investment in block and other fixed assets is not such as to make difficult any switchover from mere assemblage to full fledged manufacture. No one should be in a position to say that it would be too expensive for him to change over from mere assemblage to manufacture. Normally, this is not likely to arise in any serious shape, since in these days of standardised components produced on a mass scale, a manufacturing complex is horizontal rather than vertical.

But the Panel of Economists seems to imply that the present pattern of industrial investment is such as to make the final emergence of the country as a self-sufficient manufacturer somewhat difficult. I have no idea of the nature of evidence on which this misgiving is entertained. I do not know whether full data on the subject are available. I doubt it. It would be an excellent thing if some enterprising research body gathered all the relevant material and framed broad conclusions on the appropriate industrial structure for various industries vis-à-vis our over all aim of achieving industrial self-sufficiency in the shortest possible time. But this is a comparatively long-term idea. Basic changes in the structure of manufacturing units can hardly be considered in the context of rephrasing the Plan at short notice.

Other suggestions of the experts include a warning about the deferred-payment arrangements by means of which we are trying to get over the temporary embarrassments of the Second Plan's external finances. It is hardly necessary to say that such drafts on the future prosperity should be limited to the minimum, not because the future is bleak, but because it is neither expedient nor proper to pledge the future in advance except for the most essential requirements of the Plan. So, schemes of deferred payment, especially for investments in the private sector and for consumer goods industries, should be carefully scrutinised. Otherwise, we may find ourselves in the unenviable position of making the Second Plan a success but at the cost of the third.

COTTON YARNS

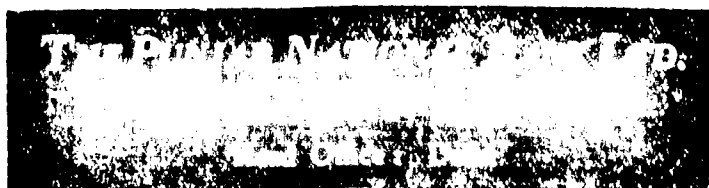
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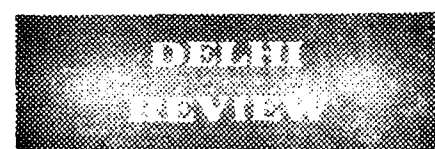
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A. M. Walker



THE decision of the Eastern Zonal Council at its latest meeting in Patna to form a common police reserve, to develop jointly electric power and to plan manpower resources for the entire region is a happy augury for continued fruitful discussion of common problems by a group of contiguous States. As has been pointed out at the meeting, under common police reserve scheme, there will be increased scope for the officers and men of the police force in the various States to have some idea of people and terrain in the neighbouring States. Planning for power development on a zonal basis will secure optimum utilisation of the reserves of the region as a whole.

Presiding over the meeting of the Council, Mr Govind Ballabh Pant said that although the region had a setback in food production, it was heartening to find that it continued to take great strides in industrialisation. This zone accounts for nearly 60 per cent of the value of the total production of minerals in the country. Besides, it is the home of one of the principal export industries, namely, jute. In West Bengal there are a number of important industries. Assam has oil and tea while Bihar has coal in plenty. The two iron and steel works in the private sector and two of the three in the public sector are situated in this region.

With its life dominated by industry and trade and commerce, this region is much more concerned with the problem of transport than other parts of the country. It is, therefore, no surprise that Mr Pant has laid special emphasis on the need to tackle the problem of communications. Action in this regard from the States constituting the Eastern Zone is to issue in the shape of encouragement to road transport. Mr Pant has indicated that a major liberalisation of the State Governments' policies in respect of road transport will go a long way in filling the transport gap in this region. Such liberalisation will help road transport to lift the excess load thereby relieving the strain on the railways. In the context of the present heavy demand on the railways in the Eastern Zone, it is to be hoped that the State Governments concerned will give their urgent attention to the removal of such of the impediments to free interstate transport as are still left.

Plan and People

Speaking in Allahabad last week Dr. V. K. R. V. Rao, member of the Advisory Board of the Planning Commission, has entered a fervent appeal for saving the core of the Second Plan. The present crisis which has been brought about by the increased imports during the first year of the Cur-

Eastern Zonal Council

rent plan, failure of the savings side, taxation and loans, is a challenge to our ability to persevere at our chosen task until it is accomplished. As against an anticipated expenditure of Rs 783 crores, imports in 1956-57 have increased to Rs 1077 crores, an increase of 50 per cent. The main factors responsible for the increase of Rs 184 crores in the public sector imports are higher food imports, increased imports of defence equipment and a rise in freight due to Suez Canal crisis. The increased cost of freight and capital equipment which has been ordered quite in advance have resulted in pushing up the cost of imports in the private sector by Rs 142 crores.

Dr Rao is rightly of the view that the present difficulties should not be allowed to interfere with the implementation of the Plan because the consequences of its failure will be disastrous for the nation as a whole. Moreover, the position is not as hopeless as it is made out to be in some quarters. For, there are quite a number of schemes involving considerable expenditure included in the Second Plan which can be dropped without in any way mitigating the main objectives of the Plan.

But when Dr Rao advocates public reexamination of each and every item in the Plan with a view to redetermine its priority he does not sound quite convincing. For, it must have been obvious to him what reexamination of all the items at this juncture by what he calls peoples' councils will entail. The Second Plan is already nearing the end of its Second year and to submit the schemes anew for public discussion at this stage will inevitably result in delaying the entire programme. If the aim is to arouse popular enthusiasm and consequent effort which is no doubt essential for the success of the plan, other methods should have to be devised. In this regard, it is interesting to note that the panel of economists of the Planning Commission has recently pointed out that the main reason for the present difficulties is the inadequacy of organisational effort.

Farmers and Food Production

While there is a plethora of arguments why a sizable increase in food production is vital to the success of the planned endeavours in the country, one will look in vain for any workable plan in the innumerable speeches that are daily made on the subject. Theoretical discussions about this method or that and the low yield in India rarely pay heed to the problems which the actual producer of foodgrains has to grapple with day in and day out. Therefore, so long as the plans for increasing food production are not accompanied by the recognition of the

needs of the farmer, the result is bound to continue to be disappointing.

Dr Panjab Rao Deshmukh, Union Minister for Agriculture, drew pointed attention to this fundamental defect in the approach to the problem of food production the other day in Bhopal. He complained that there was a general lack of attention to the farmer's problems. While leaders and also the press lost no time in conjuring up bizarre pictures of the consequences of a continued food shortage in the country, they seemed to take no notice at all of the fact that food production in the country had almost been doubled during the First Five-Year Plan.

It would appear that if there is to be any real improvement on the food front as a result of an increase in domestic production, much more than increased irrigation facilities and larger availability of fertilizers, is needed. In the very first place the agriculturist should be made to feel confident that he will get a return commensurate with his effort. Dr Deshmukh has no doubt that such an assurance is of paramount importance for the success of the agricultural programme. The people at large should also be enabled to appreciate the vital role played by the farmer. Once these have been ensured, a proper atmosphere will have been created for the other measures to become effective.

Fighting Corruption

One of the latest directives to be issued by the UP Government is aimed at preventing the employment of relations of Ministers and high officials as a form of indirect bribe. Since the advent of freedom, the Union Government and many State Governments seem to have become highly corruption conscious. Government officers particularly have to declare their immovable and movable properties at intervals, gifts received for marriages etc. and in some States even ordinary purchases above a minimum amount.

How far these steps have discouraged officers taking illicit advantage of their position is a matter for some imaginative and trained investigating body to undertake. In a democracy where power in different forms are being shared by various groups and individuals holding appointed or elective posts, the temptations and opportunities for misuse of public funds and of personal authority and influence are numerous.

To track and to prove corruption of every sort to its source will often be beyond human ingenuity and perseverance, especially when the evil is fairly wide spread. Frequently, the permanent officer in Government, however highly placed, cannot avoid being the

helpless tool of a politically powerful Minister or his associates who are interested in some indefensible conduct or action.

The UP directive has not spared the Ministers from its scope and is an improvement on the face of it on similar regulations obtained elsewhere. But even with this widening of the net, is it actually possible to catch ingenious favour-monger or those whose goodwill he seeks to secure through a good turn done to their kith and kin? Sophisticated men can always think of easy ways of avoiding these rather simple snares.

There is also a point of equity to be thought of. Is it fair to disable in any way and discriminate against, under the eyes of the law a person merely because he happens to be connected by blood nearly or remotely to a Minister or officer in the Government?

Republic Day

This year's Republic Day celebrations seemed to have been marked by a remarkable lessening of popular enthusiasm. Thus, in Calcutta, although Raj Bhavan was aglow with garlands of lights and there was an impressive gathering on the Parade Grounds as well as at the Raj Bhavan reception, the whole affair, with too few flags on private residences and too few tamashas put up by the people, had a strongly official flavour. Some of the Leftist parties celebrated the occasion by holding an Anti-Commonwealth Day while the Communist Party and the PSP sulked in their own different ways. The Congress, it is obvious, is not living upto its brave resolutions on reviving mass contact. Its diagnosis of the malaise that has been afflicting it is undisputedly correct, but the treatment remains lackadaisical as before; and if some Congressmen find fault with the people for not responding to their treatment as they seem to, it only reminds one of the none-too-wise doctor who blames the patient instead of administering vigorous remedies. Too many identical old heads have ruled the Congress roost for too long. Equally, the younger generation of Congress workers is apparently lacking in ambition.

Lac Cultivation

Speaking in Calcutta last week Dr B. N. Uppal, Agricultural Commissioner of the Government of India, expressed concern over the fact that for the last three years the general level of prices of lac had been falling. Export of lac had been at a satisfactory level last year. During the period January to September 1957, exports amounted to 5,56,000 maunds compared to 5,31,000 maunds during the first nine months of 1956.



THANKS to active buying by Britain and the sustained interest in seed-lac on the part of the USA, the Shellac market in Calcutta has maintained a firmer tendency during the past few days. From Rs 77.50 per maund quoted at the beginning of the year, the rate for Pure TN quality has now firmed up to Rs 86. Although the firmer tone brought out some selling and the rate eased to Rs 84 at the close of the week, the basic situation had been given strength by the news that both the Katki and the Kusmi crops would be well below normal.

According to the final report issued by the Indian Lac Cess Committee, the total production of the Katki crop in 1957 is lower at 193,000 maunds as against as much as 201,000 maunds in the previous year. The lower production is due mainly to the poor crop in West Bengal and Behar.

On the London market, a far bigger business is reported to have been done at unchanged prices. The home trade seems to have been anxious to rebuild stocks after the active trade done over the Christmas holidays and as many as 38 lots are sold—the largest quantity for many months. February delivery shellac is quoted at 180sh per cwt with sellers at 182sh.

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Shellac Firms Up

The following table will give an idea of the trend of prices for Pure TN shellac quality during the past year (rates per maund):

	High Rs	Low Rs
1957:		
January	105.00	95.00
February	94.50	80.00
March	87.00	82.00
April	90.00	85.00
May	86.00	80.00
June	79.00	72.50
July	82.00	72.00
August	88.00	78.00
September	87.00	80.00
October	91.00	83.00
November	87.00	76.50
December	80.00	74.00

1958:
Upto 23rd January 86.00 77.50

Number of packages shipped, during the current month till the 20th, were 22,274 packages comprising 10,119 packages of shellac; 10,157 packages of seedlac; 421 packages of buttonlac and 1,577 packages of other varieties. The following were the shipments made during last year (in packages):—

January	37,980
February	29,027
March	26,601
April	22,220
May	35,364
June	33,013
July	25,576
August	32,478
September	22,901
October	23,958
November	48,906
December	24,705

Sugar

Sugar markets have continued to rule quiet and, in the absence of any buying interest, prices have developed an easier tendency. In the Calcutta market, rates are moving between Rs 36.62 and Rs 38.62 per maund, according to quality. Following mill-delivery rates (per maund) are quoted in the Hapur market:— Meerut (D-29) Rs 35.25; Rampur (A-29) Rs 37.75; Shamli (B-29) Rs 37; Amroha (B-29) Rs 34.25; Bijnore (E-29) Rs 37.62; Daurala (B-29) Rs 36.87 and Mowana (B-29) Rs 37.06.

Khandsari

Rates for Khandsari sugar are moving between Rs 22 and Rs 32 per maund, according to quality. Production is increasing daily and new plants are being installed in Hapur as it is found profitable to manufacture khandsari. Some sugar circles are, therefore, expressing concern that this year's production of khandsari may reach as much as 3 lakh tons.

There are certain reasons for the rise in khandsari production. Khandsari producers do not have to pay either excise duty or cane cess. This makes it possible for them to

compete with sugar factories despite their very low sucrose recovery. Inasmuch as the khandsari interests use up cane, which they are able to get at a lower price than sugar prices, supply of cane available to sugar factories is adversely affected and and this, in turn, will mean lower sugar production.

Gur

Due to heavy diversion of cane to khandsari production, ready Gur arrivals, in the Hapur market, have declined to an average of 2,500 maunds daily. Prices, however, have recorded an easy trend in line with the fall in mofussil centres. Gur Panvera quality is quoted at Rs 11.50 to Rs 11.75 per maund and Balti at Rs 12.50.

Arrivals at Muzaffarnagar are estimated around 6,000 maunds. Panvera is quoted at Rs 12.50 to Rs 12.75 and Chakku at Rs 14.25 to Rs 14.62.

Foodgrains

Mixed conditions are witnessed in the Hapur Foodgrains market. Wheat has advanced by 12 nP per maund, to be quoted at Rs 15.62 for average quality and Rs 17.25 for the

farm variety. Rice has also recorded fractional gains on reports of overall shortage of the commodity in the country and that sufficient quantity is not available for imports on easy terms. Maize and Bajra have, however, lost 50 nP due to better supply position in the face of falling demand. Prices of other grains have declined in sympathy.

Conditions in the Delhi grains market remained generally quiet. Wheat prices are unchanged as arrivals and offtake are equally balanced. Rice has shown a slight rise due to better demand. Demand for Gram is lacking. Discouraging advices from the producing centres have an adverse effect on Maize and Bajra.

Prices in the Bombay grains market have displayed an easy trend, the downward trend is prices being marked in Jowar and Bajra. A fresh fall of Rs 10 per candy is recorded in the Rice section due to higher arrivals in the face of lower demand. The demand for Jowar is poor following higher crop expectations in the Sholapur region. The market for Pulses has witnessed a break in prices in almost all varieties. Urad has declined by Rs 5 per candy on higher stock position.

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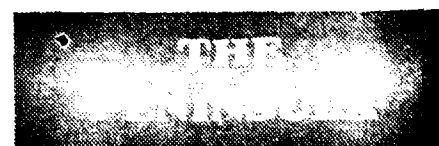
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ALEX. IZAT,
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Language and Administration



TWO Chief Ministers of The Peninsula have been prominently in the news during the course of the last week. I suppose I should be more careful in my choice of words: they have been making news. In a sense, each is joining issue on a controversial matter; and it needs hardly to be said that in neither case have we seen the end of the affair. On the surface of it, the two subject matters are innocuous enough. All that has exercised Mr Kamaraj's cerebrum is the Hindi question; and, surely, after the splendid lead given by Rajaji, it behoved the Madras Chief Minister to come out with his own views. But the manner in which he has done so will far from win friends and influence people. Of this, more later. We shall first see what it is that has been troubling another troubled Chief Minister: I refer to the redoubtable Mr Nambudiripad, toiling away as best he can in Kerala. EMS (if we may call him so) has also done nothing more than to get a few things off his chest about administration; or rather, one aspect of it. How this, too, is grist for controversial mill, we shall presently see.

I don't suppose I should confess it, but this scribe has, while studiously and even excitedly following the tenor of Rajaji's arguments, been paying scant attention to what other worthies in the State have been saying on the place of Hindi. In extenuation, I might plead that we have had more than a bellyful of a topic in the discussion of which not a few speakers have had some nauseating things to say. That, however, does not excuse any remissness that I might have been guilty of.

Pithily, Mr Kamaraj states that English is on its way out, "and no one can hope to retain it indefinitely in India". This, let us recognise, is an opinion, a subjective proffering of one's view. For, who can tell how long English will continue to be useful—provided,

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in the first instance, that it is not peremptorily exorcised from the educational syllabi? Again, the debate is not whether, if untampered with, English will endure or not. What is worrying not a few in this country, and among them the educationalists, is the prospect of an emotional discarding of English and a parochial thrusting or imposition of Hindi. To say, as Mr Kamaraj has done, that the acceptance of the principle that Tamil could be the language of State administration also involves a rejection of English in the national sphere, is surely sophistic argument. It does not at all follow logically. The necessity for Tamil—or for that matter, Bengali—as a medium at the State Government level flows, not from the impracticality of having English, but from the inability of Hindi to perform this function. So, the acceptance of Tamil amounts to a rejection, not of English, but of Hindi.

Mr Kamaraj sees all this in a different light. The fate of English, he said, was sealed on the day when Tamil was decided upon as the State medium. Then he asked what I presume he meant as a rhetorical question. "Where is the place for English?" I shall, if I may, submit an answer, although the question did not imply one. But first, let us see why the Chief Minister could so glibly wonder where English could fit in. At the Republic Day meeting at which he spoke, Mr Kamaraj added that, unless English was at least the medium for University education, there could be no hope for it. Apparently, the negation of English at the University stage also impels Mr Kamaraj to pooh-pooh the idea of any place at all for English.

It seems to me that one overriding factor tends to be overlooked altogether. That is, that nothing that India does will by one whit reduce the importance of English in international communications. All that we would be succeeding in doing, by a churlish abjuration of English, would be to cut off ourselves completely from the technological and cultural advance that the industrialised West (mainly speaking English) would be achieving. I am afraid that all this smacks too much of the man who cut off his nose to spite his face. It is high time that we proceeded rationally on this matter of supreme importance to India's future. The attitude of those who want to retain English does not include an animus against Hindi or Tamil or any of the dozen other Indian languages. Their only desire is that we do not do perfunctorily away with English. They do not even say that English should be the medium of instruction in schools; they would favour English at the University stage, but their insistence would only be on the necessity for English prominently

to be included in the curriculum. In brief, they are not anti-anything. They are merely being pro-English.

And this, for quite obvious reasons. It is not for Mr Kamaraj, or on the other hand even for a Rajaji, to determine English's place in India. What that place will be, can be known only by its usefulness in the future. The only thing that is certain is that it is palpably wrong to conclude, a la Mr Kamaraj, that English's fate has been sealed.

A footnote to the language discussion in the South is provided by yet another statement, emanating from Bangalore, from persons of high authority and eminent status, urging the retention of English as the official language and the medium of higher administration and education. For this purpose, the thirteen signatories (among them are Mr N. Madhava Rao, Sir Samuel Runganadhan and Mr V. P. Menon) have asked for suitable amendment of the Constitution, failing which, they state, "non-Hindi India cannot feel that its vital interests are secure". Let us realise that Hindi, instead of being a uniting force, is all too clearly in danger of being a disuniting force—especially if it is sought to be imposed in indecent haste.

Mr Nambudiripad got carried away, presumably by the size of the crowd that attended the public meeting at Palghat, and was provoked into—shall we say—rather "warm" sentiments. EMS, who happened to be in Palghat by reason of the evidence being recorded by the Kerala Administrative Reform Committee (of which he is a member), was—believe it or not—in the process of "defending" the decision of his Government to set up the Committee. Obviously, the best form of defence is the offensive.

The trouble arises because Committees in session cost money; and a Communist Government does not escape answerability for its expenditures. Then, there has been criticism that a Committee for this purpose should at all have been set up. For, if there is one thing that India has had no famine in, it is Committee reports on administrative reform. So, EMS has been drawing fire as having incurred wasteful expenditure on an inquiry which need never have been instituted.

The Kerala Chief Minister has not exactly been successful in proving a case for the setting up of the Committee. He could, in justice, point out that, at the very first meeting of the State Assembly, the idea of a Reform Committee had been mooted. But then, the objections, too, were immediately forthcoming. EMS now says that the Committee came into

being, because the Communists strongly felt that there were many things wrong with the present administrative system. Will one be pardoned for suggesting that one of the things that the Communists would find wrong is the democratic system? But I am quibbling, and perhaps I do EMS an injustice. For, there is always scope for improvement in administration; and there is always some red tape that, on scrutiny, could be eliminated.

I am afraid, however, that EMS, too, is being less than fair, when he finds serious quarrel to pick with the present secretariat system. In a democratic government, there is inevitably some element of delay—which may perhaps be avoidable in a totalitarian regime. But that is no reason for this floccinaucinihilipilification of the present secretariat system. The Indian administrative system has served the country well, and even the graphic examples that Mr Nambudiripad has sought to give cannot justify the Kerala Chief Minister's bitter criticism.

Thus, while EMS cited an experience that Mr Nehru is reported to have had, in respect of administrative delay, did it lie in his mouth to charge that departmental officials preferred to put obstacles in the way, rather than to get things done? An emergency did not help, he said, to rid the system of its lethargy: before relief could be given to victims of one flood, another had taken place. Not content with this, Mr Nambudiripad hinted that he would have been more outspoken, were he not a minister!

The audience was provoked to laughter by the Chief Minister's suggestion that the status of an officer was these days being measured by the yardstick of the number of prods that were allotted to him. Well, I suppose in a country we know, the might of a dictator is proven by the number of satellites that encircle him—and I am not thinking of Sputniks.

It is all very well to make a slashing attack on the legacy that India has received of the British administrative system. To quote Gandhiji, and assert that freedom did not consist in the replacement of the British bureaucrat by the Indian bureaucrat, is also nothing wrong. But to allege that Mr Paul Appabey and Sir N. Gopalaswamy Ayyangar had offered reports on administration that were unsuited from the Indian objective of a socialist society is surely to belittle the worth of excellent jobs of work done by these two men.

Lastly, Mr Nambudiripad's opinion that the administrative machine must be "metamorphosed lock, stock and barrel" is, may I suggest, typical of an ideological penchant for change by revolution.



The least that a State aspiring for industrialisation and having a big programme for the starting of new industries could do, to assist that process, is to ensure proper management of the industries already existing in the State. The record of many of the industries in Andhra Pradesh in this respect is one of sad failure in meeting even the minimum standards of a well-run enterprise. A few months back the mismanagement of some of the enterprises was the subject of a heated debate in the legislature of the State.

But it would seem that it was only the beginning of a continuing story. Complaints about the continuing standards of fall in management have since then never ceased. Addressing the Hyderabad Chamber of Commerce, last week, Mr Sanjiva Reddi, Chief Minister of Andhra Pradesh, made a shocking disclosure that crores of rupees which had been invested in several industries in what was formerly known as the Hyderabad State has been wasted. It is but natural that in such circumstances one should be reminded of the displaced outlets which could have profitably absorbed such funds.

The area of co-operation between the private sector and the State Government in the matter of industrial development, in the absence of vigorous efforts to improve the tone of industrial management, is certain to get narrowed. Mr Sanjiva Reddi himself has declared that it would not be possible for them to invest more in the existing industries or start new industries if they knew that they would not function efficiently. But he could not resist a feeling of "agony to see the condition of some of the lingering industries."

The magnitude of the problem of bringing the State on a level of industrial strength comparable with that of its neighbour in the South such as Madras and Mysore is indicated by the wide disparity in the per capita consumption of power in the Andhra Pradesh as compared to the other States. As against a per capita consumption of 20 and 40 units respectively in the two former States, the figure for Andhra Pradesh is only 12 units. Industrialisation of the State is therefore bound up with production of more power. In this connection, Mr Sanjiva Reddi stated that the power supply position in the Telengana State was particularly bad.

Mr Sanjiva Reddi also dismissed the complaints about high prices of food as rather unfounded and as based on a narrow outlook to the problems of the farmer. The question of food prices on which the feelings of the consumer are early aroused is also a matter with which the happiness of those who grow the food grains is tied up. At a time when the country is

experiencing an unexpected shortage of food grains any attempt at fixing the price for food grains at a level which contains no incentive element to the grower would spell certain disaster to the Second Plan.

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Non-Gazetted Officers

One of the problems which had been persistently brought before the Madras Government's attention has been that of improving the lot of that class of Government servants generally known as Non-gazetted Officers. It is known that the NGOs of the State had held an inferior status in the matter of pay scales and dearness allowances as compared to Central Government servants and had therefore never ceased clamouring for bringing their pay scales on a parity with that of the Central Government employees. The attitude of the State Government to this question had left much to be desired in point of firmness and clarity.

It was therefore gratifying to hear Mr C. Subramaniam the State finance minister, explain to the members of the NGOs Federation the implications to the State Government and to the country as a whole of the demands raised by them for increase in their salaries and allowances. Mr Subramaniam pointed out that the distress with which the NGOs are faced with and on which they have based their demands for better treatment is soluble only on the basis of a correct and effective approach to the price level which was at the root of the troubles confronting them. As such the problem is not one peculiar to the NGOs alone but is one which has a larger incidence and affects the whole of the middle class. Mr Subramaniam stated that they themselves could do much to improve their lot by not creating difficulties which would interfere with the successful implementation of the Second Plan.

How the demands of the NGOs would impinge on the financial resources of the State Government is evident from the figures given by Mr Subramaniam of the commitment already incurred by the State Government in increasing their emoluments by Rs 12 per individual which was done last year. This added up to an annual figure of Rs 4½ crores and over the Plan period to a sum of Rs 22½ crores. Considering that the State's total outlay for the Second Plan itself is only Rs 150 crores, it looks rather unfair that the NGOs should choose to make more demands which it is not within the capacity of the State Government to meet. Already Central assistance to the tune of Rs 2 crores which was anticipated at the time of granting the increase last year, had since been withdrawn by the Centre at the suggestion of the Finance Commission.

Having a wider impact and significance, the question of bringing the pay scales of the State NGOs to the level of Central Government employees is a matter for mutual discussion and co-operation between the Central and the State Governments. In this connection, Mr Subramaniam was at great pains to explain to them how he had been consistently trying to bring home to the Central authorities the justice of their demands. All the same he ruled out any immediate prospects for the complete removal of the disparity in their pay scales even in the event of Central assistance and could only envisage a slow process by which this could be done.

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A Slogan to Save

The student community has been called upon to make the small savings scheme a success. Mr C. Subramaniam, the Madras Finance Minister, who inaugurated the scheme, stressed that the loans which the Government used to obtain from the zamindars and other business magnates were no longer available. Therefore, he said, it has become inevitable for the Government to take the loans from all sources. He also pointed out that, if the student community could, by this scheme, collect a substantial amount, it could usefully serve the purpose.

The drive is a part of the activities of the Planning Forums which will operate in the city colleges. Four prizes have been offered to make the students more thrifty so that they may refrain from spending unnecessarily. The estimated target of Rs 6,000 millions during the Second Plan period may increase to Rs 9,000 millions in the Third Plan if there was good response in this direction. Of Rs 6,000 millions, as much as Rs 5,000 millions will be mobilised from the small savings so as to play an important role in the implementation of the Second Plan. It may be recalled, in this connection, that, receipts under this scheme rose from Rs 330 millions in 1950-51 to Rs 650 millions in 1955-56.

The small savings play a vital role in the economy of a country. This scheme provides an opportunity for rich and poor, young and old, to contribute their mite to the development of their country and infuses a spirit of national responsibility.

There has been insufficient publicity and inability of the organisers who have failed to create the sense of national responsibility among the public. Still, if the attention of the public is drawn to the scheme and its advantages publicised extensively there is no doubt that this will prove to be a great success.

Wanted : More Propaganda

The decision taken by the Coffee Board to close down the Coffee Houses is most welcome, especially when the indigenous consumption will be lessened so as to permit larger exports, with the result that there will be some amount of foreign exchange earned to meet the deficit.

It may be recalled that our internal markets consumed 25,249 tons in 1956-57 and as much as 12,249 tons was exported. This shows a marked improvement compared to the internal offtake of 23,900 tons in 1955-56 and the exports amounting to 7,475 tons in the same year. It is also heartening to note that a few thousand acres more will be brought under coffee cultivation, in addition to the existing 200,000 acres in South India.

It is necessary that we expand our programmes for export. Foreign exchange is a vital necessity without which the implementation of the Second Plan would be very difficult. It has been estimated that there will be stiffer competition from Brazil this season in view of its excessive production. In the Middle East, Indian coffee has very little or no demand; therefore, organised penetration of markets seems essential. But, in recent years, the Communist bloc has showed a rising trend in the consumption of coffee: hence, this is a market for us to exploit.

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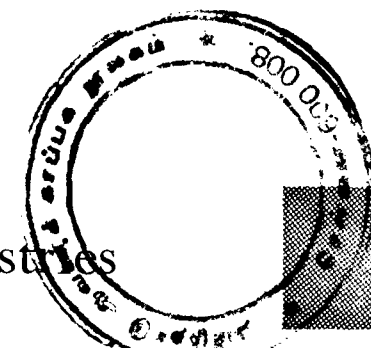
Madras Port Trade

During 1956-57

The administrative report of the port of Madras for 1956-57 shows that the revenue receipts of the Port Trust for the year were Rs 234.09 lakhs as against Rs 168.63 lakhs in the previous year. The net expenditure for the year excluding the amount held under suspense and the amounts paid as contributions to renewals and replacement fund, general insurance fund and capital account aggregating Rs 139.68 lakhs amounted to Rs 111.41 lakhs as against Rs 97.84 lakhs in the previous year.

The number of vessels excluding sailing vessels that entered the harbour during the year was 873 as against 926 in the previous year. An interesting point that emerges is that tonnage of foodgrains imported through the port during the year was 149,963 as against only 42,240 during the previous year.

The total tonnage which passed through the port during the year was 2,665,828 as against 2,461,611 during the previous year. The trade as a whole was appreciable more than that of the previous twelve months and compulsory third shift working in the docks was introduced with effect from June 1, 1956, to cope with the increased tempo of traffic.





IN the Madras market, Groundnut Oil prices have suffered a landslide during the week under review. The ready rate, which was ruling at Rs 300 per candy last week, has now declined to Rs 287. Increased arrivals of kernels in North Arcot and lack of interest by Calcutta dealers are stated to be responsible for this sharp setback in prices.

It may be mentioned that vanaspati factories had so long been giving support to the market and buying oil from the big mills. But, with the accumulation of vanaspati stocks at Calcutta and restricted intake on account of customers, Calcutta interests have not evinced any keen interest in the market. Again, the mustard crop in Bengal is reported to be fairly good, and the difference in prices between mustard oil and groundnut oil is also narrowing down. Thus, big mills are now started to be in difficulty; and nervous unloading by a few is taking place.

In the kernel section, the rate is quoted at Rs 145 per candy. Arrivals averaged 40 to 50 tons a day, while those in South Arcot and North Arcot centres are reported to be good. Small crushers are the main buyers, while big crushers are unable to do business owing to the fall in the price of oil and the difficulty in selling their production in competition with the duty-free oil of small producers.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides have continued to be small and these are cleared promptly. In the export section, UK buyers are more interested in 5½ lbs and business is reported done in ordinary marks at 44d and, in some cases, even at 46d. Shippers are now quoting 70d for Runs without any response from London. Inferior fifts have shown no change in prices and the local demand has continued to take up all supplies at very much higher prices than the UK buyers can afford to pay.

Arrivals of Buff hides are slightly higher and fair quantities are reported to have been cleared at 2 to 3 nP per pound higher than last week. Arrivals of Cow Calf and Buff Calf have, however, continued to be small and of a poor selection.

In the Tanned Skins section, market quality Goat skins have remained unchanged, while heavily-adulterated Sheep skins have advanced by about 6 to 12 nP per pound. On the export front, the market is a little quieter as both buyers and sellers appear to be awaiting the result of the next London Public auction.

Pepper

The Pepper market continues to remain depressed due to paucity of foreign as well as inland demand and reports of increased arrivals at

Setback in Groundnut Oil Prices

the terminal centres. Advices from New York are also quiet as dealers and grinders there are inclined to hold off in anticipation of further declines. In the Alleppey market, the rate is quoted around Rs 462 per candy. In the Kozhikode market, Wynaad new is quoted at Rs 500 and the Country variety new at Rs 475 to Rs 490 per candy.

Business between India and the USA, during the 1957 season, is estimated to have been reduced drastically to about one-tenth of the preceding year. As against the normal transactions between 1,500 and 2,000 tons every year, only about 200 tons have changed hands this season.

In the New York market, Malabar and Lampong spot are quoted lower at 23½ cents per pound and Sarawak spot at 22½ cents. Big offers of 100 to 200 tons of smuggled Lampong from Singapore are reported to have scared away prospective buyers. In the Singapore market, Sarawak is ruling steady; but Lampong has weakened under fear of heavy arrivals of smuggled pepper from Sumatra.

Coffee

It is understood that the Coffee Board has a plan to introduce open export auctions. Leading planters have felt that this is certainly a step in the right direction, although its early effects may not be quite encouraging. In their opinion, the industry can, however, hardly feel secure until it has an established exchange for marketing its produce on lines similar to the tea markets in Cochin and Calcutta. It is generally felt that the present system of auctions by sealed tenders, while adequate for the needs of the internal market, is not popular among foreign buyers.

Meanwhile, internal offtake has risen to a new record level of 26,230 tons in 1957. This is more than 10 per cent above that in 1956 and 17 per cent above that of 1955. The internal consumption, during the current year, is likely to increase further.

It is felt that, as the outlook for coffee in the world market is uncertain, an expanding home market is a very valuable asset for the coffee industry in India. Nevertheless, with the large rise in output, the industry will have to rely on foreign markets to dispose of its surplus. The crop last year was 42,000 tons and the estimate for the current season is placed at 30,000 tons; but again a large crop is more than likely for the next season.

On account of the delay in curing, the first Export Sale of the new season, scheduled to take place in January, has to be postponed to the first week of February.

Bangalore Silk

The Bangalore Silk market rules generally firm with the prices of

Filature and Charka varieties maintaining the same levels that prevailed in the previous week. In respect of third quality silk, there is only a nominal increase of 50 nP.

Prices of Reeling Cocoons have tended to decline with the first quality quoting from Rs 1.95 to Rs 2.31 as against Rs 2.12 to Rs 2.37.

MARTIN BURN LIMITED

NOTICE

The Annual General Meeting (being the twelfth Ordinary General Meeting) of the Shareholders of Martin Burn Ltd. will be held on Thursday, 27th February, 1958, at 12 noon at the Registered Office of the Company, 12, Mission Row, Calcutta, to transact the following business:

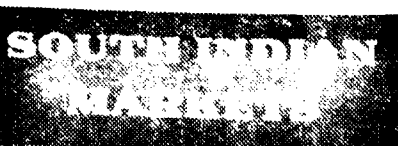
1. To receive and adopt the Audited Accounts for the year ended 30th September, 1957, and the Directors' and Auditors' Reports thereon.
2. To declare a Dividend and Cash Bonus.
3. To appoint Directors in place of those retiring. In this connection notice is hereby given that a special notice as defined in Section 190 of the Companies Act, 1956, has been received by the Company under Section 281 of the Companies Act, 1956, to move the following resolution at the meeting:—
"That Mr. T. Leslie Martin be and is hereby appointed a Director of the Company and that it is hereby declared that the age limit laid down in Section 280 of the Companies Act, 1956, shall not apply to him."
4. To appoint Auditors and to fix their remuneration.

The Ordinary Share Registers of the Company will be closed from 20th to 27th February, 1958, both days inclusive.

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

By Order of the Board,
A. G. Gidley
Secretary.
Calcutta,
1st February, 1958.

NOTE:—The Dividend and Cash Bonus, if sanctioned, will be paid on or after 1st April, 1958, to those Shareholders so entitled whose names appear in the Company's books on the 27th February, 1958, or to their mandatees. No application for dividend warrants will be necessary.



Second quality rules between Rs 1.62 and Rs 2.00 against Rs 1.87 to Rs 2.06.

Foreign-seed cocoons have registered an improvement of six points over the week, while Mysore continues to be quoted at the same rate as in the previous week. The rates for Silk-waste remain unchanged.

MARTIN BURN LIMITED

NOTICE

At a meeting of the Board of Directors of Martin Burn Ltd. held on the 22nd January, 1958, the Directors have recommended the payment of a dividend at the rate of Rs. 1.50 nP and a cash bonus of 62 nP per share both without deduction of Income Tax on the Ordinary Shares of the Company ranking for dividend for the year ended 30th September, 1957. These recommendations await sanction by the Shareholders at the Annual General Meeting of the Company to be held on Thursday, the 27th February, 1958.

The Ordinary Share Register of the Company will be closed from the 20th to 27th February, 1958, both days inclusive, and the dividend and cash bonus, if sanctioned, will be paid on or after the 1st April, 1958.

By Order of the Board,
MARTIN BURN LIMITED,
A. G. Gidley,
Secretary.
12, Mission Row,
Calcutta, The 22nd January, 1958.

BALMER LAWRIE & COMPANY LIMITED

NOTICE is hereby given that an Interim Dividend on the shares of the above Company of 5%, free of Income Tax, for the year ended 31st December, 1957, was declared by the Board of Directors on 27th January, 1958, payable on or after 28th February, 1958, to those Members whose names are registered in the Register of Members of the Company on the 28th February, 1958. Dividend Warrants will be despatched to Members and no application to the Company is necessary.

Notice is also hereby given that the Transfer Books and the Register of Members of the Company will be closed from 14th February, 1958 to 28th February, 1958, both days inclusive.

By Order of the Board,
BALMER LAWRIE & COMPANY LIMITED,
D. MANSON
Secretary.
21, Netaji Subhas Road,
Calcutta. 27th January, 1958.

February 1, 1958

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

Licences have been obtained from the Central Government for effecting a substantial expansion to an existing industrial undertaking and for the establishment of a new industrial undertaking. Copies of these Licences are open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting these Licences the Government of India do not take any responsibility for the financial soundness of these undertakings or for the correctness of any of the statements made or opinions expressed in regard to them.

A copy of this Offer for Sale, having attached thereto the documents specified below, has been delivered to the Registrar of Companies, West Bengal, for registration as required by Section 60 of the Companies Act, 1956.

Application is being made to the Calcutta Stock Exchange for permission to deal in and for an official quotation for the whole of the issued share capital of the Company.

The Application Lists will open at 10 a.m. on Tuesday, the 4th day of February, 1958 and will close at 10 a.m. on Friday, the 7th day of February, 1958 or later at the discretion of the Offeror.

INDIAN OXYGEN LIMITED.

(Incorporated under the Indian Companies Act, 1913)

CAPITAL

Authorized Rs.	Ordinary Shares of	Issued and Fully Paid Rs.
4,00,00,000	Rs. 10/- each	2,00,00,000

The Company has no debentures, debenture stock or other loan capital outstanding but is indebted to The British Oxygen Company Limited in the sum of Rs. 16,91,743 on Special Loan Account and Rs. 1,13,16,165 on Current Account as at the 31st December, 1957. These amounts are unsecured.

The Company at present has overdraft facilities with its Bankers up to a maximum of Rs. 20,00,000 outstanding at any one time. As at the 31st December, 1957, no amount was outstanding on this account.

DIRECTORS:

A. D. Vickers.	29, Netaji Subhas Road, Calcutta.	Chairman, Solicitor.
J. S. Hutchison.	Bridgewater House, Cleveland Row, London, S.W.1.	Chairman of The British Oxygen Company Limited.
R. G. C. Stephenson.	48/1, Diamond Harbour Road, Calcutta-27.	Managing Director.
C. H. Campbell.	Chartered Bank Buildings, Mahatma Gandhi Road, Bombay-1.	Merchant.
M. A. Sreenivasam.	Highground, Bangalore.	Company Director.
S. K. Sinha.	1, Sunny Park, Ballygunge, Calcutta-19.	Company Director.
A. K. Sen.	48/1, Diamond Harbour Road, Calcutta-27.	Finance Director.
T. R. Shields.	48/1, Diamond Harbour Road, Calcutta-27.	Sales Director.
C. Hawkins.	48/1, Diamond Harbour Road, Calcutta-27.	Technical Director.

BANKERS:

THE CHARTERED BANK, Chartered Bank Buildings, Calcutta-1.

BROKERS:

PLACE, SIDDONS & GOUGH, 6, Lyons Range, Calcutta-1.
LEWIS & JONES, Bank of Baroda Building, Appollo Street, Fort Bombay.
HARBANS SINGH MEHTA & CO., 33, Regal Buildings, Parliament Street, P.O. Box 300, New Delhi-1.
PATERSON & CO., 22, Errabalu Chetty Street, P.O. Box 48, Madras-1.

SOLICITORS TO THE COMPANY AND TO THE OFFER:

ORR, DIGNAM & CO., 29, Netaji Subhas Road, Calcutta-1.

AUDITORS:

PRICE, WATERHOUSE & CO., B4, Gillander House, Calcutta-1 (Chartered Accountants).

SECRETARY AND REGISTERED OFFICE:

A. K. BASAK, Chartered Accountant (England), 48/1, Diamond Harbour Road, Calcutta-27.

REGISTRARS:

JARDINE HENDERSON LTD., 4, Clive Row, Calcutta-1.

OFFER FOR SALE

by The British Oxygen Company Limited of Bridgewater House, Cleveland Row, St. James's, London, S.W.1.

OF
600,000 Ordinary Shares of Rs. 10/- each fully paid IN

INDIAN OXYGEN LIMITED

at Rs. 13.50 per share payable in full on application

All the shares now being offered for sale are being underwritten by The Industrial Credit and Investment Corporation of India Limited of Union Bank Building, Apollo Street, Fort, Bombay-1, for a commission of 2% on the sale price of the shares, making a total commission of Rs. 1,62,000. In the opinion of the Directors the resources of the underwriters are sufficient to discharge their obligations. All the shares now being offered for sale are equity shares within the meaning of Section 85 (2) of the Companies Act, 1956.

The Offeror will receive through the Company's Bankers. The Chartered Bank, applications for the above Ordinary Shares payable in full (i.e. Rs. 13.50 per share) on application.

It is intended to reserve a maximum of 30,000 (i.e. 5%) of the above 600,000 shares for offer in the first instance to employees of the Company. To the extent to which these shares are not taken up by employees they will be available to meet applications from the public.

Applications which, unless made by employees of the Company, must be for 50 shares or multiples thereof, must be made on the accompanying form and lodged, together with the full amount payable, before the close of the application lists, with any branch in India of The Chartered Bank. Employees of the Company may apply for 25 shares or multiples thereof and a special form of application, coloured blue, is provided for this purpose with copies of this Offer for Sale issued to employees.

Further instructions regarding application for shares appear later in this Offer for Sale and also on the Application Forms.

All expenses of the offer, including stamp duty payable on the first transfer of shares (from the Offeror to the applicant), will be paid by the Offeror.

The shares now being offered will confer the right to any dividend declared in respect of the Company's financial year ending 30th September, 1958. No dividend has yet been declared in respect of such financial year.

PARTICULARS.

History and Business: Indian Oxygen Ltd. was incorporated and registered in West Bengal on the 24th January, 1935, as a private company limited by shares under the name of "The Indian Oxygen & Acetylene Co., Limited." On the introduction of the Companies Act, 1956, the name of the Company was changed to "The Indian Oxygen & Acetylene Co., Private Limited." The Company was converted into a public company on the 15th day of January, 1958 and at the same time its name was altered to "Indian Oxygen Limited".

The Company was originally formed for the purpose of taking over (and after incorporation, did take over) as going concerns the businesses then carried on:—

Firstly: By The Lightfoot Refrigeration Company, Limited at Calcutta, Bombay, Lahore, Jamshedpur, Giridih and Kargali and at Colomobo in connection with the manufacture and sale of Oxygen Gas and Liquid Oxygen Explosives and appliances therefor.

Secondly: By The Gas Accumulator Co. (India) Limited at Calcutta in connection with the

manufacture and sale of Oxygen, and Acetylene Gases and appliances therefor.

Thirdly: By Allen Liversidge (India) Limited at Bombay in connection with the manufacture and sale of Acetylene Gas and appliances therefor.

The Company is a subsidiary of The British Oxygen Company Limited and, as such, is a unit of an organisation having subsidiary and associated companies in Africa, Australia, Burma, Canada, Ceylon, Eire, Hongkong, Malaya, New Zealand, Norway, Pakistan and the United Kingdom.

New companies were formed in Pakistan, Burma and Ceylon, as subsidiaries of The British Oxygen Company Limited, to commence operations as from the 1st August, 1949, after taking over the capital assets, stocks and certain other assets, together with certain liabilities of The Indian Oxygen & Acetylene Co., Limited in those territories. The Indian Oxygen & Acetylene Co., Limited ceased trading in those territories as from the 1st August, 1949, consequent upon the formation of the new companies.

The Company's present business consists of the manufacture and sale of Industrial and Medical

1948 Rs.	1949 Rs.	1950 Rs.	1951 Rs.	1952 Rs.
1,08,52,445	1,36,59,064	1,33,03,772	1,53,97,836	1,69,25,955
1953 Rs.	1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.
1,97,39,770	2,34,03,420	2,87,99,882	3,45,59,726	4,17,74,429

NOTE:—Sales in Pakistan, Burma and Ceylon upto 31st July, 1949, have been included in the above figures. After that date separate companies were, as mentioned above, incorporated in these countries to take over the business previously carried on there by this Company.

In order to meet the increasing demand for its products the Company has throughout adopted a progressive policy both as regards expansion of its factories and facilities and as regards replacement of old plant and machinery by modern equipment.

The industrial development plans initiated by the Government of India, and in particular the expansion in steel production envisaged by the Second Five Years Plan, are expected to give rise to a further very substantial increase in the demand for the Company's products. With this in mind the Directors have therefore drawn up a replacement and expansion programme. This programme involves the setting up of new factories and expansion and modernisation of existing factories and includes provision for the progressive manufacture in this country of certain equipment and accessories used in the process of Welding and Cutting which presently have to be imported from abroad. As indicated by the headnote on the first page of this Offer for Sale, Licences under the Industries (Development and Regulation) Act, 1951, have been obtained for the establishment of a new industrial undertaking for the manufacture of Gas Welding and Cutting Equipment and for effecting a substantial expansion to the Company's existing industrial undertaking for electrode manufacture. In the light of a recent Government Notification the Company has been advised by the

Gases (including Oxygen, Acetylene, Nitrous Oxide and Dry Breathing Oxygen) and Electrodes and of the assembly manufacture and sale of Welding and Cutting Apparatus and Equipment, and other similar articles.

The business is carried on in India at the Company's Head Office and factories in Calcutta and at branch factories and offices at Ahmedabad, Bangalore, Bombay, Burnpur, Delhi, Jamshedpur, Kanpur, Madras, Tiruchirappalli and Visakhapatnam and through depots at Bombay City, Baroda, Cochin, Delhi, Gauhati, Howrah, Hubli, Hyderabad, Jaipur, Jullundur, Kolhapur, Ludhiana, Madurai, Nagpur, Patna, Poona and Vijayawada.

Development: Since its incorporation the Company has progressively expanded both its volume of production and its range of products and it is now the main supplier of India's requirements of Industrial and Medical Gases and Equipment for Welding and various other processes involving the use of Industrial Gases.

An indication of this progressive expansion is given by the following figures showing the total sales turnover during the last ten years:—

Ministry of Commerce and Industry that Government now considers that Industrial Gases, Oxygen and Dissolved Acetylene, and also Fluxes of all types, are covered by the Act. This will necessitate the obtaining of certain further Licences under the Act and the necessary applications have been submitted.

The Replacement and Expansion programme which is already in hand, is planned to be completed by approximately 1960 at an estimated cost of Rs. 3,20,86,423. Of this sum expenditure of Rs. 99,59,423 had already been incurred up to the 30th September, 1957, leaving a balance of Rs. 2,21,27,000 to be expended during the three years to the 30th September, 1960. The expenditure incurred to date has been financed, on a temporary basis, by The British Oxygen Company Limited partly by means of the Special Loan Account referred to on the first page of this Offer for Sale and partly by allowing the Company to withhold payment of amounts due to The British Oxygen Company Limited on Current Account.

Shortly before this Offer for Sale 680,000 Ordinary Shares of Rs. 10 each were issued to The British Oxygen Company Limited at par. Out of the total issue price (Rs. 68,00,000) Rs. 29,23,333 was paid by liquidation of a loan from The British Oxygen Company Limited then outstanding. The balance of Rs. 38,76,667 was remitted to the Company in cash.

The Offeror (The British Oxygen Company Limited) has agreed to leave the net proceeds of sale of the present Offer for Sale, less Capital Gains Tax, if any, payable by the Offeror in respect thereof, on loan to the Company for a period of seven years at the rate of interest from time to time applicable to loans from The British Oxygen Company Limited to the Company. Such rate of interest is subject to adjustment in the light of prevailing conditions but at present stands at 6 per cent per annum.

In planning the financing of the Replacement and Expansion Programme the Directors have had due regard to the necessity of providing for adequate foreign exchange for the import of capital goods. In this connection the subscription by The British Oxygen Company Limited of the sterling equivalent of Rs. 68,00,000 (partly by liquidation of an outstanding loan to the Company and partly by remittance in cash) will be of great assistance but it is estimated that further foreign exchange to the extent of approximately Rs. 75,00,000 will be required for the Replacement and Expansion Programme. The Company is therefore engaged in negotiation with The Industrial Credit and Investment Corporation of India Limited and intends to open negotiation with the Commonwealth Development Finance Company Limited of London and it is hoped that these two Companies between them will lend to the Company a total of Rs. 75,00,000 available as foreign exchange. Should these negotiations for any reason prove unsuccessful it will be necessary to explore other possible means of raising the required amount of foreign exchange.

The balance in the hands of the Company resulting from the recent issue of 680,000 shares to The British Oxygen Company Limited: the net proceeds of this Offer for Sale (less Capital Gains Tax, if any) to be lent to the Company by the Offeror; the foreign exchange loans referred to above; (assuming the negotiations are successful) and the amount that is estimated to be available from the Company's internal resources (after making due allowance for the working capital which will be required during the three years to the 30th September, 1960) will be used to finance the Replacement and Expansion Programme including expenditure already incurred. It is proposed in the first instance to pay off the amount due to The British Oxygen Company Limited on the Special Loan Account and also at the earliest opportunity to pay off the sum presently due to that Company on Current Account.

Management, Staff and Technical Facilities: The Company has an experienced technical and executive staff, a large proportion of whom have been trained by the Offeror in the United Kingdom and provides work for over 2,000 employees.

Indian Finance

As a wholly owned subsidiary of The British Oxygen Company Limited the Company has had the benefit of the wide technical experience and "know how" of that Company. Consequent upon the conversion of the Company into a public company with a view to the present Offer for Sale by the Offeror to the Indian public of a substantial part of the Offeror's shareholding, it is proposed to enter into an Agreement with the Offeror for a period of 5 years for the undertaking of joint research in the Offeror's research establishments in the United Kingdom, each party to pay an appropriate proportion of the cost of such research, subject to a maximum annual payment by the Indian Company of £30,000, and for the continuance of the various training and technical assistance facilities heretofore provided by the Offeror. The Agreement will also make provision for the continued use by the Company of registered designs, trade marks, patents, processes and inventions of the Offeror and for reciprocal facilities to be given by the Company to the Offeror. Application has been made to the Reserve Bank of India for its consent to the proposed Agreement.

Working Capital: Taking into account bank facilities the Directors consider that the Company has adequate working capital for its present requirements and the financial arrangements referred to above provide for working capital during the period of the Replacement and Expansion Programme.

Future Prospects: The growth of the Company's sales is reflected in the profit figures over the past five years. Whilst no assurance can be given as to future profits or prospects, it is considered that with the planned rise in steel production in this country there should be a ready absorption of the Company's present and proposed increased production.

The Directors anticipate that, in the absence of circumstances beyond their control, the profits of the current financial year should be sufficient to justify recommending a dividend for the year of 10% free of income tax.

Auditors' Report: The following is a copy of a Report which has been received from Messrs. Price, Waterhouse & Co.:—

B4, Gilander House,
Calcutta
8th January, 1958.

The Directors,
The Indian Oxygen & Acetylene Co. Private Limited,
48/1, Diamond Harbour Road,
Calcutta-27.

Dear Sirs,

We have examined the books and accounts of The Indian Oxygen & Acetylene Co. Private Ltd., which are kept in Calcutta and in which are incorporated the audited returns from the Branches, for the five years ended 30th September, 1957, and report that the profits of the Company are as set out below. These profits have been arrived at

February 1, 1958

after charging all expenses of working and management including provision for normal depreciation as allowable for taxation and after making such adjustments as are, in our opinion, appropriate:—

INCOME.							Year ended 30th September, 1953.	Year ended 30th September, 1954.	Year ended 30th September, 1955.	Year ended 30th September, 1956.	Year ended 30th September, 1957.
							Rs.	Rs.	Rs.	Rs.	Rs.
Sales and Recoveries	..	...	..	...	...	...	1,97,39,770	2,34,03,420	2,87,99,882	3,45,59,726	4,17,74,429
Miscellaneous Income	..	...	..	...	..	..	70,197	61,066	60,273	27,587	20,725
							<u>1,98,07,967</u>	<u>2,34,54,486</u>	<u>2,88,57,155</u>	<u>3,45,87,313</u>	<u>4,17,95,154</u>
EXPENDITURE.											
Cost of Sales and Recoveries	...	...	..	...	...	...	1,19,34,762	1,39,02,628	1,56,34,830	2,10,94,178	2,61,57,766
Staff—Salaries, Wages and Incidental Expenses	...	...	..	...	...	...	23,59,363	25,22,067	27,89,111	30,88,457	38,32,438
Office and Administration	..	...	..	...	...	...	7,57,456	9,06,700	11,04,009	11,95,504	16,39,582
Selling Expenses	...	...	..	...	...	...	7,07,112	1,57,048	8,15,635	9,76,022	11,65,763
Miscellaneous Expenses	..	..	..	...	...	...	4,28,607	3,28,073	2,66,327	3,40,338	7,47,702
							<u>1,61,87,300</u>	<u>1,54,14,716</u>	<u>2,05,09,912</u>	<u>2,66,94,499</u>	<u>3,35,43,241</u>
Net Profit before Depreciation and Taxation	...	...	...	...	...	...	36,22,667	50,39,770	63,47,243	78,92,814	82,51,913
Normal Depreciation	..	..	..	...	...	...	8,81,672	9,41,439	10,30,414	10,78,659	12,54,773
Net Profit before Taxation	...	...	...	...	...	...	27,40,995	40,98,331	53,16,829	68,14,155	69,97,140
Taxation after allowance of normal depreciation only	..	..	..	..	..	..	12,03,768	17,93,266	25,13,682	33,21,367*	38,48,416
NET PROFITS:	...	...	...	..	..	..	<u>15,37,227</u>	<u>23,05,065</u>	<u>28,03,147</u>	<u>29,92,788</u>	<u>31,48,724</u>
*Exclusive of Rs. 7,50,000 Super-Tax Payable in respect of Bonus Shares issued during the year.											
Depreciation and Development Rebate figures not included above are as follows:—											
Extra Shift Allowance	...	..	...	..	..	...	1,15,390	1,18,601	1,13,220	97,523	97,523
Double Allowance	...	...	..	..	..	...	59,895	63,858	7,05,490	7,32,010	8,84,798
Initial Allowance	...	...	..	..	..	...	4,10,819	2,90,933	2,03,955	2,61,766	.....
Development Rebate	...	..	...	..	..	...	.....	3,99,562	72,094	1,55,013	1,62,112
							<u>11,17,104</u>	<u>14,42,754</u>	<u>10,94,749</u>	<u>12,46,302</u>	<u>11,44,433</u>

We also report that the assets and liabilities of the Company as at 30th September, 1957, which is the last date to which the Company's Accounts were made up, prior to the date of this report, are as set out below. These assets and liabilities have been arrived at after making such adjustments as are, in our opinion, appropriate:

ASSETS.		Rs.
Capital Assets less Depreciation, Capital Work-in-Progress and Capital Goods in Transit.	...	2,51,11,147
India Government Securities and other Investments at Cost	..	4,46,023
Stocks on hand and Goods in Transit	...	1,49,52,898
Sundry Debtors and Advance Payments less provision for Doubtful Debts	...	98,22,230
Cash at Banks in Transit and in hand	..	23,82,947
		<u>5,27,15,245</u>
LIABILITIES.		
The British Oxygen Co., Ltd., Loan Accounts—Unsecured	...	29,23,333
The British Oxygen Co., Ltd., Special Loan Account—Unsecured	...	6,04,063
The British Oxygen Co., Ltd., Current Account	..	1,11,09,199
Sundry Creditors and other Liabilities	...	54,07,370
Cylinder Deposits	...	29,91,316
Taxation Provision less Advance Payments	...	50,56,938
Dividend Provision	..	13,20,000
Gratuity and Pension Provisions	...	11,61,272
Bank Overdraft—Unsecured	...	18,77,280
		<u>3,24,49,771</u>
		<u>2,02,65,474</u>

NET ASSETS.		
Represented by:—		
Issued and Subscribed Capital—13,20,000 Shares of Rs. 10/- each	..	1,32,00,000
Reserves and Surplus	...	70,65,474
		<u>2,02,65,474</u>

Contingent Liabilities:—There are certain demands from the staff against the Company, mainly in regard to additional bonuses, revision of pay and dearness allowance scales, etc., which are not acknowledged as debts, and the amount in regard to which cannot now be determined.

We further report that the dividends paid or proposed to be paid by the Company out of profits on its paid up capital are as follows.

10,70,000 Shares of Rs. 10/- each.		Rs.
In respect of the year ended 30th September, 1953	8% per annum	8,56,000
In respect of the year ended 30th September, 1954	10% per annum	10,70,000
13,20,000 Shares of Rs. 10/- each.		
In respect of the year ended 30th September, 1955	10% per annum	13,20,000
In respect of the year ended 30th September, 1956	10% per annum	13,20,000
In respect of the year ended 30th September, 1957	10% per annum	13,20,000

Yours faithfully,
Sd. Price, Waterhouse, & Co.

Statutory and General Information: The shares now being offered for sale were acquired by the Offeror prior to 1947. No part of the proceeds of this Offer for Sale is payable directly to the Company but, as mentioned above the entire net proceeds less Capital Gains Tax, if any, payable by the Offeror in respect thereof will be

loaned to the Company by the Offeror. The expenses of this Offer for Sale, which are payable by the Offeror, inclusive of underwriting commission, brokerage, stamp duty, printing charges, Registrars' fees and legal and other charges are estimated at Rs. 5,20,000. This does not take into account Capital Gains Tax, if any, payable by the Offeror.

No share or loan capital is under option or agreed to be put under option.

The main objects specified in the Company's Memorandum, apart from the taking over of the businesses of The Lightfoot Refrigeration Co. Ltd. The Gas Accumulator Co. (India) Ltd. and Alien Liversidge (India) Ltd. referred to above, are:—

"To carry on the business of manufacturing and compressing oxygen, hydrogen, nitrogen, carbonic acid, acetylene and other gases or kindred substances or any compounds thereof by any process, and of selling or applying such gases, substances and compounds or any of them to such purposes as the Company may from time to time think desirable, and to manufacture, buy, sell, let on hire, and deal in engines, cylinders, compressors, machines and other apparatus and conveniences which may seem calculated to promote (directly or indirectly) the consumption of gases.

To manufacture and deal in metals, substances and materials of all kinds (including glass) which may be usefully or conveniently employed in the manufacture of receivers for compressed or liquefied or other gases, and all machinery, appliances, tools, articles and things used or capable of being used for closing or in the manufacture of appliances for closing such receivers or for closing or stoppering bottles or for liberating the gases or other contents of

any such receivers or the tools required for or used in the manufacture of any such articles or things or for any of the purposes aforesaid.

To carry on the business of manufacturing, buying and selling dissolved acetylene, acetylene lamps, generators and plants, acetylene apparatus and accessories and other apparatus, appliances, articles and things which may seem calculated to promote or to be capable of being used in connection with the consumption of dissolved acetylene.

To carry on the businesses of chemists, druggists, importers and manufacturers of and dealers in carbide of calcium and other pharmaceutical, medicinal, chemical, industrial and other preparations and articles, compounds, cements, oils, paints, pigments and varnishes, makers of and dealers in proprietary articles of all kinds, and electrical, chemical, photographic, surgical and scientific apparatus and materials."

No shares or debentures have been issued or agreed to be issued within the two years preceding the date of this Offer for Sale as fully or partly paid up otherwise than in cash and no shares have been issued at a premium within the said two years, nor are any shares presently intended to be issued at a premium.

The Company has not issued any redeemable preference shares and does not at the present time intend to do so.

No amount or benefit has been paid or given within the two years preceding the date of this Offer for Sale or is intended to be paid or given to any promoter or officer of the Company save as remuneration for services as a director, managing director or employee of the Company.

On a show of hands every member present in person has one vote and every person present as a General Proxy (i.e. any Proxy

other than a Proxy appointed for a specified meeting only) or as a representative for a body corporate, if he is not entitled to a vote in his own right, has one vote. On a poll the voting rights of members are as specified in Section 87 of the Companies Act, that is to say, every Ordinary shareholder has a right to vote on every Resolution in proportion to his share of the paid up equity capital of the Company.

No member may exercise any voting rights either personally or by Proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has or has exercised any right of lien.

The Board are authorised to borrow and secure the payment of any sums of money for the purposes of the Company but they may not, without the sanction of a General Meeting, so borrow any

Bonus Issue of	24,111 fully paid Ordinary shares of Rs. 10/- each in March 1940			
do	24,111	do	April	1941
do	24,112	do	April	1942
do	40,000	do	Decr.	1944
do	40,000	do	August	1945
do	2,40,000	do	May	1946
do	1,80,000	do	February	1947
do	35,000	do	Novr.	1949
do	2,50,000	do	January	1956

During the two years preceding the date of this Offer for Sale no commissions, discounts, brokerage or other such terms, except as herein mentioned, have been granted to any person in connection with the issue or sale of any stock, shares or securities of the Company.

Contracts: The following contracts, not being contracts in the ordinary course of business, have been entered into by the Company with the parties mentioned during the two years preceding the date hereof and are or may be material:—

(1) Dated 20th January, 1958 with Jardine Henderson Limited whereby the latter were appointed Registrars and Share Transfer Agents to the Company at a fee of Rs. 30,000/- per annum and also undertook to perform various services for The British Oxygen Company Limited in connection with this Offer for Sale for a fee of Rs. 50,000/-. (2) Dated 10th July, 1956, with The British Oxygen Company Limited being an order placed by the Company for a Liquid Oxygen Plant for Bombay Branch for Rs. 7,66,670/-. (3) Dated 29th April, 1957, with The British Oxygen Company Limited being an order placed by the Company for a Liquid Oxygen Plant for Burnpur Branch for Rs. 8,76,820/-. (4) Dated the 29th April, 1957, with The British Oxygen Company Limited being an order placed by the Company for a 1,000 cubic feet Mobile Oxygen Plant for Rs. 2,88,000/-. (5) Dated on various dates between 10th February, 1956 and 27th September, 1957 with The British Oxygen Company Limited being orders

sum of money which will make the amount borrowed by the Company (exclusive of temporary loans obtained from the Company's bankers in the ordinary course of business) and then outstanding exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

The general powers of management of the Company are vested in the Board subject to the provisions of the Companies Act or any other statute, to the provisions of the Memorandum and Articles of the Company and to any regulations not inconsistent therewith duly made thereunder, including regulations made by the Company in General Meeting.

There has been no revaluation of the assets of the Company during the two years preceding the date of this Offer for Sale.

The following capitalisations of reserves or profits of the Company have taken place:—

Bonus Issue of	24,111 fully paid Ordinary shares of Rs. 10/- each in March 1940			
do	24,111	do	April	1941
do	24,112	do	April	1942
do	40,000	do	Decr.	1944
do	40,000	do	August	1945
do	2,40,000	do	May	1946
do	1,80,000	do	February	1947
do	35,000	do	Novr.	1949
do	2,50,000	do	January	1956

placed by the Company for plant and machinery comprising cylinders, evaporators, oxygen compressors, liquid oxygen transport tanks, portable equipment for steel process work, water receivers, conversion units, filter units, alumina driers, pipeline supply components, machinery for manufacture of welding fluxes and nozzles for a total sum of Rs. 76,42,058/-. (6) Dated on various dates between 17th January, 1956 and 2nd December, 1957 with Dalbhum Trades & Industries Ltd., Aluminium Manufacturing Co. Ltd., G. C. M. Burman, Indian Galvanizing Co. (1926) Ltd., Parry & Co. Ltd., General Electric Company of India Private Ltd., Cumberland & Martin Ltd., Process Plant Engineers, A. Reyrolle & Co. Ltd., (Indian Agency), Braithwaite & Co. (India) Ltd., C. A. Parson & Co. Ltd., (Indian Agency), Alfred Herbert (India) Private Ltd., H. G. Fewkes & Co. Private Ltd., Avery Co. of India Private Ltd., Martin Burn Ltd., Garden Reach Workshops Ltd., William Jacks & Co. Ltd., Batliboi & Co., Bivani & Sons (Private) Ltd., Bombay Company Private Limited, Madras, Nigam Brothers, Crompton Engineering Co., Parkeon Brothers, W. H. Brady & Co. Ltd., and Quasi-Arc Co. Ltd., being orders placed by the Company for miscellaneous items of plant and machinery for a total sum of Rs. 5,69,559/-. (7) Dated 18th October, 1956, with Bosana & Co. being an order placed by the Company for site preparation at Khardah for an Electrode Factory for Rs. 2,05,000/-. (8) Dated 4th March, 1957, with Bridge & Roof Co. (India) Ltd. for the construction of factory buildings for the new Electrode Factory at

Khardah at an estimated cost of Rs. 15,30,000/-. (9) Dated 11th September, 1957, with the General Electric Company of India Private Limited being an order placed by the Company for electric installations at the new Electric Factory at Khardah at an estimated cost of Rs. 78,000/-. (10) Dated 1st November, 1957, with H. G. Fewkes & Company Private Limited being an order placed by the Company for sanitary installation at the new Electrode Factory at Khardah at an estimated cost of Rs. 35,000/-. (11) Dated 5th August, 1957, with Mr. N. Guha for the construction of factory and office building at a new site at Burnpur at an estimated cost of Rs. 11,50,000/-. (12) Dated 14th October, 1957, with the General Electric Company of India Private Limited being an order placed by the Company for electric installations at the factory and office buildings at the new site at Burnpur at an estimated cost of Rs. 1,15,000/-. (13) Dated 5th August, 1957, with Mr. N. Guha for the construction of staff quarters at Jamshedpur at an estimated cost of Rs. 4,40,000/-. (14) Dated 5th July, 1956, with the Governor of the State of West Bengal regarding acquisition on behalf of the Company, at an approximate cost of Rs. 1,50,000/- of an area of approximately 17.76 acres of land in Burnpur for an oxygen and acetylene factory and other buildings. (15) Dated 11th February, 1956, with the Gas Accumulator Company (India) Limited for assignment to the Company of quota rights held by that Company. (16) Dated 11th February, 1956, with the Gas Accumulator Company (India) Limited for the transfer of quota rights by the Company to that Company. (17) Dated 7th May, 1957, with Deloro Stellite Limited whereby the latter granted exclusive resale rights to the Company in India in respect of hard facing rods and electrodes as from the 1st April, 1957. (18) Dated 27th December, 1957, between the Company and Mr. R. G. C. Stephenson whereby Mr. Stephenson was re-appointed Managing Director of the Company from the 1st January, 1958, for a period of five years at a salary of Rs. 4,150/- per month from the 1st January, 1958 to the 30th June, 1960, and Rs. 4,500/- per month from the 1st July, 1960 to the 31st December, 1962, together with such allowances, appropriate to his appointment, as are determined by the Board.

If any director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from Calcutta for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a committee of the Board, then, subject to Sections 198, 309 and 310 of the Companies Act, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

Subject to the provisions of Section 297 of the Companies Act a director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials, or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such director, or a firm in which such director or relative is a partner or with any other partner in any such firm, or a private company of which such director is a member or director, be

avoided nor shall any director so contracting or being a member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding office or of the fiduciary relation thereby established.

Subject to the provisions of Sections 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more directors to be managing director or managing directors of the Company.

Subject to the provisions of Sections 309, 310 and 311 of the Act, a managing director shall, in addition to the remuneration payable to him as a director of the Company under the Articles, receive such additional remuneration as may from time to time be sanctioned by the Company.

Every director, manager, secretary or officer of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such director, manager, secretary, officer or auditor in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted or in connection with any application under section 663 of the Companies Act in relief is granted to him by the Court.

Application for Shares: Applications by persons other than employees of the Company must be for 50 shares or multiples of

50 shares and must be made on the white form accompanying this Offer for Sale. Employees of the Company may apply for 25 shares or multiples of 25 shares in which case they must do so on the blue form accompanying the copies of this Offer for Sale issued to them. All application forms, properly completed, must be lodged, together with the full amount (Rs. 13.50 per share) payable on application, with any Branch in India of The Chartered Bank, viz. at Amritsar, Bombay, Calcutta, Chowringhee (Calcutta), Cochin, Delhi, Kanpur, Kozhikode, Madras and New Delhi. Payment should be made by cheque or draft in favour of "The Chartered Bank A/c. British Oxygen" and should, for the applicant's protection, be crossed "A/c payee only". A separate cheque or draft must accompany each application. Cheques or drafts drawn on The Chartered Bank, or drawn on any bank in the same town as that in which the branch of The Chartered Bank with which the application is lodged is situated, need include no allowance for collection charges. All other cheques or drafts must include bank charges at the rate of 25 nP. per Re. 100/-.

Applications from persons resident outside India will not be considered.

Acceptance will be notified by the despatch of an Acceptance Letter but the Offeror reserves the full and uncontrolled right of accepting or rejecting any application in whole or in part. Where an application is rejected or not accepted in full, the whole or the balance, as the case may be, of

the application money received will be refunded to the applicant by post at his risk and any bank charges will be payable by the applicant. The Company has agreed to waive the first payment of transfer registration fees in respect of the transfer of shares from the Offeror to applicants whose applications are accepted and for which Letters of Acceptance are issued. Share certificates will be available for issue in exchange for Letters of Acceptance on or after the 25th April, 1958.

Brokerage at the rate of 12 nP per share will be paid by the Offeror on acceptances made in respect of applications bearing the stamp of a recognised stock broker or banker. Brokerage on the same basis will be payable to The Industrial Credit and Investment Corporation of India Limited, in addition to the underwriting commission, on acceptances made in respect of applications made or procured by them provided that the relative forms of application bear their stamp.

Messrs. Price, Waterhouse & Co. have given and have not withdrawn their written consent to the issue of this Offer for Sale with a copy of their Report included therein in the form and context in which it is included. A copy of such consent, together with a statement of the adjustments made by that firm in arriving at the profits and assets and liabilities shown in the Report and giving the reasons therefor, copies of the consents of the auditors, solicitors, bankers and brokers to the Company to act in those capacities and

copies of the material contracts specified above have been attached to the copy of this Offer for Sale which has been delivered to the Registrar of Companies for registration.

A print of the Memorandum and Articles of Association of the Company, copies of the material contracts and of the agreement proposed to be entered into between the Company and the Offeror referred to above, the Report of the Auditors and their Statement of Adjustments and the Audited Accounts of the Company for the last five financial years may be inspected at the registered office of the Company during usual business hours (Saturdays excepted) for a period of fourteen days from the date of publication of this Offer for Sale or until the closing of the application list, whichever is earlier.

Copies of this Offer for Sale and forms of application can be obtained from any branch in India of The Chartered Bank and from any of the Brokers specified above. Dated the 21st day of January, 1958.

DIRECTORS.

A. D. VICKERS
J. S. HUTCHISON
C. H. CAMPBELL
M. A. SREENIVASAN
R. G. C. STEPHENSON
S. K. SINHA
A. K. SEN
T. R. SHIELDS
O. HAWKINS

by their authorised agent,
A. D. VICKERS.

OFFEROR.

F. LEWIN-HARRIS
L. S. KINNEAR
Directors, The
British Oxygen
Company Limited.

by their authorised agent,
A. D. VICKERS.

Calcutta

Calcutta, Friday Evening.

STEADY and active conditions continued to prevail on the local Stock Exchange during the past week when the speculative issues made further headway, while other scrips moved up in sympathy. Thanks to a favourable view of the outlook and the hopes entertained by the operators with regard to the prospects of getting further foreign assistance in the future, the market started the week on a steady note. Rumours that export duties on certain goods might be reduced and the improvement in the cloth market provided additional stimulus, resulting in a more cheerful atmosphere. The strong position of the market was also partly due to covering purchases against a substantial bear account that had been built up earlier. However, activity was confined to only a few selected scrips as operators were rather cautious in their commitments with the approach of the Central Budget. There was thus a general disposition to book profits at bulges.

On the Bombay Stock Exchange, speculative activity was concentrated in a few selected scrips and the market closed around the week's best levels.

Though the overall trend of the Madras Stock Exchange continued

to be steady, business was meagre. Planting issues showed a mixed trend.

A cautious trading was noticed on the London Stock Exchange.

Price movements on Wall Street were rather irregular.

Calcutta

Calcutta, Friday Evening.

STEADY and active conditions continued to prevail on the local Stock Exchange during the past week when the speculative issues made further headway, while other scrips moved up in sympathy. Thanks to a favourable view of the outlook and the hopes entertained by the operators with regard to the prospects of getting further foreign assistance in the future, the market started the week on a steady note. Rumours that export duties on certain goods might be reduced and the improvement in the cloth market provided additional stimulus, resulting in a more cheerful atmosphere. The strong position of the market was also partly due to covering purchases against a substantial bear account that had been built up earlier. However, activity was confined to only a few selected scrips as operators were rather cautious in their commitments with the approach of the Central Budget. There was thus a general disposition to book profits at bulges.

The Giltedged market was somewhat dull with business on a restricted scale. In anticipation of seasonal demand for funds, banks showed little interest. Enquiry was, therefore, confined to a select few short-dated issues. 3 per cent 1986 Conversion Loan opened at Rs 70.95 and, after improving at one time to Rs 71.50, receded again towards the close to Rs 71.10.

Bank shares evoked fairly good enquiry and were marked up slightly. Hind were taken up to Rs 48.40 from Rs 47.12 and United Commercial up to Rs 62.25 from Rs 61.00. Punjab National were, however, rather quiet at Rs 51.00 against Rs 52.25.

Sentiment in the Jute section continued to remain depressed due to weaker advices from the jute goods market. The only bright spot was New Central which forged ahead to Rs 13.81 from Rs 12.00 following the company's proposal to apply to the Controller of Capital Issues for permission to issue bonus shares in the ratio of one share for every two shares held. Nuddea were taken up to Rs 34.25 from Rs 29.00, while National receded further to Rs 23.85 from Rs 24.15 on renewed offerings. Gourapore changed hands at Rs 21.2 to Rs 21.5; Kinnison at Rs 11.2 to Rs 11.4; India at Rs 9.6 to Rs 9.9; Champdany at Rs 9.5 to Rs 9.75 and Belvedere at Rs 7.1 to Rs 7.4. Budgete

Budgete were maintained at Rs 70 and so also Anglo-India at Rs 134.

After a long period, there was a broadening of enquiry for Coal shares on reports of the increase in raisings and despatches at various collieries last year. Bengal were pushed up at one time to Rs 25.1 from Rs 23.8; Burrakur up to Rs 22.32 from Rs 22.12 and Central India up to Rs 7.25 from Rs 6.31, to finish slightly easier at Rs 24.4; Rs 22.25 and Rs 6.37 respectively on profit-taking. Amalgamated, however, firmed up to Rs 17.25 from Rs 15.37; New Beerbhoom to Rs 14.75 from Rs 13.75; Western Bengal to Rs 5.62 from Rs 5.22.

The steady improvement in the conditions of the cloth market had little effect on the pattern of trading in the Textiles section. Price movements were mostly confined to a narrow range on lack of sustained support. The only steady feature was Jaysree which had buyers up to Rs 6.31 against Rs 6.10. Kesoram were at one time marked up to Rs 10.25 from Rs 10.12 and New Victoria up to Rs 1.41 from Rs 1.25, to finish the week at Rs 10.00 and Rs 1.37 respectively. Cawnpore, however, receded further to Rs 4.44 from Rs 5.28. Elgins closed better at Rs 13.13 against Rs 13.00.

Trading in the Tea section continued to be restricted in view of the lower prices obtained at the auction for the second week in succession. A few selected scrips, however, con-

tinued to be supported on the hope that some measure of tax relief in the shape of a reduction on Common teas would be provided. Hopes were also held that the Government might sanction the release of a further quota for export as suggested by the Central Board at this week's meeting. Most prominent scrips were Banarhat having improved to Rs 316 from Rs 306; Bishnauth to Rs 19.06 from Rs 18.62; Bhatkawa to Rs 20.81 from Rs 20.00; Gohpur to Rs 20.90 from Rs 20.50; Jayshree to Rs 10.12 from Rs 9.87 and New Doorgs to Rs 258 from Rs 250. Grob "A" were a shade quieter at Rs 22.87 against Rs 23.12 and Kilcott at Rs 14.87 against Rs 15.00.

Although a few selected Sugar shares came in for some attention from interested quarters, turnover was restricted on reports that the prospects for exports were not very bright. The only bright spots were Carew having buyers upto Rs 6.52 from Rs 6.19 and S.K.G. upto Rs 9.06 from Rs 8.87. Belsund were, however, quiet at Rs 10 against Rs 10.19, while Balramore improved to Rs 5.75 from Rs 5.44.

Engineering shares were in limelight and prices made further headway under the lead of Indian Irons although higher levels could not be retained till the close due to profit taking. Against the week-end closing of Rs 19.90, Indian Irons opened higher at Rs 20.10 and, despite settlement considerations, advanced further to Rs 20.62 on renewed support, being influenced by the reports that one of the two new blast furnaces at the company's Works was put into operation on Thursday. Some selling pressure, however, caused the rate to slip down at the close to Rs 20.48. The settlement rate was fixed at Rs 20.36 as against last settlement of Rs 19.28 and the Satta was 7 nP. In "kerb" trading on Friday, there were buyers at only Rs 20.41 with sellers at Rs 20.43.

In sympathy, TEXMACO were pushed up to Rs 18.00 from Rs 16.40, to close finally at Rs 17.85. Jessops showed a further recovery to Rs 22.25 from Rs 20.37; Kumardhubi to Rs 7.90 from Rs 7.81; Marshalls to Rs 5.25 from Rs 5.06 and G.K. Williams to Rs 29.12 from Rs 28.81. Dealings in Richardson continued to be prohibited by the decision of the Stock Exchange Committee.

The Miscellaneous section provided several firm features on dividend and investment considerations. Most prominent were Inian Cable, being keenly sought after upto Rs 27.12 from Rs 26.37 following the announcement of a supplementary distribution of 4 per cent for the year ended 31-3-1956. Martin Burns had buyers upto Rs 25.37 from Rs 25.12 following the dividend being maintained for last year. Speculative buying pushed up Orient Paper at one to Rs 25.50 from Rs 23.80, to finish the week at Rs 25.30 on profit-taking. Titagur improved to Rs 33.75 from Rs 32.12, while Bengal, after a long time, came in for business at Rs 58 against Rs 80.25.

Indian Copper, after touching a high of Rs 2.94 from Rs 2.86, eased off at the close to Rs 2.91 on lack of

fresh support. Investment demand caused Dunlop Rubber to harden to Rs 22.50 from Rs 22.25; Aluminium Corporation to Rs 10.00 from Rs 9.62; National Carbon to Rs 24.50 from Rs 23.87 and NICCO to Rs 24.00 from Rs 23.81. Hindustan Motor were enquired upto Rs 6.31 from Rs 6.06 and Rohtas upto Rs 17.00 from Rs 16.06. India Steamship, Indian Aluminium, Hindustan Lever and Phillips were all nearly maintained at Rs 11.75; Rs 12.69; Rs 19.87 and Rs 14.00 respectively. BIC recovered to Rs 3.85 from the recent low of Rs 3.76, while Osier were on offer at Rs 2.37 against Rs 2.62. BBP were a steady feature at Rs 1.91 with Alkali Chemical changing hands at Rs 12.06 to Rs 12.25 and Sone Valley at Rs 4.75 to Rs 5.15.

Bombay

THE Stock market opened the week on a firm note but as the week progressed, there was a slackness of interest. The market, however, closed on a steady undertone. It would appear that there were three main factors which were working against any further firmness in price levels. The proximity of the Central Budget was one of them. Though it is generally believed that there will be no shocks, operators are chary of extending commitments to any large extent till the Budget is out of the way. Secondly, the news about TISCO during the week has not been quite encouraging. It is believed that output during January may show a decline. Further there are reports that the 2 million ton programme may take a few months more than originally estimated. Thirdly the absence of investment by the LIC is also discouraging bullish ideas.

Steel shares were buoyant in earlier dealings with the quotation for Tata Iron taken up to Rs 175.50 by close on Monday. In later dealings the scrip encountered selling pressure on rumours of lower January output and on Tuesday it was Rs 2.50 lower at Rs 173.00. Toward the close it staged a moderate rally to close on Thursday at Rs 173.75. Indian Irons was higher on balance at Rs 20.52.

Textiles were quite steady. Bombay Dyeing after receding slightly recovered to close at Rs 51.60. Century attracted some support in later dealings and was finally placed at Rs 397.25 as against its earlier quotation of Rs 394.25. Kohinoor was fractionally better at Rs 269.50. Most of the other shares were slightly easier where marked.

In the Miscellaneous section Phalton Sugar spurted to Rs 154.50 from Rs 148.00 on Monday on rumours of higher dividend. It was later confirmed that the company would pay a dividend of Rs 12 against Rs 9 paid in the previous accounting period. Toward close the scrip however lost ground to close at Rs 151.00. ACC firmed up on bear covering on Thursday on reports of good working. The

scrip closed the week at Rs 156.00 as against Rs 153 last Friday. Shivrappur Syndicate was another bright spot advancing from Rs 91.50 to Rs 94.50 to close at Rs 94.00.

Madras

LITTLE variations in prices were noticed on the Madras Stock Exchange during the past week. The volume of business was restricted in the absence of fresh buying at higher levels.

Textiles: Textile shares came in for selective support on the feeling that profits earned by other mills may not be as disappointing as Madras Mills. Bangalore Woollens and Pankajas met with good demand at market rates. Travancore Rayons had buyers upto Rs 12.10. Maduras met with some sellers at Rs 35 to Rs 35.60. Buckingham had also sellers at the market rate. Janardhanas were done at Rs 79 and Loyal at Rs 38.75.

Plantings: In this section, there was only moderate support for Tea shares. There was some enquiry for Devasholas at the market rate, while Periakaramalals had buyers at Rs 4.03 to Rs 4.10; Chembra at Rs 2.80 to Rs 2.90 and United Nilgiris at Rs 15.40. Sellers were, however, seen in Peermades. Coorgs met with some enquiry at the quoted rate.

Among Rubber shares, Cochin Malabars closed at Rs 4.18 against Rs 4.25. Thirumbadly were done at Rs 1.30; Kil Kotagiris at Rs 4.72 to Rs 4.78 and Rajagiris at Rs 14.20.

In the Coffee section, Puthuthotams met with some business at Rs 2.57 to Rs 2.60 and Coffee Lands at Rs 27.90. Ouchterlony and Consolidated Coffees met with some sellers at the market rates.

Sugars: Sugar shares ruled generally quiet. The only bright spot was India, which were wanted at Rs 12.37. Deccans were quoted at Rs 7.85 and Travancore at Rs 9.76

Miscellaneous: In this section, there was good buying of Aluminium Industries upto Rs 14 FACTS were a steady feature at Rs 5.47. Cement shares continued to be an active counter, Travancore being done at Rs 8; Indias at Rs 27.60 and Dalmias at Rs 10.25. Among others, Central Scientifics were quoted at Rs 5.55; Ashok Leylands at Rs 4.40 and Mettur Chemicals at Rs 9.20.

London

OPERATORS on the London Stock Exchanges showed very little inclination to enter into fresh commitments on fears that Britain might be facing a number of labour troubles in the next couple of months. With the exception of Giltedged which were firm, the market presented a dull appearance.

Losses predominated in the Industrial market. The feature

was the further all-round setback in multiple Stores shares on fears of a possible broadening of the price reduction move announced by Marks & Spencer. Oils were quoted lower. Among Minings, Copper shares were selectively better.

Giltedged securities, however, improved on renewed investment buying, stimulated by talk of lower interest rates in the not too distant future.

New York

WALL STREET closed barely steady with an irregular lower tendency in prices. Most changes were narrow with plus and minus signs ranging from fractions to around two dollars.

News were mixed in character; but favoured the discouraging side with caution created by a number of important company dividend meetings.

Following were the closing rates of a few selected stocks:—Anaconda Copper \$42½; General Motors \$34½; International Nickel \$73; Texas Corporation \$82½ and US Steel Comons \$55½.

McLEOD & COMPANY, LIMITED

NOTICE is hereby given that the 34th Annual General Meeting of the Members of McLEOD & CO. LTD., will be held at "McLeod House", No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 28th day of February, 1958, at 4 P.M., for the following purposes:—

- To receive and consider the Profit and Loss Account for the year ended 31st December, 1956, the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
- To appoint Directors in place of Lord Sinha of Raipur and Mr. J. L. Esplen who retire by rotation and who, being eligible, offer themselves for re-appointment.
- To appoint Auditors for the year ending 31st December, 1957, and to fix their remuneration.

The Share Transfer Books of the Company will be closed from the 21st February, 1958 to 28th February, 1958, both days inclusive.

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

By Order of the Board,
McLEOD & CO. LTD.
C. HOCKLEY
Secretary.

"McLeod House",
3, Netaji Subhas Road,
Calcutta-1, 22nd January, 1958.

February 1, 1958

GILTEDGED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-12-57
GOVERNMENT OF INDIA LOANS					
Rupee Loans					
NON-TERMINABLE LOANS.					
8,93,34,000	3	1896-97	3 Months' notice	30-6/31-12	70-97
TERMINABLE LOANS.					
57,00,69,000	2½	1946	1961	1-2/1-8	94-20
45,63,07,000	2½	1946	1960	15-1/15-7	96-85
75,86,72,000	2½	1947-48	1962	15-5/15-11	94-65
14,77,48,000	2½	1946	1976	16-3/16-9	83-09
50,35,63,000	3	1951	1958	16-2/16-8	98-93
113,65,64,000	3	1945	1959-61	15-2/15-8	93-65
116,17,46,000	3	1932	1963-65	1-6/1-12	93-85
30,33,10,000	3	1950	1964	15-6/15-12	91-30
110,11,78,000	3	1943	1966-68	1-4/1-10	81-83
115,05,83,000	3	1945	1970-75	15-4/15-10	71-16
248,91,41,000	3	1946	1986	16-3/16-7	97-80
57,27,36,000	3½	1956	1962	1-6/1-1	99-63
75,29,00,000	3½	1953	1961	19-4/19-10	97-85
158,17,90,000	3½	1954	1965	1-1/1-7	97-70
105,67,92,000	3½	1955	1967	16-1/16-7	97-73
33,81,83,000	3½	1956	1974	16-1/16-7	98-28
66,61,95,000	3½	1956	1967	1-2/1-8	99-63
56,92,00,000	3½	1957	1972	1-2/1-8	100-03
46,05,00,000	4	1957	1972	1-2/1-8	100-03
63,30,26,000	4	1926	1960-70	15-3/15-9	100-57
RUPEE COUNTERPARTS.					
5,45,73,000	4½	1928	1958-68	1-6/1-12	100-55
STATE GOVERNMENT LOANS					
WEST BENGAL.					
1,75,00,000	3½	1951	1962	17-3/17-9	98-00
3,60,23,300	4	1953	1963	15-1/15-7	99-25
2,00,00,000	4	1952	1964	1-2/1-8	99-25
7,00,00,000	4	1955	1967	1-3/1-9	99-90
7,00,00,000	4	1956	1968	3-3/3-9	98-00
BOMBAY.					
3,06,65,500	3	1944	1958	15-2/15-8	99-20
2,92,30,300	3	1950	1960	31-1/31-7	96-60
5,63,12,200	3	1949	1962	1-2/1-8	94-00
2,97,86,300	3½	1951	1962	17-9/17-3	98-00
5,50,35,400	4	1953	1963	15-1/15-7	99-25
3,61,30,900	4	1952	1964	1-2/1-8	99-10
9,00,00,000	4	1955	1967	1-3/1-9	98-25
7,50,00,000	4	1956	1970	3-3/3-9	93-00
7,50,00,000	4½	1956	1969	...	99-70
MADRAS PRADESH.					
5,32,69,800	3	1944	1958	15-2/15-8	99-00
1,01,44,700	3	1950	1960	31-1/31-7	95-75
2,01,28,800	3	1948	1964	1-3/1-9	93-00
1,02,18,100	3½	1951	1962	17-3/17-9	97-25
1,02,18,100	4	1953	1963	15-1/15-7	98-00
1,50,00,000	4	1955	1967	1-3/1-9	96-75
1,50,00,000	4	1956	1968	3-3/3-9	96-50
UTTAR PRADESH.					
2,20,93,600	2½	1946	1961-66	1-3/1-9	90-75
3,82,24,500	3	1944	1958	15-2/15-8	99-10
2,17,89,700	3	1945	1960	14-3/14-9	93-20
1,57,42,600	3	1936	1961-66	15-5/15-9	97-25
1,94,11,700	3½	1951	1962	17-3/17-9	98-30
5,65,15,500	4	1953	1963	15-1/15-7	98-20
6,11,45,200	4	1952	1964	1-2/1-8	96-50
8,00,00,000	4	1956	1967	1-3/1-9	96-50
8,00,00,000	4	1956	1968	3-3/3-9	96-50
MADRAS.					
3,81,77,200	2½	1946	1961	1-3/1-9	93-50
1,07,95,800	3	1944	1958	15-2/15-8	99-80
1,25,95,600	3	1939	1959	21-6/21-12	98-00
2,78,44,900	3	1945	1960	14-3/14-9	96-70
4,38,25,400	3	1950	1960	31-1/31-7	97-30
3,01,49,000	3½	1951	1962	17-3/17-9	98-25
1,03,309,100	4	1953	1963	15-1/15-7	98-25
5,24,81,200	4	1952	1964	1-2/1-8	98-12
7,00,00,000	4	1955	1967	1-3/1-9	97-00
12,50,00,000	4	1956	1968	3-3/3-9	97-05
MYSORE GOVERNMENT.					
5,99,72,900	3	1936	1956-61	20-10/20-4	98-77
5,08,05,700	3	1946	1958	25-1/25-7	98-70
2,95,85,200	4	1933	1953-63	1-6/1-12	100-50
3,33,47,200	4	1953	1963	15-1/15-7	98-00
3,25,00,000	4	1955	1967	1-3/1-9	96-40
4,00,00,000	4	1956	1968	3-3/3-3	96-80
4,00,00,000	4½	1956	1969	...	98-97
COCHIN.					
100,00,000	3	1945	1955-58	16-6/16-12	98-00
30,00,000	3½	1937	1956-61	1-6/1-12	97-75
TRAVANCORE.					
300,00,000	4	1953	1963	15-1/15-7	97-50
30,00,000	4	1956	1968	3-3/3-9	96-10
MUNICIPAL LOAN					
BOMBAY MUNICIPAL LOAN.					
25,00,000	5	1928	1958	1-1/1-7	102-50N
26,21,000	5	1929	1959	1-2/1-8	102-50N
17,97,000	3	1950	1960	1-6/1-12	98-25
110,00,000	4	1953	1963	1-3/1-9	98-25
215,00,000	4	1954	1964	1-3/1-9	98-25
244,14,500	4	1954	1964	1-3/1-9	98-25
200,00,000	3½	1950	1965	15-2/15-8	92-10
10,00,000	3½	1951	1965	16-2/16-8	92-10
9,80,000	3½	1956	1966	14-3/14-9	97-18
175,34,000	3½	1951	1966	3-4/3-10	97-18
33,00,000	3½	1952	1966	3-4/3-10	97-10
60,00,000	3½	1952	1966	16-2/16-8	97-10
24,50,000	3	1936-37	1967	1-2/1-8	98-25
69,00,000	4	1957	1967	1-3/1-9	98-25
30,00,000	3	1938	1968	14-3/14-9	...
30,00,000	3	1939	1969	1-3/1-9	...
64,00,000	3	1940	1970	1-3/1-9	...
48,00,000	3½	1940-41	1971	1-3/1-9	...
25,00,000	3½	1941-42	1972	1-3/1-9	...
135,00,000	4	1973	1973	1-3/1-9	...
20,00,000	3½	1943-44	1974	1-3/1-9	...
20,60,000	4	1913-15	1974	1-6/1-12	...
22,00,000	3½	1944-45	1975	1-3/1-9	...
25,00,000	3½	1945-46	1976	1-3/1-9	...
54,00,000	3	1947-48	1977	1-3/1-9	...
75,00,000	3½	1947	1977	1-2/1-8	84-00
61,00,000	3	1949	1979	1-3/1-9	...
88,14,500	3½	1949	1979	15-3/15-9	84-00
10,00,000	5	1920	1980	1-5/1-11	...
80,00,000	3½	1950-51	1980	1-3/1-9	...
CALCUTTA MUNICIPAL LOAN.					
36,00,000	5	1928	1958	1-5/1-11	102-00
25,00,000	5	1929	1958	1-2/1-8	102-00
10,00,000	5½	1932	1962	1-4/1-10	108-00
33,91,000	3½	1935	1965	1-1/1-7	94-00
47,50,000	3	1936	1966	1-4/1-10	90-00
15,56,800	4	1940	1957	1-6/1-12	90-75
17,64,400	3½	1942	1959	1-5/1-11	99-75
21,10,000	3½	1942	1972	1-4/1-10	92-00
15,49,000	3½	1951	1960	1-2/1-8	97-00
16,33,000	3½	1951	1961	1-2/1-8	97-50
66,88,000	3½	1951	1966	1-4/1-10	97-50
87,36,000	4	1952	1962	1-5/1-11	99-25
72,50,000	4½	1954	1979	1-3/1-9	100-00
222,72,000	4	1955	1985	1-6/1-12	97-50
MADRAS MUNICIPAL LOAN.					
2,7,300	6	1925	1955	15-2/15-8	...
15,00,000	3½	1951	1961	30-9/31-3	...
15,00,000	3½	1952	1962	17-1/17-7	...
PORT TRUST LOAN					
MADRAS PORT TRUST.					
33,30,862	3½	1947	1977	15th of each month	...
9,85,000	3	1947	1977	...	...
3,80,000	3	1949	1979	...	...
BOMBAY PORT TRUST.					
35,00,000	3½	1929	1959	1-2/1-8	...
14,35,000	3½	1923	1960	1-4/1-10	...
10,00,000	4	1915	1960	1-4/1-10	...
66,61,000	4	1922	1960	1-6/1-12	...
11,51,000	4	1924	1960	1-4/1-10	...
10,25,000	3½	1926	1960	1-5/1-11	...
12,50,000	3½	1930	1960	1-5/1-11	...
48,04,000	3½	1936	1968	1-4/1-10	...
12,50,000	3½	1931	1961	1-5/1-11	...
13,50,000	3½	1932	1962	1-3/1-9	...
36,50,000	4	1904	1964	1-1/1-7	...
35,00,000	4	1905	1965	1-2/1-8	...
15,00,000	3½	1936	1966	1-3/1-9	...
15,00,000	4	1906	1966	1-3/1-9	...
44,00,000	4	1907	1968	1-5/1-11	...
10,00,000	3½	1938	1968	15-3/15-9	...
75,00,000	4	1908	1969	1-3/1-9	...
40,00,000	4	1909	1970	1-1/1-7	...
56,00,000	4	1910	1971	1-4/1-10	...
7,00,000	3½	1941	1971	1-5/1-11	...
111,00,000	4	1912	1972	1-6/1-12	...
80,00,000	4	1913	1974	1-1/1-7	...
88,25,000	4	1914	1975	1-4/1-10	...
55,00,000	4	1915	1975	1-6/1-12	...
24,58,000	3½	1935	1975	30-3/30-9	...
CALCUTTA PORT TRUST.					
149,30,000	5	1928	1958-88	15-3/15-9	101-00
100,00,000	3	1949	1959	15-2/15-8	98-25
50,00,000	3	1949	1959	20-2/20-8	98-25
100,00,000	3	1950	1960	15-6/15-12	97-00
100,00,000	3	1950	1960	15-6/15-12	97-00
150,00,000	3½	1951	1961	1-6/1-12	98-50
50,00,000	4	1953	1963	14-2/14-8	100-00
25,00,000	3	1938	1963-68	1-6/1-12	96-00
60,00,000	3½	1935	1965	15-3/15-9	97-50
90,24,000	4	1914	1974	8-2/8-8	97-75
76,90,100	4	1915	1975	1-4/1-10	97-75
50,00,000	3	1945	1975	1-2/1-8	85-00
50,00,000	3	1946	1976	15-3/15-9	84-75
50,00,000	2½	1947	1977	31-3/30-9	79-50
50,00,000	3	1948	1978	15-1/15-7	83-75
50,00,000	3	1950	1980	15-4/15-10	82-00
68,02,300	3	1921	1981	1-10/1-4	82-00
150,00,000	6½	1921	1981	1-1/1-7	144-00N
50,00,000	3	1951	1981	20-2/20-8	81-75
50,00,000	4	1953	1983	14-2/14-8	97-50
80,00,000	4	1931	1991	15-4/15-10	95-00
50,00,000	3	1945	2005	1-2/1-8	74-00
50,00,000	3	1946	2006	15-3/15-9	74-00
892,600	5	1923	1953-83	1-1/1-7	88-00
8901,000	5	1924	1954-84	1-1/1-7	88-00
2835,100	5½	1932	1962	1-4/1-10	89-00
90,00,000	4	1955	1985	1-3/1-9	97-25
15510,000	4	1956	1986	1-4/1-10	97-25
124,00,000	4½	1957	1987	26/2/-68	99-50
IMPROVEMENT TRUST LOAN					
CALCUTTA IMPROVEMENT TRUST.					
25,00,000	5½	1929	1959	18-9/18-3	104-00
50,00,000	4	1934	1964	14-2/14-8	99-00
35,00,000	3½	1935	1965	13-3/13-9	94-00
30,00,000	3	1936	1966	7-2/7-8	90-00
50,00,000	3	1937	1962		

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share	Quotation as on 24-1-58 Rs nP	24-1-57 Rs nP
Alahabad 6% 100	106.50	114.75	
B. of Behar 5% 50	22.25	22.25	

BANKS

Alahabad 6% 100	106.50	114.75	
B. of Behar 5% 50	22.25	22.25	

ELECTRICS

Calcutta 5% ... 21	10.06	10.12	
Dishergarh 5% 100	74.50	98.00	
Dishergarh 4 1/2% 100	84.00	88.50	
Jorhat 6% ... 100	90.00	90.00	
Kurseong 6% ... 100	90.00	90.00	

COAL

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

Ghushick & Mustia 5% ... 100	95.00	103.00	
Gourangdi 5% ... 100	40.00	40.00	
Jogta 5% ... 100	30.00	45.00	
K'pura 5 1/2% ... 100	44.50	63.75	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Ondal 6 1/2% ... 100	95.00	108.00	
Parasea 5 1/2% ... 100	50.75	56.25	
Unl. Colliery 5% 100	88.00	85.00	

Asso. K'pura 4 1/2% 100	24.50	24.50	
B-Nagpur 7% ... 100	68.00	83.00	
Bharat 5 1/2% ... 100	49.50	51.00	
Borrea 6 1/2% ... 100	90.00	103.00	
Burrakur 7% ... 100	99.00	114.00	
Burrakur 6% ... 10	7.47	8.82	
Equitable 6% ... 100	88.00	101.00	

NAME	Paid-up per share	Quotation as on 24-1-58 Rs nP	24-1-57 Rs nP
S. Ambica 7 1/2% 100	81.00	91.25	
Soorah 7% ... 100	100.00	107.00	
Standard 6% ... 100	74.50	85.00	
Union 7% ... 100	93.00	101.50	
Waverley 5% ... 50	30.00	49.00	

COTTON

Basanti 6 1/2% ... 10	7.66	7.81	
B-Nagpur 7% ... 100	75.00	100.00	
Bowreah 8% ... 100	130.00	140.00	
Bowreah 7% ... 100	65.00	70.00	
Dehi Cloth 4 1/2% 25	17.75	17.75	
Elgin 8% ... 100	109.25	138.75	
Elgin 5% ... 10	7.25	9.37	
Jagatjit 5% ... 100	50.00	...	
Jiyajeerao 5 1/2% 100	92.00	97.00	
J. K. Cotton 6% 100	90.00	100.00	
Kesoram 7% ... 100	91.00	113.50	
Mulr 6% ... 100	63.00	81.50	
N. Victoria 6% 5	3.37	5.06	
Pravati 4% ... 10	5.00	8.00	
S. Nivas 6% ... 100	55.00	...	
Swadesh 6% ... 100	85.00	90.25	

Basanti 6 1/2% ... 10	7.66	7.81	
B-Nagpur 7% ... 100	75.00	100.00	
Bowreah 8% ... 100	130.00	140.00	
Bowreah 7% ... 100	65.00	70.00	
Dehi Cloth 4 1/2% 25	17.75	17.75	
Elgin 8% ... 100	109.25	138.75	
Elgin 5% ... 10	7.25	9.37	
Jagatjit 5% ... 100	50.00	...	
Jiyajeerao 5 1/2% 100	92.00	97.00	
J. K. Cotton 6% 100	90.00	100.00	
Kesoram 7% ... 100	91.00	113.50	
Mulr 6% ... 100	63.00	81.50	
N. Victoria 6% 5	3.37	5.06	
Pravati 4% ... 10	5.00	8.00	
S. Nivas 6% ... 100	55.00	...	
Swadesh 6% ... 100	85.00	90.25	

Basanti 6 1/2% ... 10	7.66	7.81	
B-Nagpur 7% ... 100	75.00	100.00	
Bowreah 8% ... 100	130.00	140.00	
Bowreah 7% ... 100	65.00	70.00	
Dehi Cloth 4 1/2% 25	17.75	17.75	
Elgin 8% ... 100	109.25	138.75	
Elgin 5% ... 10	7.25	9.37	
Jagatjit 5% ... 100	50.00	...	
Jiyajeerao 5 1/2% 100	92.00	97.00	
J. K. Cotton 6% 100	90.00	100.00	
Kesoram 7% ... 100	91.00	113.50	
Mulr 6% ... 100	63.00	81.50	
N. Victoria 6% 5	3.37	5.06	
Pravati 4% ... 10	5.00	8.00	
S. Nivas 6% ... 100	55.00	...	
Swadesh 6% ... 100	85.00	90.25	

Pravati 6% ...	10	5.00	8.00
S. Niwas 4% ...	100	55.00	..
Swadeshi 6% ..	100	86.00	90.25

NAME	Paid-up per share	Quotation as on		NAME	Paid-up per share	Quotation as on	
		24-1-58 Rs nP	24-1-57 Rs nP			24-1-58 Rs nP	24-1-57 Rs nP
Raza	10	16.56	...	Comm'l. Prop.	5	0.31	0.50
Byam	10	21.75	22.00	Darjeeling Prop.	10	1.00	5.00
Samastipur	10	11.75	13.00	Hindustan Bldg.	10	4.25	6.75
Shree Anand	10	10.25	10.50	Humayan Proper-	10	10.25	13.00
Sitalpur	10	4.37	4.37	ties	5	0.50	1.00
South Behar	10	1.37	1.00	New India Bldg.	5	0.50	1.00
Sri Hanuman	10	15.25	16.00	Midnapore Zamin-	100	17.25	25.00
S. K. Gyan	10	9.00	11.56	dary	10	1.00	2.00
Shree Sitaram	10	11.00	13.00	Regent Estate	10	1.00	2.00
Upper India 'A'	100	127.00	127.00				
Upper India 'B'	25	15.00	15.00				
Upper Ganges	10	30.00	91.00				
Uni Province	10	12.87	16.00				

MININGS AND MINERALS

Assam Siltmanite	10	10.18	...
Assoc. Minings	10	9.00	10.00†
Bisra Stone Lime	10	26.50	30.37
Burma Mines	45h	1.64	2.81
Consol. Tin	56h	0.81	1.81
Chr. Mica	10	10.25	14.00†
Indian Copper	25h	2.87	3.69
Kangra Valley	100	85.00	100.00
Karapur Devel.	10	7.25	16.56
Metal Corp.	10	6.06	8.19
Orissa Minerals	10	19.75	21.80
Sutna Stone Lime	10	20.12	18.00
Tavoy Tin	25h	0.48	0.62

CEMENT, POTTERY & FIRECLAY

A-B. Cement	10	4.25	6.56
Ashoka Cement	10	8.00	11.12
Bengal Pottery	24	2.81	3.62
Dalmia Bharat	10	10.31	12.56
Dalmia Bharat	24	2.47	3.06
Jaypur Udyog	10	11.87	...
Kalyanpur Lime	100	102.00	100.00
K'dhubi Fireclay	10	24.00	25.00
Orissa Cement	10	12.56	13.19
Reliance Firebrick	10	20.00	20.00
Sone Valley	5	4.56	8.25

CHEMICALS

Alkali	10	13.25	19.19
Bathgate	10	1.00	1.50
Bengal Cheml.	100	91.50	105.00
Bharat Starch	10	8.06	3.06
Burma Lime	10	8.00	8.50
Dharangdhara	100	112.00	137.00
Frank Rose	5	2.19	2.19
Indian Starch	10	5.81*	5.81*
Lister Antiseptic	100	4.87	4.87
Smith Stanstreet	5	13.12	10.00

FLOUR MILLS

Bengal	10	27.62	34.00
Delhi	10	16.00	11.00
Hooghly	10	17.25	21.78†
United	10	20.00	26.00†

OILS

B. B. Petrol	56h	1.80	2.94
Coch Behar Oil	10	2.00	...
I. B. Petrol	10	24.37	36.00
Northern India Oil	10	2.31	1.62
Tide Water Oil	10	12.25	14.06

PAPER MILLS

Bengal Paper	25	78.50†	110.00
India Paper	10	18.75	23.37
Mysore	10	16.50	16.50
Orient Paper	10	23.80	34.37
Shree Gopal Paper	10	14.44	16.56
Star Paper	10	11.00	10.19
Titaghar P.O.	10	32.12	27.75
Upper India	24	3.31	3.75
Couper	100	60.00	60.00

PRESSING

Bhagwati	10	7.00	3.75
Cal. Hydraulic	100	70.00	81.00
Camperdown	100	121.00	121.00
Central Hydraulic	100	129.00	129.00
Hooghly Ganges	10	5.40	5.56
Shiva Jute	100	65.00	100.00

REAL PROPERTY

Bengal Bonded A	500	785.00	825.00
Bengal Bonded B	624	102.88	107.00
Bengal Bonded C	100	145.00	166.00
Bengal Bonded D	124	18.18	22.25

Indian Finance

NAME	Paid-up per share	Quotation as on		NAME	Paid-up per share	Quotation as on	
		24-1-58 Rs nP	24-1-57 Rs nP			24-1-58 Rs nP	24-1-57 Rs nP
Martin Burn	10	25.25	23.62	31% Loan (1961)	...	99.63	99.37
Marwar Trading	100	900.00	208.00	31% Loan (1964)	...	97.81	98.25
Metal Box	10	25.87*	27.50	31% Loan (1965)	...	97.63	98.12
Moradabad Water	10	4.87	...	31% Loan (1967)	...	97.73	98.00
Nat. Carbon	10	24.50	26.62	31% Loan (1967)	...	99.63	...
N. I. Cables	10	23.87	27.00	31% Loan (1974)	...	98.25	98.56
Nat. Rolling	10	9.56	9.06	4% Loan (1960-70)	...	100.63	100.62
Nat. Rubber Mfg.	10	6.62	...	4% Loan (1972)	...	100.06	...
Nat. Tanneries	10	2.40	2.50*				
Nat. Tobacco	10	9.19	10.31				
Nat. Safe	5	4.00	2.50				
New I. Invst.	75	53.00	53.00				
Oiler Elec. Lamp	5	2.19	4.00				
Pearl Invest.	10	1.25	1.25				
Philips India	10	13.94	...				
Publicity Society	4	10.00	10.00				
Prem. Trans.	10	1.50	1.50				
Ralls	100	28.50	38.25				
R. B. Rodda & Co.	10	4.63	4.31				
Rohtas	10	16.12†	20.00				
Sen Raleigh	10	10.75	12.50				
Sodepur Glass	10	1.56	2.62				
Shaw Wallace	10	10.50	11.25				
Spence's Hotel	2	1.06	1.00				
Spencer & Co.	10	17.00	17.25				
Star Co.	100	81.00	81.50				
Star Trading	25	8.00	8.00				
Straw Products	10	16.00	20.12				
Union Co.	100	75.00	107.50				
Union Tobacco	10	0.25	0.25				
Walfords	1	1.69	2.12				
Walford (Po)	1	1.25	1.63				
W. Stockholder	12h	0.75	0.81†				

(Rupee Counterparts).

41% Loan (1958-68) 100.56 102.62

Preference Shares

MADRAS

BANKS

NAME	Paid-up per share	Quotation as on	
		24-1-58 Rs nP	24-1-57 Rs nP
Canara B'ing	41% 50	45.00	45.00
Canara I. & B.	6% 100	109.00	115.00
Canara I. & B. 5%	10	9.50	10.00

ELECTRICS

Berhampur 6%	10	8.37	9.00
Guntur 61%	100	93.00	92.50
Kumbakonam 6%	10	8.90	9.50
Nagapattinam 6%	10	8.65	9.56
Salem Erode 61%	10	10.28	10.11
S. Madras 51% 1st	10	9.37	10.00
S. Madras 51%	10	9.47	10.00
Tin. Tuticorin 61%	10	9.68	9.92
Vellore 6%	10	7.55	8.08
W. Coast 51%	10	7.37	7.62

PLANTINGS

(S. India)			
Amalgamated 6%	10	7.40†	9.00†
Anandam 7%	10	9.90	10.69
Arthala 6%	10	9.20	11.00†
Bababuddin 6%	10	8.85	9.16
Badra Coffee 74%	10	10.12	9.62
Balanoor 74%	10	11.00	11.00
Balmadies 6%	10	9.00	10.12
Be Be 61%	5	3.13	3.51
Be Be 61% R.	10	6.64	7.06
Cochin Malabar 7%	50	50.00	58.50
Coffee Lands 5%	100	83.00	88.00
Cons. Coffee 6%	25	23.75	28.37
Coonoor Tea 6%	100	106.87	106.87
Coorg Tea 61%	5	4.50	5.06
Cottanad 74%	10	10.88	12.28
Devon 74%	100	105.00	110.00
Heileyburia 5%	100	70.00†	80.78
Highland 6%	10	9.27	9.70
Kadur Coffee 61%	10	7.16	7.81
Karlkode 6%	10	8.30	9.33
Kil Kotagiri 6%	10	9.87	10.38
Kurcheema 61%	10	7.75	8.37
Malabar Agri. 6%	20	16.56	16.56
Manimala	10	8.50	10.00
Mer. Rubber 6%	10	8.91	9.50
Midlands 6%	10	8.12	9.94
Miamallay 74%	25	25.87	27.25
Mysore Amal. 6%	10	6.30	...
Mysore Plan. 6%	10	7.91	7.90
Neelamalai 6%	10	6.12	7.87
Nellampathy 6%	10	8.85	9.45
Nemmeny 7%	10	9.60	10.56†
Nilambur 6%	10	8.06	8.68
Permade 61%	5	4.25	5.25
Ponmudi 6%	100	94.50	101.00
Pullangode 4%	10	10.00	10.00
Rajgiri 6%	10	9.25	10.00
Rajendra 6%	10	7.75	9.20
Rajendra 61%	10	8.46	8.94
Sangameswar 7%	10	7.32	7.87
Sangameswar 7%	10	10.00	...
Teekoy 6%	10	8.50	10.06
Thamarapally 61%	5	4.75	4.94
T. R. & T. Co. 6%	10	7.65	8.56
Udayagiri 7%	10	11.00	11.87
Pullanode 7%	10	9.10	10.56
Waterfalls 6%	10	8.75	9.75
Woodcote 61%	5	3.79	4.12
Woodlands 61%	10	8.80	9.45
Woodlands 61%	10	8.97	9.45

Deferred Shares

Aluminium Cor.	24	4.56	6.06
A. B. Cement	1	0.97	1.19
Asso. Mining	5	5.25	5.25
Chrestian Mica	5	6.94	7.06†
Damila Cement	1	2.02	5.31
Humayun Proper	1	2.15	1.94
India Mail, East.	1	3.56	3.69
James Wright	1	0.31	0.62
Macfarlane	1	0.47	0.56
Metal Corp.	1	1.56	3.06
Rampooria Cotton	1	4.60	2.25
S. Behar Sugar	24	0.25	0.31
Union Tobacco	8	2.00	2.00

GOVERNMENT OF INDIA LOANS

(Non-Terminal Loans).

(Terminable Loans).

3% Govt. Paper	...	71.20	72.56
3% Loan (1909)	...	71.15	73.50
21% Loan (1961)	...	94.50	98.31
21% Loan (1960)	...	97.35	96.37
21% Loan (1962)	...	94.77	93.94
21% Loan (1976)	...	83.09	82.87
3% Loan (1958)	...	99.66	99.50
3% Loan (1956-61)	...	99.00	97.56
9% Loan (1963-65)	...	93.77	94.19
3% Loan (1964)	...	93.85	94.44
3% Loan 1966-68)	...	91.65	92.25
3% Loan (1970-75)	...	85.73	87.00
31% Loan (1962)	...	97.83	98.25

*Nominal. †Ex-Dividend. ‡Cum-Dividend.
§Ex-Rights.

NAME	Paid-up per share	Quotation as on	
		24-1-58 Rs nP	24-1-57 Rs nP
B'ne Wool 6%	100	117.00	120.00
Bur. Latham 74%	100	135.25†	142.75
Cambodia 7%	100	108.00	116.00
Cauvery Spg. 61%	100	95.00	96.00
Cotm. Mura. 6%	100	94.00	...
Co. Pioneer 61%	100	98.25	104.75
Hemalatha 5%	100	85.00†	...
Kothari Tex. 6%	10	8.45	10.15
Loyal 5%	100	67.25	78.00
Palani Andavar 7%	50	58.50	61.50
Rajalakshmi 61%	50	63.00	61.50
Sarada 7%	100	100.50	101.00
Thirupati 61%	10	10.00	10.00
Trav. Rayon 5%	10	7.15	8.62
Vasanta 61%	100	104.00	111.25
Vasanta 6%	100	92.00	98.00
Venkatesa 1%	50	53.00	53.50
Vijayakumar 6%	100	95.00	102.50
Vijayamohini 6%	100	95.00	93.50
Virudunagar 5%	100	59.00	60.00

SUGAR

NAME	Paid-up per share	Quotation as on	
		24-1-58 Rs nP	24-1-57 Rs nP
Svadeshi 5% ... 100	100	99.00	116.00
Swadeshi (Kan) 6% ... 100	100	92.00*	92.00*
Vishnu 7% ... 600	600	520.00	567.50

SHIPPING

Gr. Eastern 5 1/2% ... 100	100	91.50	100.00
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STEEL

Indian Iron 5% ... 100	100	98.70	103.25
Tata 1st 6% ... 150	150	149.50	161.25
Tata 2nd 7 1/2% ... 100	100	107.50	117.75

PLANTATION

Highland 6% ... 10	10	9.50*	9.11*
Midland 6% ... 10	10	9.00*	9.15*
Nellampathy 6% ... 10	10	9.00*	9.43*
Rajagiri 6% ... 10	10	8.50*	9.50*
Waterfall 6% ... 10	10	9.50*	9.89*

SUGAR

Bhopal 5% ... 100	100	94.00	94.00
Cauvery 6% ... 100	100	100.00*	100.00*
Maharashtra 7% ... 250	250	240.00	280.00*
Ravalgaon 5 1/2% ... 100	100	65.00*	...
S. Behar 7% ... 100	100	20.00*	...
Walchand 7% ... 100	100	135.00	135.00

CEMENT

Audhra 6% ... 100	100	100.00*	150.00*
Dalmia 7% ... 100	100	91.00	100.00*
Dalmia 7% ... 40	40	40.00*	40.00*
Digvijay 5% ... 100	100	83.50	97.00

MISCELLANEOUS

Alembic Ch. 6 1/2% ... 100	100	85.00	90.00
Amar Dye 6% ... 100	100	100.00*	100.00
Bom. Potteries 6 1/2% ... 100	100	65.00	100.00
Bom. Potteries 4 1/2% ... 100	100	50.00	50.00*
Bom. Silk 5% ... 100	100	30.00	...
B. I. Corp. 8% ... 100	100	103.50	117.00
Brunton Eng. 6% ... 10	10	8.00*	8.27*
Dhanga Chem. 6% ... 100	100	63.00	99.00
Digvijay Tiles 6% ... 100	100	83.50	96.50
Estrella 5% ... 50	50	35.50	38.50
Ferro Alloys 6% ... 100	100	100.00	...
Hindus. Elec. 6% ... 100	100	82.00	82.00
Hingir Motor 6% ... 50	50	32.00	...
Hingir Rampur 4 1/2% ... 50	50	32.00	82.00
Indian Dye 6% ... 100	100	100.00*	100.00*
Jaipur Metals 6% ... 100	100	61.00	71.00
Kamani Eng. 5 1/2% ... 100	100	82.00	90.50
L. & Toubro 5% ... 100	100	102.00	101.50
Mahindra 6% ... 100	100	102.00	101.50
Motor & Gen. Fin. 10% ... 25	25	36.00*	35.00*
Nation. Elec. 4 1/2% ... 100	100	80.00*	80.00*
Nat. Rayon 5% ... 100	100	68.70	79.00
N. Cen. Jute 7% ... 100	100	100.00	101.00
N. I. Fisheries 6% ... 100	100	101.00	100.00*
Orient Paper 1st 5 1/2% ... 100	100	90.00	...
Orient Paper 2nd 5 1/2% ... 100	100	72.00*	...
Poly Chem. 7 1/2% ... 50	50	50.00*	30.00*
Pulson 6% ... 100	100	84.70	87.00
Prem. Const. 1st 6 1/2% ... 100	100	84.00	101.00
Prem. Const. 2nd 6 1/2% ... 100	100	78.00	92.00
Prem. Const. 3rd 4 1/2% ... 10	10	5.52	...
Rohtas 7 to 9% ... 100	100	122.00*	...
Rohtas 4 1/2% ... 100	100	57.00	...
Sen Ralegh 6% ... 100	100	64.50	100.00*
Sirpur Paper 6% ... 100	100	100.00*	...
Structural Eng. 6% ... 100	100	100.00	...
Supreme Indus. 6 1/2% ... 100	100	70.50	80.00
Tata Chem. 5% ... 100	100	90.50	100.50
Texmaco 1st 5 1/2% ... 100	100	100.00*	100.00*
Texmaco 2nd 5 1/2% ... 100	100	64.00	100.00*
W. Coast Paper 6% ... 100	100	100.00*	75.00*

Ordinary Shares

BOMBAY

NAME	Paid-up per share	Quotation as on	
		24-1-58 Rs nP	24-1-57 Rs nP
Allahabad ... 50	50	360.00*	...
Baroda ... 50	50	106.25	103.50
Bikaner ... 25	25	18.00	23.00
Central (F.P.) ... 25	25	52.50	56.25
Devk. Nanjee ... 50	50	47.25	42.00
Hind. Comm. ... 50	50	14.25	14.25
Hind. Mercantile ... 50	50	10.00*	71.00*
India ... 50	50	135.50	141.00
India 'A' ... 50	50	138.00	141.00
Jatpur ... 50	50	37.00	39.00
Jodhpur Comm. ... 5	5	1.24	1.12
Mysore ... 100	100	247.00	247.00*
Punjab National ... 25	25	54.00	58.00
Punjab Sirc ... 25	25	30.00*	30.00*
Union ... 5	5	7.64	7.53
United Comoml. ... 50	50	62.50	58.50

TEXTILES

Adoni ... 10	10	10.40	11.82
Ahmed. Adv. ... 100	100	125.00	180.00
Apollo ... 2	2	2.02	2.82
Az. Rm. Cotton ... 100	100	62.00	82.00
B. R. Cotton ... 100	100	24.00	47.00
Benar ... 200	200	70.00	90.00
Bhawani ... 10	10	10.00	...
Bom. Dyeing ... 25	25	51.70	...
Bradbury ... 50	50	152.50	231.25
C. India ... 100	100	86.00	126.50
Century ... 100	100	395.25	512.00
Colaba ... 100	100	56.00	75.00
Coorla ... 100	100	125.00	130.00
Davangere ... 100	100	115.00	118.00
Dawn ... 50	50	78.00	178.12
Edward Tex. ... 200	200	221.25	310.00
Elphinstone ... 50	50	48.00	51.00
Finlay ... 100	100	264.00	314.00
Gokak ... 100	100	160.00	227.00
Gold Mohur ... 100	100	171.50	208.12
Hindustan F.P. ... 1000	1000	5275.00	5600.00
Hindustan P.P. ... 250	250	992.50	992.50
Hukumchand ... 100	100	105.00*	105.00*
India United ... 10	10	9.64	11.08
Indian Manfg. ... 1000	1000	4900.00	5250.00
Indore ... 100	100	119.50	142.50
Jam. Ranjit ... 1000	1000	1450.00	1505.00
Jyageeras ... 100	100	9.60	...
Khandesh ... 1000	1000	2000.00*	2200.00
Khandesh ... 250	250	500.00*	...
Khatau ... 100	100	150.00	224.37
Kohinoor ... 100	100	269.75	331.00
Kothari ... 10	10	14.75	18.00
Kothari (New) ... 10	10	12.00*	...
Lakshmi ... 250	250	437.50	560.00
Madhusudan ... 100	100	97.50	113.75
Madhusudan 'B' ... 30	30	20.00	...
Mahendra ... 100	100	100.00*	...
Mafatal ... 100	100	345.00	385.00
Mitnera ... 100	100	71.30	87.80
Model ... 250	250	180.00	180.00
Mysore ... 50	50	99.50	102.50
Morarjee ... 100	100	205.50	261.25
New City ... 100	100	125.00	147.50
New Great ... 100	100	223.00	241.00
N. Kaiser-I-Hind ... 100	100	83.50	112.50*
Osmanshahi ... 100	100	52.00	77.00
Phoenix ... 100	100	126.25	147.50
Podar ... 100	100	145.00	168.75
Pulgaon ... 10	10	10.12	...
R Motilal ... 100	100	63.00	73.50
Ruby ... 25	25	30.25	...
Sassoon Silk ... 10	10	7.24	9.81
Sassoon Spg. ... 10	10	30.50	40.00
Sholapur ... 1000	1000	640.00	1400.00
Shrinivas ... 100	100	143.00	193.12
Shubhalaxmi ... 100	100	125.00*	...
Simplex ... 50	50	60.50	184.12
Standard ... 100	100	405.00	445.00
Swadeshi ... 100	100	172.00	234.25
Swadeshi (Kan.) ... 10	10	12.00*	12.00*
Swadeshi (Kan.) ... 10	10	11.90*	11.87
P.O. ... 100	100	324.50	418.75
Swan ... 25	25	40.75	51.50
Tata ... 100	100	230.00	138.75
Vishnu ... 100	100	95.00	147.50
W. India ... 1000	1000	4520.00	5180.00

NAME	Paid-up per share	Quotation as on	
		24-1-58 Rs nP	24-1-57 Rs nP

ELECTRICS

Ahmedabad ... 100	100	95.00	97.50
Amalgamated ... 10	10	10.12	10.62
A. Valley ... 1000	1000	1098.75	1232.50
Bassein ... 10	10	8.50*	8.50*
Bom. Suburban ... 100	100	107.25	109.37
Broach ... 10	10	7.52	11.00
Dharwar ... 50	50	51.00	50.00
Poon ... 100	100	120.00	130.00
Saharanpur ... 100	100	105.00	100.00*
S. Madras ... 10	10	10.95	12.00*
Surat ... 100	100	107.00	112.50
Tata Hydro ... 100	100	113.00	126.50
Tata Power ... 1000	1000	1132.50	1248.75

SHIPPING

Gr. Eastern ... 10	10	20.28	19.12
Scindia ... 20	20	17.56	19.19

STEEL

Indian Iron ... 10	10	20.04	29.94
Mukund ... 10	10	10.36	14.37
Tata ... 75	75	173.25	181.00
Tata (New) ... 75	75	167.00	...

PLANTATIONS

Blue Mountain ... 2	2	3.00	5.19
Highland ... 10	10	11.72	14.31
Halleybury ... 10	10	15.76	22.75
Kalpetta ... 10	10	18.76	23.75
Midland ... 10	10	14.52	18.37*
Nellampathy ... 2	2	2.82	2.88
Rajagiri ... 10	10	18.00	20.87
Twyford ... 10	10	14.00	18.75
Waterfalls ... 2	2	3.86	6.28

SUGAR

Belapur ... 50	50	236.50	234.00
Bhopal ... 10	10	19.80	19.62
Cauvery ... 100	100	87.00	...
Changdeo ... 124	124	28.75	...
Kesar ... 40	40	55.50	...
Kr. Gyanoday ... 10	10	9.20	12.75
Maharashtra ... 250	250	825.00	810.00
Modi ... 10	10	9.00*	9.00*
New Swadeshi ... 100	100	200.00	225.00*
Oudh ... 100	100	138.25	145.50
Phaltan ... 50	50	148.00	150.00
Ravalgaon ... 50	50	126.25	...
S. Behar ... 10	10	1.00	...
Vishnu ... 100	100	235.00	...
Walchand ... 100	100	273.75	268.75

CEMENT

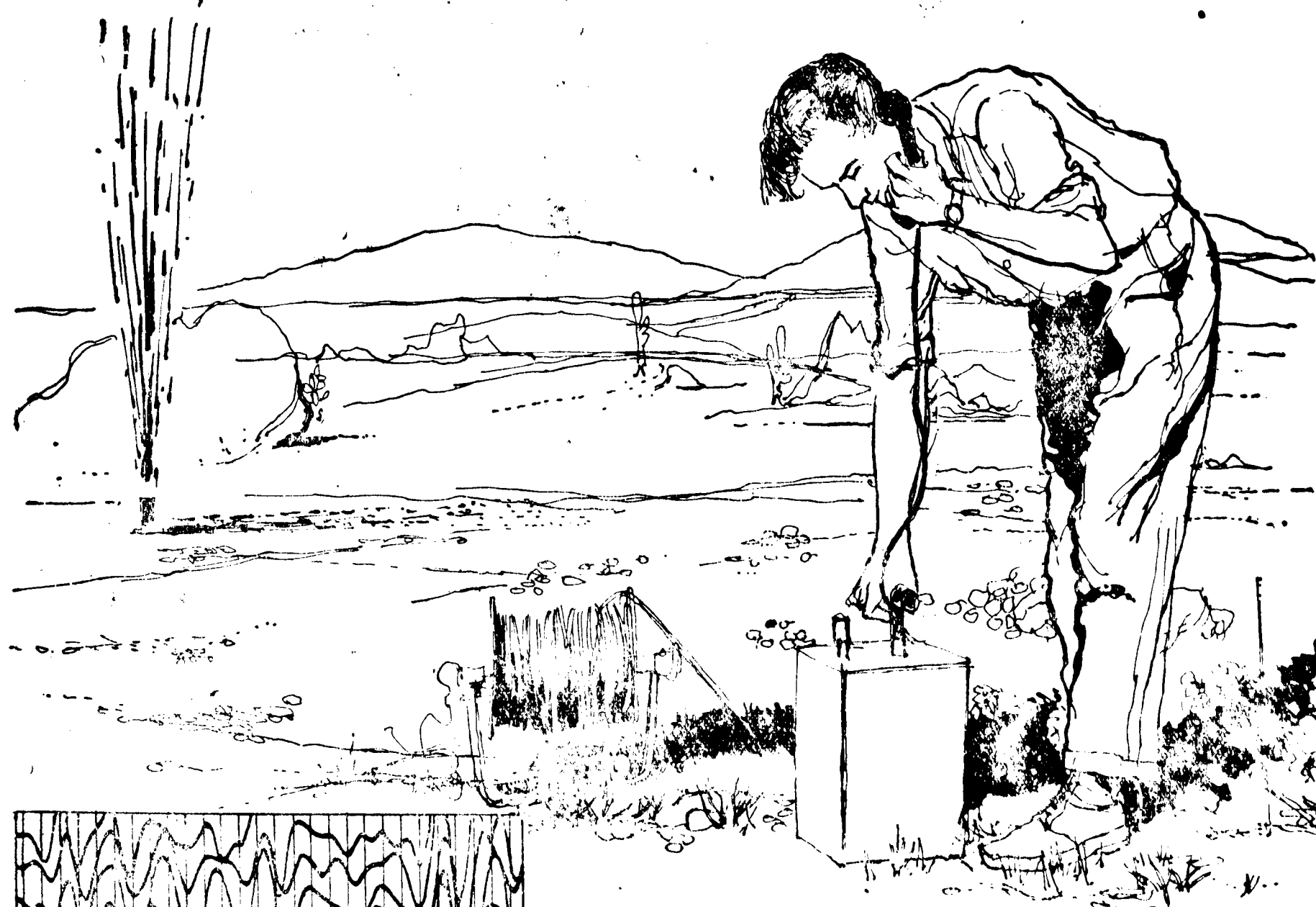
Andhra 'B' ... 10	10	11.00	15.37
A-C-C ... 100	100	183.00	185.50
A-C-C (New) ... 50	50	80.00	...
Ashoka ... 10	10	8.12	11.00
Bagalkot ... 10	10	8.76	...
Dalmia ... 10	10	10.24	14.12
Indian ... 10	10	28.75	37.00
Jaipur Udyog ... 10	10	11.92	12.12
Digvijay ... 100	100	135.00	152.75
Orissa ... 10	10	12.72	13.19

MISCELLANEOUS

Alembic ... 100	100	120.50	117.50
Amar Dye ... 100	100	100.00	115.62
Alcock ... 100	100	218.75	276.25
Bom. Burma (Old) ... 125	125	536.00	725.00
Bom. Burma (P.P.) ... 50	50	202.50	272.50
Bom. Cycle ... 20	20	20.00	29.00*
Bom. Potteries ... 100	100	64.00	42.75
Bom. Safe ... 200	200	500.00*	533.00*
Bom. Silk ... 50	50	5.00*	...
Bom. Uganda ... 80	80	47.00	60.00*
Brady. Eng. ... 60	60	41.25	...
B. H. Petrol ... 3ah	3ah	1.80	2.88
B. I. Corp. ... 5	5	3.80	8.75
Brunton Eng. ... 10	10	5.00	6.37*
C. I. Coal ... 10	10	8.38	...
C. I. Machinery ... 10	10	10.00*	...
C. L. Machy (new) ... 10	10	10.00*	...
C. P. Railway ... 100	100	87.00	71.00
Chemo. Pharma. ... 25	25	25.00	...
Chemo. Pharma. (New) ... 25	25	25.00*	...
Cooper Eng. ... 100	100	95.00*	...

NAME	Paid-up per share	Quotation as on	
		24-1-58 Rs nP	24-1-57 Rs nP

Dehri Rohtas Rly. ... 10	10	10.24	13.15
Dena Inv. ... 25	25	11.52	11.75
Delhi Safe ... 10	10	10.00*	10.00*



The Story of Oil—3

Mapping buried rocks

Geophysics, which is the science of the earth's physical structure, aids the search for petroleum by making it possible to study the characteristics of rock layers buried deep in the earth's crust.

The geophysicist's main "tools" for this job are the gravity meter, the magnetometer, and the seismograph. The gravity meter and the magnetometer, as their names imply, measure the pull of gravity and the magnetic force of the earth. For the sedimentary rocks which may contain oil are lighter than others, and they are less "magnetic" than the harder rocks which never contain oil.

With the seismograph, the geophysicist can measure the intensity and timing of earth tremors. The men of a seismic crew bore a shallow hole in the ground, lower a charge of dynamite into it and set it off. The

shock waves produced by this miniature earthquake travel down, hit the layers of rocks beneath and bounce back to the surface where they are recorded by the seismograph. The waves are reflected strongly from hard rock and less strongly from soft rock. The length of time they take to reach a particular layer and to return indicates the depth of the rock.

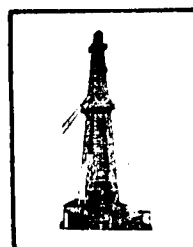
All this information is recorded in the form of wavy lines on a chart. By setting off explosions at a number of points it is possible to map the various buried rock formations with a fair degree of accuracy.

When all the results of a geophysical survey have been compared, it may be possible to locate a rock formation that might prove to be oil-bearing. But even if such a trap is found, the only way of proving whether or not it contains oil is by drilling a test well.

Assam Oil

A full-scale petroleum industry

This is one of a series of informative advertisements about the petroleum industry.



Indian Finance

INVESTOR'S SUPPLEMENT

Stock Markets Fare well in January

Conditions in the stock markets were steadier during January with equity prices recording sizable gains over the month. Though the improvement was particularly noticeable in the more speculative counters, firm spots appeared all along the line. It would appear that the broadening of activity had been brought about by the growing belief among marketmen as well as investors that the developments since the turn of the year rendered the outlook for equities brighter than for some considerable time past. Toward the close of the month, sentiment was somewhat subdued because of the proximity of the Central Budget. Even so the closing quotations for the month are generally higher than those at the beginning as will be seen from the table given in this page.

The month has witnessed the answer being given to the most important question that had been looming large in discussions in our country. On January 17, it was announced that the American Government would give a loan of \$225 million as assistance toward the implementation of the Second Five Year Plan. The immediate reaction to the news was one of disappointment because our requirements to fill the foreign exchange gap in the plan was much bigger. When it was, however, indicated that the figure mentioned in the announcement did not necessarily preclude further loan assistance from the US, the initial disappointment yielded place to optimism.

Meantime, indications were available that definite changes for the better were happening on the industrial front within the country. Speaking at the Engineering Export Promotion Council meeting in Calcutta, Mr. Morarji Desai disclosed that pig iron production in India was improving and that by the end of 1959 there would be an exportable surplus. Sardar Swaran Singh, Union Minister for Works, Fuel and Mines, who spoke at the annual meeting of the Foundry Association a few days later gave a more detailed account in this regard. He disclosed that three new blast furnaces would go into production before the end of the current year bringing an additional 50,000 tons of pig iron. The Minister pointed out that the increased production meant that 1958 would be the last year of shortage for those industries depending on pig iron.

The publication of the figures of production for the month of December 1957 in the case of TISCO production in the two steel works reflected the rapid progress of the expansion programmes. Toward the end of the month, TISCO's new blast furnace with a daily production capacity of 1200 tons of pig iron, the biggest of its kind so far in the country, was put into commission. The rapid increase in the production of steel ingots and pig iron already recorded and the progress of the steel plants in the

public sector gave rise to the hope that, before the current year was out, India's steel production would make a sizable contribution toward arresting the flow of foreign exchange out of the country as well and for the last quarter of 1957 in the case of IISCO, by the steel companies had also considerably aided sentiment in earlier dealings. TISCO's production of steel ingots increased from 95,100 tons in November to 100,500 tons during December. Pig iron output increased from 94,900 tons to 95,100 tons; finished steel from 52,100 tons to 54,600 tons and semi-finished steel from 13,900 tons to 19,600 tons. In

the case of IISCO, production of pig iron increased to 190,484 tons from 171,397 tons; steel ingots to 125,194 tons from 119,172 tons; and semi-finished steel to 19,210 tons from 13,837 tons. Finished steel, however, showed a slight decline to 82,936 tons from 82,378 tons. It was evident that the increased as earn a substantial amount of foreign exchange.

Stock market sentiment was aided by the announcement on January 16 from the Tata Iron and Steel Company Limited to the effect that the directors of the company had decided, subject to the Government's approval, to issue ordi-

as well as the distribution of wealth.

Sectionwise, Engineerings were an active market. Encouraged by the increase in production recorded by the company in the last quarter of 1957, operators took an active interest in Indian Iron. With the announcement of a Golden Jubilee Bonus issue by TISCO, the upward movement of the scrip gained further momentum on hopes of a bonus issue. Indian Irons opened the month at Rs 18.54 and at one time was done upto Rs 20.62, a new high in several months. The closing was fully steady at Rs 20.48. Other engineerings were also steady.

Jute shares were a neglected market because of the continued uncertainty of the near-term prospects of the industry. Though there is some ground for optimism in the fact that the industry has started the year on a satisfactory statistical position, there are no indications even at the end of the month that foreign enquiry will show the expected upsurge.

The tea section attracted some support round about the middle of the month following the good prices obtained in the auctions. But in later dealings the enthusiasm diminished as it became clear that the prospects for common tea were not bright.

A broadening of activity with selected scrips changing hands at improved levels was noticeable toward the close of the month in the Coal section. In the beginning the section showed no special features. But when reports of a rising trend of production began to appear in the press, both operators and investors started taking interest in the section. It was reported that coal production in the country had totalled 42 million tons during 1957 as compared with 39 million tons in the previous year. It was pointed out that the figure was indicative of the capacity of the industry to attain the target set for it under the Second Plan. It was also expected that in view of the vital position of coal in the nation's economy, Government would announce favourable decisions on some of the outstanding questions awaiting disposal. A restraining factor is the report that the findings of coal prices committee will not be submitted to Government before the end of March.

Selected scrips in the miscellaneous section were also in good request. Orient Paper which opened the month at Rs 22.75 xd spurted to Rs 25.50 before closing steady at Rs 25.30. Indian Cable met with sustained buying support in later dealings to be done upto Rs 27.50. Dunlop Rubber was a bright spot having been done upto Rs 22.62 to close at Rs 22.37.

Bank shares were an active market, on reports of good working by most banks. Punjab National Bank recorded an advance of Rs 6.75 from its opening rate of Rs 46.50. The scrip closed at Rs 51.00.

PRICE TREND IN JANUARY, 1958.

		Opening	High	Low	Closing
Gifts:					
3% 1956	...	71.00	71.25	70.80	71.10
Banks:					
Punjab National	...	46.50	52.25	46.50	51.00
United Commercial	...	58.75	62.25	58.75	62.25
Textile:					
Kesoram	...	10.12	10.37	9.94	9.94
Coal:					
Burrakur	...	22.00	22.32	22.00	22.12
Bengal	...	228.00	248.00	226.00	244.00
Central India	...	6.00	7.31	5.87	6.87
West Bengal	...	4.95	5.62	4.94	5.50
Jute:					
Anglo-India	...	131.50	137.00	130.00	136.00
Howrah	...	12.94	13.94	12.75	13.75
National	...	22.05	26.65	22.05	23.85
Tea:					
Banarhat	...	305.00	316.00	305.00	316.00
Bishnauth	...	17.25	19.82	17.00	19.06
Brooke Bond	...	14.00	17.62	14.00	17.50
Hasimara	...	22.50	24.00	22.50	22.81
Tezpor	...	15.37	17.50	15.19	17.50
Engineering:					
Indian Iron	...	18.54	20.62	18.47	20.48
TEXMACO	...	15.60	18.05	16.20	17.85
Jessop	...	21.65	22.25	19.81	22.25
Miscellaneous:					
Indian Copper	...	2.81	2.94	2.74	2.91
Orient Paper	...	22.75xd.	25.50	22.55	25.30
Tilghur	...	31.62xd.	33.75	31.75	33.75
Indian Cable	...	24.87xd.	27.50	24.81	27.50
India Steam	...	10.93	12.06	10.78	11.87
Martin-Burn	...	24.18	25.37	24.12	25.12
Rohtas	...	15.81	17.00	15.25	17.00
Dunlop	...	20.13	22.62	20.06	22.37
Hind Motors	...	5.62	6.31	5.56	6.28
National Carbon	...	24.00	24.75	23.87	24.37
Indian Aluminium	...	12.62	13.12	12.44	12.50
Hindustan Lever	...	19.87	20.00	19.81	19.87
Phillips	...	14.12	14.19	13.81	13.94
Sone Valley	...	4.44	5.25	4.44	5.19

nary shares as fully paid bonus shares in the ratio of one share for every five shares held, by utilizing the premium received on new ordinary shares issued last year and a small sum out of the reserves. The decision was a sequel to the request of the shareholders to issue a Golden Jubilee bonus share in view of the growing prosperity of the company. The happy precedent of IISCO in announcing the bonus issue aroused fond hopes of a similar gift from IISCO as well. Whether such an expectation would materialise or not, there seemed a greater possibility for an increased distribution to shareholders of the company in the not distant future. Operators derived considerable satisfaction from the outcome of

the Gauhati session of the Congress. Though nobody expected that the session would bring any new shocks, the general tendency at the time the deliberations were taking place was to await the resolutions. Mr Dhebar's address contained little that could disturb the market. Though Mr Nehru categorically affirmed the Congress's faith in socialism, he had made it clear that such faith would not find expression in hurried nationalisation. Mr Krishnamachari also, while strongly refuting the suggestion that Government were departing from the goal of socialist pattern of society, pointed out that the main feature of socialism as visualised by Congress was the simultaneous emphasis on the production

LIST

COMPANIES

NAME	Managing Agents, Agents/Secretaries	LOANS		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents Commission and allowances Rs.	Year ended Rs. 000	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Agarpara ...	B. N. Elias & Co. ... 7% C. P. ... 5½% Deb. ...	554	325	154.10	248.66	77.59	50	3-57	(a) 4.69	(a17) 4.15	2½	5½	7½
Alexandra ...	McLeod & Co. Ltd. ... 7% C. P. ... 5½% Deb. ...	296	150	28.31	54.00	8.86	46	6-56 H	3.77	(a7) 1.22	5	5	5
Alliance ...	McLeod & Co. Ltd. ... 6% C. P. ...	797	467	...	98.11	28.01	39	6-56 H	(a26) 1.21	(j) 1.23	nil	nil	3
Anglo India ...	Duncan Bros. & Co. ... 7% C. P. ...	1,589	972	356.65	515.25	142.10	50	3-57	(a23) 15.72	(y) 25.63	7	7	10
Auckland ...	Bird & Co. Private Ltd. ... 5½% C. P. ... 4½% R. C. P. ... 4% Deb. ...	450	360	116.48	160.42	42.64	40	3-57	(a) 3.14	(n) 9.23	nil	5½	5½
Bally ...	Birla Bros. Private Ltd. ... 7% C. P. ...	659	300	54.82	190.55	46.23	9	3-57	2.75	(b) 2.98	2	nil	3½
Barnagore & ...	Jardine Henderson ... 5% C. P. ...	1,124	766	...	...	...	...	3-57	-74	-28	nil	nil	15
Belvedere ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	601	219	...	106.94	5.90	...	12-56	(a1) 2.05	(a18) 3.36	nil	5	10
Bengal Jute ...	Soorajmull Nagarmull ... 5½% R. C. P. ... 4½% Debentures ...	350	250	...	283.71	26.71	1.43	6-56	10.86	15.21	10	11½	11½
Birla ...	Birla Brothers Private ... 7½% C. P. T. ... 5½% R. C. P. ...	982	391	...	431.22	49.91	2.21	3-57	24.80	29.88	10	10	10
Budge Budge ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	552	439	...	152.26	9.61	26	10-56	(a) 2.45	(a19) 5.45	nil	7½	9
Caledonian ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	371	245	...	93.00	4.50	25	11-56	(a2) 4.44	4.73	nil	6½	9
Champdany ...	James Finlay & Co. Ltd. ... Andrew Yule & Co. Ltd. ... 7% C. P. ...	761	639	208.74	333.61	58.41	50	3-57	(a24) 1.51	(a9) 27.02	7	7	7
Cherries ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	480	50	...	75.04	5.69	25	11-56	(w) 2.18	(m) 2.44	2	10	14
Chitavalah ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	124	376	35.15	69.29	8.55	1.45	6-56 H	6.94	6.34	6½	6½	7½
Clive ...	S. K. Invt. Co., Ltd. ... 6% C. P. ... 7% C. P. ...	546	423	10.82	158.96	29.56	78	3-56	5.33	19.51	5	12½	nil
Dalhousie ...	Bird & Co. Private Ltd. ... 7% C. P. ... 5½% Debentures ...	448	318	97.05	149.16	9.92	45	3-57	(a10)-40	(a) 45	nil	1	4½
Delta ...	Andrew Yule & Co. Ltd. ... 5% C. P. ...	458	321	...	103.87	8.34	27	11-56	(i) 2.20	(a) 3.61	5	10	12
Empire ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	295	205	28.03	39.21	8.45	58	6-56 H	2.90	2.41	5	5	7½
Fort Gloster ...	Kettlewell Bullen & Co. ... 7% C. P. ... 5% 2nd C. P. ... 5½% Debentures ...	1,098	786	...	396.37	88.48	99	3-57	11.48	12.37	10	12½	15
Fort William ...	Bangur Brothers Ltd. ... 7% C. P. ...	585	429	...	211.21	40.50	64	3-57	9.69	11.44	15	17½	20
Ganges ...	Macneill & Barry ... 8% C. P. ...	1,001	708	15.13	140.34	20.27	2.09	3-56 H	-1.44	(a) 2.86	nil	nil	2½
Gondalpara ...	Directors ... Deb. ...	409	198	143.90	194.11	30.06	...	12-56	(c) 7.62	-2.03	16½	nil	nil
Goswami ...	Macneill & Barry ... 6% C. P. ...	962	432	190.42	290.38	14.68	50	3-57	(a22) 6.79	(b) 7.34	2½	10	15
Hastings ...	Bangur Bros. Ltd. ... 6% C. P. ...	661	417	142.31	250.29	11.21	95	3-57	(r) 19.63	20.42	5	5	11½
Hooghly ...	Directors ... 10% Pref. (i) ...	466	254	114.37	146.40	7.35	3.70	3-56	-1.81	5.91	nil	12½	10
Hovrah ...	Jardine Henderson Ltd. ... 7% C. P. ... 7% 'A' C. P. ... 5½% Debentures ...	1,234	706	263.51	365.22	105.39	50	3-57	-14.90	(f) 12.02	nil	10	12½
Hukmichand ...	Ramdudd Ramkisanandas ... 7% C. P. ... 3½% Deb. ...	1,519	753	314.66	480.74	69.08	2.09	3-57	23.76	23.15	20	26½	26½
India ...	Directors ...	522	554	...	191.83	38.01	...	3-57	(a6) 9.44	(a4) 10.19	7½	5	5
Kamarhaty ...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 5½% Debentures ...	1,250	547	101.56	147.65	63.48	25	12-56 H	-5.35	-3.71	nil	nil	nil

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS				
	January 1958	January 1957			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standings	Cash Balances	Others
	Ra. np.	Ra. a			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Agarpara ...	7 06ad	9 5	10	60.00	39.23	5.00	19	80.82	120.20	53.26	4.02	92.06	42.65	1.53	6
7% Cum. preference ...	91 50ad	101 0	100	10.00											
5½% Debentures ...	905 00	975 0	1000	12.00											
Alexandra ...	90 00	195 0	100	6.00	4.00	6.25	2.46	21.72	53.46	37.72	70	25.10	11.08	68	2.13
7% Cum. preference ...	83 00	97 8	100	9.00											
5½% Debentures ...	455 00	475 0	100	6.00											
Alliance ...	79 00	104 0	100	30.00	2.75	2.50	34	54.03	117.62	94.41	2.10	64.64	12.87	1.81	...
6% Cum. preference ...	69 00	97 0	100	15.00											
Anglo India ...	136 00	138 0	100	49.21	50.00	16.00	1.78	180.78	311.47	203.15	41.18	155.12	29.31	3.29	45
7% Cum. preference ...	97 00	100 8	100	40.00											
Auckland ...	86 00	92 0	100	40.00	12.50	20.84	-3.79	54.95	141.67	55.35	3.27	50.96	16.35	16	7.42
5½% Cum. preference ...	75 00	80 8	100	10.00											
4½% R. Cum. preference ...	52 00	61 0	100	15.00											
4% Debentures ...	770 00	880 0	1000	15.00											
Bally ...	131 00	155 0	100	20.00	16.50	5.00	67	33.91	97.26	66.52	1.01	51.55	11.30	1.48	...
7% Cum. preference ...	91 00	101 8	100	20.00											
Barnagore & ...	75 50	110 0	55	2.75	2.15	4.10	-1.56	10.12	16.67	9.62	15	8.26	3.74	35	...
5% Cum. preference ...	30 00	41 0	100	2.00											
Belvedere ...	72 00	108 0	100	28.00	10.09	16.47	1	30.64	94.68	51.49	55	42.46	5.99	2	...
7% Cum. preference ...	95 50	105 0	100	7.00	24.00	11.45	1.46	72.88	57.92	33.73	5	44.48	48.88	67.79	4
Bengal ...	11 50	14 8	100	45.00											
5½% R. C. P. ...	72 50	77 0	1000	10.00											
4½% Debentures ...	900 00	937 8	1000	10.00											
5½% Debentures ...	900 00	950 0	100	91.26	45.00	175.87	2.67	80.91	364.24	153.36	79.31	67.07	90.03	43.75	10.37
Birla ...	14 25	16 1	100	23.64											
7½% C. P. T. ...	76 00	90 0	100	82.05	12.76	8.34	4	24.06	117.09	72.35	76	42.71	2.02	5	...
5½% R. C. P. ...	...	...	...	36.00											
Budge Budge ...	70 00	111 0	100	9.00											
7% Cum. Preference ...	68 00	102 0	100												
Caledonian ...	99 00	125 0	100	18.00	23.19	3.27	21	23.53	87.44	45.04	46	30.37	4.96	1	...
7% Cum. preference ...	93 00	105 8	100	10.00											
Champdany ...	97 00	126 0	100	59.16											
Cheviot ...	102 00	150 0	100	15.95	14.27	9.03	9	63.66	228.05	119.61	2.06	67.89	12.63	46	39
7% Cum. preference ...	93 00	109 0	100	10.00											
Chitavalah ...	12 00	12 0	100	30.15	18.00	9.00	1.01	22.00	66.69	48.44	9.11	33.90	9.46	29.90	...
7% Cum. preference ...	91 50	108 0	500	5.00											
5% Debenture ...	445 00	475 0	10	10.69											
Cine ...	13 75	13 15	100	24.00											
6% Cum. preference ...	53 75	78 0	100	8.00											
7% Cum. preference ...	74 00	91 0	100	8.00											
Dalhousie ...	55 50	90 0	100	31.49	8.72	44.48	-8.76	37.34	134.50	51.19	6.16	29.27	20.78	1	52
7% Cum. preference ...	79 00	102 0	1,000	15.00											
5½% Debentures ...	900 00	950 0	100	28.00	17.58	22.93	5	19.41	77.35	47.66	15.14	43.22	4.90	2	...
Delta ...	105 00	140 0	100	5.00											
5% Cum. preference ...	70 00	87 8	100												
Empire ...	15 04	15 6	10	15.00	24.50	10.00	76	14.17	83.93	60.86	9.97	32.28	13.37	5.20	...
7% Cum. preference ...	88 00	102 0	500	10.00											
5% Debentures ...	450 00	472 8	100	8.86											
Fort Gloster ...	297 00	309 0	100	21.00	54.40	8.00	2.45	103.26	241.58	169.62	1.89	105.86	45.24	2.91	20
7% Cum. preference ...	100 00	105 0	100	14.00											
5% Cum. preference ...	67 00	72 0	100	7.00											
5½% Debenture ...	96 00	99 0	10	17.95											
Fort William ...	18 50	19 0	100	21.00	14.50		1.71	81.35	120.16	58.00	1.18	45.94	17.95	97	36
7% Cum. preference ...	91 50ad	107 8	100	10.00											
Ganges ...	49 00	57 8	100	84.32			-2.67	75.26	211.07	132.89	4.81	59.32	20.46	13	...
8% Cum. preference ...	100 00	112 0	100	6.00											
Gondalpara ...	485 00	805 0	300	10.80	25.50	2.50	12	95.18	76.08	50.72	1.10	35.52	11.57	56	...
Debentures ...	...	...	300	2											
Gaurapore ...	214 00	...	100	10.80	3.50	21.00	45	131.25	222.42	158.82	44.09	80.66	21.26	45	...
6% Cum. preference ...	72 00	80 0	100	26.50											
Hastings ...	107 00	119 0	100	40.00	21.50	37.93	3.00	61.47	1.8.36	58.69	33.63	56.77	28.23	61	...
6% Cum. preference ...	84 00	90 0	100	25.00											
Hooghly ...	12 25	19 12	10	16.80	1.60	17.02	-2.95	22.72	66.48	47.71	83	27.54	18.65	17	...
10% Preference [t]	7 25	13 2	10	11.76	12.76	34.50	-24.66	136.47	234.14	111.59	4.31	129.43	21.74	1.57	1.33
Hawrah ...	13 75	19 3	100	65.62											
7% Cum. preference ...	95 00	107 0	100	8.75											
7% 'A' C. P. ...	90 00	102 8	...	17.50											
5½% Debentures ...	94 00	102 8	...	30.00	25.37	3.50	1.14	119.98	293.22	157.52	16.02	75.53	35.83	4.42	...
Hatrunchand ...	16 50	22 7	100	52.50											
7% Cum. preference ...	90 50	102 0	1000	40.00											
3½% Debentures ...	...	...	...	25.00											
India ...	96 00	135 0	125	87.30											
Kamarahetty ...	74 00	104 0	100	24.00	12.00	6.25	-8.80	112.53	126.06	113.40	1.91	85.49	25.03	1.61	67.50
B. Ordinary ...	71 00	102 0	100	19.20											
6% Cum. preference ...	74 00	80 0	...	16.00											
3½% Debentures ...	90 90	95 0	...	13.04											

Indian Finance JUTE

JUNE

NAME	Managing Agents, Agents/Secretaries	LOOMS		Purchases Ra. 000	Sales Ra. 000	Stock Ra. 000	Managing Agents' Commission and allowances Ra. 000	Year ended	Net Profit Ra. 000	Net Profit for the previous period Ra. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Kankmarrah ...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 4% R. C. P. ... 5 1/2% Debentures	1,239	288	91.51	117.26	59.54	25	12-56 H	-11.38	-9.06	Nil	nil	nil
Kelvin ...	McLeod & Co. Ltd. ... 7% C. P. ...	394	309	50.96	73.31	16.87	87	5-56 H	4.80	6.97	5	7 1/2	10
Khardah ...	Anderson Wright Ltd. ... 6% C. P. ...	914	616	219.56	330.90	93.86	56	3-57	8.43	13.30	8	10	11
Kinnison ...	F. W. Heilgers & Co. Pri. ... 7% C. P. ... 5% Debentures	672	578	178.31	248.40	77.32	50	3-57	(a)8.97	(a11)19.87	nil	12	12
Lansdowns ...	Bird & Co. Private ... 7% C. P. ...	488	443	118.02	177.38	22.83	45	3-57	(d)-1.85	(a12)73	nil	2	6
Lawrence ...	Bird & Co. Private ... 7% C. P. ... 5 1/2% B. C. P. ... 5 1/2% Debentures	456	384	108.51	152.73	24.66	40	3-57	(p)-7.21	(a13)2.03	nil	3 1/2	7
Mahabir ...	Agrawal Brothers ...	28	123	9.42	52.18	6.71	52	9-54	-1.02	-1.99	nil	7	7
Magna ...	Directors ...	612	396	...	232.42	67.47	...	3-57	(a8)9.39	(a5)10.01	nil	5 1/2	5 1/2
Naihati ...	F. W. Heilgers & Co. Pri. Ltd. ... 7% C. P. ... 4 1/2% R. C. P. ... 5 1/2% Debentures	411	404	104.38	162.08	28.63	45	3-57	(u)-4.37	(a27)6.44	Nil	nil	nil
Naskarpura ...	Howrah Trading Co. Private ... 5 1/2% Debentures	333	92	34.37	12.29	4.26	3.17	10-56	-7	5.78	Nil	12 1/2	11 1/2
National ...	Andrew Yule & Co. ... 7% C. P. ...	573	279	...	122.42	6.12	26	10-56	(k)4.74	(a20)9.51	7.45	17 1/2	20
Nellimaria ...	McLeod & Co. Ltd. ... 6% C. P. ... 4 1/2% Deb. ...	55	261	22.42	47.10	7.16	1.01	6-56 H	4.70	5.11	5	5	5
New Central ...	Sahu Jain Ltd. ... 7% C. P. ...	10.39	7.26	314.16	722.36	57.70	3.17	12-56	34.28	46.14	15	15	...
Northbrook ...	Bird & Co. Private Ltd. ... 5 1/2% C. P. ... 4% Deb. ...	214	353	87.63	133.18	50.76	40	3-57	(a28)4.97	15.51	7	22 1/2	15
Nuddea ...	Macneil & Barry ...	644	448	158.78	234.44	10.79	50	3-57	(a14)4.75	(1)6.04	nil	1	2
Orient ...	Andrew Yule & Co. ...	551	50	...	48.31	4.72	25	11-56	(a)1.90	(a21)285	3	9	10
Premchand ...	R. J. Roy Bros. ...	364	240	33.68	43.24	6.01	14	10-55 H	-2.25	-64	Nil	Nil	Nil
Presidency ...	McLeod & Co. Ltd. ... 4% Deb. ...	238	162	41.08	66.26	3.69	1.43	12-55 H	1.29	2.24	24	34	34
Rameshwara ...	Birla Bros Private Ltd ... 6% C. P. ...	...	305	9.14	89.67	15.07	...	3-56	(a15)2.98	-54	Nil	Nil	Nil
Reliance ...	Jardine Henderson ... 7% C. P. ... 5% Deb. ...	924	352	118.85	181.21	49.27	50	3-57	-22.01	-11.43	Nil	Nil	Nil
Shree Ambica ...	Bagaria More ... 7 1/2% C. P. ...	703	208	72.45	196.22	21.28	2.01	3-56	8.82	12.45	24	10	10
Sovrah ...	Hind Inv. Corp. ... 7% C. P. ... 4 1/2% Deb. ...	201	200	...	103.39	16.66	70	12-56	8.67	10.54	15	15	10
Standard ...	Bird & Co. Private Ltd. ... 6% C. P. ... 5 1/2% Debenture	367	283	83.16	128.12	22.03	40	3-57	(a29)1.82	59	nil	nil	2
Union ...	Bird & Co. Private Ltd. ... 7% C. P. ... 4 1/2% Deb. ...	740	586	153.64	233.35	39.31	50	3-57	(v)-7.99	(a16)8.82	nil	6	10
Waverley ...	McLeod & Co. Ltd. ... 5% C. P. ... 3 1/2% Debenture	306	159	29.97	47.85	9.48	14	6-56 H	(a25)66	-1.05	nil	6 1/2	12 1/2

(a) After transferring Rs 3,00,000 from Development Reserve, Rs 1,55,000 from Reserve for Taxation Contingencies and Rs 33,186 from Jute Stock Reserve.
(b) After transferring Rs one lakhs from General and Dividend Reserve.
(c) After writing back Rs 1,26,328 from provision made for loss on stock of jute at mill. Adios and forward jute purchases, etc.
(d) After transferring Rs 1,14,000 from Reserve for taxation contingencies and Rs 70,000 from Jute Stock Reserve.
(e) After writing back Rs 4,22,628 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,066 being provision against anticipated loss on jute contract for and after transferring Rs 5,65,000 from General Reserve and Rs 63,000 from Dividend Equalisation Reserve.
(f) After transferring Rs 5,00,000 from General Reserve and Rs 3,00,000 from Machinery Renewal Reserve, Rs 2,00,000 from Dividend Equalisation Reserve and Rs 2,00,000 from Jute Stock Reserve.
(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.
(h) After transferring Rs 3,00,000 from General Reserve.
(i) After writing back Rs 3,04,000 being provision against anticipated loss on raw jute stock and work in progress and Rs 4,225 being provision against anticipated loss on jute contract for Rs 38,000 being excess provision for taxation; and after transferring Rs 3,90,000 from General Reserve and Rs 32,500 from

Dividend Equalisation Reserve.

(j) After transferring Rs 4,25,000 from Reserve and writing back Rs 30,000 from Workers' Provident Fund shown in excess in previous half-year and Rs 61,000 from provision for possible loss on forward contracts.
(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contract for; Rs 14,000 being excess provision for taxation and Rs 1,95,000 from Dividend Equalisation Fund.
(l) After transferring Rs 8,50,000 from General Reserve.
(m) After transferring Rs 1,00,000 from Dividend Equalisation Fund and Rs 75,000 from General Reserve.
(n) After transferring Rs 1,01,808 from General Reserve and Rs 6,879 from provision for taxation and after including Rs 1,25,603 being refund of taxes.
(o) After transferring Rs 2,00,984 from General Reserve and Rs 88,366 being excess depreciation.
(p) After transferring Rs 1,06,985 from Jute Stock Reserve; Rs 62,400 from Reserve for Tax contingencies; Rs 21,000 from Development Rebate Reserve; and writing back Rs 52,371 from provision for taxation and Rs 10,000 from lld liability.
(q) After transferring Rs 7,50,000 from General Reserve.
(r) After transferring Rs 5,00,000 from provision for contingencies and Rs 1,00,000 from provision for tax-

tion.

(s) After transferring Rs 8,23,000 from Reserve for Tax contingencies; Rs 2,30,000 from Jute Stock Reserve; and Rs 1,47,000 from Development Rebate Reserve and including Rs 1,89,365 being Requisition claim realised.
(t) Preference shares carry a dividend of 10 per cent of which only 5 per cent is cumulative.
(u) After transferring Rs 36,026 from Jute Stock Reserve.
(v) After transferring Rs 3,28,000 from Tax contingencies Reserve; Rs 2,50,000 from Jute Stock Reserve and Rs 5,000 from Development Rebate Reserve.
(w) After writing back Rs 2,37,766 being provision against anticipated loss on raw jute and work in progress for taxation and Rs 85,000 from Dividend Equalisation Reserve and Rs 4,25,000 from General Reserve.
(x) After writing back Rs 1,65,396 being provision against anticipated loss on raw jute and work in progress and Rs 16,800 being provision against anticipated loss on jute contract for and after transferring Rs 2,80,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.
(y) After transferring Rs 5,94,144 from Capital Reserve and Rs 3,00,000 from Contingencies Reserve and after providing Rs 2,70,141 for Sales-tax Liability.
(z) After writing back Rs 1,00,000 from excess provision for taxation and Rs 25,000 from provision against anticipated loss on forward contracts.

February 8, 1958

COMPANIES—Contd.

COMPANIES—Contd.															
NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Depreciation	LIQUID ASSETS				
	January 1956 Rs. np.	January 1957 Rs. as.			General	Others	Carry forward				Investments	Stocks and Stores	Out-standings	Cash Balance	Others
Kankannan ...	44 00	73 0	100	30.00	6 60	2.75	-21.37	121.76	175.75	87.50	1.77	73.87	20.27	2.65	3.23
B. Ordinary ...	41 00	77 0	100	24.00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	77 00	87 8	100	10.00	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	...	4.23	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	90 00	97 0N	...	12.69	...	...	...	...	...	...	...	...	...	...	...
Kelvin ...	175 00	204 0	100	21.00	43.50	9.50	91	53.46	135.19	86.26	6.08	49.61	32.22	1.53	...
7% Cum. preference ...	94 50	108 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Khardah ...	110 00	118 8xd	100	54.00	2,333	...	27	133.40	196.61	122.04	1.40	110.88	31.56	1.56	...
6% C. P. ...	73 50	89 8xd	100	9.00	...	...	...	...	...	...	...	...	...	...	...
Kinnison ...	113 00	140 0	100	48.00	27.91	52.32	29	96.89	236.19	98.60	10.47	95.79	21.18	37	2
7% Cum. preference ...	85 50	111 8	100	15.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	900 00	965 0	1000	25.00	...	...	...	...	...	...	...	...	...	...	...
Lansdowne ...	75 00	101 8	100	24.48	11.74	25.76	-9.98	73.02	128.57	53.16	3.10	40.36	21.78	7	14
7% C. Preference ...	87 00	100 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Lawrence ...	78 00	92 0	100	28.00	9.78	43.49	-7.73	35.61	116.06	65.14	5.25	33.87	27.65	7	25.68
7% Cum. preference ...	95 00	103 0	100	5.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% 'B' cum. preference ...	65 00	76 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	920 00	970 0	1000	19.29	...	...	...	...	...	...	...	...	...	...	...
Mahabir ...	85 00	85 0	100	10.78	...	...	-6.77	23.48	19.87	13.47	47	15.70	3.91	96	...
Megna ...	83 00	79 8	100	81.65	...	22.04	56	81.23	213.91	133.25	1.28	75.28	26.21	1.94	...
Naihati ...	55 50	77 0	100	29.99	12.04	22.58	-13.08	52.60	165.26	86.71	2.77	44.81	19.88	16	45
7% cum. preference ...	82 00	110 0	100	7.50	...	...	...	...	...	...	...	...	...	...	...
4 1/2% R. C. P. ...	57 00	73 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	900 00	950 0	1000	25.00	...	...	...	...	...	...	...	...	...	...	...
Naskarpura ...	12 00	14 1	10	20.00	15.55	...	-1.65	48.88	56.03	21.34	5	28.39	15.35	29.30	...
5 1/2% Debentures ...	...	...	1000	5.00	...	...	...	...	...	...	...	...	...	...	...
National ...	23 85	19 12	10	35.00	21.70	19.59	17	11.15	31.71	10.66	16.70	30.95	4.16	19.76	...
7% C. P. ...	95 00	108 8	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Nellimaria ...	11 25	11 2	10	26.25	17.25	9.75	1.29	20.60	28.31	20.72	5.88	25.21	23.22	23.24	...
5% Cum. preference ...	79 00	97 9	100	5.00	...	...	...	...	...	...	...	...	...	...	...
New Central ...	440 00	465 0	500	5.00	115.00	171.31	3.36	419.40	468.82	106.43	15.40	198.00	83.23	162.03	6.02
7% Cum. preference ...	13 56	13 9	10	85.50	...	...	...	...	...	...	...	...	...	...	...
Northbrook ...	89 50	101 8	100	33.00	16.48	30.11	9	54.42	123.05	56.38	4.68	63.59	12.37	10	5.48
5 1/2% Cum. pref. ...	16 37	20 15	10	16.80	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	61 00	79 8	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Nuddea ...	800 00	880 0	1000	20.00	...	...	...	...	...	...	...	...	...	...	...
Orient ...	34 25	31 4	50	66.80	...	12.50	20	92.18	224.62	139.16	4.37	55.78	18.99	5	...
Premchand ...	81 00	113 0	100	24.91	18.71	5.05	11	13.17	75.81	51.43	53	32.23	4.76	3	...
Presidency ...	...	...	...	39.96	7.56	...	-31.69	19.53	58.72	43.90	73	15.27	3.32	1.14	...
4% Debenture ...	3 37	4 9	5	25.00	5.00	1.23	52	13.46	80.86	65.22	2.33	25.97	7.97	1.33	...
850 00	930 0	1000	8.00	...	...	...	...	...	...	...	...	...	...	...	...
Rameshwara ...	4 37	5 15	10	20.00	...	...	-9.18	22.87	26.98	8.39	38	19.63	1.97	11	...
6% Cum. preference ...	10 19	10 3	10	7.00	...	...	...	...	...	...	...	...	...	...	...
Reliance ...	5 69	9 14	10	49.50	...	1.50	-38.95	79.04	124.76	64.71	1.91	62.93	9.98	1.21	...
7% C. P. ...	69 00	94 8	100	20.00	...	...	...	...	...	...	...	...	...	...	...
5% Debenture ...	850 00	910 0	1000	25.00	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	15 25	15 4	10	30.00	12.15	1.00	6	83.32	116.87	81.99	1.72	51.17	49.97	47	...
7 1/2% Cum. preference ...	81 00	91 4	100	11.70	...	...	...	...	...	...	...	...	...	...	...
Soorah ...	13 12	13 0	10	14.00	10.80	5	23	19.71	67.75	43.57	8.90	20.70	5.27	3.75	...
7% Cum. pref. ...	100 00	107 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debenture ...	455 00	480 0	500	8.00	...	30.84	-8.76	35.73	126.57	57.29	4.84	31.79	10.66	32	11
Standard ...	49 75	75 0	100	25.20	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	74 50	86 0	100	9.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	...	...	1000	25.00	...	...	...	...	...	...	...	...	...	...	...
Ugion ...	111 00	119 0	100	35.99	14.54	66.16	-13.52	86.05	201.41	89.43	3.93	52.71	37.93	1.11	...
7% C. P. ...	93 00	101 8	100	6.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debenture ...	900 00	965 0	1000	12.00	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	2 87	3 11	1	2.50	3.00	3.35	11	21.88	56.01	40.74	60	26.08	5.66	71	...
5% Cum. preference ...	30 00	49 0	50	7.50	...	...	...	...	...	...	...	...	...	...	...
3 1/2% Debenture ...	400 00	437 8	500	10.00	...	...	...	...	...	...	...	...	...	...	...

MISCELLANEOUS

MISCELLANEOUS												
NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVID		PER CENT
								Latest	Previous	Latest	Previous	
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Latest	Previous	Pre-vious
WESTERN AND CENTRAL INDIA												
Alembic Chemicals	Bhailal Amin & Sons	7.08	31.78	115.38	83.87	4.93	12-55	11.20	8.23	8	8	8
	64% 1st Cum. Prof.	...	...	...	...	...	...	...	...	...	...	...
	5% 2nd R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products	Kasturbhai Lalbhai & Co.	...	92.01	145.51	3.78	61	12-56	(v)11.04	(c)9.25	5	5	5
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Associated Cement Cos.	Cement Agencies	308.06	884.90	22,13.47	63.63	42.75	7-56	504.02	536.87	10	10	10
Associated Stone Industries	Rajaputana Mining Agen. Pri.Ld.	1.39	...	39.24	14.82	1.02	9-56	7.09	4.23	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Atul Products	Deferred	...	...	...	...	...	...	...	...	...	...	...
Automobile Products	Lalbhais Sons & Co.	7.58	111.24	183.41	...	...	12-56	30.96	20.62	6	6	6
	Directors	11.52	126.92	134.73	41.00	...	7-56	8.39	5.90	6	6	6
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Bharat Line	Dinshaw Private	29.23	149.86	233.71	...	1.07	12-55	30.88	35.25	5	5	5
Bombay Burma Trading	Wallace & Co.	7.53	...	...	...	...	5-56	102.70	74.32	32	30	16
	Old Shares	...	...	...	...	...	...	...	...	...	...	...
	New shares	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas	Directors	5.41	37.78	7.73	...	...	12-54	15.41	15.27	12	12	7
Bombay Potteries & Tiles	C. J. Motichand & Co.	7.53	...	...	...	...	9-55	14.00	3.67	12	12	7
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...
	44% C. P.	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.	42	...	1.34	...	...	9-56	6.8	6.8	15	15	6
Bombay Uganda Co.	Directors	...	...	90.34	...	...	12-55	-2.42	2.12	15	16	6
	...	...	...	...	...	...	...	...	...	...	...	...
G. Claridge & Co.	W. H. Brady & Co. Ltd.	8.94	14.36	28.39	1.24	37	12-56	3.10	4.26	15	16	12
G. G. Dandekar Machine Works	Dandekar Engineers	1.86	3.33	8.44	1.68	26	6-56	1.59	1.62	8	8	8
	Partly Paid Ordinary	...	...	...	...	...	...	...	...	...	...	...
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Dharamsi M. Chemical	D. Morari & Co.	1.22	37.91	49.24	58.62	18	12-55	51	2.03	8	8	8
Digvijay Cement	Shree Laxmi Agents Ltd.	13.48	90.98	168.53	2.81	3.90	12-55	43.56	41.71	8	8	8
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Eastern Shipping Corp.	Scindia Steam Navigation	26.54	129.00	220.84	...	3.54	3-56	45.68	25.36	5	5	5
Estrela Batteries	Chunilal Manilal Ltd.	14.19	23.27	57.54	18.84	33	3-56	4.79	2.70	6	6	6
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping	A. H. Bhiwandiwala & Co. Private	28.28	...	372.29	...	8.31	6-57	(n)97.87	(b)81.81	15	15	(a)
	54% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co.	Directors	19.48	228.32	251.96	76.22	...	3-55	16.35	18.63	5	5	5
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	6% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co.	Dharamsinh & Co.	4.76	99.20	127.74	31.58	75	4-56	9.42	4.89	6	6	8
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever	Director's	182.86	1972.42	2740.44	...	...	12-56	252.19	...	12	12	...
Indian Cement	Director's	...	...	...	...	...	3-56	1.64	1.24	30	25	20
Indian Plastics	Director's	8.75	27.88	49.52	13.73	...	3-56	4.02	3.28	24	24	20
	54% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Indian Vegetable Products	F. F. Campbell & Co. Pri.	5.78	141.29	206.29	7.21	1.31	9-56	6.29	3.18	10	10	5
Indus. Cr. & Inv. Corp.	Directors	3.86	...	41.75	...	...	12-56	34.48	22.81	34	34	5
Industrial Investment	Premchand Roychand & Sons	26	...	6.72	...	34	12-56	6.03	5.83	5	5	5
Kemp & Co.	Directors	5.37	47.70	55.40	9.65	...	3-56	2.02	1.44	7	7	6
Killick Industries	Managing Director	6.69	...	...	...	...	6-56	26.27	27.63	11	11	11
Machinery Manfra. Corp.	Mahindra & Mahindra	22.84	37.82	69.86	40.16	40	3-57	8.72	10.62	11	11	11
	4% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	44% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Loan from I. F. Corp.	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspati & Chem.	Mohatta Bros.	...	96.34	110.33	6.71	15	12-53	4.60	-6.02	11	11	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
National Elect. Industries	Narain Kumar Hansraj Pri. Ltd.	10.15	44.38	56.93	24.05	83	3-56	5.56	5.37	9	9	9
	44% C. P.	...	...	...	...	...	...	...	...	...	...	...
National Machinery Manfra.	Directors	37.64	75.06	152.62	81.06	...	12-55	26.23	10.80	4	4	4
National Newspapers & Paper	Directors	2.06	...	...	...	...	3-55	-4.42	...	...	...	...
National Rayon Corp.	Chinai & Co. Private Ltd.	47.41	197.72	422.38	22.31	10.46	12-56	142.94	102.13	14	12	10
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Palampur Veg. Products	Investa Industrial Corp.	...	...	...	...	...	12-55	-1.13	-1.59	11	11	5
	54% C. P.	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works	N. Pestonjee & Co.	78	...	9.84	26	38	12-54	1.78	1.71	5	5	5
	Ordry. Partly Paid	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd.	Polson Agencies Private Ltd.	7.83	47.32	92.12	11.44	1.47	12-56	10.75	13.29	12	10	10
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Sanitex Chem. Industries	M. B. Amin & Co.	3.42	9.78	18.76	9.69	24	12-55	10	30	11	11	6
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	Sathe Food Industries	92	11.93	24.09	8.65	...	...	...	...	...	...	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam	Narottam Morarjee & Co.	137.54	604.14	1049.95	...	...	3-56	2.00	12	11	11	11
	44% Debentures	...	...	...	...	...	...	...	...	...	...	...
Shangrilla Food Products	Directors	1.41	7.54	12.27	1.49	...	6-56	(h)265.86	(y)119.17	4	5	2
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate	Killick Industries Ltd.	45.00	...	163.08	34.46	5.74	3-56	-3.80	-3.35	11	11	11
Supreme Industries	Moddy & Co.	...	7.33	4.98	7.63	...	11-56	43.17	31.73	80	80	80
	64% Cum. Prof.	...	...	...	...	...	...	...	...	...	...	...
Tata Chemicals	Tata Industries Private	42.22	...	265.59	...	...	3-56	64	65	6	6	6
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Tata Oil Mills	Tata Industries Private	80.91	439.27	662.64	...	2.71	6-57	51.48	41.26	64	64	64
	44% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
United Salt Works & Indus.	Salt & Industry Agency Pr. Lt.	11.24	...	33.81	9.93	3.57	3-57	30.29	42.00	10	12	8
Western India Match	Swedish Match Co.	125.95	728.67	1016.87	22.84	48	9-55	4.16	4.49	11	10	10
	...	...	...	...	...	...	12-55	78.54	78.38	11	11	11
(a) Traffic Revenue (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income. * Income by freight, etc.												

(a) Trade Revenue

(b) Dividends and Interest, etc.

(c) Profit on contracts

(d) Revenue Income

*Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1958 Ra. np.	January 1957 Ra. n.			General Ra. 000	Others Ra. 000	Carry Forward Ra. 000				Investments Ra. 000	Stocks & Stores Ra. 000	Outstanding Ra. 000	Cash Ra. 000	Others Ra. 000
WESTERN AND CENTRAL INDIA															
Alembic Chemicals ...	120 58	117 8	100	32.41	18.06	12.85	57	65.41	85.67	44.34	24.86	46.15	31.29	66	...
64% 1st C. P.	85 00	90 0	100	5.00	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P.	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P.	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products	...	...	100	29.26	13.02	7.38	14	3.79	91.88	23.35	6	22.65	25.08	2.27	...
5% C. P.	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Associated Cement	156 00	183 0	100	1271.67	95.00	831.84	2.94	1135.82	2775.39	984.44	78.23	906.41	325.19	185.66	50.85
Bharat Line	...	...	100	100.00	...	15.37	1.55	219.38	441.66	183.09	3.79	19.02	47.25	71	8.98
Associated Stones Indust	...	...	10	8.50	3.15	...	10.98	7.26	10.30	5.10	20	16.15	12.48	2.86	...
6% C. P.	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	5.00	...	...	...	...	...	...	...	...	...	...	...
Atul Products	...	...	100	189.00	...	...	24	220.38	261.72	45.19	62.42	93.72	33.06	3.85	...
Automobile Products	...	...	10	28.00	...	1.13	4	74.66	59.72	10.24	...	48.22	13.06	8	...
5% R. C. P.	...	...	100	7.00	...	...	...	...	...	...	...	...	...	...	...
Bombay Burma Trading ...	...	...	2500	2.50	70.98	349.16	40	270.42	398.85	171.93	113.38	108.33	149.34	3.51	34.81
Old Shares	544 00	772 8	125	50.00	...	...	...	...	...	...	...	...	...	...	...
New Shares	201 25	276 4	50	42.00	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas	...	...	100	41	...	11.14	21.79	2.55	38.71	61.49	26.52	10.27	11.82	10.97	46.15
Bombay Potteries & Tiles	64 00	...	100	14.18	15	4	24	4.29	26.33	12.40	9	8.52	1.90	4.22	...
64% C. P.	65 00	...	100	1.13	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	50 00 N	...	100	8.63	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit	500 00 N	...	200	2.40	71	...	...	1.72	5.68	4.23	2.70	...	16	5.02	...
Bombay Uganda Co.	47 50	...	80	15.96	2.01	3	-2.00	7.20	2.26	90	86	10.68	1.30	9.03	...
G. Claridge & Co.	...	...	100	9.00	6.00	6.25	29	6.90	18.79	14.59	1	14.53	6.79	1.92	...
C. G. Dandekar & Mee. Works	...	...	100	4.00	1.00	67	8	4.65	10.06	5.33	4.74	1.68	2.63	9	...
Partly Paid Ord	...	...	50	2.47	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Dharamsi M Chemical	49 50	44 0	50	13.69	1.70	1.00	1	33.12	41.22	21.00	18	17.44	9.66	7	1.94
Digvijay Cement	135 50	152 4	100	88.80	30.00	14.50	2.79	78.84	204.20	86.59	29.42	47.87	14.69	11.42	39.69
5% R. C. P.	81 00	97 0	100	39.78	...	...	...	...	...	...	...	...	...	...	...
Eastern Shipping Corpn.	...	...	100	550.00	...	39.99	24	223.60	467.25	71.18	68.40	98	37.53	166.30	144.46
Entola Batteries	36 50	40 0	50	14.97	3.15	7	22	15.50	28.61	19.41	3	17.66	12.81	70	9.50
5% C. P.	35 50	...	10	9.97	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping	20 00	19 1	10	90.00	76.00	61.60	1.84	367.08	490.84	86.21	2.74	36	72.77	140.71	...
54% R. C. P.	91 50	100 0	100	25.00	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co.	...	...	100	85.00	15.00	13.15	14	130.48	10.11	4.54	113.14	75.82	91.65	7.58	...
5% C. P.	...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co.	92 00	100 0	100	35.85	2.00	...	18	111.50	78.77	7.27	2.53	28.65	51.22	2.20	7.30
6% C. P.	82 00	...	100	8.07	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever	19 84	...	10	557.00	40.00	63.94	94.17	341.58	455.51	103.65	1.03	472.15	174.40	97.18	...
Indian Cement	28 75	37 0	10	1.52	1.00	50	4	1.43	1.42	...	1.30	...	53	1.23	...
Indian Plastics	...	...	10	29.88	...	...	5	20.54	44.45	10.95	...	27.83	11.05	65	...
54% Cum. preference	...	...	100	22.50	...	...	...	...	...	...	...	...	...	...	...
Indian Vegetable Products	110 00	...	100	21.17	2.53	1.95	8	16.10	25.35	20.52	69	9.18	10.92	16.21	...
Indus.Cr & Invest. Corp.	69 80	75 0	100	500.00	10.00	...	6.31	792.34	98	35	652.58	...	77.86	577.59	...
Industrial Investment	71 50	76 0	100	99.99	16.23	3.90	3.24	7.12	20	16	122.60	...	1.77	6.07	...
Kemp & Co.	185 00	180 0	200	12.00	3.50	2.86	15	14.86	24.75	11.68	78	9.90	8.25	1.33	...
Killick Industries	157 50	169 0	100	100.00	7.50	27.58	5	52.50	38.47	8.04	144.36	4.90	8.82	1.88	22
Machinery Manfrs. Corpn.	...	...	100	39.24	...	14.42	-23.18	90.45	129.21	36.37	21	53.70	10.89	1.16	1.08
4% Cum. preference	...	...	100	13.95	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...
Loan from I. F. Corpn.	...	...	...	49.05	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspati Chems.	...	...	10	31.28	...	30	-5.10	29.60	51.07	6.00	...	11.97	14.22	17	84
6% Debentures	...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...
National Elec. Industries	70 00	...	50	5.85	...	7.25	18	31.90	24.76	9.46	89	24.05	9.95	51	...
44% C. P	80 00 N	...	100	5.42	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfrs.	...	...	100	252.40	...	12.36	61	115.89	245.11	99	...	95.13	30.54	90	58
National Newspaper & Paper	...	...	10	131.53	...	-6.60	429.81	413.25	...	3	15.06	28.74	57.26	40.40	...
National Rayon Corpn.	224 75	246 4	100	160.64	32.00	86.15	5.52	259.08	946.21	265.00	1.10	141.75	37.17	6.48	...
5% Cum. Preference	67 00	79 0	100	174.28	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	97 50%	...	...	150.00	...	...	...	...	...	...	...	...	...	...	...
Palanpur Veg. Products...	...	...	10	15.00	...	...	-23.90	28.59	27.37	...	10	1.84	9	1	28
54% C. P.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works...	...	...	100	11.79	18	66	2	4.74	9.55	6.26	4.63	3.05	2.88	86	2.75
Ord. Partly Paid	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd.	170 09	165 0	100	21.60	14.50	11.45	46	25.66	58.81	12.53	1	16.93	20.19	10.27	...
6% C. P. T.	84 70	87 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus.	...	...	50	13.01	...	...	1	8.29	13.12	60	...	8.20	2.07	38	2.63
5% C. P.	...	...	50	4.49	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	50 00 N	...	50	4.73	...	1.52	10	24.39	30.54	2.73	46	8.70	3.74	14	...
Partly Paid	...	...	50	5.13	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	4.98	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam	17 44	18 15 1/2	20	939.98	80.00	832.90	5.62	780.46	2264.99	485.66	573.50	23.14	444.41	213.01	19.70
44% Debentures	93 00	...	100	414.13	...	...	-5.79	8.25	39.73	6.16	32	5.52	2.88	16	...
Shangrila Food Products	...	...	100	17.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate	93 50	93 8	10	7.00	20.00	50.25	9	57.68	56.73	24.46	10.02	49.96	18.84	19.54	4.38
Supreme Industries	80 50	...	100	6.22	3.45	31	25	4.48	10.60	2.28	1.95	7.63	1.26	18	...
64% C. P.	70 50	16 6	10	139.96	...	16.23	10	202.86	404.57	156.94	1.50	163.84	31.52	2.62	...
Tata Chemical	12 72	100 8	100	59.97	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	90 50	...	...	25.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	99 00%	...	25	70.07	10.35	26.43	10	293.95	212.21	126.98	7.33	242.81	72.19	23.24	...
Tata Oil Mills	37 00	45 12	100	29.89	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	...	...	250	13.35	13.00	22.31	7.74	10.92	65.62	32.00	5.05	14.75	5.77	8.0	2
United Salt Works Indus.	...	...	100	275.00	6100	19.25	5.62	307.22	303.67	157.21	45	163.96	287.20	150.2	...
Western India Match	170 00	172 8	100	275.00	...	...	...	...	...	...	...	...	...	...	...

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Ra. 000	Other Major Expenses Ra. 000	Sales Ra. 000	Stocks Ra. 000	Managing Agents' allowances and Commission Ra. 000	Year ended	Net Profit		DIVIDEND PER CENT		
								Latest Ra. 000	Previous Ra. 000	Latest	Previous	
NORTHERN INDIA												
Alkali & Chemical ...	Imp. Ch. Industries Private ...	12.08	87.34	188.31	38.77	...	9.56	40.20	(m) 31.28	8	8	6
All India Finance & Commerce	5% Cum. preference Kayell Sival & Co. Ordinary	30	...	1.69	...	20	5.56	96	88	7 1/2	5 1/2	5 1/2
Aluminium Corpn.	7 1/2% G. P. J. K. Industries 6% Cum. preference 5% Cum. preference Deferred 5% Debentures 5 1/2% Debentures	25.84	38.36	90.90	23.01	...	3.56	25.38	13.00	5	5	5
Amrit Banaspati	Amrit Agency Ltd. 6% C. P. 5% R. C. P. Deferred	2.06	354.45	367.26	66.68	18	3.55	22.07	19.54	5	5	5
Anderson Wright	Directors 4 1/2% Cum. preference 4% Debentures	4.04	...	10.26	...	...	12.55	(a) 1.67	5.02	5	5	5
Anglo Brothers	Turner Morrison & Co., Pri.	6.78	238.68	285.12	...	1.65	8.56	16.24	(a) 14.77	20	20	12 1/2
Asahaka Cement	Partly Paid	...	...	...	...	...	9.55	(a5)	...	...	...	...
Assam Bengal Cement	Eastern Corporation Deferred 4% Debentures	8.64	37.04	72.61	4.13	87	3.55	15.96	17.65	5	5	5
Assam Match Co.	Directors	15.63	94.59	124.89	5.98	...	12.55	9.52	7.93	12 1/2	12 1/2	12 1/2
Assam Saw Mills	Bird & Co. Private	4.34	...	34.53	5.38	...	9.56	1.74	8.81	12	12	7
Associated Hotels	Oboroi Hotels (India) Private Ltd. 7% Cum. preference Tax 4 1/2% Debentures 6 1/2% Debentures	12.88	40.56	71.62	...	2.16	3.56	14.21	8.83	7	7	7
Associated Mining	Ramkumar Agarwala 5% Cum. preference Deferred	13	7.57	6.16	1.59	44	12.52	1.90	2.52	6	5	5
Balhar Paper	K. C. Thapar & Bros. Ltd. 5% R. C. P. P.	10.45	59.71	120.61	4.41	89	6.55	39.50	...	5	5	5
Balmer Lawrie & Co.	Directors	75.78	15,33.11	15,51.18	108.84	...	12.56	402.87	35.33	13	12 1/2	13
Barrage Co.	Jardine Henderson	3.46	9.25	20.61	8.29	17	9.56 HY	2.03	2.40	5	6	7
Balgate & Co.	Directors 4 1/2% Cum. preference	2.74	9.13	16.21	8.86	...	12.55	-4.91	-11.87	5	5	5
Bahar Rice Mills	H. V. Lew & Co.	...	...	...	...	...	6.54	36	33	7 1/2	7 1/2	7 1/2
Bangal Assam Steamship	Andrew Yule & Co. Ltd. 7% Cum. preference	8.19	20.65	32.90	...	73	10.56	7.98	(a) 14.19	7 1/2	7 1/2	7 1/2
Bangal Chemicals	Directors 7 1/2% Cum. preference 4 1/2% Cum. preference 5% Debentures	28.82	82.42	145.99	38.70	...	4.54	15.12	14.44	6	6	6
Bangal Elec. Lamp	P. C. Datta Deferred	1.27	18.69	39.71	...	...	3.54	4.12	4.86	6 1/2	6 1/2	6 1/2
Bangal Flour	Balmer Lawrie & Co. Ltd.	5.19	192.13	217.82	4.80	1.11	12.56	12.78	(a) 78.85	25	23 1/2	25
Bangal Paper	Directors 7% Cum. Preference 7% 'A' Cum. preference 6% 'B' R. C. P. T. 4 1/2% Debentures	36.10	80.06	282.57	3.85	...	12.56	15.37	50.62	10	18 1/2	12 1/2
Bangal Potteries	B. R. Bhagat & Co. Ord. P. Paid	27.89	13.26	91.13	10.48	...	12.56	14.93	11.13	10	10	10
Bangal Timber	Jardine Henderson 8% Cum. preference	1.34	15.66	24.68	6.48	...	6.55	-81	1.01	5	5	5
Bhagwati Pressing	Ramdudd Ramkissandass 5% Cum. preference	7	...	1.57	...	17	12.55	1.04	1.13	5	5	5
Bharat Carbon & Ribbon	Murari Lal Batra & Co. 'B' Ordinary 6 1/2% C. P.	11.63	14.71	19.61	4.03	11	12.55	1.12	1.06	7 1/2	7 1/2	7 1/2
Bharat Starch & Chemical	K. C. Thapar & Bros. Directors	1.65	38.41	37.48	12.65	67	1.53	-6.10	3.57	6 1/2	6 1/2	6 1/2
Bharat Company	Directors	...	...	...	...	...	3.54	2.68	-3.24	5	5	5
Birds Investments	Lovelock & Lewes 5 1/2% Cum. preference	...	...	5.71	...	12	9.56	3.49	4.73	10	12 1/2	12 1/2
Bisra Stone Lime	Bird & Co. Private Ltd. Directors	3.20	23.00	34.35	2.23	67	3.56 HY	6.03	(a) 8.33	5 1/2	5	5
Briannia Biscuits	8% Cum. preference 5 1/2% Debentures	...	75.80	149.69	...	...	3.57	18.74	17.70	10	10	10
Br. Burma Petroleum & Br. Ceylon Corpn.	A. T. C. Invt. Co. Directors	...	...	...	...	...	3.56	37	34	5	5	5
British India Corpn.	6% Cum. Part preference Directors	178.72	428.71	761.45	399.76	...	12.55	16.76	10.78	15	10 1/2	15
Brsabwars	8% Cum. preference Begg Sutherland & Co. Pri. Ltd.	1.12	2.13	4.07	2.62	...	12.56	(0) 93.42	(a) 11	15	8	15
Burma Lime	S. C. Chunder & Co. Partly Paid 6% Debentures	18	70	2.44	24	7	11.56	38	15	10	8	8
Calcutta Gas Co.	Soorsimull Nagarmull 5 1/2% R.C.P.T. 4% Debentures	...	...	...	...	1.49	9.55	6.38	7.06	5	5	5
Calcutta Hydraulic	Andrew Yule & Co.	56	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Calcutta Investment Co.	Ramdudd Ramkissandass	...	...	9.43	...	20	6.56	(0) 2.19	-82	5	5	5
Calcutta Landing & Shipping	Gladstone Lyall	3.39	...	6.75	...	3	12.54	7.11	3.95	5	5	5
Calcutta Safe Deposit	Amritlal Ojha & Co. 4 1/2% Debentures	51	...	5.02	...	16	10.55 HY	1.18	3.55	5	5	5

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1958 Rs. np.	January 1957 Rs. a.			General	Other	Carry Forward				Invest mts Rs. 000	Stock & Stores Rs. 000	Out Standing Rs. 000	Cash	Others
NORTHERN INDIA															
Alkali & Chemical ...	13 25	19 0	10	62.00	26.00	33.35	92	125.58	201.89	49.25	...	91.75	27.90	1.56	5.01
5% Cum. Preference ...	97 00	101 8	100	31.00	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com. Ordry.	...	...	100	3.00	53	18	...	13.21	36	8	73	10.66	7.76	68	...
7 1/2% C. ...	...	...	110	1.28	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corpn.	10 00	11 0	10	47.50	21.00	178.83	1.16	28.96	373.32	72.00	5.29	38.13	19.93	16.09	...
6% Cum. preference	84 00	98 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	69 00	74 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	4 56	6 1	24	2.50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	950 0	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	1000	50.00	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	53.25	19.25	3.83	-14.14	152.86	160.85	53.32	36.36	89.91	25.33	1.40	...
6% C. P.	...	...	10	16.00	...	...	...	...	...	...	...	...	...	...	...
5% R. C.	...	...	10	24.50	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	1.00	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	10	20.00	3.50	8.90	18	74.03	1.02	58	54.74	3.08	35.77	24	41.94
4 1/2% C.	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Anglo Brothers	18 25	23 4	10	30.00	25.19	14.00	3.36	22.57	34.21	22.95	4.81	40.12	28.80	9.99	...
Ashoka Cement	8 56	10 15	10	15.00	...	...	...	71.64	92.94	...	...	38	2.09	1.25	1.22
Partly Paid ...	...	...	24	11.25	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	4 57	6 6	1	43.14	10.54	2.59	4.59	95.35	164.36	73.18	5.34	25.44	35.17	37.09	...
Deferred	0 85	1 5	1	4.71	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	24.98	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	15 31	20 6	10	30.00	...	2.75	1.18	27.46	38.39	28.85	6	19.69	24.66	5.44	...
Assam Saw Mills	1 90	3 10	3	14.00	...	20.59	-4.96	15.52	32.14	11.86	...	17.84	11.11	72	20
Associated Hotels	5 31	10 12	10	20.00	...	23.50	2.45	55.66	102.58	36.88	46.44	8.31	30.80	12.17	8
7% C. P. T.	57 00	860 0	1000	23.60	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	850 00	960 0	1000	6.60	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	920 00	...	1000	8.92	...	...	33	3.33	2.77	94	9.90	3.08	3.15	3.01	...
Associated Mining	8 44nd	31 0nd	50	5.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	28 50nd	5 4nd	5	4.10	...	...	...	...	...	...	...	...	...	...	...
Deferred	1 19nd	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Hallarpur Paper	...	...	25	57.08	...	38	-47.41	147.09	219.74	97.20	...	32.08	16.88	1.66	3.88
5% R.C.P.P.	...	...	100	18.09	...	...	...	...	...	...	...	...	...	...	...
Balmer Lawrie & Co.	148 00	164 8	100	80.01	61.50	27.82	5 03	270.74	69.52	37 02	111.40	136.03	152.48	12.66	...
Barroes coal	10 12	16 10	10	12.00	8.00	50	90	9.21	37.37	35.08	6	10.30	12.69	5.28	...
Bashgata & Co.	1 06	1 15	10	40.00	...	...	-22.19	5.98	23.15	1.24	...	6.65	4.61	62	...
4 1/2% C. P.	40 50	42 6	10	10.00	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 50	1 12	10	16.92	...	...	-4.34	3	7.69	4.95	9.60	10	13	2	...
Bengal Assam Steamship.	107 00	139 0	100	20.00	8.25	92.45	1.10	12.68	124.09	18.29	2.55	13	1.80	27.20	...
7% C. P.	61 50	82 0	60	3.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	87 50	105 0	100	45.33	19.50	21.95	11.46	54.56	104.59	47.91	16.62	46.92	63.31	4.79	...
7 1/2% C. P.	11 00	12 12	10	9.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	77 50	83 0	100	11.91	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Elec. Lamp	...	...	10	15.52	8.00	97	15	11.50	23.00	11.62	...	13.68	12.08	24	...
Deferred	...	...	1	1.39	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	27 62	34 0	10	12.00	...	2.56	91	14.07	33.30	25.71	35	7.99	23.18	43	...
Bengal Paper	58 00nd	110 8	25	45.00	17 00	18.72	5	46.00	208.82	156.73	1.38	56.76	41.70	1.48	4.66
7% C. P.	57 25nd	64 4	50	2.00	...	...	...	...	...	...	...	...	...	...	...
7% A. C. P.	103 50nd	135 12	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% B. C. P. T.	72 69nd	81 11	100	20.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	500	4.90	...	...	...	...	...	...	...	...	...	...	...
Bengal Poteries	2 81	3 10	24	31.70	5.15	...	11	54.34	70.66	35.38	2	29.13	36.06	27	...
Ordry. P. Paid	...	...	1	9.41	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	41 00	41 0	100	6.00	...	-3.56	19.06	7.35	7.22	1.00	6.52	14.42	43	...	...
8% C. P.	33 50	32 12	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	7 00	3 12	10	4.00	1.10	...	2	2.62	10.18	2.28	75	...	93	1.16	...
5% C. P.	45 00	55 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Bharat Carbon & Ribbon	...	...	10	2.50	2.00	45	5	20.88	7.35	3.30	63	12.79	13.06	74	...
B. Ordry.	...	...	100	1.81	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	...	...	100	3.58	...	...	...	...	...	...	...	...	...	...	...
Bharat Starch & Chemical	8 06	3 1	10	10.00	3.78	1.60	-1,340	46.64	35.48	12.86	12	21.59	5.01	10	88
Bhartia Company	54 75	52 6	100	21.00	30	...	-9	79	...	...	...	12.92	8.39	69	...
Birds Investment	13 00	16 14nd	10	20.00	3.00	5.05	38	52.17	...	...	66.28	...	37.91	40	...
5 1/2% C. P.	54 00	71 0nd	100	24.00	...	...	20	...	...	...	...	...	...	...	...
Biers Stone Lime	26 50	30 6	10	10.00	2.33	23.20	20	19.37	59.67	33.98	3	9.90	17.96	4.23	26
Britannia Biscuits	12 26nd	14 14	10	45.97	20.00	14.62	1.85	35.60	114.31	37.07	...	26.50	25.91	3.43	11
8% Cum. preference	10 50nd	11 6	10	15	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 0%	100 0%	...	15.00	...	...	...	...	...	...	...	...	...	...	...
Br. Burma Petroleum (B.)	1 85	2 13	4 1/2	7.50	...	1.82	35	1.85	9.35	...	2	...	1.52	63	...
Br. Ceylon Corporation	10 31	9 5	10	35.00	23.50	23.19	1.40	30.90	60.95	47.46	26.19	63.70	17.03	11.07	...
6% Cum. Part Pref.	8 50	8 1	10	17.50	...	...	...	...	...	...	...	...	...	...	...
British India Corporation.	3 85	8 9	5	325.00	40.00	115.56	-1.23	461.72	300.58	233.80	182.52	492.27	240.47	36.05	...
8% Cum. preference	102 00	119 8	100	81.00	...	...	...	...	...	...	...	...	...	...	...
Brushware	...	...	10	1.00	2.00	1.21	7	1.66	2.43	2.34	1.30	3.11	1.40	3	...
Burma Lime	8 00	8 8	5	2.00	10	...	6	96	4.81	1.09	2	66	63	7	...
Partly Paid	...	...	1000	1.35	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	6 15	6 12	10	65.00	1.00	...	22	19.29	1	...	116.16	...	26.77	47	2.10
5 1/2% R. C. P. T.	50 50	66 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00N	820 0N	1000	30.00	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic	4 10nd	81 0	100	8.00	1.75	1.52	21	36	14	12	10.18	...	1.30	39	...
Calcutta Investment Co.	50 00	50 0	100	55.00	19.00	4.12	95	24.40	17.50	4.10	...	45.95	43.91	22	...
Cal. Landing & Shipping	13 87	14 4	10	6.25	30	1.75	3	5.16	18.47	12.32	99	30	4.64	1.41	...
Calcutta Safe Depot	8 19	8 8	10	7.42	20	1.43	3	4.82	13.41	1.73	38	1	2.55	34	...
4 1/2% Debentures	...	...	1000	1.05	...	...	...	...	...	...	...	...	...	...	...

Indian Finance MISCELLANEOUS

MISCELLANEOUS

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	Net Profit		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second previous
NORTHERN INDIA (Continued)												
Calcutta Steam Nav'n	Hoare Miller & Co.	5.09	...	10.54	...	19	12-56 HY	2.98	3.28	64	64	64
Camperdown Pressing	Pyne & Co.	...	...	54	...	18	7-54	20	46	4	7	7
Central Hydraulic	Andrew Yule & Co.	21	...	1.12	...	15	6-56	1.24	61	6	5	5
Cherra Chhetak Ropeway	Directors	4.13	7.11	12.12	62	23	3-56	1.24	57	7	5	5
Chreston Mica Induse	Ram Kumar Agarwala	16.34	...	159.60	48.75	4.85	12-53	16.23	15.70	64	10	10
	54% Cum. preference	...	...	...	...	...	...	...	...	64	10	10
	Deferred share	...	...	...	...	...	...	...	...	54	54	54
	44% Debentures	...	...	...	...	...	...	...	...	74	15	15
Clive Buildings	Gillanders Arbuthnot & Co.	...	...	5.71	...	...	12-56	2.46	2.41	34	4	34
	Management Shares	...	...	...	...	...	...	...	...	35	40	364
	44% Debentures	...	...	...	...	...	...	...	...	74	134	114
Clive Row Inv.	Andrew Yule & Co., Ltd.	18	...	12.27	...	90	3-57	10.62	31.92	...	...	...
Dalmia Cement (Bharat)	Hari Brothers Private Ltd.	31.60	131.30	214.52	12.19	4.71	12-56	46.51	61.95	124	124	10
	Ordinary	...	...	...	...	...	...	...	...	124	124	10
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties	Goenka & Co.	7	...	32	...	...	3-54	...	...	124	124	10
	6% preference	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Ropeway	Goenka & Co.	...	...	1.08	...	4	3-54	...	...	124	124	10
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Dathi Flour Mills	R. C. Govan & Co. Ltd.	3.55	193.62	204.92	4.51	41	10-55	3.54	3.20	9	7	6
	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	7% Debentures	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Dhruvachitra Chem. Works	Sahu Bros. Private	15.62	59.70	115.97	1.95	2.81	3-56	22.73	6.34	9	12	12
	Ordinary Partly Paid	...	...	...	...	...	...	...	...	...	...	...
	6% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Duncon Brothers	Directors	12.10	158.85	272.65	2.18	...	12-56	47.79	50.39	6	12	12
	4% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co.	Directors	181.11	11,35.97	1699.60	...	...	12-56	132.99	119.24	11	11	12
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference Tax	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments	Bird & Co. Private Ltd.	...	...	11.49	...	6	12-56	11.20	12.83	9	9	9
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Eastern Manfg. Co.	McLeod & Co. Ltd.	19.22	19.19	78.33	3.73	1.10	12-54	10.44	2.25	5	5	5
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
F. & C. Oster	S. B. Indus. Development	5.44	61.89	91.41	51.41	...	3-53	1.50	8.65	44	44	44
	44% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Frank Ross	Directors	2.13	9.17	38.24	11.24	...	2-57	...	...	...	...	...
	44% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	Kilburn & Co.	6.01	1.49	12.63	...	21	3-55	1.61	1.40	15	15	15
French Motor	Mg. Director	21.17	234.20	254.95	46.95	...	3-56	9.52	8.97	124	124	124
Ganges Rope	Macneill & Barry Ltd.	13.41	39.67	85.82	18.22	39	3-57	4.96	2.04	124	114	15
General Inv. & Trust	Bird & Co. Private	...	...	...	...	2	2-57	48	64	74	74	5
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference Tax	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	Directors	38.24	133.03	139.33	41.68	...	3-56	31.85	31.55	16	6	6
	5% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	Directors	12.30	7.86	...	...	...	12-54	3.00	3.08	5	14	74
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	Directors	16.42	207.63	250.42	1.34	...	12-55	23.94	10.49	6	6	6
	54% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	B. P. R. Syndicate	...	...	88.48	...	42	3-57	7.48	6.91	54	54	54
	...	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Building	Directors	...	...	...	...	...	7-55	1.61	1.33	4	4	5
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Gas	Directors	2.13	6.37	11.45	3.67	...	3-54	3.85	...	4	4	5
	44% Debentures	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Housing	Jainarayan Ramchander	8	...	...	...	26	3-53	33	49	64	64	6
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Ice	R. N. Jhun Jhun Wala	40	1.21	2.69	...	18	9-54	65	37	14	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Woolen	Directors	37	...	5.25	73	...	3-55	60	...	...	...	...
Hoare Miller	Directors	11.27	1155.20	1191.41	9.90	...	12-55	3.58	56	14	14	14
Hooghly Flour	Shaw Wallace & Co.	2.00	50.18	54.69	33	22	6-56 HY	2.05	(p)2.21	84	74	124
Hooghly & Ganges Hyd.	B. N. Elias & Co.	78	42	1.53	...	...	6-54	43	1.08	84	74	124
	44% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	Directors	270.58	...	3036.37	...	...	3-56	415.71	363.57	...	...	...
India Genl. Navigation & ...	Kilburn & Co. Private	...	...	...	...	...	12-56	(i)-10	(i)2.60	8	8	6
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
India Linoleums	Hindustan Investment	2.76	12.01	23.83	9.07	...	3-56	6.19	2.01	nil	5	5
India Paper Pulp	Andrew Yule & Co. Ltd.	25.04	39.34	95.61	4.54	1.75	3-57	...	...	nil	6	6
India Steamship	Lionel Edwards Private	47.14	330.54	600.17	...	11.50	3-57	(a)19.56	(u)18.11	14	14	14
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Indian Aluminium	Directors	63.06	307.21	424.97	...	...	12-56	65.59	48.64	10	10	14
	5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	Directors	...	...	697.45	46.68	...	3-57	144.82	125.29	5	5	5
	6% C. P. P.	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Indian Copper & ...	Gillanders Arbuthnot & Co.	...	15.84	29.50	...	1.10	12-56	15.07	14.75	15	15	124
	...	...	...	...	...	...	...	...	...	...	...	...

February 8, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	January 1958 Rs. np.	January 1957 Rs. a.			General	Others	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standing Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Continued)															
Calcutta Steam Nav'g.	14 06	...	10	12.60	5.24	6.49	1.10	7.06	63.14	37.81	...	1.99	5.06	12	...
Camperdown Pressing	121 00	121 0	100	4.30	85	15	...	45	2.12	...	2.87	...	...	76	...
Central Hydraulic	129 00	129 0ad	100	5.00	30	2.17	...	26	68	10.91	9.30	6.16	...	36	28
Cherra Chhatk Ropeway.	5 00	4 12	5	4.75	4.75	...	...	45	87	12.52	9.78	15	2.57	3.99	47
Chrestien Mica Induse	10 50ad	14 1	100	30.00	14.08	8.70	1.64	57.78	66.99	21.17	23.11	55.86	37.19	10.21	...
54% Cum. preference	55 00	51 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Defered share	6 63ad	7 1	5	15.00	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	830 00	880 0	1000	15.00	...	...	...	...	...	...	...	...	...	...	...
Clive Building	...	...	150	15.00	2.06	8.17	2.08	3.16	48.88	7.63	4.14	...	37	4.48	3
Management Shares	...	...	15	15	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	410 00	425 0	500	19.63	...	...	...	...	...	...	...	...	...	...	...
Clive Row Inv't.	9 00	9 12	10	138.80	10.00	7.34	8.17	42.52	...	...	205.96	...	22	65	...
Dalmia Cement	10 44	12 8	10	60.00	25.00	40.05	2.85	158.13	105.62	39.55	194.60	77.37	19.19	16.07	3.38
Ordinary	2 31	3 1	24	26.50	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	84 00	90 0	100	35.00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	31 00	37 12	40	23.75	...	...	...	...	...	...	...	...	...	...	...
Defered	2 50	5 6	1	5.00	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties	1 00	5 0	10	5.32	...	7	-33	16	5.38	27	1	4	36	1	2
6% preference	4 08	4 0	10	34	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Ropeway	5 75	7 6	10	2.48	2	43	1	41	4.01	1.08	...	36	47	59	...
5% Debentures	...	...	500	1.00	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills	16 00	11 0	10	5.60	8.00	...	1.51	14.36	37.96	22.97	4.94	9.15	10.21	1.09	...
7% Cum. preference	...	...	100	90	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Dharamdas Chem. Works	112 00	137 0	100	21.50	40.00	18.68	1.11	79.77	140.07	57.67	...	27.61	24.95	58.94	...
Ord. P. Paid	...	...	50	21.43	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	100	31.91	...	...	...	...	...	...	...	...	...	...	...
Duncan Prothers	88 00	115 0	100	90.00	65.00	25.50	5.36	126.39	24.02	9.83	183.46	3.35	88.16	68.10	...
4% Cum. preference	55 00	56 12	10	45.00	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co.	22 37	26 0	100	160.00	216.00	124.86	15.25	329.02	555.02	248.71	25.87	455.47	230.14	25.34	...
6% Cum. preference	113 50	119 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax	86 00	93 8	100	40.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	97 75	99 0	100	130.00	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments	104 50	129 8	100	51.26	54.11	...	3.28	38.78	...	...	172.17	...	23	2	...
5% Cum. preference	77 50	77 8	100	25.00	...	...	...	...	...	...	...	...	...	...	...
Eastern Manufacturing Co.	...	...	100	8.50	5.00	3.70	10	16.10	28.71	19.24	1	17.29	5.21	1.09	39
6% Cum. preference	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
F. & C. Oiler	2 68	7 15	10	75.00	3.00	1.27	4.02	29.56	12.65	1.73	20.13	51.41	50.01	1.81	3.56
44% Cum. preference	41 50	53 8	100	25.00	...	...	...	...	...	...	...	...	...	...	...
Frank Ross	2 19	2 3	6	4.95	14	55	2	7.89	1.96	1.18	...	11.41	3.89	22	...
44% Cum. preference	36 50	41 0	100	2.75	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	16 19	13 0ad	10	6.05	1.75	2.76	19	5.91	10.70	3.64	4.11	...	5.48	...	...
French Motor	21 25	20 6	20	30.00	4.00	11.28	1.96	69.12	26.45	13.73	13.08	46.95	39.23	4.39	...
Ganges Rope	120 00	182 0	100	14.00	...	9.35	35	39.10	34.02	19.69	...	27.61	20.83	13	...
General Inv't. & Trust	...	...	75	2.25	18	38	15	98	...	...	5.82	...	2	10	...
5% Cum. preference	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Prefr. Tax	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	12 50	11 4	10	65.00	15.00	38.17	90	254.95	19.73	9.18	96.33	42.82	214.17	12.15	23.00
5% R. C. P. T.	56 50	61 0	100	25.00	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	...	...	100	38.27	3.80	3.16	7	53.51	10.57	4.44	30.96	14.19	39.44	4.42	17.80
6% C. P. T.	...	...	100	14.15	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	24 50	25 10	10	40.00	...	7.81	11.97	56.73	55.96	24.88	...	79.11	34.70	98	...
54% C. P. T.	61 00	68 12	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	255 00	250 0	250	30.00	10.00	5.17	74	16.50	83.08	36.24	...	7.24	7.02	1.29	...
Hindusthan Building	4 25	6 12	10	15.00	1.00	...	5	3.65	7	2	14.54	...	6.90	30	7.91
4% C. P.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Gas	7 63	10 6	7	10.49	5.50	...	10	8.01	23.93	11.45	7	10.69	2.66	17	...
41% Debentures	...	...	1000	2.00	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Housing	...	...	75	15.00	...	...	2	6.38	23.87	1	2.50	...	4.67	38	...
4% Delantures	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Ice	0 94	1 4	5	10.00	45	1.00	-3.57	1.73	22.57	10.00	...	31	1.33	26	13
5% Debentures	...	...	1000	5.00	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Woollen	...	...	10	34.97	...	10	...	1.08	...	26	...	7.66	73	26.31	1.20
Hoare Miller	5 75	6 14	10	35.20	20.00	1.30	1.33	182.99	21.96	9.19	18.18	10.32	130.97	21	17.66
Hooghly Flour	17 25	21 12	10	6.00	5.65	1.00	21	8.50	15.30	12.81	...	6.56	11.28	7	...
Hooghly & Ganges Hyd.	5 40	5 9	10	8.00	54	66	7	1.62	15.50	4.70	5.92	10	1.21	6	...
44% R. C. P.	...	...	100	4.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	3.00	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	11 81	14 8	10	15,1600	4,50.00	338.87	24.94	318.12	415.59	163.29	95.49	921.00	439.00	452.57	490.36
India Genl. Navigation	59 50	74 8	£ 10	6.56	1.70	9.38	-1.06	20.25	56.66	34.28	50	6.53	8.69	66	46
6% C. P.	64 00	70 8	£ 10	2.44	...	...	...	...	...	...	...	...	...	...	...
India Lignite	...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...
India Paper Pulp	19 31	23 8	10	63.00	10.58	53.36	94	19.38	31.15	3.31	...	10.15	5.15	29	...
Inda Steamship	11 87	10 5	10	225.00	100.00	74.74	2.71	1041.02	1278.97	263.27	5.27	4.06	178.28	265.15	...
5% R. C. P.	81 00	94 9	100	25.00	...	...	...	...	...	...	...	...	...	...	...
Indian Aluminium	12 50	14 6	10	201.10	15.00	40.28	7.97	261.18	460.51	196.84	17	191.04	80.27	8.42	21.95
5% C. P. T.	55 50	77 0	100	40.00	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	27 50	32 5	10	152.89	70.00	76.80	41.82	288.41	226.86	86.85	21	295.12	286.83	19.83	...
6% C. P. P.	21 50	31 7	10	12.88	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	98 00	102 4	...	100.00	...	...	...	...	...	...	...	...	...	...	...
Indian Copper	2 91	3 10	2ab	13.71	11.73	...	1.15	15.08	23.51	14.30	11.10	9.74	4.69	6.93	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Pre- vious	Second Previous
NORTHERN INDIA (Continued)												
Indian Rubber Manfrs.	G. S. Moulton & Co Private ...	...	...	...	...	34	3-56	3.68	1.80	64	5	74
	5% C.R.P. ...	...	...	...	...	...	...	...	...	5	5	5
Indian Wood Products	Gill, Arbuthnot & Co. ...	4.62	36	4181	...	2.03	9-56	15.41	18.10	30	30	274
Indo Burma Petrol	Steel Bros. & Co. Limited ...	22.82	598.78	661.57	...	2.75	12-56	55.32	(a)78.44	20	40	30
	7% C.P.T. ...	...	...	...	...	...	...	...	...	7	7	7
Investment & Finance	Bired & Co. Private ...	...	...	97	...	6	2-57	95	1.47	74	74	5
	5% C.P. ...	...	...	...	...	...	...	...	...	5	5	5
	6% C.P. ...	...	...	...	...	...	...	...	...	6	6	6
J. K. Comm. Corp. Ltd.	Directors ...	...	...	4.54	...	...	6-55	5.69	2.22	5	8	8
J. K. Investment Trust	Directors ...	...	...	6.93	...	...	6-55	5.86	4.47	5	8	8
	B. Ordinary ...	...	...	...	...	...	...	...	...	...	...	...
James Wright	Directors ...	1.41	12.03	19.40	5.90	...	12-55	52	73	5	5	6
	6% C.P. ...	...	...	...	...	...	...	...	...	6	6	6
	Deferred ...	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	Directors ...	21.23	1519.53	1567.88	26.60	...	3-57	31.99	32.66	24	74	74
	54% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
Jeewanlal (1929) Ltd.	Directors ...	...	...	196.96	128.96	...	12-56	6.87	4.12	54	54	54
Jenson & Nicholson	Macneill & Barry ...	11.81	...	...	...	46	12-55	10.37	8.16	6	6	94
	74% R.C.P. ...	...	...	...	...	...	...	...	...	74	74	74
Kalimpong Ropeway	Directors ...	49	32	94	...	...	3-54	14	—32	nil	nil	nil
Kalyanpur Lime & Cement	Directors ...	...	25.24	35.33	3.17	...	12-54	3.08	3.96	5	5	5
	7% P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	6% 2nd Pref. ...	...	...	...	...	...	...	...	...	...	...	...
	Deferred ...	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate	Directors ...	13	80	1.92	10	18	6-52	1.37	1.57	18	18	18
Kanarpura Development	Bird & Co. Private Ltd. ...	3.41	...	2.34	15	...	12-56	(d)1.59	(a)3.18	18	10	18
	Founders ...	...	...	...	...	...	...	...	...	...	...	...
Kettlewell Bullen & Co.	Directors ...	...	...	...	...	...	12-56	10.50	12.97	5	4	4
	54% C.P.T. ...	...	...	11.80	...	...	...	...	...	54	54	54
	4% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co.	Directors ...	...	...	1.87	...	...	12-54	1.73	1.37	2	34	34
Kumardhubi Fireclay	Bird & Co. Private Ltd ...	40.52	41.63	102.41	6.63	1.31	12-56	13.04	10.11	10	15	15
	7% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	54% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	East India Development Co. ...	4.81	199.88	247.30	7.79	12	3-55	—4.47	3.77	nil	nil	nil
	54% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	44% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Madhulane & Co.	James & Co. Ltd. ...	2.48	10.33	17.23	8.20	30	3-53	(a)96	26	nil	nil	nil
	Deferred ...	...	...	...	...	...	...	...	...	...	...	...
Macneill & Barry	Directors ...	45.46	...	108.35	...	...	3-57	44.67	33.00	8	11	74
	54% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Martin Burn	Directors ...	57.90	645.43	823.40	89.02	...	9-56	96.09	77.16	214	184	134
	5% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
McLeod & Co.	4% Convertible Notes. ...	7.99	142.24	147.98	9.34	...	12-55	32.70	25.77	224	17	10
	Directors ...	...	...	...	...	...	...	...	...	...	...	...
	5% 1st C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	5% 2nd C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	Deferred ...	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co.	Convertible Notes ...	113.54	591.38	566.76	185.75	...	3-57	79.33	75.12	174	164	124
	Directors ...	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	6% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	Eastern Smelting & Refining Pri ...	...	72.45	87.94	26.73	36	3-57	9.24	11.01	nil	nil	6
	5% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	Deferred ...	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary	Andrew Yule & Co. ...	...	...	1.71	...	...	4-57	—3.01	—11.08	nil	nil	3
Moradabad Water Supply	Noorulla Ghazanfarulla ...	...	...	1.45	...	9	10-54	42	39	3	3	3
C. & E. Morton India Ltd.	Cotton Agent ...	3.29	24.83	32.08	6.05	27	6-54	1.43	1.53	nil	nil	3
Motor & Genl. Finance	Gupta & Sval Ltd. ...	78	...	13.46	...	...	6-55	7.88	5.94	40	15	15
	10% 1st C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	7% 2nd C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	7% 3rd C.P. ...	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co.	Directors ...	71.47	308.36	518.94	158.60	...	12-56	99.55	90.91	15	324	...
National Insulated Cables	Auso. Indust. Development Co. ...	...	...	277.31	41.16	7.23	3-56	60.78	32.36	20	15	10
	54% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit	Directors ...	...	...	1.42	...	...	12-55	1.17	92	34	34	34
National Tannery	S. K. Sen & Co ...	50	4.03	5.55	5.09	4	12-52HY	24	—72	5	5	5
	5% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
National Tobacco	B. N. Elias & Co. Private ...	48.19	391.77	515.64	45.45	4.08	12-56	29.61	29.28	7	8	5
	5% R.C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	44% R.C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
New India Building	Directors ...	...	...	...	...	...	3-56	2.35	...	...	44	44
	44% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
New India Investment	Ramdudd Ramkissendas ...	...	2.67	...	...	41	12-55	5.44	1.77	5	34	24
	...	...	...	...	...	...	...	...	...	...	...	...
Octavius Steel & Co.	Directors ...	13.25	...	48.74	...	...	12-55	29.90	21.45	10	74	10
	6% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
Oriental Paper	Birla Brothers Private Ltd. ...	59.37	184.48	413.89	26.14	11.32	3-57	123.66	121.37	15	124	10
	54% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	54% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	54% Debenture ...	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement	Dalmia Agencies Private ...	18.52	...	132.30	8.69	3.81	12-56	43.79	55.03	124	124	74
	44% C.P. ...	...	...	...	...	...	...	...	...	...	...	...

February 8, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Green Block	Deprecia- tion	LIQUID ASSETS				
	January 1958	January 1957			General	Others	Carry Forward				Invest- ments	Stocks & Stores	Outstand- ings	Cash	Others
	Ra. n.P.	Ra. a.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)															
Indian Rubber Manfrs. ...	20 50	23 15	10	8.28	5.0	53	63	4.10	16.75	9.50	4	6.15	7.94	5.85	...
5% C. R. P. ...	90 00	88 8	100	8.28	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products ...	41 75xd	42 0	10	20.00	16.00	4.43	1.45	21.37	19.49	15.06	2	43.79	2.54	12.48	...
Indo Burma Petrol ...	24 06	36 2	10	100.00	27.44	116.22	68	193.72	79.77	47.03	261.64	34.22	75.33	84.13	...
7% C. P. T. ...	83 50	100 6	100	50.00	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance ...	...	...	100	5.00	1.49	1 17	20	1.65	...	...	13.38	...	4	9	...
5% C. P. ...	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
J. K. Comm. Corp. Ltd. ...	...	...	10	20.80	8.22	3	7	48.15	29	17	41.67	...	35.46	4	...
J. K. Investment Trust... ..	...	...	700	70.08	25.50	46	7	40.23	2	1	115.02	...	15.78	8.03	...
B. Ordry ...	...	...	25	2.50	...	...	...	...	...	...	...	...	...	...	...
James Wright ...	3 37	4 2	5	5.88	1.00	53	2	7.93	96	54	5.81	5.91	3.28	66	...
6% C. P. ...	32 00	33 8	50	1.30	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	0 31	0 10	1	1.17	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson ...	55 00xd	80 0	100	200.00	62.00	5.00	4.71	417.76	39.02	12.09	386.83	26.60	273.03	1.07	25.00
54% C. P. T. ...	58 00	60 8	100	50.00	...	...	...	...	...	...	...	...	...	...	...
Jeewanlal (1929) Ltd. ...	6 00	5 14	10	72.00	8.00	...	—12.50	120.83	34.18	24.00	6	132.77	39.45	5.73	15
Jenson & Nicholson ...	...	...	10	52.50	14.50	6.80	5.88	89.25	50.41	26.01	88	62.75	79.52	1.37	...
74% R. C. P. ...	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway ...	2 50	2 0	10	4.50	65	...	—1.28	1.38	5.97	2.63	9	1.34	33	13	...
Kalyanpur Lime & Cement	102 00	100 0	100	18.15	33.15	61	1.71	31.49	48.08	1.38	51	12.92	34.90	7.22	5.71
7% P. T. ...	80 00	74 8	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref. ...	108 50	...	100	3.15	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	25	2.00	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate ...	85 00	120 0	100	1.58	1.83	1.57	25	1.72	1.95	68	63	10	27	4.59	8
Karanpura Development	7 25	16 9	10	15.00	19.00	5.04	5	30.94	44.47	13.07	19.86	81	8.26	14.71	...
Founders ...	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Kettlewell Bullen & Co. ...	150 00	159 0	100	40.00	9.03	16.00	1.77	32.19	1.65	1.01	77.50	...	50.59	25	...
54% C. P. T. ...	49 50	70 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
4% C. P. ...	58 00	68 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co. ...	75 00	70 0	100	20.00	1.75	24.15	53	4.03	...	...	46.77	...	1.45	1.24	...
Kumardhubi Fireclay ...	24 00	25 0	10	30.00	4.51	71.82	41	33.18	141.77	44.14	41	25.53	28.45	11.07	2.84
7% C. P. ...	101 00	116 0N	100	2.00	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T. ...	54 50	72 0N	100	4.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	96 00	100 0%	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Kusum Products ...	5 75	5 12	10	8.00	...	...	—5.28	29.70	39.27	13.15	11	17.44	6.34	41	...
54% R. C. P. T. ...	75 00	75 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures ...	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co. ...	3 25	3 1	5	6.34	2.80	...	2	8.10	6.90	4.32	1.43	8.20	3.88	1.51	32
Deferred ...	0 47	0 9	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneil & Barry ...	...	...	100	153.00	27.00	43.50	4.34	112.29	43.42	10.37	256.44	12.01	148.27	1.48	60.88
54% C. P. T. ...	...	...	100	100.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	840 00N	880 0N	1000	75.00	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited ...	25 25	25 0	10	143.97	18.50	51.33	2.70	544.44	24.06	13.35	173.97	120.58	326.94	23.65	147.15
5% C. P. ...	94 00	102 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes ...	510 00	500 0	500	12.07	...	...	...	...	...	...	...	...	...	...	...
McLeod & Co. ...	...	...	100	40.00	51.00	29.87	2.57	153.18	26.14	8.68	277.52	9.34	54.29	3.00	20.00
5% 1st C. P. T. ...	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P. ...	...	...	100	40.00	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes: ...	...	...	10	45.00	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co. ...	25 87xd	29 0	10	115.00	50.00	67.00	16.34	184.85	262.36	89.10	3.41	194.72	81.58	10.21	...
6% R. C. P. T. ...	84 50	92 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation ...	6 81	8 3	10	40.00	...	...	—1.18	42.77	105.41	42.52	15	42.59	5.18	48	1.16
5% C. P. T. ...	80 00	84 0	100	7.00	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	2 00	3 1	1	2.83	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	1000	24.00	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary ...	23 00	23 6	100	94.00	...	41.80	—16.57	24.42	7.33	52	30.71	4	98.12	7.96	...
Meradabad Water Supply	4 87	5 9	10	4.46	...	2	9	87	6.37	2.10	...	24	56	13	26
C & E. Morton (India) Ltd	...	...	10	8.85	5.40	2.00	...	15.90	14.66	5.28	1.71	14.79	5.90	97	...
Motor & General Finance	...	...	10	4.00	11.00	4.00	10	70.63	63	24	11.42	26	82.39	1.60	...
10% C. P. ...	...	...	25	2.50	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P. ...	...	...	20	1.00	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P. ...	...	...	10	2.75	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co. ...	24 37	26 10	10	200.00	25.00	53.16	21.20	79.82	150.98	50.60	47	149.09	62.37	14.78	...
National Insulated Cable ...	23 75	21 5xxts	10	40.00	40.80	34.62	1.44	191.29	63.81	41.53	8	118.30	168.98	7.70	...
54% Debentures ...	...	...	...	10.00	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit ...	4 00	2 8	5	7.50	...	3.27	1	7.55	18.10	1.03	5	...	67	4	96
National Tannery ...	2 40	2 8N	10	6.59	57	...	—4.72	9.24	7.62	5.42	...	5.09	4.75	14	...
5% C. P. ...	4 50	5 0N	10	50	...	...	...	...	...	...	...	...	...	...	...
National Tobacco Co. ...	9 37	10 8	10	79.97	26.11	12.02	9.03	173.78	120.52	61.75	98	192.63	85.97	19.53	...
5% R. C. P. ...	63 50	66 9	100	25.00	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P. ...	55 50	62 4	100	19.98	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	845 00	845 0	1000	12.00	...	...	...	...	...	...	...	...	...	...	...
New India Building ...	0 50	1 0	5	15.00	...	...	—1.03	8.58	15.86	2	...	15.79	24	6	61
44% C. P. ...	15 00	21 0	50	9.97	...	...	...	...	...	...	...	...	...	...	...
New India Investment ...	53 00	53 0	75	23.32	6.50	1.02	47	13.09	5	3	32.42	...	11.37	60	...
Octavius Steel & Co. ...	...	...	100	50.00	25.00	22.22	1.26	45.29	3.50	1.98	88.60	...	50.78	12.87	...
6% C. P. T. ...	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Orient Paper ...	25 30	33 10	10	146.82	...	242.51	2.63	196.22	604.17	137.53	23.57	96.87	205.98	25.95	...
54% C. P. ...	81 50	95 0	100	71.81	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T. ...	56 00	72 0	100	60.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	915 00	960 0	1000	100.00	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement ...	13 75	13 2	10	100.00	...	31.41	11.02	178.93	209.82	98.69	23.34	65.39	27.56	13.82	119.79
44% C. P. ...	40 00	...	100	40.00	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Pre- vious	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
Orissa Minerals	Bird & Co. Private Ltd.	10.52	2.78	28.23	11.33	44	6-56 H	4.80	5.28	10	10	10
Port Shipping Publicity Society	Andrew Yule & Co. Directors	17.72	12.86	39.08	...	68	12-56	6.78	4.69	15	15	10
Panjab Minerals	Bird & Co. Private Ltd.	3	43	8.96 51	...	1	3-55 9-56	1.67 -57	2.01 3	25 nil	25 nil	21 1/2 nil
Reliance India	Directors	49.43	1,31.23	26,06.14	243.39	...	8-56	(b)27.52	(b)-21.02	nil	nil	nil
Reliance Firebrick	6% C. P. T.	15.84	12.77	41.76	1.40	...	2-56	7.43	3.61	20	10	24
Reliance Industries	Directors	102.45	649.90	1008.26	134.36	8.31	10-56	120.61	105.25	15	15	15
	Sahu Jain Ltd.	...	...	...	...	...	...	...	...	9	9	9
	7 to 9% C. P.	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2
	4 1/2% C.P.	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	Directors	...	...	38.20	5.77	...	3-55	1.91	...	8	8	...
Shaw Wallace & Co.	Directors	37.31	285.46	345.64	68.12	...	12-56	30.02	37.23	10	10	12 1/2
	6% C. P. T.	...	...	...	...	...	...	...	...	6	6	6
Shiva Jute Press	Kedarnath Mohanlal	50	...	...	...	6	6-55	Ra. 3.07	40	10	10	10
Shree Gopal Paper	K. Ch. Thapar & Bros.	16.37	64.63	136.34	17.05	2.43	12-56 H	25.00	24.32	6 1/2	6 1/2	6 1/2
	4% C. P. P.	...	...	...	...	...	...	...	...	4	4	4
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet	Directors	11.89	97.60	113.82	40.30	...	6-56	7.51	5.29	20	20	10
Senakunda Baling	10% Pref. Cum. as to 7%	...	...	...	...	...	...	...	...	10	10	10
	Bird & Co. (Pak) Ltd.	3.44	186.39	200.88	52.00	6	2-55	-2.50	-2.32	10	10	10
	8% C. P.	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2
	5% C. P.	...	...	...	...	...	...	...	...	8	8	8
Sona Valley Port Cement	Directors	19.89	59.70	114.08	1.56	...	12-56	(a)7.98	11.54	3	3	5
Star Co.	Directors	7	...	1.12	...	...	3-54	-49	-44	6	6	5
Star Paper Mills	Bajoria & Co.	3.35	19.83	33.24	11.10	52	9-55 H	3.59	3.47	7 1/2	7 1/2	2
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	5% Debentures	...	...	...	...	...	...	...	...	2 1/2	2 1/2	2 1/2
Star Trading & Inv.	Bajoria & Co.	7	...	26	...	3	6-53	-32	-14	10	10	10
Straw Products	J. K. Agents Private Ltd.	4.51	10.52	26.49	1.46	70	12-55	5.15	...	5	5	5
Sutna Stone & Lime	Directors	2.73	3.27	9.71	26	...	12-56	1.97	1.58	13 1/2	13 1/2	11 1/2
Tide Water Oil	Andrew Yule & Co. Ltd.	6.34	42.92	49.60	18.19	...	10-56	2.43	2.23	12 1/2	10	10
Titagarh Paper Mills	F. W. Heilgers & Co. Private	111.1	218.83	703.92	16.51	9.81	3-57	127.41	107.99	23.75	21 1/2	17 1/2
	8% C. P.	...	...	...	...	...	...	...	...	10	10	10
	4 1/2% C. P.	...	...	...	...	...	...	...	...	8	8	8
Union Co.	Directors	6	...	1.58	...	...	3-54	12	-1.31	4 1/2	4 1/2	5
United Flour	Shaw Wallace & Co. Ltd.	3.66	68.20	83.69	5.67	44	11-56	4.07	3.41	45	35	17 1/2
Walford Transport	Directors	10.59	176.67	199.11	20.06	...	12-56	8.54	4.89	14	14	12
	Fred. Ordinary	...	...	...	...	...	...	...	...	12	12	11
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	7.74	176.27	208.52	...	1.33	3-56	15.63	24.38	12 1/2	12 1/2	12 1/2
Andhra Cement	Andhra Engineering Co.	7.75	35.27	94.33	6.55	1.20	12-55	19.88	17.15	10	10	10
	B. Ordinary	...	...	...	...	...	...	...	...	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	10	10	10
Andhra Scientific Co.	Srinanth Industrials Pri. Ltd.	1.42	8.59	12.81	6.79	...	6-55	-91	-4.19	6	6	6
	5% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Bangalore Printing	Directors	1.50	1.36	4.14	2.10	...	12-56	84	83	10	10	10
	Second Ordinary	...	...	...	...	...	...	...	...	...	...	...
Bimby & Co.	Directors	...	...	105.47	12.30	...	12-56	30.64	23.38	10	10	8
Central Scientifics	Guru Agencies	70	6.59	8.83	2.78	19	3-56	78	52	10	10	10
Coimbatore Chem. & Fert...	6% C. P. P.	...	...	...	...	...				8	8	8
	Venus & Co.	...	...	6.92	...	5	3-55	11	15	5	7 1/2	nil
East Coast Food Products	Sudarsanam S. Murthy Ltd.	82	39.71	57.52	5.59	21	3-54	1.65	2.40	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
Fertilisers & Chemicals	Seshasayee Bros.	4.05	137.04	188.26	...	18	12-55	40.49	26.70	nil	nil	nil
Forest Industries	Seshasayee Bros.	...	...	8.55	1.59	...	3-56	3.80	6.00	nil	nil	nil
General Papers Ltd.	Gany & Co.	...	...	...	...	...				...	...	...
Hyderabad Inv. Synd.	M. Amolachand Bros. Ltd.	...	...	1.58	...	19	3-55	67	37	6 1/2	6 1/2	12 1/2
India Cements	Essen Pri. Ltd.	1.41	70.31	123.81	6.62	2.49	9-55	54	67	2 1/2	2 1/2	nil
	5% C. P.	...	...	...	...	...	3-56	25.97	24.19	8 1/2	7 1/2	5
	Deferred	...	...	...	...	...	...	...	...	5	5	5
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.	...	...	75	...	7	9-57	65	63	5	4 1/2	4 1/2
Jeypore Mining	R. S. Indus'l Corps.	64	1.14	5.76	7.17	9	6-55	1.08	1.00	10	6	5 1/2

INDUSTRIALS—Contd.															
NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	REVENUE AND SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1956	January 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Ra. 100	Ra. 100													
SOUTHERN INDIA (Continued)															
Madras Indust. Invt. Corp.			1000	127.56	...	2.75	7	5.98	...	...	36.48	9	93.58	6.22	...
Madras Safe Deposit	50 00	52 12	80	1.58	...	...	2	73	84	...	1.11	...	...	...	...
Madras Vanaspathi (s.s.)	15 00	15 0	100	15.00	...	...	...	24.42	38.80	...	...	1.19	99	5	60
Ordinary			10	1.86	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P.	33 00	33 0	100	8.00	...	...	6	12.83	1.79	8	76	8.90	7.62	2.89	...
Maikar (Motor)	40 50	...	50	4.00	4.00	...	...	...	...	...	...	...	...	...	...
6% C. P.	49 50	...	50	1.00	...	...	...	6.08	8.17	2.17	70	5.57	3.19	39	...
McDowell & Co.	...	...	100	3.24	3.24	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	100	3.30	...	...	...	...	...	...	...	...	...	...	...
Mettur Chem. & Indl. Corp.	9 70	10 1cd	10	40.50	1.21	12.42	1.11	18.31	102.51	54.73	13.76	25.37	15.01	7.65	...
6% C. P.	87 60	97 8cd	100	20.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	83 00	95 8	100	20.00	...	...	...	12.63	1.42	5.53	2.35	2.49	2.17	7.33	2.21
Modern Housing	...	...	10	17.92	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	100	12.72	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem. & Fert.	6 70	8 9	10	24.81	6.23	89	5	19.53	53.84	31.60	2.80	16.47	9.55	1.47	...
Mysore Chem. Manfrs.	15 25	23 13	10	3.00	4.00	...	1.98	8.67	7.37	4.44	4	11.21	4.71	76	...
6% C. P.	8 78	9 4 1/2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Mysore Chrome	...	4 14	10	4.94	90	...	1.30	4.46	6.38	1.71	33	3.38	55	7	...
Mysore Coffee curing	10 80	12 4	10	4.00	52	66	...	5.87	5.97	3.32	40	2.89	4.65	46	...
Mysore Indus. & Test. Lab.	8 57	6 0	10	3.75	1.50	1.25	3	5.79	4.92	3.85	5.15	4.26	3.6	3.76	...
Partly Paid	...	...	5	5.63	...	...	...	...	...	...	...	...	...	83	...
Mysore Lamp	15 25	15 0	10	6.56	5.35	3.97	1	3.45	10.95	4.99	...	10.11	5.68	11	...
4% C. P.	5 60	6 0	10	2.50	...	...	1.30	77	3.65	...	16	97	20	30	2
Mysore Match Co.	...	...	10	4.99	...	...	...	...	...	...	...	...	...	...	...
Mysore Paper	15 50	16 6	10	25.00	9.00	9.13	35	92.91	133.70	56.32	8.24	26.63	16.10	4.91	3.18
Mysore Stoneware Pipes	11 00	11 10	10	6.00	2.70	20	1	4.27	9.09	5.44	2.42	1.55	4.22	1.37	...
Mysore Veg. Oil	5 75	5 8	10	13.50	2.12	74	2	3.78	14.10	8.72	2.70	5.19	1.97	4.92	...
National Chemicals	...	...	10	6.70	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	10	2.08	...	...	...	...	...	...	...	...	...	...	...
Ogale Glass Works	1 90	2 8	5	14.87	3.60	3.05	2.95	37.10	45.10	12.92	2.81	9.75	9.21	1.74	...
Parry & Co.	...	...	2	40.00	30.00	20	1.91	241.35	44.17	20.92	21.39	161.22	134.14	6.43	...
5% C. P.	...	...	10	30.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	25	15.05	5.00	14.00	2	52.93	85.73	31.91	6	22.63	9.47	1.02	...
Punalur Paper	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Radio & Electricals	5 05	6 4	5	13.99	1.00	...	10	14.05	6.18	1.15	1	16.50	7.15	47	...
Radio & Electricals Manfrs.	12 37	7 5	10	24.45	...	...	71	22.17	24.12	8.56	...	7.31	22.14	90	86
Rane (Madras)	5 25	...	5	2.30	4.75	1.32	1.44	14.38	7.23	2.97	71	13.87	9.37	1.30	...
7% 'A' C. P.	4 90	5 0	5	1.75	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	4 70	5 0	5	1.90	...	...	...	...	...	...	...	...	...	...	...
Debentures	1000 00	1000 0	1000	1.47	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	...	...	10	55.00	35.50	18.83	214.71	109.02	50.94	12.05	112.22	138.29	3.40	...	...
Spencer & Co.	18 00	16 3	10	40.00	36.09	40.19	6.32	52.77	118.97	70.39	24.08	71.57	50.44	60.69	...
6 1/2% 'A' C. P.	7 75	9 0	10	23.20	...	...	...	...	...	...	...	...	...	...	...
8 1/2% 'B' C. P.	10 12	10 5	10	36.80	...	...	...	...	...	...	...	...	...	...	...
Thomas & Co. A. V. (Allep.)	14 00	14 14	10	2.00	3.56	1.70	19	8.65	6.52	3.34	2.61	1.67	9.28	92	...
Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
4% Cum. Preference	73 00	79 0	100	1.21	...	...	73	3.63	34	24	19	2.11	4.45	1.04	...
A. V. Thomas & Co. India	3 62	3 10	10	3.00	...	...	...	...	...	...	...	...	...	...	...
2% Cum. Pref.	6 50	6 2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Tiravancore Cements	8 10	9 13	10	50.00	...	...	7.08	33.94	104.40	43.92	...	19.96	7.35	3.23	...
Tirav. Chem. & Manfrs. Co.	9 10	15 10	10	3.00	...	3	2	1.28	4.39	2.25	25	70	13	1.11	...
Tiravancore Ogale Glass	14 12	3 10	10	9.98	...	...	80	4.07	14.96	3.85	...	81	99	33	...
United Coffee Supply	...	...	15	6.00	3.00	1.85	18	9.31	6.42	4.20	3.44	10.21	3.95	54	...
United Elec. Industries	9 50	...	10	4.22	...	...	7	4.18	1.54	34	...	2.77	4.46	10	...
5% C. P.	10 00	...	10	15	...	...	...	...	...	...	...	...	...	...	...
Vanjined Matches	0 94	1 0	6	2.70	...	...	14	2.43	7.72	3.94	9	3.66	1.61	23	9
4 1/2% Cum. preference	3 00	3 0	100	4.50	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	...	...	100	2.25	...	...	3.61	3.36	4.49	1.69	...	62	10	1	8
5 1/2% C. P.	...	...	...	1.21	...	...	...	...	...	...	...	...	...	...	...

COAL

NAME	Managing Agents, Secretaries	Colliery expenses	COAL		Sales	Stock	Managing Agents' Commission and allowances	Year ended	Net Profit		Dividend %		
			Raisings	Despatches					Latest	Previous period	Latest	Pre-vious	Second previous
			(000) Tons	(000) Tons					Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd. ... K. L. Dutt & Co. ... 44% R. C. Preference	122.49	8.53	8.55	150.63	32	1.35	3-57	(p)13.43	15.41	12 1/2	12 1/2	11 1/2
Associated Laikdih	K. L. Dutt & Company ... 5% Debenture	...	10	10	1.48	15	...	3-54	-23	-9	Nil	Nil	Nil
Bagdigi Kujama Bengal	Purshotam Co. ... Andrew Yule & Co. Ltd. ... 44% C. P. T.	2.94 119.42	58 23.20	60 25.59	10.14 430.94	39 13.92	10 4.33	9-53 10-56	2.31 b)73.29	2.03 85.41	5 17 1/2	5 17 1/2	5 15
Bengal Bhatdee Bengal Nagpur	Kalyanji Mavji & Co. ... Andrew Yule & Co. Ltd. ... 7% C. P.	...	43 8	46 8	8.10 15	47	6 3	12-56HY 12-56	75 16	93 -48	14 7	14 7	14 7
Bhagora Bharat	H. V. Low & Co. Privt. ... Sahu Jain Ltd. ... 54% C. P. T.	6.85	61	57	11.60	1.43	30	9-55	-1.20	-1.15	7 (0)9.17	7 6 1/2	7 6 1/2
Bhulanbaroo Bhuranga Bokaro and Ramgur	F. W. Heiglers & Co. Pri. Ltd. ... Ram Saran Das & Rathor Pri ... Anderson Wright ... 44% Debentures	10.05 4.45 3.98	76 40 38	81 35 47	11.98 5.33 6.93	1.87 26 5.84	9 9 29	12-55 H 3-56 12-52 H	8 -29 1.47	1.42 -87 35	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Borosa	F. W. Heiglers Private ... 64% C. P.	...	1.46	1.44	25.24	42	31	12-56	(m)2.59	(a)5.72	15	20	20
Borrakur	Bird & Co. Privt ... 7% C. P. 6% 2nd C. P. T.	...	4.66	4.72	121.62	7.54	1.70	12-56 H	(a)17.31	12.39	33 33 33	33 33 33	33 33 33
Central India Central Kurkand Churulia	Hindustan Inv. Corporation ... Anderson Wright ... F. W. Heiglers Pri. ... Macneill & Barry ... Jardine Henderson Ltd. ... Macneill & Barry ... 6% C. P.	34.76 5.80	1.56 60	1.55 68	26.45 9.26	1.16 3.92	64 13	3-57 12-54 H	7.71 49	6.43 13	5 11	5 11	5 11
Dhomo Main East Indian (E) Equitable	F. W. Heiglers Pri. ... Macneill & Barry ... Jardine Henderson Ltd. ... Macneill & Barry ... 6% C. P.	24.23 5.51 179.05	2.12 5.51 16.85	2.11 5.23 16.85	36.48 4.56 333.70	79 4.56 10.72	47 3.33	12-56 4-56 12-56	-40 1.09 22.78	(c)3.83 1.50 26.38	Nil Nil 15	Nil Nil 15	Nil Nil 15
Ghusick and Muslia	54% Debentures Bhatia's Agency ... 5% C. P.	13.88	1.52	1.48	21.21	4.10	36	3-54	1.04	1.65	5 5	5 5	5 5
Gourangdi	Bhatia's Agency ... 5% R. C. P.	45	14	8	1.00	1.85	...	3-54	-12	-8	Nil Nil	Nil Nil	Nil Nil
Guzdar Kajora Huziridih Jainty Central Jotta	Otha Brothers ... Macneill & Barry ... Villiers ... Baipate Trust Private ... 5% R. C. P.	85 20.76 ...	21 1.90 3	15 1.90 2	2.24 32.65 24	15 55 15	10 45	6-55 H 12-56 12-54	45 2.26 56	29 5.64 -23	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Kalaphari Karanpura Collieries	Andrew Yule & Co. Ltd. ... Bird & Co. Private ... 54% C. P. T.	5.52 18.20	38 1.45	34 1.45	5.42 24.92	42 48	11 17	2-57 2-57	-81 2.71	73 3.67	Nil Nil	Nil Nil	Nil Nil
Katras Jherriah Khas Kajora	Andrew Yule & Co. Ltd. ... Directors ... 8% Preference (q)	10.45 3.53	3.10 35	3.32 36	59.01 5.34	2.73 76	1.20	1-57 12-55 H	(r)11.70 1.25	11.87 65	5 5	5 5	5 5
Kuadi Lakurka Mahabir	H. V. Low & Co. ... H. V. Low & Co. ... Daulat Rawatmull ... 44% R. C. P.	3.66 6.84 3.57	33 61	28 56	4.45 7.96 6.21	1.06 1.35 40	18 33 13	6-56 4-56 12-55	65 42 1.65	94 (i)24 1.36	14 14 14	14 14 14	14 14 14
Mundulpoor Nazira New Beerboom	Directors ... Jantia Brothers Private ... Andrew Yule & Co. Ltd. ... 7% C. P.	4.64 1.12 21.17	18 ...	18 4.55	5.05 3.80 75.62	1.41 6 1.31	...	6-54 H 12-55 10-56	-79 1.36 5.54	...	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
New Churulia	Business Development ... 5% C. P.	93	...	...	10	2.41	...	9-53	-1.21	-79	Nil Nil	Nil Nil	Nil Nil
New Huntodih	Deulatram Rawat Mull ... 5% Cumulative Preference	3.42	...	...	4.95	1.30	12	3-55	25	11	Nil Nil	Nil Nil	Nil Nil
New Joyrampore New Manbhoom North Damuda North West	R. S. Das & Rathor Private ... Ostervius Steel ... Jatia Brothers ... Andrew Yule & Co. Ltd. ... Partly Paid Ord.	18.58 7.20 22.49	1.43 53 1.41	1.21 55 1.47	23.70 8.54 26.94	85 1.37 ...	...	6-56 H 1-51 H 3-57	-8 1.88 1.33 1.37	-1.11 1.22 -3 1.17	Nil Nil Nil Nil	Nil Nil Nil Nil	Nil Nil Nil Nil
Ondal	F. W. Heiglers Private ... 64% C. P.	...	1.73	1.63	24.98	2.36	33	12-56	1.05	1.30	15 15	15 15	15 15
Oriental	K. C. Thapar & Bros. Private ... 5% Debentures	11.18	...	...	2.98	2.36	33	12-55	2.42	2.08	64 64	64 64	64 64
Parasa	Deepchand Kishenall ... 54% R. C. P.	10.36	1.11	1.02	15.49	29	87	12-55	3.55	2.67	10 51	71 51	24 15
Pench Valley Pure Sitalpur	Shaw Wallace & Co. Ltd. ... Amritlal Ojha ... Debentures	1.69	22	16	81.91 2.50	26 37	1.18 5	3-57 6-55 H	10.53 36	9.25 36	20 24	14 14	15 15
Raneegunge Rewa Samla Seapole Seepore	B. N. Elias & Co. Privt. Ltd. ... Shaw Wallace & Co. Ltd. ... Jaipuria Sons Ltd ... Directors ... Andrew Yule & Co. Ltd. ... 5% Cum. Preference	18.50 3.85 23.05 5.04 2.49	1.87 3.88 2.97 51 82	1.93 3.88 3.22 49 85	29.80 60.70 56.53 7.26 13.81	2.79 1.35 38 50 26	...	3-56 H 12-56 12-56 1-56 12-56	...	...	...	...	...
Sandra Shree Mahakali	F. W. Heiglers & Co. Pri. Ltd. ... Amritlal Ojha ... Debentures	1.01	16	15	2.42	1	3	12-56	(i)18	(k) 11	24 24	24 24	24 24
Singareni South Karanpura Standard Talcher	Industrial Trust Fund ... Bird & Co. Private Ltd. ... F. W. Heiglers Private ... Villiers ... Debentures	18.30 16.8 5.31 4.92	16.8 1.82 ...	15.66 1.82 ...	361.84 28.59 5.31 8.44	6.93 13 5	...	12-56 8-56 12-56 9-55	50.90 51.65 29 1.11	10 10 34 (k) 32	10 10 10 10	10 10 10 10	10 10 10 10
Union United Collieries	Williamson Magor & Co. Ltd. ... K. C. Thapar & Bros. ... 5% C. B. P.	9.97 10.7	76 2.15	70 2.13	11.58 31.60	83 62	15	12-56	1.10	...	...	...	...
West Ghusick West Jamarie West Laikdih Western Bengal	Bhatia's Agency ... Macneill & Barry & Co. Ltd. ... K. L. Dutt & Co. ... Hindustan Inv. Corporation	1.11 17.45 1.47 18.87	19 1.67 13 1.99	13 1.81 10 2.02	1.83 28.84 1.46 34.25	1.76 1.39 8 59	...	3-54 12-56 12-54 3-57	-21 24 4 5.48	-5 (a)32 2 7.18	Nil Nil Nil Nil	Nil Nil Nil Nil	Nil Nil Nil Nil

(a) After transferring Rs 2,57,000 from Development Reserve Rs 16,888 from Bad and Doubtful Debt Reserve; and Rs 25,491 from unclaimed liabilities.

(b) After writing back Rs 16,48,998 from provision

for liabilities no longer required and Rs 7,37,326 being coal stock reserve.

(c) After transferring Rs 1,20,000 from Replacement Reserve.

(d) After writing back Rs 1,07,807 being provision for liabilities and Rs 15,000 from provision for taxation.

COMPANIES (All India)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	January 1958	January 1957			Reserves	Other	Carry Forward				Invest- ments	Stocks and Seres	Out- standings	Cash	Others
	Ra. p.p.	Ra. A			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Amalgamated	17 25	19 4xd	10	25.50	11.00	12.80	30	43.51	99.36	69.86	1.13	20.15	40.12	1.71	49
Asso. Karanpura	3 00	1 0	10	9.00	...	...	-1.89	2.19	9.98	...	...	28	26	1	28
44% R. C. preference	24 50	24 8	100	1.50	...	...	...	...	...	...	...	72	1.42	5	1
Asso. Laikdih	1 44	1 12	10	8.00	...	...	-59	1.90	10.30	1.49	...	...	...	...	...
5% Debenture	...	...	500	1.80	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujama	4 11	4 8	10	20.00	...	90	1	3.21	21.72	4.51	...	68	3.94	2.29	...
Bengal	244.00	229 8	100	100.00	100.00	60.29	9.45	180.55	610.17	419.74	13.10	115.65	136.98	14.31	...
44% C. P. T.	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Bhatdoo	5 88	6 10	10	2.25	3.91	1.32	-1.09	4.31	9.25	5.69	...	94	3.14	2.05	...
Bengal Nagpur	15 00	15 0	100	1.12	...	...	...	57	24.88	22.43	3.49	...	...	1.58	...
7% C. P.	68 00	83 8	10	15.97	1.00	3.73	-2.42	14.28	47.74	22.98	...	2.86	4.88	6	...
Bhubura	6 25	6 9	10	40.00	5.50	...	...	30.82	141.66	73.94	5.67	17.80	30.56	14.69	...
Bharat	6 62	6 9	100	30.00	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	49 50	51 0	1000	30.00	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	900 00	940 0	1000	30.00	...	...	...	...	...	...	...	...	...	...	...
Bhulanbaroo	13 25	14 6	10	7.15	6.61	7.68	-1.87	5.78	52.62	37.38	64	2.63	6.40	5	39
Bhuranga	2 00	2 12	10	10.00	...	...	-10.75	13.46	16.92	6.18	31	69	76	2	18
Bokaro & Ramgur	13 00	12 4	10	16.00	4	16.84	-79	19.35	68.15	40.00	...	9.42	23.23	7	...
44% Debentures	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Borosa	18 50	20 11	10	7.50	6.34	17.83	20	7.68	45.38	27.11	11.01	1.42	9.62	2.91	30
Borrakur	90 00	103 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	22 12	21 4	100	90.92	17.94	151.21	93	88.54	425.18	195.93	29.69	37.83	90.95	1.19	8.13
Burrakur	99 00	114 8	100	23.00	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	7 47	8 10	10	4.50	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	870 00	900 0	1000	20.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	6 87	6 10	10	49.97	...	...	8	10.86	46.39	12.80	1.67	7.28	14.68	3.69	...
Central India	12 00	12 8	4	8.00	45	12.85	69	9.89	49.12	33.03	...	5.69	9.65	24	21
Central Kurkand	1 94	2 8	10	6.00	1.44	...	4	15	...	...	7.28	...	...	10	...
Churulia	7 18	5 14	10	16.00	...	...	-3.37	26.34	54.02	30.95	...	2.69	13.12	9	...
Dhomo Main	20 00	27 4	10	2.40	1.00	2.80	59	2.01	7.31	2.17	105	1.81	1.38	...	...
East Indian (E)	24 06	26 4	10	29.64	34.00	53.22	4	171.73	417.92	300.76	15.76	61.89	145.60	3.58	...
Equitable	88 00	101 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	970 00	1000 0	1000	50.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	15 50	15 12	10	10.00	2.00	16	11	13.03	10.77	3.74	3.00	8.17	11.52	22	...
Ghusick & Muslia	95 00	103 0	100	5.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	5 12	7 12	10	3.75	...	...	-1.63	2.55	6.71	60	...	2.31	41	6	...
Gourangdi	40 00	40 0N	100	1.25	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	...	3.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	6.50	17	...	-17	1.64	7.87	3.29	2	1.13	2.36	6	...
Guzdar Kajora	1 60	1 8	10	8.00	6.50	75	45	10.99	22.41	19.22	49	1.70	11.23	18.09	...
Huziridih	20 75	22 2	10	2.42	...	...	-2.60	5.03	16.24	12.08	...	51	19	...	...
Jainty Central	1 00	2 4	2 1/2	22.00	1.12	...	-5.54	3.94	30.29	12.69	19	6.05	2.27	40	...
Jotta	0 94	1 1	10	5.00	...	...	...	...	...	...	...	...	...	...	...
5% C.P.R.	30 00	45 0N	100	3.50	4.31	1.36	-3.18	2.00	14.13	7.33	...	94	11	13	...
Kalaphari	20 00	21 0	10	20.00	...	...	2	9.02	31.26	5.71	2	2.32	7.70	3.24	2.32
Karanpura	83 00	88 0	100	9.90	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	44 50	58 8	100	5.00	17.60	...	1.38	22.37	47.66	37.71	7.29	6.83	14.71	8.88	...
Katras Jherriah	50 00	62 6	10	1.38	...	...	-1.83	11.03	13.53	6.93	...	2.35	3.55	1	...
Khas Kajora	3 75	3 12	10	1.93	...	...	...	...	...	...	...	...	...	...	...
8% Preference (q)	5 00	3 12	10	1.93	...	...	...	...	...	...	...	...	...	...	...
Kuwardi	2 56	2 7	10	11.00	68	...	14	1.94	16.87	10.94	2.95	1.58	3.26	5	...
Lakurka	10 00	10 0	10	9.00	6.82	4.50	5	7.72	28.37	22.65	8.36	1.89	11.65	49	...
Mahabir	10 00	12 0	10	4.00	1.80	...	9	4.30	6.18	3.88	1.36	51	6.81	21	...
44% R. C. P	...	...	10	1.00	...	...	...	...	...	...	...	...	...	...	...
Mundulgor	1 50	2 4	10	5.66	85	...	-11.29	23.13	18.81	7.96	...	2.67	4.73	10	...
Nazira	5 94	6 11	10	7.48	1.75	25	31	5.69	13.13	9.66	7.70	98	1.21	2.11	...
New Beerhoom	14 75	17 0	10	17.76	...	19.52	54	32.96	124.49	91.72	4	10.57	23.49	5.91	...
7% C. P.	10 69	12 0	10	2.00	...	...	...	...	...	...	...	...	...	...	...
New Churulia	1 56	1 10	10	7.10	...	...	-4.20	5.52	11.76	3.92	...	3.40	87	30	2
5% C. P.	2 50	2 8	100	2.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	10	2.00	...	...	...	...	...	...	...	...	...	...	...
New Huziridih	2 06	2 7	10	4.00	...	...	-2.09	6.02	7.54	1.96	...	1.39	2.57	25	13
5% Cum Preference	60 00	84 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
New Jorampore	3 50	3 8	7	4.55	...	...	-2.47	21	4.66	2.70	...	3	29	2	...
New Manbisoan	10 56	11 4	2 1/2	6.00	75	...	1.43	11.25	30.01	22.04	37	2.92	4.95	23	...
North Damuda	0 94	2 0	10	2.50	1.00	76	-59	16.96	15.51	4.74	...	5.76	3.81	2	26
North West	19 75	17 6	7 1/2	1.15	2.70	78	18	4.43	13.07	8.96	...	25	4.49	1.96	...
Partly Paid Only	15 75	15 12	10	1.58	...	...	...	...	...	...	...	...	...	...	...
Ondal	16 75	14 10	100	1.58	6.22	6.02	37	5.05	3.98	2.78	22.60	...	2.99	37	...
64% C. P	95 00	108 0	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Ondal	8 00	8 4	1000	10.00	1.10	1.04	25	24.82	41.24	19.79	2	7.54	6.01	28	5.68
5% Debentures	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Parasia	13 87	14 14	10	8.34	...	10	62	10.57	18.27	8.70	75	91	10.03	4.72	...
54% R. C. P.	50 75	56 4	100	8.00	...	...	...	...	...	...	...	...	...	...	...
Pure Valley	19 25	18 6xd	10	15.75	7.00	9.30	46	32.84	55.17	39.02	4.07	11.32	29.81	3.99	...
Pure Sitalpur	7 00	6 0	10	2.50	10	10	2	2.00	7.80	2.80	60	64	1.51	7	...
Debentures	...	...	...	2.50	...	...	...	...	...	...	...	...	...	...	...
Ranoogunge	9 12	9 6	10	24.00	7.32	12.85	23	19.09	124.35	87.36	8	7.96	17.86	60	...
Rewa	14 50	23 2	10	13.50	3.30	5.28	23	31.97	39.09	30.49	2.68	10.43	19.34	13.20	...
Sania	12 80	12 5	10	20.00	3.50	33.62	9	44.11	85.59	22.18	3.30	4.98	29.14	49	...
Searsole	5 00	5 2	2 1/2	2.50	...	71	11	3.92	13.93	12.37	...	86	4.70	11	...
Sechpore	21 75	28 14	7	2.80	6.75	1.61	49	8.63	29.99	19.07	1.03	1.24	4.24	6.84	...
5% Cum. preference	...	...	100	4.00	...	...	...	...	...	...	...	...	...	...	...
Sandra	8 00	9 0	10	8.00	4.88	19	5	3.56	52	29	7.19	...	7.10	2.14	...
Sree Mahakali	3 00	3 0	100	5.50	...	1	-2.89	1.21	8.31	3.49	...	63	1.11	26	...
Debentures	...	...	...	3.00	...	...	...	...	...	...	...	...	...	...	...
Sinwari	9 00	9 8	10	63.21	46.45	39.53	21	316.98	519.42	273.47	8,226	145.32	64.17	2.71	...
South Karanpura	9 25	10 6	10	17.50	4.00	5.87	10	10.74	37.96	16.16	6	1.85	14.33	19	...
Standard	17 00	20 14	10	8.00	6.81	7.20	17	4.20	1.69	27	20.10	1.29	3.51	...	...
Talcher	1 50	2 9	2 1/2	10.00	...	13	-3.70	8.34	31.30	15.44	1	1.60	2.25	4	...
Debentures	...	...	...	5.00	...	...	...	...	...	...	...	...	...	...	...
Union	14 00	13 7	10	3.50	2.30	50	77	3.54	18.97	14.54	...	96	3.18	14	...
United Collieries	10 00	10 1	10	27.58	...	75	39	11.63	55.42	22.01	...	4.32	4.50	9.73	96
5% C. P.	88 00	85 8	100	12.56	...	...	...	...	...	...	...	...	...	...	...
West Ghusick	12 50	12 0	10	8.00	...	...	-85	6.82	10.82	...	...	2.14	90	9	2
West Jamuria	5 81	11 0	10	7.00	...	...	-3.20	36.10	57.46	25.79	...	69	7.43	11	...
West Laikdih	2 50	1 5	10	6.00	11	...	-58	4.13	9.86	2.05	...	27	1.56	2	...
Western Bengal	5 5														

MILLS

NAME	Managing Agents Agents, Secretaries	Spindles	Looms	Raw	Sales	Stocks	Managing	Year	Net Profit	Net Profit	DIVIDEND PER CENT		
				Materials			Commission and			for the	Latest	Pre-vious	Second Pre-vious
				Rs. 000	Rs. 000	Rs. 000	allowances	ended	Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private ...	49,144	1,016	85.82	144.81	58.79	...	6-57	3.94	23.97	5	12	7
Ahmed Mfg. & Calico	5% Cum. preference ...	139,120	2,372	290.40	852.56	266.99	14.87	3-57	151.25	125.47	24	24	14
	Karamchand Premchand Pri.										44	44	44
	44% 1st Cum. preference ...										44	44	44
	44% 2nd Cum. preference ...										44	44	44
	44% 3rd Cum. preference ...										44	44	44
Ahmed Shri Ramkrishna	Chimanlal Maneklal ...	28,752	500	52.05	121.81	30.81	4.05	3-53	4.59	8.80	8	8	13
Ajit Mills	4% R. Cum. preference ...	25,376	513	55.23	123.57	22.95	4.81	12-56	8.15	7.94	16	14	14
	Chinubhai Naranbhai ...										44	44	44
	44% 'B' R. C. preference ...										44	44	44
	5% 'C' R. C. preference ...										44	44	44
	44% 'D' R. C. preference ...										44	44	44
Apollo Mills	Rajputana Textiles Private & Co.	56,468	898	97.14	226.67	30.51	1.62	12-55	11.83	1.07	91	95	124
Arvind Mills	Narottam Lalbahai ...	66,412	1,216	130.50	348.30	48.29	9.61	12-56	87.82	58.21	35	35	25
	5% Cum. preference T. ...										44	44	44
	44% Cum. preference T. ...										44	44	44
	44% R. C. preference T. ...										44	44	44
Asoka Mills	Lalbahai Dalpatbhai ...	37,368	914	94.39	207.19	...	7.06	12-55	30.51	13.38	30	22	22
	5% C. P. T. ...										44	44	44
	44% R. C. P. T. ...										44	44	44
Azam Jahi Mills	Government of Andhra ...	36,136	716	113.36	195.42	16.86	...	9-56	15.12	8.86	5	5	nil
B. R. Cotton	Directors ...	50,596	1,021	70.59	160.31	23.61	...	3-56	4.98	1.21	nil	nil	nil
	0% Cum. preference ...										44	44	44
	44% Debentures ...										44	44	44
Binod Mills	B. Rana, Balchand ...	60,640	1,338	141.15	203.58	28.53	6.69	12-55	24.54	6.30	104	6	6
Bombay Dyeing	Nowrojee Wadia & Sons Private	223,552	3,984	377.38	747.15	192.69	12.18	12-56	99.38	96.55	10	10	8
Central India	Tata Industries ...	115,188	2,062	...	227.58	34.63	...	6-56	(x) 6.38	2.40	nil	5	5
	5% Cumulative preference ...										44	44	44
Century Spg. & Mfg.	Birla Brothers Ltd. ...	126,752	2,752	339.45	655.73	182.22	6.45	12-56	(a) 114.26	80.10	22	22	22
Coorle Spg. & Wvg.	Cowasee Jehangir & Co. ...	24,848	680	52.96	126.03	3.51	1.76	3-56	15.22	4.50	124	24	24
Dawn Mills	Ramnarsin Sons Ltd. ...	40,962	...	90.98	134.77	10.42	1.65	12-55	14.70	6.01	30	12	12
Edward Textiles	P. Buhna Sons ...	48,718	928	130.97	228.63	68.52	...	12-56	10.24	12.99	74	9	74
Elphinstone Spg.	Director ...	41,300	886	90.51	179.73	55.50	...	12-56	12.78	15.73	10	10	6
	7% C. P. ...			9.10	34.54	29	39	12-56	3.32	3.48	20	20	26
Empire Dyeing & Mfg.	W. H. Bady & Co. Ltd. ...	...	...	...	...	...	...	...	...	...	...	...	...
Finlay	James Finlay & Co. Ltd. ...	49,528	784	88.93	171.14	35.79	2.35	12-55	21.72	15.23	20	16	16
Gokak Mills	F. F. Campbell & Co. pri. ...	74,286	...	161.4	246.67	56.37	2.16	12-56	18.84	21.72	13	15	13
Gold Mohur	James Finlay & Co. ...	45,268	1,108	95.78	174.9	41.32	2.04	12-55	16.48	7.33	15	124	124
Hind Mills	Hind Agents Private ...	71,596	1,387	185.72	324.27	115.33	2.80	6-56	22.77	15.63	6	4	4
	5% C. P. ...			...	...	...	...	...	...	...	5	5	5
Hindustan Spg.	Thackersey Mooljee ...	49,448	1,122	86.88	198.01	...	2.75	3-56	23.15	13.94	324	30	224
	44% R. C. P. T. ...										44	44	44
India United	Agarwal & Company ...	244,300	6,278	452.71	785.13	198.47	5.03	12-55	62.06	2.43	91	nil	62
	Deferred ...										181	9	6
Indore Malwa	Directors ...	51,180	1,420	124.13	257.26	78.89	...	12-56	22.68	25.48	11	9	6
Khatav Makani	Khatav Makani & Co. ...	92,852	1,489	238.08	426.54	73.51	4.33	6-56	46.22	30.91	10	10	8
	4% Cum. Preference ...										4	4	4
Kohinoor Mills	Kilik Industries Limited ...	120,504	1,846	378.76	594.90	91.09	5.99	12-56	52.50	36.04	18	18	18
Lakshmi Cotton	Directors ...	48,996	1,219	122.01	229.56	66.82	...	12-56	27.35	21.46	17	17	134
	5% Cum. preference T. ...										5	5	5
Mafatal Fine Spg.	N. C. Purashotamdas ...	51,996	896	70.69	210.30	20.35	4.49	12-56	43.17	28.08	15	15	15
	44% 1st R. C. P. ...										44	44	44
	44% 2nd R. C. P. ...										44	44	44
Marsden Spg. & Mfg.	Marsden Bros. ...	23,508	482	67.15	157.67	...	3.44	12-55	14.20	8.38	7	5	4
Minerva Mills	N. Sirur & Company Private	39,896	704	87.65	139.33	40.96	85	12-56	5.39	5.19	6	6	5
Model Mills	B. A. Dadabhai & Co. ...	52,408	952	89.83	141.66	36.34	54	6-55	4.85	7.72	nil	nil	3
Modern Mills	N. Sirur & Company Private	49,000	644	93.26	186.31	52.36	1.40	10-56	10.97	12.61	16	16	10
	5% Debentures ...										...	...	...
Monogram Mills	M. Bakubhai & Sons Private	27,460	528	92.11	171.70	44.74	...	12-56	13.46	14.58	7	7	5
Morajee Goudas	Piramal Sons Private Ltd. ...	70,416	1,652	159.08	323.53	106.32	1.48	6-57	(n) 28.43	36.15	14	15	14
	44% Cum. preference ...										44	44	44
Mysore Spinning	N. Sirur & Company Private	50,480	900	129.66	167.59	60.87	1.38	2-57	9.05	8.43	18	18	12
	44% Cum. preference T. ...										44	44	44
New City of Bombay	W. H. Brady & Co. Ltd. ...	45,944	432	74.65	132.58	18.24	77	12-56	(m) 6.20	4.51	10	10	10
New Commercial	Tricunlal Bhogilal ...	45,836	866	89.91	201.16	...	7.56	12-55	21.03	8.94	8	7	94
	4% 2nd R. C. P. ...										4	4	4
New Great Eastern	W. H. Brady & Co. Ltd. ...	49,012	1,018	91.60	193.39	37.52	46	12-56	(p) 5.14	5.31	10	10	74
	54% Cum. preference T. ...										54	54	54
New Kaiser-I-Hind	Directors ...	54,052	12,67	136.28	217.08	85.26	...	3-56	19.54	(u) 9.44	84	84	84
	5% C. P. ...										5	5	5
New Shorrock Spg.	Mafatal Chandulal & Co. ...	51,100	907	100.29	223.53	12.50	6.48	12-55	32.57	28.35	28	28	28
Omanahahi Mills	Government of Andhra ...	37,788	902	87.51	160.25	20.37	...	9-56	5.38	75	3	24	nil
Podar Mills	Podar Sons Private ...	32,600	930	93.70	143.31	18.75	1.12	12-56	11.25	10.99	12	12	10
	4% Cum. Preference ...										4	4	4
	L. Gordhandas ...										4	4	4
Rohit Mills	54% Cum. preference T. ...	33,156	648	82.01	214.57	...	8.77	12-55	29.33	11.43	nil	9	9
	4% R. C. P. (2nd) ...										54	54	54
	4% R. C. P. (5th) ...										4	4	4
Sassoon & Alliance	David Sassoon ...	9,520	277	11.06	17.91	1	10	12-54	(x)-1.48	(b) 40	5	74	124
Sassoon Spinning	M. G. Inv. Corporation Pri.	94,884	2,127	252.67	488.68	30.71	3.29	12-56	39.91	17.71	20	174	74

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	January 1958	January 1957			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Ra. np.	Ra. ss.			Ra. 000	Ra. 000	Ra. 000				Rk. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
WESTERN AND CENTRAL INDIA															
Ahmed Advance	125 00	180 0	100	40.00	19.00	12.32	11	133.17	173.26	68.65	8.18	107.78	17.61	4.35	2.06
5% Cum. Preference	98 00	107 8	100	10.00											
Ahmed Mfg. & Calico			125	137.50	132.27	217.38	1.18	200.19	514.70	256.08	3.65	268.26	95.10	30.55	61.66
44% 1st. cum. preference			125	2.00											
44% 2nd. cum. preference			50	8.00											
44% 3rd. cum. preference			50	19.33											
Ahmed Shri Ramkrishna			250	16.38	5.25	5.19	1.63	23.01	42.75	30.81*	57	30.84	2.80	7.94	1.82
4% R. C. P.			50	4.46											
Ajit Mills			200	11.00	18.68	9.65	8	51.91	56.22	33.29	2.75	39.98	22.88	8.03	
44% 'B' R. C. P.			100	2.00											
5% 'C' R. cum. pref.			100	2.00											
44% 'D' R. cum. pref.			25	1.25											
Apollo Mills	2 02	2 9j	2	50.00	38		97	46.63	90.11	43.05	9.32	36.35	4.08	1.17	
Arvind Mills			100	40.00	190.00	107.84	15	88.03	195.82	97.29	107.40	79.38	59.29	107.68	
5% cum. preference T.			100	5.25											
44% cum. preference T.			100	10.50											
44% R. cum. pref. T.			100	10.50											
Asoka Mills			100	12.00	57.00	61.39	70	39.54	84.57	69.65*	24.18	46.97	28.67	67.89	
5% Cum. preference T.			100	6.00											
44% R. C. P. T.			100	6.00											
Azam Jali Mills	58 50	82 8	100	72.00	11.98	5.62	95	165.99	186.00	62.72	23.81	57.88	49.85	1.73	
B. R. Cotton	24 00	44 8	100	40.00	9.00	15	-1.99	45.96	139.15	72.26*	4.55	42.18	34.28	7	
6% C. P.	80 00	70 0	100	10.00											
44% Debenture			100	30.00	12.60	22.34	1.81	103.12	150.46	61.57	8.25	69.20	28.38	5.16	
Binnod Mills			100	60.00	50.01	262.58	2.41	181.72	598.23	351.01	73.06	207.58	90.89	128.95	
Bombay Dyeing	51 40		50	250.98											
Central India	84 00	124 0	100	46.87	35.25	10.88	13	127.30	250.83	162.62*	33.76	132.99	9.02	2.13	4.43
5% cum. preference	338 75	495 0	500	50.00											
Century Spg. & Mfg.	395 55	507 8	100	109.43	219.96	65.35	7.62	327.90	606.67	232.92	11.29	272.81	64.86	7.54	
Coorle Spg. & Wvg.	125 00	130 0	100	26.00	7.48	5.55	18	34.17	90.16	57.80*	74	30.79	9.10	39	
Dawn Mills.	79 00	178 12	50	16.00	12.63	13.31	2.17	37.92	69.11	52.46*	90	28.73	19.18	16.57	
Edward Textiles	221 25	310 0	200	34.00	40.06		2.28	88.58	113.34	62.28*	13.66	79.30	20.29	42	10
Elphinstone Spg.	48 00	51 0	50	30.00	10.00	6.71	96	74.79	120.97	78.23	50	84.90	18.75	57	
7% C. P.	72 00	90 0	100	25.00											
Empire Dyeing & Mfg.			15	9.00	5.10	4.47	7	8.48	19.93	14.98	3.17	1.31	3.14	14.55	
Finlay	265 00	312 0	100	50.00	37.04	33.08	1.67	61.30	123.38	74.17	7.63	79.15	21.12	25.98	
Gokak Mills	160 00	225 8	100	48.81	7.79	29.80	8	31.69	106.45	73.45	2.00	59.93	12.56	42	
Gold Mohur	171 50	208 2	100	50.00	22.74	28.45	36	41.01	87.77	52.92	81	69.02	15.73	22.15	
Hind Mills			10	20.00	4.27	5.46	25	127.39	144.07	82.06*	10	124.26	20.36	65	
5% C. P.			100	12.00	16.33	60.31	1	49.45	152.35	121.07	4.86	68.49	36.08	9.39	
Hindustan Spg.	5275 00	5600 0	1000	12.00											
44% R. C. P. T.	992 50	992 8	1000	12.00											
India United	9 60	11 11	100	200.00	58.19	6.08	-1.93	196.03	468.16	339.00*	2.84	282.78	85.65	8.80	
Deferred	1 28	1 12 1/2	1	50.00											
Indore Malwa	118 00	141 4	100	50.00	1.16	9.98	7	151.52	148.10	116.80	25.66	98.26	54.42	3.08	
Khatav Makani	151.25	224 6	100	59.85	37.47	17.63	26	159.04	237.74	203.22	14.57	175.65	47.59	3.87	
4% Cum. preference	75 00	79 0	100	29.92											
Kohinoor Mills	270 25	326 8	100	100.00	22.25	114.75	1.63	198.19	359.04	278.94	7.20	310.40	38.29	82	
Lakshmi Cotton	437 50		250	32.00	31.17	34.27	20	114.42	169.61	126.19	7.71	113.96	61.18	34	1.48
5% cum. preference T.	187 50	210 0	250	16.00											
Mafatlal Fine Spg.	845 00	385 0	100	58.00	40.66	82.28	1.53	47.59	169.85	120.85	74.45	45.26	50.94	38.29	
44% 1st. R. C. P.	86 00	95 0	100	14.50											
44% 2nd. R. C. P.	92 00	95 0	100	14.50											
Marsden Spg. & Mfg.	200 00		200	27.31	14.91	1.70	31	54.72	67.47	42.91*	77	30.24	16.15	27.22	
Minerva Mills	71 03	87 0	100	29.60	17.90	1.68	20	86.44	92.42	53.38	10.99	71.45	13.98	56	
Model Mills	180 00	180 0	250	93.34	3.92	21.99	-2.59	84.32	169.26	78.82*	25	99.68	7.89	2.72	
Modern Mills			50	22.15	20.00	23.07	55	66.26	122.09	64.68	1.24	79.45	5.35	59	
5% Debenture			200	12.00											
Monogram Mills			100	26.00	30.00	3.08	12	77.14	70.12	46.78	75	81.54	28.11	2.53	
Moravia Goudas	204 00	230 0	100	51.75	24.70	13.75	24	165.22	264.74	183.16	12	175.58	13.13	49	
44% cum. preference	99 50	102 8	50	24.84	40.00	8.52	36	102.87	113.48	71.02	25.86	93.37	18.75	1.60	
Mysoore Spinning	30 50	30 0	50	7.45											
44% cum. preference															
New City of Bombay	125 00	147 8	100	24.00	18.00	11.22	53	28.51	78.06	48.70	8	32.05	1.28	19.51	
New Commercial			100	63.00	11.20	12.43	3	72.15	121.07	89.25*	10.16	56.73	47.48	17.87	
4% 2nd. R. C. P.			100	5.25											
New Great	224 00	241 8	200	30.00	10.61	4.90		41.58	95.52	63.37	10	55.10	4.97	2.76	
54% C. P.	143 75	180 0	100	8.00											
New Kaiser-I-Hind	86 00	113 12	100	45.00	6.54	3.92	20	92.04	113.66	98.08*	11.64	92.11	39.69	2.36	
5% C. P.	80 00	90 0	100	15.00											
New Shorrock Spg.	897 50		125	39.00	33.15	39.38	19	57.32	132.09	98.35*	35.64	50.73	45.11	3.62	18
Omanahobi Mills	52 00	69 4	100	87.20	47.02	48	13	80.98	171.25	67.91	7.18	62.74	141.01	1.54	
Padar Mills	145 00	170 0	100	40.00	35.00	10.65	4.72	47.20	48.70	24.25	32.60	28.60	22.77	39.16	
4% Cum. Preference	72 00	89 0	100	10.00											
Rahit Mills			100	32.50	10.23	4.55	17.35	86.27	107.01	71.43*	73	86.83	30.58	1.66	
5% C. P. T.			100	10.00											
44% R. C. P. [2nd.]			100	2.00											
44% R. C. P. [5th.]			100	2.50											
Sanoon & Alliance	7 24	9 13	10	5.00	3.95	3.68	-1.72	4.57	21.22	19.01		6.93	4.35	1.97	
Sanoon Spinning	30 50	40 0	10	37.70	66.37	52.27	1.66	57.24	198.86	120.29	1.89	92.48	24.35	17.19	

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Shalapur Spinning	Morarka & Co. Half. Ord.	95,332	2,234	106,34	127,51	92,54	28	3-55	-23.04	-60.15	nil	nil	nil
Shalapur Spinning	5% R. Cum. preference										nil	nil	nil
Shalapur Spinning	Mafatal Chandulal Ahmed...	36,648	720	68,34	177,74	15,37	3.41	12-56	35.11	19.66	30	25	25
Shree Niwas Cotton	Founders	69,070	1,640	194,59	338,12	123,56	3.59	12-53	29.32	17.34	14	12	17
Shree Sajjan Mills	Marwar Textiles (Agency) 4% R. Cum. preference	17,880	440	25,75	60,56	13,77	22	3-55	1.81	42	4	4	4
Shree Sajjan Mills	G. Laladhar & Co.										nil	nil	nil
Shri Ambica	H. Kalidas & Company 5% Cum. preference	94,128	1,733	304,31	435,05	88,22	9.39	12-56	95.42	79.42	30	54	40
Shri Ambica	4% Cum. preference (2nd)										5	5	5
Simplex	F. F. Campbell & Co.	34,846	1,274	150,05	237,11	29,25	5.65	3-56	24.38	13.19	24	20	22
Standard	Mafatal Gagalbhai & Sons...	97,588	2,409	226,85	570,41	63,64	10.26	12-56	111.25	86.16	22	20	20
Standard	4% 1st R. C. P.										4	4	4
Standard	4% 2nd R. C. P.										4	4	4
Sudeshi Mills	Tata Industries Pri. Ltd.	72,236	2,000	152,02	299,42	84,91	3.52	12-56	45.76	34.13	14	12	6
Sudeshi Mills	5% Cum. preference										5	5	5
Sun Mills	James Finlay & Co. Ltd.	39,328	551	188,77	266,61	39,03	3.32	12-55	28.46	23.34	25	20	20
Tata Mills	Tata Industries Pri. Ltd.	65,448	1,800	128,55	265,50	67,70	1.69	12-56	28.80	27.40	14	16	10
Tata Mills	5% Debentures												
Victoria Mills	Mangaldas Moha	50,056	958	88,44	186,54	9,83	6.08	12-55	12.96	10.44	20	15	15
Victoria Mills	4% R. Cum. preference										4	4	4
Vijaya Mills	H. Acharya & Co.	36,176	780	72,46	167,72			12-54	8.51	8.22	8	8	8
Vijaya Mills	4% 2nd Cum. Preference T.										4	4	4
Vijaya Mills	4% 3rd R. Cum. Pref. T.										4	4	4
Vishnu Cotton	Directors	47,240	1,331	115,69	224,48	64,25		12-56	(a) 19.10	(b) 18.16	4	4	4
Vishnu Cotton	7% Cum. preference T.										7	7	7
NORTHERN INDIA													
Basanti Cotton	Calcutta Agency 64% C. P.	13,044	356	24,23	66,42	7,34	1.35	12-55	2.15	3.47	5	5	2
Basanti Cotton	54% Debentures										6	6	6
Bengal Laxmi Cotton	Bengal Textile Agency Pri.	33,292	925	53,59	131,77	36,59	25	3-56	9.77	5.47	10	10	10
Bengal Laxmi Cotton	Ordinary Partly Paid												
Bengal Laxmi Cotton	5% R. C. P.												
Bengal Laxmi Cotton	Directors	29,936	810		87,97	17,96		12-55	(i) 8.82	(a) 4.59	nil	nil	nil
Bengal Laxmi Cotton	7% C. P.										15	30	7
Bengal Laxmi Cotton	Birla Brothers Private	39,896	1,088	147,50	244,19	23,53	5.33	3-56	28.42	19.16	15	30	30
Bengal Laxmi Cotton	Kettlewell Bullen & Co. Ltd.	42,960	841		149,03	60,84	44	12-56	(a) 23.48	-1.64	nil	nil	nil
Bengal Laxmi Cotton	8% 'A' C. P.										nil	nil	nil
Bengal Laxmi Cotton	7% 'B' Pref.										nil	nil	nil
Cawnpore Textiles	Begg Sutherland & Co. Private	27,016	591	92,24	125,4	5,29	62	3-57	10.07	9.47	5	5	5
Dalhi Cloth	Bharat Ram Ch. Ram & Co. Pri.	141,180	2,352	122,47	236,13	778,94	15,34	6-56	236.49	247.41	10	9	9
Dalhi Cloth	Ordinary										4		
Dalhi Cloth	44% 1st 2nd C. P.										5		
Dalhi Cloth	54% 4th C. P.												
Dalhi Cloth	51% Debenture												
Dumbar Mills	Kettlewell Bullen & Co.	42,944	518		171,04	68,19	1.61	12-56	7.54	13.13	6	2	nil
Elgin Mills	Begg Sutherland	48,452	1,198	164,97	319,42	36,56	4.63	9-56	34.32	(a) 44.70	12	10	10
Elgin Mills	8% C. P.										8	8	8
Elgin Mills	5% C. P.										5	5	5
Jagatjit Cotton	K. C. Thapar & Bros. Pri.	26,860	530		162,55	11,23	4.23	1-56	32.73	27.10	5	5	5
Jagatjit Cotton	5% C. P. P.										nil	nil	nil
Jagatjit Cotton	Debentures										nil	nil	nil
Jay Shree Textiles	Birla Brothers Ltd.			36,57	62,30	20,74		12-56	10.37	3.07	3	nil	nil
Jay Shree Textiles	54% Debentures										3	nil	nil
Kaoram Cotton	Birla Brothers Ltd.	74,672	1,992	270,78	556,63	120,44	12.62	3-55	46.92	46.23	8	8	11
Kaoram Cotton	7% C. P.										7	7	7
Mohini Mills	Chakravarti Sons & Co.	23,484	435	84,24	230,24	46,29	9.21	12-56	30.52	45.01	12	12	12
Mohini Mills	Ordinary										12	12	12
Mohini Mills	5% R. C. P.										5	5	5
Mohini Mills	Indian Tex. Syndicate	88,640	1,834	145,19	218,04		60	12-55	-5.06	-10.24	5	5	5
Mohini Mills	6% C. P.										nil	nil	nil
New Victoria	J. P. Srivastava & Sons	70,072	1,333	127,27	224,66	41,04	67	12-55	(a) 37.64	-3.91	nil	nil	nil
New Victoria	Deferred										nil	nil	nil
New Victoria	6% C. P.										nil	nil	nil
Orissa Textiles	R. Patnaik & Co.	47,728	864	129,13	208,46	47,53	36	3-53	12.58	31.12	nil	nil	3
Orissa Textiles	5% R. C. P.										nil	nil	5
Ram Textiles	J. P. Srivastava & Sons	34,532	600	78,45	95,15	41,24	12	12-53	-3.15	-7.13	nil	nil	5
Ram Textiles	64% 'A' C. P.										nil	nil	6
Ram Textiles	64% 'B' C. P.										nil	nil	6
Sudeshi Cotton	Birla Brothers Private	27,340	992	120,18	302,89	62,55	6.59	3-57	72.63	105.28	60	60	60
Sudeshi Cotton	Jagoria Brothers Ltd.	112,216	2,081	400,01	811,72	208,72	6.52	12-56	64.23	53.72	7	7	7
Sudeshi Cotton	Prod. Ord.										11	11	11
Sudeshi Cotton	6% C. P.										6	6	6

Includes Stock on hand.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depreciation	Liquid Assets				
	January 1958	January 1957			General	Others	Carry Forward				Invest ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. np.	Rs. s.													
WESTERN AND CENTRAL INDIA (Contd.)															
Shalapur Spinning	640 00	1400 0	1000	15,90	126,86	29,53	—1,70,07	253,16	293,66	204,66	19,26	118,88	55,09	1,72	...
Half. Ordinary	...	...	100	10	...	...	...	...	...	...	...	...	...	...	...
3% R. C. P.	...	...	100	31,96	...	...	...	...	...	...	...	...	...	...	...
Shalapur Spinning	...	...	100	19,50	67,41	13,53	1,11	36,35	94,66	66,97	5,69	37,09	31,01	36,90	...
Founders	...	...	25	3	...	...	...	...	...	...	...	...	...	...	...
Shree Niwas Cotton	141 00	190 0	100	60,00	39,70	26,50	2,70	180,41	83,06	45,81	17,51	127,80	50,83	70	...
4% R. C. P.	68 00	81 0	100	4,80	...	...	...	...	...	...	...	...	...	...	...
Shree Sajjan Mills	...	...	100	26,15	...	27	—66	34,83	36,43	17,73	94	38,81	1,85	27	...
Shri Ambica	...	...	100	57,96	218,28	63,96	2,63	186,68	192,48	105,24	48,18	177,98	92,54	56,27	...
5% cum. preference	...	...	100	5,60	...	...	...	...	...	...	...	...	...	...	...
4% cum. preference [2nd]	...	...	100	7,00	...	...	...	...	...	...	...	...	...	...	...
Simplex	163 00	183 8	50	42,00	1,14	35,44	96	49,26	96,78	73,64	1,10	51,99	26,47	24,09	...
Standard	405 00	440 0	100	87,80	57,97	192,85	2,93	117,97	277,89	162,09	5,57	123,93	62,71	159,60	...
4% 1st. R. C. P.	...	...	100	6,00	...	...	...	...	...	...	...	...	...	...	...
4% 2nd. R. C. pref.	...	...	100	6,00	...	...	...	...	...	...	...	...	...	...	...
Sudeshi Mills	170 00	230 0	100	100,00	98,00	8	29	87,61	251,82	133,03	6,78	128,67	29,65	4,39	...
5% Cum. preference	99 00	115 0	100	15,00	...	...	...	...	...	...	...	...	...	...	...
Swan Mills	324 50	415 0	100	36,00	39,06	26,27	1,51	91,30	129,00	81,53	72	107,01	38,92	3	...
Tata Mills	48 75	50 12	25	65,38	41,50	15,25	18	95,75	201,67	80,31	3,43	100,85	20,41	9,01	...
5% Debentures	92 50	...	1000	39,51	...	...	...	...	...	...	...	...	...	...	...
Victoria Mills	230 00	138 12	100	16,00	19,90	9,68	57	50,93	67,57	46,04	5,56	34,01	25,26	18,74	...
4% R. Cum. preference	...	...	25	8,00	...	...	...	...	...	...	...	...	...	...	...
Vijaya Mills	...	...	500	28,00	19,90	75,32	33	68,41	103,76	68,35	7,59	53,94	30,74	1,68	...
4% 2nd C. P. T.	...	...	100	3,50	...	...	...	...	...	...	...	...	...	...	...
4% 3rd R. C. P. T.	...	...	100	2,80	...	...	...	...	...	...	...	...	...	...	...
Vishnu Cotton	95 00	147 8	100	32,00	13,96	15,26	17	111,23	174,27	117,95	7,66	107,08	39,02	23	7,98
7% Cum. preference T.	520 00	557 8	500	15,66	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	96 00%	...	...	30,00	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Basanti Cotton	5 68	5 13	10	15,00	1,00	43	43	10,68	34,93	21,84	11,45	14,15	1,50	1,02	...
6½% C. P.	7 56	7 6	10	5,00	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	425 0	425 0	500	8,90	...	...	...	...	...	...	...	...	...	...	...
Bengal Luxmi Cotton	32 00	40 0	40	7,11	9,11	...	59	44,55	73,14	52,70	25	40,88	5,50	38	...
Ordry partly paid	...	...	20	82	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	40	5,23	...	...	...	...	...	...	...	...	...	...	...
Bengal Nagpur	4 06	9 6	10	27,00	6,00	...	49	30,53	77,62	56,68	37	39,61	7,23	82	...
7% C. P.	75 00	100 0	100	3,00	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	89 00	95 0	...	4,00	...	...	...	...	...	...	...	...	...	...	...
Birla Cotton	34 50	35 0	10	35,00	87,72	8,26	2,77	59,69	125,01	96,70	14,69	86,93	46,98	16,34	...
Banerjee Cotton	112 00	123 0	100	24,00	1,50	...	1	114,03	100,25	91,28	53	78,85	14,20	1,01	...
8½% 'A' C. P.	130 00	140 0	100	6,00	...	...	...	...	...	...	...	...	...	...	...
7% 'B' Pref.	65 00	70 0	100	6,00	...	...	...	...	...	...	...	...	...	...	...
Cawnpore Textiles	4 44	7 14	5	30,00	6,00	26,35	49	81,95	65,69	56,32	9,56	54,94	15,92	44	...
Dalhi Cloth...	34 25	37 12	25	338,36	97,00	209,82	1,29	831,43	1116,22	581,67	36,56	888,98	155,73	96,37	...
Ordinary	...	...	25	1,00	...	...	...	...	...	...	...	...	...	...	...
4½% 1st & 2nd C. P	17 75	17 12N	25	20,00	...	...	...	...	...	...	...	...	...	...	...
4½% 3rd C. P.	17 75	17 12N	25	37,32	...	...	...	...	...	...	...	...	...	...	...
2½% 4th C. P.	...	...	100	11,95	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	...	...	1000	...	...	...	...	...	...	...	...	...	...	...	...
Dunbar Mills	125 00	199 0	100	19,00	26,17	...	3,50	101,28	115,17	74,68	56	82,66	25,37	89	...
Elgin Mills	13 19	26 10	10	63,00	5,00	88,47	79	84,09	154,58	135,58	69 00	100,35	66,06	2,14	...
8% C. P.	109 25	135 12	100	11,00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	7 25	9 6	10	4,20	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Cotton	9 00	10 0	10	38,48	...	6,83	66	61,44	132,82	169,31	4,25	39,26	10,61	11,59	...
5% C. P. P.	50 00	...	100	15,25	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	100	30,00	...	...	...	...	...	...	...	...	...	...	...
Jagshree Textiles	6 31	5 15	10	49,17	...	...	3	29,91	69,03	15,03	6	28,63	9,30	83	...
5½% Debentures	...	...	1000	13,71	...	...	...	...	...	...	...	...	...	...	...
Kesoram Cotton	9 94	15 12	10	160,00	45,00	160,54	2,18	103,25	359,23	120,23	37,32	131,13	73,55	9,97	...
7% C. P.	91 00	113 8	100	20,80	...	...	...	...	...	...	...	...	...	...	...
Mohini Mills	...	...	25	6,00	5,00	28,25	77	102,83	100,87	91,69	15,57	47,07	48,16	76,81	...
Ordinary	...	...	10	33,96	...	...	...	...	...	...	...	...	...	...	12,40
5% R. C. P.	...	...	10	19,96	...	...	...	...	...	...	...	...	...	...	...
Muir Mills	64 75	75 0	100	30,00	25,00	25,00	—51,31	185,33	164,51	115,59	1,05	105,64	7,36	1,05	...
6% C. P.	63 00	81 8	100	30,00	...	...	...	...	...	...	...	...	...	...	...
New Victoria	1 34	2 2	2½	22,90	...	46	—11,99	91,69	107,21	65,01	1,21	66,29	21,62	87	...
Deferred	...	...	1	3,07	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	3 31	5 4	5	26,05	...	...	...	...	...	...	...	...	...	...	...
Orissa Textiles	...	...	10	47,10	...	6,50	—3,45	210,47	188,56	50,00	38	130,91	14,07	1,69	...
5% R. C. P.	...	...	100	24,99	...	...	...	...	...	...	...	...	...	...	...
Raza Textiles	...	...	10	60,00	...	62,66	—19,59	53,93	98,29	35,63	16,55	68,15	24,86	2,27	...
6½% 'A' C. P.	...	...	100	7,50	...	...	...	...	...	...	...	...	...	...	...
6½% 'B' C. P.	...	...	10	10,00	...	...	...	...	...	...	...	...	...	...	...
Sutlej Cotton	74 00nd	110 0	10	15,00	282,00	88,61	29,48	95,18	102,21	75,33	183,59	166,91	70,53	52,08	...
Sudeshi Cotton	11 94	12 8	10	17,50	60,80	175 25	8,36	440,81	515,52	181,84	182,31	258,04	187,33	14 65	...
Pre'd Ordry.	10 31	11 6	10	157,50	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	86 00	90 4	100	35,00	...	...	...	...	...	...	...	...	...	...	...

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA													
Alagappa Textiles	Ramall & Co Private.	50,000	...	55.26	87.02	20.12	...	12-55	-1'09	-5.38	nil	nil	nil
	74% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Ashar Textiles	Setna & Co.	20,900	...	...	58.73	20.84	52	6-56	6.87	5.04	18	121	...
Bangalore Woollen	Binnay & Co (Madras) Ltd.	40,608	1,157	271.62	533.80	71.74	7.99	12-56	75.30	59.87	30	30	30
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Beckingham & Carnatic	Binnay & Co.	120,288	2,762	372.65	936.68	114.48	10.47	12-56	91.31	110.63	10	10	10
	74% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Cannanore Sps.	K. Damodaran	20,000	...	...	63.80	...	51	3-56	9.11	6.69	15	12	...
Cambodia	Peirce Leslie & Co. Ltd.	37,356	4	71.05	91.22	20.20	34	12-56	3.51	3.98	5	5	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Cauvery Sps.	Directors	17,600	...	40.39	54.40	16.72	49	3-56	4.96	5.96	74	64	...
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	R. Dharma Naidu & Co.	28,864	...	...	78.14	...	1.67	12-54	11.17	12.72	25	20	9
Coimbatore Murugan	T. C. Ramalingam Chettiar	23,660	100	...	57.56	15.07	1.30	12-55	6.91	7.52	20	174	9
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Kamala	P. V. L. Naidu & Co.	17,264	24	...	29.65	...	35	12-52	-2.46	1.43	44	6	5
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer	T. R. Narayanawami Naidu	28,194	...	...	71.74	6.16	2.00	12-55	16.38	15.17	20	20	15
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	P. G. S. Naidu & Co.	72,188	407	131.17	187.80	9.88	1.52	12-56	14.96	(13) 6.7	64	64	64
Davangere Cotton	R. H. Manthappa & Son	25,216	300	...	79.81	29.61	2.46	3-56	13.90	8.59	9	9	12
Dhanalakshmi Mills	M. Narayana Chettiar & Sons	38,052	201	...	92.57	45.41	2.61	12-55	22.53	20.46	30	30	20
Ganambika Mills	V. C. V. Gounder & Bros.	17,248	...	...	31.45	...	61	12-54	2.84	1.91	10	6	6
	64% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills	G. Venkataswami Naidu & Co.	23,784	...	...	65.11	6.19	97	12-56	5.57	4.93	20	20	10
Jawahar Mills	Umayalabika & Co.	33,472	...	...	76.97	18.84	2.90	12-56	14.47	11.26	25	124	124
	5% Debentures (1st)	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures (2nd)	...	...	...	...	...	...	...	...	...	...	...	...
Kapila Textile Mills	C. P. C. & Co.	15,184	250	20.13	27.74	2.59	40	6-54	62	89	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	74% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Kasthuri Mills	C. N. V. Naidu & Co.	19,940	...	11.88	21.78	2.98	41	3-56	2.64	2.80	74	74	6
Kothari Textiles	Kothari & Sons	41,040	300	49.55	81.06	21.49	62	6-57	11.37	12.24	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% B. Preference	...	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	G. Kuppaswamy Naidu & Co.	93,160	201	137.81	272.22	...	8.27	3-56	58.40	45.51	25	25	20
	A. Class Ord.	...	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	Thiagaraja Chetty & Sons Pri Ltd	24,242	2,24	57.06	86.64	24.57	1.02	6-56	10.31	6.28	74	20	10
	5% Cum. Pref	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	A. & F. Harvey Ltd.	485,296	...	...	1527.73	41.71	12.07	12-56	114.50	96.59	74	20	20
Malabar Spinning	Directors	22,592	100	...	27.68	12.13	...	12-56	(d) 2.60	91	4	20	20
Mettur Industries	Beardsell & Co. Private	25,656	603	73.26	151.27	40.38	3.91	3-57	37.00	48.17	20	424	35
Mysore Silk Filature	Directors	...	...	...	...	...	...	3-56	26	-1.72	20	424	35
Mysore Spun Silk	Directors	...	...	...	22.59	9.44	...	3-57	3.30	42	nil	nil	nil
Palanisi Ranganathar	S. K. R. Naidu & Co.	10,016	...	...	34.97	...	18	3-56	(b) 4.22	99	6	6	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	Bachyalakshmi & Co.	41,200	...	...	77.92	23.89	1.58	12-56	12.40	7.16	30	24	24
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	C. S. R. Mudaliar & Sons	27,980	...	...	71.28	6.21	...	12-56	(y) 6.58	4.97	7	7	24
Radha Krishna Mills	A. C. Gurusamy Naidu & Co.	55,664	300	...	149.52	...	3.00	12-54	14.37	9.78	16	8	...
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills	Ramco Agencies Private	24,996	...	...	68.95	5.91	1.94	3-56	8.85	7.11	10	10	...
Rajawari Mills	Gudiyatham Textiles Pri	8,400	...	...	23.50	...	48	12-55	5.47	4.51	15	12	7
	Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	P. S. G. Naidu & Sons	35,128	88	50.80	65.45	...	1.76	12-55	6.22	(a) 5.14	16	12	5
Rajaleema Mills	Rajaleema Develop. Co.	14,800	...	41.19	52.13	2.08	73	12-56	8.62	8.69	10	10	74
Sri Kr. Rajendra	Directors	30,744	292	64.12	99.08	29.59	...	3-57	18.04	24.41	14	14	10
Sri Sarada Mills	V. S. Sengottiah & Bros.	20,472	200	62.94	...	5.42	...	12-55	(a) 7.48	3.32	19	6	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	Emcete & Sons	...	...	95.01	193.60	61.21	3.57	12-56	66.79	52.48	10	74	...
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	4% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	Mooljee Ramjee & Sons	18,000	...	...	31.92	14.11	67	12-56	5.86	2.61	114	9	9
Vasanta Mills	R. K. S. Chetty & Bros.	44,424	...	112.87	161.06	18.97	2.22	12-56	21.86	19.92	20	20	15
	64% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills	G. V. G. Naidu & Co.	44,660	268	...	137.37	...	4.18	12-55	28.42	24.68	274	274	14
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills	Balakrishna & Co.	26,536	...	28.48	43.25	...	71	12-56	3.50	3.17	10	10	10
Virudhunagar Textile	Thiagaraja Chetty & Sons Pri	...	2.00	...	23.32	...	...	12-55	1.19	...	...	...	...
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
	Do. P. P.	...	...	...	...	...	...	...	...	...	...	...	...

Includes stock on hand.

(a) After transferring Rs 4,45,718 from Depreciation, Renewal and Extension Fund and Rs 2,19,000 from Dividend Fund.

(b) After transferring Rs 2,49,697 from General Reserve.

(c) Rs. 5 lakhs to be capitalised and issued as bonus shares of Rs. 50 each in the proportion of one share for every five shares held.

(d) After transferring Rs 50,000 from General Reserve.

(e) Arrears for 1946, 1947 and 1948.

(f) After crediting Rs. 1,18,664 being excess provision for bonus for 1951 and Rs. 6,77,776 being M.P.T. and after transferring Rs. 1,80,000 from Dividend Equalisation Fund.

(g) After transferring Rs 24,07,416 from dividend Equalisation Reserve.

(h) After transferring Rs. 3,57,000 from Dividend Fund.

(i) After transferring Rs 8,00,000 from Machinery Replacement Reserve and Rs 18,400 from Reserve Fund.

(j) In addition to dividend, a Bonus of one ordinary share of Rs. 10 each at par of Jay Shree Tea Gardens

for every 20 ordinary shares of Kesoram Cotton Mills will be issued.

(k) After transferring Rs. 70,000 from General Reserve and Rs. 37,500 from Dividend Equalisation Reserve.

(l) Dividends for 6 years from 1940 to 1946 at 8 per cent per annum.

(m) After writing back Rs 2,89,446 being excess provision not required.

(n) After transferring Rs 8,02,125 from General Reserve.

(o) Managing Agents have foregone their minimum commission of Rs 80,000 and have instead charged 10 per cent on net profit.

February 8, 1958

MILLS—(Contd.)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1958	January 1957			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Rs. np.	Rs. as.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
SOUTH INDIA (Contd.)															
Alagappa Textiles	9 20	9 14	10	15.00	6.00	4.55	-11.13	40.00	60.86	29.09	3.30	22.19	21.88	28	...
74% C. P.	89 00	99 12	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	95 00	95 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Ashar Textiles	...	217 0	100	11.99	5.00	...	4	25.72	31.37	15.64	1.08	23.45	3.38	13	5
Bangalore Woollen	173 00	562 8	100	40.50	116.00	134.16	2.83	82.67	339.77	260.70	29.74	222.13	36.67	2.45	12.09
6% C.	117 00	120 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	158 00	182 8	100	178.48	62.00	215.73	2.28	240.91	669.03	396.63	21.71	328.34	122.57	3.81	49.87
74% C. P.	135 25	142 12	100	21.30	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	990 0	1000 0	...	15.00	5.11	...	9	15.73	47.31	23.63	6	10.08	1.83	29	...
Cannanore Sps.	158 00	180 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Cambodia	10 15	14 11	10	20.00	6.00	14.00	54	5.43	42.33	23.99	31	23.06	4.89	35	12

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1958	January 1957			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Ra. n.p.	Ra. A.													
Amuluckie	18 50	...	100	4,46	6,71	2,98	...	14,05	12 44	5,77	15	11,19	1,74	5,68	3,51
7% C. P.	53 00	...	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	27 00	44 14	10	2,77	3,00	2,70	3	6,37	8,54	3,48	3	6,32	1,72	1,64	...
Anandabag	20 50	35 0	10	7,00	2,25	4,15	50	14,95	12,53	3,34	...	9,67	3,66	6,66	...
Arcuttipore	9 00	12 0	10	3,00	1,75	...	-3,98	6,32	5,07	1,79	...	3,09	46	26	...
Atal	6 50	8 6	10	4,50	...	7	-2,30	5,68	12,63	2,59	...	2,42	1,49	1	...
44% C. P.	6 12	4 0	10	3,00	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	...	...	1000	3,00	...	...	...	...	...	...	...	...	...	...	...
Baghmari	18 06xd	22 2	10	5,50	8,61	4,60	43	10,82	18,70	7,48	53	10,59	1,26	6,35	...
Baitakhal	8 75	10 6	10	4,00	2,25	...	56	2,58	7,48	2,52	50	1,94	1,14	2,35	...
6% Debentures	950 00	1000 0	1000	1,50	...	...	...	...	...	...	...	...	...	...	...
Banarhat	316 00	313 0	100	27,00	29,25	...	4,50	45,11	46,89	21,43	21,64	30,94	15,58	16,26	...
54% C. P.	112 50	121 8	100	4,00	...	...	...	...	...	...	...	...	...	...	...
Baradighi	18 87	19 12	10	6,00	16,00	3,29	43	16,95	40,97	21,01	2	20,15	1,89	2,29	...
Basmatia	25 12	35 14	10	5,10	9,85	...	54	8,17	12,97	5,33	77	8,05	4,92	3,52	...
Bateli	18 29xd	28 8	5	3,30	3,25	1,85	1,30	9,89	12,64	7,97	...	6,59	4,80	2,28	...
Belguchi	59 50	61 8	10	2,50	2,00	1,40	38	10,91	3,17	1,43	12,43	2,32	1,38	3,59	...
Bhatnawa	24 12	25 8	10	6,40	3,70	3,70	69	19,70	11,17	3,51	...	11,28	4,25	11,02	...
Bijaynagar	20 81	26 2	10	9,00	9,00	8,75	45	13,49	20,75	10,25	54	11,70	5,32	12,44	...
Bixora	...	...	25	8,69	14,25	7,45	2,22	17,89	25,87	7,17	6,18	17,51	5,98	2,15	...
8% C. P.	105 50	155 0	100	9,00	5,25	8,96	48	11,82	24,10	7,49	...	15,50	67	3,73	...
Bishnauth	112 00	120 0	100	1,00	...	...	...	...	...	...	...	...	...	...	...
Bloomfield	19 06	20 14	10	33,00	7,00	6,00	3,16	49,16	63,88	28,40	3,22	52,53	5,76	1,33	...
Debentures	2 23	2 0	10	4,00	...	...	-2,58	3,97	7,61	61	1	65	50	5	18
Bokakhat	...	...	1000	3,00	...	...	...	...	...	...	...	...	...	...	...
Bormahjan	15 00	25 4	10	6,00	2,00	50	39	7,57	11,47	2,51	1	5,55	23	27	1,44
6% C. P.	17 00	20 12	10	7,50	4,53	2,75	36	6,68	10,50	3,35	...	7,78	2,47	4,84	...
Borpukhuri	74 00	73 0	100	1,00	...	...	...	...	...	...	...	...	...	...	...
Brooke Bond	18 25	23 10	10	4,50	1,50	33	68	9,53	12,06	4,84	1	7,78	1,52	1	...
6% C. P. T.	17 37	19 10	10	35,00	5,35	6,61	5,45	41,87	81,81	29,08	40,73	18,91	7,86	8,99	...
...	78 00	83 8	100	35,00	...	...	...	...	...	...	...	...	...	...	...
Carron	141 00	167 8	100	6,00	4,80	3,44	26	5,06	13,14	3,82	15	9,38	31	41	...
Central Cachar	72 00	64 8	100	10,00	3,25	2,14	5	15,02	25,56	8,74	3	8,78	2,50	1,40	1,40
Chamong	10 25	15 2	10	2,80	75	50	33	1,07	3,85	74	1	1,76	19	37	...
Chandypore	67 00	67 0	100	2,50	...	...	...	1,35	3,98	...	2	1,77	5	1,42	...
Choonabhatti	265 09	301 0	100	9,00	12,00	43	1,51	13,55	17,04	7,99	8,98	12,51	2,31	5,63	...
61% C. P.	113 50	125 0	10	2,00	...	...	...	...	...	...	...	...	...	...	...
Chundecherra	27 50	27 2	10	3,00	4,50	1,95	41	21,65	9,92	3,49	2	5,63	2,45	16,93	...
Clavendon	...	...	10	4,00	3,50	2,93	42	8,31	7,89	2,24	1	7,29	1,69	6,65	...
Douracherra	10 12	12 0	10	6,00	5,60	3,85	50	8,08	9,72	2,33	3,29	6,40	2,76	4,19	...
Dejoo Valley	50 00	47 0	10	1,20	2,00	2,00	6	4,11	5,56	1,86	1	4,77	58	31	...
Desai & Purbuttia	270 00	320 0	100	6,00	8,40	91	50	13,37	27,66	17,68	...	11,83	1,24	6,05	...
Dhalakhat	20 19	21 8	10	17,53	8,75	...	43	20,66	24,60	5,11	4,79	12,89	6,49	3,91	...
Dhunsari	11 37	22 0	10	4,69	2,70	1,25	1	5,42	8,00	4,33	3	6,00	94	68	3,95
7% C. P.	2 44	3 5	3	1,20	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	22 12xd	23 8	10	4,50	5,26	3,50	33	9,93	10,66	2,70	52	8,09	94	5,36	64
Dilaram	149 50	190 0	100	2,00	1,07	56	...	96	3,40	1,56	1	1,11	31	1,04	...
Dimakuri	20 25	27 8	10	4,73	4,56	60	1,17	7,99	13,24	6,20	1,48	8,22	1,87	1,06	...
8% C. P.	11 50	12 10	10	70	...	...	...	...	...	...	...	...	...	...	...
Dufflaghur	30 00	31 10xd	10	7,01	9,00	1,50	2,21	16,47	21,35	12,83	2,06	12,06	1,20	12,35	...
East India	19 62	22 5	10	10,00	5,00	1,00	1,13	18,58	27,72	10,70	1,15	13,16	4,35	2	...
Eastern Cachar	4 06	9 0	10	7,00	...	...	-1,34	7,01	8,82	86	1	4,33	40	56	...
Ellenbarrie	168 50	240 0	100	3,00	1,00	3,15	14	4,56	8,96	3,90	...	6,00	30	50	...
Engo	400 00	425 0	100	1,20	2,64	...	-3,1	1,51	4,63	2,63	2	2,22	54	27	...
Ethelbarrie	11 00	13 13	10	4,90	30	30	1	12,37	8,68	2,40	2,91	7,00	1,42	27	...
Gairkhat	150 00	268 0	100	7,50	2,70	3,50	42	19,36	17,69	9,56	2	19,03	5,13	1,18	...
Caile	17 50	25 0	10	2,00	1,76	1,24	-6	1,08	7,84	2,73	48	1,39	68	34	...
6% C. P.	75 00	87 8	100	2,00	...	...	...	...	...	...	...	...	...	...	...
Gillapukri	27 00	31 12	10	5,04	4,05	41	18	14,04	11,82	4,90	8,18	4,65	3,88	15	...
Gohpur	20 90	23 0	10	6,76	2,50	4,98	1,32	8,65	18,21	8,56	1,45	8,06	3,98	1,11	...
Gopulpur	19 75	40 0	25	10,50	3,00	10,83	93	7,66	17,66	7,49	3,12	8,26	3,94	3,96	...
Grob 'A'	22 87	34 6	10	7,42	9,00	...	...	31,01	35,86	8,64	5,00	27,74	4,33	1,53	...
Grob 'B'	13 25	14 11	5	3,61	...	...	...	...	...	...	...	...	...	...	...
Gungaram	123 00	183 0	100	13,44	8,60	13,53	1,04	12,10	25,00	8,35	5,57	22,07	2,23	2,29	...
Hansara	23 75	23 0	10	5,00	5,10	5,34	17	5,25	12,48	3,54	2	8,17	77	26	...
Hantapara	124 50	183 0	100	36,00	15,25	23,58	1,83	23,64	59,25	18,38	5,08	44,83	5,01	5,00	...
8% C. P.	114 00	146 8	100	50	...	...	...	...	...	...	...	...	...	...	...
Hasmara	22 81	27 8	10	32,00	24,50	35,76	3,75	31,54	100,18	47,34	5,80	41,30	9,92	21,10	...
7% C. P.	116 75	128 0	100	3,00	...	...	...	...	...	...	...	...	...	...	...
Hettikhipra	11 12	12 0	10	12,60	9,50	2,00	20	7,54	29,51	12,08	1	11,24	2,78	37	...
Hoograjuli	28 00	31 0	10	5,00	5,75	...	39	4,61	9,28	3,55	52	5,75	1,31	2,44	...
Hoolungorie	176 00	301 8	100	8,70	12,30	89	96	13,28	23,90	12,44	9	15,73	5,43	3,42	...
Huldibari	18 75	27 4	10	8,25	7,00	12,66	1,02	10,25	19,13	8,83	3,65	16,24	3,07	5,92	...
Jaypurpara	15 87	24 2	10	7,00	5,15	...	12	2,92	10,30	4,58	2	4,75	1,29	3,41	...
Jayshree	10 12	11 13	10	58,57	41,00	4,17	99	78,11	108,67	...	2,75	47,09	23,66	1,99	3
6% R. C. P.	...	...	100	72	...	...	...	...	...	...	...	...	...	...	...
Joonktallee	...	...	10	1,20	12,21	4,00	1,56	12,60	12,33	7,53	2,23	7,79	1,35	14,82	...
6% C.P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
Jutibari	15 50	25 6	10	9,00	4,25	2,60	24	14,61	15,61	3,88	...	14,78	2,57	1,61	...
Kaliti	6 00	8 0	10	2,46	...	...	25	9,81	3,03	24	2	2,93	3,18	3,11	49
Kalinugger & Khorol	87 50	94 8	100	4,50	1,50	1,00	16	3,93	2,74	...	1,10	2,47	3,73	1,04	...
Kilcoit	14 87	19 12	10	9,00	7,00	8,24	66	14,30	19,24	6,07	3,07	15,46	1,64	5,83	...
Kingsley Golaghat	125 00	178 0	100	2,40	10,50	81	70	15,38	12,76	6,73	4,28	13,41	8,20	24	...
6% Preference	92 00	98 0	100	2,40	...	...	...	...	...	...	...	...	...	...	...
Kotamul'sai (m)	12 50	34 0	5	1,80	60	...	14	33,40	21,42	1,63	2	13,70	1,92	2,20	50
6% Pref.	16 50	25 8	25	2,18	...	...	...	...	...	...	...	...	...	...	...
...	11 00	16 12	10	3,00	2,1	25	3	7,85	9,31	1,53	25	2,81	2,61	...	...

TEA

NAME	Managing Agents/Secretaries	Total Crop in maunds	Average price per pound	Total Crop in maunds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PERCENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. s. p.	Mds.	Rs. s. p.	Rs. 000		Rs. 00	Rs. 000			
Kunchanpore	Duncan Bros and Co. Ltd.	3,810	2 0 9	4,356	1 11 6	10	12-56	8	-5	nil	nil	27 1/2
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	...	...	...	...	...	12-55	7	27	5	7 1/2	3
Laktoorah	Gill Arbutnot and Co. Ltd.	12,139	2 3 8	11,691	2 5 0	78	12-55	10,67	11,86	30	10	10
Ledo	Duncan Bros and Co. Ltd.	5,452	2 5 4	5,727	1 9 10	15	12-56	1,20	(v) 45	7 1/2	10	27 1/2
Lingie	Williamson Magor & Co.	79,86	3 1 1	77,34	2 10 3	45	12-56	4,56	2,84	30	25	50
Longview	Daga and Co. Private Ltd.	9,536	...	6,581	...	7	12-55	1,22	8,93	6	6	6
Lookah	Octavius Steel and Co. Ltd.	38,30	1 9 5	4,615	1 4 9	20	12-56	2	-35	nil	nil	nil
Melhat	D. C. Ghose & Co. Private	13,306	2 0 4	13,581	1 9 2	65	12-56	6,56	5,51	20	20	60
Manabarie	Directors	6,872	1 14 0	6,287	1 12 7	...	12-56	1,42	-36	20	10	40
Manipur	Gill Arbutnot and Co. Ltd.	4,958	1 13 5	4,363	1 0 0	25	12-53	2,06	-4,94	nil	nil	nil
Margareta Hope	McLeod and Co. Ltd.	4,419	2 4 7	4,238	3 9 1	27	12-55	-11	5,10	nil	30	7 1/2
Marionbarie	Lohia Bros Private Ltd.	2,016	...	1,928	...	13	12-55	22	2,20	nil	nil	nil
Maud	Lohia Bros Private Ltd.	5,484	...	5,558	...	19	12-55	2,15	4,52	25	40	25
Methon	Octavius Steel and Co. Ltd.	10,570	2 10 7	11,215	2 5 5	70	12-56	6,05	4,78	20	17 1/2	45
Mir	Andrew Yule and Co. Ltd.	2,097	3 4 4	2,068	3 16	5	12-56	32	75	10	15	40
Moheema	Duncan Bros Ltd.	4,560	1 11 7	4,507	2 9 1	24	12-55	(u) 1,11	2,87	nil	nil	nil
Mothola	Kettlewell Bullen & Co.	7,042	2 52	6,996	2 27	33	12-56	3 29	2,87	60	50	65
Murphulani (Assam)	Andrew Yule & Co. Ltd.	5,244	3 05	5,162	2 47	47	12-56	4 43	2,75	20	12 1/2	45
Nage Hills	Preferred Ordinary	...	...	...	...	...	12-55	1,27	8,04	20	100	30
Nagauree	Duncan Bros.	11,299	2 0 3	12,237	1 12 1	26	12-56	(a) 3,43	2,37	15	7 1/2	40
Nagri Farm	Williamson Magor	5,416	2 15 10	5,429	2 4 0	34	12-56	3 44	92	35	15	50
Namburadi	Directors	5,767	1 14 4	4,801	3 0 0	...	12-55	67	4,66	10	30	50
New Assam Valley	Macneill Barry	8,042	2 10 9	7,602	3 5 2	3,08	12-55	5,29	9,12	40	50	17 1/2
New Chumta	Davenport & Co. Private Ltd.	7,046	...	5,792	1 65	22	12-56	2,97	1,25	25	15	55
New Ginnatolia	Duncan Bros & Co. Ltd.	5,930	2 4 9	4,701	2 0 1	10	12-56	46	(u) 32	nil	nil	10
New Doars	Andrew Yule & Co. Ltd.	19,225	2 36	20,444	1 95	1,23	12-56	11,75	7,54	35	25	110
New Samanbagh	Shaw Wallace & Co. Ltd.	12,241	2 2 10	12,665	1 15 8	76	12-55	(a) 11,13	12,52	25	6 1/2	6 1/2
Nilpur Tea	8% C. P.	...	...	...	...	...	12-56	1,59	64	30	40	67 1/2
N. W. Cachar	Williamson Magor & Co. Ltd.	3,035	2 3 8	2,499	1 15 9	17	12-56	3,88	9,11	15	20	nil
Nkayti	Directors	9,837	1 10 7	9,165	2 15 6	...	12-55	24	2	nil	nil	37 1/2
Oadlabari	Duncan Bros. & Co. Ltd.	2,289	3 1 0	2,102	2 6 4	8	12-56	...	...	...	...	...
Oadlabari	7% C. P.	...	...	...	...	...	12-55	1,29	8,38	12 1/2	75	20
Oadlabari	Octavius Steel & Co. Ltd.	8,321	1 11 1	7,865	2 12 2	31	12-55	...	...	...	...	...
Pathamara	Octavius Steel & Co. Ltd.	5,100	1 75	6,078	1 49	19	12-55	-95	17	nil	nil	nil
Patrakola	Duncan Bros. & Co. Ltd.	47,759	...	50,254	1 59	1,59	12-56	29,97	(a) 65,01	25	65	30
Phakowa	Duncan Bros. & Co. Ltd.	3,021	2 3 8	2,987	1 12 5	10	12-56	72	-11	7 1/2	15	30
Phobong	Duncan Bros. & Co. Ltd.	1,948	2 5 7	2,060	2 5 11	10	12-56	(a) 3,19	5	nil	nil	15
Phumding	Davenport & Co. Private Ltd.	1,806	2 56	361	2 66	11	12-56	-4	-3	nil	nil	10
Phumding	7% C. P.	...	...	...	...	...	12-55	...	...	...	...	...
Phumding	Directors	1,690	3 10 5	2,573	0 12 0	36	12-54	2,24	1,11	45	7	7
Rainbar	McLeod & Co. Ltd.	11,267	2 9 6	10,988	1 14 4	95	12-54	11,00	4,25	60	15	nil
Rainbar	Andrew Yule & Co. Ltd.	6,013	2 65	5,532	2 17	37	12-56	3,66	1,81	40	25	75
Rainbar	Shaw Wallace & Co. Ltd.	5,127	1 12 4	4,760	1 14 8	18	12-56	48	(n) 2,60	10	15	75
Rainbar	McLeod & Co. Ltd.	11,813	2 5 1	12,684	1 14 0	70	12-56	5,86	3,86	20	15	30
Rainbar	McLeod & Co. Ltd.	6,309	2 14 7	5,677	1 13 7	47	12-54	4,61	2,21	10	15	30
Rainbar	Duncan Bros. & Co.	8,414	2 1 6	9,075	1 13 3	33	12-56	3,43	3,33	20	20	35
Rainbar	Duncan Bros. & Co. Ltd.	2,629	3 1 0	2,098	2 4 4	12	12-56	1,18	49	35	20	50
Rainbar	Jardine Henderson Ltd.	25,846	...	23,875	...	1,97	12-55	11,38	28,29	50	100	50
Sapai	Directors	16,218	2 11 0	14,230	2 3 0	...	12-56	7,10	(a) 1,66	25	25	45
Saragon	Directors	7,524	2 14 4	7,490	1 15 7	45	12-54	11,43	3,77	110	12 1/2	7
Sauli	Williamson Magor & Co.	44,99	2 10 10	4,601	3 7 4	8	12-55	73	3,96	15	40	30
Seoyok	Directors	2,470	2 13 1	1,992	2 3 0	...	12-56	51	(u) -9	nil	nil	15
Selimong	Gill Arbutnot & Co. Ltd.	2,532	3 12 5	2,271	3 1 0	22	12-56	92	-3	nil	nil	5
Singel	Hoare Miller & Co. Ltd.	2,727	2 68	2,985	2 53	6	12-56	-74	-95	nil	nil	5
Singtom	Gonka & Co. Ltd.	3,300	3 2 4	2,796	2 6 2	38	12-54	3,13	1,57	5	5	5
Sonai River	5% C. P.	...	...	...	...	...	12-55	-1,38	3,19	nil	12 1/2	8
Sonai River	Directors	4,521	1 9 3	5,617	2 6 9	...	12-55	...	...	...	...	...
Sonai River	8% C. P.	...	...	...	...	...	12-56	3,60	1,57	40	30	50
Sonai River	Williamson Magor & Co.	3,723	3 6 7	3,633	2 9 11	38	12-56	4,08	33	15	nil	7 1/2
Sonai River	McLeod & Co. Ltd.	4,725	3 9 7	4,685	2 7 3	44	12-56	1,07	-67	5	nil	30
Sonai River	Gill Arbutnot & Co. Ltd.	5,205	2 2 10	4,594	1 12 2	26	12-56	4,72	1,79	30	20	60
Sonai River	Octavius Steel & Co. Ltd.	7,735	2 9 8	7,548	2 6 6	50	12-56	3,23	1,48	25	15	40
Sonai River	Davenport & Co. Private Ltd.	4,828	3 17	4,506	2 62	10	12-56	9,24	(f) 17,27	15	25	45
Sonai River	Duncan Bros. & Co. Ltd.	13,726	2 1 0	11,016	2 3 8	41	12-56	5,83	3,67	35	25	50
Sonai River	McLeod & Co. Ltd.	9,653	2 8 7	10,032	2 1 7	78	12-56	4,43	1,42	10	7 1/2	65
Sonai River	Gill Arbutnot & Co. Ltd.	7,619	3 1 1	7,466	2 6 10	57	12-56	9,71	(p) 8,99	12 1/2	15	50
Sonai River	Shaw Wallace & Co. Ltd.	31,709	2 4 7	32,034	1 13 3	1,88	12-56	-1,40	5,80	nil	nil	nil
Sonai River	8% pref. cum as to 5	...	...	...	...	...	12-55	3,85	6,95	30	40	10
Sonai River	Daga & Co. Private Ltd.	8,585	1 14 11	7,116	2 10 2	48	12-55	1,73	4,47	10	10	20
Sonai River	McLeod & Co. Ltd.	7,394	1 11 10	4,011	2 10 3	30	12-55	-25	2,93	nil	nil	10
Sonai River	Daga & Co. Private Ltd.	9,186	2 9 2	8,867	2 2 4	10	12-56	16,45	4,11	60	10	nil
Sonai River	Williamson Magor & Co.	14,597	3 2 6	12,434	1 15 10	1,40	12-54	...	...	...	...	...

(d) After transferring Rs. 3,50,000 from General Reserve.

(f) After transferring Rs. 11,50,000 from provision for taxation.

(g) After transferring Rs. 1,00,000 from Reserve and Rs. 42,000 Dividend Equalisation Reserve.

(h) After transferring Rs. 1,75,000 from Revenue Reserve, Rs. 49,000 from Building and Machinery Reserve and Rs. 20,000 from Taxation Reserve.

(i) It is proposed to issue bonus shares in lieu of dividend.

(k) After writing back Rs. 2,75,000 from provision for taxation and including the credit balance of the Profit and Loss Account of Rishchehat Tea Co. an amalgamation.

(m) The Indian Estates of The Patrakola Tea Co. Ltd. were transferred to this company at book value as on 1-12-1954.

(n) After writing back Rs. 1,51,566 being provision for taxation in part provided in 1954.

(o) After writing back Rs. 20,000 from excess provision for taxation and Rs. 34,250 from excess provision for liabilities.

(p) After transferring Rs. 1,50,430 from General Reserve.

(q) After transferring Rs. 40,000 from Revenue Reserve.

(r) After transferring Rs. 95,000 from General Reserve.

(s) After transferring Rs. 1,65,000 from General Reserve.

(t) After transferring Rs. 1,00,000 from Revenue Reserve and Rs. 1,20,000 from Building and Machinery Reserve.

(u) After transferring Rs. 90,000 from Revenue Reserve.

(v) After transferring Rs. 1,75,000 from Revenue Reserve.

(w) After transferring Rs. 1,25,000 from General Reserve.

(x) After transferring Rs. 1,50,000 Revenue Reserve.

(y) After writing back Rs. 5,50,000 from Taxation Reserve.

(z) After writing back Rs. 45,25,000 being excess provision for taxation.

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	REVENUE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS					
	January 1958	January 1957		Paid-up Capital	General	Others				Carry Forward	Investments	Stocks & Stores	Outstandings	Cash	Others
	Rs. np.	Rs. A.													
Balrampur	5 75	6 6	5	14.00	4.50	10.91	21	68.63	39.45	28.98	...	56.73	29.71	1.34	...
Bati	120 50	120 8	100	12.00	9.50	19.47	25.30	105.69	52.26	34.74	...	117.42	15.36	2.43	...
Ordinary 'B' Class	...	...	10	3.00	...	...	...	...	...	...	...	...	...	...	...
Belapur	237 50	231 0	50	70.50	75.19	43.24	3.00	90 14	150.48	198.77	22.79	116.52	14.02	87.02	...
Beland	10 00	10 3	7 1/2	19.49	6.75	1.00	73	45.99	33.76	25.31	36	45.02	19.06	1.08	...
Bharat	13 50	17 0	10	15.00	6.50	7.40	13	34.89	16.46	11.78	19.81	31.98	11.87	60	...
5% R. C. P. T	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Bhopal	20 24	19 6	10	17.50	8.87	37	5	8.22	33.04	21.37	3.34	20.58	9.89	1.96	...
5% C. P.	94 00	94 0	100	12.50	...	...	...	...	...	...	...	...	...	...	...
Buland	11 56	...	10	33.57	36.00	5.36	3	28.08	41.33	19.37	34 22	37.19	8.85	47	...
Carew	6 62	7 9	10	32.00	16.00	11 44	21	150.25	140.52	95 72	22	156 17	37.63	2.26	...
6 1/2% R. C. P.	81 50	99 8	100	8.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	990 0	1000	19.50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	900 00	940 0	10	400	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	12 06	20 4	10	30.00	20.50	45.14	92	120.22	163.31	86.27	4.70	80.76	59.53	4.76	...
8% C. P.	109 50	137 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Champaran	20 44	23 4	10	18.00	14.40	25.32	30	116.88	81.58	55.46	37	120.79	25.22	2.06	...
Deccan	7 82	11 4	5	19.92	15.00	10.48	1.23	130.78	112.48	57.89	1.34	108.14	12.90	6.36	1.09
7% Preference	5 67	6 1 1/2	5	7.00	...	...	...	...	...	...	...	...	...	...	...
Deoria	10 00	10 2	10	5.99	5.04	1.15	48	15.77	24.59	15.34	10.23	9.08	2.94	18	1.75
5% Debentures	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	18 06	21 15	10	26.00	31.00	2.36	1.12	19.18	57.53	37.24	2.58	36.93	12.89	6.97	...
Dyer Meakin	8 19	5 14	5	16.20	13.47	4.73	8	19.43	27.27	14.69	1.24	27.49	7.15	5.09	34
E. I. D. (2)	29 25	28 12	£1	5.50	7.90	1.74	47	12.03	13.25	6.33	52	9.48	13.35	24	...
7% C. P.	15 95	17 0	£1	2.00	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 75	19 8	10	20.00	1.50	34.68	5	43.30	67.25	21.37*	25.73	22.57	5.38	16	...
Gange Sugar	10 00	30 0	10	30.00	16.00	38	23	125.48	29.43	16.81*	26.12	91.24	40.49	42	1.20
Gwalior	69 25	77 0	100	15.94	...	3.09	15	48.95	40.71	23.65	1.75	46.70	12.79	1.58	...
7% R. C. P	65 00	68 0	100	6.75	...	...	...	...	...	...	...	...	...	...	...
Harinagar	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	100	2.50	10.00	1.50	14	63.39	37 63	30.49*	4.86	44 81	27.49	74	...
India	13 00	16 6	10	31.48	14.00	...	5.22	59.74	30.55	18.71	23.27	25.03	50.21	1.31	...
7 1/2% C. P. T	98 00	106 12	100	1.23	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	...	...	100	11.09	11.54	5.37	9.81	50.08	16.18	15.41	13.75	59.97	2.81	58	...
Jeyapore	13 00	13 6	10	10.63	10.79	1.35	6	28.27	30.05	9.00	5.35	15.56	10.68	1.27	...
6% C. P.	99 00	96 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	120 00	127 8	100	10.52	57.50	23.00	27	195.11	179.03	35.20	25.90	95.18	24.95	2.70	...
5% R. C. P	100 00	95 0cd	100	3.29	...	...	...	...	...	...	...	...	...	...	...
Deferred	130 00	160 0	10	2.87	...	...	...	...	...	...	...	...	...	...	...
Kirilampudi	41 00	36 8	100	11.59	...	9.58	-19.96	76.56	58.82	19.08	6.02	57.89	13.21	74	...
5 1/2% C. P.	87 50	82 0	100	5.90	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	101 8	100	34.00	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	10	20.00	...	...	-9.26	10.54	27.85	15.39	...	7.87	85	10	...
Modi Sugar	...	...	100	48.00	12.40	80	41	65.32	85.86	39.20	3.70	68.18	18.95	3.84	...
Ord. Share	9 00 N	...	10	14.40	...	...	...	...	...	...	...	...	...	...	...
Mohini	3 37	4 3	10	10.00	...	...	-3.87	65.57	42.61	8.39	...	36.66	7.09	21	77
Founders	...	...	1	25	...	...	...	...	...	...	...	...	...	...	...
5% C. P	70 00	111 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	...	5.00	...	...	...	...	...	...	...	...	...	...	...
Murree Brewery	...	...	10	24.00	6.13	2.00	-7.88	5.52	7.56	39	4.84	6.87	4.28	4.56	2.05
Mysore	38 50	44 0	10	21.79	62.50	23.75	2.63	112.92	140.89	83.32	22.52	104.68	40.21	3.86	4.76
Nawabganj	60 00	108 0	100	12.00	6.50	6.00	4.65	22.66	51.02	27.68	15.63	13.97	8.40	5.30	17
'B' Class	...	...	1	5.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	50	10.00	...	...	...	...	...	...	...	...	...	...	...
New India	23 50	39 0	10	7.89	16.50	5 47	1	65.34	34.95	19.36	16.83	51.93	21.54	98	...
5 1/2% R. C. P. T.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. R. P. P.	110 00	140 0	100	49	...	...	...	...	...	...	...	...	...	...	...
New Savan	4 62	6 2	10	11.00	2.50	1.70	25	4.06	43.92	25.89	1.07	...	36	5	...
Nizam Sugar	...	...	25	109.88	25.02	42.42	4	334.54	258.10	138.88	32.83	211.46	109.71	5.80	68.67
5% C. P.	...	...	25	12.00	...	...	...	...	...	...	...	...	...	...	...
4% C. P	...	...	25	23.79	...	...	...	...	...	...	...	...	...	...	...
Phaltan Sugar	152 00	148 0	50	50.00	40.51	16.00	94	76.01	109.71	63.85	2.03	78.99	40.62	15.50	52
Punjab Sugar	80 00	100 0	100	12.00	7.00	5.65	4.55	20.20	29.22	21.41	11.51	7.35	12.87	6.86	...
Purtalpo	10 19	17 10	10	9.00	2.00	17.65	21	22.22	43.99	31.54	150	30.15	13.85	13	...
10% C. P.	13 62	14 14	10	6.00	...	...	...	...	...	...	...	...	...	...	...
Ramnugger Cane	18 94	25 2	10	16.60	13.00	22.00	20	29.70	56.12	29.77	...	41.09	5.61	4.84	13.56
6% C. P.	94 50	100 8	100	4.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	500	5.95	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	3 00	4 4	10	11.75	4.08	9	-8.40	35.89	31.34	20.21	10	30.97	1.37	23	...
9% C. P.	...	...	100	39	...	...	...	...	...	...	...	...	...	...	...
Ravalpoon Sugar	127 50	...	50	20.00	11.00	25.27	68	41.30	95.61	56.01	14.35	84.38	2.71	1.21	...
5 1/2% Cum Pref.	65 00 N	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00 N	...	10	4.00	...	...	...	...	...	...	...	...	...	...	...
Debenture	...	...	500	20.00	...	...	...	...	...	...	...	...	...	...	...
Raza	17 25	...	10	20.00	39.50	5.52	3	25.49	45.46	19.83	21.72	34.37	8.30	43	...
Ryam	21 75	22 0	10	8.00	1.50	4.61	13	49.17	28.73	22.67	3.54	58.25	2.80	24	...
6% C. P.	8 50	9 5	10	8.00	...	...	...	...	...	...	...	...	...	...	...
Samatipur	11 75	13 0	10	11.99	5.70	13.68	4	60.34	44.85	24.12	1	55.05	15.21	40	...
Shree Anand	10 25	10 8	10	20.00	...	...	...	20.89	47.23	16.15	19.10	13.95	3.79	28	...
Debentures	...	...	12 1/2	5.00	...	...	...	...	...	...	...	...	...	...	...
Shree Chandeo	28 56	...	10	15.00	25.79	11.29	33	41.45	69.56	43.15	8.77	43.69	11.71	6	3.24
Shree Krishna Gyanodas	9 00	11 9	10	39.71	19.00	3.68	16	163.86	140.85	68.35	7	149.05	31.63	1.05	5.11
6% A' Pref.	85 00	100 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	75 00	80 0	100	12.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...

MILLS—Contd.

[illegible]

(f) Pref. dividend for two years ended 30-6-1986.
(g) After transferring Rs 1,78,128 Div Equal Fund.
(h) After writing back Rs 1,76,800 being provision for liabilities no longer required.
(i) After writing back Rs. 61,519 being provision for taxation no longer required.
(j) After transferring Rs. 1,07,098 from provision for taxation.
(k) After transferring Rs. 1,00,000, from Renovation and Renewals Reserve

COMPANIES

[illegible]

ELECTRIC

NAME	Managing Agents/Secretaries	LATEST		PREVIOUS		Managing Agents' alloumces and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second Previous
		000's	Rs. 000	000's	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
Disbargarh Power	Andrew Yule & Co. 5% 'A' C. P. 4½% 'B' C. P.	...	47.30	...	41.09	84	3-57	8.89	6.76	6½	6	6
Ellore Elec. Supply	Chandrie & Co.	1,608	3.20	14.65	2.91	14	3-54	68	63	7½	7½	6½
Gowrapore Elec. Supply	Macneill & Barry 4% Debentures	...	55.84	...	45.12	1,16	3-57	11.88	8.86	7½	5	5
Gudivada Elec. Supply	Medelec Engineering Co.	...	1.66	...	1.18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Moona Lal & Sons 6% Debentures	27.23	9.42	21.85	7.82	32	12-53	1.47	1.38	6½	8½	8½
Jorhat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1.37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	M. B. Burn Ltd. 6% Debentures	28,096	28.69	24,320	28.19	...	3-57	(b) 6.05	(a) 8.28	9½	9½	9½
Kanadukathan	Directors	...	1.93	...	2.14	...	3-56	82	88	3	3	3
Karaikal Elec. Supply	A. S. Ahil	8.04	1.56	7.34	1.43	11	3-56	61	59	7	7	6
Kumbakonam Elec. Supply	India Company 6% Cum. Pref.	67.61	9.53	56.98	8.17	44	12-55	3.46	2.88	8½	8½	7½
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36.50	10.02	34.22	9.37	42	3-56	2.36	1.44	10	10	10
Mirzapur Elec. Supply	Octavius Steel & Co.	21.92	6.26	15.41	4.67	22	3-57	1.17	98	10	5½	5½
Mozufferpore Elec. Supply	Octavius Steel & Co.	37.61	12.20	25.04	8.11	11	12-56	3.11	1.92	10	nil	nil
Muttra Elec. Supply	Directors	36.26	6.41	31.87	5.39	...	3-56 H	1.62	1.23	7	6	6
Nasik Deolali	Rajputana Textiles Agency 7% Cum. Pref.	57.60	14.66	51.34	12.96	64	12-56	3.45	3.75	10	9½	10
Nagapatam Elec. Supply	India Co. Private Ltd. 6% C. P. 4½% Debentures	39.85	3.89	35.97	3.74	24	12-55	1.23	1.14	8½	8½	5
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	390.21	49.19	294.98	36.85	1,04	12-56	15.96	10.20	10	7½	7½
Poona Electric	Rajputana Textiles Agencies pri. 7% Cum. Pref. 6% Debentures	66,152	51.52	61,357	49.17	1,14	12-56	11.82	12.68	10	10	10
Saharanpur	Elec'l. Development Corp. Partly Paid	...	5.67	...	...	22	3-55	92	75	7½	9	9
Salom Erode Elec'ty	Octavius Steel & Co. 6½% R. C. P.	221.71	20.02	234.87	17.82	42	3-57	4.55	4.07	10	10	10
Saugor Elec'ty Supply	Martin Burn Ltd.	1,906	6.21	1,359	4.42	20	3-57	1.01	65	6½	6½	6½
Shahjahanpur Elec. Supply	Octavius Steel & Co.	35.64	10.07	23.54	6.62	18	3-57	1.77	1.08	6½	5	5
Shilong Hydraulic	Development of Industries Partly Paid	...	6.00	...	5.31	40	6-55	2.20	2.04	6	6	6
Sijua (Beriah) Elec. Supply	Bird & Co. Ltd. 5% Debentures	85,273	45.76	908.03	48.64	96	12-55	4.24	5.27	7½	7½	7½
South Arcot Elec'ty	Directors 6% C. P. 5½% C. P.	21,265	17.88	17,425	14.27	...	12-54	3.66	2.72	6½	6½	6½
South Madras Electric	Seshasayee Bros Private Ltd. 5½% 1st C. P. 5½% 2nd Pref. 4% Debentures 4½% Debentures 5% Debentures 5½% Debentures	855.21	53.96	815.12	55.91	52	3-56	14.06	15.56	9	9	7½
Surat Elec'ty Co.	Killick Industries Ltd. 6½% C. P.	28,247	46.66	23,619	40.01	1,15	12-54	9.28	7.36	7	7	7
Tata Hydro Electric	Tata Hydro. Elec. Agencies Pri. 7% C. P. T.	230,313	72.49	271,331	86.58	3,49	3-57	36.46	47.37	5,625	7½	7½
Tata Power Co.	Tata Hydro. Elec. Agencies Pri. 7½% C. P. T. 4% Debentures 4% Debentures	562,908	179.94	715,472	222.90	7,96	3-57	77.87	108.53	5,625	7½	7½
Tinnevely Tuticorin Elec...	Octavius Steel & Co. 6½% R. C. P.	168.44	14.88	169.61	12.59	27	3-57	3.37	3.24	10	10	10
United Provinces Elec.	Martin Burn Ltd. 4½% Debentures	729.95	86.00	661.19	81.14	2,74	3-56	(a) 24.03	21.25	10	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,960	20.76	8,139	13.34	79	3-57	2.87	2.16	12½	9½	8½
Upper Jumna Valley	Martin Burn Ltd.	104.30	19.02	89.48	15.41	74	3-56	2.87	2.00	12½	12½	12½
Vellore Elec. Corpn.	Chandrie & Co. Private 6% C. P.	106.03	9.24	87.02	7.68	37	3-56	2.77	1.95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5½% C. P.	116.22	10.92	120.77	11.89	58	3-53	2.60	2.51	10	10	7½

(a) After transferring Rs 69,000 from Deferred Taxation Reserve.
 (b) After transferring Rs 1,09,846 from Tariff and Dividend Control Reserve and Rs 44,000 from Defd. Taxation Reserve.
 (c) After transferring Rs 3,814 from General Res. (b) After transferring Rs 8,80,000 from Dividend Control Reserve.
 (d) After transferring Rs 90,000 from provision for other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

COMPANIES—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Green Book	Depreciation	LIQUID ASSETS				
	January 1958	January 1957			General	Other	Carry Forward				Invest- ments	Stocks and Shares	Outstand- ings	Cash	Other
	Rs. n. p.	Rs. s.													
Disbargarh Power ...	81 50	100 0	100	43.20	14.00	1.50	8.29	15.84	91.91	32.18	36.28	8.14	6.43	10	15
5% 'A.C.P.	74 50	98 0	100	16.00	...	...	...	...	...	...	...	...	...	...	...
4½% 'B.C.P.	84 00	88 8	100	12.00	...	...	...	...	...	...	...	...	...	...	...
Ellore Electric Supply ...	11 25cd	11 10	10	3.00	...	37	4	2.33	6.26	1.73	18	75	61	67	1
Gowrapore Electric Supply ...	...	...	100	50.00	14.50	10.69	94	40.87	172.10	49.39	3.64	5.63	10.46	32	22
4% Debenture	840 00	855 0	1000	25.00	...	3	3	1.03	2.01	62	6	23	38	18	...
Gudivada Electric Supply ...	71 00	71 0	100	1.18	...	...	...	...	...	...	...	...	...	...	...
Jhansi Electric Supply ...	8 50	8 8	10	5.35	...	29	3	9.71	21.44	9.16	5	2.98	4.18	25	...
5% Debentures	8 0 80 N	950 0 N	1000	3.80	...	...	...	...	...	...	...	...	...	...	...
Jorhat Electric Supply ...	8 00 N	8 0 N	10	2.50	...	8	—17	1.48	5.88	2.44	...	32	82	17	1
4% Cum Preference	90 00 N	90 0 N	100	50	...	...	...	...	...	...	...	...	...	...	...
6% Debenture	...	...	...	35	...	...	...	...	...	...	...	...	...	...	...
Jubbulpore Electric Supply ...	11 25	14 5	10	22.50	10.75	10.14	27	32.36	77.90	35.59	1.47	6.75	8.15	1.49	15.85
Kanadukathan ...	...	...	500	5.00	...	1	10	2.14	8.92	4.35	57	81	62	11	56
Karaikal Electric Supply ...	9 30	9 8	10	2.10	...	35	68	79	3.12	97	...	42	57	71	8
Kumbakonam Elec. Supply ...	11 05	11 12	10	12.49	12	2.05	5	16.05	36.34	9.60	61	2.49	2.24	1.19	...
6% Cum Pref.	8 90	9 8	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Mangalore Electric Supply ...	15 50	14 8	10	5.60	28	3.09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	...
5% Debentures	477 50	477 8	500	1.37	...	...	...	...	...	...	...	...	...	...	...
Mirzapur Electric Supply ...	8 10	10 0	9	4.95	93	1.31	31	3.56	12.21	5.58	15	2.10	1.02	1.16	...
Mozufferpore Elec. Supply ...	8 12cd	7 4	10	5.82	1.83	77	45	17.62	19.06	10.28	23	2.56	2.66	1.39	85
Muttra Electric Supply ...	8 81	9 3	10	7.80	60	1.06	15	5.92	14.28	6.97	1.33	1.62	1.63	2.77	...
Nasik Deolali ...	...	...	100	11.68	...	5.37	...	8.17	37.33	11.24	1.41	3.93	2.25	2.12	...
7% Cum Pref.	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
6% Debenture	...	...	...	10.00	...	...	...	...	...	...	...	...	...	...	...
Nagapatam Electric Supply ...	10 10	10 12	10	3.98	...	52	2	3.82	11.15	3.61	22	86	1.13	80	...
6% C. P.	8 65	9 9	10	1.00	...	...	...	...	...	...	...	...	...	...	...
1½% Debentures	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Patna Electric Supply ...	11 00	11 12	10	35.07	13.68	20.05	2.46	27.63	124.23	47.63	6.89	10.79	14.23	10.50	...
5% Debentures	450 00	477 8	500	20.00	...	...	...	...	...	...	...	...	...	...	...
Poona Electric ...	120 00	130 0	100	48.89	51	28.66	1	39.51	128.62	48.22	22.92	5.96	9.78	8.97	...
7% Cum Pref.	103 60	168 0N	...	8.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Saharanpur ...	105 60N	100 0N	100	3.62	...	31	1	4.23	7.87	3.94	1.57	86	1.23	53	19
Partly Paid	...	...	10	14	...	...	...	...	...	...	...	...	...	...	...
Salom Erode Electricity ...	12 75	13 2	10	8.80	5.50	3.91	32	19.44	42.20	14.07	2.12	5.13	3.67	2.92	...
6½% R. C. P.	10 78	10 2	10	4.00	...	...	...	...	...	...	...	...	...	...	...
Saugor Electric Supply ...	...	...	10	3.00	94	62	2	6.65	6.24	3.16	19	1.97	40	46	513
Shahjahanpur Elec. Supply ...	6 81	7 4	10	9.10	89	83	53	3.10	14.89	9.25	1.32	4.06	2.19	10.9	15
Shillong Hydraulic ...	4 84	6 0	9	7.73	1.66	1.56	60	9.11	21.61	9.00	21	53	3.02	88	3.40
Sijua (Beriah) Elec. supply ...	16 75	11 2	10	16.80	2.51	6.39	19	13.53	66.49	39.42	1.72	7.16	8.17	8.06	3.04
5% Debentures	910 00	960 0	1000	13.80	...	...	...	...	...	...	...	...	...	...	...
South Arcot Electricity ...	...	...	100	16.74	1.10	88	15	36.27	53.94	13.65	3.19	5.57	2.91	1.01	6.15
6% Cum Preference	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
5½% Cum Preference	12 50	11 8	10	56.00	2.00	2.07	8	79.05	163.34	46.76	17.23	14.51	29.00	1.62	4.32
South Madras Electric ...	9 37	10 0	10	22.00	...	...	...	...	...	...	...	...	...	...	...
5½% 1st Cum Preference	9 47	10 2	10	8.00	...	...	...	...	...	...	...	...	...	...	...
5½% 2nd Cum Preference	90 00	90 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	100	4.64	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	93 50	94 8	100	1.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	95 00	97 8	100	2.00	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	112 0	112 8	100	51.24	4.00	10.16	3	33.51	102.68	30.46	1.25	18.56	8.60	2.23	1.09
Surat Electric Co.	108 00	108 2	100	5.00	...	...	...	...	...	...	...	...	...	...	...
4% Cum Preference	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tata Hydro Electric ...	113 25	124 0	100	239.38	47.74	21.65	36	206.82	544.60	152.88	44.08	23.83	36.46	10.18	99.37
7% C. P. T.	104 00	111 14	100	89.28	...	...	...	...	...	...	...	...	...	...	...
Tata Power Company ...	112 25	1235 0	1000	515.31	94.51	98.39	30	413.55	1327.36	294.58	34.63	72.32	92.36	46.01	228.68
7½% C. P. T.	1000 00N	1135 0	1000	86.97	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	850 00N	...	...	47.73	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	12 75	13 0	10	9.70	2.68	3.80	19	14.98	37.47	13.23	2.12	4.61	3.52	1.38	...
6% R. C. P.	9 68	10 2	10	4.50	...	...	...	...	...	...	...	...	...	...	...
United Provinces Electric ...	115 00	147 0	100	56.00	16.90	42.96	81	89.55	279.77	117.35	7.25	23.28	20.29	8.36	8.62
4½% Debentures	90 00	95 0	100	30.00	2.40	1.30	9	16.55	19.61	8.74	...	6.88	3.61	4.12	5
Upper Ganges Valley ...	12 31	13 9	10	5.98	3.80	2.93	34	19.82	19.87	8.18	1.27	5.77	9.36	3.43	18
Upper Jumna Valley ...	16 25cd	16 14	10	4.98	...	...	...	...	...	...	...	...	...	...	...
Vellore Elec. Corporation ...	13 00	13 12	10	4.00	48	1.57	1.45	16.94	24.17	6.57	63	2.46	2.16	2.76	9
6% Cum Preference	7 55	8 1½	10	1.25	...	...	...	...	...	...	...	...	...	...	...
West Coast Electric ...	13 50	13 0	10	10.00	...	1.67	52	15.16	26.59	6.42	45	3.25	2.68	1.41	1.90
½% Cum Preference	7 37cd	7 10	10	2.50	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents, Agents/Secretaries	CROP HARVESTED			Sales Rs. 000	Stock Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs.	Coffee 000 Cwts.	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest %	Previous %	2nd Previous %
Alageswar Amalgamated Office	Ramani & Co. Parkins Private Ltd. 6% Cum. Pref. 5 1/4% Debentures	3.61			6.71	4.62	13 3	6-57 3-56	2.02 3.22	2.64 —24	10 nil (a)	15 nil nil	15 nil nil
Anandam	A. V. George & Co. 7% C. P. 6% Debentures		2.15		2.08	1.07	11	12-52	1.09 10	1.09	15 7	15 7	7
Anapalai	Associated Planters Private 6% Debentures		6		7.12	9.41	37	6-56	3.64	2.12	25	14 1/2	15
Arthala	R. N. Kapur & Co. Ltd. 6% C. P.	3.40			9.25	70	18	6-55	1.69	50	nil nil	nil nil	nil nil
Athimattam	M. Sebastian 6% Debentures			62	89	3		2-56	34	24	5	3 1/2	3 1/2
Bababudin	A.V. Thomas & Co. (Mysore) 6% C. P.		1		3.32		8	6-55	37	2.35	17 1/2	15	7 1/2
Badra	Young India Agencies Private 7 1/4 R. C. P.		3		4.18	3.89	23	5-57	2.15	1.58	17 1/2	15	10 1/2
Balanoor	Young India Agencies Private 7 1/4% C. P.	4.30	2	39	13.49	3.36	46	3-57	4.54	4.71	17 1/2	25	25
Balmadies	Planting Agencies Pri 6% C. P.		2		2.87		11	5-56	73	58	10	15	12 1/2
Be Be	Mg. Director 6 1/4% C. P. T. 6 1/4% R. C. P. T.			3.17	5.67	30		3-56	1.35	94	6	6	6
Blue Mountain	Kothari & Sons Agencies Pri...	10.62	14		50.38		1.38	6-57	13.07	12.18	12 1/2	15	20
Chandramalai Chembra Peak	Directors Peirce Leslie & Co. Ltd.	2.83 13.80	1		27.78	6.44	66	6-56 3-57	1.39 8.73	4.21 3.87	15 20	45 10	20 25
Cochin Malabar	Peirce Leslie & Co. Ltd. 7% C. P.			17.65	37.70		83	2-57	11.07	13.50	15	20	15
Coffee Lands	Consol Coffee Estates 5% C. P. 5% Debentures				31.21		18	6-56	17.67	9.21	25	18	25
Consolidated Coffee	Mg. Director 6% C. P. 5 1/4% Debentures				69.31	2.91		6-56	35.42	25.39	20	22 1/2	17 1/2
Coonoor Tea	Matheson Bosanquet & Prvt. Co. 6% C. P.	3.22			7.90	1.53	12	9-56	1.37	1.55	17 1/2	25	45
Coorg Tea	Parkins Private Ltd. 6 1/4% R. C. P.	3.09			6.83	95	32	3-55	3.34	2.03	25	15	10
Cottanad Plantations	Directors 7 1/4% C. P. P.	1.21		53	6.63			3-57	4.00	1.40	17 1/2	15	17 1/2
Cowcoody	Peirce Leslie & Co.		2		4.42	51	7	6-56	2.92		50		
Devashola	Mg. Director Young India Agencies Private 7 1/4% C. P.	3.39 2.78	1		6.84 7.70	1.52	20	12-55 3-57	2.86 2.09	5.15 2.05	25 17 1/2	40 25	25 25
Emerald Valley	Parkins Private Ltd.	1.18			2.57	60	11	12-54	1.67	1.02	30	25	15
Gokal Rubber	Young India Agencies			68	1.22	23	8	12-55	69	61	10	9	6 1/2
Haileyburia	Parkins Private Ltd. 5% C. P. 5 1/4% Debentures	16.04			21.42	12.59	94	12-55	9.07	14.89	25	25	25
Highland	A. V. Thomas & Co. 6% C. P.	10.18			21.08	2.44	68	12-55	6.57	11.76	20	25	12 1/2
Kadur	Young India Agencies Private 6 1/4% C. P.				98	85	4	5-57	33	33	7 1/2	7 1/2	6 1/2
Kalais	A. V. George & Co. Peirce Leslie & Co. 7% Debentures	3.11		4.86	5.05	1.10	15	2-53 3-56	3.20 1.25	3.30 4.92	25 10	15 15	7 1/2 10
Kalpetta	A. V. Thomas & Co. E. I. Agencies Private 6% Cum Pref 5% Debentures	2.63		3.19	10.98	1.81	32	4-56 12-55	2.66 97	2.84 81	20 12	27 1/2 9	25 9
Karikode Rubber			1.42		1.97	78	7				6	6	6
Kil Kotagiri	Peirce Leslie & Co. 6% C. P.	3.42			22.99	3.20	41	10-56	9.21	4.07	20	20	30
Kumergode	Peirce Leslie & Co. Ltd. 7 1/4% Debentures		2		4.91		7	10-56	88	2.16	20	20	10
Kurchermal	Ipe Oommen & Co. Pr. Ltd. 6 1/4% Cum Pref.	1.69	6 1/2		3.27	72	14	3-57	1.34	78	7 1/2	6 1/2	7 1/2
Malabar Agricultural Co.	Vimsons Ltd. 6% C. P. 5% Debentures	3.05			7.37	1.75		12-55	1.39	2.88	10	7 1/2	5
Malabar Industrial	Mg. Director Johnson's Estates & Agencies Vasantha & Co.			3.09 6.86	5.60 11.16	38 60	46	2-56 3-56	2.22 5.95	25 3.89	25 12 1/2	20 22 1/2	30 22 1/2
Manar	Associated Planters Private 6% Preference	88		2.32	2.87	1.62	19	6-56	1.23 1.17	45 1.05	15 22 1/2	15 15	15 6
Midland	A. V. Thomas & Co Ltd 6% C. P.	12.47		11.30	38.28	2.69	60	3-56	12.52	21.88	20	25	17 1/2

(a) Arrears of Preference dividend from 1-8-1947 to 31-3-1956 at the rate of Rs. 5.85 per preference share amounting to Rs. 2,14,000, will be paid by the issue of one new preference share for every two preference shares already held, and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreci- ation	LIQUID ASSETS				
	January 1958 Rs. np.	January 1957 Rs. a.			General Rs. 000	Others Rs. 000	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Alageswar	2 58	3 2	2	6.00	5.25	...	26	5.90	13.39	3.25	51	2.59	3.03	95	...
Amalgamated Office	10 50	11 14	10	4.50	...	...	8	4.11	12.85	1.11	...	5.77	41	1	...
6% C. P.	7 40	9 0xd	10	4.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	500 00	500 0	500	4.75	...	...	...	...	...	...	...	...	...	...	...
Anandam	14 12	21 0	10	2.50	...	35	28	1.36	6.31	26	72	1.18	1	24	...
7% C. P.	9 90	10 11	10	2.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	101 00	101 0	100	1.23	...	...	...	...	...	...	...	...	...	...	...
Anapalai	5 00	4 4	2	9.06	5.30	...	29	12.60	15.81	1.26	2.59	9.99	3.70	27	...
6% Debentures	97 50	97 8	100	3.84	...	...	...	...	...	...	...	...	...	...	...
Arthala	4 00	4 0	5	3.00	11	1.20	44	8.55	7.70	98	6.03	1.06	1.34	16	...
5% C. P.	9 20	9 3xd	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Athimattam	1 04	1 3 1/2	2	3.25	...	50	3	55	3.70	17	...	5	49	27	...
Bababuddin	10 25xd	11 4	5	2.00	1.75	1.00	9	92	5.56	46	...	2.15	5	1.47	...
6% C. P.	8 56	9 24	10	3.00	...	...	...	...	...	...	...	...	...	...	...
Badra	3 00	3 11	2	4.25	1.50	1.02	63	2.45	6.91	47	12	2.93	16	1.70	...
74% C. P.	10 12	9 10	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Balanoor	14 75	18 12	10	10.99	3.76	1.60	10	5.35	14.97	2.28	21	4.07	1.98	5.35	...
74% C. P.	11 00	11 0	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Balmadies	2 87	3 5	2	3.00	75	85	23	93	3.92	31	24	10	1.67	89	...
6% C. P.	9 00	10 2	10	75	...	...	...	...	...	...	...	...	...	...	...
Be Be	2 90	4 7	5	8.66	...	2.87	2	2.34	12.66	...	4.56	51	44	2	...
61% C. P. T.	3 13	3 5	5	1.43	...	...	...	...	...	...	...	...	...	...	...
64% R. C. P. T.	6 64	7 1	10	2.86	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	2 93	5 5	2	52.50	5.00	10.00	89	16.95	68.42	9.73	11	5.07	13.78	7.68	...
Chandramala	2 78	4 7	2	5.50	6.00	80	30	2.38	11.37	1.88	52	1.93	1.29	1.65	...
Chembra Peak	2 82	3 15	2	9.33	12.00	...	50	7.47	22.50	6.54	1	8.95	35	4.14	...
Cochin Malabar	4 15	9 6	3	17.94	24.50	...	72	16.00	52.61	5.60	...	11.09	1.26	93	...
7% C. P.	50 00	58 8	50	1.13	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	27 90	24 2	10	18.00	16.00	5.50	1.87	18.87	36.05	7.12	56	24.14	13.02	6.97	...
5% C. P.	83 00	88 0	100	10.41	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	3.00	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	22 75	19 6	25	7.55	36.25	9.63	1.12	41.96	116.23	25.14	13.11	53.79	15.20	15.81	...
6% C. P.	23 75	28 6	25	18.75	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	500	10.00	...	...	...	...	...	...	...	...	...	...	...
Coonoor Tea	17 50	25 4	10	3.78	3.10	1.35	7	4.71	20.59	91	3	2.06	50	20	...
6% C. P.	103 87	109 14	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	10 60	11 8	5	4.06	1.00	4.25	1.02	2.32	7.84	1.43	11	1.81	3.40	3.37	...
64% R. P.	4 50	5 1	5	2.50	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	12 06	18 4	10	4.00	1.00	5.16	7	4.26	3.58	51	...	2.05	4.59	24	...
74% C. P. P.	10 55	13 6 1/2	10	1.00	...	...	...	...	...	...	...	...	...	...	...
Cow Coody	7 15	7 14	2	2.55	2.50	...	75	1.97	1.51	35	1.49	2.88	14	2.08	...
Devashola	19 00	22 4	10	6.00	3.75	1.41	12	4.15	10.41	2.16	106	93	17	4.75	...
Devon	17 25	17 6	10	4.48	2.52	1.05	49	2.63	8.93	1.57	10	2.02	1.21	2.49	...
74% C. P.	104 00	110 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	6 65	7 6	2 1/2	1.75	1.75	1.65	62	92	3.35	49	1.00	78	19	1.87	...
Gokul Rubber	1 75	2 3	2	4.50	20	...	1	1.04	3.23	11	1.30	25	15	92	...
Haileyburia	16 12	23 0	10	12.50	8.50	9.00	37	14.40	31.56	4.96	4	14.81	1.65	6.46	...
5% C. P.	70 00xd	85 12	100	2.50	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	1000 00	1000 0	1000	2.38	...	...	...	...	...	...	...	...	...	...	...
Highland	11 83	13 14xd	10	18.00	4.81	5.15	47	8.45	25.80	4.94	2.61	4.25	1.85	10.30	...
6% C. P.	9 27	9 11 1/2	10	3.00	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 85	3 0	2	1.20	17	...	4	51	1.42	2	...	62	3	37	...
61% C. P.	7 16	7 13	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalais	3 75xd	5 3	2	6.00	6.00	...	38	3.24	12.44	46	...	2.08	10	1.38	...
Kalasa	13 00	14 2	9	5.40	5.60	56	73	3.18	11.74	1.10	41	2.08	65	4.57	...
7% Debentures	502 50	515 0	...	3.00	...	...	...	...	...	...	...	...	...	...	...
Kalpetta	18 25xd	24 4xd	10	4.00	9.53	1.41	5	4.65	18.32	2.21	23	2.57	46	25	...
Karikode Rubber	10 25	14 0	10	2.00	...	1.27	7	1.38	5.07	25	...	87	6	1.32	...
5% Cum Pref.	8 30	9 4	10	1.50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	100 00	100 0	...	1.00	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	5 25	6 5	2	8.59	8.25	...	27	9.00	25.36	3.16	25	40.1	3.23	1.39	...
6% C. P.	9 57	10 4	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Kumergode	6 70	6 14	2	2.00	1.50	60	37	1.35	5.69	64	...	98	4	93	...
74% Debentures	502 50	500 0	500	2.40	...	...	...	...	...	...	...	...	...	...	...
Kurchimala	6 25	8 12	10	3.45	...	3.20	3	2.05	9.25	59	1	9	1.01	26	...
61% Cum Pref.	7 75	8 6	10	1.30	...	...	...	...	...	...	...	...	...	...	...
Malabar Agricultural Co.	8 75	11 10	10	5.00	1.80	1.00	1	5.20	16.89	1.41	2	2.36	1.13	2	...
6% C. P.	16 56	16 9	20	5.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	13 75	23 0	10	4.50	61	1.96	4	4.84	6.05	17	56	73	1.80	2.98	...
Malankara	15 00	28 12	10	9.00	4.75	2.89	...	6.63	19.20	2.78	...	1.18	2	5.64	...
Manar	2 67	2 11	2	3.50	40	37	41	1.42	3.27	12	...	1.03	95	97	...
Mercara Rubber	7 85	9 4	5	3.25	2.50	...	22	2.67	7.08	4	...	1.92	1.95	24	...
6% Preference	8 91	9 8	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Midlands	15 00	17 12	10	27.00	16.60	14.51	1.07	15.47	77.71	8.84	3.47	7.18	2.81	9.52	...
6% C. P.	8 12	9 14	10	17.20	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIAN

NAME	Managing Agents Agents/Secretaries	CROPS HARVESTED			Sales Rs. 000	Stock Rs. 000	Managing Agents Allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Previous	2nd Previous
		000 lbs.	000 Cwts.	000 lbs.					Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Miamalloy	Directors 74% C. P.	4.02	...	...	7.36	89	...	3-57	2.26	2.38	18	25	75
Mysore Coffee	Pavan & Co. 7% Debentures	...	...	...	3.58	...	12	6-55	42	1.20	74	74	74
Mysore Plantations	Mg. Director 6% C. P.	1.29	...	...	3.37	1.51	...	3-56	1.18	1.49	6	74	6
Neelemalai	A. V. Thomas & Co. 5% C. P.	12.65	...	...	28.55	9.23	80	6-55	13.3	19.58	174	174	12
Nelliampathy	A. V. Thomas & Co. Ltd. 6% C. P.	7.60	...	75	16.07	2.28	48	6-56	3.63	8.96	10	25	124
Nelliathanam	Directors 7% C. P.	228	5*	67	...	...	...	3-52	57	65	74	74	64
Nemmeny	A. V. George & Co. 7% C. P.	...	...	4.66	5.70	2.30	22	12-52	1.69	2.21	64	7	64
New Glen Morgan	Ramu & Co. Private Associated Planters (Private)	4.15	...	1.64	5.86	78	23	12-55	94	2.21	nil	nil	nil
Nilambur	6% C. P. Debentures	...	...	...	3.19	63	9	12-55	86	8	15	10	10
Nilgiri Tea	A. V. George & Co. 64% C. P.	3.45	...	...	7.87	1.29	12	3-53	1.49	2.58	124	15	15
Nonsuch Tea	Harrisons & Crosfield	8.20	...	...	16.90	...	...	6-53	7.38	7.85	33	35	494
Ouchterlony	Pearce Leslie & Co.	9.30	6	...	36.94	7.19	50	10-56	(a)3.62	10.07	10	20	30
Panchura	Directors	2.05	64	...	...	...	...	6-56	1.13	1.08	30	40	30
Parkside	Math. Bosanquet & Co. Aspinwall & Co. (Trav.) Ltd.	5.61	...	...	16.07	2.28	48	6-56	6.00	6.27	15	25	25
Pannam	6% C. P.	18.88	...	...	32.68	...	37	12-56	11.77	9.84	374	35	55
Periakaramalai	Directors	...	31*	2.26	5.66	7.97	...	2-54	3.55	2.16	30	15	20
Pariyar & Pareekanni	Pearce Leslie & Co. Ltd.	41.27	...	...	94.65	8.55	2.68	3-57	33.42	40.11	35	45	45
Pullangode	E. I. Agencies Private Ltd. 74% R. C. P.	...	...	3.23	5.11	1.46	15	12-56	1.64	...	12	...	...
Puthuthottams	64% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Rajagiri	Aspinwall & Co. Ltd. 6% C. P.	...	...	6.12	9.53	1.32	16	3-57	3.23	3.49	5	15	174
Rajendra Coffee	Ruby & Co. Private	1.77	...	13*	15.35	...	72	3-56	6.82	7.62	10	15	10
Savamalai	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	13.70	21.01	1.39	111	6-56	10.20	8.88	25	20	174
Shanay	Associated Planters Private 6% Cum. Prof.	...	2	...	3.56	2.37	13	3-57	1.21	1.40	25	20	15
Shanay Amalgamated	54% Radeen Cum. Prof. 6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Talayor Tea	Pearce Leslie & Co. A. V. Thomas & Co. (India) Ltd.	...	2	...	7.26	56	6	11-56	1.37	1.19	15	10	25
Tesko	A. V. Thomas & Co. (India) Ltd. T. Stanes & Co. Ltd.	...	...	...	1.17	8.36	28	6-56	3.27	1.20	10	74	74
Thamarapally	54% Debentures	...	...	...	8.64	1.29	57	6-56	4.99	3.98	134	184	15
Thirumbadi	Parkins (Private) Ltd. 6% C. P.	8.88	...	...	14.48	4.67	48	3-56	4.56	7.36	124	164	124
Travancore Rubber	East India Agencies Private 6% C. P.	...	...	...	5.32	97	16	3-57	1.72	2.30	6	9	9
Trav. Rubber & Tea	54% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Tropical Plantations	A. V. George & Co. 7% C. P.	...	...	2.29	2.14	1.14	18	12-52	1.39	1.41	25	35	64
Twiford	Pearce Leslie & Co. 74% Debentures	...	...	8.14	11.10	1.86	11	9-56	3.63	1.79	124	64	64
Udayagiri	Directors Aspinwall & Co. (Trav.)	...	...	5.43	5.55	1.57	...	12-54	2.69	2.60	20	20	20
United Nilgiri	Aspinwall & Co. (Trav.) 6% C. P.	8.90	...	...	10.32	6.29	40	12-56	8.09	14.16	74	124	15
Vaikundam	Directors Parkins Private Ltd.	4.57	...	6.42	17.93	2.40	56	12-56	5.48	5.49	12	16	20
Vayitri	A. V. George & Co. 7% C. P.	9.70	...	1.56	2.87	62	3	12-52	—7	64	nil	nil	...
Velamalai	64% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Waterfall	T. Stanes & Co.	12.95	...	...	27.73	2.40	91	3-56	10.88	13.90	20	35	23
Woodcote	Harrisons & Crosfield Young India Agencies Private	...	...	4.14	5.07	1.32	11	12-52	2.87	2.89	20	20	124
Woodlands	54% Debentures	...	...	...	1.60	9	10	3-56	53	1.05	9	9	6
	Ooppotttil Kurian & Co. (Pri.) 7% C. P.	...	...	4.55	6.80	1.12	29	2-57	2.41	2.62	124	15	10
	6% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
	Kothari Mehta & Co. Private 6% R. C. P.	9.60	...	...	49.01	2.01	20	6-57	21.46	10.09	124	15	20
	Goodall & Co. 64% C. P.	88	...	...	1.79	15	8	6-57	30	18	9	6	12
	6% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
	Directors 64% C. P.	48	...	2.89	7.69	1.54	...	3-57	2.73	66	10	124	20
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...

*Cardamom (in lbs.).

(a) After transferring Rs 1,94,598 from General Reserve and writing back Rs 60,000 being surplus provision in previous years.

*Busaba.

February 8, 1958

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PLANTINGS—(Contd.)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1958	January 1957			General	Others	Carry- forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
	Rs. np.	Rs. s.													
Miamalloy	29 50	45 0	25	3.00	...	1.44	4	2.32	6.77	2.05	77	1.06	73	2.52	...
74% C. P.	25 87	27 4	25	3.00	...	...	...	...	...	...	...	...	...	...	...
Mysore Coffee	2 85	2 10	2	6.00	75	...	54	1.99	7.81	43	...	1.80	6	5	...
7% Debentures	...	...	500	3	...	...	3	2.44	9.26	1.15	...	1.70	1.42	8	...
Mysore Plantations	1 55	1 13	2	5.00	95	40	3	2.44	9.26	1.15	...	1.70	1.42	8	...
6% C. P.	7 91	7 14½	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Neelemalai	4 46	6 3	5	36.00	6.75	12.70	47	17.61	61.65	9.71	1.48	9.74	5.07	23.31	...
5% C. P.	6 12	7 14	10	18.00	...	...	...	...	...	...	...	...	...	...	...
Nelliampathy	2 57	3 5	2	12.00	2.30	2.30	5	8.83	23.43	4.22	11	4.19	1.74	4.71	...
6% C. P.	8 85	9 7½	10	4.50	...	...	...	...	...	...	...	...	...	...	...
Nelliathanam	13 00	13 0	10	1.90	...	...	19	4.42	4.40	11	1.03	24	50	54	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nemmeny	14 25	20 10	10	3.35	50	1.00	31	3.09	13.49	1.12	...	2.61	21	6	...
7% C. P.	9 60	10 12½	10	3.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	502 8	500	4.00	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	...	2	6.50	2.00	3.02	4	3.48	11.68	1.30	82	1.09	1.51	1.11	...
Nilambur	13 25	16 0	10	2.00	1.20	1.49	5	1.50	5.24	51	...	80	49	62	...
6% C. P.	8 06	8 10½	10	2.00	...	...	...	...	...	...	...	...	...	...	2.59
Debentures	98 00	100 0	...	1.00	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	8 35	9 4	10	5.63	1.50	1.50	13	2.14	15.16	1.96	1	1.86	71	2.90	...
64% C. P.	4 25	5 4	5	2.80	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	500 0	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Nonsuch Tea	19 30	22 8	10	16.50	...	10.90	19	6.35	24.18	3.64	4.68	5.05	55	3.12	...
Ouchterlony	5 04	4 9	2	19.46	17.05	5.00	—76	9.03	43.87	14.24	3.49	10.06	78	5.82	...
Panchura	3 20	4 8	1	1.50	1.50	...	23	1.12	2.09	12	1.03	84	11	40	...
Parkside	15 50	16 7	10	13.54	3.50	11.82	1.16	6.73	27.87	2.43	...	4.95	43	5.93	...
Pearmade	19 20	29 8	10	17.00	...	9.79	1.55	18.45	32.68	10.68	10.56	11.91	2.50	1.33	...
6% C. P.	94 50	101 0	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Pannam	19 50	28 8	10	6.00	2.40	4	61	3.93	7.41	...	29	1.28	3.10	21	1.28
Periakaramalai	4 05	7 11	2	34.77	45.46	...	1.22	29.38	91.59	25.94	2.19	17.24	3.02	20.81	...
Parivar & Parackann	...	...	10	5.00	...	40	4	2.99	10.09	33	15	1.55	9	2.86	...
74% R. C. P.	...	...	5	2.03	...	...	...	...	...	...	...	...	...	...	...
64% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 60	2 13½	2	16.50	2.00	27	89	3.85	18.91	3.80	2.02	2.08	35	5.47	...
6% C. P.	9 25	10 0	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 52	3 12	2	21.00	9.50	3.50	65	9.65	29.98	1.80	1.94	9.62	1.47	3.09	...
Rajagiri	14 20	21 12	10	13.50	3.00	6.90	8	9.93	42.16	3.72	10	2.12	1.17	14.18	...
6% C. P.	7 75	9 5	10	22.60	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	9 25	11 6	5	2.00	1.35	47	31	3.40	4.84	...	27	1.00	2.13	18	...
6% Cum. Prof.	8 46	7 14	10	1.00	...	...	...	...	...	...	...	...	...	...	...
54% Release Cum. Prof.	7 32	7 14	10	1.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	1000 0	1000 0	1000	1.00	...	...	...	...	...	...	...	...	...	...	...
Savamalai	4 05	...	2	3.67	3.00	50	47	1.20	3.68	78	4	96	14	70	...
Shivaroy	1 87	2 2	10	13.50	1.70	2.00	5	3.63	9.80	75	3.22	5.11	1.65	1.84	4.00
Stanes Amalgamated	15 40	19 13	10	9.00	12.00	9.25	25	6.25	23.66	5.01	3.21	3.89	1.62	1.37	...
54% Debentures	492 50	492 8	500	2.00	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	8 40	11 14	10	12.50	6.50	6.75	25	6.67	29.40	2.35	2	7.99	3.09	3.03	...
6% C. P.	8 50	10 1	10	7.50	...	...	...	...	...	...	...	...	...	...	...
Teskey	6 40	9 4	10	10.00	26	2.76	10	3.95	22.44	1.59	11	1.13	29	2.34	...
6% C. P.	8 45	9 6	100	6.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	100 00	100 0	100	1.74	...	...	...	...	...	...	...	...	...	...	...
Thamarappally	20 40	28 0	10	2.50	75	1.25	42	1.44	5.30	24	...	1.22	1	1.56	...
64% C. P.	4 75	4 15	1	1.50	...	...	...	...	...	...	...	...	...	...	...
Thirunbadi	1 31cd	2 2	500	5.00	4.00	...	27	5.17	14.40	96	...	2.57	1.11	86	6.59
74% Debenture	495 00	500 0	10	6.00	...	46	4	3.29	6.38	...	...	1.99	23	1.18	...
Travancore Rubber	13 50	22 0	10	41.09	7.50	6.11	3.47	12.61	81.07	12.64	4.78	8.78	2.15	2.54	...
T. R. T. & Co.	6 02	10 2	10	16.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	7 65	9 9	25	21.00	...	...	66	7.39	29.29	7.04	...	3.30	5	2.46	...
Tropical Plantations	25 65	33 4	10	9.00	15.50	1.00	21	6.96	21.34	1.76	1	7.87	1.45	3.77	...
Twyford	12 60	19 10	10	2.20	40	2.95	20	87	...	9	...	97	58	1.25	...
Udayagiri	11 00	16 4	10	80	...	...	...	...	7.71	...	...	...	...	...	...
7% C. P.	11 00	11 14	500	3.00	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	...	...	10	13.71	11.18	6.00	1.13	13.46	38.09	10.40	5.10	4.03	3.52	5.14	...
United Nilgiris	15 40	18 14	10	6.29	1.52	1.19	33	2.40	23.46	11	...	1.42	9	3.25	...
Vaikundam	27 50	31 4	2	4.00	75	30	20	73	5.29	44	2	16	43	47	...
Vayitri	1 27	1 14	100	32	...	...	...	...	5.01	...	...	...	...	...	...
54% Debentures	...	7 9	5	6.00	...	3.75	13	3.68	16.73	61	1	1.41	1.18	1.33	...
Valmalai	4 83	7 9	10	2.50	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	9 10	10 9	500	4.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	515 00	515 0	...	...	...	...	...	...	...	...	...	...	...	...	...
Waterfalls	3 40	5 6	2	31.50	15.00	8 00	1.09	25.46	53.40	5.24	8.54	5.71	15.54	8.09	...
6% C. P.	8 75	9 12	1	5.00	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 56	1 13	5	1.00	...	53	17	58	3.51	82	5	15	21	2	...
64% C. P.	3 79	4 2	100	50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	500 00	500 0	10	6.95	42	1.05	10	3.09	13.88	40	...	2.08	1.09	1.67	...
Woodlands	6 80	10 12	10	2.32	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	8 80	7 7½	...	...	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	502 50	502 8	...	...	...	...	...	...	...	...	...	...	...	...	...

ENGINEERING COMPANIES

NAME	Managing Agents/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up per Share	Paid-up Capital	Reserves including Latest Allocation			Sundry Liabilities	Gross Block	Depreciation	Investments			Surplus Assets																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
			Latest	Previous Period	Latest	Previous Period	January 1958	January 1957			Rs. p. a.	Rs. a.	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
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Acme Manuf.	Walchand & Co. Private 6% C. P.	3-56	3,51	1,81	nil	nil	12 1/2	10	240	18	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...</

GILDED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 31-1-58
GOVERNMENT OF INDIA LOANS					
Rupee Loans					
NON-TERMINABLE LOANS.					
8,93,34 50	3	1896-97	3 Months notice	30-6/31-12	71-20
TERMINABLE LOANS.					
57,00,69,000	2½	1946	1961	1-2/1-8	94-50
45,63,07,000	2½	1946	1960	15-1/15-7	97-35
75,84,72,000	2½	1947-48	1962	15-5/15-11	94-77
14,77,48,000	2½	1946	1976	16-3/16-9	83-09
113,65,64,000	3	1951	1958	16-2/16-8	99-72
16,17,46,000	3	1945	1959-61	15-2/15-8	99-80
30,33,10,000	3	1932	1963-65	1-6/1-12	93-85
110,11,78,000	3	1950	1964	15-6/15-12	94-20
115,05,83,000	3	1943	1966-68	1-4/1-10	91-68
248,91,41,000	3	1945	1970-75	15-4/15-10	85-73
57,27,36,000	3½	1946	1986	16-3/16-7	71-10
158,17,90,000	3½	1956	1962	16-1/16-7	97-85
103,67,92,000	3½	1953	1961	1-6/1-1	99-73
33,81,83,000	3½	1954	1964	19-4/19-10	97-80
66,61,95,000	3½	1955	1965	1-1/1-7	97-66
56,92,00,000	3½	1956	1967	16-1/16-7	97-73
46,05,00,000	3½	1957	1967	1-2/1-8	99-63
63,30,26,000	4	1957	1972	1-2/1-8	100-06
	4	1926	1960-70	15-3/15-9	100-40
RUPEE COUNTERPARTS					
5,85,73,000	4½	1928	1958-68	1-6/1-12	100-55
STATE GOVERNMENT LOANS					
WEST BENGAL.					
1,75,00,000	3½	1951	1962	17-3/17-9	98-00
3,60,23,300	4	1953	1963	15-1/15-7	99-25
2,00,00,000	4	1952	1964	1-2/1-8	99-25
7,00,00,000	4	1955	1967	1-3/1-9	98-90
7,00,00,000	4	1956	1968	3-3/3-9	98-06
BOMBAY.					
3,86,65,500	3	1944	1958	15-2/15-8	99-20
2,92,30,300	3	1950	1960	31-1/31-7	96-90
5,63,12,200	3	1949	1962	1-2/1-8	94-00
2,97,36,300	3½	1951	1962	17-9/17-3	98-00
5,50,35,400	4	1953	1963	15-1/15-7	99-25
3,61,30,900	4	1952	1964	1-2/1-8	99-10
9,00,00,000	4	1955	1967	1-3/1-9	98-25
7,50,00,000	4	1956	1970	3-3/3-9	98-00
	4½	1969	...	...	99-90
MADHYA PRADESH.					
5,32,69,800	3	1944	1958	15-2/15-8	99-00
1,41,44,700	3	1950	1960	31-1/31-7	95-75
2,01,28,800	3	1948	1964	1-3/1-9	93-00
1,02,18,100	3½	1951	1962	17-3/17-9	97-25
1,02,18,100	4	1953	1963	15-1/15-7	98-00
1,58,00,000	4	1955	1967	1-3/1-9	96-75
1,50,00,000	4	1956	1968	3-3/3-9	96-50
UTTAR PRADESH.					
2,20,93,600	2½	1946	1961-66	1-3/1-9	90-75
3,02,24,500	3	1944	1958	15-2/15-8	99-10
2,17,89,700	3	1945	1960	14-3/14-9	96-00
1,57,42,600	3	1936	1961-66	15-3/15-9	93-20
1,94,11,700	3½	1951	1962	17-3/17-9	97-25
5,65,15,500	4	1953	1963	15-1/15-7	98-30
6,11,45,200	4	1952	1964	1-2/1-8	98-25
8,00,00,000	4	1956	1967	1-3/1-9	97-15
8,00,00,000	4	1956	1968	3-3/3-9	97-51
MADRAS.					
3,81,77,200	2½	1946	1961	1-3/1-9	93-50
1,07,95,000	3	1944	1958	15-2/15-8	99-25
1,25,95,600	3	1939	1959	21-6/21-12	98-50
2,78,44,000	3	1945	1960	14-3/14-9	96-80
4,58,25,400	3	1950	1960	31-1/31-7	96-80
3,01,49,000	3½	1951	1962	17-3/17-9	97-40
1,03,50,100	4	1953	1963	15-1/15-7	98-30
5,24,81,200	4	1952	1964	1-2/1-8	98-07
7,00,00,000	4	1955	1967	1-3/1-9	97-40
12,50,00,000	4	1956	1968	3-3/3-9	97-60
GOVERNMENT OF INDIA LOANS					
Rupee Loans					
NON-TERMINABLE LOANS.					
8,93,34 50	3	1896-97	3 Months notice	30-6/31-12	71-20
TERMINABLE LOANS.					
57,00,69,000	2½	1946	1961	1-2/1-8	94-50
45,63,07,000	2½	1946	1960	15-1/15-7	97-35
75,84,72,000	2½	1947-48	1962	15-5/15-11	94-77
14,77,48,000	2½	1946	1976	16-3/16-9	83-09
113,65,64,000	3	1951	1958	16-2/16-8	99-72
16,17,46,000	3	1945	1959-61	15-2/15-8	99-80
30,33,10,000	3	1932	1963-65	1-6/1-12	93-85
110,11,78,000	3	1950	1964	15-6/15-12	94-20
115,05,83,000	3	1943	1966-68	1-4/1-10	91-68
248,91,41,000	3	1945	1970-75	15-4/15-10	85-73
57,27,36,000	3½	1946	1986	16-3/16-7	71-10
158,17,90,000	3½	1956	1962	16-1/16-7	97-85
103,67,92,000	3½	1953	1961	1-6/1-1	99-73
33,81,83,000	3½	1954	1964	19-4/19-10	97-80
66,61,95,000	3½	1955	1965	1-1/1-7	97-66
56,92,00,000	3½	1956	1967	16-1/16-7	97-73
46,05,00,000	3½	1957	1967	1-2/1-8	99-63
63,30,26,000	4	1957	1972	1-2/1-8	100-06
	4	1926	1960-70	15-3/15-9	100-40
RUPEE COUNTERPARTS					
5,85,73,000	4½	1928	1958-68	1-6/1-12	100-55
STATE GOVERNMENT LOANS					
WEST BENGAL.					
1,75,00,000	3½	1951	1962	17-3/17-9	98-00
3,60,23,300	4	1953	1963	15-1/15-7	99-25
2,00,00,000	4	1952	1964	1-2/1-8	99-25
7,00,00,000	4	1955	1967	1-3/1-9	98-90
7,00,00,000	4	1956	1968	3-3/3-9	98-06
BOMBAY.					
3,86,65,500	3	1944	1958	15-2/15-8	99-20
2,92,30,300	3	1950	1960	31-1/31-7	96-90
5,63,12,200	3	1949	1962	1-2/1-8	94-00
2,97,36,300	3½	1951	1962	17-9/17-3	98-00
5,50,35,400	4	1953	1963	15-1/15-7	99-25
3,61,30,900	4	1952	1964	1-2/1-8	99-10
9,00,00,000	4	1955	1967	1-3/1-9	98-25
7,50,00,000	4	1956	1970	3-3/3-9	98-00
	4½	1969	...	...	99-90
MADHYA PRADESH.					
5,32,69,800	3	1944	1958	15-2/15-8	99-00
1,41,44,700	3	1950	1960	31-1/31-7	95-75
2,01,28,800	3	1948	1964	1-3/1-9	93-00
1,02,18,100	3½	1951	1962	17-3/17-9	97-25
1,02,18,100	4	1953	1963	15-1/15-7	98-00
1,58,00,000	4	1955	1967	1-3/1-9	96-75
1,50,00,000	4	1956	1968	3-3/3-9	96-50
UTTAR PRADESH.					
2,20,93,600	2½	1946	1961-66	1-3/1-9	90-75
3,02,24,500	3	1944	1958	15-2/15-8	99-10
2,17,89,700	3	1945	1960	14-3/14-9	96-00
1,57,42,600	3	1936	1961-66	15-3/15-9	93-20
1,94,11,700	3½	1951	1962	17-3/17-9	97-25
5,65,15,500	4	1953	1963	15-1/15-7	98-30
6,11,45,200	4	1952	1964	1-2/1-8	98-25
8,00,00,000	4	1956	1967	1-3/1-9	97-15
8,00,00,000	4	1956	1968	3-3/3-9	97-51
MADRAS.					
3,81,77,200	2½	1946	1961	1-3/1-9	93-50
1,07,95,000	3	1944	1958	15-2/15-8	99-25
1,25,95,600	3	1939	1959	21-6/21-12	98-50
2,78,44,000	3	1945	1960	14-3/14-9	96-80
4,58,25,400	3	1950	1960	31-1/31-7	96-80
3,01,49,000	3½	1951	1962	17-3/17-9	97-40
1,03,50,100	4	1953	1963	15-1/15-7	98-30
5,24,81,200	4	1952	1964	1-2/1-8	98-07
7,00,00,000	4	1955	1967	1-3/1-9	97-40
12,50,00,000	4	1956	1968	3-3/3-9	97-60

Month-end Quotations of companies not included in Tabulated Balance-sheets

January 1958

CALCUTTA STOCK EXCHANGE

Preference.

BANKS:					
Allahabad 6%	100	106.50			
Behar 5%	50	22.25			
COAL:					
New Huntodh 5%	100	60.00			
COTTON:					
Jiyajee 5½%	100	92.00			
J. K. Cotton 6%	100	90.00			
Pravati 6%	10	5.00			
Shreenivas 4%	100	55.00			
CEMENT:					
Jaipur Udyog 8%	100	40.00			
MISCELLANEOUS:					
Amalgam. Develop. 5%	100	49.25			
Bharat Veg. 5%	100	30.00			
Calcutta Cr. Corp. 6%	100	50.00			
Calcutta Cr. Corp. 5½%	100	40.00			
Calcutta Cr. Corp. 5%	100	40.00			
Calcutta Silk 6%	100	40.00			
Calcutta Tanneries 5%	100	41.74			
Calcutta Trans 5%	100	55.00			
Electric Consn. 5%	100	50.00			
Greaves Cotton 5%	100	49.00			
Greaves Cotton 6%	100	62.00			
Hall & Anderson 4½%	100	80.00			
Hindustan National Glass 4%	100	51.50			
Indian Plastics 5½%	100	38.00			
Oser Elec. Lamp 4½%	100	34.50			
R. B. Rodda 5½%	100	6.51d			
Spencer 'A' 6½%	10	8.88d			
Spencer 'B' 8½%	10	22.00			
Union Tobacco 5%	100	7.25			
REAL PROPERTY:					
Humayan 6%	100	34.00			
Regent 5%	100	387.00			

MISCELLANEOUS:			
Amalgam. Develop.	5%	100	49.25
Bharat Vex.	5%	...	100
Calcutta Cr. Corp'n.	6%	100	50.00
Calcutta Cr. Corp'n.	5 1/4%	100	40.00
Calcutta Silk	6%	...	100
Calcutta Tanneries	5%	100	40.00
Calcutta Trams	5%	£1	7.14
Electric Consn.	5%	...	100
Greaves Cotton	5%	...	50.00
Greaves Cotton	6%	...	49.00
Hall & Anderson	4 1/4%	...	62.00
		100	90.00

Registered No. {C1046 (Calcutta)
B6490 (Bombay)

Indian Finance

ELECTRIC:			CEMENT:			MISCELLANEOUS:		
Basel...	10	8.50 N	Oudh ...	100	136.25	C. I. Machinery (old) ...	10	10.00 N
South Madras ...	10	10.95	S. Behar ...	10	1.00 N	C. I. Machinery (new) ...	10	10.00 N
			Vishnu ...	100	235.00	C. P. Railway ...	100	57.50
PLANTATIONS:						Chemo. Pharma (old) ...	25	25.00 N
Blue Mountain ...	2	3.00				Chemo. Pharma (new) ...	25	25.00 N
Highland ...	10	11.72				Dehri Rohas ...	10	10.24
Haileybury ...	10	15.76				Dena Investment ...	25	11.52
Kaipetta ...	10	19.76				Delhi Safe ...	10	10.00 N
Midland ...	10	14.52				Dharamst Chem. ...	50	49.50
Nelliampathy ...	2	2.82				Dhrang Chem. ...	100	95.00
Rajagiri ...	10	15.60				Dhrang Chem. (new) ...	100	91.00
Twyford ...	10	14.00				Digvijay Tiles ...	100	60.00
Waterfall ...	2	3.66				Ferro Alloys ...	100	100.00
SUAVY:						Gujarat Investment ...	50	26.00
Cauvery ...	100	87.00 N				Gujarat Safe ...	75	120.00
Kesar ...	40	60.00				Gwalior Rayon ...	10	12.00
Krishna Gyanoday ...	10	9.20				Harvey & Sabapathy ...	500	415.00
Maharashtra ...	250	830.00				Hingir Rampur Coal ...	50	6.20
New Swadesh ...	100	200.00				Indian Dyestuff ...	100	30.75
						Indian Copper ...	2sh	2.90

Calcutta Stock Exchange

PRICE TRENDS DURING JANUARY, 1958

	2nd	3rd	6th	7th	8th	9th	10th	13th	14th	15th	16th	17th	20th	21st	22nd	23rd	24th	25th	26th	27th	28th	29th	30th	31st
Eigins	...	...	13.06	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Coal	...	228.00	...	227.00	228.00	227.00	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Burrakur	...	22.12	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.12	22.12	22.12	22.12	22.12	22.12	22.12	22.12	22.12	22.12	22.12	22.12	22.12
Howrah	...	...	...	13.06	13.19	13.25	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
National	...	22.50	22.65	22.75	23.00	23.60	23.75	24.65	26.65	25.50	25.85	25.80	25.66	24.40	24.95	24.15	24.00	24.10	24.00	24.00	24.00	24.00	23.85	...
Brooke Bond	...	...	14.00	...	...	...	...	...	15.75	16.00	...	17.62	...	...	...	17.50	17.35	...	...	...	...	...	...	...
Hastimara	...	...	...	...	...	...	...	...	22.52	...	...	24.00	...	23.00	...	22.81	...	...	...	...	...	...	...	...
Tezpur	...	15.50	...	15.19	...	...	...	...	...	...	...	8.94	8.94	9.00	...	9.00	...	8.87	8.94	9.06	9.00	...	...	...
S.K.G.	...	9.28	...	...	...	...	...	...	8.87	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Braithwaite	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Jessop	...	21.75	21.50	...	21.75	21.87	19.87	21.00	20.93	21.69	21.37	21.25	21.06	20.87	...	20.19	20.37	21.35	21.75	21.87	22.25	...	...	...
Indian Iron	...	18.52	18.51	18.86	18.50	19.10	19.16	19.15	19.06	19.07	19.28	19.41	19.70	20.11	...	19.80	20.13	20.50	20.36	20.92	20.48	...	...	...
TEXMACO	...	15.50	15.50	15.65	15.60	16.10	16.10	16.45	16.20	16.25	16.30	16.40	16.50	16.55	...	16.40	16.45	17.30	17.00	17.85	17.85	...	...	...
Indian Copper	...	2.80	2.79	...	2.82	...	2.83	2.77	2.79	2.82	2.83	2.84	2.85	2.84	2.88	2.87	2.87	2.91	2.90	2.93	2.91	...	...	...
B. B. Petrol	...	...	1.70	1.73	...	1.75	...	...	1.70	...	1.69	1.77	...	1.78	...	1.80	...	1.80	...	1.91	1.85	...	...	...
India Pulp	...	...	...	18.75	...	...	...	...	...	...	...	...	...	...	...	...	19.25	19.21	...	...	...	...	...	...
Orient Paper	...	24.20	22.75	23.00	22.90	23.30	23.60	23.60	23.40	23.45	23.50	23.55	23.70	23.80	...	23.80	23.85	25.20	25.25	25.25	25.50	...	...	...
Titagarh	...	...	31.81	32.00	...	...	31.87	31.87	...	...	...	34.12	...	32.12	...	32.12	32.19	32.44	...	33.25	33.75	...	...	...
B. I. G.	...	4.05	4.01	4.09	4.07	4.15	4.11	4.10	4.06	3.92	3.97	3.94	3.95	3.85	3.90	3.77	3.80	3.78	3.82	3.83	...	...	...	...
India Steamship	...	10.93	10.94	10.87	10.90	10.94	10.87	11.00	11.25	11.50	12.06	12.00	11.84	11.87	...	11.78	11.59	11.75	11.81	11.75	11.87	...	...	...
Indian Cable	...	25.00	25.00	25.00	...	...	25.12	25.00	...	...	...	25.44	25.81	26.37	...	...	27.00	27.12	27.12	27.06	27.87	...	...	...
Martin-Burn	...	24.25	24.37	24.37	24.37	24.25	24.25	25.25	25.37	25.31	25.25	...	...	...	...	25.25	...	25.25	25.37	...	25.12	...	...	...
Metal Box	...	27.12	...	27.25	...	...	27.50	...	...	...	...	25.87	...	...	...	...	22.25	22.50	22.62	...	22.37	...	...	...
Dunlop Rubber	...	20.28	20.19	20.44	20.32	20.62	20.62	20.62	20.75	21.12	21.00	21.31	21.56	21.87	21.94	...	12.09	12.62	12.62	12.69	12.50	12.50	...	...
Rohas	...	15.81	15.87	...	15.37	15.56	...	...	15.81	15.56	15.69	16.06	16.31	16.25	16.19	...	16.12	16.05	16.00	16.00	16.75	17.00	...	...
Indian Aluminium	...	...	12.62	12.75	12.94	13.12	13.09	12.94	12.87	...	12.87	12.87	12.75	12.69	12.81	...	6.25	6.16	6.31	6.25	6.31	6.28	...	...
Hind. Motors	...	...	6.75	...	5.87	5.84	5.72	5.81	5.75	5.56	...	5.69	5.69	5.75	6.19	...	...	19.81	...	19.87	19.87	...	...	...
Hind. Lever	...	19.87	...	20.00	20.00	19.84	...	20.00	...	19.87	19.94	...	...	19.94	...	...	...	19.81	...	19.87	19.87	...	...	...
Philips	...	...	14.12	14.19	14.06	14.06	13.94	14.00	14.00	13.81	13.94	13.94	13.94	13.81	13.87	...	13.94	13.87	14.00	13.94	...	...	...	...
Sono Valley	...	4.44	4.44	...	4.56	...	4.47	...	4.56	4.50	...	...	...	4.50	...	...	4.56	...	...	...	5.00	5.19	...	...

*-rd.

Bombay Stock Exchange

	2nd	3rd	6th	7th	8th	9th	10th	13th	14th	15th	16th	17th	20th	21st	22nd	23rd	24th	28th	29th	30th	31st
Bombay Dyeing ..	...	50.20	49.70	50.50	50.60	50.40	50.90	50.80	50.60	50.70	50.70	51.20	52.00	51.90	51.60	51.50	51.70	51.60	51.40	51.60	51.40
Central India ...	...	76.00	75.00	76.00	77.00	83.00	85.00	82.00	83.00	83.00	82.50	84.00	84.00	86.00	88.00	86.50	86.00	85.50	86.00	84.00	84.00
Century	...	383.50	380.25	389.00	391.00	392.75	394.50	392.00	392.50	394.00	392.00	394.00	399.00	398.50	393.25	392.00	395.25	394.25	394.50	397.25	399.25
Finlay	...	253.00	253.00	...	253.00	253.00	...	...	...	255.00	259.00	259.00	264.00	...	...	...	...	...	...	...	...
Kohinoor	...	260.75	259.00	262.50	263.00	264.00	264.50	263.50	263.00	264.00	265.00	269.00	272.50	271.00	...	268.50	269.75	269.00	268.50	269.50	270.25
Simplex	...	158.00	158.00	...	159.00	159.00	160.00	159.00	...	159.00	157.50	159.00	160.50	161.00	160.25	160.00	160.50	160.50	...	...	...
Standard	...	390.50	388.00	391.00	391.00	393.00	394.00	395.00	392.00	392.00	392.50	395.00	399.00	406.00	404.00	404.00	405.00	405.00	404.00	402.00	405.00
Swadeshi	...	165.75	165.00	167.50	168.00	170.75	171.00	168.50	169.00	169.00	169.25	169.00	170.00	172.00	173.00	171.50	170.50	172.00	172.00	171.50	171.00
Tata Mills	...	38.00	38.00	38.25	38.25	38.25	38.50	39.00	38.75	38.75	38.75	38.75	40.25	41.25	41.00	40.50	40.75	41.50	41.00	40.75	40.75
Bank of Baroda	...	106.25	105.50	106.00	105.50	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.25	106.25	106.25	106.25	106.25	106.00	105.00	106.00	...
Central Bank	...	51.50	52.00	52.30	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.30	52.50	52.50	52.30	52.50	52.30
Ahmd. Electric	...	94.20	94.20	94.50	94.50	94.70	95.00	94.80	94.80	95.10	95.10	95.00	94.80	95.00	94.80	94.80	95.00	94.80	91.80	91.80	94.70
Tata Hydro	...	115.50	115.25	113.50	113.50	113.50	113.00	...	113.15	...	113.00	...	113.25	113.25	113.25	113.00	...	...	113.25	113.50	113.25
New India Insc.	...	48.00	48.50	49.50	50.25	50.00	49.75	50.00	50.00	49.75	49.50	49.25	49.75	49.50	49.50	49.25	49.00	49.50	49.50	50.00	50.30
Scindia	...	17.04	16.96	17.16	17.08	17.08	17.08	17.04	17.16	17.12	17.16	17.16	17.48	17.68	17.56	17.48	17.56	17.56	17.40	17.44	17.44
Indian Iron	...	18.48	18.36	18.84	18.80	19.04	19.12	19.12	19.04	19.08	19.28	19.32	19.64	19.92	20.08	19.88	19.84	20.04	20.48	20.32	20.52
Tata Iron	...	161.00	160.00	163.75	164.00	164.50	164.75	164.50	164.00	164.25	165.25	166.25	168.75	173.50	173.50	172.00	171.75	173.25	175.50	173.75	173.75
Belapur	...	252.50	251.00	234.50	234.00	...	233.00	232.00	232.00	231.25	232.00	233.50	234.25	235.00	235.00	235.00	236.50	237.00	237.00	237.00	237.50
Phalton	...	149.00	146.50	148.00	147.25	148.00	147.50	147.50	148.00	148.00	146.75	145.50	146.00	144.25	145.00	148.00	147.50	148.00	151.75	151.00	152.00
Aicock Ashdown	...	222.50	220.00	...	220.00	217.50	217.50	216.25	216.25	216.25	212.50	215.00	215.00	220.00	217.50	217.50	218.75	217.50	212.50	215.00	217.50
B. B. Petrol	...	1.78	1.74	1.76	1.76	1.76	1.72	...	1.76	1.74	1.74	1.74	1.78	1.80	1.80	1.80	1.80	1.86	1.82	1.80	1.80
A. C. C.	...	150.90	149.00	150.00	150.25	150.25	150.25	150.25	150.00	149.50	149.25	149.25	150.00	154.25	153.50	152.75	152.75	153.50	153.50	152.50	156.00
Indian Copper	...	2.82	2.80	2.84	2.84	2.82	2.80	2.78	2.82	2.82	2.84	2.84	2.86	2.88	2.90	2.88	2.90	2.90	2.92	2.90	2.90
Bombay Burnmah	...	519.00	516.00	525.50	520.00	526.50	528.00	527.50	525.50	521.00	523.00	524.00	526.50	541.00	539.50	536.00	534.00	536.00	537.50	535.00	540.00
Killick Industries	...	155.00	155.00	156.00	...	...	...	...	156.50	...	...	...	158.00	...	158.00	...	...	...	157.50	...	...
Larson and Toubro	...	12.72	...	12.72	12.72	12.64	12.72	12.68	12.68	...	12.72	12.64	12.68	12.72	12.72	12.72	12.72	12.72	12.68	...	...
National Rayon	...	213.00	212.00	217.50	215.75	215.50	216.00	216.00	215.25	215.25	215.25	215.00	215.00	223.00	223.00	221.75	221.75	223.00	222.50	221.50	224.50
Premier Construction	...	154.25	154.00	159.00	157.75	158.00	158.25	158.75	158.50	158.00	158.25	158.25	159.00	163.00	162.50	161.50	161.50	162.00	162.50	161.00	160.50
Shivrajpur	...	83.00	83.50	85.00	...	84.50	...	...	84.50	84.50	85.00	85.00	85.00	85.00	85.50	87.00	91.50	93.50	94.50	94.00	93.50
Tata Chemical	...	12.72	12.32	12.60	12.44	12.48	12.48	12.44	12.32	12.28	12.38	12.34	12.28	12.56	12.68	12.56	12.44	12.52	12.60	12.52	12.64
TELCO	...	138.00	136.75	138.00	138.00	138.00	138.25	137.25	137.50	137.00	137.00	138.50	140.50	143.75	142.50	141.50	141.25	142.76	143.00	142.00	142.00
TOMCO	...	35.25	34.75	34.75	34.75	34.75	34.75	35.00	35.00	35.00	34.75	35.00	35.00	35.50	37.00	36.75	36.75	36.75	37.25	37.00	37.25
WIMCO	...	161.50	162.00	...	165.00	...	...	166.25	...	167.50	170.00	171.25	...	...	...	...	170.00	...	...	170.00	170.00
		</																			

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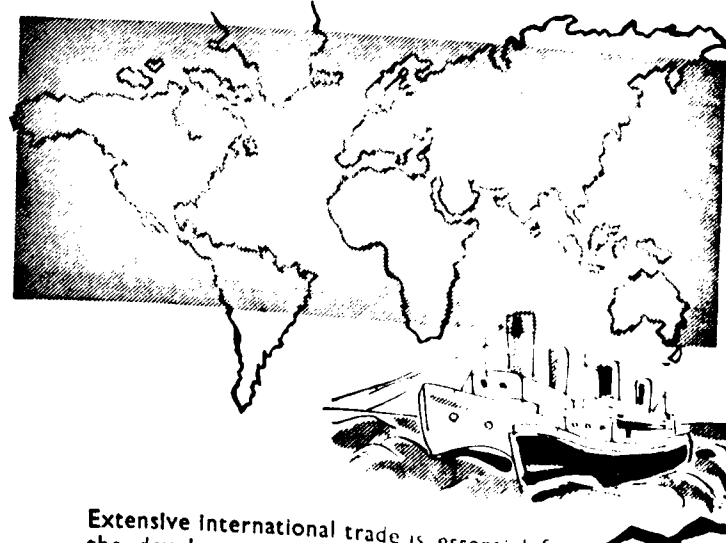


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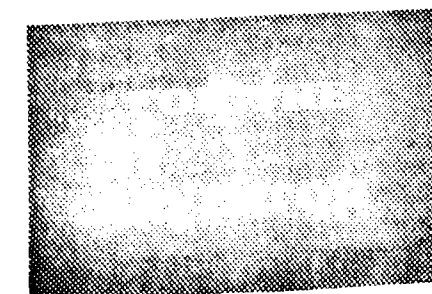
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Relapse Again in Stock Exchanges

Investment Gossip:

After a week in which the encouraging developments in respect of foreign assistance considerably toned up sentiment in the Stock Exchanges, there has again been a relapse, and Mr Nehru must be charged with the blame for this retrogression.

For, stock exchange circles have interpreted his speech at the Indian Merchants Chamber, on the occasion of that organisation's golden jubilee, as connoting his full support for India's present policy of stringent taxation.

Put simply, the market men say that the Prime Minister's support for last year's Budget is an indication that, in the next Budget, there is no prospect of reliefs or concessions.

I am afraid that this is again one of those "flash" reactions that I have had incessantly to draw attention to. It is difficult to see the logic in the line of argument that justifies such a bearish conclusion.

Let us remember that it is no new thing that Mr Nehru has done in thus acclaiming the May 1957 Budget. Let us remember that, in the Budget debate last year, Mr Nehru made it a particular point to intervene and say that, in thus saying some things about the new taxes, he was not poaching upon the preserves of the Finance Minister, since the taxes represented the taxes approved by the Cabinet.

On that occasion, I presume that Mr Nehru did what he did to take the heat off Mr Krishnamachari, upon whom all criticism was being directed.

Similarly, on the present occasion, Mr Nehru has merely repeated what he had earlier said; and his motive might have been the same, since he has made it a particular point to pay a high encomium to TTK.

So, it would be foolish to conclude that the Indian taxpayer will be denied relief in any form. Personally, I think that it will be possible for the Finance Minister to allow some concessions.

Eavesdropper, who shares this feeling, has analysed the sort of Budget that the Finance Minister will present at the end of the month; and I commend it to the investor.

It may prove foolhardy to say this at the present juncture, but I have a feeling that the pause we are now witnessing in stock exchange activity will prove temporary.

Investment Notes:

It is understood that the response to the offer of 6 lakhs Ordinary shares in Indian Oxygen Limited at a premium of Rs 3.50 per share has been very good and the list was closed on Friday at 10 A.M., being over-subscribed by three times. Allotment letters are expected to be issued shortly. Shares are unofficially quoted at Rs 16.25 with buyers at this level.

Sugar companies have, in general, produced excellent working results for the past year. It, however, appears that they will not be able to show such good results during the current year. In the Cotton Agents sugar group, Upper Ganges have raised the dividend from Rs 3 to Rs 5 per share, while Bharat and New India have maintained the dividends at Rs 1.50 and Rs 2.50 per share respectively, all for the year ended 30th June, 1957.

Wachandnagar Industries are now done at a high level of Rs 276 due to proximity of dividend. The dividend is expected to be around Rs 24 per share for the year ended 30th September 1957. A dividend of Rs 21 was paid in the previous year.

The shares of the Associated Cement Companies Limited are ruling quiet at Rs 153. The Chairman has stated that the heavy engineering project, which the company was to set up in collaboration with Messrs Vickers Limited and Babcock & Wilcox Limited, has been going through many ups and downs. The scheme has, therefore, been shelved for the time being.

McLeod & Company has not recommended the final dividends for 1956. With the result, the interim dividends of 8 per cent and 3 per cent declared earlier on the Ordinary and Deferred shares compare unfavourably with the total distribution of 22½ per cent and 17½ per cent respectively paid in 1955.

In Madras, Spencer & Company has maintained the dividend at 15 per cent on the Ordinary shares for the year ended 30th June, 1957. Arthala Estates have passed over the dividend for the year ended 31-3-1957.

Canara Industrial & Banking Syndicate has maintained the dividend at 15 per cent on 'A' and 'C' Ordinary shares for 1957.

£ R S

Martin Burn Keep Dividend at Rs 2.12

Balance-Sheet Reviews:

DESPITE a decline in the net profit, Martin Burn Limited has maintained the total distribution (including a Cash Bonus of 62 nP) at Rs 2.12 nP per share for the year ended 30th September, 1957. Sales are slightly lower at Rs 7.67 crores against Rs 8.23 crores, while the net profit, after providing for Depreciation and Taxation, amounts to only Rs 38.44 lakhs against Rs 42.26 lakhs in the previous year. In respect of allocations to Funds,

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the Depreciation amount is reduced to Rs 2.05 lakhs from Rs 2.33 lakhs; Taxation provision to Rs 50.50 lakhs from Rs 51.50 lakhs; Contingency Reserve to Rs 1.00 lakh from Rs 3.00 lakhs and General Reserve to Rs 3.00 lakhs from Rs 7.50 lakhs. Capital Redemption Fund is, however, maintained at Rs 2.00 lakhs.

During the year ended 30th September 1956, holders of Rs 2.54 lakhs Convertible Notes exercised their option to convert their holdings into Ordinary shares, resulting in an increase in the Ordinary share capital of the company by 12,700 shares and a reduction of Rs 2.54 lakhs in the Convertible Notes. Thus, the total Ordinary capital, subscribed as at 1st October 1956, was Rs 14,52,350 and the amount of Convertible Notes outstanding was Rs 9.53 lakhs, the total Reserve arising from surplus on conversion being Rs 15,23,500.

The subscribed Preference share capital of the company, as on the 31st October 1956, was Rs 60.00 lakhs.

£ R S

Angelo Brothers

The steady decline in Shellac prices, noticed during last year, is fully reflected in the working results of Angelo Brothers Limited. Sales of shellac and other products, for the year ended 31st August 1957, are lower at Rs 2.48 crores against Rs 2.85 crores, while the net profit, after providing for Depreciation and Taxation, amounts to only Rs 5.65 lakhs against Rs 7.42 lakhs in the previous year. The amount

set aside for Taxation is raised to Rs 10.25 lakhs from Rs 7.73 lakhs, while the Depreciation amount is well maintained at Rs 1.09 lakhs. No provision is, however, made for General Reserve as against Rs 1.50 lakhs previously. The dividend is reduced to 18 per cent (including a Bonus of 5½ per cent) from 20 per cent.

According to the directors' report, the factory plant has been maintained at a high level of efficiency and economy.

£ R S

Roopacherra Tea

The Roopacherra Tea Company Limited, in McLeod group, has reduced the dividend from 15 to 5 per cent for 1956 due to a fall in the net profit, after depreciation and Taxation, to Rs 52,255 from Rs 71,022. The amount set aside to Building and Machinery Reserve is maintained at Rs 40,000, while the Depreciation amount is reduced to Rs 25,337 from Rs 33,001 and the Taxation provision to Rs 10,700 from Rs 45,968.

Crop outturn is shown at 7,105 maunds against 8,453 maunds in 1955, mainly due to adverse weather conditions and earlier cessation of plucking under the voluntary restriction scheme. The average price realised is, however, higher at Rs 1.15.0 against Rs 1.10.0 per pound.

£ R S

Raneegunge Coal

Despite a substantial rise in the net profit from Rs 5.51 lakhs to Rs 9.10 lakhs, the Raneegunge Coal Association Limited has maintained

Indian Finance

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the dividend at 75 nP per share for the year ended 31st March 1957. The directors have provided Rs 1.60 lakhs (Rs 2.31 lakhs) for Taxation and Rs 5.50 lakhs (Rs 1.50 lakhs) for Machinery Replacement and Development Rebate Reserve.

Raisings are higher at 431,402 tons against 349,756 tons and despatches at 409,316 tons against 381,924 tons.

224

Bombay Burmah Trading

The gross profit of the Bombay Burmah Trading Corporation, for the year ended 31st May, 1957, amounts to as much as 151.71 lakhs as against only Rs 125.93 lakhs in the previous year. The directors have set apart a sum of Rs 30.35 lakhs (Rs 28.44 lakhs) for Depreciation; Rs 68.87 lakhs (Rs 48.40 lakhs) for Taxation; Rs 4.73 lakhs (Rs 0.21 lakhs) for Fixed Property Reserve; Rs 8.25 lakhs (Rs 5.88 lakhs) for General Reserve and Rs 3.50 lakhs (Rs 2.50 lakhs) for Investment Reserve. The total dividend distribution for the year amounts to 30 per cent.

The directors have pointed out that the company's authorised capital has increased to Rs 3 crores as a result of the resolution on the 3rd January, 1957. The scheme of arrangement for the extinguishment of the special rights attached to 100 shares of Rs 2,500, which was accepted unanimously by the company in the general meeting on the 25th February last, has since received the necessary sanctions of the High Court, the Controller of Capital Issues and the Reserve Bank.

The subscribed capital of the company, as on the 31st May 1957, was Rs 1.16 crores which, however, with the subsequent changes in the capital structure, will amount to Rs 1.26 crores. Reserves and surplus amount to Rs 3.55 crores. Gross fixed expenditure has increased to Rs 4.60 crores from Rs 3.98 crores. With depreciation of Rs 1.88 lakhs provided so far, the net block amounts to Rs 2.72 crores. Cash and bank balances have increased to Rs 2.31 crores from Rs 1.58 crores.

224

Kesar Sugar

The Kesar Sugar Works Limited has produced excellent working results for the year ended 31st July, 1957. Sales have risen to Rs 2 crores from Rs 1.58 crores, while the gross profit has amounted to as much as Rs 19.91 lakhs as against only Rs 12.38 lakhs in the previous year. The directors have, after providing Rs 2.46 lakhs (Rs 5.19 lakhs) for Depreciation; Rs 9.00 lakhs (Rs 5.00 lakhs) for Taxation and Rs 3.00 lakhs (nil) for General Reserve, raised the dividend from Rs 4 to Rs 7 per share.

The quantity of cane crushed amounts to 64.15 lakh maunds as against 56.84 lakh maunds while sugar produced totals 617,238 maunds as against 544,492 maunds. The recovery is slightly better at 9.62 per cent against 9.58 per cent.

The company has paid excise duty to the tune of Rs 48.99 lakhs as against 29.88 lakhs, while cane

cess comes to 12.02 lakhs against Rs 10.66 lakhs.

The directors have, in their report, pointed out that the current year is not as satisfactory as during the year under review due to somewhat unfavourable crop conditions. It is also pointed out that the output in the distillery section has suffered on account of the closure of the plant due to coal shortage. The working of the power alcohol plant is satisfactory. In the Chemical factory, production is maintained and a new electroplating chemical in chronic acid is added among the products.

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Bisra Stone Lime

Despite a substantial decline in profits, the Bisra Stone Lime Company Limited has maintained the dividend at Rs 1.75 per share for the year ended 31st March, 1957. Sales have risen to Rs 76.60 lakhs from Rs 71.06 lakhs, while the net profit, after Taxation and Depreciation, amounts to only Rs 3.32 lakhs against Rs 6.78 lakhs. The directors have allocated Rs 1.36 lakhs (Rs 85,260) to Depreciation; Rs 5.15 lakhs (Rs 6.07 lakhs) to Taxation; Rs 9.575 (Rs 3,200) to Development Rebate Reserve; Rs 8,000 (Rs 39,000) to Taxation Contingency Reserve; Rs 15,977 (nil) to General Reserve and Rs 1.25 lakhs (Rs 3.50 lakhs) to Mechanisation Reserve.

Raising of Limestone have increased slightly to 819,208 tons from 804,487 tons in the previous year. Production of Dolomite has again increased to 49,795 tons from 36,950 tons, while sales have risen from 39,901 tons to 61,656 tons. Output of Lime has shown a slight improvement, the total quantity produced being 12,73,549 maunds. Sales have, however, increased considerably by 120,465 maunds to 12,65,697 tons.

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Hall and Anderson

The accounts of Hall & Anderson Limited for the fifteen months ended 30th June 1957, have revealed a credit of Rs 13.88 lakhs. Against this, the debit balance of Rs 26.12 lakhs brought forward from the previous year, has been adjusted, leaving a debit balance of Rs 12.24 lakhs to be carried forward. Naturally, the dividend is passed over.

Sales have, during the year, increased by Rs 8.16 lakhs and the sales, for the last 15 months, have been Rs 15.28 lakhs.

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The Indian Merchants Chamber

THE Golden Jubilee of the Indian Merchants Chamber

Chamber recalls a period in the relatively recent history of India when the business community was looked upon and functioned within limits as an integrated element in the national struggle for independence. When Sir Purshotamdas Thakurdas greeted Mr Jawaharlal Nehru on his arrival for the inauguration of the function, even the younger members of the group present should have carried their mind over this period with a kind of nostalgic pleasure. Sir Purshotamdas is one of the founders of the Chamber.

When the Chamber came into being, the Swadeshi movement had yet to get into stride. The Indian textile industry had shed all its quondam glories and was bearing the burden of discriminating taxation. An Indian banking system of a modern type had not yet developed in strength. The entire agricultural, industrial and commercial outlook of the Government was dictated primarily by the interests of the British business classes. There was an Imperial Legislative Council in Calcutta but as one of its Indian members sarcastically put it, with reference to the excise duty on Indian mill cloth, "As long as Lancashire sent sixty members to Westminster, the British Government will always have sixty good reasons to maintain the duty" which, incidentally, was in force till 1926.

It was the misty dawn of Indian industrial development. To assemble and organise diverse business houses from far and near, in a body which from the outset had to be directly or indirectly antipathetic to the foreign interests entrenched in India, called for fortitude, courage and determination. The growth of this Chamber and of the innumerable other leading business organisations which came into existence about that time or subsequently is marked by a consistent liaison of work in the economic and political spheres. That the partition of Bengal took place only two years before the inauguration of the Indian Merchants Chamber is another significant circumstance. There is a well-known statement from a British administrator in India, in which he has described Bombay as a friend of Britain. The description is true only to the extent that Bombay took the path of least resistance in its assertion of economic freedom.

As Mr Naval H. Tata, the present President of the Chamber, pointed out in his welcome speech, the Chamber has been fortunate in having a galaxy of leaders "who have nursed it with a sense of devotion and purpose." In the list of its annual Presidents, we can see a large number of names which the nation can always cherish with pride and gratitude, as pioneers in one branch of economic activity or another, and as men who have always put up a sturdy and consistent fight for upholding the country's prestige and material interests.

At present there is no dearth of economic talent in the country and any issue howsoever complicated receives the most thorough and expert public scrutiny. That was not the case thirty or forty years ago. The stalwarts whose names are associated with the Indian Merchants Chamber were conspicuous among the rare lights shining in the Indian economic firmament.

Lately, a certain gulf has emerged between the emotional attitudes of the Indian business community in general and the State representing the will of the masses. This gulf, though sometimes highlighted by misdeeds of particular individuals or groups or casual misunderstandings over particular issues, is really not as wide as generally taken to be. Mr Tata has to be congratulated for having reaffirmed the common objective of securing the economic and social progress of the country which the Chamber shares with every other interest.

Mr Tata drew a distinction between the identity of interests and the differences in outlook and approach to problems. In a democratic country, these differences, as the Prime Minister himself pointed out, are not only necessary but salutary. There is no need to be apologetic about them. It is very significant that in his inaugural speech the Prime Minister spoke of the United States, Canada, Western Europe, Australia, New Zealand and Japan as examples of a welfare State which had solved its problems. He also pointed out how in the circumstances obtaining in India, State direction has become indispensable to generate and strengthen forces which would lead to a welfare State without the high cost in human suffering, as has happened in Russia.

If in the past Indian industry had to depend on the State for protection and other forms of assistance, today the State, more agreeably constituted, is unwilling to give up a similar role, though the aims and functions involved may be somewhat different.

As the Prime Minister and President of the Indian Merchants Chamber seem to agree on the identity of interest and aims, there is no

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

reason why there should not be a little more of frank understanding where differences are felt. On the part of the business community, there should be a firmer and more fearless recognition of the inevitability of what the State now anxiously, it may even be said frantically, is trying to achieve. On the part of the State there is a firm attachment to the principle of the gradualness of inevitability. When the Prime Minister time and again lays emphasis on the democratic methods of planned development and points for inspiration to countries where these methods have succeeded amply, the implied negation and warning should not be missed.

That in the sphere of taxation there is scope for genuine grievances for the business community may not be challenged even by those who are obliged to put additional burdens on them. But the alternative of taxing the poor has to be considered both by the prospects of yield and by the political consequences likely to emerge. Addressing the Merchants Chamber, the Prime Minister felt sure that he could not prefer a fiscal policy which could accumulate capital only at the expense of the people and their suffering. He also drew a comparison between urban and rural areas. He has by no means said the final word on this highly intricate and controversial subject. Apart from the fact that no rigid compartmentalisation of rural and urban economies is possible, the impact of the development of one on that of the other should also not be lost sight of. The Government, however, cannot afford to deviate from methods which have scarcely an alternative, as instruments for the creation of a new and more equitable social order.

British Bank Chairmen on UK Economy

DEVELOPMENTS in the British economy during the last year have demonstrated the extreme vulnerability of its position in the world economy. The problem of balance of payments, which first made its appearance in 1947, has shown a baffling regularity in recurring, and has again turned out to be the most elusive factor of the economy. The crisis in the payments position that was witnessed in September last was one against which there was no adequate forewarning and, therefore, could not have been anticipated from the preceding events. Naturally, this has set the influential sections of the people clamouring for a firm and definite policy on the part of the Government to solve the problem on a permanent basis. The atmosphere of growing and persistent demand for measures for preventing future recurrence of this unwelcome phenomenon has stimulated widespread discussions, especially among the banking circles, on the real nature of the problem.

It is widely accepted that remedial action which ignores the relevancy of stability in internal price level, would only offer a short-lived and limited measure of success in meeting the situation. Therefore, great stress has

been laid on the necessity for immediate measures against inflationary pressures. Sir Thomas Barlow, Chairman of the District Bank Limited, has underlined this need forcefully, by saying that "living beyond our means or in other words, spending too much and saving too little has been the cause of our exchange crisis". This view has been echoed by almost all other important personages in the banking sphere. But others are sceptical about the extent to which even a curb on inflation would succeed in preventing recurrence of balance of payments difficulties. Sir Oliver Franks, Chairman of Lloyds Bank Limited, has thus pointed out that, "even if we have no further inflation the future can still hold dangers for us because of the low level of the gold and dollar reserves in relation to our total obligations". Sir Oliver added that "the course of events is bound to depend not only upon our own policies but also in some considerable degree upon those followed by other countries, above all by the United States and our fellow members in the Sterling area". In this background, he has analysed the likely impact on Britain's payments position, of policies of the countries of the sterling area and also the significance of international

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cooperation in preventing balance of payments difficulties in any part of the world.

In regard to the sterling area, the usefulness of an arrangement which results in economy in the limited reserves of gold and which lessens competition between countries of the area for gold has been granted by Sir Oliver. But he still sees the conflict between sectional and collective interests, about which there has been abundant evidence, as a major source of strain for the balance of payments position of England. Only coordination of investment plans and general policies offers, for him, a way out of such conflict of interest.

Though Sir Oliver recognises the need for restraint on expenditure by a country which seeks to restore balance to its payments position, he warns against the possible adverse consequences to such efforts of an unsympathetic monetary policy pursued by a neighbouring country. For example, in the present position of extreme disproportion in the distribution of international reserves and gold, the addition to the foreign exchange reserves of any country, which only accentuates such imbalance in distribution, would defeat even the most strenuous efforts of another country in achieving balance of payments stability. This could only be obviated if the country receiving such reserves immediately sets in motion the process which would facilitate other countries to share in such reserves proportionately. This might conflict with national interest of the particular countries and necessarily involves the recognition of wider international interests, for which there is no automatic assumption from the experience of countries at present. Britain's difficulties have been held as having been caused, to some extent, by the restrictive monetary and credit policies of Germany for which, in view of the position which Germany occupies as a creditor country with sizable reserves, there is no sufficient warrant.

The nature of the balance of payments crisis which overtook England would seem to lend some support to Sir Oliver's thesis. For, the pressure on sterling, rather unexceptionally, was not the product of any deterioration in the internal economic situation. In fact, the exports and balance on trade account were actually on the upgrade in the earlier half of the year. The real difficulties came from extraneous sources and were largely made up of speculative pressure on sterling. The Government sharply reacted by raising the Bank Rate from 5 per cent to 7 per cent.

The accentuation of speculative pressures has been attributed by some to the limited foreign exchange reserves of the country and to the apprehension of its getting still further depleted, while others have read in it lack of confidence in sterling which they mainly ascribe to the Government's limited campaign against inflation. The need for steps against inflation was met by the Government issuing a directive to banks to limit their advances in the succeeding twelve months within the level for the twelve months past. The Government have also put a freeze on investment in the public sector. The capital expenditure of central and local governments and of the nationalised industries has been sought to be limited to the level obtaining in 1957. These measures have confirmed the prognostications of the private sector about the futility of a fight against inflation which involved the exemption of Government from the rigours of the economy drive.

But opinion even among influential circles is divided about the adequacy of the cut in expenditure imposed by the Government. Lord Aldenham, the Chairman of the Westminster Bank, is one who entertains such doubts. He is puzzled as to how even £1500 million per annum, which is the limit fixed for public expenditure, is to be financed with-

out further inflation. Mr A. W. Tuke of Barclays Bank shares this pessimism about the success of the measures and has pointed out that the cut in Government expenditure is a mere holding operation and could hardly be regarded as a positive contribution toward solving the problem.

About the sufficiency of the measures to keep inflation at bay, also, there is no general agreement, and more emphasis has been laid on the positive aspects of the problem. Mr Tuke has spoken of the need for some positive incentives to savings by the Government giving exemption from incometax, while Siri Harold Bibby of Martins has underlined the necessity for balancing the budget in such a way as to give the industrialists relief from what he considers to be the crushing burden of existing taxation. Mr Tuke has gone to the extent of questioning the propriety of an annual capital levy on a part of the population in the form of death duties which, according to him, results in enormous dis-saving. He is not highly hopeful of success in fighting inflation unless it is conducted also in the realm of tax reliefs. In his own words, "till our penal rates of taxation are reduced a strong inflationary influence will remain;

The Future of US Collective Bargaining

By JAMES P. MITCHELL

THE kind of industrial relations we will have in the future depends, I believe, upon four things:

- (1) The economic setting in which such relationships are developed.
- (2) The nature of collective bargaining.
- (3) The composition of the work force and the nature of production itself.
- (4) The destiny of the struggle between totalitarian communism and free industrial democracy for the moral allegiance of the world's resurgent people.

First then, let us consider the economic setting in which free enterprise relationships are developed.

The prospect is one continued growth. We have been watching for three years now an economic rise remarkable in its uniformity and more than impressive in its size. It has been unique for more than those reasons, however. For the first time, we have seen an American economy responding to the incentives of peace and the possibilities of domestic progress in the same spirit and with the same vigor as were formerly evident only in periods of huge national effort, like war. The result has been a wider distribution of more wealth than ever before possible in our history.

This general movement toward new dimensions of productive accomplishment will continue throughout the foreseeable future but with some short-term changes in the uniformity of growth. For it is not to be expected that any economy will continue a general and spectacular rise without some stages of adjustment—and no one, of course, has ever expected that of ours. What we do expect from our economy, however, is long-term growth commensurate with the needs of an expanding population with no loss in the standard of living. And we will have that.

A prophet, then, even a temporary prophet for the space of an hour or so, can make up two sets of prognostications, one for the long view and one for the short. I am taking the

(This article comprises excerpts from an address before the Industrial Relation Section, Department of Economics and Social Science, of the Massachusetts Institute of Technology at Cambridge, Massachusetts. Mr Mitchell is the US Secretary of Labour)

Indian Finance

there will be less inducement to save and less than adequate savings".

Mr Tuke is also reserved in regard to the efficacy of the higher Bank Rate. He points out that one of the conditions for its success in the external aspect, namely, that it should encourage lending by foreigners to the country, does not hold good. Though he concedes some success, the results are not, to him, spectacular.

The present situation offers a serious challenge to the competitive position of Britain in the world market. Therefore, apart from the need for a lower level of expenditure, increase in labour productivity is also of great importance. The past trend in this respect has not been encouraging. Increase in productivity anticipated at the time of granting wage increases at the pressure of trade union action has failed to materialise. The result of such discrepant movements in wages and productivity is summarised in the Bulletin for Industry as follows:

Money incomes rose so much faster than the output of goods and services in 1956 that cost per unit of output increased by 6½ per cent and even in the first half of 1957 there was increase of 3 per cent.

short view—a good, hard look at the immediate future.

I think we can expect in the next year that some industries will not duplicate the extremely rapid rate of growth that has been characteristic of the past few years. We are already seeing evidence of this fact. There will be, in other words, a change in the rate of growth in some sections of the economy.

The point here is that the collective bargaining sessions of the immediate future will not be played against a background of uniform growth, as has been the case in the past few years.

This means that pattern-setting will not be as prevalent, and it also means that each collective bargaining session will take place in a different economic atmosphere, according to the present state of the particular industry. I would expect, then, that some collective bargaining will be a little stiffer than it has been, depending on the industry and the geographical area.

As the economy thus has an influence upon collective bargaining, so do other things—and this leads to the second major consideration.

The strongest influence on collective bargaining in the immediate future will be, I believe, increasing public insistence that labor and management conduct their affairs always with the general public good in mind.

This insistence derives from two sources. The first is public awareness of the cost-price relationship and public demand that labor and management exercise restraint in their bargaining. The second is public awareness that the great institutions of free enterprise may be endangered by corrupt persons in positions of power. From this springs the demand for protection for the rank-and-file members of organized labor and the general public.

In the first area, the American people have added to every collective bargaining table a third party—their own, unseen image. They sit in judgment on the agreements reached there and say, in effect: this may be good for labor and good for management, but is it good for America?

This sharply increased attention of the general public to industrial negotiations will have, I feel, a tempering effect. President Eisenhower, giving voice to the public attitude, has suggested that labor and management

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exercise self-discipline in the determination of their economic policies. This is the proper and just course in an industrial democracy, for the alternative to self-control is public control of some kind—and abhorrent idea to our nation.

With both management and labor thus placed in the public spotlight, we can expect that their actions will reflect some change.

The public is demanding legislative protection against corrupt influences in institutions so basic to our way of life. This legislation will operate, most probably, against corrupt union officials and against the causes of corruption to prevent its occurring in the future.

There is a danger that this legislation will go too far, and the attempt to cut away from unions both the infected parts and parts susceptible to infection will result in serious harm to the main body.

Against such an eventuality, the respected men of organized labor are doing every thing in their power to find their own cures. They should be given every support. At the same time, the legislation that is proposed should be carefully developed so it does not constitute a danger to the destiny of the entire labor movement.

In order to protect the individual worker and legitimate trade unionism this Administration has proposed and will propose specific remedial measures.

Two such pieces of legislation are now before the Congress, and I hope for their early enactment because they are basic bills that provide basic safeguards.

One of these legislative proposals would require the registration, detailed reporting and public disclosure of the financial operation of employee pension and welfare funds. When you realize that American workers have some-what in excess of \$30 billion in equity in these funds, it is easy to see how important it is to make sure that these funds are handled properly.

The other legislative item now before the Congress is a joint resolution, which has passed the Senate, which would permit the Secretary of Labor to make public the union financial reports now made to the Labor Department.

There are several other areas in which I believe Federal legislation is necessary.

One of these areas has to do with union elections.

I believe that legislation must be passed that guarantees a free, secret election of union officers no less than once every 4 years. The secret ballot is the strongest weapon against the tyranny of corrupt officials, whether they be in public or union office.

I also believe that there must be legislative restrictions placed on what I consider "blackmail" picketing. Now while the right of legitimate picketing by unions must be preserved, the use of the picket line to force an employer and his employees to have a union against their will must be curbed. This type of picketing is not part of legitimate trade unionism, but is in fact the tool of the racketeer and hoodlum. It must be stopped.

Other legislative measures affecting both unions and employers may be necessary. President Eisenhower has suggested this course of action. "Each situation," he said, "must be studied carefully to determine what remedies are necessary and whether they best lie in voluntary action, better law enforcement, administrative action, or appropriate Federal or State legislation, or in a combination of these means".

Now all of this may seem like a digression from my main topic but, in reality it is not. For both labor and management here have an example that public interest cannot and will

not be denied, that it moves with strength to correct abuses. Labor and management also have a pressing mutual interest in so conducting their affairs as to win the approbation and not the censure of the Nation. These things will, I feel, have an effect upon the collective bargaining of the immediate future.

The third thing that the industrial relations of the future will depend upon will be the composition of the work force and the nature of work itself.

Our need for trained and ingenious workers, each with his gifts at their fullest development, has increased in direct proportion to the ingenuity and complexity of our machines. Technology has not replaced people. It has placed an exclamation mark upon their individuality.

No employer needs to be reminded that the demand for skilled workers has been out-running the supply in recent years. Our industry is short of engineers, short of clerical help, short of craftsmen, short of semi-skilled workers. The pinch gets tighter as the economy grows and as our national appetite for goods and services grows in billion-dollar gulps.

We cannot expect that workers whose skills are inadequate or out-dated today will be in any better condition in the future if they are not given some help in their quest for self-improvement now. In the natural course of events, the nature of the work that many are now doing will change in coming years. Many of them will change from one job to another between now and then. Others will be doing essentially the same job—but using different skills and techniques in order to keep pace with changes in the machines around which their jobs are centered.

If he wants to keep his business healthy—and make that much of a contribution to the total health of the American economy—the American employer is going to have to step up his on-the-job training, step up his apprenticeship, step up his efforts to fit the right worker into the right job and to give that worker the means to grow with his job. He is going to have to find and train his own workers.

The pressure of the skilled worker shortage, and the need for meeting it, will enter into employer and employee negotiations in many ways. I feel that both union and management will have to undertake more in the way of cooperative efforts to develop the skilled workers we need, taking into consideration, among other things, the need for upgrading and advancement as workers acquire skill.

In this respect, then, the future of industrial relations is also the future of the skill shortage, for from negotiation between employer and worker can come the ways and means to meet this shortage on the individual plant level.

And finally, tonight, the last major area for consideration—the destiny of the struggle between totalitarian communism and industrial democracy.

What has the future of industrial relations to do with this?

Just this—what we do here at home in the development of labor-management relations has a key effect upon the success of our efforts to convince the peoples of the world that democracy is a more rewarding way of life than communism. That may sound like a naturally easy task, but the fact is this: that by concentrating upon narrow but deep lines of industrial and scientific endeavour, the Communist world can and does make an impressive display of progress that beclouds the really massive accomplishments of the free world in bringing to its citizens more fruitful and rewarding lives.

But the truth will out. And our truth in this conflict is intimately connected with the progress of labor-management relations. For while Russia may score some impressive industrial and scientific victories, they do it at the expense of the welfare of their own suppressed millions. We do it for the sake of the welfare of our free millions.

Industrial relations enters the international field in two major ways. First it provides an abiding example of the concrete results that the processes of freedom can achieve. And secondly, both labor and management are engaged in overseas activity that represents America in a real way to millions of people.

American investment in foreign countries is enormous; no other nation can match it. The scope and variety of our overseas enterprises gives us a signal opportunity. Where we invest our money, we must also invest our good will and share our knowledge. We must apply the resources of private capital toward the assistance of the countries in which we invest. We must share our techniques with them; we must help them to train their people to new skills; we must help them to establish industry and a sound economy.

American unionism has long recognized this principle. Its work abroad in helping to develop trade union movements in young countries has done more than a little to lift the social and economic condition of workers the world over. And the simple example of our free and vigorous labor movement here in the United States has been a great source of inspiration to all the peoples of the world—no less than has the example of our commercial success.

I would like to suggest here tonight a fuller collaboration of these two great influential forces in their international activities, based upon the kind of agreements reached within our own borders.

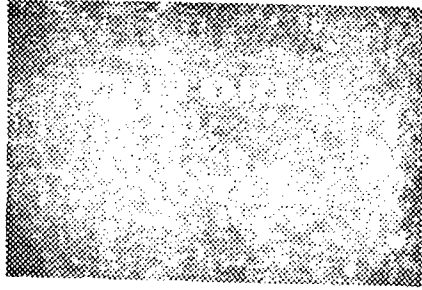
The future of industrial relations cannot fail to be affected by the ringing responsibility that free enterprise carries to help fulfill the hopes of the many millions of people in the new and under-developed nations of the world.

The collaboration I think is possible in the future will take this form. Just as American management, through its overseas operations, brings to its foreign employees experience in free enterprise, and just as unions, through supplying technical personnel and ideas, brings to overseas workers experience in free labor, so together they can help create a true image of the free way of life as pursued in an industrial democracy such as America. From this image people in other lands can gain a deeper insight into our free enterprise system and its advantages over the Communist way.

It is to the advantage of American employers to support democratic union movements in every country and in every place they are able. For in the long run this kind of freedom-in-action will preserve for them a world of growing markets and rising standards in which their own growth will be a part.

There is a tide of aspiration running in the world today. We see it here at home in our crowded colleges, our busy factories, our lively collective bargaining sessions. We see it abroad in the determination of new nations to lift the burdens of poverty, disease, and illiteracy from their people. Each of us sees it in himself, in his work toward a better and more prosperous society. Now, for the first time in history, man has the material means to satisfy his aspirations. We know how to build the production devices, how to train men to operate them efficiently, how to create mass markets, how to maintain an economy in which there is both movement and stability.

And I believe that we in this country will turn those means to the right uses. In that effort lies the future of American collective bargaining.



Cement Production

For one of the basic industries in India, cement, the prospect of the Second Plan seems rather unsatisfactory. Against the target of 13 million tons, production in 1957 was of the order of 5.6 million tons. The gap looks forbiddingly big. What is worse, for some reason or other, expansion plans and projects are not being pursued on a scale envisaged necessary for the fulfilment of the Plan target. Mr Dharamsey M. Khatau mentioned this point at the Annual General meeting of the Associated Cement Companies.

The relaxation in controls announced early in January was not the result of a surfeit in the commodity but a prospect opened up by the partial failure of State house building schemes. Mr Khatau has sought to explain how between the producer's price for cement and the consumer's price an extensive margin is being eaten up by a hefty excise duty on the commodity and a nearly equally hefty profit going to the State Trading Corporation. He hopes that the Finance Commission would recommend a higher producer's price in view of the rise in manufacturing costs but at the same time thinks that the consumer may not have to pay more.

Official policy is torn between the conflicting considerations of shortage in cement and of the need to stimulate construction works, particularly housing on a colossal scale. It seems unlikely that the increase

in cement prices for the producer will not be accompanied by at least a fractional increase in the consumer's prices. It remains to be seen how far the partial open market sales of cement would turn out to be less burdensome to the consumer.

In the course of the Parliamentary debate on the State Trading Corporation's balance sheet, Mr Morarji Desai indicated that profits earned by the Corporation on cement would go toward building houses for workers. That is obviously an objectionable way of utilizing the amount. But it is open to ask whether less inflated prices will not secure better results. On this question the Government will have to bestow thought.

United Arab Republic

In the post-war world, the splitting up of countries has been a distressingly conspicuous phenomenon. India got bifurcated into two. Korea was divided. Likewise Viet-nam. The Dutch Empire in the Far East is now a divided entity. Palestine was divided. Turning to Africa, Sudan broke from Egypt.

To this trend, the unification of Syria with Egypt offers a pleasing contrast. The new State which, in all likelihood, will be blessed and confirmed by a plebiscite of the peoples will be known as the United Arab Republic with one flag, one army and one President. The title is expressive of the hope that other States in the Middle East will also join the new unit. Already, Yemen is reported to have offered to merge in federal union with the new State.

The existence of two other States, Israel and Jordan, between Syria and Egypt may create compulsions unlike the one behind the offer made by Yemen, for future accretion of territory to the Arab Republic. That further consolidation would not be a mere dream is already indicated by the statement attributed to an undisclosed source: "Our unity is the first step toward Arab revolution. I hope this will bind all Arab nations together".

The birth of the new State is not looked upon as a happy augury in every other part of the Middle East. Jordan, Iraq and Saudi Arabia have initiated talks of a counter move in the form of a similar union. While the latter three countries are clearly on one side of the two international power blocs, Egypt and Syria have managed to maintain a show of neutrality with an unconcealed bias against the Western nations. Too much, however, should not be made of the fact that Syria and Egypt have been recipients of fairly substantial doses of financial help from the Soviets. While bigger States would certainly aid greater independence for Middle East, the problems the new setup can generate are most unpredictable.

A Still-born Proposal

The difficulties in the way of joint regional action in the economic sphere in Asia are again underlined by India's reported refusal to endorse a proposal put forward

by Japan for the creation of a common market. Last year another proposal for the establishment of an Asian Economic Development Fund sponsored by Japan met with the same fate. The present one is obviously inspired by the presence of a European common market. The mere difference between Europe and Asia, as far as the aptitude for an organisation of this kind goes, is that while in Europe all the economies are more or less in the same state of industrial development. In Asia, this is not the case.

Japan and India form the industrialised section and China is fast building up. If the proposal was intended to cover China, there is likely to be impediments of a non-economic character. As it is, inter-regional trade in the countries of Asia and Far East is slowly tending to develop, to some extent at the cost of the region's trade with the rest of the world.

A formal common market at this stage is not likely to assist that trend. The first impulse among the industrially backward countries will be to suspect the organisation as an instrument of domination by the more advanced units. That would defeat the very purpose for which the common market is sought to be established. A more vital reason is to be found in the circumstance that both as agricultural producers and as manufacturing nations, there is sharp inter-regional competition.

Even for the European common market, Britain's reluctance to join and the misgivings entertained by Italy and France are pointers which the less developed and less coordinated economies of the East cannot ignore. Moreover, the European common market is a super structure built on foundations of experiments such as the European Steel and Coal Community. In Asia, similar foundations are lacking.

The Price Incentive

In our last issue, we commented editorially on the problems of agricultural development in the ECAFE region. One of the points stressed was that price as an incentive to the producer has not had uniform results. Rice production in Ceylon is an outstanding example of the comparative fertility of price as stimulant for higher production.

The ECAFE report has given figures on the basis of which the conclusion has been drawn of the absence of clear evidence of a close relation between the price of paddy and the development of rice acreage or output. Among the possible reasons mentioned for this unhelpful conclusion are the existence of subsistence farms with limited opportunities for bringing more land on paddy, the absence of physical facilities for increasing yields, the competition of other crops and inadequate marketing facilities. It is even suggested that the incentive price may have no other role than just keeping output at a certain level and seeing that it does not recede. This discussion is important in view of the value attached to price incentive as a factor for increasing pro-

Indian Finance

duction of food crops in India. In determining the price level, innumerable considerations have to be taken into account, the weight and efficacy of each of which will depend on widely differing circumstances between one area and another. In an economy, where a very large percentage of the food grains does not come out for sale at all, the introduction of a price incentive raises the additional complexity of assessing where and to what extent it can be of effective significance.

Robots at Mischief

We live in the age of autos, automation, automatization and automata. These last, it appears, may occasionally get out of hand and, like Frankenstein's monster, do things far outside the schedule, a fact lately revealed by the Bristol Aircraft Company, makers of the turbo-jet Britannia airliner. It will be recalled that a long-range Britannia crashed in the course of a test flight in November last near Bristol. The accident is now under enquiry and an aviation writer has meanwhile suggested that, an unruly robot may well have been responsible. In this connection, a Bristol Aircraft spokesman said that, on another recent test flight, the automatic pilot of a Britannia had tried to take over control from the human pilots. They fought back and the flight engineer, seeing what was happening, cut off the electric power supply to the mischievous-maker, and everything came right afterwards. Bristol Aircraft is reported to have taken measures to obviate such misconduct on the part of its automatic pilots in future. Scientists may take comfort from this, but laymen will perhaps begin to wonder whether the former may not have succeeded in a fit of absent-mindedness in endowing robots with volition.

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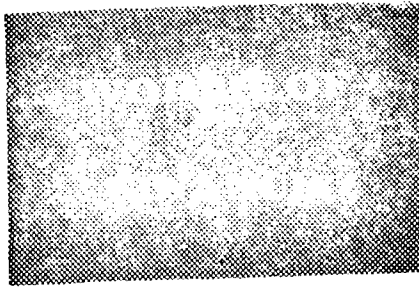
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A. T. HOBBS,
Manager.

February 8, 1958



Sharp Rise Staged In Bank Deposits

AFTER a pause of several weeks, the Deposits of Scheduled Banks have, in the week ended January 24, shown a steep increase. For, although, in the week ended January 17, Deposits of Scheduled Banks rose by Rs 12.72 crores, this was almost wholly accounted for by the State Bank. In the latest return, the Scheduled Banks report a rise of Rs 29.47 crores to Rs 1432.48 crores in Deposits. Of this, Rs 20.53 crores could be attributed to the State Bank. Secondly, however, we may note that there has again been a rise of Rs 6.32 crores in Time Liabilities. Meantime the total of Advances has crossed the Rs 900 crore mark with a rise of Rs 11.68 crores to Rs 901.85 crores. Even then, the expansion in Advances since the beginning of 1957-58 busy season works out only to Rs 33.92 crores as compared with an increase of Rs 65.82 crores in the corresponding period of 1956-57 busy season. Again, the rise in Deposits during the current busy season has worked out to Rs 36.54 crores as against Rs 28.58 crores in the corresponding period of the 1956-57 busy season. Thus, it can be seen that, while Deposit resources have been accruing at a more rapid pace in the current busy season, Advances have tended to expand by a smaller margin. In 1956-57, the increase in Deposit resources was insufficient to cover the expansion in Advances. In the current year, the increase in Deposit resources exceeds the rise in Advances. For this reason, it may be said that the banking system is undergoing much less strain in the current busy season; and some of the reasons therefore were given in the last week's article in this section. Another point that we need to take account of is the fact that, although the pace of the 1957 slack season accretions to Deposits has not been maintained, nevertheless, the rate at which new Deposits are accruing to the banking system in 1957-58 busy season is much more substantial than in any previous busy season. Since the financing of crops had a late start, it is not possible at the moment to state that, ultimately, the 1957-58 busy season will have generated a smaller demand for funds. However, it may be asserted with some confidence that the augmentation to Deposits of Scheduled Banks is likely to prove of sufficient dimensions to enable the banking system to tide over comfortably the current busy season.

If the preceding comments on the position of Scheduled Banks indicate obliquely the possibility of a much less strenuous busy season, the trend in Active Notes is also suggestive of a less severe busy season. Thus, since October 25, 1957, Active Note circulation has risen by only Rs 45 crores; in 1956-57 busy season, Active Note circulation had expanded by Rs 75.13 crores. While, as we pointed out last week, it is still premature to conclude that these trends are an unambiguous index of a retrogression in the economy, prudence requires that the monetary authorities should follow the situation closely, carefully and studiously.

According to the return of the Reserve Bank for January 31, Active Note circulation has declined by Rs 2.43 crores to Rs 1531.20 crores. Rupee Coin has returned from circulation for Rs 0.25 crores; Reserve Bank's cash in the till has gone up by Rs 2.69 crores to Rs 20.72 crores.

In the Banking Department, the Centre's balances are marked down by Rs 4.30 crores at Rs 58.13 crores. The State Governments may have received some payment from the Centre, since their balances have risen by Rs 3.49 crores to Rs 27.34 crores in spite of a decline in their indebtedness to the Reserve Bank by Rs 0.33 crores. Other Deposits are practically unchanged, being higher by Rs 0.54 crores at Rs 113.21 crores.

The Reserve Balances of member banks have improved by Rs 1.88 crores to Rs 75.73 crores. Again, however, this is wholly ascribable to the State Bank. At the same time, the Scheduled Banks appear to have increased their borrowings from the Reserve Bank, since the central banking institution's Other Loans and Advances are marked up by Rs 3.63 crores at Rs 65.27 crores. The advances against usance bills are placed higher by Rs 2.84 crores at Rs 24.21 crores, suggesting that the rise in Other Loans and Advances is almost wholly due to increased borrowings by the Scheduled Banks. Lastly, Balances Held Abroad show a drop of Rs 2.14 crores to Rs 37.75 crores. The decline in Foreign Balances during January is at the hearteningly low figure of Rs 14.36 crores. Since January was a five-week month, this would indicate that the weekly depletion during the month has averaged less than Rs 3 crores.

According to the return of the State Bank for January 31, a further rise of Rs 3.07 crores to Rs 394.65 crores has been recorded in Deposits. Nevertheless, with a rise of Rs 5.21 crores to Rs 192.37 crores in Advances, there is a small rise in borrowings from Rs 1.35 crores to Rs 2.18 crores. Cash Balances are higher by Rs 2.22 crores at Rs 33.84 crores.

The return of Scheduled Banks for January 24 discloses, as we have seen, a rise of Rs 29.47 crores to Rs 1432.48 crores in Deposits. Since the expansion in Advances

during the week amounted to only Rs 11.68 crores, it was possible for the Scheduled Banks to reduce borrowings from the Reserve Bank by Rs 10 crores to Rs 23.43 crores. Also, Cash Balances have improved sharply by Rs 15.61 crores to Rs 169.53 crores.

Government Promissory Notes of the following loans (Central and State Governments) interest on which falls due for payment during the months of March and April 1958 will be accepted by the Public Debt Office, Reserve Bank of India, Calcutta for preparation of interest warrants from the 14th February and 14th March 1958 respectively.

Interest falling due in March 1958:
2 per cent 1978, 3 per cent Con 1946, 4 per cent 1960-70, 2½ per cent Madras 1961, 2½ per cent UP 1961, 3 per cent Madras 1960, 3 per cent MP 1954, 3 per cent UP 1961-66, 3½ per cent Bombay State Dev. 1962, 3½ per cent Madras 1962, 3½ per cent MP 1962, 3½ per cent PU 1962, 3½ per cent West Bengal 1962, 4 per cent Andhra 1967, 4 per cent Bihar 1967, 4 per cent Bombay 1967, 4 per cent Hyderabad 1967, 4 per cent Madras 1967, 4 per cent MP 1967, 4 per cent Mysore 1967, 4 per cent Saurashtra 1967, 4 per cent UP 1967, 4 per cent West Bengal 1967, 4 per cent Andhra 1968, 4 per cent Bihar 1968, 4 per cent Hyderabad 1968, 4 per cent Madras 1968, 4 per cent MB 1968, 4 per cent MP 1968, 4 per cent Mysore 1968, 4 per cent Orissa 1968, 4 per cent Punjab 1968, 4 per cent Rajasthan 1968, 4 per cent Saurashtra 1968, 4 per cent Trav-Cochin 1968, 4 per cent UP 1968, 4 per cent West Bengal 1968, 4 per cent Bombay 1970, Interest falling due in April 1958: 3 per cent 1966-68, 3 per cent 1970-75, 3 per cent Mysore 1956-61, 3½ per cent NP Loan 1965, 4 per cent Hyderabad State Dev. 1968.

Holders of the loans are advised to lodge their securities well in advance of the due dates to facilitate delivery of the securities and interest warrants on the due dates. In view of the heavy work involved, the period for delivering securities tendered for payment of interest on the above loans may be extended to five clear working days.

Early Lowering of British Bank Rate?

By Paul Einzig

THERE is a widespread expectation of an early lowering of the Bank Rate. It has now been at 7 per cent for more than four months which is well in excess of anticipations. When it was decided to raise the Bank Rate to such an abnormal level everybody assumed that its early reduction would become possible. There was a widespread belief that such a high Bank Rate would surely break the inflationary spiral. On past occasions when the Bank Rate was raised to comparable levels it usually produced dramatic effect that enabled the authorities to reduce the Bank Rate before very long.

On the present occasion the effect of the high Bank Rate was far from dramatic. Even speculators in sterling hesitated for months before deciding to cover their short position. Indeed, the reversal of the trend of gold movements can be accounted for to a large degree

by the improvement of the balance of payments which is not attributable to the high Bank Rate. It is true, the disinflationary measures, amongst which the 7 per cent Bank Rate is of outstanding importance, inspired confidence abroad and may account for a large part of the rise in sterling. But that rise could not be described as having been dramatic.

It was not unreasonable to hope that in September the seasonal improvement in sterling after the turn of the year would make it possible for the authorities to begin the gradual reduction of the Bank Rate. It seems however, that the buying pressure on sterling has not been on a sufficiently substantial scale to enable the authorities to replenish their gold reserve to a sufficient extent to face the autumn pressure with equanimity.

When it comes to the domestic effects of the Bank Rate they have been anything but spectacular. It is true, a number of debtors repaid their debts rather than pay prohibitive interest rates. But the extent to which such repayments lead to a decline in the volume of credit is negligible. The repayments merely enabled the Banks to satisfy part of the demand for credit by firms able and willing to pay the high rates. Had it not been for the official limitation in the volume of credit imposed on the banks, there would have been a further expansion of credit since September in spite of the high Bank Rate. On the other hand, but for the increase of the Bank Rate, pressure on banks by would-be borrowers would have been even stronger than it has actually been. All that the high Bank Rate has done is to mitigate that pressure.

Nevertheless, banks have to refuse many applications, especially by small firms. The extent to which this is done is not so large as to give rise to unemployment so that scarcity of labour is almost as acute as it was before the increase of the Bank Rate. There is growing dissatisfaction both among business firms whose credit requirements are not fully satisfied and among bankers who have to disappoint many customers.

The banks find the position all the more difficult as the credit squeeze is purely voluntary. Although the Government has the legal powers to instruct the banks to abstain from increasing the volume of credit beyond its level of 1957, so far the Chancellor of the Exchequer has not made use of that power. He has merely requested the banks to comply with the official policy of credit ceiling. The fact that the imposition of the credit ceiling is voluntary makes it all the more difficult for bank managers to deal with indignant customers.

The Government is generally blamed for not doing its own share towards the credit squeeze through a curtailment of expenditure. Although the current Budget has a surplus there is an overall deficit allowing for capital expenditure items. Advances to nationalised industries by the Treas-

sury figure prominently among the causes of the high volume of Treasury Bills. Owing to the high volume the liquidity ratio of the banks is high enough to enable them to say "no" to their customers.

The obvious solution of this problem would be the adoption of the American system under which the authorities have the power to alter the reserve requirements of the banks. Under that system it would be possible to limit the capacity of the banks to expand credit without having to resort to unduly high Bank Rate or to the imposition of

a credit ceiling. An increase of reserve requirements would compel the banks to refuse applications of credit in order to keep their reserve ratios under the officially fixed limit. They would be in a position to put the blame for their refusals of applications fairly and squarely on the Government's shoulders. As it is, dissatisfied customers reproach them for having voluntarily undertaken to abstain from granting more credit.

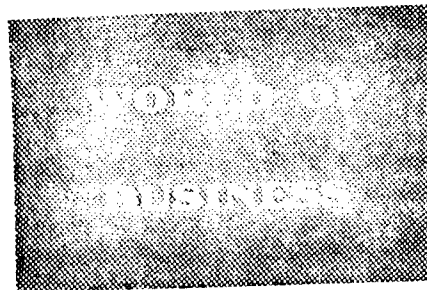
But the chances of the adoption of the American system are negligible. It will be done no doubt under the next Socialist Govern-

ment but it would run against the Liberal dogmatism of the Conservative Government. Yet in adopting the American system the Treasury could save very substantial amounts of interest on public debt through a stroke of the pen.

In the absence of any marked decline in business activity and owing to the uncertainty of the position regarding wage demands, the authorities were unwilling during January to lower the Bank Rate. They refused to allow themselves to be influenced by alarmist view about the prospects of a world-wide economic recession.

Possibly any clear indications of a willingness of trade unionists to submit to the official policy of wage restraint would induce the authorities to lower the Bank Rate. But so long as there are no clear indications in this respect the prospects of further wage increase discourage them from doing so. Perhaps a timid beginning of the reduction may be made in the not too distant future. Before the process is carried very far, however, the Government will have to be reasonably certain that the wage spiral has come to a halt.

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Problems of the Chemical Industry

MR DHARAMSEY M. Khatau, Chairman of the Associated Cement Companies, recently said that, caught between mounting costs of production and crippling taxation on the one hand and a fixed selling price on the other, the cement industry had been depleted of all its resources and that, as a consequence, its activities had slowed down. In his presidential address to the Indian Chemical Manufacturers' Association held in Calcutta this week, Mr Charat Ram has disclosed that a similar situation faces the chemical and pharmaceutical industry as well. He points out that the industry's progress last year has been achieved only after withdrawing heavily from its operating margins and reserves and warns that "another year or two of this type of operations, would surely ruin the economic foundations of the industry and enfeeble it to a degree that it may not be able to meet the demands of production expected of it". Mr Charat Ram, however, hopes that it cannot be the intention of Government to cripple the private sector and "what has happened has been somewhat in spite of the Government's wishes". We would very much like to see Mr Charat Ram proved right in this regard.

In his inaugural address, Mr Manubhai Shah, Union Minister of Industry, has not included this most vital problem in his list of the major problems facing the chemical industry. It would, however, appear that his assurance to the industry of the fullest cooperation in furthering the aim and objective of fostering the growth of the chemical industry will be of no avail, if it is not preceded by remedial measures to put the industry on an even keel. For, Mr Charat Ram has made it abundantly clear that talks of further progress will gain relevance only when it is realised by Government that the industry must have sufficient funds to embark upon its expansion programme. The chemical industry being capital-intensive, its working capital requirements are higher than most other industries. In order to attain its Second Plan target, it has to find additional capital to the tune of more than Rs 100 crores. The fact that the chemical industry earns only 3 per cent makes the problem of capital formation an uphill task. It would appear, therefore, that the only possible course open to the industry is auto-financing. But Government's fiscal policies have undermined this also. Mr Charat Ram can by no means be characterised as a businessman

who criticises authority on the mistaken impression that government and private enterprise in our country are mutually exclusive entities. For, he realises that "a vastly changed approach to work and philosophy of business is what is expected from us men of industry today." Words coming from such a person, therefore, deserve the closest attention that a democratic Government, which has accepted the concept of a mixed economy, can bestow on the views of an industrialist on the problems affecting the working of an industry in which he is actively engaged.

The chemical industry has valiantly adjusted itself to the blanket ban on imports imposed on it without prior warning, and Mr Charat Ram takes the most charitable view of the situation, that has been brought about by the rapid depletion of foreign exchange. His only request to the Government is that they should be careful to avoid similar mistakes in the future.

A grave error of judgment seems also to have been committed in the matter of assessing the capacity of indigenous industries to pay heavy taxes, to sell their products at cheap prices and to expand activities, all at the same time. That the fiscal and other policies followed by Government in the past few years, and especially in 1957, have not been conducive to orderly day to day working, let alone capital formation, is becoming increasingly clear from the reports of the working of the various industries in the past year.

A salient feature of Mr Charat Ram's address is its constructiveness. Instead of analysing the causes of the foreign exchange crisis, Mr Charat Ram turns his attention to devising ways and means of augmenting these resources. He points out that it is the primary duty of industrialists to give a new slant to their production plans for specifically augmenting the country's foreign exchange resources by canalising the development of the industries into products which will reduce imports and products which will increase exports. In this regard, he opines that, instead of stopping with planning for self-sufficiency, the chemical industries should plan for surpluses for export.

Among the problems confronting the chemical and pharmaceutical industry in our country, one of the most important is its complete dependence on imports for its sulphur requirements, which have doubled to 80,000 tons in the past few years. Since sulphur requirements are bound to increase sharply during the period of the current plan, the problem of meeting our requirements in this regard becomes very important. In the absence of sulphur deposits in our country, Government have taken some steps to find out whether iron pyrites and gypsum, which are sulphur bearing materials, can be utilised for manufacturing sulphur. Extensive deposits of pyrites running to millions of tons are reported in the State of Bihar and proving operations are in pro-

gress. An analysis of the ore has shown it to be of good quality. It would appear that the consideration of the economic utilisation of the ore is proceeding at a snail's pace. It is to be hoped that active steps will be taken to set up an industry to manufacture sulphur from indigenous raw material resources; for, sulphur imports are now consuming quite a sizable amount of foreign exchange.

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In An Economic Twilight

FROM the last quarter of 1957, the production and trade trends in the United States and Britain took a turn which has largely baffled policy makers and planners both in Government and in private industry.

In the United States, unemployment seems to have reached the unusual figure of four million, which is also a postwar record. The steel industry is operating at about 60 per cent of capacity since October. The manufacturing and trade stocks have declined considerably in value. There have been a few conspicuous lay-offs in the automobile industry. In sympathy with these trends, there has emerged a wave of worry if not also of actual disturbance for the export trade of countries which look to the United States either as a substantial or as an unavoidable marginal customer.

In Western Europe, industrial investment has largely come to a stand still. Military expenditure has tended to look down; industrial production has definitely lost the upward momentum it secured a couple of years ago. International demand for commodities has fallen. Besides these developments, many Governments are still found to adhere to financial policies associated with inflationary economies.

The U.S. Budget and the Economic Report of the President betrayed none of the pessimism which a nation on the brink of a depression is expected to imbibe. Some of the economic programmes indicated in the Budget will have their start a few years later, but their very presence is significant, especially that of reductions in social welfare expenditure. The Economic Report likewise lays emphasis on the problems of inflation and not on the latest production trends. This paradox between the general economic indications and State financial policy is sought to be explained by the fact that the President and his advisers are not thinking in terms of a likely depression and that they see in several circumstances strong points of resistance to any such eventuality.

Their assessment of prospects takes the line that increased expenditure on defence and by State and local Governments on many items would more than compensate whatever fall has been occurring in business investment. Secondly, the liquidation of stocks which is considered to be the main factor behind the declines

recorded till now would be yielding place, at least sometimes about the third quarter of 1958 to a relay invigoration of alround activity. For the steel industry an operating rate of 75 per cent of capacity would then be assured.

The steady rise in population with all the concomitant expenditure it involves, the relaxation of credit standards for construction purposes and the latest reduction of a quarter per cent in the discount rate, all these would restore to the economy whatever prop it needed against the deflationary trends and impacts which have survived from last year.

Incidentally, the credit relaxation and the turn toward easier money are not on the side of the economic implications of the budget. Rather, they are obviously points which assist the type of general assessment of the economic situation beneath the budget. There is no doubt that there is a certain unacknowledged or partially acknowledged dilemma in the minds of US financial experts, a dilemma created by considerations of checking prices and wage increases on one side and on the other of halting a recession.

In Britain, as in other countries, the state of whose economies are vitally linked with the economic trends in the United States, the situation seems equally baffling. Arguments still hold good in favour of clinging on to the policy of disinflation pursued with probably more than the needed rigidity by the last Chancellor of the Exchequer. In Britain, prospective claims for wage increases are always a bugbear particularly for a Conservative Government. This is not only for the reason of the higher domestic expenditure such increases would involve but for the unfriendly effect they would have on the competitive position of British exports.

Presently a rigid financial and credit policy has the effect of contributing to a certain restraint on wage demands. This position may disappear if the strictly disinflationary attitude of the Government were to admit of compromise. There is the feeling that it would be a net gain to Britain in the sphere of exports and in the matter of attracting funds to London if dear money policy is pursued in isolation, when other countries are trying to relax in response to their local needs.

But against this advantage, there is the higher cost of borrowing and of servicing debts and what might be called the inescapable compulsion of international trends. When world interest rates have started moving decidedly downwards, how far would it be possible for Britain to maintain its lonely stand even if it were to be propped up by short-term benefits?

All that could be said is that Britain has secured some breathing time for considering all pros and cons, before deciding when and to what extent a departure should be made.

Pluto is puzzled

WHEN the wind blew southerly Hamlet could tell a hawk from a handsaw. Pluto, the airport pet, can do better. As a trained plane-spotter, he can tell a Viking from a Dakota, a Skymaster from a Heron. But now he is puzzled. He has never heard before the whistle of the Viscount.

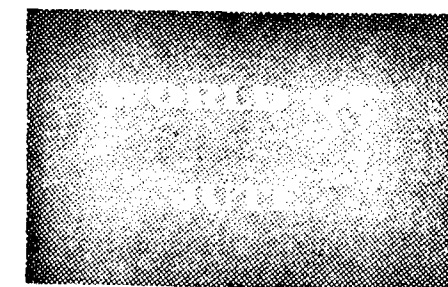
The whistle of the Viscount is a pleasant change from the roar and hum of piston engines so familiar to us. It represents a revolutionary advance in air travel—bringing the jet age to India. Cruising above the weather and eliminating vibration and noise, it ensures fatigueless flight at high speed. For this the credit goes to its four powerful 'turbo-prop' engines which employ the same gas turbine principle as jets. To add further to the comfort of passengers the cabin of the Viscount is fully pressurised, air-conditioned and sound proofed and provided with huge picture windows which give an incomparable view of the scene below.

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INDIAN AIRLINES CORPORATION



Problems posed by Jute Production

IN his presidential address at the annual general meeting of the Jute Balers' Association held in Calcutta last week, Mr Chhaganmull Chopra has disclosed that the Association has approached the Central Government with a request that, in view of the increased production of jute and mesta in India, exports of raw jute may be allowed as they will go a long way in stabilising prices and that Government have pointed out in reply that the question of allowing exports will arise only when jute production outpaces demand. The request may be justified from the standpoint of dealers in raw jute because, in the absence of any other buyer except our mills, they may not get an equitable price. But from a national standpoint it becomes impracticable.

An examination of the raw jute supply position in our country will disclose that though commendable progress has been achieved in the

past few years, there is still a considerable leeway to be made up. For, as against the Second Plan target of 5.5 million bales, jute production in 1957-58 is estimated at only 4.1 million bales. There has thus been a setback in production as compared with the previous year. It is true that at the current level of mill consumption, the raw material supply position, after taking into account the production of mesta, may be deemed to be quite satisfactory. But the fact remains that so long as complete raw jute self-sufficiency is not attained, the raw material problem of the industry cannot be considered to have been solved.

The problem of increasing jute production is not simply a question of bringing additional acreage under jute cultivation. The jute crop requires plenty of water and certain type of climatic condition. These essential prerequisites are available only in certain parts of the country and even in these regions paddy is a strong competitor with the result jute growing has come to bear a close relation to its relative profitability to the agriculturist. Therefore, the emphasis in jute production is now on intensive cultivation. Experiments have shown that with improved methods of cultivation and by using fertilisers, yield can be considerably increased. Intensive cultivation will at once minimise the increase in acreage and increase the prospects of a better return to the cultivator. An in-

crease in yield will also go a long way in reducing the raw material cost of the jute industry.

Another aspect of jute production that needs stressing is the need for improving quality. It is common knowledge that most of the jute produced in our country is not of good quality. It would appear that a number of factors are responsible for this. But it is generally believed that considerable improvement can be effected in the quality of the fibre if proper attention is paid to the crop at the retting stage.

It is also becoming increasingly evident that the problem of obtaining a satisfactory raw jute supply position to the industry cannot be solved so long as jute production is considered as a matter that concerns only the cultivator. As raw jute holds the key to the solution of the industry's troubles, the entire jute industry and trade has a vital stake in it. It is therefore incumbent on each and everyone who has anything to do with the trade and industry to take an active interest in the problems of the jute cultivator.

The jute goods market continued to rule easy during the past week in the absence of foreign enquiry. Sentiment was depressed by the disappointing trend of shipments and the consequent anticipation of a sizable increase in the stocks of goods with mills at the end of January. The repercussions of speculative manipulations in the Fatka were also largely responsible for the decline in price levels especially in the sacking section. In the depressed state of the market, rumours of a Government tender and purchases of sacking and hessian by Russia failed to have any marked effect on price levels.

The jute market opened last Thursday on a quiet note due to selling pressure in Fatka. The continued absence of buying interest in sacking was mainly responsible for the quiet tendency. Hessian 40" x 10 oz Ready closed the day at Rs 39.65 while B Twills was marked at Rs 103.80. In forward deliveries, April-June Hessian 40" x 10 oz was placed at Rs 40.10 while B Twills was quoted at Rs 105.10.

Heavy selling in sackings on account of due date considerations pushed down prices all along the line on Friday. Hessian 40" x 10 oz Ready dropped 10 nP to come back to Rs 39.55 while B Twills declined sharply to Rs 101.65. Elsewhere April-June Hessian 40" x 10 oz was done at Rs 40.10 and B Twills at Rs 103.90.

Reports of a Government tender for sackings imparted some steadiness to the market on Monday and Hessian 40" x 10 oz Ready recovered to Rs 40.00. B Twills Ready was more than two points higher at Rs 103.90. April-June Hessian 40" x 10 oz was likewise better at Rs 40.30 with B Twills quoting at Rs 104.90.

The previous day's enthusiasm proved shortlived when the market opened on Tuesday. In the

Indian Finance

absence of follow-through support speculators began to unload in the fatka and as a consequence prices were marked down. Hessian 40 x 10 oz receded to Rs 39.60 with B Twills losing Rs 1.90 to come back to Rs 102.00. In the forward positions, April-June Hessian 40 x 10 oz was steady at Rs 40.90 but B Twills declined to Rs 103.63.

The reactionary tendency gained momentum especially in the sacking section on Wednesday due to heavy selling pressure from prominent operators. With mills also coming out as sellers closing prices were considerably lower on balance. B Twills ready declined to Rs 101.50 with the April-June position also lower at Rs 102.60. In the hessian section, Hessian 40" x 10 oz Ready receded to Rs 39.50 and April-June to Rs 39.87.

The raw jute market also ruled easier partly in sympathy with the goods section and partly due to persistent rumours about reissue of licences by Pakistan for export of cuttings, coupled with heavy arrivals in upcountry markets. Mills evinced considerable interest at the lower levels and sizable mill business was reported done during the course of the week. Assam Bottoms which was quoting at Rs 26 was placed at Rs 25.75 per maund at the end of the week.

PRICE TREND DURING THE WEEK.

	Opening	Closing
Hessian:	Rs	Rs
40" x 10 oz. Ready	39.65	39.50
" April-June	40.10	39.87
Sacking:		
B Twills Ready	103.80	101.50
" April-June	106.10	102.00
Hx. Coes Green	103.00	102.00
Cornacks	105.50	102.75
Cubans	129.50	128.00
A Twills	124.00	124.25
L Twills	118.00	116.75
D W Flour	123.00	120.50
Sugar Bags	119.50	118.00

METRIC SYSTEM IN JUTE INDUSTRY: ADOPTION IN JULY

Representatives of the jute trade and industry agreed at a meeting in Calcutta on February 3, 1958 to make a beginning with the adoption of the metric system of weights and measures on an optional basis from July 1, 1958. The meeting was held under the chairmanship of Shri A. P. Mathur, Jute Controller of the Government of India.

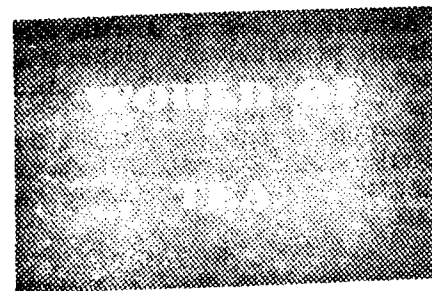
The operation of the metric system in the industry would at first be confined to the purchases of raw jute by mills and sale of jute products by them.

The meeting appointed a committee consisting of representatives of the jute trade and industry and officials to deal with problems encountered during the switch over to the new system and ensure its smooth operation.

It was pointed out that most of the major industries in the country had agreed to introduce the metric system in specified fields in the current year.

The Standards of Weights and Measures Bill, which provides for the adoption of the metric system, must be completed by December 1958.

February 8, 1958



Demand Confined to Quality Types

THE tendency on the part of buyers to pause at the auctions, both in Calcutta and London, is still discernible. But, the total weight of demand is still reportedly good although buyers are discriminating where quality is concerned and, where this shows a falling off, prices are easier. Moreover, there is no change in the existing rate of export duty of 38 nP per pound. The Government of India have fixed the price of tea, for the purpose of determining the export duty, at Rs 2.99 per pound as against Rs 3.02 per pound in force from January 1, 1958.

There has been no appreciable increase in overseas demand and the latest figures have disclosed that, apart from the UK which took only 195.2 million pounds of North-East Indian tea so far this season (April 1 to January 25), Russia is not operating on the same scale as last year. Shipments to this country have so far totalled only 10.8 million pounds as against 15.0 million pounds.

Also, exports to Canada have fallen sharply to 19.96 million pounds in 1957 from 21.87 million pounds in the previous year. Commenting on the gradual but progressive decline in India's tea exports to Canada, an official report says that the reasons are not readily apparent. The possibility, however, is the growing competition from other countries, which have started supplying Black tea. The preference by the consumers for Ceylon tea and the heavy competition from coffee as well as the soft drinks—all of which have shown tremendous increases in consumption.

In general, the behaviour of the tea market makes anybody hesitate about taking a dogmatic stand on the market prospects. Although demand has not yet fallen appreciably, the easier tendency in prices indicates the shape of things to come. Producers of plain teas will continue to be hit if the growing African challenge is not met. Africa is unlikely to joint a revived international tea agreement. Without African's participation, such an agreement is not of much value. Apart from East Africa, where production is likely to advance at an accelerated rate as old fields become mature and new fields come into bearing, Argentina is planning to enter the world tea market.

Meanwhile, there is every likelihood of the release of a further quota of tea for export during the

current financial year. The question was discussed at a Tea Board meeting held in Calcutta last week when suggestions for the release of an additional quota of between 35 million to 59 million pounds were made. The Board has already referred the matter to the Union Commerce Ministry for decision. Permission for the export of 397.4 million pounds has so far been given, while India's total production, during the last year, was about 635 million pounds.

In the Export Sale held in Calcutta this week, offerings amounted to 62,709 packages. There was a good general demand and any bright liquoring teas, on offer, met with keen competition at dearer rates. Low Medium Orange Fannings were a strong feature and frequently sold well above valuations; but plain Medium teas were slightly easier, BPs and the Fannings grades being sold at 2 to 4 nP per pound below last rates.

There was good support for CTC teas and the very best were sold at or slightly above valuations. The remainder were, however, about 10 nP below last week's rates. Non-wither leg-cut Fannings were about steady except when they had bright liquors and these were keenly sought after. Whole Leaf grades met with less competition and declined by 5 to 10 nP, while the BPs were comparatively neglected, some lots being withdrawn.

There was less demand for Darjeelings and prices tended easier except for those with stylish appearance or autumnal flavour which were sold well. Following rates were quoted:— Clean Black Pekoe Rs 2.25 to Rs 2.30; Plain BP Rs 1.52 to Rs 1.56; Plain Fannings Rs 1.60 to Rs 1.64; Medium BP Rs 1.58 to Rs 1.62; Medium Fannings Rs 1.66 to Rs 1.70; Best Assam CTC BP Rs 2.40 to Rs 2.60 and Best Assam CTC Fannings Rs 2.30 to Rs 2.40.

In the Internal Sale, offerings amounted to 20,302 packages of Dusts. There was only a fair demand and prices were again easier. Orthodox descriptions from all districts were upto 6 nP per pound lower, the better liquoring kinds usually showing the least decline. CTC Assams were an irregular feature, the best liquoring descriptions being frequently upto 20 nP easier. The brighter Mediums were sometimes only upto 10 nP lower, while the more fibrous plainer kinds were irregular and generally easier. Darjeeling teas were in less demand and generally easier. Following rates were quoted:— Medium Doosars Dust Rs 1.54; Medium Assam Grainy Dust Rs 1.56 to Rs 1.58; Medium Assam CTC Dust Rs 1.70 to Rs 1.90 Best Assam CTC Dust Rs 2.60 to Rs 2.90 (nominal).

In the Export Quota section, rates moved between 14 and 15½ nP per pound. Towards the close of the week, business was reported done at 14 nP per pound.

In the Colombo market, offerings were 6,270,032 pounds. Quality continued to improve and there was a good demand, but at generally lower prices. The small offerings

of Nuwara Eliya teas were absorbed at slightly below valuations. There was again a sharp fall in the prices of high-grown teas, best Broken grades being sold at 50 cents per pound lower. There was, however, a strong demand for medium teas, the best coloury Broken grades being sold at firm to dearer rates.

The offerings of low-grown teas were heavy and prices were 10 to 15 cents per pound lower, both for Middle Eastern types and small Leaf Broken. Orange Pekoes were barely steady; but Pekoes were slightly dearer. The best quality Fannings eased in prices; but for below the best, there was a strong demand at fully firm rates.

Despite a lower outturn of 28.1 million pounds in December, last year's tea crop in Ceylon has reached the new record level of 397.8 million pounds as compared to 375.6 million pounds in 1956. The previous record crop was harvested in 1955 when the outturn totalled 380 million pounds.

In the Dust Sale held at Cochin, offerings consisted of about 500,000 pounds. There was a good general demand, but prices were irregular and generally somewhat easier for all descriptions. Best Nilgiris came up to 15 nP per pound easier except on selected lines. There was fair enquiry for Good Mediums; but these declined by 10 nP. Mediums from Travancore were all supported, but prices were generally 5 nP per pound easier. Those from Wynnaad met with limited interest and prices declined by 10 nP. Milled and residual sorts were irregular, selling at prices which were 5 to 10 nP below last rates. Black and grainy descriptions were a weak feature of the sale and these were often withdrawn.

In the Sale held at Chittagong, offerings were 10,504 packages of Leaf grades and 4,498 packages of Dusts. The offerings of Leaf grades were of a typical end-of-the season appearance. As the sale progressed, prices tended to firm up and, towards the close, the majority of teas were selling at around As 2 per pound below last rates.

The demand for Dusts was very irregular. Popular non-wither varieties were keenly competed for and were often one to two annas per pound dearer. The remainder were readily absorbed at prices up to an anna above valuation. Plain Sylhet Dust was quoted at Rs 2-6-0 per pound.

The market for Green teas was irregular; but there was a fairly good demand and prices averaged at about an anna below valuation. The Sale No. 17 will be held on the 19th February.

At the sale held in Djakarta, offerings were 2,500 packages. The quality of some invoices again showed some falling off. In contract to the weaker markets in Colombo, Calcutta and London, the Djakarta market is fully firm to often dearer, particularly for good liquoring Broken Orange Peko and Pekoe Fannings with black appearance. There was a good demand for all kinds of good medium to best quality Broken and Oranges Pekoes. Less in-

terest was, however, noticeable for the Common and Low Medium classes of tea.

Indonesia harvested 3.6 million pounds of tea in October 1957 as compared to 9.3 million pounds in the corresponding month of 1956. Total outturn, in the first 10 months of 1957, amounted to 83.1 million pounds as compared to 76.6 million pounds in the corresponding period of 1956, showing an increase of 6.5 million pounds.

In London auction, offerings were 23,300 packages including 19,255 packages of Northern India teas. There was a good general demand for all kinds. Poorer sorts were easier, while coloury good quality teas were fully firm to dearer. The average rate for the Northern Indian teas was 53½d per pound. Plain Broken Pekoe was quoted at 3sh 4½d; Medium Assam BP 3sh 5½d and Best CTC 5sh 2d.

In the sale held in the middle of this week offerings were 13,268 packages. Although there was a quiet tone, flavoury invoices were sold well. The balance of Northern India, Pakistan Nayasaland, Kenya, Uganda, Belgian-Congo, Indonesia, Formosa, Malayan, Tangayika teas amounting to 20,923 packages were also offered. There was a quieter tone and good liquoring teas were sold at firm rates. Other descriptions were often one to three cents per pound lower. Plain Fannings were quoted at 3sh 6d as against last Monday's 3sh 6½d.

Tea stocks in London, as on the 24th January, were 119.61 million pounds as compared to 121.72 million pounds in the previous week and 64.65 million pounds a year ago. Landed between 18th and 24th January were 8.93 million pounds, while deliveries were 11.05 million pounds.

Total afloat was 37.87 million pounds including 29.50 million pounds from Calcutta; 193,930 pounds from Chittagong; 4.12 million pounds from Cochin; 3.48 million pounds from Colombo and 577,500 pounds from other Ports. The average price realised at the auction, for the week ended January 24, was 52.49d per pound as against 55.58d realised in the previous week and 68.84d a year ago.

★

In completing its third year of operation, the Tea Council of Canada reports an increase of almost 2 per cent in sales over the previous year, or some 3 per cent higher than in the first year of the Council's working. This is an encouraging sign, since a rise of this order is equivalent roughly to an annual increase of 1.25 million lbs in imports. But, as a warning against complacency, the Council points out that per capital consumption has declined, since the rise in sales of 3.0 per cent is much smaller than the increase in population over the period of 5.1 per cent. So, the Council has asked for 'a continued and concentrated effort' in order 'to consolidate the progress already made'.

Judging by the good work that the Council has already put in, there is fair ground for believing that the required effort will be manifested.

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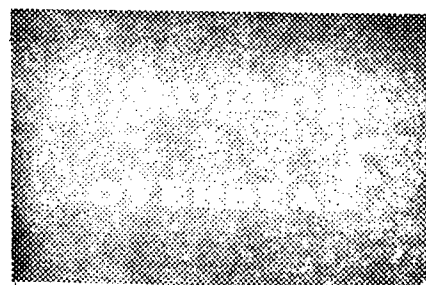
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Britain

THE United Kingdom's average investment in the Commonwealth over the years 1953-56 was nearly £200,000,000 a year.

This figure was given in the House of Commons on January 28 by the Colonial Secretary, Mr. Alan Lennox-Boyd, moving the second reading of the Overseas Resources Development Bill.

He explained that the purpose of the Bill was, first, to define the extent to which the Colonial Development Corporation might operate in colonial territories after they became independent, and in independent Commonwealth countries generally; and secondly, to increase the amount of capital available to the corporation.

It was valuable for Britons to remember, in a time of financial stringency, something of the massive contribution they had made to the economic development of the Commonwealth.

Average investment, public and private, in the Commonwealth over the years 1953-56, added to the special assistance given to colonial territories, was nearly £200,000,000 a year.

Set against the average of Britain's gross national product in that period, this represented some 1½ per cent. It represented between 7 and 8 per cent of gross fixed investment at home.

Total capital expenditure sanctioned by the Colonial Development Corporation up to January this year was £87,000,000. Further schemes awaiting formal approval totalled £4,000,000. Actual advances outstanding from the Exchequer were £56,000,000.

Suggestions had been made that the Colonial Development Corporation change its name to 'Commonwealth Development Corporation', but Mr. Lennox-Boyd believed the present name most appropriately described its functions—to assist colonial territories in their development.

The question of overseas investment was also discussed by the British Prime Minister, Mr. Harold Macmillan. He said the formation of investment capital was not keeping pace with world demand.

Mr. Macmillan characterized this as 'the problem of the world' when he addressed a press conference in Sydney, Australia, on January 28. 'Capital is not made by somebody writing something on a piece of paper,' he said. 'That is just inflation. Capital is provided by people who do not use all their power to consume—who save some of their wages, salaries, and products.'

'The problem today is, in effect, the same throughout the world. The demand for capital is running at a greater rate than the willingness to provide capital from savings—which is the only proper way capital can be provided'.

Welcoming the overseas investment policies of other countries, including the United States, Mr. Macmillan said: 'The more they lend abroad, the better it will be. It is an illusion to believe that the wealth of one country can be built upon the poverty of the rest. The wealth of any country is built upon the increase in the total prosperity of the whole world'.

Mr. Macmillan said that Britain, in spite of all its troubles and the sacrifices of two World Wars, had maintained its position of being by far the largest contributor of overseas investment in Australia. Since the war, the United Kingdom had provided two-thirds of the total money invested by the whole world—including the United States—in Australia.

Saying that a 'kind of stalemate' had developed between the two ways of life in the world, Mr. Macmillan warned that 'if we were to abandon prematurely our strength, or alter the balance of power', then all the factors contributing to the stalemate might disappear. 'A stalemate has come—and a jolly good thing', he commented. 'A stalemate means you cannot have a war, and I am not for a war'.

Australia

LOW rates of interest on bank loans in Australia continue to have an unfortunate effect on the country's international finances, according to the chairman of Australia and New Zealand Bank Ltd., Sir Geoffrey C. Gibbs, in the bank's annual report.

The banks were being called on to finance exports for periods up to six months, and in some cases, until the exported goods are in process of manufacture abroad. Sir Geoffrey said it seemed illogical that at a time when Australia was borrowing overseas as much long term capital as possible for development projects, she should be extending short-term credits to overseas merchants and manufacturers.

Sir Geoffrey said that he considered the importance of a high level of local savings, to provide resources for Australian development, could not be over-emphasised. This was particularly so in the present circumstances of a related scarcity of capital for overseas investment on the traditional markets for international loans.

Establishment of savings bank subsidiaries by a number of savings banks, including the ANZ Bank, had made an important contribution towards the stimulation of savings.

The Standard Vacuum Refining Company is to erect a new £A500,000 plant to eliminate odours from its £A20,000,000 refinery at Altona, a western suburb of Melbourne.

The installation is established in a closely-settled residential area and residents complain that once the odours enter their houses they stay there for hours.

The company plans to convert hydrogen sulphide into elementary sulphur, and to install a new type ground flare to burn the gases which create the odours.

Australian-made polythene is about to become available for the local plastic industry. A new £A2,250,000 plant established by Imperial Chemical Industries of Australia and New Zealand Ltd. at Botany, New South Wales, has begun manufacture of the material. When fully produced it will enable a saving of over £A2,000,000 on overseas funds.

Polythene is widely used for transparent packaging, as a building material and for utensils, tubing and toys.

Most of the main plastic materials are now being made in Australia. Based on increases in total usage of plastic materials in Australia, the rate of expansion of the consuming industry during recent years has been more than 20 per cent a year.

Two important new industries about to set up in Queensland are the manufacture of anti-biotic products and the assembly of a new German-designed motor car.

A Swedish firm of pharmaceutical chemists has registered a local company, Astra Pharmaceutical Pty. Ltd. for its project, and this year plans production for Australia and New Zealand.

The Lloyd Hartnett Co. will assemble the German vehicle from imported parts at first, but plans to use local sub-contractors as the industry develops. Technical experts from Germany are now supervising the first production. Twenty vehicles a week represent immediate target.

Australian-made Volkswagens are to be produced during the next three years. A new £A10,000,000 company has been formed to develop and consolidate all Volkswagen activities.

This decision was announced in December, 1957, by the managing Director of Volkswagenwerk's Southern Hemisphere Export Division, Baron K. D. von Oertzen.

The new Company will take over the present assembly plant of Martin and King Ltd., at Clayton, Victoria, which turns out 60 cars daily. The parent company will have a 51 per cent interest in Volkswagen (Australia) Pty. Ltd. Other shareholders will be Clyde Industries Ltd., of Sydney, Regent Motors (Holdings) Ltd. of Melbourne, and LNC Industries Ltd. of Sydney.

A recent survey by the University of Melbourne on the incomes earned by its graduates shows that medicine is the most highly paid of the professions in Victoria. More than 46 per cent of the doctors questioned earned above £A3,000 a year.

Indian Finance

Agricultural science contains the highest proportion of professional men, 47 per cent, but they earned less than £A1,500 a year.

Average for Law was £A2,604, for Dentistry £A2,480, for Architecture £A2,211, and for Engineering £A2,159.

The Australian State of Victoria is to spend more than £A300,000,000 over the next nine years to meet the State's power and fuel needs.

The plan provides for doubling the present power station output more than doubling of the brown coal production, more than trebling output of briquettes (compressed brown coal blocks) and extension of complete electricity services for the whole of the State.

In the northern State of Queensland, the Kareeya power station, part of the Tully Falls Hydro-electric project, is to have its present capacity of 36,000 kilowatts doubled during 1958. This will be sufficient to supply power for an area of 47,000 square miles. Inter-connection of the whole of the regional supply systems north of the Burdekin River will enable the benefits of the Tully Falls project to be further extended over areas totalling 75,100 square miles.

There are now 23 companies producing television receivers in Australia, and installed capacity of the industry is estimated at 400,000 sets a year. Current demand is estimated at between 180,000 and 200,000 sets a year, and some sections of the trade believe that the market will become extremely competitive.

Large contracts, through association with American companies, are held by the Sydney engineering company, AE Goodwin Limited, which has just announced a net profit for the year of £A264,533.

Though its link with General American Transportation Corporation contracts for tanks for petroleum storage have been obtained. As a result of arrangements with McNally-Pittsburg Manufacturing Corporation of Kansas, orders for construction of complete coal washing, screening and improvement plants for some of Australia's largest collieries have also been secured.

An unusual factory in Australia is located at Nambour, Queensland, where a modern plant produces industrial wax from the filter press at the sugar cane mill at Moreton, in the same State. In most sugar factories throughout the world, the so-called 'mud' or vacuum filter cake, is usually dumped on to the cane land nearby for use as fertilizer.

Research, however, has shown that in addition to the wax—sometimes up to 30 per cent of its dry weight—the fatty materials, the 'mud', can be made to yield products of use to the pharmaceutical industry. Hydrolysis of the crude materials leads to isolation of sterols, and fatty acids, both of the saturated and unsaturated type, are also present in the waste.

February 8, 1958

INDIA

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INDIA & PAKISTAN

PITY the poor Finance Minister; and I am not merely referring to Mr. Krishnamachari or his present predicament. Here is a man who, and especially in this country, has had inevitably year after year to court increasing unpopularity, because his task was, simply, to increase the revenues, if necessary, with new taxes. As the Budget approaches, in any country, there is no man more greatly feared. Not so long ago, the anticipation was not always composed of fear, but there was room for the expectation that the Budget might have a tax concession or two to offer. Then came the war. But, the high tax rates were not resented at the time, because it was thought that they were an ephemeral price to pay for safeguarding of freedom; the post-war period has offered little or no relief to that most oppressed of men, the tax payer. In some countries, it is post-war reconstruction which was said to justify the continued mulcting—no, I do not think it is too harsh a word—of the tax payer. Then, in the so-called underdeveloped countries, development was the watch word to require even greater burdens being imposed upon the tax payer. As if all this were not enough, the political economists found a fresh pretext for continuing to exact much more than a tithe from the tax payer; this pretext was supplied by the emergence of inflationary conditions, and in the endeavour to 'mop up' the surplus purchasing power, high taxes were again the fashion. In such a background, if the task of Finance Ministers has been a hard one, no less unenviable was my chore at this time of the year. For, it has traditionally been my wont, some weeks before the Finance Minister was to make his proposals, to imagine myself in the shoes of the steward of the India's finances and to consider the sort of Budget which, were I he, I would frame. As I said, this was a job that I did not relish, for, in the last decade, there have been such mounting demands for expenditure by Government that no Finance Minister could avoid the responsibility for securing new revenues and, therefore, evade the duty of raising new imposts. So, what crystal gazing I did, could only be in the form of a comprehensive analysis of what, in the circumstances, could only be a long list of tax proposals waiting to be

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

thrust on a cowed down tax paying population. However, where I differed from the Finance Minister has been on the relative emphasis to be placed on the various heads of revenues or resources. I could not deem my task to be a facile one of jotting down new excise levies or proposing new taxes which, in spite of the evasion that insufficient enforcement apparatus enabled, were bound to contribute in some little way to an increase in the revenues. I have always thought, I have urged repeatedly, that, of the avenues of revenue available to us, India has tended to neglect that one of the four which is the most, if not only, self-respecting source of revenue. Let me tick off what these four are.

Firstly, we have tax. (Too true, indeed, too much of tax). Is it self-respecting for a government, even though it might have as its objective a socialistic pattern of society, unceasingly to increase the rates of its taxation, for all that each increase in the rates meant an increase in the profitability of and in the zest for tax evasion? Again, is it self-respecting for a Finance Minister to rely mainly on involuntary savings—which taxation is—for the purpose of balancing his Budget? Other than, perhaps, in the knowledge of the commodities which, in respect of their supply demand equation, lend themselves to the imposition of excise duty, there is nothing clever about the Finance Minister who secures an increase in revenue from increases in tax rates or from new imposts. Then, secondly, we have deficit financing. (Too true, I repeat, and indeed, as recent inflationary pressures have suggested, perhaps, too much of it). It cannot be self-respect or the ability to stand on one's own feet or yet a measure of a people's determination to sacrifice for tomorrow, that a Finance Minister should seek to secure the resources for government expenditure by means of an appropriate edict to the Nasik Printing Press. In the ultimate analysis, there is little difference between the counterfeiter and deficit financing; both result in a depreciation of the currency. But then, I should not be taken to mean as condemning deficit financing outright, just as I do not say that I am against taxation. It is

the degree or the extent of reliance that I find fault with. Deficit financing in a developing economy can play a useful role. There is always some margin in an underdeveloped economy, perhaps more than in an industrially advanced economy, for the injection of purchasing power in this wise. Indeed, I think I will go so far as to say that, since one of the objectives that a government of an underdeveloped economy has is for striving to raise the standard of living, some element of deficit financing is not only desirable but even necessary. So, on the second of the four avenues of resources, what must give one pause is the extent of reliance—whether it is too much and to the exclusion of other avenues. Then, thirdly, we have external resources by way of foreign aid. (Unfortunately, the complaint is that we do not, at least that we have not been able to obtain as much of foreign aid as we need). Does it do credit to a country that sallies forth in the world's markets with a begging bowl in hand? No, it is the negation of self-respect. But I cannot bring myself to denounce as wrathfully as I would wish this dependence on foreign aid. For, an underdeveloped country in the throes of industrialisation is so peculiarly circumstanced that, and many eminent economists seem to feel so, its survival is possible and its progress can be enabled only by liberal doses of foreign aid. I have, as readers of this journal are well aware, my reservations in this particular matter. I do not believe, to put it pithily, that India with its potential iron ore exports need ever suffer for lack of foreign exchange. But, while I will go along with the view that, at the present juncture, the task of implementing the Second Plan would be greatly facilitated by foreign aid of sufficient dimensions, I must remark, as Prime Minister Nehru has done, that this reliance on foreign aid must not be such as to make us believe that, without foreign aid, we cannot see the Plan through. So, in the matter of foreign aid, all I need say is that we should not look upon it as the indispensable end all and be all for the success of the Second Plan. Lastly, we have Government borrowings. (My complaint is that we do not have enough of it). This is certainly the most self-respecting way in which a government can

set about laying its hands on the resources needed for putting through a plan of industrial development. It is also, from the point of view of economic justification, the proper thing to do. After all, the Income-Tax Officer makes a careful distinction between revenue expenditure and capital expenditure. Similarly, logic would show us that current revenues must not be applied to capital expenditure. Long-term borrowings, market borrowings, should be the main source for financing long-term capital projects. Then, look at the implications of a successful borrowing programme. If the people at large are persuaded to save and to save in the form of government securities, it is an index of their faith in Government; it is a sign of their confidence in the value of the rupee; it is a symbol of their belief that we are planning today for tomorrow's prosperity. When you do not have such faith, trust and belief, you have the dissipation of current earnings, and you do not generate the required amount of savings. So, if a successful borrowing programme is an index of the people's trust, an unsuccessful one must be said to be one which denotes lack of trust. Clearly, it is in the background of such lack of trust that the other sources are sought to be tapped. I cannot think of any condition that is more harmful to self-respect than this, in which you jettison market borrowings for the facile resources from taxes, for the self-help without effort of deficit financing and for the parasitical expectation of foreign aid.

But I have digressed. This is meant to be a pre-Budget Gossip, and I am under commitment to assess the economic conditions with a view to suggesting the kind of Budget that the Finance Minister may be in a position to present by the end of this month. However, the digression may be said to be germane to the issue to the extent that it will help us to formulate or, at any rate, to think aloud upon the considerations which will weigh with the Finance Minister. It may be remarked at the outset that the Finance Minister will not be under compulsion, as he was in previous years, to impose new taxes. Indeed, it is quite clear that, with the May 1957 Budget,

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the tax effort on the part of the Central Government for the Second Plan has been completed. So, for the first time in many years, we need not be unduly apprehensive of an onerous list of new tax proposals. Moreover, if you have regard to the fact that, in inflationary circumstances, higher taxation is justified, the reverse must also be true that, when a down trend in economic activity is discernible, lower rates of taxation are not only desirable but even essential. In the last week's issue, the article in the World of Finance section broadly surveyed the Indian money market, and suggested that the monetary indicators quite possibly reflected a slowing down in the tempo of economic activity. So, in the second place, there would be a justification for tax concessions in the next Budget. Then, there is the fact that a change affecting the anticipated realisations from the other three avenues of resources will automatically cause a revision in the target for the fourth. In this context, we shall work backward, and take up the four avenues of resources once again.

In the first place, with the accelerated pace of negotiations for foreign credits, this source is more or less fully vouchsafed, fully vouchsafed that is, in relation to the estimate under this head in the Second Plan. Credits have been arranged or are being negotiated with the USA, Canada, United Kingdom, West Germany, France, Russia, Czechoslovakia and Japan. While it is not yet possible to cite specific figures, my own impression is that we no longer have a foreign exchange gap for implementing the hard core of the Plan. But, to the extent that implementation of the Plan may be restricted to the hard core, it follows that the requirements of internal resources may also correspondingly decline. In this light, it appears almost certain that we shall succeed in limiting deficit financing to a figure between Rs 800 crores and Rs 900 crores as against the Second Plan estimate of Rs 1200 crores. Furthermore, the Public Law 480 agreements concluded with America and the arrangements of a similar nature negotiated with Canada will both enable an increase in internal resources, because the rupee proceeds against the sale of such commodities are made available to India as a long-term development loan. This is another factor which will reduce

the overall resources to be found against the two remaining heads. In the third place, with the hearteningly improved tone and tenor of the gilt-edged market, we can now be hopeful of Government borrowings during the Second Plan exceeding the target set in the original estimates. For, although, in the first two years of the Plan, the realisations are slightly under the annual average, there now seems to be a hopeful prospect of approaching the market for larger sums. The creation of a special issue of Rs 30 crores in November last year was a significant indication of an unsated demand for gilt-edged. Since Second Plan disbursements can now be seen to be having an altogether wholesome impact on Scheduled Banks' resources, in the form of a spectacular increase in Deposits, it is fair to state that we are now in sight of a situation in which the banking sector will be able to take up much larger parcels of gilt-edged. Lastly, to the extent that the three sources that we have mentioned will exceed the original estimates, it may be that we could do with slightly less by way of taxation.

Let me state categorically, at this stage, that I do not champion the removal of any of the taxes that were introduced last year. The Wealth Tax and the Expenditure Tax are here to remain. What is more, inevitably, the 1958-59 Budget must also produce a Gifts Tax. Nor do I fancy that we should expect or even need a reduction in the rates of the two new fangled imposts. But what I am suggesting is that, with the completion and institution of an integrated structure of taxation, tax evasion will be rendered more difficult. That being so, even at the present levels of taxation, tax revenues might show, if not a substantial, at least a considerable improvement. In such a situation, and that situation obtains at the present moment, I am unambiguously of the view that the "pinprick" taxes must be removed. For one thing, I do not see the necessity for continuing the compulsory deposit of reserves, and, were I the Finance Minister, the first relief that I would offer would be to announce the withdrawal of this levy. Then, in considering further the measures which are not basic to the integrated structure of taxes, I would have second thoughts on the Bonus Tax and the Dividend Tax. My second and third concessions would

be to reduce the rates of taxes in both these respects. Fourthly, I would be having a quick look at the list of commodities in which a revision in the excise duty appears to be called for. I would particularly examine the position of cotton textiles, cement, some varieties of paper and sugar. I would come to the conclusion that a good case exists for some relief to these industries, and I would make some adjustments in the rates of duty. Then, I would apply myself to the problem of improving exchange earnings from exports. This, by the way, would be linked up with areas of, shall I say, over-production in the Indian economy. As such, in particular, I would see whether a fillip could be given to exports of cotton textiles and of sugar by suitable drawbacks of duty and, in the case of sugar, by some element of subsidy, if that were necessary. And finally, I would look more closely into Dr Kaldor's suggestion of lower income tax rates. This means I would read the Kaldor Report, and read it carefully.

This, then, would be my Budget. Certainly, one new impost; but accompanied by some marginal concessions all along the line. After all, I would think that it would be the gesture which would be appreciated, the gesture that would invigorate the economic and investment climate. That is, the loss in revenue to Government from such concessions would be negligible; but the gain in goodwill and confidence would be appreciable.

A postscript: If, as the Finance Minister should, I really cared to bring about a revival in the investment markets, I would utilise the opportunity given to me by the Budget to remark on the very good progress that has been achieved by the two steel plants in the private sector, and to say that, in such circumstances, Government would not object to a nominal increase in the dividends payable on Indian Irons and Tata ordinary.

I have no doubt that a Budget such as this is what the country needs. To me, the tax concessions I have enumerated are the minimum necessary to provide the incentive for the sustained effort at maximising production. Then, as I said, these are reliefs that do not conflict with the fundamentals of Government taxation policy; nor do they involve much of a sacrifice from the standpoint of Government revenues. So, I am presuming that what I have thought aloud on the Budget will not prove to be merely wishful thinking. Is it too much to hope that the Finance Minister may conceivably be thinking on the same lines as I?

Calcutta continues to provide a new lead in many useful directions, and of this the city's businessmen gave fresh proof last

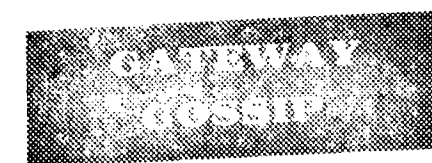
Indian Finance

week, when they formed the Calcutta Management Association with Sir Jettangir Ghandy as Chairman. The object of this body is to promote the development of sound management practices, provide facilities for studies of and exchange information on management problems. It will also cooperate in conducting research with other institutions of a similar nature and have a comprehensive and modern management library. Management, as most people will readily recognise, is fast becoming a specialised study in India, now rapidly progressing in industrialisation. Every day, new labour laws, company laws and amendments to rules are coming into existence, and the field of management is assuming an increasingly complex look. It is equally well known that our standards of efficiency in business and industry have much leeway to make up before we can compete with those prevailing in the more advanced countries. It is against this background that the Government of India are trying to create a Labour Management pool to supply the needs of the industry under the Second Plan. From similar motives, it has established a specialised college at Hyderabad to train managerial personnel. It is, therefore, quite in the fitness of things that Calcutta's businessmen have taken the present step and, I believe, management education under the auspices of the Calcutta Management Association will prove to be a source of strength not only to West Bengal's business and industry, but also to those outside. The Chief Minister of West Bengal has expressed the hope that the Association would be able to provide a good lead to the management movement. Its headquarters is located at the All-India Institute of Social Welfare and Business Management, College Square, West—a fact which makes me suspect that Mr D. K. Sanyal, the Institute's Director, who has already done so much for education in commerce and industry in this State, is actively behind the Association, too.

At a meeting of the West Bengal State Labour Advisory Board in the last week of January, Mr S. M. Bhattacharya, the Labour Commissioner, gave some useful statistics relating to the labour situation. He said that, in 1957, there were 226 work stoppages as against 177 in the previous year. The number of workers involved in 1957 was about 136,000 as against 113,564 in 1956. As for man-days lost, 1957 accounted for 1,070,000 compared with 1956's 1,809,934. Thus, it will be seen, 1957 was a better year than its predecessor. In most cases, 1957 work stoppages, Mr Bhattacharya pointed out, were of a short duration and attempts at conciliation successful and speedy. Of other disputes not involving stoppage, 4,200 were settled.

EAVESDROPPER

February 8, 1958



THE stock answer that Government spokesmen give whenever complaints about discrimination against the private sector are voiced is that it is wrong to consider that the two sectors are two watertight compartments, each functioning without any relation to the other. The correct position is that the two are parts of an integral whole and as such are interconnected and interdependent. It will be preposterous, therefore, to suggest that Government, who are vitally interested in the economic development of the country, will consciously do anything that may have any adverse effect on the private sector.

The explanation usually passes muster with the generality of the public in our country, because it is in conformity with their understanding of Government's industrial policy, the main aim of which is to achieve rapid industrialisation. In this view, so long as the rapid growth of an industry is in the national interest, it automatically becomes eligible for special attention by the State. That is why the public sector has assumed responsibility for setting up new iron and steel works and for opening up new coal mines. The active help that is being rendered to the two iron and steel companies in the private sector by Government is also in furtherance of the basic aim.

Conversely, any Government action that results in retarding the progress of an essential industry cannot be deemed to have been taken in the national interest. While it is generally accepted that heavy taxation is inevitable in a country which is impatient to achieve rapid all round development, it is taken for granted that such taxation will not result in mepping up funds to such an extent as to leave the corporate sector even without adequate working capital. Judged from this standpoint, the taxation policy of Government does not seem to escape wholly the charge of curbing incentive which supplies the driving force to national effort. Ever since the last Budget proposals were announced, the private sector has been asserting that the new imposts and other restrictions will seriously interfere with its programme of expansion. We now know that is what exactly is happening in the case of the cement industry, which is next in importance only to iron and steel and coal.

Speaking at the 21st Annual General Meeting of the Associated Cement Companies, held in Bombay last week, the Chairman, Mr Dharamsey M. Khatau, has disclosed that the ACC is today in an unenviable position of being obliged to go slow with its expansion programme because it is un-

The Obstacles Before the Cement Industry

able to find the requisite funds either from its own resources or from outside sources. Such a state of affairs, he has observed, has been brought about, among other factors, by the taxation policy of Government. Cement being an essential industry in the present context of the enormous demand for this commodity for diverse nation building activities, the public will not find it easy to give their unqualified approval to the Government policy which seems to have been responsible for bringing about this sorry mess.

Mr Khatau attributes some of the present difficulties in the country to Government's approach to deficit financing. It is wrong to continue to believe that deficit financing can be successfully kept at a low level because from present indications it is extremely unlikely that the expected volume of funds will materialise. The only way out would appear to be "a sober and conservative appraisal of external and internal resources, on the one hand, and a grimly realistic re-phasing of Plan expenditure."

The main theme of Mr Khatau's speech is the growing difficulty of the cement companies to meet the cost of the expansion programme already under way and under planning. It may be pointed out here that, since the ACC accounts for nearly 60 per cent of the cement production in the country, what is true of the ACC is also true of the cement industry as a whole. Despite its substantially higher production during the past year, ACC's profits have not shown any improvement. A sharp rise in the manufacturing costs, a higher wage bill, an increased charge for depreciation and, finally, heavy incidence of taxation resulting from the increase in the rates of income-tax, corporation tax, and wealth tax have eaten into the earnings, leaving very little for diversion toward strengthening of the internal resources. Already, the tempo of work on the company's expansion projects has slowed down as a result of uncertainty of financial resources and difficulties in obtaining foreign exchange.

In order to meet the situation arising from the depletion of funds, the Associated Cement Companies has launched an austerity drive. As good deal of capital is locked up in the form of large quantities of equipment and stores including steel, the liquidation of these is receiving priority attention.

Mr Khatau has pointed out that, though the directors of the company have decided to raise Rs 5 crores by issue of debentures during the current year, the company's major expansion effort will still continue to remain ineffective

if there is no help forthcoming soon from Government. He has suggested, therefore, that, in the new price of cement to be fixed in the near future, there should be an adequate expansion allowance in addition to a Rehabilitation allowance. Mr Khatau has made it clear that, in the absence of such an allowance, "we shall be compelled to abandon many of the expansion plans and projects we have in view, for the simple reason that no further funds would be available from internal or external sources to finance them." In announcing that the ACC has shelved the proposed joint project of a heavy engineering unit in Durgapur with Vickers and Babcock-Wilcox, Mr Khatau has also mentioned that one of the reasons for the decision is the doubtful prospect in the country for raising fresh capital.

It is, however, gratifying to note that the various expansion projects that the company have in hand are making satisfactory progress though the tempo has slowed down. The extensions to the Kistna Cement Works have been completed while extensions at Sindri and Chalbasa have made good progress. The new factory at Mancherial is expected to begin production in September this year.

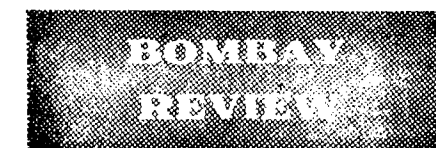
Mr Khatau contends that, in view of the difficult financial position of the cement industry, it is urgently necessary to revise upward the price paid to the industry. Government need not rack their brains unduly to do this. For, there is already an extra amount of Rs 12.50 per ton available with the State Trading Corporation. This is arrived at as follows: As against the Rs 117.50 the consumer is paying for a ton of cement, the producer gets only Rs 54.50 per ton. With the taking over of the distribution of cement by the State Trading Corporation, the entire cement production is sold to the corporation. The corporation pays Rs 20 per ton for Excise Duty and about Rs 15 as railway freight. Packaging charges and selling expenses together absorb another Rs 15, leaving a sum of Rs 12.50 with the Corporation. The main purpose of the corporation in taking over the distribution of cement has been the ensuring of cement supplies for essential purposes. The residue of Rs 12.50 has been utilised for subsidising imports to fill the gap between demand and supply in the country. Now that cement imports have stopped, the residue is retained by the corporation. It is estimated that the corporation has so far netted a sum of Rs 5.5 crores on the score of cement distribution alone. It has been further suggested by Mr Khatau that, apart from the profit with the corporation, Government have the enhanced excise duty that is being collected. The present excise duty of Rs 20 per ton in-

cludes an addition of Rs 15 imposed last May. If Government forego this, the demand of the producers can be met without bringing about any further increase in the price paid by the consumer.

The present sad plight of the cement industry should have occasioned as much anxiety to Government as to the industry itself. For, the consequences of a slowing down of production in this vital sector will be quite detrimental to the cause of national progress. From indications so far available, it would appear that the expansion programme of the industry as a whole has already been adversely affected. The possibility of attaining the target of 16 million tons set for the industry under the Second Plan is discounted. For, with the second year of the current plan reaching its end, the tempo of expansion is not as it should be if the target is to be attained in the scheduled time. The shortage of foreign exchange coupled with the inability of the units to put up the requisite finance from the sources open to them has retarded the placing of orders for new machinery. Neither has the industry been quite successful in obtaining capital goods from abroad on the deferred payment system. It is a debatable point whether Government have done the right thing when they have asked the cement industry to shift for itself. It would appear that, at long last, the wisdom has dawned on Authority that it should lend a helping hand to the industry in fulfilling the target. But the realisation seems to have come a bit too late to make up for lost time.

It is, therefore, incumbent on Government to take energetic steps without delay to remove the obstacles that have gotten into the way of the industry in its implementation of its expansion programme on which it has already embarked upon. The industry has asked for a higher price for cement, and Mr Khatau has shown how this can be done, without increasing the burden on the consumer.

Cement production, unlike coal or iron and steel production, is one hundred per cent the responsibility of private enterprise. Government have no reason to regret their decision to let it continue to be so. From 2.6 million tons in 1950, cement production has increased to 5.6 million tons in 1957. The industry has already made the necessary arrangements for increasing its installed capacity to about 10 million tons in the course of the next two years. But the orderly implementation of the programme seems to depend largely on whether or not Government will realise that the industry should be allowed to retain adequate funds to help itself.



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BOMBAY
REVIEW

Administrative Inefficiency

Speaking at the college celebrations of the Elphinstone College, Mr C. D. Deshmukh Chairman of the University Grants Commission expressed dissatisfaction with the present pattern of Government and administration in the country. The grounds for such dissatisfaction are what he alleges to be administrative inefficiency in the field of food and agriculture, recklessness in respect of foreign exchange and lack of ground organisation that is essential for the full execution of the schemes for the development of small-scale industries.

The matter is grave enough to require the Government's serious consideration and prompt attention. For already there are many factors apart from those referred to by Mr Deshmukh which pull the plan back from the goal towards which it is heading. Though some of them are beyond the control of the Government, administrative inefficiency is not one of them and should be amenable to prompt control by the Government if only it takes up seriously. Complacency in this matter would only aggravate the difficulties which are already threatening the smooth execution of the Plan.

The failure of the Plan, so far as the student community is concerned is a prospect which would be viewed with alarm and concern. For the employment opportunities which are already restricted in relation to the number of the educated unemployed would get still further narrowed. As at present the Second Plan is designed only to absorb the additions made to the number of unemployed already existing and does not promise any improvement to the existing position. The number of the educated unemployed at the end of the Second Plan would remain at the old level of 500,000.

The prospects for the other sections of the population especially the village artisan and the cottage and small-scale industrialists also do not appear bright, from what Mr Deshmukh alleges to be the lack of enthusiasm on the part of the authorities in implementing the schemes drawn for them. The Second Plan envisages the development of a very large number of small-scale and village industries in the country for which a provision of Rs 200 crores had been made. Since unemployment is widespread in the countryside any delay in the implementation, not to speak of departure from the declared programmes concerning the development of such industries, would have serious consequences.

Corporate Sector's Problems

While speaking on the resolution on the economic situation at the Gauhati session of the Congress, Government spokesmen have averred that the objective of a socialistic pattern of society does not call for the abolition of private

enterprise. The new economic policy places equal emphasis on the need for increasing production and an equitable distribution of wealth. The private sector, therefore, will continue to be given an important role as it will help attain the national objective of an increase in production. From the trend of working of the private sector industries in the past year it would appear that Authority is not at all anxious to allow it to make its contribution. For, the effect of last year's taxation measures seems to have been disastrous for the corporate sector as a whole. The Chairman of the Associated Cement Companies has pointed out that the cement industry finds itself today without adequate working capital after meeting the increased expenditure of which taxes account for a sizable part. The President of Chemical Manufacturers Association has disclosed that if the chemical industry continues to work under present conditions, it will be so enfeebled that it will not be able to make any further additional contribution to the national production. What is true of the cement and chemical industries must be true also of all the industries in the private sector.

Speaking at the annual meeting of the Indian Merchants Chamber, Mr Naval H. Tata has pointed out that the recent trend in taxation policy in the country has seriously impaired the savings and investment potential of both individuals and corporate enterprises. Rapid industrialisation and economic development of the country require a healthy atmosphere for the formation, growth and retention of productive capital and resources within the economy. The taxation policy now in force has completely lost sight of the tax-bearing capacity of the community. The result of this failure on the part of Government is now reflected in the threatened slowing down of production and expansion. Mr Tata therefore, says that it is of the utmost importance that the existing rates of taxation both on earned and unearned incomes is substantially reduced.

It is to be admitted that the slowing down of production and other activities in the private sector is not a matter that concerns the industries only. As is often pointed out by official spokesmen the two sectors are interdependent and moreover the private sector industries account for a major part of national production. Therefore, any setback in the private sector at this juncture of development of the country should be the concern of the entire nation. It is incumbent on Government to take immediate remedial measures so that national progress is not retarded on any front.

Coastal Traffic

The lack of emphasis on coastal traffic in the programme of expansion

sion of transport facilities under the Second Plan has probably stemmed from a belief that increased expenditure and effort in this sector will not bring the additional capacity required in time. Evidently such a reasoning has been based on the assumption that improvement of coastal traffic inevitably involves the acquisition of large shipping tonnage which, if it is either built in our own shipyards or bought, will, apart from absorbing big sums of money, take time. And time is one thing that we are not prepared to lose. Hence, it is that maximum emphasis has come to be placed on railways with road transport also getting some attention. Inland water transport which is also said to have immense potentialities has like coastal traffic, been somewhat relegated to the background because of the difficulty in making an exact assessment of its position.

It is, however, gratifying to note that at long last authority is seriously applying its mind to the possibility of developing coastal traffic through small vessels. Speaking at the inauguration of a new lighthouse tower near Jamnagar, Mr Raj Bahadur, Union Minister of Shipping, has stressed the urgent need for building small vessels suitable for coastal traffic among the minor ports. The small vessels scheme has a number of advantages. In the first place, it can be taken on hand almost immediately because the outlay will not be large. Secondly, it will help reduce substantially the pressure on the railways by siphoning off part of its load. Thirdly, it will help reduce the congestion in our major ports. And fourthly, it will increase employment opportunities in the field of coastal traffic as well as in the vessel building trade.

In the meantime, the minor ports, most of which are in a bad state should be adequately developed to receive the small vessels. The Second Plan has already formulated a phased and comprehensive scheme for modernisation and development of lighthouses and other aids of navigation on which depends the development of minor ports. Mr Raj Bahadur has disclosed that part of the scheme has already been implemented. Attempts are being made to manufacture the equipment required for the development of lighthouses and other navigational aids within the country itself.

In the context of the growing volume of trade, commerce and other constructional activities, the problem of transport must be given top priority as an inadequate transport system will retard national progress as a whole. In view of its great potentialities, coastal traffic should get the attention it deserves atleast from now

onwards. As Mr Raj Bahadur himself has pointed out, only small mechanised vessels are required to be built, finance cannot constitute a big obstacle. It is to be hoped that early steps will be taken by Government to work out and implement a suitable scheme for the building of small vessels. Private enterprise may also usefully consider this proposition.

Man vs Machine?

The large accumulation of unsold handloom goods has resulted in the precarious position of the dependents on this trade. Many millions depend upon this for their livelihood, and this crisis has brought about a serious change in their day to day life. It is estimated that as much as Rs 25 millions worth of handloom cloth remain unsold with the cooperatives, who act as the media for selling these goods. This position is believed to have been the result of the cut effected last month in the rebate of half-anna granted in the excise duty on medium varieties of mill cloth. Therefore, it is not surprising to note that the sale of handloom cloth should come down to Rs 800,000 in December 1957, compared to sale of goods of the value of Rs 1,572,000 in September in the same year. The Central Cess Fund last month reduced the rebate of 9NP to one anna on handloom cloth, and this seems to be one of the causes for the poorer sale of handloom cloth.

This repercussion is due to the stiff competition from the mill industry, which is in a position to sell cloth at a cheaper price than the handloom cloth weavers. Moreover, while the former is smooth, the latter is rough, and the cost of handloom cloth is almost equivalent to the mill cloth. Naturally people go in to buy the mill cloth instead of the 'rough one', as they put it. The mills have exceeded the plan target of 5000 million yards a year, and since a large quantity could not be exported, brought their stocks to compete with the handloom cloth resulting in glut in the market.

The position has now become serious, and if proper methods are not taken up, many cooperative societies may close down resulting in the unemployment of those who now work in it. Many people are already seeking other occupations, and some societies are on the verge of winding up their business for 'good'. Such cooperatives are in a state of selling the goods at the barest minimum profits, but the buyers are declining the offer. The Government must come to the rescue. Dilly-dallying by the competent authorities is of very little help. And one will feel that the future of this handloom industry is especially bleak if the Government are not in a position to do something concrete at the present juncture.

GATEWAY
NOTESWORLD OF
COTTON

THERE was a further improvement in the domestic cloth offtake during the past week. Although the offtake by some of the consuming centres such as Uttar Pradesh and Bihar was rather restricted, fresh centres entered the market. Demand from West Bengal improved perceptibly as a sequel to the settlement of the Sales Tax issue in that State recently. Demand from Madras was also better; and dealers felt that the offtake by the South Indian centres would improve in the near future.

Mills have continued to receive orders for forward delivery; but the volume of such business is not reported to be as heavy as in the recent past. As they are said to be quoting slightly higher prices, dealers are adopting a cautious attitude in extending commitments, pending the presentation of the budget proposals. The consensus of opinion appears to be, that the consuming centres will be interested in booking business only to meet their immediate requirements and any substantial improvement is, therefore, expected to materialise only after the Budget is presented.

However, market circles feel that the present satisfactory trend may continue for another fortnight. Should there be no change in the tax structure affecting the textile industry and the reduction of half an anna in the excise duty allowed to continue, there is no reason why the trade in cotton textiles should not run on an even keel.

According to the provisional figures, exports of textiles have shown a fall of 173 million yards to 827 million yards during last year from the annual export target of 1,000 million yards. However, taking into account the unusual difficulties which the industry had to pass through, the performance on the export front cannot altogether be considered unimpressive.

While the increase in the quantum of exports is shared almost equally by grey and white piece-goods, shipments of coloured cloth have shown a downward drift. Exports of grey cloth are higher at 448 million yards as compared to

Improvement in Cloth Offtake

401 million yards in 1956 and those of white cloth at 177 million yards against 135 million yards. Exports of coloured cloth have, however, declined by about 5 million yards.

The improvement in the domestic sector has, no doubt, created some confidence in the overseas markets, although the normal level of enquiries has still to gather momentum. There have been continued enquiries from the African markets. Business with Burma is likely to improve as soon as import licences are granted to the Joint Venture Corporations by the Burmese authorities. Ceylon has entered the market after a long time, while Singapore has booked some business.

FORWARD MARKET:

Prices in the forward cotton market developed an easier tendency due to long liquidation and profit-taking. Lower upcountry advices and a slightly reactionary trend of the spot market evoked selling, most of which emanated from Ahmedabad. Moreover, bulls preferred to liquidate their holdings in the March contract. ICC Moglal Jharilla March, after opening at Rs 694, receded gradually to Rs 686. May delivery closed at Rs 681.50 after touching a high of Rs 686.

Meanwhile, the Government of India have granted permission to the Madhya Pradesh Commercial Exchange at Akola and the Western India Cotton Exchange at Ahmedabad to start forward trading in cotton. Both the markets will cater to the needs of the regional interests and will accept delivery of only locally-grown varieties. The market at Akola will be mainly for Vidarbha, Khandesh and Gaorani areas in Andhra which produce about 10 lakh bales per year, while that in Ahmedabad will enable the local textile industry to hedge about 8 lakh bales grown in Gujarat and Saurashtra. Trading will be started sometime this month, possibly between 10th and 20th February. The authorities have pointed out that no more regional markets will now be opened for cotton.

SPOT MARKET:

The Spot market ruled steady. Good business was reported done in Khandesh and Berar Jharilla varieties. A Delhi mill was reported to have bought sizable quantities of Wagadh and Mathia varieties.

On the export front, listless continued to prevail. Shippers showed some interest in Benga's, both old and the current crop. There was also some demand for Yellow Pickings. The volume of business put through was, however, limited in both instances.

In the foreign section, demand was moderate. East Africans and Egyptians changed hands with

trade attention centred around the expected arrivals of the Egyptian delegation, probably during the next week. Prices, however, remained unchanged.

The Government of India have announced that the ceiling, fixed for the import of American cotton under P. L. 480 as well as under P. L. 665 programmes, has been reached. It means, that no more American cotton can be bought unless the Government introduce a new import programme for that cotton. Import licences for sterling areas cotton have also been fully utilised and the new import policy is eagerly awaited.

The US announcement to end the quota system for the import of short harsh cotton and allow unlimited quantity has proved to be of an academic interest to shippers. The annual import quota for rough cotton was fixed by that country at 70 million pounds; but it was never fully utilised in the past ten years. India and Pakistan have been the two major suppliers of rough cotton to America.

CROP REPORT:

The statistical position of cotton continues to be healthy. There are reports that the cotton crop in the Surat-Broach area has been widely affected by a type of pink-ball worm disease and that the yield is expected to be at least one-third less. Opinions regarding the market outlook at the level of Rs 700 appear to be divided.

Arrivals of the new crop Lakshmi have just commenced. Judged from the early arrivals, the quality is considered very satisfactory.

STATISTICS:

Exports by rail from 1st September 1957 to 30th January 1958 were 104,619 bales. Estimated mill consumption in Bombay, during the same period, were 550,497 bales as compared to 543,337 bales in the corresponding period of the previous year. Estimated stock of raw cotton, held by exporters, dealers and mills in Bombay, as on the 30th January 1958, was 515,184 bales as compared to 510,083 bales on the corresponding date of 1957.

KARACHI COTTON MARKET:

The Karachi cotton futures market depleted an easy trend. Demand from overseas interests and domestic spinners continued to be slack in the wake of increasing new crop pressure. Following rates were quoted:— NT Roller ready Rs 80-10; March delivery Rs 74-10 and May delivery Rs 75-2.

NEW YORK COTTON MARKET:

Prices on the New York cotton futures market developed a firmer tendency with the new crop again favoured. Prices rose by as much as 20 points a pound before increased profit-taking and hedge selling

BOMBAY
REVIEW

caused some reaction from the best level.

According to the United States Department of Commerce Cotton Ginning Report, ginnings prior to the 16th January were 10,633,000 bales. Many quarters believe that the final crop may be close to the ginning figure given above as against the December estimate of 11,010,000 bales. During the last season, ginnings prior to the 16th January were 13,098,000 bales and the final ginnings at 13,150,000 running bales.

LIVERPOOL COTTON MARKET:

On the Liverpool cotton market, American futures prices continued the downward drift with only sporadic trade calling to offset liquidation. Intermittent hedge selling on the distant positions helped to absorb the transfers; but the near delivery showed the greater weakness.

Prices have now reached a level of about two cents below their true relation with current prices in the US in respect to offers of CCC stocks against the near positions and against the possible introduction of, say, a 7 per cent export subsidy on new crops.

SUDAN COTTON:

The production of long-staple cotton in Sudan, during the 1956-57 season, was a record high of 675,445 bales. Of that quantity, about 250,000 bales are still unsold. Demand from abroad has continued to be slow.

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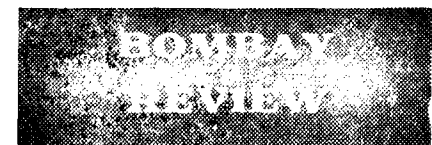
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SENTIMENT in the Oils and Oilseeds markets remained generally depressed and prices developed an easy trend following the increasing supply at the terminal centres in the face of limited offtake. The weakness in the ready section and heavy speculative selling pressure from Delhi and the Punjab operators were also contributory factors. Trading was quiet in the Castor-seed section. Turnover was only 5,000 candies. May delivery opened at Rs 136.37 and improved to Rs 136.62 at the close. In the ready section, the rate was quoted at Rs 27.50 and Castor Oil, commercial quality, at Rs 14.06.

It was a depressed week for Groundnuts, and prices sagged under selling pressure. February delivery opened at Rs 151.50 and, after receding at one time to Rs 151.25, improved again towards the

Oils and Oilseeds Subdued

close to Rs 151.75. Ready Bold was quoted at Rs 30.62 and Groundnut Oil at Rs 16.69.

Despite fair overseas enquiry, prices in the Linseed section also developed a reactionary tendency. May delivery, after starting at Rs 29.06, receded to Rs 28.69, to finish better at Rs 28.75. Ready was done at Rs 28.62 and Linseed Oil at Rs 15.81.

Cottonseed, Kardiseed and Niger-seed were dull and subdued. Cottonseed February changed hands at Rs 93.25 to Rs 93.50. Kardiseed was quoted at Rs 17.50 and Nigerseed at Rs 26.50.

Gold & Silver

The Bombay Bullion Exchange commenced trading on a buoyant note, reflecting accumulation of buying orders; but most of the

gains were erased under corrective profit-taking.

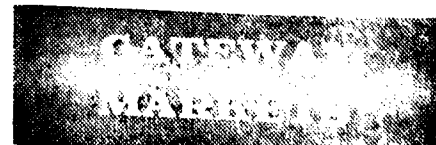
In the Gold section, arrivals and offtake were estimated at 3,000 and 2,000 tolas respectively. Forward delivery changed hands at Rs 111.09 to Rs 111.62, while spot closed at Rs 112.37 after touching a high of Rs 112.69. Sovereign eased off to Rs 71.12 from Rs 71.50.

Encouraging offtake was the main sustaining factor in Silver. Arrivals and offtake were estimated at 7 and 35 bars respectively. Forward delivery changed hands at Rs 188.94 to Rs 189.37, while spot closed at Rs 188.62 after touching a high of Rs 189.00 and a low of Rs 188.50.

Yarn

A natural reaction has set in in the Yarn market after a smart rise

Indian Finance



in prices during past few weeks. Offtake of Rayon yarn remained poor and prices declined from 3 to 13 nP per pound in various kinds, both indigenous and foreign.

As regards Staple-Fibre yarns, the decline in prices was moderate to the extent of about 6 nP in the ready section.

In the case of Indian cotton yarns, in spite of the low level of prices, there was a further decline in 26s and 32s to the extent of about 13 nP per bundle and in 40s to the extent of 25 nP.

In other yarns, there was a moderate decline and, in some cases, prices remained unchanged, particularly in coarse yarns. On the whole, the market remained very quiet and offtake remained rather poor. The future tendency remains uncertain.

Non-Ferrous Metals

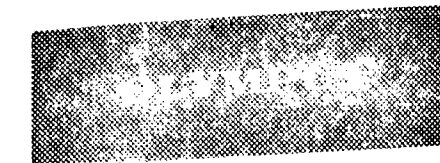
The Non-Ferrous metal market ruled generally quiet with the decline in prices, especially of Copper, being marked. The rate was quoted at Rs 166 per cwt. Interest is focussed on the outcome of the meeting called by the Government to review and discuss the supply of non-ferrous metals in the country. Zinc ruled quiet at Rs 52.50 per cwt, while the Lead market remained steady at Rs 65 per cwt. Firmer overseas advices failed to enthuse the market due to abundant stocks. Tin price being quoted at Rs 127.50 per quarter.

On the London Metal Exchange, Copper is quoted steady at £163½ per ton. Zinc remained firm at £64 per ton, mainly attributed to the pruning down of production. Although there were no new developments in the Lead section, further cutback in production helped the market to depict a firm tone, the rate being quoted at £73 per ton. Strong advices from Singapore caused a firmer tendency in Tin which, after improving at one time to £731½, finished the week at £730 per ton.

Despite curtailment of production by a number of leading producers, output of refined copper in the world has risen to 2,032,554 tons in 1957 from 2,987,160 tons in the previous year. Producers' stocks of refined copper, at the end of the year, totalled 458,340 tons as compared to 354,420 tons at the end of 1956. Out of the stocks at the end of last year, 181,024 tons were held in the USA and 277,336 tons in other countries, the corresponding figures for 1956 being 120,645 tons and 233,775 tons respectively.

Combined deliveries of the US and other countries to fabricators were 2,851,210 tons as against 2,832,978 tons in 1956. Thus, the consumption of copper last year was 181,344 tons behind the production in the world.

February 8, 1958



LIKE the rest of India, New Delhi too is watching in a dazed fashion the proceedings of the Chagla Commission inquiring into the propriety of the investments of the Life Insurance Corporation in the life of the concerns controlled by some of the concerns controlled by the Calcutta financier, Mr Haridas Mundhra. The appearance of hypnotised absorption in the inquiry is underscored by the fact that everyone has perforce to keep his mouth shut (at least officially) till the Commission completes its inquiry and submits its findings. This has, of course, not prevented informal discussions, at all levels, of the evidence tendered and speculation of the possible outcome of it all. There can be no doubt that the inquiry itself has taken on overtones that have nothing to do with the somewhat prosaically worded official purpose of the inquiry. To the public at large poring over the details of the proceedings in the daily papers, (where they have completely overshadowed reports of the Zeta and the American sputnik), the inquiry has assumed the shape of high drama, if not ritualistic catharsis. Indeed, in some of its aspects, the inquiry would seem to fit admirably the Aristotelian definition of high tragedy, at any rate from the spectators' point of view. The "purgation of pity and terror" by the spectacle of the great in travail by some basic flaw in their beings is precisely what is happening to millions of readers who are poring over the details of the proceedings. This would be true even if the final findings of the Commission have not the remotest relation to what each man, reading the evidence, has assumed to be the "facts of the case".

From the point of view of the political moralist, it is of some interest and importance that this phenomenon should be studied. It has implications that have great relevance to rulers of men, especially in a democracy. It is generally agreed that it was only right and proper that the inquiry should have been ordered; and, in thus submitting the public acts of certain public men to the most searching inquiry, we have proved the robustness of our democratic faith. The primary purpose, of course, is the ascertainment of truth, the fixation of responsibility and the maintenance of the highest standards of public conduct and so forth. But there are certain other consequences, largely of the intangible psychological kind, that need consideration. For instance, the thick blanket of insinuation, suspicion and gossip that has been growing around the deal will now be completely lifted and the oppressive atmosphere of an unresolved public mystery will have lifted as a result of this inquiry.

"Purgation of Pity and Terror"

Indeed, it has already lifted, much to the secret chagrin of some people in the Opposition, where political mouths had watered at so juicy a bit of exploitable party-political material. This is a gain of great importance.

But there are consequences, whose wholesomeness is debatable. In a speech in Bombay the other day, Mr Nehru made a pointed reference to this inquiry and said that he was rather distressed by what he characterised as the "morbid interest" that this inquiry has evoked among a section of the public. That is an aspect of the matter that needs thinking about, and Mr Nehru was not a day too soon in drawing our attention to it. The sources of such unhealthy curiosity in the matter are a complex mesh unravelling which is really the task of a professional social psychologist. But certain strands are obvious even to the layman. Indeed, some of them are obscurely related to the perennial question in aesthetics about why we enjoy a tragedy, and why the spectacle of suffering should delight us and so forth. There is a curious and contradictory mixture of impulses behind it, some of them disreputable and some hysterically exalted. Thus, in the unabashedly "gleeful" interest in the distress of the "great", is to be seen the unconscious desire to cock a snook at the nominally great, the accumulated resentment at the fact that he should have "made it" while you were still "nowhere near it". There is also in it, what is surely one of the basest of human instincts, especially when in a herd, the irresistible desire to kick a man when he is down. Of course, to many of the self righteous people who say unctuously, "Let Right Be Done", the suggestion that there are unconscious disreputable motivations behind their professions seems fantastic. But they are there, as any psychologist will tell you. (I have, of course, nothing to say about the man who openly avows to the motives I have mentioned. Such people do exist, as I have found in the conversation of the last few days. We do not speak the same language, that is all).

These are some strands of the morbidity of which Mr Nehru spoke. Since, by definition, these impulses do exist in the best of us, the really unhealthy nature of the interest lies in our not recognising the existence of such impulses and ordering our conduct accordingly. In other words, what is deplorable about the kind of people whom Mr Nehru deplored is that they showed a more than usually avid interest in the matter and that their curiosity was unrelated to any firm notions either about public morals or about the real issues involved. A simple

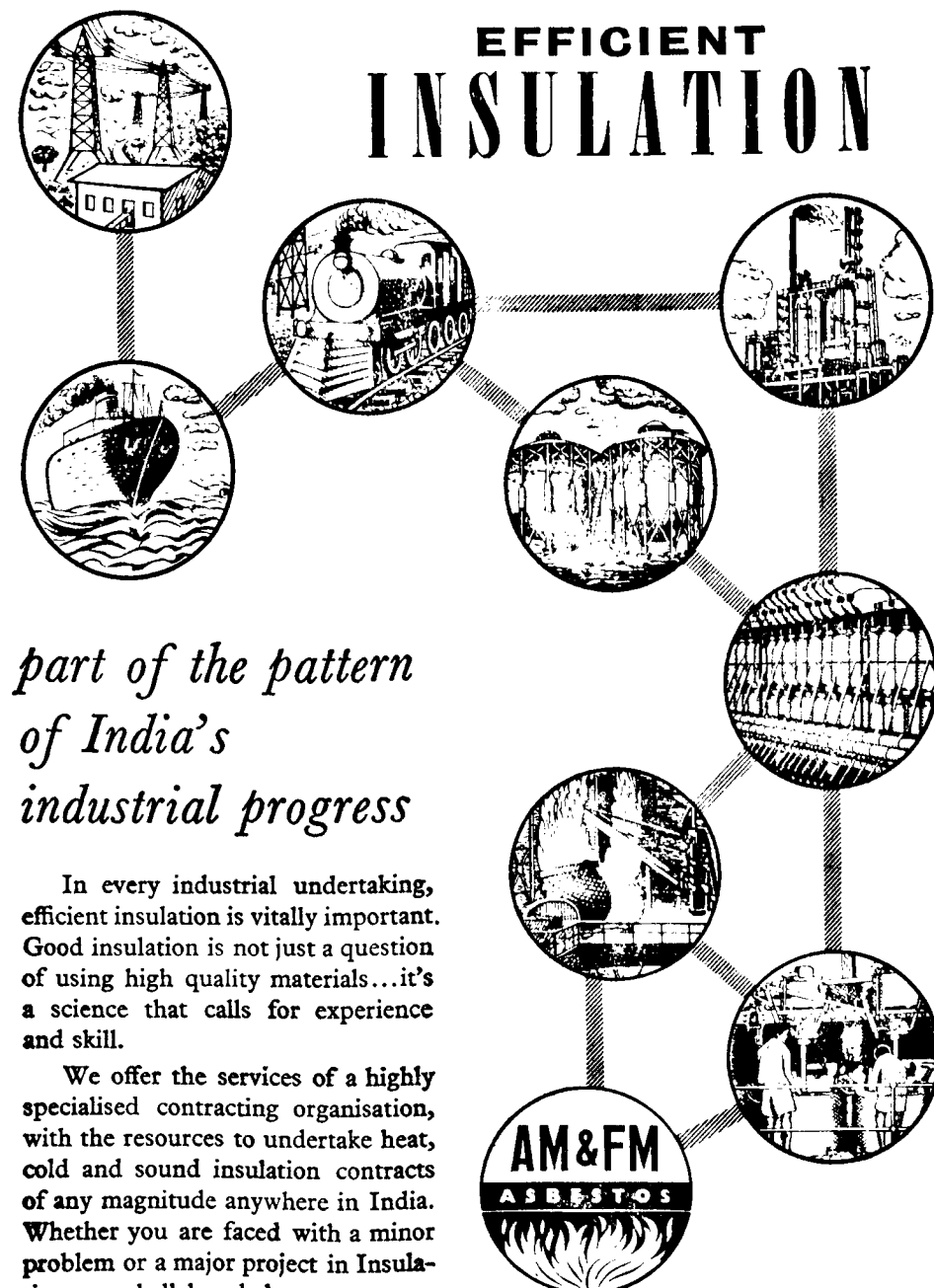
catechism will show that, of the millions who have followed the proceedings, hardly one per cent had any clear ideas of the issues involved. Thus, the curiosity was nothing more than a thirst for sensationalism at its most obvious, or the subterranean resentment feeding itself at the discomfiture of the prominent.

To the theoretician of democracy, this phenomenon will naturally raise questions about the wisdom of basing Government on the authority of people who react in this fashion. It is perhaps here that Aristotle will restore his faith in democracy. For, if Aristotle is right, then the inquiry will act as a cathartic agent and we shall all be purged of all the undesirable qualities that have accumulated in us. So, the awe of the misfortunes of the "great" will by definition purge the very resentment of the "little man" at the greatness of the "great man". So we shall all be better democrats after it is all over.

The fact that the final findings of the inquiry are still to come has inevitably made me stick to the periphery of the subject. And yet I could not keep away from the subject till after the inquiry was over, for, as one engaged in transmitting to you what New Delhi's predominant preoccupation is week after week, I could not very well have ignored what after all is perhaps the only subject of conversation here these days. Apart from what I have already said, there are two points I should like to make. Whatever the ultimate result of the inquiry from the point of view of democratic health of the nation, and whatever may be one's view of the rights and wrongs of the matter, the immediate result in Delhi has been one of extreme uncertainty and a

gloom. There is hardly any responsible person who is not unhappy at the turn of events or who is not fearful of the consequences. It is an open secret here that Mr Krishnamachari is having his letter of resignation in his pocket and that he is merely waiting for the submission of the Commission's report. Indeed, he would have submitted his resignation even now, but for the fact that the inquiry is still proceeding and he does not want to interfere, even remotely, in its course. But there can hardly be any doubt that TTK's going away at this juncture would perhaps be the most unfortunate thing that could happen to the country. Over a period of nearly two years, he has been labouring at the task of putting the Plan on an even keel, and recent events have shown that he had achieved a remarkable measure of success. Things were getting under control and everything seemed well set for fair if not plain sailing for the Plan. The last fortnight has thrown all this into some disarray and there is hardly anyone who is happy about it.

The second source of gloom is the extreme demoralisation among the services. The inquiry dealing with the acts of some important members of the services has already caused misgiving among officials about the consequences of their acts done in the course of duties. Of course, nothing has yet been given as a finding by the Commission about the particular members of the services connected with this inquiry. But, if one were to judge by the mood here, the fact of the inquiry itself, even before its findings have been given, has made a deep dent in the morale of those who have pleaded for greater initiative at secretarial level. It may be that it is unjustified, but it is there.



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DELHI
REVIEW

In the latest round of negotiations over the canal waters dispute, a new principle has come up for discussion. Both India and Pakistan have been asked by Mr Iliff, the Vice-President of the World Bank, to draw water from all the rivers instead of each confining to three out of the six rivers. This departure from the basis of negotiations hitherto followed has the net result of enabling India to construct a dam at the upper reaches of the Chenab in Himachal Pradesh. Happily, this principle is reported to have been agreed to by both parties, though, the details have to be settled.

The canal dispute is the second most formidable obstacle in the way of good relations between the two countries. Now that there is a reported agreement at least on the broad frame work of a settlement, it must be possible for India and Pakistan to arrive at satisfactory solutions to the differences on details as well. From the side of India, the supply of waters to Pakistan has always been governed by humanitarian rather than commercial motives.

The principle now being discussed is not related to national rights over international rivers. Perhaps, the question of rights is not being raised at all. What is sought to be offered to each of the parties is only the opportunity to compensate for a specific loss in water supply consequent on the other having to utilize a part from its own resources. If, however, any question of rights is to be involved, the Government of India will have to think in wider terms and of the interest which other neighbouring States might also claim on the waters of the rivers which mainly belong to India.

Basis for Land Ceilings

The inherent complexities of legislation for ceilings on land are reflected in the search for a proper basis now being sought by the Government of Andhra Pradesh. At a Press Conference in Hyderabad, Mr Sanjeeva Reddi, the Chief Minister disclosed that the ceilings are proposed to be made on the basis of income instead of acreage; the number of members in the family will be another main consideration.

For income, a rough and ready estimate is always possible but the number of family members is a highly fluctuating circumstance and any ceiling related to the number obtaining at a particular time is likely to become inequitable when the family gets swollen. Nor can there be any workable scheme of changing ceilings according to the fluctuations. In the interest of maximum production, it would be wiser to place the limit fairly high and conceive of a family of five as the minimum basis. At that limit, the impossibility of adding to the landed property of the family may

Sharing the Waters

work as a direct restraint on the growth of population. A ceiling which does not take into account the possibility of any addition to the family beyond a particular number would be inequitable, especially when the number is just two or three.

It is also necessary that a more or less uniform policy is pursued by all the State Governments in this important respect. In Hyderabad, the ceilings were fixed on a different basis. The proposed legislation for the whole of Andhra will reverse it. If each State were to prescribe its own arbitrary limit, whether it be of income or of acreage, it will result in the emergence of a national setup where the land owners of one area will be richer or poorer than those of another. The basis of income as against acreage can serve for the whole country.

Economics of Bihar

The economic conditions of Bihar present the sad anomaly of a state which remains industrially and economically backward in spite of being rich in mineral and industrial resources. The State raises nearly 46 per cent of the mineral wealth of India representing 36 per cent of its value. South Bihar and the Chhota Nagpur which accounts for the whole of the mineral wealth raised in the State are supposed to form one of the richest zones in the world. Only slow pace of investment could have accounted for the persisting backwardness of the State. This was regretted by Dr S. K. Sinha the State's Chief Minister who is also the Chairman of the State Government's Industrial Development Council.

The slow pace of investment has not only held up the industrial progress of the State but has also adversely affected the State of agriculture by giving rise to an exodus which in view of the limited capacity of the industries in the State had to be absorbed by agriculture. The techno-economic Survey conducted by the American specialists had disclosed that in the last five years employment in industries was on the decline except in some districts.

Success in quickening the pace of industrial development would largely depend on the results of the Government's efforts in bridging the gap in the food resources of the State. The production of food grains in the State is still deficient in relation to the needs of the people and it is estimated that the State's food deficit could only be reduced by vastly increased outlay on irrigation facilities.

Speaking at the second session of the Bihar Government's Industrial Development Council, Mr Jehangir Ghandi of Tisco, urged the State authorities to take up a technological audit of its resources and the possible pattern of industries according to the needs of the community. Such an audit would, in

the opinion of Mr Ghandi, ensure the development of industries in the State along proper and sound lines.

Dr S. K. Sinha, the Chief Minister regretted the relative neglect of the need for more investment in industries but assured that some heavy industries would be established in the State, the crude oil refinery being one of the major schemes. Dr Sinha also disclosed that the Government had decided to undertake a detailed survey of the water resources on the Chhota Nagpur plateau with special reference to the needs of industrial development.

Ambar Charka

The Ambar Charka scheme which at the outset was hailed with great hopes and in a few places with equally strong doubts, is reported to have taken a disappointing turn even at the first year. Against the budget allocation of Rs 100 millions provided for 1957-58, the actual expenditure is not likely to be more than Rs 50 millions. The number of charkas to be distributed will be around 110,000 against the original target of 180,000. For the financial year 1958-59, the number may see a further fall to 100,000.

These drastic cuts are the result of certain features in the working of the scheme which go to make an uninspiring annual record. On the whole, men have not taken enthusiastically to the Ambar Charka as a regular business. Women are attracted to it as a primary means of livelihood. The wages which could be secured have fallen short of expectations; the tenure of work reduced, in view of a high fatigue factor; and the cost of the cloth has turned out to be substantially more than originally envisaged.

In point of quality too, the performance has been discouraging. Generally, the Ambar Charka has had a greater response in South India, but when the handloom cloth has also slumped with the withdrawal of the rebate, interest in Ambar Charka even in that region may be affected.

The drastic cuts in expenditure and production which the Government have promptly decided proceeds from a stern sense of realism. Nor needs this step be a matter for regret or apology. The scheme was taken up as an experiment and annual reviews were in schedule, as the progress of the scheme dictated from time to time.

Diplomatic Dilemma

A New York food broker, Mr Paul W. Sayres, commented on his recent visit to the Indian Republic. He said that the US diplomatic activities were lagging behind the Soviets, who were doing everything in their power to win the friendship of the Indians.

Indian Finance

NORTH INDIAN
MARKETS

Comparing the American diplomats to the Soviets, he said that, while the former were shy to speak Hindusthani, the latter spoke Hindusthani very fluently with the Indians. In the report presented to the Vice-President, Mr Richard M. Nixon, he called for the attention of the State and Agriculture Departments to India's willingness to purchase American surplus food-stuffs at reasonable rates. He further urged the Department to sell surplus wheat, rice and dried milk to India at the requested prices.

It is interesting to note the keen, enthusiastic and friendly feeling of the Soviets, who, amid other preoccupations, have gone to the extent of learning the language so as to make friends and influence people. On the other hand, although the Americans show a considerable amount of sympathetic feeling for India, they have not dared to move so socially as to learn the language and speak it. But, then, we may well ask ourselves if knowledge of Hindi is a prerequisite for achieving cordial relations with India.

Photographers' Plight

The cost of photographic material has been rising steadily and the meagre stocks that were available with the dealers have been kept off the market. Although there has been a constant demand for the goods, the supply has been far from adequate. The ordinary roll film cost Rs 2 in 1955, and the price rose to Rs 2.50 at the time of the Suez Canal crisis. Now that the import of film has been drastically cut, the price of film has soared sky-high. The different brands quote anything between Rs 2.75 and Rs 3.25.

In India, more than 100,000 people are dependent upon this trade. Apparently, in view of the exorbitant prices of these goods, there is no alternative to closing down the institutions. Already, many have a closed down their studios and many more may, if the precarious position remains unchanged. Leaving aside the amateur, the Press photographers are also unable to stand criticism from the public, who decry the poor reproduction of good photographs.

Among the States, Bombay is the hardest hit, since it is one of the most important centres of the motion picture industry. The "big" producers get ample quantities of film to expose; but a large quantity of raw film is wasted in shots and retakes.

The Government should take immediate steps. The supply of film to the producer should be laid down to the bare minimum per picture and more film released to the other consumers. The introduction of State Quotas would be welcome and the revision of the import policy with regard to the material would be appreciated.

NORTH INDIAN
MARKETS

A production target of 22.5 lakh tons has been fixed for the Sugar industry under the Second Plan. To achieve this target, it is considered necessary to have an installed capacity of 25 lakh tons so as to compensate for any shortfall in production in lean years. It will not be out of place to mention here that the balancing of capacity of the uneconomic units and the commencement of production by several new units in the past few years have made it possible the increase in output from 15.90 lakh tons in 1954-55 to 20.21 lakh tons in 1956-57.

Moreover, with the large expenditure on modernisation of plant and machinery and the installation of new capacity, the industry is now confident of its ability to meet the entire needs of the internal market and even build up regular exports for about 2 to 3 lakh tons. In the current season particularly, it is expected that there will be a surplus for export and that, with the low level of prices in the internal market, sales can be made only at a loss. It is likely, however, that internal consumption will record an unexpected increase notwithstanding the heavy excise duty levied from May 16, 1957.

Meanwhile, the Government of India have released a further quantity of 1.55 lakh tons of sugar for free sale from the 1957-58 season's production. Production of indigenous sugar amounted to 7.02 lakh tons upto January 15 in the current season as against only 6.21 lakh tons in the corresponding period of the previous season. Total offtake, including quantities despatched for export, was 3.72 lakh tons. Stocks with the factories, as on the 15th January, were 7.61 lakh tons.

Naturally, conditions in the sugar markets have continued to remain depressed due to slack demand from the consuming centres, and prices of some of the varieties have declined further. Following rates (per maund) are quoted in the Hapur market:—Jaswant Rs 35; Simbhauli Rs 35.37; Daurala Rs 36.25; Mowana Rs 37.12; Amroha Rs 34.25; Bijnore Rs 34.25; Modinagar Rs 36.62 and Shamli Rs 36.19.

The Khandasari market, in contrast, ruled more lively due to increased production. Rates moved between Rs 24 and Rs 32 per maund, according to quality.

Gur

Gur markets have also ruled quiet with prices for the ready position easing off further by about 50 nP per maund. In the Hapur market, Pansera quality is quoted at Rs 11.50 and the Balti quality at Rs 11.87. Outside demand is slack and, despite good loading facilities, despatches to outside centres are small.

Stocks of gur, at the Hapur market, are estimated at 60,000 maunds, the corresponding figure for last year being 6,000 maunds only. Total arrivals from the beginning of the

Sugar Production Target

season, were put at about 3 lakh maunds.

Sentiment in the Muzaffarnagar market also remains depressed and daily arrivals have declined to about 5,000 maunds. Chhakku is quoted at Rs 13.62 to Rs 14.12 and Khurpaper Ruskat at Rs 7.50 to Rs 8.50.

Foodgrains

With the new marketing season now in full swing, the customary fall in Foodgrains prices has been reported from all over the country. Major foodgrains have declined by about 10 per cent on account of the tendency on the part of growers to dispose of their stocks as early as possible. The current easy spell is expected to continue for about a month more.

The fall in prices has been significant in Rice, Bajra and Jowar, while Wheat and Pulses have been

ruling comparatively steady. Daily arrivals into the principal markets have almost doubled in the past few weeks and distress selling has been reported at some centres due to monetary stringency.

In the Hapur market, Wheat average has recorded a fall of 25 nP, while farm quality is unchanged. Gram prices have registered a fall on easy Punjab advices, being influenced by better crop prospects. Maize and Bajra arrivals are reported to be sufficient, while Barley has recorded a sagging tendency. Rice has also registered a slight fall in sympathy with the bearish trend in other foodgrains prices. Peas and Arhar have sought lower levels due to good crop prospects, although stocks are reported to be gradually depleting due to better offtake at lower prices.

In the Delhi grains market, Rice has lost about Rs 5 per maund

DELHI
REVIEW

following news of inclusion of Delhi in the Punjab rice zone. Wheat, Barley and Gram have eased slightly in the absence of marked buying. The market for Pulses rules quiet due to decreased buying activity.

An all-round decline in the prices of Pulses has provided the main feature of trading in the Bombay grains market. This is mainly due to the disinclination on the part of traders to enter into commitments in the face of the imminent arrivals of the new crop. However, the Rice section has been ruling comparatively steady, mainly due to the fact that the receipt of the commodity into the City has tended to decline on account of the stricter watch on the border of Madhya Pradesh. The receipt from Andhra via Hyderabad is also stated to have declined substantially.

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ADDRESSING the new graduates of the Mysore University at the Convocation ceremony, Mr M. C. Setalvad, Attorney-General of India, called upon the members of the student community to pull their weight on the side of the wider interests of the nation and co-operate with the Government in all manner of ways in the task of building up the country. To dismiss this piece of advice as platitudinous, would be to lay oneself open to the charge of being flippant. A generation which is exposed to the propaganda of scheming politicians and the anarchism of multitudinous parties can afford to neglect this only at the cost of grave peril to the integrity of the country, which emerged as a sovereign nation only a decade ago. The students particularly need such advice when they are stepping into a new world where the forces which had prevented them in their student days from being drawn into the inner fringe of politics do not operate. Mr Setalvad has done well to select his audience, for the members of the student fraternity, who, it can be said, combine in them the idealism of our culture as embodied in and expressed through our Universities and the practical outlook that is the keynote of the new age, are the best fitted to shoulder the responsibilities for the consolidation of our freedom.

Apart from these, the appeal of Mr Setalvad was also well timed. For, the country has in recent times witnessed the manifestation of all kinds of fissiparous and parochial tendencies. The re-organisation of the States on linguistic basis was an issue in which the people betrayed an utter lack of national character. The localised strife that followed it had justified the apprehensions of those who had rejected the demand twice before. It is this again which makes Mr Setalvad question the wisdom of those who instituted the inquiry which ultimately resulted in the new setup. He sees no merit in an arrangement which, though the Congress party was pledged to uphold it, was not justified by the conditions of the country at a time when there were more urgent problems clamouring for a solution. If, even after rejection twice, the people should have persisted, without regard for other problems which should have claimed their first priority and concentrated attention, it only shows the extent to which they have let themselves be swayed by petty considerations and narrow loyalties. It is a sad irony that a slogan which had served as a cohesive factor in the cause of national freedom during foreign domination, should after the attainment of the goal, show disintegrating potentialities. When

The Forces of Centrifugalism

Mr Setalvad doubts the value of the scheme even after it had become a fait accompli, he only means to convey that, even after nearly one year of its inauguration, convincing proofs of its merit are lacking. And, in this, there is overwhelming evidence to support Mr Setalvad's pessimism.

The forces of centrifugalism cannot be effectively countered unless an all out assault is made on them. It is a safe assumption that the real causes of the popular discontent, which seeks outlet on trivial issues, are economic. Therefore, a correct basis for efforts on these lines would be to work wholeheartedly for the economic development of the country and for eradicating the illiteracy in which the mass of the people is steeped. It is to these tasks, that Mr Setalvad urges the students to devote themselves.

The picture which Mr Setalvad has presented of the country at the end of a decade of independence is arresting. The establishment of new industries and laboratories, the prominence given to science in the educational system and the attempts made through the community development and national extension service to breathe a new life into the villages are the beginning of a process which would ultimately take the country to the destination of a social welfare state. But our efforts have to be guided not only by the ideal that we have set before us but also by the great achievement of the advanced countries of the West, some of which have even entered into the Sputnik age. Thus, as pointed out by Mr Setalvad, the achievements of those countries should urge us even more peremptorily to strenuous and unsparing efforts. The vast gaps that divide us in many departments of knowledge and activities from the countries of the West could only be abridged by giving greater momentum to the forces that have been released by the Government, and this calls for unstinted cooperation from every one in the efforts of the Government in that direction. The minimum condition for the progress of the country along the lines indicated by the scientific achievements of the West is the spread of literacy among the people at large. This is the most vital task that has to be taken up for implementation immediately.

Mr Setalvad has noted the influence of provincial feelings that is making itself felt in the field of education, and refers to the attempts that are being made by the various State Governments to displace the English language as the medium of instruction in preference to the mother tongue.

What Mr Setalvad deplores is not the displacement of English but its relegation to secondary importance in the curriculum of the Schools. This, he fears, would only retard the progress of the country in the field of science and deny us the facility for drawing from the stock of world knowledge which finds expression preponderantly in the English language.

BHARAT COLLIERIES LIMITED

NOTICE is hereby given that the 13th Annual General Meeting of the shareholders of the Company will be held at the Registered Office of the Company at Dalmianagar on Saturday, the 8th March, 1958 at 12 Noon to transact the following business:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 30th June, 1957.
- (2) To declare dividends on Preference and Ordinary Shares.
- (3) To elect a Director in place of the retiring Director Shri K. Khaitan, who retires by rotation under Article 106 of the Articles of Association. The retiring Director being eligible offers himself for re-election.
- (4) To elect a Director in place of the retiring Director Shri Balabux Poddar, who retires by rotation under Article 106 of the Articles of Association. The retiring Director being eligible offers himself for re-election.
- (5) To appoint Auditors for the current year and to fix their remuneration. The retiring Auditors Messrs. K. N. Gutgutia & Co. being eligible offer themselves for re-appointment.

As Special Business:

(To be proposed as an Ordinary Resolution):

"Resolved that with effect from the commencement of the Companies Act, 1956, consent of the Company be and is hereby given to the Board to contribute and/or subscribe to any national, political, charitable, benevolent, public or general and other object, Fund or Trust (not directly relating to the business of the Company or welfare of its employees) from time to time, such amounts as may be considered proper by them in excess of the limits laid down in Section 293(1)(e) of the Companies Act, 1956.

Further Resolved that the donations already made in excess of the limits prescribed under the

Companies Act in Charity and Donation during the year ending 30th June, 1957, be and are hereby approved and confirmed."

Explanatory Note:

According to the provisions of Section 293(1)(e) of the Companies Act, 1956, the Board of Directors of a company can make contributions to charitable and other funds not directly relating to the business of the Company or the welfare of its employees within the limit of Rs. 25,000/- or 5% of its average net profits, whichever is greater. In some exceptional cases the donations may exceed the limit prescribed. In order that there may not be any contravention of the Act at any time, consent of the shareholders is sought to empower the Board of Directors to make donations as mentioned in the resolution.

During the year ended 30th June, 1957, the Company paid Rs. 37,490/56 nP towards Charity and Donation including Rs. 25,000/- to Indian National Congress. Out of this amount Rs. 12,490/56 nP exceeds the limit of contribution as laid down u/s 293(1)(e) of the Companies Act, 1956, and the consent of the shareholders is, therefore, sought for approval and confirmation of the excess amount paid.

The Share Transfer Books of the Company will remain closed from 1st March, 1958 to 8th March, 1958, both days inclusive.

By Order of the Board of Directors

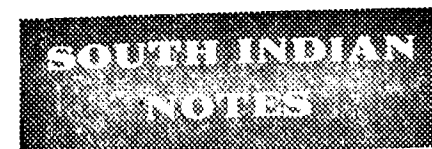
For SAHU JAIN LTD.

A. K. JAIN

Managing Director,
Managing Agents.

Dalmianagar,
6-2-1958.

N.B. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 42 hours before the meeting.



At an interview that by all accounts was pleasant for the city's newspaper corps, Mr Howard E. Houston, who is the Minister-Director of the US Technical Cooperation Mission in India, had some exceedingly kind things to say of India. Nor did Mr Houston allow his ebullient good humour to be marred by the wretchedly insistent questions on US military aid to Pakistan; and we would like to take this opportunity of suggesting that it is high time that we desisted from badgering every American official on this topic. For, whether we like it or not, such aid is there; and the US Administration is well apprised of our views. For that matter, assertions have not been wanting from the American side as to the rationale, as they see it, of extending military assistance to Pakistan. In short, we say: No more inquisitorial questions on the subject.

There has been an altogether unwarranted fear in some Indian circles that the mounting foreign exchange commitments will induce some resistance as far as further foreign loans are concerned; this anxiety has been effectively scotched by Mr Houston. He referred to India's "remarkable" record in the servicing of loans and the meeting of commitments; and he cited the instance of silver loaned to us and duly returned on the promised date. (In this context, we wonder whether he was not mistaken in referring to the loan as having taken place around Partition; surely, it was silver lend-leased to us during the war?)

Then, as Mr Houston rightly says, what is important is the country's unplumbed resources. The potential wealth of this country and the assurance of democratic traditions are the two factors which will weigh greatest with America. The TCM chief is aware of India's "vast and tremendous resources"; of the very sound and stable economic position; and of the established reputation of India in paying debts.

All these factors, said Mr Houston, would go a long way in getting more assistance from America to implement the Second Plan. May we presume that this is a hint, from a knowledgeable quarter, of the prospect of India being more or less assured of continued American assistance in the rest of the Plan period?

State Finances

While until lately it was the foreign exchange difficulties which were supposed to hold a threat to the implementation of the Second Plan according to schedule, the insufficiency of internal resources at least so far as the schemes in the sphere of the various States are concerned seems now to have taken its place. Such a conclusion is rather inescapable from the picture presented by Mr B. Gopala

Praise for India's Creditworthiness

Reddi, the Finance Minister of Andhra Pradesh, of the position of the finances of the State.

Mr Gopala Reddi who was speaking at a function organised by the Andhra Pradesh Secretariat Association at Hyderabad, described the present financial position of the State as "critical", the central factor of the situation, being the over-borrowed situation of the State in relation to the Reserve Bank. The extent of the excess liability has been placed by him at Rs 10 crores, and this represents a limit which has not been touched by any other State. The parlous position of the State's finances is further evident from the huge deficit which has accumulated since the inauguration of the State, to the tune of Rs 15 to 16 crores, the interest on this alone being calculated at Rs 60 lakhs a year.

About the scope for improving the financial position, Mr Gopala Reddi was not hopeful, and indicated that the State has almost reached the limit to its taxable capacity. Even the bunch of taxation measures such as increase in water rates and standardisation of land revenue have proved to be inadequate to the requirements of the State. The target in regard to small savings on which the States Governments have been asked to concentrate has also remained out of reach. According to Mr Gopala Reddi the position would have been rendered worse but for the timely windfall which accrued to the State consequent on the recommendations of the Finance Commission.

In such conditions, the implementation of the schemes coming under the sphere of the State Government, would call for the utmost effort on the part of the State Government and also for more of co-operation between the Centre and the State Government. Already the Planning Commission has fixed the expenditure for the State Government for the third year of the Plan at a figure lower than what the State Government would have it. The difficulties are expected to be accentuated in the fifth year of the Plan when according to Mr Gopala Reddi the revenue position is feared to become particularly difficult. But he assured that the Government are doing their best to wipe out the accumulated arrears of development work.

The need for economy in administration, in the face of financial pressure, has not been lost sight of, and Mr Gopala Reddi in this connection referred to the setting up of the Economy Committee by the Government.

Power Shortage in Mysore

The great strides that the State of Mysore had made in developing its industries in the course of the present century is borne out by the transition which it had made from being surplus in power to a position of acute shortage. To

a certain extent this reflects the additional responsibilities that it had to bear after the acquisition of new territories consequent on States reorganisation. The shortage has reached a point where the Government seem to be thinking in terms of denying new electric connections even for lighting purposes. This augurs ill for the development of industries in the State during the period of the Second Plan. With a view to conserving the existing power supply the Electricity Board has appealed to the industrial consumers to keep off the supply system during the peak hours and to domestic users to minimise consumption. To relieve the pressure the spare generators at Shivsamudram, Shimsha and Mahatma Gandhi hydel stations are being fully utilised.

The inauguration of the Shara-vathi Valley Hydro-electric project is therefore of great importance to the future development of industries in the State. The project is intended to utilise the entire power potential of the river. The 10 generating units which would compose the power house are capable of generating nearly 89,100 kws of power each. This project is the most important one to be undertaken so far and is estimated to take not less than 5 years for completion. Until the completion of the project the power shortage which is being experienced at present in the State is not expected to end.

Talking to pressmen, Mr S. K. Patel, Union Minister for Irrigation and Power gave an assurance that work on the project would go on uninterrupted despite difficulties in the shape of foreign exchange and disclosed that the aim of the Government was to develop the power potential of the project to 9 lakhs kilowatts.

The total requirements of power by the State at the end of the Second Plan is estimated to be about 3,27,000 kw. Of this the old Mysore area would require 266,000 Kw. Bombay Karnatak 28,000 Kw, Hyderabad Karnatak 24,000 Kw Sputh Kanara 7,000 Kw and Coorg 2000 Kw.

The State has also schemes for the development of power from the Tungabhadra Left Bank Project which would have an installed capacity of 9,000 Kw and the Bhadra Hydro-Electric Project with an installed capacity of 33,200 Kw. The State is also interested in the development of the Tungabhadra Right Bank Station from which it would receive a certain percentage of electricity under an agreement with the Andhra Pradesh Government.

Small Scale Industries

It is only in recent times that the general public has come to recognise the potentialities of small industries in the context of prevailing conditions in the country. It

has been rightly recognised by our planners that one of the problems that has to be tackled side by side with the national endeavour toward rapid industrialisation, is unemployment. The development of small scale industries will go a long way in reducing the severity of the problem.

Mr R. Venkataraman, Minister for Industry, Madras State, in a recent speech has pointed out that the best way to cure unemployment is to develop small scale industries in addition to promoting heavy industries. While the heavy industries are necessary to provide capital goods and machinery without which rapid economic progress is impossible, the small scale industries by virtue of their low capital outlay have immense potentialities for increasing employment opportunities. In the Madras State, the industrial estate scheme has made rapid headway. It may be confidently expected that in view of the liberalisation of the provisions in the State Aid to Industries Act coupled with the active help given by the State Government, the development of small industries will show a marked improvement in the near future.

THE HOWRAH-AMTA LIGHT RAILWAY COMPANY LTD.

NOTICE is hereby given that the One hundred and twenty-second Ordinary General Meeting (not being an Annual General Meeting) of the above-named Company will be held at the Registered Office, No. 12, Mission Row, Calcutta 1, on Friday, the 7th March, 1958 at 3-40 p.m. for the following purposes.

- (1) To receive and consider the audited Accounts for the half-year ended 30th September, 1956, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
- (2) To declare a dividend on the Ordinary Shares.

The Register of Ordinary Shareholders of the Company and the Transfer Books will be closed from the 25th February to the 7th March 1958, both days inclusive.

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

By Order of the Board,

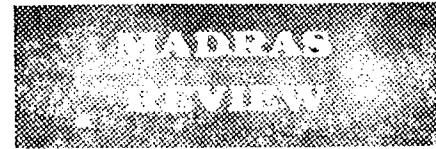
K. CHATTERTON,

Chairman.

Calcutta,
the 8th February, 1958.

NOTE—Transfers to qualify for the dividend must be LODGED at the Registered Office of the Company by 4 p.m. on the 24th February, 1958.





Rubber Production and Consumption

ACCORDING to the figures released by the Rubber Board, production of Rubber in India has shown a slight decline to 2,550 tons in December last year as compared to 2,855 tons in the previous month, while consumption has increased to 2,842 tons from 2,762 tons. But, total production for the full year 1957 is slightly higher at 23,767 tons as against 23,444 tons in 1956. Similarly, total consumption amounts to as much as 31,765 tons as against only 28,996 tons. Stocks with the estates and dealers, at the end of 1957, are lower at 5,341 tons as compared to 5,648 tons at the end of the previous year, while those with the manufacturers are substantially higher at 4,614 tons.

Following is the summary:—

	Tons
Opening stock as on 1-12-57	10,082
Add—Production during Dec.	2,550
Imports during December	165
Total	12,797
Less—Consumption during Dec.	2,842
Stocks with the estates, dealers and manufacturers	9,955
Stock of synthetic rubber as on 31-12-57	1,338
Total	12,293

In this connection, a leading Singapore produce broking firm has stated, in a report, that production of natural rubber is unlikely to increase in the next few years and may decrease in Indonesia. The report states further that the synthetic rubber industry is making progress and new plants are being built in Europe and Japan. But, it seems that all rubber, that can be produced—both natural and synthetic—will be required. However, there will be times of temporary over-production before consumption catches up. The report concludes that Japan has increased its consumption considerably in the past few years and shipments to Japan from Malaya are now nearly 8 per cent of Malaya's rubber exports.

Pepper

Pepper markets have continued to rule quiet on Singapore and New York advices. In the Alleppey market, the rate is quoted around Rs 462.50 per candy for superior Palai variety and Rs 400 to Rs 450 for inferior Thekkan variety. In the Kozhikode market, Wynaad quality is quoted at Rs 500 and the Country variety at Rs 475 to Rs 480 per candy.

The USA is reported to be buying only sparingly. The quantities involved are limited and are hardly above 10 tons at a time. The price paid is not more than 21½ cents per pound. The future of the market, therefore, appears to be uncertain unless Sarawak new crop turns out to be poorer than last year.

Moreover, there are further complications in Sumatra. It is learnt that the Central Government of Indonesia have officially allowed Sumatra to do direct and independent barter with Singapore till the end of February. It is also learnt that the Government have set aside 100 million "rupiahs" to aid national exporters. Dutch exporters having been refused export licences.

Meanwhile, exports of black pepper from India, during December, totalled 25,035 cwt as against 30,348 cwt in the corresponding month of 1956. Arrivals of black pepper in Bombay, during the last two months of 1957, totalled 14,578 cwt.

Ginger

In sympathy, the market for Ginger is also ruling quiet. In the Alleppey market, the inflow and outflow are evenly balanced at 20 candelis. The rate is quoted around Rs 200 per candy. In the Kozhikode market, rates are quoted at Rs 190 for the old quality and Rs 200 to Rs 215 per candy for the new variety.

Exports of ginger from India, during December, amounted to 7,252 cwt out of which Bombay Port accounted for 4,166 cwt; Calcutta 900 cwt and Cochin 2,186 cwt. During December 1956, exports amounted to 19,234 cwt. Total exports, during November and December 1957, totalled only 16,494 cwt as against as much 31,714 cwt in the corresponding period of 1956.

Coffee

The Coffee Board has released, for export, 443 tons of coffee out of the 1957-58 crop. The quantity consists of 381 tons of Plantation 'A'; 21 tons of Plantation 'B' and 41 tons of Plantation Triage. Tenders should be submitted before February 18.

Groundnuts

Conditions in the Madras Groundnut market remained more or less steady last week. Arrivals averaged 40 to 50 tons per day. The rate was quoted around Rs 143 per candy; but the prices quoted by buyers did not seem to be attractive to the sellers.

In the Groundnut Oil section, vanaspati interests took up only small quantities. With the result, the downward trend in prices could not be arrested, the ready rate having declined further to Rs 284 from Rs 288 per candy. It is stated in market circles that, only if export is allowed, there will be vigorous activity in the mill-oil industry.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides showed no change. Prices of medium

and heavy weights were slightly easier, while those of light weights remained unchanged. Arrivals of Buff hides were on the same level as in the previous week and there was fair clearance. There was no change in the Calf section.

On the export front, trading remained restricted. Premium qualities were steady and business was reported done in 10/12 lbs on the basis of 43d and in 8/8½ lbs at 50d. In the Calf section, there were some sales of Buff Calf and Cow Calf. In inferior fifth Cow hides, there was very little scope for export business as prices continued to be considerably higher on account of demand for kavali hides.

In the Tanned Skin section, arrivals of both Goat and Sheep skins were moderate and there was a fair clearance. Prices remained generally unchanged.

In the export section, there was very little business on account of the London Public Sale.

Bangalore Silk

The Bangalore Silk market presented a fairly firm trend last week.

THE ARRAH-SASARAM LIGHT RAILWAY COMPANY, LIMITED.

NOTICE is hereby given that the Ninety-Fourth Ordinary General Meeting (not being an Annual General Meeting) of the above-named Company will be held at the Registered Office, No. 12, Mission Row, Calcutta-1, on Friday, the 7th March, 1958 at 3-10 p.m. for the following purposes:

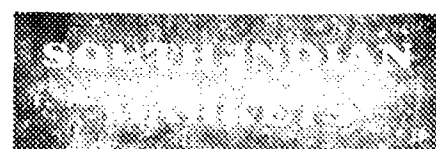
- (1) To receive and consider the audited Accounts for the half-year ended 30th September, 1956, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
- (2) To declare a dividend on the Ordinary Shares.

The Register of Ordinary Shareholders of the Company and the Transfer Books will be closed from the 25th February to the 7th March 1958, both days inclusive.

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

By Order of the Board,
K. CHATTERTON,
Chairman.
Calcutta,
the 8th February, 1958.

NOTE—Transfers to qualify for the dividend must be LODGED at the Registered Office of the Company by 4 p.m. on the 24th February, 1958.



As in the previous week, prices of Filature Silk continued to quote around the week's high levels, while Charka Silk maintained the firmness. Kollegal and Kisan remained firm at Rs 38.50, while T. Narsipur, Kanakapura and Channapattana registered a gain of 50 nP each over the week. In the case of Charka silk, rates remained unchanged except for the 2nd quality, which moved up from Rs 25.00 to Rs 25.50.

The rate for Domestic Basin quality went up by one full point to quote Rs 35.50, while Spun Silk Yarn continued to rule at Rs 21.50.

As a rule, the price trends in respect of Reeling cocoons reflected a tendency to decline. On the other hand, Seed Cocoons registered a perceptible rise, especially in the case of foreign variety.

The rates for Silk waste continued to remain at the levels that prevailed in the previous week. Following rates were quoted for foreign silk: Japan 20/22A Rs 19.51 f.o.b. and Rs 31.38 landed cost and Italy 20-22A Rs 23.30 f.o.b. and Rs 43.70 landed cost.

THE FUTWAH-ISLAMPUR LIGHT RAILWAY COMPANY LTD.

NOTICE is hereby given that the Eighty-First Ordinary General Meeting (not being an Annual General Meeting) of the above-named Company will be held at the Registered Office, No. 12, Mission Row, Calcutta 1, on Friday, the 7th March, 1958, at 3-20 p.m. for the following purposes:

1. To receive and consider the audited Accounts for the half-year ended 30th September, 1956, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on the Ordinary Shares.

The Register of Ordinary Shareholders of the Company and the Transfer Books will be closed from the 25th February to the 7th March 1958, both days inclusive.

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

By Order of the Board,
K. CHATTERTON,
Chairman.
Calcutta,
the 8th February, 1958.

NOTE—Transfers to qualify for the dividend must be LODGED at the Registered Office of the Company by 4 p.m. on the 24th February, 1958.

Associated Cement Companies Limited

Distinct Achievement, But Poor Reward

Case for Increase in Price

Statement of the Chairman, Mr Dharamsey M. Khatau

Speaking at the 21st Annual General Meeting of the Associated Cement Companies, Limited the Chairman, Shri Dharamsey M. Khatau, observed that he did not propose to comment upon major developments during the year in the economic and industrial field. There were many subjects demanding urgent attention, he continued: "But the fact is that so much has been said by so many with such little effect upon the course of events, that it seems pointless to take up your time by adding to the impressive volume of constructive criticism on current affairs already available to those who care to listen."

DEFICIT FINANCE

Saying that he would therefore content himself with making one or two observations concerning Deficit Financing, Shri Khatau remarked: "The quality of Deficit Financing, unlike that of Mercy which Shakespeare so lauded, is exceedingly strained, for it blesseth neither him that gives nor him that takes. That is to say, both the public as well as the Government are ultimately the sufferers, because Deficit Finance soon over-reaches itself as has already happened in this country. The most disquieting feature of our approach to Deficit Financing just at present is that while Government appear to have recognised its dangers, judging by the recent speeches of their leading spokesmen, there is still no evidence of the impact of this recognition either upon the assessment of the resources for the Second Five-Year Plan or, consequently, upon the magnitude of the Plan. The estimates of proceeds from taxation, from current surpluses of Central and State Governments, and from net borrowings, whether by the issue of public loans or from small savings, continue to be over-optimistic with the result that (i) the projected Plan Expenditure continues to be maintained at a level unattainable in terms of available resources; and, (ii) the erroneous belief persists that, even at that level of expenditure, Deficit Financing will somehow be successfully kept at a low level. The truth is that the expected volume of funds is quite unlikely to materialise from the sources indicated, with the consequence that, if the Plan Expenditure is maintained so high as is still contemplated, a vast magnitude of Deficit Finance, with all

that it entails in terms of over-investment, run-away inflation, rising prices (especially agricultural and raw materials prices) etc., is inescapable." In these circumstances, the Chairman hoped that in the next budget there would be evidence of sober and conservative appraisal of external and internal resources, on the one hand, and a grimly realistic re-phasing of Plan Expenditure, on the other, such as would minimise our reliance on Deficit Finance.

PRODUCTION AND PROFITS

Turning to the affairs of the Company, Shri Khatau observed that "the year under review had been one of mixed fortune: of distinct achievement, yet of poor reward." Though the Company produced and sold 2.5 lakh tons more cement than in the previous year, paradoxically enough, there had been a slump in the Company's profits, owing to a sharp rise in the manufacturing costs due to factors outside the Company's control such as higher cost of coal, enhanced railway freights and terminal charges, higher cost of stores and spares, etc. Other adverse factors were a higher wage-bill and an increased charge for depreciation. Further, the heavy incidence of taxation resulting from the increase in the rates of Income-Tax and Corporation Tax, and the imposition of the wealth Tax had left very much lower profits to the Company.

TARIFF COMMISSION

Continuing, Shri Khatau said that the Industry could not continue to operate and expand under those conditions and that Government had therefore directed the Tariff Commission to examine the cost of production of cement and determine anew a fair price to be paid to cement manufacturers. The ACC had placed its case fully before the Commission for an increase in price, and hoped that Government would sanction such an enhanced price as would cover the rising costs of production and also enable it both to plough back a reasonable portion of profits for rehabilitation and modernisation and also to finance its expansion programme under the Second Five-Year Plan.

The Chairman pointed out that the increase in price asked for need not necessarily involve any increase in the present price of

cement to the consumer f.o.r. destination. "Indeed, I would go so far as to say that it must not be so, both in the interests of the consumer and of the Industry. As you know, we have to sell our entire output to the State Trading Corporation at Rs. 54.50 per ton f.o.r. Works for neat (unpacked) cement, plus Rs. 1.50 for selling expenses, plus a packing charge which varies every quarter depending on the price of gunny bags and presently stands at Rs. 13.64 per ton. This makes a total of Rs. 69.64 per ton. But the State Trading Corporation sells the cement to the consumer at the controlled price of Rs. 117.50 f.o.r. destination. Allowing for the average incidence of railway freight from Works to destination at a little over Rs. 15/- per ton, and Rs. 20/- per ton for Excise Duty, the State Trading Corporation is left with a net profit of about Rs. 12.50 per ton. As there is likely to be practically no further substantial import of cement which the State Trading Corporation would be required to subsidise so as to sell such imports at an equalised price, and as the losses on such small imports as may still have to come in to fulfil existing commitments will be only a fraction of the enormous profit which the State Trading Corporation has already amassed, there is no reason at all why the State Trading Corporation should any longer make any profit from cement. Furthermore, the present Excise Duty of Rs. 20/- per ton includes the increase of Rs. 15/- per ton imposed in May 1957 with a view to inhibiting the demand for cement. Thus the present price of cement to the consumer includes two inflationary elements: a profit of Rs. 12.50 per ton for the State Trading Corporation and the enhancement in Excise Duty at Rs. 15/- per ton. If now simultaneously with the refixation of the cement price for the producers, this 'loading' of Rs. 27.50 per ton already imposed on the consumer is taken off, there will, I may assure you, be no need to increase any further the present price of cement to the consumer."

FIREBRICKS

Shri Khatau reported that the Katni Firebricks Factory, working at full capacity, not only met all the requirements of the ACC but was in a position to sell some 7,000 tons of refractories to steel plants, other cement concerns and to any industrial undertaking using heat-resistant firebricks.

SILVICRETE

The ACC's white cement—produced at Porbandar and marketed under the trade name of 'Silvicrete'—was becoming increasingly popular.

COLLIERIES

Raisings from the Company's two collieries at Nowrozabad and Kotma had been fairly satisfactory and certain new schemes to increase their output had been sanctioned.

TECHNICAL TRAINING INSTITUTE

The Chairman continued: "The building, equipping and staffing of the Company's Technical Training Institute at Kymore was completed during the year and the first batch of 75 apprentices is now undergoing training. Intended primarily for the sons and relatives of the Company's employees, the Institute offers the best available training in India for our purpose, and most of the trained technicians will, in due course, form part of the specially trained skilled personnel of our cement Works. The curriculum also aims at turn-

EXPANSION

Shri Khatau then reported that the various expansion projects that the ACC had in hand had made satisfactory progress. The extensions planned at the Kistna Cement Works had been completed but the additional capacity could

ing out good citizens and I think the Company may well regard the Institute with justifiable pride."

FINANCE FOR EXPANSION PROJECTS

Speaking about the enormous capital outlay entailed by the Company's various projects of modernisation and expansion, Shri Khatau stated that the Company's requirements of working capital had increased appreciably, and would increase still further in the next few years with the increasing tempo of production. The funds that the Company had already raised, whether from internal resources or by borrowing or by offering large issue of equity capital, were totally inadequate for the purpose.

"Your Board has therefore decided," he said, "subject to the sanction of the Controller of Capital Issue, to make a further issue of Debentures of Rs. 5 crores on suitable terms and at the proper time during the course of this year. The proceeds of this issue will, however, be utilised partly for our investment in the Heavy Engineering Project which we may set up in collaboration with Messrs Vickers Ltd. and Babcock & Wilcox Ltd., to which I made reference last year, and partly for our substantially increased Working Capital requirements in the context of our steadily increasing production. A part of the proceeds may also be used for our immediate needs of the expansion programme.

"Even so, the funds at our disposal including the proceeds of the proposed Debenture Issue and the further internal resources which will accrue over the next few years, will still remain insufficient to meet the heavy capital outlay implicit in our major expansion effort. Your Company has, therefore, represented to the Tariff Commission the urgent need for the grant of an adequate Expansion Allowance in addition to a Rehabilitation Allowance in the new price of cement to be fixed in the near future. I earnestly trust that this request will meet a sympathetic if not a generous response, both from the Tariff Commission and from Government, because it is quite plain that without such an Allowance we shall be compelled to abandon many of the expansion plans and projects we have in view, for the simple reason that no further funds would be available from internal or external sources to finance them."

AUSTERITY

Referring to the slowing down of the tempo of work on the Company's expansion projects as a result of the uncertainty of financial resources and difficulties in obtaining foreign exchange, the Chairman mentioned that a good deal of capital had been locked up in the form of large quantities of equipment and stores including steel. The liquidation of these was receiving priority attention and an 'austerity' drive had been launched

"not only to abandon, postpone or prune the purchase of stores, but also to minimize all other forms of expenditure."

PAKISTAN

The Chairman stated that the Company's two factories in Pakistan were operating satisfactorily, but that the return earned by the Company in Pakistan was very poor. The prices of coal, stores and other materials had sharply risen in that country, and the price increase sanctioned by the Pakistan Government in response to the Company's representation was altogether inadequate. In view of further increases in the cost of coal and other essential materials, the Chairman announced that the Company had again represented its case to the Pakistan Government. Shri Khatau also mentioned that the total incidence of Income-tax, Corporation Tax and Business Profits Tax in that country had risen from 56.25 per cent to 62.50 per cent.

LABOUR-MANAGEMENT RELATIONS

Turning to labour-management relations, the Chairman observed: "You will be glad to know that the improvement in our relations with our employees to which I referred with some satisfaction last year has been maintained during the year under review. Once again there were no strikes or stoppages of work to tarnish our record of round-the-clock production—a matter so vital for keeping down costs and for the fulfilment of the targets set under the Second Five-Year Plan. This is a sure index of growing goodwill and mutual trust, and augurs well for our future. I would like you to join me in according the full share of credit to our employees for their praiseworthy contribution to our joint endeavour.

"It was this atmosphere of harmonious industrial relations that encouraged us to initiate talks with our workers' representatives with a view to reaching, if possible, a longterm agreement on an all-Works basis. In the course of these negotiations it came to be appreciated, however, that one overall agreement, covering the variety of conditions at all our Works, was difficult to achieve and that the purpose in view would perhaps be best served by negotiating individual unit-wise settlements.

"It gives me great pleasure to be able to report that after patient negotiations, we have now reached such three-year agreements with our Workers' Unions at six of our factories.

"The agreements include such important matters as wagegrades, dearness allowance, house-rent allowance and leave facilities. Negotiations at some of the other Works are still in progress, and I hope the day is not too distant when relations between labour and management at all A.C.C.

Works will be regulated by similar settlements.

"To my mind the signing of these six settlements is one of the most significant events within the A.C.C., because the spirit which has brought forth these agreements should certainly lead to better industrial relations in the coming years and consequently to greater prosperity for the Company and, in the same measure, for those who work in it."

SHARES FOR EMPLOYEES

The Chairman stated that 12,202 shares out of the new issue of 6,35,928 shares had remained unapplied for by the shareholders as at 31st October, 1957. The Board had therefore decided to offer these 12,202 shares to the permanent employees of the Company at the face value of Rs 100/- plus the premium of Rs 20/- per share, and the consent of the Controller of Capital Issues had been obtained. Shri Khatau expressed the hope that this would not only enable the Company's employees to make a valuable investment, but would also give them a greater stake in the prosperity of the Company. The Chairman added that the

Indian Finance

offer of shares would have to be confined to the company's employees in India and would not be made to employees in Pakistan because the State Bank of Pakistan had declined to grant necessary permission.

BONUS AND APPRECIATION

The Chairman announced that the Board had decided to pay a bonus to all the employees in appreciation of their excellent work: to those employees drawing up to Rs 1,000 per month by way of basic earnings a bonus equivalent to one-fourth of their basic earnings during the year; to those drawing over Rs 1,000 a bonus equivalent to one-fifth of their basic earnings during the year. The Chairman concluded by recording the Company's warm appreciation of the whole-hearted co-operation and sustained hard work put in by all members of the Company's staff during the year.

Note: This does not purport to be Report of the Proceedings of the Annual General Meeting which will be sent separately to Shareholders on Request.

THE HOWRAH-SHEAKHALLA LIGHT RAILWAY COMPANY, LIMITED.

NOTICE is hereby given that the One hundred and twenty second Ordinary General Meeting (not being an Annual General Meeting) of the above-named Company will be held at the Registered Office, No. 12, Mission Row, Calcutta-1, on Friday, the 7th March, 1958, at 3-50 p.m. for the following purposes:

- (1) To receive and consider the audited Accounts for the half-year ended 30th September, 1956, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
- (2) To declare a dividend on the Ordinary Shares.

The Register of Ordinary Shareholders of the Company and the Transfer Books will be closed from the 25th February to the 7th March 1958, both days inclusive.

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

By Order of the Board,
K. CHATTERTON,
Chairman.

Calcutta,
the 8th February, 1958.

NOTE—Transfers to qualify for the dividend must be LODGED at the Registered Office of the Company by 4 p.m. on the 24th February, 1958.

THE SHAHDARA (DELHI)-SAHARANPUR LIGHT RAILWAY COMPANY, LIMITED.

NOTICE is hereby given that the One hundred and second Ordinary General Meeting (not being an Annual General Meeting) of the above-named Company will be held at the Registered Office, No. 12, Mission Row, Calcutta-1, on Friday, the 7th March, 1958 at 3-0 p.m. for the following purposes:

- (1) To receive and consider the audited Accounts for the half-year ended 30th September, 1956, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
- (2) To declare a dividend on the Ordinary Shares.

The Register of Ordinary Shareholders of the Company and the Transfer Books will be closed from the 25th February to the 7th March 1958, both days inclusive.

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

By Order of the Board,
K. CHATTERTON,
Chairman.

Calcutta,
the 8th February, 1958.

NOTE—Transfers to qualify for the dividend must be LODGED at the Registered Office of the Company by 4 p.m. on the 24th February, 1958.

February 8, 1958

Indian Chemical Manufacturers Association

Seventeenth Annual General Meeting held in Calcutta on 4th February, 1958

Presidential Address of Shri Charat Ram

The following is the Presidential Address of Shri Charat Ram at the Seventeenth Annual General Meeting of The Indian Chemical Manufacturers Association held in Calcutta on 4th February, 1958:—

Hon'ble Shri Manubhai Shah, Friends and Fellow Delegates,

It is my privilege to welcome you, Sir, once again in our midst today, to inaugurate the Annual Session of our Association. We are conscious that you have fulfilled our hope expressed last year here on a similar occasion, that the inauguration of the Annual Session of the Indian Chemical Manufacturers Association by the Minister for Industries of the Government of India, would become a precedent to be continued year after year. The Chemical and Pharmaceutical Industry recognise in you one of themselves. We particularly value the consultation and confidence, which you and your Ministry have sought to foster between the Industry and the Government, for it is only by co-operative effort that our national objectives can best be achieved.

GENERAL REVIEW

2. From the Industry's point of view, the most notable event of the year was the desperate situation of foreign exchange resources resulting in practically a blanket ban on imports. It was a shock from which most of us are only now gradually recovering. The shock was not so much on account of the extent of the foreign exchange shortage, as on account of the sudden manner in which all of us appeared to be having to face it one fine morning, in a condition of complete unpreparedness. It would be futile to find fault with the planners of our economic future, ostensibly for the lack of forethought about such an eventuality, for mistakes are sometimes inevitable, particularly when we do not have the wealth of experience, fiscal and industrial, to guide us. What however would be tragic, nationally, is, if we were to draw no lesson from such failures, and they were repeated for the lack of an adaptable approach in views, ideas, and means of achieving our national objectives. As one in industry, I must say that I consider this desperate situation a blessing. It is a call to each one of us to bring forth the traditional resourcefulness of the private entrepreneur in meeting the needs of the coun-

try from indigenous production, what was met so far from imports. A vastly changed approach to work and philosophy of business is what is expected from us men of industry today.

3. We have had another year of great upsurge in production all along the line, and consequently of consumption too. This is a welcome trend, but it would be wise to acknowledge, that this year's progress has been achieved at the cost of great stresses on the economic foundations of industry. Faced with mounting raw material costs, pressing labour demands, labour welfare measures, increased railway freights, higher costs of capital goods and spares and higher interest rates, on the one hand, and a desire on the part of the Government to keep the prices low on the other, the industry has had to dip deeply into its operating margins and reserves. Disregarding this cost-price squeeze on the Industry, increased taxation was imposed in the year, reducing greatly the resources of the industry. I should express a note of warning, that another year or two of this type of operations, would surely ruin the economic foundations of the Industry and enfeeble it to a degree that it may not be able to meet the demands of production expected of it. I say so with all the greater emphasis, knowing that it is the Government's desire to strengthen the sinews of industry to the utmost, to enable it to play its necessary part in the development of the country's resources, and what has happened has been somewhat in spite of the Government's wishes.

4. Mention must be made of the spectre of inflation that has been with us throughout the past year when compared to 1956 and 1955, even though there has been some downward adjustment in the latter part of the year. More, it bids to be with us indefinitely, if we do not make a determined bid to get rid of it. Over a year ago the Prime Minister had warned that increased food production was pivotal to the entire Plan, and that there must be a near 40% increase in food output if the Plan was not to be endangered. Sir, the real core of the Plan is not steel or transport, but food. I should be pardoned for saying that in this matter, the Government needs to make a critical reappraisal of the country's organisation, efforts and results, and without fear or favour make such shifts urgently as are needed. If food production is not increased

and food prices not brought lower, it is no use hoping to meet the threat of inflation. Food accounts for no less than 60% of consumer expenditure, and even a slight rise in food prices affects greatly the consumer cost of living index all along the line. The food price-line, Sir, has not only to be held, but surely to be brought down.

PRODUCTION

5. The momentum of industrial production was not only maintained during 1957; it also acquired greater substance and speed. The general index of industrial production, which stood at 133 in 1956 rose to 149 in the first 9 months of the year. Considering the strain, in view of the need to conserve foreign exchange resources, it is creditable that there was no diminution in the output of even those industries which depend on imported raw materials and components. An impressive range of new articles were manufactured for the first time during the year, such as sewing machine needles, hypodermic needles, automobile ancillaries like clutch and brake assemblies, synthetic detergents, raw materials for plastics etc. Production increases in the Chemical and Pharmaceutical industries have more than kept pace with the performance in other sectors of the industry. The production of caustic soda, soda ash, sulphuric acid, superphosphate, chlorine, D.D.T., Penicillin, pharmaceuticals, dye-stuffs etc. was all round higher. I should not burden you with the production statistics, as we are all familiar with them by now. Despite these impressive increases, there is considerable scope still for improving the utilisation percentage of the country's installed manufacturing capacity. For some unknown reason we continue to assess the capacity of the industry on the basis of 300/330 working days a year. Sir, in the Chemical Industry our target should be an effective utilisation of nearer 360 working days in the year. Given adequate emphasis on preventive maintenance by industry, I am confident that this is not difficult of achievement. This should give us more than a 10% boost in our output, for little or no additional foreign exchange requirements.

6. While on the subject of production, I should refer to the Industries Licencing Policy of the Government. Instances have been brought to us, where applications for such items as chloroform, chloral-hydrate, aspirin, sodium

salicylate, methyl salicylate, P.A.S., DDS, and gamapicoline have been disallowed on the ground that similar projects were under consideration for the public sector. Sir, we presume that the Government are interested now in putting their resources and energies into only those projects where initiative or finance is not forthcoming from the private sector. We place the case for the sanction of these small projects for your consideration.

7. Supplies of the products of the Chemical and Pharmaceutical Industry to the D.G.S. & D. form no mean part of the industry's production. We should not hesitate to place before you that in spite of best efforts on all sides, dealing with the D.G.S. & D. continues to be on the whole a frustrating business, whether it is in the matter of testing of samples, or getting the goods approved, or receiving first and final payments. So long as this Department will not change its basic approach and place its transactions on a normal commercial basis, and not deal with suppliers from a position of strength, no improvement could really be expected. It is easier to make supplies to scores of other parties, including the Government controlled industrial Companies, as they deal in a commercial manner, but not so with the D.G.S. & D. with whom time and money of the supplier are of no value. We have to suggest that purchases by the D.G.S. & D. should be made by specifications and not by 'brands', that in all cases no less than 98% advance payment can be made by them, as the average rejection percentage could not be as much as 2%, and that inspection at the works site would be of great assistance to both the suppliers and the indentors. Furthermore, the liability of the suppliers for the goods supplied should cease once the goods which have been approved are put on rail. Under the present rules, the contractor remains liable even for pilferages in transit.

8. Easing of the problems of the Pharmaceutical Industry, arising out of the Drugs and connected rules, would go a long way towards facilitating production. A complete uniformity in the enforcement of the Drugs Act in all the States is called for, and the Union Government should see that no State makes any local variations in matters connected with these Acts and Rules. We believe that at least in matters pertaining to industrial development, the coun-

try could be considered as one centrally administered unit, and that Industries and Excise Departments of the States would not attempt to consider themselves as law unto themselves.

9. A special reference to the slow development of production in the superphosphate industry is called for, as there is a real danger of a great short-fall in the production of this industry against the targets of the 2nd Plan. A production target for superphosphate of over 7 lakh tons in the remaining three years of the Plan period is to be reached as against the current annual rate of production of over 1 lakh tons only. I had highlighted this problem last year also, stating, that if the Plan target is to remain, not only a target, as was the case in the First Plan, a directed and purposive effort cannot be avoided. Production of superphosphate is dependent exclusively on its consumption. It is unfortunate that nitrogenous fertilisers are still considered a cure-all for our agricultural problems. Whereas almost without exception, the ratio of nitrogen to P_2O_5 used in other countries is 100:115, in India it is 100:30. Developing an effective system of subsidy as in the U.K., readjustment of railway freights on the same levels as for manures, and more liberal granting of taqavi loans are some of the measures which will prove of use in attaining the targets of production of superphosphates.

10. Increase of superphosphate production acquires an infinitely greater significance in today's context of foreign exchange shortage. Imported nitrogen could be replaced by indigenously produced superphosphates in many areas, without affecting food production adversely, saving the drain on foreign exchange. A memorandum has been submitted in this matter to the Prime Minister by the Fertilizer Association of India, which could be usefully followed up in your Ministry.

CAPITAL REQUIREMENTS AND RESOURCES OF THE CHEMICAL INDUSTRY

11. A reference has been made earlier to the cost-price squeeze and increased taxation which have reduced greatly the none too generous resources of the Chemical Industry. Chemical Industries, Sir, are capital-intensive.

12. The initial gross fixed capital requirement per worker in the Chemical Industry works out to more than six times as high as the requirement for all the industries covered by the Census of Manufacturers, i.e., Rs. 19,700 as against Rs. 3,200. Contrary to popular impression, the working capital requirements are also high in the chemical industries, the average for all the Census industries in 1954 being Rs. 2,800 per worker, as against Rs. 7,000 for the chemical industries. The Second Plan targets call for a spurt in investment in the chemical industries

from Rs. 26 crores in the First Plan to Rs. 132 crores in the Second Plan period. And a serious problem of finance availability arises. Chemical industries earned only 3% after paying taxes on their net worth during the period 1951-55 as against an overall corporate figure of 7.9%. When compared with other capital-intensive industries like steel, paper, cement etc., the picture is truly depressing and must cause concern to all interested in the attainment of the investment targets of the chemical industries, as the following figures show:—

Industry:	Ratio of profits after taxes to net worth
Iron & Steel ..	17.6%
Paper ..	10.6%
Cement ..	11.0%
Chemical ..	3.0%

13. According to a survey carried out by the Reserve Bank, the retained profit of 750 Public Limited Companies were 39% of the pre-tax profits. In the chemical industries, Sir, the comparable figure is only 1.2%. This may be compared with the retention in the other capital-intensive industries, being 66% in steel, 55% in paper and 39% in cement.

14. It will be obvious that the planning of the supply of capital is no less important than the planning of the supply of raw materials, utilities, etc. We had occasion lately to make an assessment of the capital needs of the caustic soda industry and were amazed to find that, as against the general idea of the capital requirement of Rs. 3½ lakhs per ton-year of caustic soda, on the basis of latest costs, Rs. 6½ per ton-year of caustic soda were needed, i.e., a total requirement of nearly Rs. 20 crores for meeting the Second Plan targets for the balance of the Plan period. Capital needs for other chemical products are likely to indicate capital requirements on a similar scale. Capital costs are increasing at an average annual rate of 8% to 9%, and a continuous adjustment in capital cost estimates has to be made of these increases, for the estimates we make in one year become out of date for another year. There are usually three sources of capital availability open to any business, viz., share capital, loan capital, and internal capital. Whatever the source of capital, however, business must provide for basic 'capital-charges' in its cost and profit structure, viz., depreciation, rehabilitation reserve, dividends, interest on loan, repayment of loan, and a fair net return on investment, and if we wish to avoid capital erosion, an acceptance of these capital charges in a realistic way will need to be made. It is not easy for any industry, and much less for the Chemical Industry, to raise capital in the share market these days. The procurement of capital however, must be looked at very much in the same way as the procurement of raw materials or any other services, i.e.,

the cheapest source must be tapped. Sir, the use of "Internal Capital" is the cheapest source of capital procurement, for there is fixed charge for dividends as in the case of share capital, nor of interest on loan and provision for repayment of loan as in the case of loans. All this is not a matter of opinion but a fact, and I have to commend that if an objective study does uphold this conclusion, then the Government and the Tariff Commission should in their consideration of fair prices of products keep this aspect in view. For correct guidance as to the direction which our effort should take for tapping sources of capital for the Chemical Industry, we need to begin to visualise in a general way, the extent of the needs of the 3rd Plan from now on, for such a long range approach will help direct our thinking into practical channels.

DEVELOPMENT OF GEOLOGICAL RESOURCES

15. Geological resources are a source of great potential wealth for any country. In a vast country like India, there must be an unlimited store of wealth lying hidden underground, waiting to be tapped. Geological industries are primary industries, on the development of which are dependent scores of chemical and engineering industries, the development of which would open up vistas of prosperity undreamt of. Intensive and extensive development of our geological resources would provide large scale employment at home, and much needed raw ores and finished goods for export earnings on the other.

16. We know in the case of coal and iron ore how intensified development has increased our knowledge of our wealth, and we are well on the way to becoming a leading producer and exporter of these items. In the chemical field there are so many of our industries which are totally dependent on geological industries, e.g., aluminium on bauxite, ammonium sulphate on gypsum, caustic soda on salt and so on. There are numerous other chemical industries which could be set up on a sound footing only if they could be fed adequately by well-developed geological industries. Bleaching earths need bentonite, bleaching powder and calcium carbide need good lime, superphosphates need rock phosphate, sulphuric acid needs pyrites and gypsum and so on. Sir, in high-lighting the importance of geological development for the development of chemical industries, I should like to mention that this aspect of our development as a vast potential source of national wealth appears to be somewhat under-rated. There is need probably for a closer liaison between the Ministries of Industries and Mines for a fuller exploitation of these resources. We could with advantage increase the educational institutions and also improve greatly the quantity and quality

of the graduates that our educational institutes turn out in the geological field. Geological development should not prove a great burden on our resources, for in the early stages there will be greater need of human resources rather than of equipment.

17. I should like to suggest that the organisation structure in the field of geological survey and development may be put on product-wise basis rather than on region-wise basis, or in the alternative, for selected products at least, separate cells or groups headed by senior people should be formed for achievement of quicker and more dependable results. To my knowledge this has already been done, for instance, for oil, coal and steel—these product-wise specialised divisions could be extended to cover many more items.

CHEMICAL INDUSTRIES AND FOREIGN EXCHANGE CRISIS

18. Last year I had mentioned that the size of our Second Plan will be largely determined by our ability to provide adequate foreign exchange resources. The events during the year have testified to this view. I should like to repeat what I said last year, that it is a primary duty of us industrialists to give a new slant to our production plans for specifically augmenting the country's foreign exchange resources by canalising the development of the industry into:

- products which will reduce imports, and
- products which will increase exports.

19. It is the Chemical and Engineering industries which the Government and the people are now increasingly looking to, for solving this difficult situation. The items exportable by the Chemical Industry are varied in character, such as bleaching powder, bichromates, magnesium and calcium chlorides, Azo-dyes, calcium carbonate, animal glue, phenyl, D.D.T., Penicillin etc. We also need to change our approach to production capacities, from planning for self-sufficiency only to planning for surpluses for export. At present even the planning for internal consumption becomes inadequate, by the time the planned capacities have matured. There is no reason why even the Government factories producing ammonium sulphate, D.D.T., Penicillin etc., should not plan for exports straightaway. Furthermore, instead of setting up new units of production, which would need far larger resources, we should proceed on the basis of expanding capacities in the existing units.

20. The trade agreements concluded with different countries as well as direct enquiries, have brought out the fact that not only adjacent countries such as Malaya, Indonesia, Thailand, Ceylon, Egypt and Burma are important prospective customers for us, but even industrially advanced countries such as the U.S.A., the U.K., Canada and West Germany would

buy some of our products. Prospecting for such exports has not been made so far in any systematic manner. I have to recommend that when negotiations for trade agreements are taking place with any country, representatives of the Chemical Industry through the Association may be given an opportunity for consultations with your Ministry. Such consultation at the time of the negotiations should be of considerable help in placing the export possibilities of the Chemical Industry in an appropriate perspective.

21. Unless the matter of foreign exchange is tackled on an austere basis, it will not be possible to have a rapid development of the country. I am one of those, Sir, who believe that the present generation will have to undergo hardships in the shape of restraint in consumption today, for investing in exports for the building up of India of tomorrow. I am glad that the Directorate of Export Promotion has set certain export targets for the chemical industries in the current year totalling over Rs. 5 crores. Expansion in manufacturing capacity, which is bound to arise by 1961 or later, and the importance of building up connections alike, demand that even if our exports should involve some sacrifice of domestic consumption, this risk should be deliberately taken. Informed opinion does appreciate this point, as I find from the Annual Report of the Directors of the Reserve Bank.

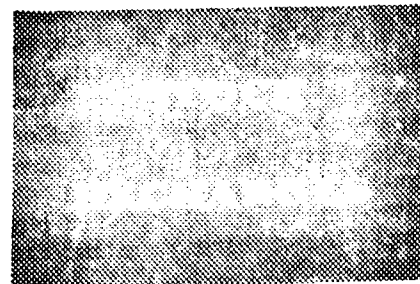
22. As an aid to exports, the Association sponsored the setting up of a Chemical & Allied Products Export Promotion Council, which we hope would be inaugurated shortly. I plead that we should

bring to bear on the problem of export promotion a great sense of urgency and no delays should be allowed to occur in the licensing of exports, assigning freight priorities, draw-backs of duties etc.

23. I should like to repeat this year again what was mentioned with regard to the sulphur needs of the country. Sulphur requirements have doubled to 80,000 tons at the beginning of the Second Plan period as compared to the First Plan period, and will rise drastically during the next five years. We need to look for basic long-term solutions for self-sufficiency by the two-pronged drive for exploitation of the processes utilising pyrites and gypsum by the help of technical aid from Norway, Germany, Poland etc. A great deal of time, Sir, has elapsed in considering these matters and it must be possible to concretize decisions now, for sulphur, apart from being a key raw material, is draining away several crore rupees worth of foreign exchange resources, which could be easily saved.

NEED FOR SOUND ORGANISATION AND GOOD MANAGEMENT

24. In emphasizing the need for sound management to my colleagues in industry here, I have in mind the requirements of our Plans for economic development. The Second Five Year Plan provides a model of economic growth in which per capita income would double by 1973-74, i.e., by about the middle of the Fifth Plan period. For this to happen, the planners envisage an increase of the investment effort of the community, so that India will make a net invest-



A mild recovery after sharp setback

Watch-Dog Writes:

THE recent improvement in the share market sentiment has proved short-lived. Equities have, once again, taken a downward course although they have staged a mild recovery at the close of the week.

There is a general feeling in market circles that, in the light of the statement made by the Prime Minister at the Indian Merchants Chamber in Bombay, there will not be any material change in the tax structure of the country. Moreover, operators are worried by the fact that the State Governments may be levying additional taxation with a view to meet their targets

of expenditure in the third year of the Plan.

Naturally, sentiment on the Calcutta Stock Exchange remained depressed and prices, after developing a sagging tendency due to renewed selling pressure till Wednesday, showed a slight recovery towards the close of the week due to some short-covering at lower levels.

Equities on the Bombay Stock Exchange showed a mixed trend with Steel shares steady and Textile scrips easy. The Miscellaneous section presented a mixed appearance.

On the Madras Stock Exchange, business continued to be restricted, and enquiry was confined to only a few selected scrips.

Prices on the London Stock Exchange advanced on a broad front, thanks to a steady investment demand.

Wall Street closed heavy with a fair distribution of losses, ranging mostly to around a dollar.

Calcutta

Calcutta, Friday Evening

EQUITIES on the local Stock Exchange, after developing a sagging

tendency till Wednesday due to renewed selling pressure, recovered moderately at the close following the emergence of bull support coupled with some bear-covering at lower levels. The initial weakness of the market was mainly influenced by the Prime Minister's speech at the Indian Merchants Chamber in Bombay which gave rise to a feeling that the Government might not introduce favourable chances in the impending Budget with a view to restoring confidence in the market. It was feared that the States would also be obliged to cast their nets as wide as possible in their attempt to strengthen their revenue position. There was also an anxiety on the part of operators to await Justice Chagla's report on his enquiry into the LIC investments in the Mundhra group of shares. But for some recovery in the speculative issues, the market would have finished at the worst levels for the week.

The Giltedged section ruled, however, comparatively steady although interest was still confined to short-dated issues. As enquiry from banks was negligible and from other quarters small, the

- to make an ever increasingly large quantity of goods of the best possible quality, to make them in the most economical fashion, and to push them in the market;
- to strive always for higher quality and lower prices, as well as lower costs;

3. to raise wages gradually but continuously, and never to cut them;

4. to get the goods to the consumer in the most economical manner, so that the benefits of low cost of production may reach him.

25. In addressing this to my colleagues, I am conscious that we have come to show a vigorous determination to take difficulties in our stride, and that the business fabric of India, and by that I mean the intellectual and moral calibre of our businessmen, is far stronger today than ever before, for there is growing appreciation that there is no gain comparable to that achieved by sound management practices.

26. I have attempted to place before you, Sir, and my colleagues in Industry, such important points as I feel need consideration. Before I close, I should record my appreciation of the co-operation and assistance which we have had from your Ministry at all levels. I wish also to express my thanks to the members of the Association, my colleagues on the Committee and the Secretary of the Association and his staff whose valued co-operation and assistance have been of great help to me during my second term of office. I am grateful to the members for the confidence they have expressed in me by re-electing me to a third term.

Gentlemen, I thank you for responding to our invitation and for giving me a patient hearing. I thank you, Sir, again most heartily and request you to inaugurate the Seventeenth Annual General Meeting of our Association.

volume of business continued to be restricted. 3 per cent 1986 Conversion Loan opened at Rs 70.90 and, after improving at one time to Rs 71.25, receded again at the close to Rs 71.12.

Bank shares came in for some profit-taking at the recent high levels. Hind were marked down to Rs 46.25 from Rs 48.75 and United Commercial to Rs 59.75 from Rs 62.25. Punjab National moved narrowly between Rs 51.37 and Rs 51.50.

Sentiment in the Jute section remained subdued following weaker advices from the jute goods market. Moreover, fears were entertained with regard to the profit-margins of mills in view of the tight supply position of raw jute. National were on offer further lower at Rs 23 against Rs 23.85; Delta at Rs 99 against Rs 105; Belvedere at Rs 67.50 against Rs 69.90; Budge-Budge at Rs 64 against Rs 70; Anglo-India at Rs 130 against Rs 134 and India at Rs 94.50 against Rs 96. Kankannarah were, however, maintained at Rs 46, while New Central, after being taken upto Rs 13.69 following company's proposal to issue

bonus shares, receded at the close to Rs 13.00 on profit-taking.

Coal shares ruled comparatively better on reports of the increase in raisings and despatches last year and on the expectation of good working results from various collieries. Higher levels could not, however, be maintained till the close due to the general trend of the market. Most prominent were Central India having buyers upto Rs 6.62 from Rs 6.50 and Amalgamated upto Rs 15.75 from Rs 15.62. Burrakur, after touching a low of Rs 21.87 on speculative selling, improved towards the close to Rs 22.25. Bengal met with some business at Rs 234. South Karanpura turned quiet at Rs 8.94 against Rs 9.25, while Western Bengal were a narrow market around Rs 5.31.

There was little doing in the Tea section with only few buyers in evidence. Lower prices still obtained at the auctions and fears of a reduction in dividends for 1957 had a depressing effect on sentiment. Only a few scrips managed to maintain their best levels on the hope that the Government of India would release a further quota for tea export as suggested by the Central Tea Board at the recently-held meeting. Most prominent were Brahmapootra changing hands at Rs 3.19 to Rs 3.21; Bateli at Rs 18.50 to Rs 18.62; Bishnauth at Rs 18.75 to Rs 18.94; Dhelakhath at Rs 20.25 to Rs 20.37; Jayshree at Rs 10.06 to Rs 10.12 and Rungamatttee at Rs 60.50 to Rs 62.50. Hantapara, however, lost nearly Rs 12 at Rs 119.

Although business continued to be restricted, Sugar shares came in for selective enquiry on expectation of good working results for last year. Most prominent were Balmampore being taken upto Rs 6.25 from Rs 5.25 and United Provinces upto Rs 13.12. Belsund, however, turned a shade quieter at Rs 9.81 against Rs 10 and Carew at Rs 6.19 against Rs 6.62. SKG were nearly maintained at Rs 9.00. The reports of the improved conditions in the cloth market had no marked effect on the Textiles section. The only bright spot was Kesoram which met with some support upto Rs 10.19 from Rs 9.94. New Victoria moved narrowly between Rs 1.28 and Rs 1.37.

In the week's dealings, Engineering shares were the worst affected and prices of all scrips were initially marked down sharply under the lead of Indian Irons although a slight recovery was noticed towards the close due to some covering at lower levels. Against the week-end closing of Rs 20.48, Indian Irons opened lower at Rs 20.35 and receded further to Rs 19.42 at which level some covering caused the scrip to recover again to Rs 19.65, to close the week finally at Rs 19.62. Similarly, TEXMACO was pushed down at one time to Rs 16.80 from Rs 17.85; Marshalls to Rs 4.95 from Rs 5.31 and Kumardhubi to

Rs 7.87 from Rs 8.00, to improve at the close to Rs 17.10; Rs 5.00 and Rs 7.94 respectively. Indian Standard Wagon changed hands at Rs 101 to Rs 103, while Britannia were a steady feature at Rs 13.25. Jessop, after improving to Rs 22.12 from Rs 21.50, receded again to the latter level at the close.

Except Indian Cable which met with sustained demand from institutional investors upto Rs 28.62 from Rs 27.50, other scrips in the Miscellaneous section moved in sympathy with the general trend of the market. Selling pressure caused Orient Paper to slip down at one time to Rs 24.00 from a high of Rs 25.30 and Titaghur to Rs 33.50 from Rs 34.00, to close better at Rs 24.25 and Rs 33.62 respectively. Shree Gopal changed hands at Rs 13.94 to Rs 14.12. Indian Copper, after touching a high of Rs 2.91 and a low of Rs 2.82, finished better at Rs 2.86. India Steamship were done at Rs 11.59 to Rs 11.81; Aluminium Corporation at Rs 9.81 to Rs 9.87; Indian Aluminium at Rs 12.31 to Rs 12.56; Hindustan Motor at Rs 5.95 to Rs 6.25; Sone Valley at Rs 5.06 to Rs 6.12; Philips India at Rs 13.87 to Rs 14.00; National Carbon at Rs 23.85 to Rs 24.00; Dunlop Rubber at Rs 21.60 to Rs 22.12; Alkali Chemical (new) at Rs 12.25 to Rs 12.31; Osler at Rs 2.31 to Rs 2.68 and B.I.C. at Rs 2.85 to Rs 3.86.

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Bombay

SENTIMENT on the stockmarket has been subdued by three main factors. In the first place, the fact that steels have been receiving reduced interest following reports (since confirmed) of lower production in TISCO, has kept prices elsewhere in the market also at a lower level. Secondly, the Prime Minister's reference to the stockmarkets in particular and to last year's budget proposals in general seem to have engendered a feeling of pessimism. Thirdly, the proximity of the Central Budget has kept enthusiasm at a low ebb. Over and above all these, it would appear that the growing financial stringency of the corporate sector also seems to have restricted activity. Speaking at the annual meeting of the Indian Merchants Chamber Mr Naval H. Tata, the outgoing president has pointed out that the taxation policy of Government has seriously undermined the financial resources of the private sector. He has, therefore, made a fervent appeal to reduce the tax burden both on individuals and the corporate sector in the coming Budget. He has made it abundantly clear that unless this is done there will be serious dislocation in the working of the private sector as a whole. Operators are therefore eager to see what will be the reaction of Government to the appeal.

STEELS: In the steel section Tata Iron was subdued most of

the time on reports of lower production during January. In earlier dealings it met with some support and was done upto Rs 173.75 but in later dealings and especially toward close encountered pressure to close lower at Rs 169.50. Indian Irons after having been done upto Rs 20.52 closed easier at Rs 19.44.

TEXTILES: Textiles were generally dull and toward close were subdued in sympathy with the steel section. Bombay Dyeing closed lower on balance at Rs 50.80 as did Kohinoor at Rs 266.00. Century reacted to Rs 389.50 from an opening level of Rs 397.25.

MISCELLANEOUS: In the miscellaneous section National Rayon was subjected to heavy and sustained selling pressure on reports of a fresh issue at a premium. The scrip was hammered down to Rs 215.50 from Rs 224.50. ACC was quiet at Rs 153.00 presumably in view of the report of slowing down of the company's expansion programme due to paucity of funds. Shivrajpur was in request in earlier dealings on rumours of a bonus issue but toward close lost ground to close 2 points lower on balance at Rs 92. Scindia Steam was somewhat subdued at Rs 17.24 by close. Bombay Burma met with realising pressure toward close and was finally placed at Rs 540.50 but was nearly three points higher on balance. Premier Construction had declined by Rs 2.75 over the week to close at Rs 158.25. Likewise TELCO was lower on balance at Rs 139.50. Tota Chemical staged a moderate rally toward close to be quoted at Rs 12.84.

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Madras

WITH the exception of selected Tea and Coffee shares which received mild support, business in other sections of the Madras Stock Exchange continued to be meagre. Lack of follow-up support and a tendency to lighten commitments were the main contributory factors.

TEXTILES: This section gave a poor performance although prices were generally maintained. Buckingham and Bangalore Woollens were maintained their rates at Rs 158 and Rs 173 respectively, while Maduras declined by 25 nP to 35. Lakshmis were one point higher at Rs 114. However, more selling resulted in a drop in Cambodias to Rs 9.90, while Vijayakumars had sellers at the market rate. Rajapalayams were quoted at Rs 123.50 and Mysore Silks at Rs 1.30.

PLANTINGS: Although Tea shares generally continued in poor form, a few selected scrips came in for mild support. Prominent amongst these were Coorgs, which met with sustained enquiry upto Rs 10.75. Periakaramalais were maintained at Rs 4, while United Nilgiris declined to Rs 15.30. Devasholas met with some enquiry at the market rate.

Rubber shares were rather quiet, as operators were awaiting the outcome of the representations which were reported to have been made to the Government for a revision in the price of the commodity in view of the increase in production costs. Cochin Malabars were done lower at Rs 4.05, while T.R.Ts were quoted around Rs 6 and Thirumbadis at Rs 1.33.

In the Coffee group, Consolidated Coffees were a steady feature at Rs 22.75, while Ouchterlony's closed slightly lower at Rs 4.95. Shevroys met with some demand at the market rate.

SUGARS: In this section, some buying was noticed in Deccans at Rs 7.85 to Rs 7.95, while United Breweries were in request at the market rate. However, Mysore had some sellers at the quoted rate. Travancore improved to Rs 10.20 from Rs 10.10.

MISCELLANEOUS: Cement shares continued to be active in anticipation of a rise in the price of cement. Indias improved to Rs 28.50, while Travancore had sustained support at Rs 8.10. Amongst other scrips, Aluminium Industries had some sellers at Rs 13.80 as also for Central Scientifics and FACTS. Mysore Chemicals were done at Rs 6.00 and Mettur Chemicals at Rs 9.80. Radio Electricals changed hands at Rs 5.05 to Rs 5.10; Philips India at Rs 14.00 to Rs 14.16 and Textools at Rs 177 to Rs 178.50.

London

PRICES on the London Stock Exchange advanced on a broad front under a steady investment demand. Sentiment was favourably influenced by increasing hopes of lower interest rates.

Gains were widespread in the Industrial section, Stores shares continuing their recovery. Under American influence, Oil shares ruled firm although the best levels could not be maintained till the close due to lack of sustained buying. Mining shares were also firm.

Giltedged securities advanced sharply on investment buying.

New York

WALL STREET, after advancing vigorously early in the week, closed heavy with a fair distribution of losses ranging mostly to around a dollar. While some shares—notably Aircraft Missiles and Rocket Fuel issues—developed firmness, most other sections were in the grip of consolidation. However, the damage done by profit-taking and other selling was relatively minor.

Steel shares were mostly lower with some selling attracted by the failure of industry operations to improve. Oil shares also favoured the losing side with Royal Dutch and its rights down by small fractions.

COMPANY REPORTS

MARTIN-BURN LIMITED.				
Secretary:—Mr. A. G. Gidley.				
Year ended Sept.	1957	1956	1955	
	Rs.	Rs.	Rs.	
Sales	767,36,373	823,39,948	572,16,600	
Interest, Commissions, Etc.	98,16,887	106,99,309	...	
Stocks	98,36,758	89,02,729	88,24,812	
Works in Progress	135,78,152	121,97,095	208,83,882	
Net profit	90,98,645	96,09,434	77,16,002	
Taxation	50,50,000	51,50,000	37,75,000	
Depreciation	2,04,558	2,33,427	2,48,710	
Reserve Fund	3,00,000	7,50,000	5,50,000	
Other Funds	2,00,000	2,00,000	5,48,584	
Div. A'mt Ord.	30,78,882	30,59,256	24,82,731	
Div. A'mt Pref.	3,00,000	1,50,000	1,50,000	
Carry Forward	2,35,312	2,70,207	2,03,456	
Div. % Ord.	21.20	211	184	
Div. % Pref.	5	6	5	

(Annual General Meeting on 27-2-58 at 12 noon. Books closed from 20-2-58 to 27-2-58).

Capital:—Authorised Rs 300,00,000. Subscribed Rs 205,23,500 in 60,000—5 per cent Redeemable Pref. shares of Rs 100 each and 14,52,350 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Sept.				
Liabilities.	1957	1956	1955	
	Rs.	Rs.	Rs.	
Capital Paid-up:				
(i) Pref.	60,00,000	30,00,000	30,00,000	
(ii) Ord.	145,23,500	143,98,500	137,53,000	
Convertible Notes	9,63,000	12,07,000	24,94,000	
Capital Reserve	1,36,296	1,36,296	1,36,296	
Reserve Fund	21,50,000	18,50,000	11,00,000	
Other Funds	53,23,500	49,96,500	41,53,000	
Taxation Provision	199,30,210	148,80,210	47,78,641	
Loans Secured	27,47,030	45,07,085	40,48,038	
Loans Unsecured	4,74,000	4,74,000	...	
Debts	369,08,047	345,82,383	398,12,220	
Carry Forward	2,35,312	2,70,207	2,03,456	
Total	893,80,895	803,00,181	734,78,651	

Assets.	1957	1956	1955	
	Rs.	Rs.	Rs.	
G. Block	25,54,435	24,06,298	22,58,061	
Depreciation	14,97,333	13,34,790	11,34,226	
Block (net)	10,57,102	10,71,508	11,23,835	
Goodwill	25,17,685	25,17,685	25,17,685	
Works in Progress	135,78,152	121,97,095	208,83,762	
Stores	55,775	50,870	4,65,986	
Stocks	119,80,903	120,07,663	102,61,886	
Outstandings	179,02,102	176,55,386	182,41,920	
Do More than 3 months	82,36,501	52,69,858	...	
Mis. Deposits and Advances	135,31,942	97,68,462	20,03,177	
Investments	196,27,089	173,96,540	168,78,704	
Cash	8,93,643	23,65,114	11,01,706	
Total	893,80,895	803,00,181	734,78,651	

Liq. Assets ... 858,06,108 767,10,988 698,37,141

ANGELO BROTHERS, LIMITED.				
Mg. Agents:—M/s. Turner Morrison & Co. Private Ltd.				
Year ended August	1957	1956	1955	
	Rs.	Rs.	Rs.	
Sales	248,42,835	285,11,758	255,93,130	
Interest Dividends & Mis. Income	1,45,028	1,71,981	...	
Net profit	18,99,287	16,24,083	14,77,302*	
Taxation	10,25,000	7,73,285	4,95,000	
Depreciation	1,08,872	1,08,835	1,03,139	
Reserve Fund	...	1,50,000	1,75,000	
Div. A'mt Ord.	5,40,000	6,00,000	6,00,000	
Carry Forward	3,61,289	3,35,874	3,43,981	
Div. % Ord.	18	20	20	

*Includes Rs 1,75,000 being amount written back from Reserve for Post-war Research and Experimental work, no longer required.

(Annual General Meeting on 26-2-58 at 3-30 p.m. Books closed from 12-2-58 to 26-2-58).

Capital:—Authorised Rs 50,00,000. Subscribed Rs 30,00,000 in 3,00,000 ordinary shares of Rs 10 each. Fully paid.

Synopsis of balance sheet as on the last day of Aug.				
Liabilities.	1957	1956	1955	
	Rs.	Rs.	Rs.	
Capital Paid-up	30,00,000	30,00,000	30,00,000	
Reserve Fund	25,20,717	25,18,873	23,63,779	
Other Funds	11,00,000	11,00,000	11,00,000	
Staff Gratuity Res.	3,00,000	3,00,000	3,00,000	
Taxation Provision	17,59,906	7,34,909	4,89,513	
Debts	14,12,985	15,22,427	15,35,719	
Carry Forward	3,61,289	3,35,874	3,43,981	
Total	104,54,897	95,12,083	91,32,972	

Assets.

G. Block

Depreciation

Block (net)

Cap. Exp. in Progress

Works in Progress

Stores

Stocks

Outstandings

Do More than 3 months

Mis. Deposits and Advances

Investments

Deposits in Banks

Cash

Total

Liq. Assets

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TYROON TEA COMPANY LIMITED.				
Mg. Agents:—Ms. McLeod & Co. Ltd.				
Year ended Decr.	1956	1955	1954	
	Rs.	Rs.	Rs.	
Outturn (mtds.)	15,118	15,693	14,597	
Av. Price per lb.	2-14-5	2-6-3	3-2-6	
Net profit	12,38,919	6,53,418	16,45,191	
Taxation	4,35,424	2,96,200	6,28,876	
Depreciation	80,928	1,11,861	1,26,447	
Reserve Fund	...	...	3,50,000	
Other Funds	5,00,000	...	2,50,000	
Div. Amount Ord.	2,34,000	1,56,000	3,12,000	
Carry Forward	86,908	98,341	9,014	
Div. % Ord.	45	30	60	

(Annual General Meeting held on 6-2-58).

Capital:—Authorised Rs 6,00,000. Subscribed Rs 5,20,000 in 52,000. Ord. shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Decr.				
Liabilities.	1956	1955	1954	
	Rs.	Rs.	Rs.	
Capital Paidup	5,20,000	5,20,000	5,20,000	
Reserve Fund	10,00,250	10,00,250	10,00,000	
Other Funds	11,00,000	6,00,000	6,00,000	

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Assets.	28.53,407	27,12,375	25,16,760
G. Block	...	...	...
Depreciation	10,43,712	9,63,569	7,97,301
Block (net)	18,09,695	17,48,806	17,19,459
Goodwill	20,00,000	20,00,000	20,00,000
Stores	11,470	9,686	...
Stocks	57,86,212	9,34,478	10,93,002
Outstandings ?	53,87,110	37,38,207	37,24,268
Do More than 3 months	3,69,268	2,04,127	...
Mis. Deposits and Advances	24,30,056	14,47,882	9,46,798
Investments	264,53,589	272,51,941	233,56,465
Cash	2,09,528	2,99,809	37,665
Total	444,56,928	376,34,936	328,77,657
Liq. Assets	406,47,233	338,86,130	291,58,198

BISRA STONE LIME COMPANY, LIMITED.

Assets.	1957	1956	1955
G. Block	62,21,712	59,67,645	57,20,295
Depreciation	35,31,132	33,98,577	33,28,355
Block (net)	26,90,580	25,69,068	23,91,940
Cap. Exp. in Progress	1,50,409	26,292	75,685
Stores	8,06,296	6,87,337	6,81,769
Stocks	1,27,401	2,22,856	3,88,084
Outstandings	16,11,555	16,99,832	9,62,900
Do More than 3 months	1,63,826	...	...
Mis. Deposits and Advances	1,61,954	1,01,867	48,922
Investments	8,001	3,001	13,051
Deposits in Banks	...	3,00,000	...
Cash	2,06,945	1,17,134	2,96,713
Total	69,21,967	67,07,387	48,59,044
Liq. Assets	30,80,978	31,12,027	23,91,439

Capital:—Authorized Rs 15,00,000, Subscribed Rs 10,00,000 in 1,00,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of March.

Liabilities.	1957	1956	1955
Capital Paid-up	10,00,000	10,00,000	10,00,000
Capital Reserve	1,13,560	1,13,560	2,25,803
Reserve Fund	2,50,000	2,33,457	2,33,199
Other Funds	12,75,800	11,33,225	6,41,025
Revaluation of Fixed Assets	12,83,000	12,63,000	12,83,000
Quarry Overhang and Staff Compensation Reserve	1,29,047	...	1,29,698
Taxation Provision	2,27,813	2,80,915	1,23,541
Debts	16,24,307	16,43,051	12,13,636
Carry Forward	18,440	20,179	9,142
Total	59,21,967	67,07,387	48,59,044

Assets.	1957	1956	1955
G. Block	62,21,712	59,67,645	57,20,295
Depreciation	35,31,132	33,98,577	33,28,355
Block (net)	26,90,580	25,69,068	23,91,940
Cap. Exp. in Progress	1,50,409	26,292	75,685
Stores	8,06,296	6,87,337	6,81,769
Stocks	1,27,401	2,22,856	3,88,084
Outstandings	16,11,555	16,99,832	9,62,900
Do More than 3 months	1,63,826	...	...
Mis. Deposits and Advances	1,61,954	1,01,867	48,922
Investments	8,001	3,001	13,051
Deposits in Banks	...	3,00,000	...
Cash	2,06,945	1,17,134	2,96,713
Total	69,21,967	67,07,387	48,59,044
Liq. Assets	30,80,978	31,12,027	23,91,439

Capital:—Authorized Rs 15,00,000, Subscribed Rs 10,00,000 in 1,00,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.

Capital Paid-up: (i) Pref. ... 25,00,000 25,00,000 25,00,000

(ii) Ord. ... 51,26,000 51,26,000 51,26,000

Reserve Fund ... 54,81,635 54,10,811 54,12,212

Taxation Provision ... 3,38,770 8,62,214 9,28,119

Loans Secured ... 21,51,182 24,43,462 24,43,462

Debts ... 5,76,028 5,72,170 5,57,068

Carry Forward ... 2,42,272 3,27,916 3,06,138

Total ... 164,15,887 172,42,573 148,29,523

Assets.

Outstandings ... 23,164 618

Mis. Deposits and Advances ... 2,979 2,069 3,708

Investments ... 164,12,908 172,17,340 142,47,608

Deposits in Banks ... 4,80,000

Cash ... 1,27,441

Total ... 164,15,887 172,42,573 148,29,523

Liq. Assets ... 164,15,887 172,42,573 148,29,523

Capital:—Authorized Rs 15,00,000, Subscribed Rs 10,00,000 in 1,00,000 ordinary shares of Rs 10 each.

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Liq. Assets ... 164,15,887 172,42,573 148,29,523

sea, air and land, on private and Government accounts during October 1957, according to data so far available in the Department of Commercial Intelligence and Statistics, Calcutta, are as follows:—

Merchandise, excluding transit trade of Pakistan and other overland foreign countries viz., Nepal, Tibet, Sikkim and Bhutan: Exports Rs 52.53 lakhs, re-exports Rs 1.11 lakhs, imports Rs 73.08 lakhs; total trade Rs 126.72 lakhs.

Treasure: Exports (including re-exports) of currency notes Rs 41 lakhs, current coins (excluding gold coins) Rs 1 lakh, other nil. Imports of gold Rs 9 lakhs, currency notes Rs 4.60 lakhs and current coins (excluding gold coins) Rs 1 lakhs.

Balance of Trade: The merchandise import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment. Subject to this deficiency in import figures, the total value of exports (including re-exports) of merchandise and gold fell short of imports by Rs 19.53 lakhs.

EXPORT PROMOTION COUNCIL FOR SPORTS GOODS

An Export Promotion Council for sports goods has been set up with the support of the Government of India.

This is the tenth in the chain of Export Promotion Councils sponsored by Government to develop export markets for Indian products and create greater awareness among Indian manufacturers and exporters of the need for export promotion in the context of the increasing requirements of foreign exchange. The Councils already in existence are those for cotton textiles, rayon

and silk fabrics, plastics, engineering goods, cashew and pepper, tobacco, leather, mica and shellac.

The total annual production of sports goods in India is estimated to be of the order of more than Rs 1 crore. A small percentage of this production is exported. Sports goods industry has a considerable potentiality for earning foreign exchange.

GREATER VALUE OF MINERALS PRODUCED IN FIRST HALF OF 1957

The value of minerals produced during the first half of 1957 was over Rs 57 crores as against Rs 53 crores in the corresponding period of 1956, according to the Indian Bureau of Mines.

The increase, is the result of higher production of chromite, coal, copper ore, lead and zinc and salt and the higher prices of manganese ore during the period.

Coal, with an output of 21.6 million tons, was the leading commodity. The output represented an increase of nearly 2 million tons in comparison with the output during the first half of the last year.

Other minerals responsible for increased production were manganese ore Rs 6.9 crores; salt Rs 6.1 crores; gold Rs 2.5 crores; iron ore Rs 2.1 crores; mica Rs 1.9 crores; copper ore Rs 1.5 crores and ilmenite Rs 0.8 crores.

The quantity index of mineral production stood at 104.2 during the period (base—first half of 1956=100).

NO CHANGE IN TEA EXPORT DUTY

The Government of India have issued a notification fixing the

price of tea, for the purpose of determining the export duty, at Rs 2.99 per lb. as against Rs 3.02 per lb. in force from January 1, 1958. There is no change in the existing rate of duty of naye Paise 38 per lb.

PRODUCTION OF SUGAR

Production of indigenous sugar amounted to 7.02 lakh tons up to January 15, 1958, in the current season which began on November 1, 1957, as against 6.21 lakh tons in the corresponding period of the previous year. The total off-take, including quantities despatched for export, was 3.72 lakh tons.

Stocks with the factories on January 19, 1958, stood at 7.61 lakh tons.

CALCUTTA PORT TRADE DURING 1956-57

The total tonnage handled by Calcutta port during 1956-57 was 8,869,210 as against 8,030,735 in the previous year. There was thus an increase of 838,475 tons or about 10.44 per cent in the total trade passing through the port as compared with 1955-56.

The revenue receipts of the Port Commissioners for the year under review were Rs 10,86,61,288 as against Rs 9,96,93,011 in the previous year. The expenditure for the year amounted to Rs 9,59,88,125 as compared with Rs 9,34,41,109 in the previous year. The year ended with a surplus of Rs 1,26,73,163.

The number of vessels that entered the port during the year was 1383 as against 1285 in the previous year and the total gross tonnage increased from 8,092,143 to 8,562,955.

STATE BANK OF INDIA

(In 000's of Rupees)

LIABILITIES:

Notes in Banking Dept. ... 20,72,49 18,03,72 14,54,88

Notes in Circulation ... 1531,19,83 1533,63,23 1494,02,15

Deposits and other Accounts ... 1551,92,32 1551,66,95 1508,57,03

ASSETS:

A Gold Coin & Bullion: (a) In India ... 117,76,03 117,76,03 117,76,03

(b) Outside India ... 117,76,03 117,76,03 117,76,03

Sterling Securities ... 245,53,81 245,53,81 412,51,91

Total of A ... 363,29,84 363,29,84 530,27,94

(B) Rupee Coin ... 131,80,20 131,54,83 123,25,65

Rupee Securities ... 1056,82,28 1056,82,28 855,03,44

Total ... 1551,92,32 1551,66,95 1508,57,03

BANKING DEPARTMENT:

LIABILITIES:

Capital Paid-up ... 5,00,00 5,00,00 5,00,00

Reserve Fund ... 80,00,00 80,00,00 80,00,00

National Agricultural Credit (Long-term Operations) Fund ... 20,00,00 20,00,00 15,00,00

National Agricultural Credit (Stabilisation) Fund ... 2,00,00 2,00,00 1,00,00

Deposits—(a) Central Govt. ... 58,13,24 62,42,73 52,34,51

(b) Other Govt. ... 27,34,28 23,85,08 16,68,48

(c) Banks ... 75,73,23 73,84,32 54,44,01

(d) Others ... 113,20,55 20,33,16 15,00,38

Other Liabilities ... 20,06,61 29,72,45 112,87,07

Total ... 432,88,47 429,80,42 290,74,87

ASSETS:

Notes ... 20,72,49 18,03,72 14,54,88

Rupee Coin ... 9,81 9,49 6,51

Subsidiary Coin ... 2,12 3,02 12,73

BILLS DISCOUNTED:

Internal ... 1,22,20 1,97,08 1,42,19

Govt. Treasury Bills ... 37,75,21 39,89,30 93,84,24

Balances held abroad ... 36,03,50 36,36,87 6,24,70

Loans & adv. to Govt. ... 65,27,47 61,63,64 108,45,67

Other Loans & Adv. ... 254,74,45 255,06,70 51,42,84

Investments ... 17,03,22 16,70,60 14,61,11

Other Assets ... 432,88,47 429,80,42 290,74,87

(1) The item 'Other Loans and Advances' includes Rs 24,31,000 ad-

vanced to scheduled banks against clean bills under section 17 (a) (c) of the Reserve Bank of India Act.

(2) The item 'Other Loans and Advances' includes Rs 24,31,000 ad-

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(9) The item 'Other Loans and Advances' includes Rs 24,31,000 ad-

vanced to scheduled banks against clean bills under section 17 (a) (c) of the Reserve Bank of India Act.

(10) The item 'Other Loans and Advances' includes Rs 24,31,000 ad-

... and now your shop—Bhai Sahib!

Over 1,00,000 "Namaste" a day! Here, you see a Brooke Bond Salesman with his familiar red delivery van greeting your shopkeeper with a smile and fresh stocks of tea. Brooke Bond Salesmen call on over 1,00,000 dealers every day! These men form the final link in the chain that brings tea fresh from the garden to your door-step.

Be it a city or a village, a big departmental store or just a wayside shop, Brooke Bond Tea arrives

fresh and flavoured, delivered by our own salesmen.

Bhai Sahib! Brooke Bond sell on their guarantee, on their merit. And please note, there is no middleman, no credit sale and no prizes etc. The retailer is absolutely free to buy or to refuse and the fact that more retailers continue to sell more Brooke Bond Tea than any other brand, proves the popularity of the product and the system.

Issued by
Brooke Bond India Private Limited
This is the sixth in a series of 8 advertisements.



HERE ARE SOME FACTS ABOUT BROOKE BOND DISTRIBUTION, BHAI SAHIB!

Every Brooke Bond packet is guaranteed for free replacement if the customer is not satisfied.

Brooke Bond have 2,276 salesmen. They visit 18,612 villages and 1,000 towns per week, from the Himalayas to the southernmost tip of India.

5,25,014 retailers and shopkeepers are directly served by these salesmen.

Brooke Bond's system of distribution ensures that fresh tea reaches the consumer even in remote villages.

Indian Finance

Indian Finance

Saturday

February 15, 1958

Volume LXI No 7

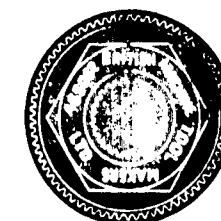
Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

GOING, they were saying of Mr T. T. Krishnamachari in Delhi last week, but, as Olympus records it, there was still some doubt.

GOING, they were saying in Clive Street, but, as Eavesdropper writes, there was still hope that the Parker Tribunal's example would be followed.

GONE, records the Leading Article, and a misfortune, but there is at least the prospect that his services will not be lost altogether.



For Finest
Machine Tools
Furnaces
and
Rolling Mills

ABMTM

ASSOCIATED BRITISH
MACHINE TOOLS MANUFACTURERS' TRADE ASSOCIATION
TRADE MARK FOR MACHINE TOOLS

RICHARDSON & CRUDDAS, LTD.

STRUCTURAL, MECHANICAL & SANITARY ENGINEERS.

Manufacturers of:

STEEL STRUCTURES AND BRIDGES
TRANSMISSION LINE TOWERS
GENERAL INDUSTRIAL PLANT & EQUIPMENT
SUGAR MILL PLANT & MACHINERY
RAILWAY POINTS & CROSSINGS
SLUICE GATES & HYDRANTS, CASTINGS.

R&C

Head Office & Works
BYCULLA IRONWORKS,
BOMBAY-8

Registered Office
12, OLD COURT HOUSE ST.
CALCUTTA-1

Branch Office & Works
FIRST LINE BEACH,
MADRAS-1

The Pioneer National Bank Ltd.

AVAIL OF OUR ATTRACTIVE CASH CERTIFICATES SCHEME

3-YEAR
CASH
CERTIFICATES

Interest

423%

INVEST RS. 88.75
RECEIVE RS. 100.00

5-YEAR
CASH
CERTIFICATES

Interest

439%

INVEST RS. 82.00
RECEIVE RS. 100.00

Short Term Deposits also accepted
at attractive rates

CONSULT OUR NEAREST BRANCH

Chairman

S. P. Jain

General Manager

A. M. Walker

TRITON INSURANCE COMPANY, LIMITED

(INCORPORATED IN INDIA)

The Liability of the Members of the Company is Limited

FIRE



AD. 1850

MARINE

MISCELLANEOUS ACCIDENT

HEAD OFFICE:

4, CLIVE ROW, CALCUTTA

Principal Agents: JARDINE HENDERSON LTD. 4, Clive Row, Calcutta

THE CHARTERED BANK

(Incorporated in England by Royal Charter 1853)
(Liability of Stockholders Limited)
Affiliated Institution:—
THE ALLAHABAD BANK LTD.

Head Office:
38, BISHOPSGATE, LONDON,
E.C.2.

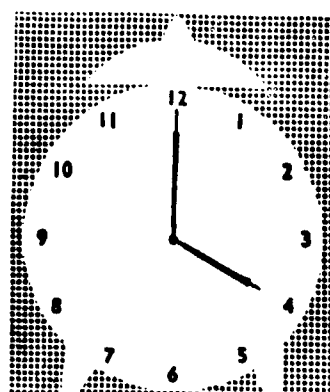
West End Branch, London:
28, CHARLES II ST., S.W.1.
and at
MANCHESTER, LIVERPOOL, NEW
YORK and HAMBURG.

Branches of the Bank are established
at most centres of commercial
importance throughout Southern
and South-Eastern Asia and the
Far East.

Branches of The Eastern Bank
Limited, a wholly-owned subsidiary
of The Chartered Bank, are estab-
lished in Iraq, Bahrain, Qatar
(Persian Gulf), Lebanon and Hadra-
maut and in India, Pakistan, Ceylon,
Aden, Singapore and Malaya.

Calcutta Office:
4, Netaji Subhas Road.

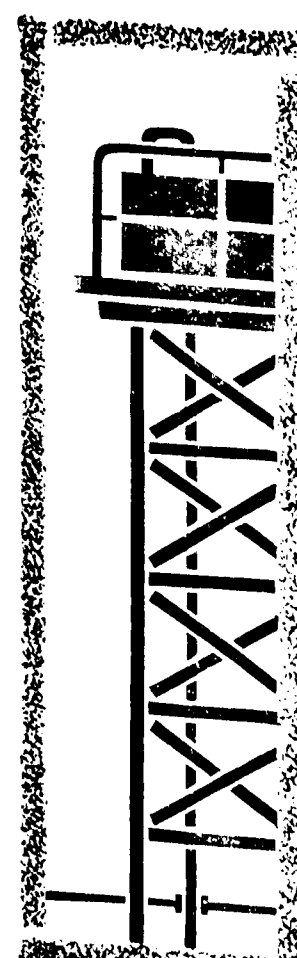
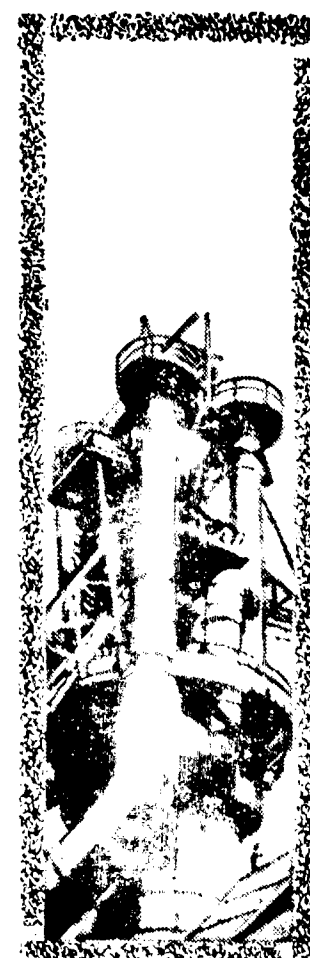
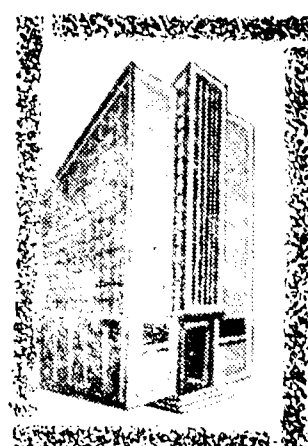
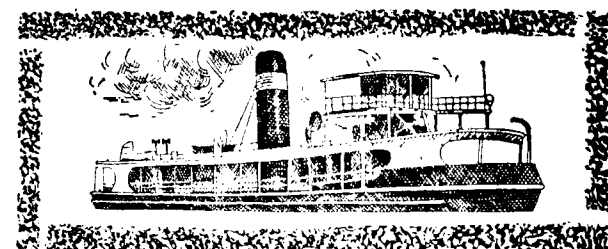
Sub Branch: H. J. M. COOK,
31, Chowringhee Road. Manager.



At 4
this afternoon
take tea
and drive
your
tiredness away



AIDING INDIA'S PROGRESS



IN COMMERCE AND INDUSTRY

IRON · STEEL · ENGINEERING · SHIPBUILDING
ELECTRICITY · RAILWAY WAGONS · BUILDING · MERCHANTING

MARTIN BURN LIMITED

Head Office: 12, MISSION ROW, CALCUTTA

Branches at NEW DELHI BOMBAY KANPUR

M86C-10

JESSOP & CO. LTD. ENGINEERS

63, NETAJI SUBHAS ROAD, CALCUTTA.

Structural and Mechanical Engineers : Builders of
all types of Railway Rolling Stock : Importers of
Electrical and Mechanical Plant and General Indus-
trial Requirements.

THE BANK OF INDORE LTD.

(Incorporated in India 1920)
Authorised Capital - Rs. 50,00,000 Paid-up Capital - Rs. 15,30,375
Subscribed Capital - " 30,60,750 Reserve Fund - " 28,00,000

Head Office:—1, PRINCE YESHWANT ROAD, INDORE CITY
Bombay Office:—44, HANMAN STREET, FORT and JAI HIND ESTATE, BHULESHWAR

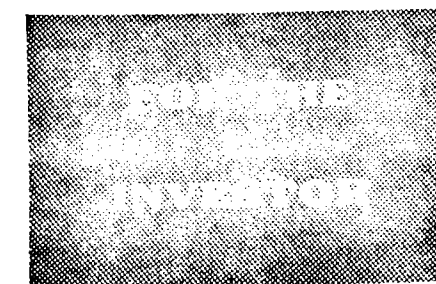
Branch Offices:—Cloth Market, Siyaganj and Sanyogitaganj (Indore City).
—Anjad, Bhopal, Dhar, Khargone, Mhow, Ratlam, Sanawad, Shajapur

Mandi, Tarana, Ujjain.
Pay Offices:—Jaora (Madhya Pradesh), and Seodha.

SAFE DEPOSIT LOCKERS are available at Head Office, Siyaganj and Cloth Market,
Seodha on favourable terms.

BANKING BUSINESS OF EVERY DESCRIPTION TRANSACTED.

N. D. JOSHI, Manager.



Impact of TTK's Resignation

Investment Gossip:

IF Prime Minister Nehru has been the centre of attraction for market men last week because of his reference to stock markets and the Budget (though the Budget he referred to is nearly one year old!), his colleague in the Cabinet till the middle of this week, has been chosen to fill the bill this past week. It would appear that whatever may be the feeling of the people in the country or for that matter that of Mr Nehru himself, the stock exchange fraternity have decided to leave their reaction to the resignation of Mr T. T. Krishnamachari in no doubt.

In his resignation they have discovered, by the kind of cogitation which they have succeeded in keeping a closely guarded secret, a change in the attitude of Government to private enterprise. However, one can fairly clearly visualise the working of their minds. When Mr Krishnamachari, who has shown himself a ruthless tax collector with novel ideas of tax collection goes, goes with him also an inventive brain which has been plaguing them for the past two years. They are perhaps correct up to this point. But how this reasoning can lead them to conclude that, with his exit, there will be a softening in Government's attitude toward the private sector passes my comprehension.

From what I can see from the facts in the situation that has culminated in the resignation of Mr Krishnamachari, there does not seem to be any warrant for such a conclusion. For one thing, Mr Krishnamachari in his letter to Mr Nehru has pointed out that he has almost finalised the Budget that is imminent, and if we do not forget Mr Nehru's opinion about Mr Krishnamachari's prowess as the interpreter of the Congress Party's fiscal policies, it will be evident that the Budget which we will all see in about a fortnight's time from now will fully bear the impress of its predecessor. There can be no doubt about that. If my friends on the stock exchange still have any doubt, they have only to read that portion in the letter of Mr Krishnamachari referring to the economic situation in the country. Such reading will also be profitable because, while making them less exuberant over a development which in the context of a stable Government in power is a minor matter, will also help them view the economic situation through the eyes of one who

can claim to know it better than most of us.

Referring to the state of our economy, Mr Krishnamachari points out that it has been under great strain for many a past month. The efforts of Government to raise additional resources, coupled with the foreign assistance we are receiving, have eased the situation to some extent. The position, however, does not admit of any complacency. The economic discipline, must, if anything, continue to be rigorous and the nation should always be prepared for the contingency of tightening the belt further.

It is certain that the coming Budget will incorporate all these points and, as a consequence, will not bring any concession that may afford satisfaction. But there is one point about which there is a large consensus of opinion, and there is every possibility that Government may take note of that. As I have pointed out last week, there is urgent need for a gesture from Authority that fiscal policies, though they cannot but be rigorous, are not aimed at slowing down the tempo of economic activity. In this view, it is incumbent on Government to listen to what private enterprise has to say in this regard. Speaking at the Commerce Graduates Association in Bombay early this week, Mr J. R. D. Tata has pointed out that, since the concept of a mixed economy has been accepted by the powers-that-be, it is their duty to see that private enterprise is enabled to function effectively within the framework of that concept. According to him, the taxation policy has not ensured that and what is worse the springs of private enterprise have almost dried up in the past year or two. Such a state of affairs cannot be allowed to continue as the private sector has a big role to play in attaining the targets of the Second Plan. And let it be remembered that the main aim of the taxation policy is to make the Second Plan a resounding success.

All this brings me to the position Eavesdropper has formulated in his article last week. The Budget that is round the corner should demonstrate to the private sector that Government are not at all unmindful of its difficulties.

£ R\$

Investment Notes:

It is a known fact that 1957 has proved worse for the cotton textile industry and the results are coming to light. In the Brady group, New Great Spinning has passed over the dividend on the Ordinary shares for the first time after several years, while New City has halved the dividend to Rs 5 per share. Empire Dyeing has, however, maintained the dividend at Rs 3. Azamjahi has reduced the dividend from Rs 5.00 to Rs 3.50 per share. In Madras, Loyal Textiles have reduced the dividend from 7½ to 5 per cent.

These dividend announcements are indicative of the shape of things to come in respect of other

units. Excepting a few mills with greater financial resources, it is certain that the distributions by the majority of mills will be considerably lower than in the preceding year.

It is understood that the National Rayon Corporation Limited has received the permission for the necessary foreign exchange for their proposed tyre cord factory in Bombay. The question of raising capital in India is to be considered by the Board of Directors shortly. Out of the proposed Rs 3-crore scheme, the US Export-Import Bank had given a loan of Rs 1.80 crores. Of the rest, half will be contributed by the participating firm in the form of plant and equipment and the balance will be raised in India.

£ R\$

Investment Briefs

W. H. Brady & Company has raised the dividend from Rs 22.50 to Rs 25.00 per share for 1957.

Rawalgaoon Sugar has maintained the dividend at Rs 12 per share for the year ended 30th September, 1957.

In Madras, Andhra Sugars have raised the dividend from 10 to 12½ per cent for the same year.

£ R\$

Satisfactory Sugar Results

Balance-Sheet Reviews:

THE accounts of the sugar mills, covering the working results of the last season have, in most cases, made satisfactory showing. A noteworthy feature is the increase in the percentage of recovery even with a longer season and larger crush. Serious efforts are being made to improve the quality as well as the yield of sugarcane. As a result of higher earnings, larger dividends have even been paid by some mills.

£ R\$

Upper Ganges Sugar

Of the three sugar mills—Upper Ganges, New India and Bharat—in the Cotton Agents group, the first-named company has produced excellent working results for the year ended 30th June 1957. Although the quantity of cane crushed amounts to only 10,832,726 maunds as against as much as 12,154,737 maunds, the percentage recovery achieved is higher at 10.38—a record in the company's history. The previous highest record was 10.01 per cent, achieved in the season 1946-47.

Sales for the year have risen to Rs 3.59 crores from Rs 2.73 crores, while the net profit, after providing for Depreciation and Taxation amounts to as much as Rs 10.38 lakhs as against only Rs 5.05 lakhs in the previous year. In respect of allocations, the Depreciation amount is raised to Rs 12.54 lakhs

from Rs 10.54 lakhs; Taxation provision to Rs 18.50 lakhs from Rs 7.90 lakhs and General Reserve to Rs 3.00 lakhs from Rs 2.00 lakhs. Even after these increased allocations, the directors have found it possible to raise the Ordinary dividend from Rs 3 to Rs 5 per share.

According to the directors' report, the Government of India have granted the company a licence for the manufacture of power alcohol from molasses and that steps have been taken to establish a well-equipped distillery at Seohara. Erection of the plant and machinery is progressing satisfactorily.

£ R\$

New India Sugar

The New India Sugar Mills Limited, in the same group, has, however, maintained the dividend at Rs 2.50 per share despite an increase in the net profit from Rs 2.45 lakhs to Rs 3.15 lakhs and in sales from Rs 1.04 crores to Rs 1.47 crores. The Depreciation amount is raised to Rs 4.59 lakhs from Rs 2.95 lakhs and Taxation to Rs 7.10 lakhs from Rs 2.56 lakhs.

The quantity of sugarcane crushed amounts to as much as 5,153,581 maunds against only 4,574,333 maunds, the crushing being the highest in the State of Behar. The average recovery is, however, lower at 9.17 per cent against 9.47 per cent.

£ R\$

Bharat Sugar

The Bharat Sugar Mills Limited has crushed only 2,256,545 maunds, as against 2,498,153 maunds. The lower crush is due to less area under sugarcane and the crop having been affected by disease. The recovery is, however, better at 9.63 per cent against 9.48 per cent.

Sales for the year have risen to Rs 73.32 lakhs from Rs 60.29 lakhs, while the net profit is higher at Rs 2.47 lakhs against Rs 1.83 lakhs. The directors have, after providing Rs 94,400 (Rs 70,300) for Depreciation and Rs 1.60 lakhs (Rs 12,000) for Taxation, maintained the dividend at Rs 1.50 per share.

£ R\$

Bhopal Sugar

The Bhopal Sugar Industries Limited has raised the dividend from Rs 1.50 to Rs 2.00 per share for the year ended 30th September, 1957. The company has shown a substantially higher profit of Rs 14.58 lakhs as against Rs 8.66 lakhs in the previous year after providing Rs 2.27 lakhs (Rs 1.33 lakhs) for Depreciation and Development Rebate Reserve. The provision for Taxation has been raised from Rs 5.50 lakhs to Rs 7.55 lakhs, while a sum of Rs 3 lakhs (nil) has been provided for General Reserve.

Crushing, production and recovery are the highest achieved since 1943. The quantity of cane crushing amounts to 98,951 tons against 74,630 tons, while sugar manufactured has risen to 95,491 bags from 68,581 bags. The average recovery is 9.7 per cent against 9.27 per cent.

Indian Finance

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Burhwal Sugar

The working of the Burhwal Sugar Mills Company Limited shows a profit of Rs 4.63 lakhs for the year ended 30th September, 1957, after making usual allocations. A sum of Rs 3 lakhs has been provided for Taxation. The directors have proposed a final dividend of 3 per cent.

While expressing satisfaction over the year's working, the directors have stated that prospects for the current season do not appear to be bright on account of anticipated short supply of cane coupled with the absence of any improvement in its quality.

£ R S

McLeod & Company

A large reduction in the dividend income and lower earnings from the jute mills under the company's management, are fully reflected in the working results of McLeod & Company Limited for the year ended 31st December, 1956. The item 'Agency Commission and Allowances' is shown at Rs 23.63 lakhs against Rs 28.45 lakhs and 'Dividends and Interest on Investments' at only Rs 9.36 lakhs against as much as Rs 23.14 lakhs. The net profit, after providing for Depreciation and Taxation, amounts to only Rs 7.85 lakhs against Rs 21.92 lakhs in the previous year.

In respect of allocations, the Depreciation amount is raised to Rs 95,195 from Rs 78,147, while the amounts provided for Taxation and Convertible Notes Redemption Reserve are maintained at Rs 10.00 lakhs and Rs 2.00 lakhs respectively. No provisions are, however, possible for General Reserve and Investments Reserve against Rs 3.50 lakhs and Rs 3.35 lakhs respectively in the previous year.

For obvious reasons, the directors have not recommended the final dividends on the Ordinary and Deferred shares. With the result, the interim dividends of 8 and 3 per cent respectively declared on these shares earlier compare very unfavourably with the total distributions of 22 per cent and 17 per cent paid in 1955.

£ R S

Anderson Wright

Anderson Wright Limited has reported a net profit of Rs 4,18,667 for 1956 as against a loss of Rs 1,59,765 incurred in the previous

year. The directors have, after providing a sum of Rs 50,000 (nil) for Debenture Redemption Reserve and Rs 1.50 lakhs (nil) for Investment Reserve, recommended a dividend of 4 per cent on the Ordinary shares as against nil in 1955.

£ R S

Eastern Investments

Eastern Investments Limited has maintained the dividend at 9 per cent for the year 1957 despite a slight decline in the net profit from Rs 5.74 lakhs to Rs 5.32 lakhs. The item, "Dividends and Interest on Investments" is shown at Rs 12.60 lakhs against Rs 11.44 lakhs. The directors have set apart Rs 6.54 lakhs (Rs 5.45 lakhs) for Taxation and Rs 70,824 (nil) for General Reserve.

£ R S

Parasea Collieries

Parasea Collieries Limited has halved the dividend to 5 per cent for the year 1956 due to a substantial decline in the net profit from Rs 1.70 lakhs to Rs 35,242. The Depreciation amount is raised to Rs 66,634 from Rs 51,795, while the Taxation provision is lowered to Rs 5,000 from Rs 1.34 lakhs and General Reserve to Rs 20,000 from Rs 83,430. Both raisings and despatches are lower at 101,941 tons and 88,664 tons as against 111,481 tons and 102,445 tons respectively.

£ R S

Phalton Sugar

The Phalton Sugar Works Limited has reported encouraging results for the year ended 30th September, 1957. After stepping up the provision for Depreciation from Rs 3.22 lakhs to Rs 3.45 lakhs and for Taxation from Rs 12.25 lakhs to Rs 16.90 lakhs, the company has earned a higher net profit of Rs 13.53 lakhs as compared with Rs 11.82 lakhs in the previous year. Sales have risen from Rs 1.13 crores to Rs 1.37 crores. The directors have, in addition to maintaining the dividend at Rs 9 per share, recommended a bonus of Rs 3 per share for the year.

The quantity of cane crushed is 134,341 tons, producing 162,004 bales of sugar with a recovery of 12.17 per cent as against 125,008 tons of cane; 158,170 bags of sugar and a recovery of 12.785 per cent in the previous year.

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TTK's Resignation

THE acceptance by Mr Nehru of Mr T. T. Krishnamachari's resignation is the culmination of a series of events about which none of us can feel happy. We have not yet had the opportunity of studying the Report of the Chagla Commission in any detail, but we must record with regret our first impression that it has left unanswered too many questions connected with the subject matter. It would appear that the Prime Minister is also similarly troubled, for, in his letter to Mr Krishnamachari accepting his resignation, he says that he "still has a feeling that all the relevant facts connected with this unhappy matter have not been brought out". Having said this, let us hasten to add that it is not the fault of the eminent judge who conducted the inquiry, that the findings have, despite his categorical answers to certain questions on the basis of evidence presented before him, the appearance of still remaining inconclusive. The reason for this is, in our view, that a good deal of the material relevant for the determination of the issues involved was not, for various reasons, placed before the Commission. It is a fact within our knowledge that a good many potential witnesses were daunted from doing what in less public circumstances, they would have considered their plain duty, and their inhibitions increased as the volume and nature of public interest manifested themselves during the course of the inquiry. This circumstance, for which the Commission is in no way to blame, prevented to some extent the correction of what the Prime Minister called "an one-sided presentation of facts".

But the reasons which impelled Mr Krishnamachari to resign have nothing to do with the final findings of the Commission, for, Mr Krishnamachari had submitted his formal letter of resignation even before the Commission had concluded its labours. Apart from the constitutional propriety of the Minister taking on himself the responsibility for the conduct of his department (on which Mr Nehru, the Mr Krishnamachari and Mr Chagla agree) the reason that impelled him was the need for absolute public confidence in the Finance Minister in these difficult times. In the best of times, the tasks of the Finance Minister are unpleasant, and during a period of stress, such tasks can be pushed through only by the weight of his personal prestige with the public. It was, therefore, entirely correct that Mr Krishnamachari should have asked to be relieved of his responsibilities. But it is precisely the circumstances of our economy that make his resignation the most unfortunate thing to have happened.

One has to have an inhuman amount of churlishness as well as lack of understanding not to recognise the splendid record of Mr Krishnamachari as a Minister at the Centre for the last six years and as a Finance Minister in the last two years. The most notable quality about him was his insouciance, a certain inner energy, surprising in one whose poor health was notorious. Expressions like "dash" and "drive" are peculiarly apposite to him and the defects of his character were best expressed in similar analogies of motion. His is the sort of man who would get booked for traffic offences like overspeeding and tooting

the horn too loudly and too often at silent zones. The success that attended his ability to "step on the gas" is unfortunately less often noticed than the fact that he is in a serious one-sided argument with the traffic policeman.

But the difference he has made to the bringing into control of the country's economy by his enterprising leadership at the Finance Ministry is there for everyone to see. As Mr Nehru pointed out in his warm personal tribute to TTK, he has taken the country's economy away from certain set grooves into which it had fallen. And, as a persuasive and canny negotiator, and as an able exponent of the country's economic policies to audiences unacquainted with them, he has repeatedly shown his prowess. The most recent demonstration of this quality was his success in bringing

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

Stimulating Exports 162529

THE discussions at the meetings of the Import and Export Advisory Councils are not as cheerful as the requirements of the Second Plan demand. The foreign exchange position on the whole is not easier today than it was six months back. Future prospects are undoubtedly more hopeful. Mr Morarji Desai recalled how there has been a drastic decline in the quarterly draft on foreign exchange resources. Against a net decline of about Rs 1000 millions in July-September 1957, in the succeeding quarter October-December, the fall was only of the order of Rs 550 millions. There is reason to think that the first quarter of 1958 will develop this trend further. The figures are indicative of the effectiveness of the comparatively rigid import policy accepted from the middle of last year.

Of the other repercussions of this policy, the spokesmen of industry and trade have been critical. At the Council meeting, no one talked of chin saving except the Commerce Minister and he was clearly convinced that the indigenous blades were good enough for the price paid. Grievances were expressed in respect of bigger items like steel, drugs and pharmaceuticals, coal and paper. The Commerce Minister met some of the charges of dubious practices in the market by a demand for specific details which were mostly not given. For the rest, he wiped off the last hopes of any general liberalization by the categorical reply that that policy was dead.

The only commitment he could give was that if specific requirements were mentioned and the items were found indispensable, the situation would be investigated and supplies sought to be arranged for. Even this commitment was subject to a clear-cut demarcation between the requirements of existing capacity and those of new development. The first would be receiving priority, without exception. For the second the strict test of essentiality would be applied. This relation in priorities follows from the realisation that there is still a great deal of idle capacity in several industries, and that the foreign exchange situation does not permit an easy course in respect of new development requirements. There are two additional points which reinforce this policy. There is considerable scope for using

about substantial American assistance. To have succeeded in inducing a Government and people, who are ostentatiously allergic to the word socialism, to take interest in what is openly proclaimed as a species of socialist experiment is a remarkable achievement in any manner of reckoning. In the crucial years to come, ability of this order and versatility of which we are not overprovided would be immeasurably useful, if not indispensable. It is, therefore, a great misfortune that Mr Krishnamachari has to leave the Finance Ministry at a moment when the Second Plan is just getting into its somewhat chastened stride. But it is to be hoped that, as indicated in Mr Nehru's letter to him, TTK's usefulness to the country will continue to be available in some form or the other.

indigenous substitutes for imported raw materials and fabricated parts. Capital imports on deferred payment basis are prospectively available in a very substantial measure. The Government are taking care to see that the deferred payment arrangements are also reasonable and relate to projects which on any count deserve priority. If, as was mentioned by more than one member at the meeting, spare parts worth several crores were lying idle in a number of projects, an investigation as to how far these could be transferred to other projects or industries is urgent and is bound to lead to considerable savings.

On the question of the availability of pig iron and steel, the mere assurance that in another year the position would be transformed does not seem to help much. If export goods could pay for the necessary imports of steel for particular industries, there is scarcely any reason why more steel imports should not be permitted.

On the export side, the Commerce Minister and the President of the Federation of Indian Chambers have given two different estimates of earnings. According to Mr Morarji Desai, the earnings for 1957 have been more or less at the same level as in 1956 at about Rs 6200 millions. Mr B. M. Chinai speaks of Rs 6480 millions. Both are of course tentative figures. Even at the higher one, there is no room for complacency. Current fortunes of a few leading export commodities seem to be far from pleasing. For tea, the earnings for 1957 are reported to be considerably below the 1956 figure, which of course was a record at Rs 1430 millions. Prices have slumped. Jute goods have experienced a like fate. Britain and Germany are less enthusiastic in their purchases. China has virtually gone out of the market and Russia's interest has flagged. Mr W. H. S. Michelmore is inclined to blame fiscal levels for the deterioration in the jute and tea trade. But of any reduction there is still no hint. The annual offtake of handloom fabrics was less than 50 per cent in value of that of the previous year. Against these disappointing performances, it is comforting to see a number of other items excelling previous records.

At the Export Advisory Council meeting it

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was pointed out how the increased shipping freight has been a handicap for more than one export commodity. That is a subject for an international forum. Railway freight rates too are not sufficiently friendly. For this Mr Chinal expects some gesture for export goods in the next railway budget. The scope for extension of other concessions in the form of drawback on import duties etc. was also discussed at the meeting. A suggestion which has been in the field for some time is for the sale of goods at cost or even below cost in the foreign market with a view to secure imme-

Toward a Summit Conference

IN the closing months of 1957, the world found itself gaping in mystery and awe over the Russian Sputniks travelling at 18,000 miles per hour in earth's outer space and US bombers laden with nuclear weapons circling over European Capitals. The excitement over the Russian achievement was diluted by a new sense of dread over the general fate of humanity. A war by sheer accident looked more than possible.

By the end of January 1958, one of the Soviet Satellites had disintegrated. Its place was promptly taken up by the US Satellite named Explorer. Though relatively anaemic in weight, the Explorer is claimed to be of larger dimensions keeping to a higher altitude and travelling at no less speed than its elderly rivals, the Sputniks. Marshal Bulganin is still proud that Russia has stolen a thunderous march over US in progress in scientific warfare. In the US, the launching of the Explorer signified a new momentum to catch up in the race. From the stand point of world peace it is open to interpret the events of early 1958 as either furthering the ultimate cause of world peace or of precipitating a showdown. The interpretation will depend on the emotional bias of the observer.

While the outer space is thus being pierced by rival Satellites the inner space has a more agreeable story to convey. A number of top-level messages have been passing from one country to another over the proposal for a fresh big power attempt to end the cold war. Marshal Bulganin has taken the initiative in making this proposal. He addressed seventeen leaders in different parts of the world who between them have the capacity to arrive at decisions which could be enforced.

President Eisenhower has endorsed the suggestion but wishes to have a preliminary round of discussions among the Foreign Ministers concerned. The British Prime Minister is also reported to have conveyed a message in more or less the same terms. India's Prime Minister has expressed his readiness to be present at the conference, if his presence is generally desired.

The impulse to recall the first Summit Conference held at Geneva four years ago and its barrenness of results is irresistible. But the very developments which have imparted a new pressure for mutual conciliation and faith just now argue against pessimism. If something is not done now to restrain the almost uncontrollable slide into complete mutual destruction, the curtain might once for all drop down over the history of mankind as we know it.

The crux of the situation lies in the utter lack of faith on mutual intentions between the two sides to the international cold war. The cold war will lift only if the Big Powers are found ready to agree on an agenda of practical points for discussion and pursue them in a genuinely give and take spirit.

Marshal Bulganin's latest letter sent to the US President mentions nine points as basis of the Summit talks. These points are:

- (1) The immediate suspension of atomic and nuclear tests;

diating foreign exchange and lay a sure foundation for new markets in the future. To those who are having a good time with the domestic market, the call for sacrifice may be a little irksome. They will have to think on a wider front. A mere general call, however, is not likely to cut much ice. The Government should feel obliged to indicate in greater detail which industries should accept the suggestion, for how long and the complexion of deferred hopes. Once the long term benefits are pressed sufficiently into view, the proposal can secure a wide response.

- (2) The renunciation by the USA, the USSR, and Britain of the use of nuclear weapons;
- (3) Creation of a nuclear free zone in Central Europe;
- (4) Conclusion of a non-aggression treaty between NATO and Warsaw Pact States;
- (5) Reduction of the number of foreign troops in Germany and other European States;
- (6) Working out of an agreement to prevent surprise attack;
- (7) Agreement on measures directed at broadening international trade;
- (8) Cessation of war propaganda; and
- (9) The easing of tension in the Middle East.

Barring the question of the prevention of surprise attack, this list is entirely different from what President Eisenhower has suggested in his letter to Marshal Bulganin. The list also contradicts Mr Khrushchev who is reported to have thrown some hints to a party of NATO Ambassadors at Kremlin. A few simple issues have appealed to Mr Khrushchev as a suitable starting point for the discussions rather than a complete range of all the important problems which call for an agreed answer. In any case, the two leading personalities involved have not yet seen eye to eye on what should be discussed and by whom at the first stage.

Actually, the position seems more hopeful. Because, Bulganin has suggested a widely flexible range of points for discussion and whatever might be the specific issues mentioned in his letter or in that of Eisenhower, no advance in the direction of mutual agreement is possible unless there is the resolute determination on all sides to clear the ground of all major controversial issues. The immediate suspension of atomic and nuclear tests, the conclusion of a non-aggression treaty, the cessation of war propaganda and reduction of foreign troops in Germany and other European

Indian Finance

States are all points on which neither side can afford to disagree. A non-aggression treaty was first mooted by the British Prime Minister and was promptly hailed as a highly imaginative and humanitarian move by Mr. Jawaharlal Nehru and several other international leaders.

In Western and Central Europe, the immediate post-war feeling that US regiments were an indispensable element of security has given place to concern over the risks involved in their retention. The US and Great Britain, on their part, have been compelled to reassess the value of conventional forces and weapons amassed in Central Europe since the advent of the latest nuclear armaments on either side of the Iron Curtain.

Once Russia is ready to withdraw its troops from East Germany, the only serious objection to a complete withdrawal of foreign troops in West Germany will have been met. On the limits to which East-West trade could be developed consistent with the requirements of Western security, the old differences between the US and its Western European Allies have no longer the same force or justification. Even against US remonstrances and persuasions, Britain had liberalized its Eastern trade in recent years.

Generally speaking, the points set out in Bulganin's letter not only form a reasonable basis for the proposed talks but some of them comprehend the issues raised by Eisenhower. In other words, there is much more of overlapping between the two sets of points than appears at first sight. In any case, no major issue can be left over by a conference whose aim is nothing less than to wipe out the passions, prejudices and the techniques which sustain the cold war.

If for instance, there is agreement on the reduction or removal of foreign troops from both sectors of Germany, German re-unification would follow as a matter of course. A nuclear free zone in Central Europe will remain an empty gesture, if on both sides armaments were again to be piled up and the cold war spirit to continue. Likewise, once a certain broad faith is mutually restored, present restrictions on the flow of commodities will become clearly meaningless.

However, there is scarcely any logic in hurry. Gradually, or at one stroke, the Big Powers will have to dismantle an organisational and military framework built up with fundamental division of social aims and political ideologies between whom co-existence, not to speak of a permanent reconciliation, calls for a more positive attitude of tolerance than what this generation is familiar with. At present the entire motive force behind the move for the Summit Conference is fear. It can hopefully be said that fear has generated more positive forces must come into play.

World Bank Operations in 2nd Half of 1957

PERHAPS the biggest influence in post-war reconstruction and development is the International Bank for Reconstruction and Development, otherwise known as the World Bank. Though there are other private organisations like the Ford and Rockefeller Foundations and Government institutions like the Export-Import Bank of the USA, which engage in activities similar to those of the World Bank, the operations of the former are not comparable to those of the latter either in scope or magnitude. The IBRD owed its birth to the recognition among the statesmen of the influential nations of the world, of the dangers

to world economy in the existence of countries differing widely in economic development with some of them living on a subhuman level of existence. This concern at the imbalance in the economic structure of the countries of the world found pointed expression in the famous statement of John Marshall, that poverty anywhere is a threat to prosperity elsewhere. The IBRD was, therefore, constituted specifically with the object of integrating the world economy on a new basis of increasing production and productivity in the comparatively underdeveloped countries and restoration of normal economic life in the war-devastated

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countries of the West. The activities of the Bank in furtherance of this end, though to a certain extent limited by the non-participation of Soviet Russia and its satellites, have since its inception been on a scale which could not have been dreamt of at the time of its founding.

The latest press release about the financial statement of the IBRD for the six months ending December 1957 makes impressive reading and furnishes ample evidence of the great role that the IBRD has been playing in assisting the process of development in the war torn countries of the West as well as the underdeveloped countries in Asia, Africa and South America. The Bank has during the period under review made 19 loans totalling 372 million dollars, the beneficiaries being Austria, the Belgium Congo, Belgium, Chile, Ecuador, India, Japan, Pakistan, the Philippines, Thailand and South Africa. Disbursements on loans during the same period aggregated 250.9 million dollars.

The Bank has thus, at the end of 1957, entered into commitments by way of loans to the tune of 2,606 million dollars of which the biggest amount stands in the name of India, which figures on the World Bank's books as a net borrower of 318 million dollars, a figure which is approached only by Australia and France. These two countries have managed to secure accommodation to the tune of 279.6 million dollars and 234.7 million dollars respectively. With the exception of a few other countries such as Brazil, Italy, Mexico, South Africa and the UK, the loans agreed to by the Bank in respect of the other countries are for a sum below the 100 million dollars mark. The Bank's activities have extended to almost all countries excepting those remaining in the Soviet orbit of influence, the number of countries having drawn on the Bank's resources being 40.

The Bank has honoured its commitments in respect of loans to the tune of 2,003.4 million dollars, the balance remaining to be disbursed being 611.4 million dollars. In respect of loans already disbursed, Australia and France figure as the countries with the highest amount, the respective shares being 243.8 million dollars and 234.7 million dollars. The total that has been disbursed to India adds up to 158.8 million dollars.

The United States of America being the country with large disposable surplus stocks of materials and capital needed for the rehabilitation and development of the other countries, litigation and development of the Bank. The large in the transactions of the Bank, which run to a effective loans of the Bank, which run to a figure of 2,003.4 million dollars, are repayable in the United States dollars to the extent of 1,479.8 million dollars.

The loans made by the Bank are for purely development purposes and are thus of a self-liquidating character. Some idea of the kind of activities with which the Bank has been associating itself so far, would be evident from a few instances. The National Power Corporation of Philippines was given credit of 21 million dollars in connection with the Binga hydroelectric project on the Island of Luzon. The participation of the Bank was found necessary for procuring the required foreign exchange for the completion of the project. The loan of the Bank was for a period of 25 years with semiannual amortization payments beginning in December 1960 and ending in 1982, the rate of interest including 1 per cent commission credited to the Bank's Special Reserve being 6 per cent. Similarly, the Belgium Congo was granted a loan equivalent to 40 million US dollars for road construction and improvement under the country's Ten Year Plan of development and was intended to cover the costs of imported

equipment, materials and services. The loan was for a period of 18 years and bears interest at 6 per cent including 1 per cent commission credited to the Bank's Special Reserve.

So far as India is concerned, the impact of the Bank's operations has been profound and salutary. The Bank has till the end of 1957 made gross loans to private enterprises and government agencies to the tune of 356 million dollars. The loans were made for various purposes such as railway improvements, electric power, agricultural machinery, jet aircraft, iron and steel production, and the establishment of the Industrial credit and Investment Corporation. The Tata Iron and Steel Company, the largest and oldest established steel producer, was perhaps the first private enterprise in the country to which the Bank's credit has been extended. The loan made to the Tatas for expanding steel production is for a period of 13½ years and bears interest at 6 per cent including 1 per cent commission credited to the Special Reserve.

The total of the effective loans made by the Bank is the biggest single item in the assets of the Bank and forms 63 per cent of it. The total assets of the Bank are marked at 4,100.2 million dollars. The other important items in its assets are investment securities, which are valued at 516.5 million dollars, and a sum of 662.3 million dollars receivable on account of subscribed capital.

The liabilities of the Bank are predominantly made up of the capital stock worth 1,866.6 million dollars and the funded debt valued at 1,269.1 million dollars. The capital stock of the Bank is in 100,000 shares of 100,000 dollars par value each. The funded debt of the Bank is held mostly in United States dollars, such debt being marked at 1,068.9 million dollars at the end of 1957. The funded debt during the six months' period under review increased by a net amount of 235 million dollars. Of this, 175 million dollars were borrowed from the Deutsche Bundesbank (the Central Bank of Germany). Regular purchase fund and sinking fund transactions during the period amounted to 7.2 million dollars.

Interest on its borrowings is one of the important heads of expenditure for the Bank.

Slums

SLUM clearance in Calcutta and Howrah is as live an issue as the slums in these cities. Behind fine rows of buildings, they have steadily proliferating mud-and-slime hells smelling to high heaven, and about this little has been done all these years except to announce from time to time impending improvement which always impend. Or, if they do take place, the slum-dwellers themselves at least know nothing about them. Meanwhile, there is no lack of high-voltage social workers who, shovels or broomsticks in hand, posture once in a while before batteries of Press cameras and consider their job done almost as soon as these fast-working machines click. There are others, generally of the feminine variety who, duly dolled-up for the occasion, invade slums about once a year to give themselves the happy sensation of doing some rapid social work by distributing other people's biscuits or milk powder with infinite condescension. And they do not ask for anything in return for their labours except to have their pictures published in the newspapers, or what are called the society magazines. About them, Prime Minister Nehru had on one occasion some rather unkind things to say, but apparently this has not taken away either from their zeal for social service or from their style of doing it.

Under the Second Five Year Plan, the Government of India have allocated to West Bengal a sum of Rs 3 crores for slum im-

provement work in Calcutta and other towns. But it is not yet known whether or to what extent the municipal bodies or the Improvement Trusts will administer the funds. So far as Calcutta is concerned, the Improvement Trust has done some excellent work in recent years, a thing which, with the greatest goodwill in the world, is scarcely possible to say of the Corporation whose Mayors, one after another, continue to make brave gestures, especially toward the end of their terms and are then heard of no more. And no wonder, so far our "cleaner city" campaigns have always been carried up to, and no farther than, the frontiers of slumland. It is hard to persuade oneself that the creation of a Central Committee to enquire into and suggest means of improving slum conditions in India will make a difference to Calcutta, even if the chairman of this useful body is no less a person than Mr A. K. Sen, the Union Law Minister. For one thing, slum conditions vary from city to city and the problems and the nature of impeding factors in one may be quite different from these in another. Thus, one comprehensive blueprint for all Indian towns and cities may prove a very instructive document without being practical. For another, Calcutta is Calcutta and its Corporation—if it is entrusted with the job of slum clearing—will take a lot of internal slum-clearing first, a thing on which many Mayors have wrecked their reputations in the past.



First Things First in Agriculture

To an expert foreign observer the problems of Indian agriculture might appear largely medieval. We have only recently started taking to artificial manure on an extensive scale. The majority of farm units are incomparably smaller than the smallest that an American might deem desirable. There is a wide variety of land tenure.

While on the one side ceilings are sought to be put on individual ownership of land, on the other cooperative farming is recommended as a solution to fragmented cultivation. There is also the glaring differences between a country with 85 per cent of the population living on agriculture and still having a deficit in food and another with a fraction of this percentage employed in farming and yielding vast surpluses for export.

These points of difference notwithstanding, Mr Howard E. Houston, Director of US Technical Co-operative Mission in India, hopes that even under the present organisational pattern Indian agriculture can be made to yield substantially more with the aid of improved methods of cultivation. To Mr Houston, small holdings do not appear to be as great handicap in the way of improvement as it does to planners in India. It goes without saying that the ceilings

are also equally deserving of a strictly secondary place in the scheme of progress, in the eyes of one in whose country farms running into several hundreds of acres are the rule.

Somehow or other, in the official view, the organization of agriculture has taken greater urgency than what might be necessary in such estimation of priorities. This is not to say that fragmentation and socially undesirable accumulation of property are salutary. Both must be tackled. What Mr Houston obviously wants to drive home is the fact that irrespective of the size of holdings, mere improvements in the techniques of cultivation can do a great deal.

This is a view with which many others who have an intimate knowledge of Indian agricultural problems must surely agree. We wonder if this view will also gain the acceptance it can legitimately claim in official policy. If at all there is a feeling that too many changes are being pushed on simultaneously in the field of Indian agriculture, then the priorities implied in the US expert's analysis must be respected.

Unseemly and Pernicious Outlook

Two incidents reported recently underline the sordid fact of the existence of large pockets of opinion which does not respect the national unity of India. The members of Dravida Munnetra Kazhagam party in Madras decided to abstain from attendance on the day the Madras Legislative Assembly is addressed by the new Governor. The reason for this decision is given as the Governor being a North Indian.

In Orissa, several members of the Bar refused to participate on the occasion of the swearing-in ceremony of a new judge selected from another State. Here again the expression of protest arose because the incumbent did not belong to the State.

These incidents are obviously against the letter and spirit of the Constitution, which has specifically offered every citizen of India the right to practise any profession or hold any appointment in any part of the country. The Orissa appointment, which incidentally is not at all novel, as far as the choice of "outsiders" is concerned, is strengthened by the recent decision of the Eastern Zonal Council that each State in the Zone should have one High Court Judge recruited from other States in the Zone.

Behind this decision lies also the important recommendation of the State Reorganisation Commission wherein the States have been asked to recruit at least a third of the judges from other States. Actually, the decision of the Eastern Zonal Council has narrowed down the scope for such interchange of members of the top-most judiciary both in respect of number and territorial range concerned. The

very feeling that this is not a one sided traffic should reawaken the sense of national solidarity which surely is absent when cultured persons decide to register protests of the kind heard from Orissa and Madras.

If a State is reluctant to accommodate even a few distinguished men from other parts of the Union in its services, there is no meaning in looking to the Constitution as an inspiration for national conduct and behaviour. It is an alarming problem and must receive the highest priority from political leaders who are sincerely interested in preserving the territorial integrity of what is already only a residual State.

Long Live the Coffee Houses

The threat of extinction has been hanging over Calcutta's Coffee Houses for quite some time, and this seems a great pity. In this city, there are no more popular resorts, and if here the coffee always takes too long in coming nobody has ever shown any disposition to hold it against them; there are so many countervailing charms. In the first place, the coffee and snacks served are reasonably good and, what is more, cheaper by a long chalk as compared with the prices ruling in the posh eating houses mushrooming around Park Street, which are favoured mostly by expense account people and those who prefer and can pay for all-platinum dinners, usually uneatable and expensive into the bargain. In the second, the Coffee Houses, run by the Indian Coffee Board, are comfortably democratic and cosmopolitan. Here rendezvous all manner of people—Indian, European, Chinese, Russian, senior Government officials, smaller business executives, journalists talking through their non-existent hats, omniscient ad-men, long-haired poets and unemployed artists with carefully unkempt goatees. These places, especially the one on Chittaranjan Avenue, are among the acknowledged clearing houses of Calcutta's culture such as it is, and if these are shut down it will mean hardship for many. It is quite right, therefore, that an attempt is being made to continue the Chittaranjan Avenue Coffee House—the fate of the other one on College Street is presumably past praying for—as a co-op and that a committee has already been formed for this purpose. Calcutta's attractions, at least for ordinary folk, are not so numerous as to need an electronic computer to count them, and the disappearance of the Coffee Houses will only further shorten the list.

A Disturbed and Distressed Neighbour

President Sukarno's foreign tour is reported to be likely to end sooner than scheduled, for more reasons than acknowledged. While in Japan he received an ultimatum from "Young Colonels" in his army

demanding the elimination of the communist members of his Government. Of all the nations, approached for relief in the situation caused by the sudden seizure of Dutch economic interests, Russia seems to be alone in having offered ships to Indonesia.

The President may not be in a position to oblige the young colonels. A Government spokesman also refers to political pressure from dissident military leaders and politicians in Sumatra for the resignation of the Premier. Under the guided democracy which President Sukarno is supervising, Indonesia has not been speaking with one voice, especially in the matter of domestic policies. The unostentatious elimination of Dutch businessmen has created new problems to a Government which have ever remained vulnerable to the onslaughts of fanatic communal groups and rebellious territorial cliques.

The sharp disturbance brought to the economy by the sudden exit of Dutch personnel has lent edge to economic grievances whose expression was being met only with an occasional show of force. The now raised angry protests against the coalition cabinet which President Sukarno has brought into being and against the privations people in Sumatra are undergoing.

If oceanic transport is dislocated, the challenging political groups operating from islands far away from the seat of the Government will feel emboldened to go ahead. Indonesia is not known to have an air force sufficiently strong to tackle with a situation of widespread turmoil. As a neighbouring country most friendly and interested in Indonesia, India will have to take an anxious interest in current developments.

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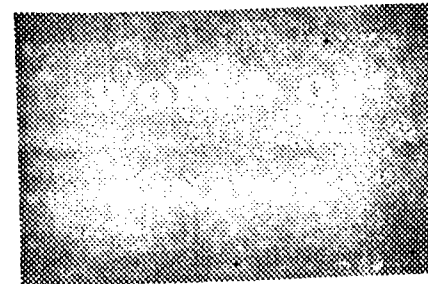
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February 15, 1958



Downward Trend In Interest Rates

A few weeks ago, we had in this section undertaken a brief assessment of trends in interest rates in India, the USA and the UK. We suggested then that the evidence available pointed to the likelihood of such trends being downward rather than upward. In the event, already, the Federal Reserve Banks in America have announced a reduction in the discount rates, and with a fall in the Treasury Bill rate, there is a prospect of a further cut in the discount rate. In Britain, although Bank Rate continues to be at its emergency level of 7 per cent, it is assumed generally that a reduction is imminent. As far as India is concerned, although it is not likely that Bank Rate might be reduced in the near future, the fact remains that the pressure on the structure of interest rates is tending to be downward. We may here iterate some of the circumstances which may compel further relaxation in respect of interest rates.

In regard to the USA, the most important single factor is that it has now been generally recognised that the flip to the economy that is necessary to rescue it from recession must in a large measure be provided by the freer availability of credit. With unemployment touching its highest level since January 1950, the Administration has received a rude reminder as to the severity of the present retrogression in the US economy. Mr William McChesney Martin of the Federal Reserve Board, who had always stood four-square for dear money, has himself conceded that an important instrument for toning up the US economy might lie in further reduction of interest rates. So, there can be no doubt that the prospect before interest rates in America is downward.

As far as Britain is concerned, the growing realisation that high Bank Rate failed to achieve the results that had been expected of it is now paving the way for the general jettisoning of the Bank Rate weapon from the monetary armoury. Even when it was imposed, it was expected that the high Bank Rate would be, as Dr Einzig pointed out in his last week's article, a temporary measure. Now that America is in the throes of deflationary influences in the economy, it is inescapable that the monetary authorities in the UK should in the near future take such measures as will prevent recessionary trends from getting too firm a grip of the economy.

From this viewpoint alone, we must anticipate not merely a nominal, but perhaps even a substantial, reduction in the British Bank Rate before long.

Here, in this country, the two most important developments are the somewhat improved sentiment in the stock exchanges as well as the firmer behaviour of the gilt-edged market. The improvement in share prices is an inexorable force that gently pushes down the structure of interest rates. Similarly, gilt-edged issues, and especially in respect of the State Government Loans, have appreciably added to their values. For example, since the beginning of the year, the 4 per cent Madras 1968 has improved from Rs 97.05 to Rs 97.45; the 4 per cent UP 1968 from Rs 96.95 to Rs 97.40; the 4 per cent Madhya Pradesh 1968 from Rs 96.75 to Rs 97.10; and the 4 per cent Andhra 1968 from Rs 96.75 to Rs 97.05. While part of the improvement in prices might be ascribed to the approach of the due date for payment of interest, it is nevertheless clear that the appreciation in gilt-edged values is at least in part due to the demand for gilt-edged. In this wise, gilt-edged yields are declining. If we have regard for the fact that there is a growing scarcity of scrip available for purchase by institutional investors such as Provident Funds, the inevitable conclusion is that gilt-edged yields will fall still further.

Added to these factors, in India, we find that the relatively slackened demand for funds during the current busy season has prevented the money market rates from becoming unduly dear. At the same time, with Deposits steadily accruing to banking system, there has been a sufficiency of funds and this has obviated any stringency in the call money rate. The busy season has scarcely another ten weeks to go, and we would, therefore, suggest that, by the middle of the 1958 slack season, conditions are likely to be conducive to a reduction in Bank Rate, because of the decline in the structure of interest rates as such.

Steep Increase in Notes Circulation

Month-early disbursements, aggravated possibly by an intensification of the busy season demand for funds, have made their impress deeply on the latest monetary statistics. The returns of the Reserve Bank for February 7 disclose a steep rise of Rs 27.43 crores to Rs 1558.63 crores in Active Note circulation. Currency has been expanded against Rupee Securities for Rs 20 crores by transfer from Investments in the Banking Department. With Rupee Coin going out into circulation for Rs 2.28 crores, Notes Held have been reduced by Rs 9.72 crores at Rs 11.01 crores.

There would appear to have been no deficit financing, since the

rise under Rupee Securities in the Issue Department is explained by transfer from the Banking Department. So, with the Central Government's Balances declining by only Rs 0.61 crores to Rs 57.52 crores, it would seem apparently that the Central Government's disbursements have not been onerously heavy; but it is to be remarked that the balances of State Governments have been more than halved, in declining by Rs 14.22 crores to Rs 13.12 crores. Besides, the indebtedness of State Governments to the Reserve Bank has risen by Rs 4.59 crores to Rs 40.62 crores. We would suggest, in the light of these figures, that the State Governments may have made some payment to the Central Government, and, by virtue of such receipts, the Centre was not embarrassed by the need to meet month-early demand. For it is not likely that such a steep decline in the balances of State Governments would have been due only to excessively large routine disbursements.

The Scheduled Banks have also felt somewhat the drain of month-early disbursements. Their Reserve Balances are marked lower by Rs 3.81 crores at Rs 71.19 crores; this, however, is largely accounted for by the State Bank. But, in regard to the rise of Rs 6.49 crores to Rs 71.76 crores in the Other Loans and Advances of the Reserve Bank, the State Bank clearly cannot be held accountable, and it follows that it is the other Scheduled Banks which most likely account for the increasing recourse to the central banking institution.

By dint of the transfer to the Issue Department, Investments are placed lower by Rs 21.60 crores at Rs 233.12 crores. Finally, the decline in Balances Held Abroad is again of manageable proportions, with a fall having occurred during the week of Rs 2.33 crores to Rs 35.42 crores.

According to the return of the State Bank for February 7, month-early disbursements have caused a fractional drain of Rs 1.22 crores in Deposits to Rs 393.44 crores. The total of Advances has risen by Rs 3.39 crores to Rs 195.76 crores. Consequently, Cash Balances have been run down by nearly Rs 2½ crores to Rs 31.35 crores. It is interesting to note that, with the State Bank having thus far obviated any large scale recourse to the Reserve Bank for borrowings, Bills Discounted and Purchased, under the head of Advances, continue to be placed at the low figure of Rs 19.83 crores. We may expect that, unless there is a more than compensating improvement in Deposits, any future increase in Advances will require a corresponding recourse to the Reserve Bank; and, therefore, we may expect that some part of the expansion in Advances in the next few weeks to occur under the head of Bills rather than Loans and Cash Credits.

The return of Scheduled Banks for January 31 again reveals an increase of Rs 6.20 crores to Rs 1438.68 crores in Deposits. While this has more than covered the expansion during the week in Advances, which are marked up by Rs 5.53 crores at Rs 907.38 crores, the Scheduled Banks have nevertheless thought it advisable to increase their borrowings from the Reserve Bank. Such borrowings are placed Rs 3.70 crores higher at Rs 27.14 crores, but, even at this level, they are scarcely at one-third of the level in the corresponding week of last year, when indebtedness to the Reserve Bank was shown at Rs 80.51 crores. There is a fractional decline in Cash Balances to Rs 169.53 crores.

The Future of the Bank of England

By Paul Einzig

THE two days debate on the Report of the Tribunal on the Bank Rate Leak ended in the defeat of the Socialist amendment proposing that in future part-time directors of the Bank of England should have no say in respect of Bank Rate changes. During the course of the debate the Chancellor of the Exchequer, Mr Amory, announced that this subject would be considered by the Radcliffe Committee which was set up last year to investigate matters relating to the working of the monetary system. It is assumed that the Report of that Committee will become available later this year. Although it would be idle to speculate about its probable findings, judging by its composition there is almost certain to be a majority report proposing that the Bank of England should be left unchanged and a minority report by the Trade Union representative on the Committee suggesting changes on the lines of the Socialist Amendment.

The Government is decidedly in favour of retaining the existing system under which the formal decision on the Bank Rate rests with the Court of Directors even though the Chancellor of the Exchequer has the power to issue directions ordering the Bank to change the Bank Rate. It looked at one time during the proceeding of the Tribunal as if the Government were inclined to sacrifice the nominal independence of the Bank for the sake of political expediency. Such an impression was conveyed by the attitude of the Attorney General who subjected the Governor and other directors of the Bank to very severe cross examination. Since however, the Tribunal's Report stated that there was no improper disclosure of information on the Bank Rate change on September 19, and all those who had been suspected of improper conduct had been honourably discharged there is obviously

no need for any such acts of appeasement. In any case, it doubtful whether the Government ever intended to throw the Court of Directors of the Bank to the wolves.

During the discussion that followed the publication of the Tribunal's Report those in favour of excluding part-time directors of the Bank from Bank Rate decisions pointed out that the Federal Reserve Board consists entirely of full-time members. Government spokesmen on the other hand, replied that the Federal Reserve Board does not make bank rate changes which are decided upon by the individual

Federal Reserve Banks, and their Boards consist entirely of part-time Members who have various other interests.

It seems safe to assume that so long as the Conservative Government remains in office there will be no drastic changes affecting the composition, functions and powers of the Court of Directors. On the other hand, since the advent of a Socialist Government after the next General Election is possible, and appears to be even probable, it may not be without interest to consider the future of the Bank after such a change of Government.

No love is lost between the banking community of London and the Labour Party. During the Labour Government from 1945 to 1951 relationship was frigid but correct.

The Government did not display an unduly hostile attitude towards banks in general and the Bank of England in particular beyond its general hostility towards capitalists. When the Bank of England was nationalised in 1946 the Chancellor of the Exchequer reserved the right to appoint directors so that it would have been possible to pack the Court with Socialists or their sympathisers. In fact very few Socialists

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list directors were appointed by Labour Chancellors of the Exchequer, and throughout the period of the Labour Government the non-Socialists or anti-Socialists constituted the majority. It remains to be seen whether this policy will be adopted after the advent of the next Labour Government. There are a few superannuated Trade union leaders and a few tame Socialist economists awaiting their rewards for services rendered and in addition to conferring on them life peerages in the reformed House of Lords they are likely to be rewarded with seats on the Court of Directors of the Bank. If the Court is thus packed by Government nominees there will be no real need, even from a Socialist point of view, to curtail its functions.

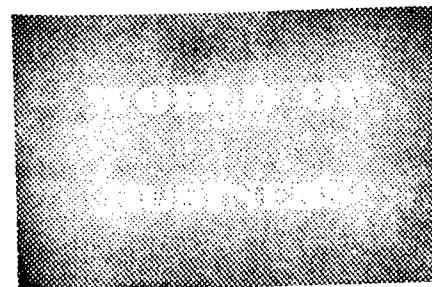
It seems probable, however, that when deciding on the fate of the Bank of England, the Labour Government will envisage the possibility of a return of a Conservative Government which would replace the Socialist nominees by directors recruited from the business community. For this reason a Labour Government is not likely to miss its opportunity for making far-reaching changes. Possibly it may be satisfied by taking the Bank Rate decision out of the hands of the part-time directors. It seems more likely, however, that the solution will be that there should be no part-time directors appointed in the future. Even that change could be reversed by a Conservative Government but this would be more difficult than merely replacing Socialist nominees on the Court of Directors.

This controversy concerns the shadow rather than the substance. For even before the nationalisation of the Bank the Treasury was well in a position to dictate Bank Rate changes. It could control discount market trends by means of open market operations and could easily force the hand of a reluctant Court of Directors by causing a rise in the market rates of discount. Since the Bank of England Act of 1946 the Chancellor of the Exchequer has legal powers to order the Governor of the Bank to change the Bank Rate. These powers have not been exercised but could be exercised.

If the Report of the Bank Rate Tribunal had been less emphatic in rejecting charges of improper disclosure or utilisation of information on the recent Bank Rate change, there would be a case for changes which would make such action impossible. Since however, the Tribunal delivered the verdict of "not guilty" there is no cause for making changes on the ground of safeguarding the secrecy of Bank Rate changes. In any case, even if those with inside knowledge had been tempted to use such knowledge for their own benefit or of that of their friends, the terrifying experience of the Bank Rate enquiry which dragged out a large volume of highly confidential information from those concerned, is likely to act as an effective deterrent in the future.

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February 15, 1958



Brighter Prospects for Coal Industry

All is not bleak with the World of Coal. After a period during which the horizon was continually over-hung by dark clouds, coal today appears to have entered into a phase in which the sky is no longer over-cast. Of course, there remains a problem or two to be dealt with, but there is nevertheless substantial ground for believing that coal is well set for prosperous times ahead. Such a picture of the coal industry emerged at the recently held annual dinner of the Mining, Geological and Metallurgical Institute of India at which, we may add, the other minerals have been accorded, shall we say, a stepmotherly treatment. But this is as it should be, for, of the fact that coal is central to India's plan for industrialisation, there can be no gainsaying. The sentiments voiced by Mr J. W. Whitaker, who presided, by Mr D. Hogg, who proposed the toast to the Mineral Industry and by Mr D. C. Driver in replying to the toast, taken together, give a comprehensive picture of the coal industry.

Mr Whitaker very properly emphasised that aspect of coal that related to what we might call optimum economy in utilisation. It is indeed surprising, as Mr Whitaker pointed out, that as much as 25 million tons of coal are being "consumed" at less than 50 per cent efficiency. It is in respect of the combustion processes that the need for controlled economy, with a view to avoiding wastage, has been stressed. Unintelligent stoking and improper adjustments of primary and secondary air supplied to the furnace are held out to be the villains of the piece. Excessive air makes for heat loss through the flue gases; insufficient air, on the contrary, results in incomplete combustion. Obviously, education in the utilisation of coal is indicated; and particularly is this so, if, as a result, with more "economic" burning of coal, the total demand could be reduced. For, in that case, we may conceivably avoid a scarcity in supplies—a contingency which, in the present circumstances, we cannot rule out toward the end of the Second Plan. Besides, a lesser overall consumption of coal would mean that, to a corresponding extent, economy would also be achieved in requirements of wagons.

Mr Hogg's chief concern has been production. He was in a position to assert that the private sector

in coal has done superlatively well, what with accounting for 3.5 million tons of the additional 4 million tons raised during 1957. This, characterised as a "proud achievement", emboldens him to suggest a revision of Government's attitude in respect of the coal production target. He has marshalled his facts ably in order to point to the desirability of permitting the private sector to go all out for new production. Thus, Mr Hogg quotes the Bombay Government's suggestion, in Simla last year, that facilities should be given to the private sector to exploit minerals which, in the Industrial Policy Resolution, have, in being listed under Schedule A, been reserved to the State. Clearly, in the light of the private sector's performance in 1957, at least in the matter of coal, such green light being flashed is not only desirable but also necessary.

Then, Mr Hogg has also cited the views of the Geological, Mining and Metallurgical Society of India which, at the same meeting, even more forcefully pleaded for the private sector in coal being given a freer hand in development. By its record, the private sector has proved that it has been responsible for most of the discoveries of mineral deposits; and this could be counted as a good reason justifying, as the Society suggests, the transfer of certain minerals from Schedule A to Schedule B.

But, then, there are some pin-pricks as well. Firstly, while in no way contradicting Mr Whitaker's emphatic call for economy in utilisation, Mr Hogg points out that the pegging of production in metallurgical coal is no longer necessary. In this context, he mentions that "the recent consideration being given by Government to liberalising the pegging of production of metallurgical coal is no doubt gratifying". In his short speech—Mr Driver at the outset stated that he did not intend to take up more than ten minutes—Mr Driver also refers to the revolution in the coal outlook arising from the "preliminary survey of the enormous new deposits of good coal" that has been discovered. So much so, much recent legislation is shrugged off by Mr Driver as having now proved to be redundant and out-of-date.

Mr Hogg is apparently saving his comments on the place of transport in the World of Coal for his address next month at the Indian Mining Association; but this aspect certainly qualifies as another pinprick—and a fairly bothersome one, at that—to the industry. He has instead chosen to say something about royalties which, he appears to apprehend, may be enhanced under the new Mines & Minerals (Regulation & Development) Act 1957. His thesis is simple: there is a world of a difference between royalty and tax, and a peremptory rise in the former would be not only an onerous burden but an unjust one as well. For, royalty can be defined as "a fixed charge for the privilege of exploiting natural resources and is

an item in the cost of production". Any increase in the rate stipulated by Government would amount "to an arbitrary imposition on what might be a practically fixed gross income". It is surely not a rhetorical question that Mr Hogg asks, when he states, "Should Government exploit unalterable circumstances in this way?"

We may conclude with a remark of Mr Driver's, which gives an indication of the vista before the World of Coal. With the discovery of "great deposits of new coal", the target of production may be "100 to 120 million tons in the Third Plan and 120 to 200 million tons in the Fourth Plan". Bleak No, bright, the future for coal.

★

Pump Industry

Pump production in India has recorded a big increase in the past two years. As against 34,441 pumps in 1955, output has increased to 46,861 in 1956 and it is estimated that production in 1957 would have totalled about 57,920. At the present rate of development it will be quite easy for the industry to attain its Second Plan target of 86,000 pumps.

Speaking at the recent annual meeting of the Indian Pump Manufacturers' Association, Mr C. N. Pradhan said that the industry was confident of achieving the target even with the existing capacity. Though the demand for Centrifugal pumps seems to be satisfactory, the industry is worried about the poor and declining demand for Borehole Turbine Pumps. It would appear that there is need for a reassessment of the position in the country as regards the demand for this category of pumps. Already the existing manufacturers of Borehole pumps are in an unenviable position because of the lack of orders. When the three other units, licences for which have already been granted, also come into operation, there is no knowing what will happen. Mr Pradhan seems to think that all the units will face serious difficulties.

Though it has been pointed out that shortage of pig iron constitutes a serious bottleneck to the progress of the industry, it is to be noted that this handicap will soon disappear. For Government spokesmen have recently revealed that pig iron production will increase considerably in the course of the next two years. In this connection they have even envisaged exports. We have now the biggest blast furnace with a daily capacity of 1,200 tons pig iron in operation in Burnpur, and it is expected that three more blast furnaces will come into commission in the different steel works in the course of this year.

A significant aspect of the industry is the fact that it has already made some headway in the field of exports. It is now exporting pumps to a number of neighbouring countries and the value of exports of centrifugal pumps from January to November 1957 is about Rs

92,000. The industry seems to be confident that given Government assistance it can increase substantially the export of pumps. In view of the good prospects for borehole pumps in overseas markets, the possibilities of exporting this category of pumps should be thoroughly explored. The fact that there is surplus capacity in our country in borehole pumps seems to underline the urgent need for putting forth special efforts to promote the export of these pumps.

★

IISCO's New spun Pipe Plant

A week after the blowing-in of its 1,200 tons a day blast furnace, which is so far the biggest of its kind in our country, the Indian Iron and Steel Company Limited have announced the commissioning of a new spun pipe plant which has an annual capacity in the neighbourhood of 90,000 tons, working on a two-shift basis. The new plant is designed to produce pipes from 16" to 27" diameter and 18 ft lengths. It is estimated that in full production the plant will help save foreign exchange to the tune of Rs 8 crores a year as most of the pipes of larger diameter are now imported. It is understood that the plant will, for the time being, work only one shift a day. The second shift will be started when the second new Blast furnace at Burnpur is blown-in in middle of the current year. It is said that the commissioning of this plant has had to await the blowing-in of the blast furnace, though it has been completed some time ago, due to shortage of pig iron.

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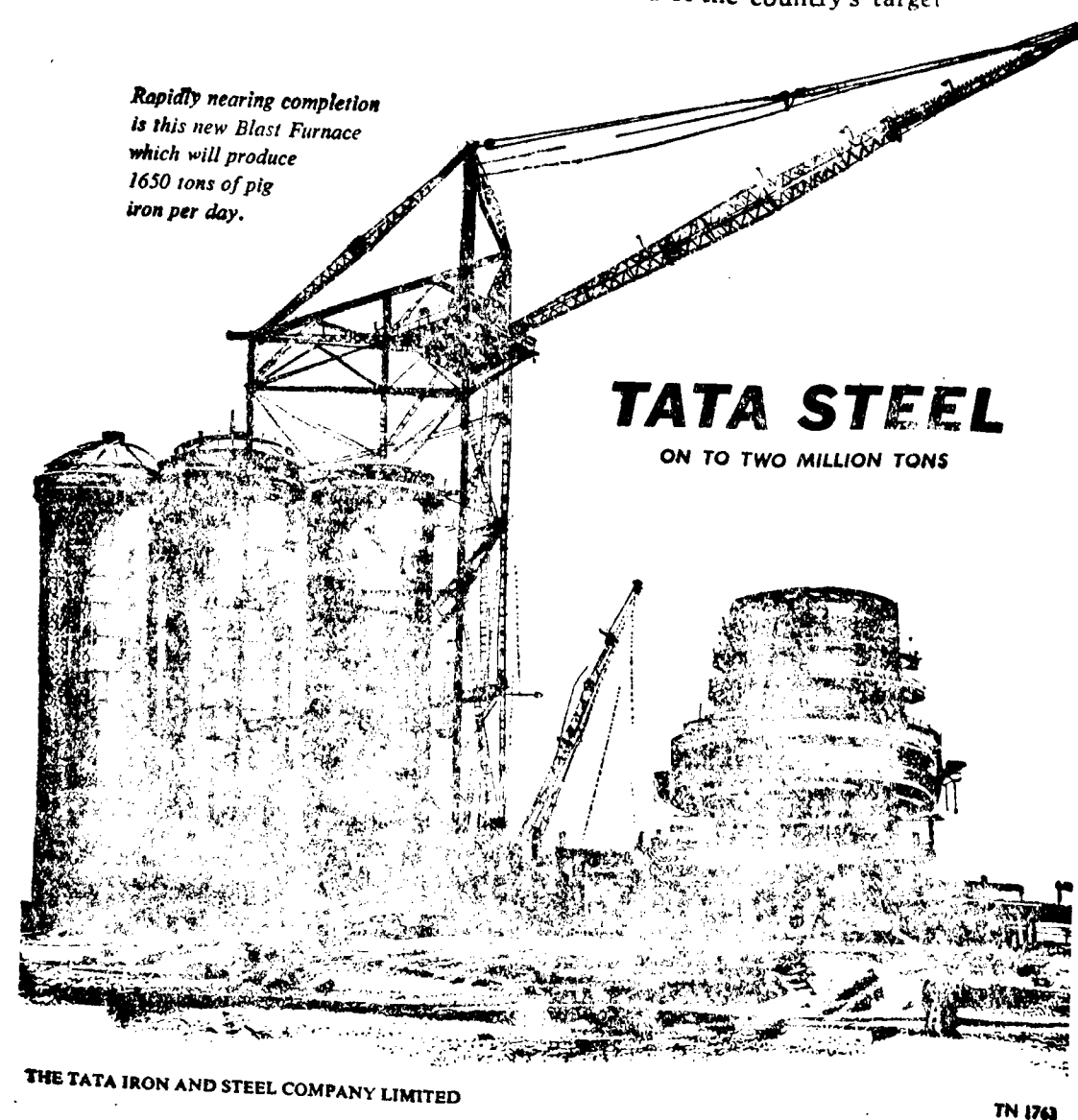
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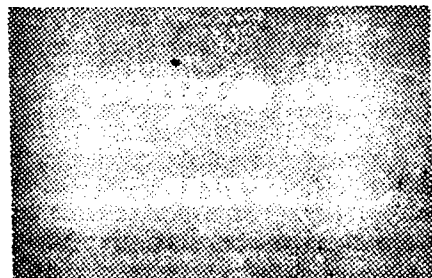


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Sharp Increase in Jute Goods Stocks

THE steep rise of 21,400 tons in jute goods stocks with mills during the past month shows that offtake has been too low even for this time of the year. Perhaps the most disconcerting feature is the sudden upward jump in the stocks of sackings. As against 38,400 tons at the end of December, sacking stocks stood at the end of January at 53,500 tons. These are the highest since last August. It would appear that the expectation that this category of jute goods may continue to enjoy good enquiries has been belied. It remains to be seen whether mills can continue to place the emphasis on the production of sackings. The position at present is that stocks of sackings are higher than one month's output. Hessian stocks are also higher by 4,500 tons at 29,700 tons. They are highest since October but are lower than one month's production. Other manufactures have contributed to the total increase to the tune of 1,800 tons, having been placed at 13,200 tons, which are highest in many months.

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Total production in January at 93,300 tons are at a new high. The higher output is accounted for by the larger number of hours worked. As against 209 hours in December mills have worked 217.5 hours in January. Hessian output at 34,400 tons is 2,300 tons higher than that in the previous month while sacking production at 57,300 tons shows a rise of 2,600 tons. Other varieties are also higher by 600 tons at 6,600 tons. Thus the overall increase is 5,500 tons. During the corresponding month of last year total output stood at 88,800 tons with hours worked placed at 212.

From the above it is clear that the statistical position has become once again unsatisfactory. Offtake during last month has been at a low level; and in view of the reported business recession in US and the poor grain crop in Australia the near term outlook does not appear to be quite bright. It is, however, somewhat encouraging to hear reports of renewed Russian interest. The reports are yet to be confirmed. That the prospects are not very bright is also evident from the reference made to jute exports by Mr. Morarji Desai at the recent meeting of the Export Advisory Council. Mr. Desai has pointed out that China has practically gone out of the market as a buyer of jute goods and Russia's interest seems to be on the wane.

A comparison of the production figures and the hours worked during the two months, January 1957 and December 1957 will reveal a significant development in the jute industry. In January 1957, though mills have worked 212 hours, production has totalled only 88,800 tons. Working only 209 hours in December 1957, mills have produced 92,800 tons. The obvious inference is that the efficiency of mills has increased during the past year due to the steady progress of the modernisation programme.

The news that the Central Supervisory Body for Promotion of Jute Production has recommended an increase of 322,000 acres in the area to be cultivated under jute in the country during 1958-59 reveals a welcome sense of urgency in dealing with the problem of raw material supply to the jute industry. The new acreage target of 2,076 million represents an increase of 18.4 per cent over the previous year's acreage and is expected to produce a crop of 5.143 million bales, a rise of 1.045 million bales or 25.8 per cent over the final estimate of 4.88 million bales for 1957-58.

Statewise the breakdown of acreage is: West Bengal 800,080, Bihar 665,000, Assam 380,000, Orissa 125,000, UP 56,000 and Tripura 50,000. The respective production targets for the States are shown as 2 million, 1.38 million, 1.178 million, 300,000, 125,000 and 160,000 bales.

Though the supervisory body has recommended an increase in

acreage, it has made it clear that the figure represents the outer limit of area expansion and that the emphasis should continue to be placed on improvement of the average yield per acre which is at present very low and for some regions indicates a progressive downtrend. In view of the slow progress in application of fertilizers, an intensification of efforts for popularizing ammonium sulphate has been recommended. In order to minimise the delay in distribution of fertilizers, the States have been allowed to utilize stocks carried over from 1957-58 with the assurance that withdrawals of fertilizers for jute from these will be made good by the Centre early. The States have also been directed to furnish statements well in advance of a sowing season, specifying their requirements of fertilizers exclusively for jute crop and showing a monthly break-up.

To augment the supply of good quality seeds, the supervisory body has approved in principle a scheme prepared by the Chief Jute Development Officer, Government of India, to enlist the assistance and cooperation of recognised seed dealers in multiplication of improved jute strains. The scheme envisages registering a chain of dealers who will multiply improved jute seeds through their own agencies under strict supervision of the State jute development staff.

The jute goods market opened on a quiet undertone in the absence of foreign enquiry. With the announcement of stock figures as at the end of January, the downward trend gathered momentum as increase in stocks was much higher than market expectation. There was some improvement in market sentiment in later dealings with prices staging a moderate rally following speculative support on expectations of shipper interest. It would appear that speculators had derived some encouragement from the trend of shipment in the first week of the current month.

The market ruled almost unchanged on Friday though the undertone was rather quiet. Hessian 40" x 10 oz Ready closed the day at Rs 39.30 with B Twills at Rs 100.75. In forward delivery Hessian 40" x 10 oz April-June was placed at Rs 39.65 and B Twills at Rs 102.00. Prices were marked down all along the line on Saturday following the announcement of the stock figures. Hessian 40" x 10 oz Ready receded to Rs 39.05 and B Twills lost Rs 1.45 to be finally placed at Rs 99.30. Elsewhere, Hessian 40" x 10 oz April-June was done at Rs 39.55 with B Twills at Rs 101.00.

Though the market opened quiet on Monday, prices improved in later dealings due to due date manipulations in the Fatka. Hessian 40" x 10 oz Ready recovered to Rs 39.30 while B Twills moved up to Rs 100.25. Hessian 40" x 10 oz April-June was done at Rs 39.80

Indian Finance

and B Twills were placed at Rs 102.00. But for a small decline in Ready B Twills, prices on Tuesday showed some slight improvement over the previous day's levels. Hessian 40" x 10 oz Ready was fractionally higher at Rs 39.45 but B Twills ready reacted to Rs 100.85. In forward delivery positions Hessian 40" x 10 oz April-June was placed at Rs 39.85 and B Twills was done at Rs 102.35.

On Wednesday the market opened steady with both Hessians and B Twills meeting with speculative support. The improvement in B Twills were particularly prominent. B Twills Ready closed higher on balance at Rs 101.25 but Hessian 40" x 10 oz Ready was fractionally lower at Rs 39.35. A similar trend was noticeable in forward delivery positions also. Hessian 40" x 10 oz April-June was slightly lower at Rs 39.80 but B Twills were higher at Rs 102.75.

The raw jute market ruled dull and unchanged most of the time but toward close a slight improvement was noticeable. Assam Bottom Feb-March delivery which opened the week at Rs 24.50 was quoting at Rs 24.75 by close.

PRICE TREND DURING THE WEEK.			
	Opening	Closing	
Hessian:	Rs nP.	Rs nP.	
40" x 10 oz. Ready	39.30	39.35	
" April-June	39.65	39.80	
Sackings:			
B Twills Ready	100.75	101.25	
" April-June	102.00	102.75	
Hy Cees Green	101.50	100.80	
Cornsacks	102.50	103.00	
Cubans	127.00	127.00	
A Twills	123.50	123.50	
L Twills	115.75	116.00	
D W Flour	118.25	118.75	
Sugar Bags	116.75	117.25	

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February 15, 1958



Buyers Closely Following Quality

THE improvement in auction prices, seen last month, has not generally been maintained during the current month. Despite the interruption in the supply from Colombo and Indonesia, foreign buyers are not anxious to buy more from India than their actual requirements. As a matter of fact, they are showing increasing resistance and this is reflected in a quieter demand and general easing in prices.

First, foreign buyers think that the supply is going to be adequate in view of the rise in world crop by 20 million pounds during last year. Secondly, credit stringency is not conducive to building up of stocks. Lastly, a lot of teas held up at the Colombo Port may have reached London.

But, it is clear that, throughout this season, buyers have shown a marked preference for quality teas. Thus, the price differential between fine and coarse grades, and good quality and Common teas has been considerable. While useful quality teas have been readily saleable at satisfactory prices, the support for Plain teas has been generally limited to the requirements of the internal market.

In this connection, the latest monthly report, issued by Messrs J. Thomas & Company, states:

"The discriminatory trend in favour of 'quality' teas is now clearly established and the production of a high standard of quality even at a sacrifice of crop has proved economically justifiable, while the grower of Plain teas has generally found it difficult to show any profit. This accent on quality is likely to continue in the coming season. With her rigid cost structure and heavy taxation, India can hardly underprice her competitors from the world markets. An improvement in the standards of quality by all available means will seem to hold the best assurance for the future of the Indian tea industry."

Meanwhile, in the Export Sale held in Calcutta this week, offerings consisted of 60,322 packages. There was a strong demand with buyers closely following quality, which showed an improvement. Orthodox BPs were generally 2 to 4 nP per pound dearer, while Fannings were 4 to 6 nP dearer and sometimes more. Clean Black Dooars BOPs were also dearer by 4 to 6 nP per pound.

The more ordinary Medium BOPs met with better demand

and these were about steady, while the brighter liquoring ones were dearer by 5 to 10 nP, the better Medium Orange Fannings often selling well above valuations. There was better competition for CTC grades, particularly for Fannings. The poor types were, however, difficult of sale at 10 nP below last rates. The better Medium and the best were frequently dearer and the very best ones were steady.

Legg-cut teas were a little irregular; but the brighter liquoring ones in this category were again dearer. Whole Leaf grades were well competed for, especially the more stylish ones which were sold at dearer rates. There was good support for Darjeeling teas and those with useful leaf appearance and flavour realised prices above valuations. Following rates were quoted:—Clean Black Pekoe Rs 2.25 to Rs 2.30; Plain BP Rs 1.54 to Rs 1.58; Plain Fannings Rs 1.64 to Rs 1.68; Medium BP Rs 1.60 to Rs 1.76; Best Assam CTC BP Rs 2.50 to Rs 2.60 and Best Assam CTC Fannings Rs 2.50 to Rs 2.70.

Offerings in the Internal Sale consisted of 18,876 packages of Dusts. There was a good general demand. The plainer liquoring orthodox descriptions were frequently easier; but those with improving quality were dearer. Non-wither Dooars continued to be well supported at about valuations. A few Darjeeling invoices with flavour met with keen competition; but the more ordinary kinds from

this district were generally neglected.

There was a good demand for the best liquoring and brighter liquoring Medium CTC types, particularly the powdery grades which were often dearer, but the remainder were again easier. Following rates were quoted:—Medium Dooars Dust Rs 1.54; Medium Assam Grains Dust Rs 1.56 to Rs 1.58; Medium Assam CTC Dust Rs 1.70 to Rs 1.90 and Best Assam CTC Dust Rs 2.80 to Rs 3.10.

Also, 2,552 packages of Leaf grades were offered for internal consumption. Prices were a little irregular and sometimes in buyer's favour.

In the Export Quota section, rates moved between 1 1/2 and 16 nP per pound. At the close of the week, business was reported done at 15 1/2 nP and 16 nP.

In the Cochin market, offerings in the Export Sale were 50,000 pounds. Quality improved further and there were some attractive high-grown teas on offer. Most types were dearer although good Medium teas were occasionally sold below last rates. High-grown Broken and Whole Leaf grades were sold well; but high-grown Fannings were again a weak feature and often proved difficult of sale.

Tippy sorts were well supported, while Whole Leaf grades of below best quality were easier to buy. Following rates were quoted:—Plain BP Rs 1.45; Low Medium Rs 1.65 to

Rs 1.75; Medium Rs 2.00 to Rs 2.20; Good Medium Rs 2.30 to Rs 2.50 and Quality Rs 2.80 to Rs 5.20.

In the Colombo auction, offerings were 6,458,260 pounds. Demand was quieter and prices again declined generally. Offerings of Nuwara Eliya teas were small. Broken grades being sold rather below valuations. The quality of high-grown grades showed improvement though some invoices had been affected by blister blight. Prices of the best BOPs again declined by about 50 cents per pound, while Plainer sorts were 10 to 15 cents per pound lower. Orange Pekoes were barely steady.

Among medium-grown teas, prices of the better Broken grades declined by 10 to 15 cents, while Plainer sorts were 5 to 10 cents easier. Orange Pekoes were slightly easier; but Pekoes were firm to dearer. There was an easier tendency in the prices of low-grown teas although demand for the Middle-Eastern sorts improved as the sale progressed. High-grown Fannings were generally easier. Offgrades were sold immediately following the main auction and were generally lower.

Tea stocks in London, as on the 31st January, were 121.44 million pounds as compared to 119.60 million pounds in the previous week and 65.46 million pounds a year ago. Landed between 25th and 31st January were 11.88 million pounds, while deliveries were 10.04 million pounds.

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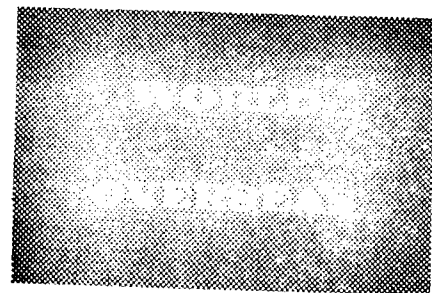
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US Notes

MUCH is being said these days about the boost home construction will give the American economy this year. It is generally believed that the housing industry will play a significant part in stemming the current downturn and stimulating an early upturn in the nation's economic activity. A close look at housing trends and prospects seems to be in order.

It should be noted that no one is predicting a vast housing boom that will all by itself turn the economy around. But most of the experts in and out of the construction industry see the number of new houses put under construction rising some 10 per cent this year over last. This would mean about 1.1 million new 'starts'—not up to the 1950 record of 1.4 million, but still an important economic prop.

The construction industry itself is basing much of its confidence on the expectation that with the general easing of money-demand and of inflationary pressures, more credit for home financing will be available, and at lower rates—trends that already are noticeable.

How effective a stimulant easier credit can be was demonstrated effectively during the other moderate post-war business downturns of 1949 and 1954. In both those years, housing 'starts' rose some 10 per cent, and constituted vigorous anti-recessionary influences.

Some experts, in fact, see an outside possibility that housing may rise even faster this year than in either 1949 or 1954. For one thing, they note that home construction was showing renewed strength late last year, even before there was a significant relaxation in financial markets. For another, they point to the fact that the government has only recently begun to ease monetary and credit policies and to take special administrative measures to spur home building and buying; it can, if necessary, take even stronger steps this year.

This does not mean that builders are blind to the problems they may have to face. They realise that cheap and plentiful credit alone could not suffice, were employment and income to decline seriously.

But these are eventualities they do not anticipate. Along with the rest of the business community, they are reasonably certain that the economic downturn will not become severe, and that consumer purchasing power will remain high enough to permit easier credit terms for builders and buyers to have their salutary effect.

So far, this conference seems well substantiated. On the basis

of reports from all over the country, there has been no slackening in housing activity. If anything, there has in recent weeks been a discernible rise in both home sales and buyer interest.

On the whole, builders expect construction costs to be fairly stable this year, and the prices of homes to remain firm. They also see a large and expanding market for major home improvements by people who do not want to buy new homes but want to add more space and convenience to their old ones.

All told, considering both new home construction and major improvements, most of the experts are predicting a \$1,500 million spending increase for housing this year. Supplementing this amount would be outlays for furniture, appliances, and other equipment and facilities that accompany new housing; these could add another \$1,500 million to the total.

This comes to a fairly sizeable \$3,000 million boost in the 1958 gross national product—the total value of goods and services produced. When taken in conjunction with other expedited increases—such as spending by state and local governments for public services and by the Federal government for national security—it can be a powerful factor in reversing the present downtrend and setting in motion the upturn anticipated later this year.

Britain

BRITAIN's overseas trade position in December was again very favourable and both imports and exports in 1957 as a whole reached record levels, according to the full trade figures for December released on January 21 by the Board of Trade in London.

Confirming the provisional trade figures issued earlier this month, exports in December were £282,400,000, imports were £313,600,000 and re-exports £12,200,000. The visible trade deficit fell by £3,000,000 to only £19,000,000.

For 1957, exports rose by nearly five per cent, to £3,325 million; re-exports were £133,000,000; and imports rose, also by five per cent to £4,076 million. The resulting trade gap was £617,000,000—£49,000,000 more than in the previous year.

London financial observers point out that certain adjustments are necessary in comparing 1957 figures with the previous years'. If silver bullion repayments are excluded from the exports—since these are strictly a capital item—the rise in the value of exports in 1957 was 5.5 per cent. This was barely more than half the rise of 10 per cent—similarly adjusted for distorting factors—in 1956, but about equal to the increases in the two years before that.

Imports, on the other hand, were swollen by some £30,000,000 of arrivals in January delayed by the Suez Canal crisis. Re-adjustments of imports put the increase in the value of imports in 1957 at 3.5 per

cent, compared with a 1 per cent rise in 1956 and 15 per cent in 1955. Thus, the silver bullion repayments and the carry-over of imports were more than enough to account for the increase in the trade gap of £49,000,000, and on an adjusted basis there was a further improvement in the trade position in 1957, following on the major improvement in 1956. And the recent substantial reduction in the trade gap, coupled with the growth of invisible earnings, means that the improvement in the visible trade balance of payments is being maintained, the observers say.

Another Board of Trade announcement says that the production and export of passenger motor-cars in Britain continued at a high rate in December, and exports in 1957 reached a record level.

Production in December (covering a five-week period) was 90,882 units and exports 36,632. Comparable figures a year ago were 51,175 and 22,337. This considerable increase is reflected in the annual figures, which in 1957 were production 860,842, and exports 426,272 compared with the 1956 production of 707,594 and exports of 335,832.

Last year's production has been topped only by 1955's record output (897,560), and exports in 1957 were at an all-time high. A most successful year in motor-car exports has thus been buoyantly rounded off, and the export drive has been particularly successful in the highly competitive dollar markets of the Western Hemisphere.

For the British aircraft industry also, 1957 was a record year. The industry's export total in December of £17,516,043 was the biggest in a single month, and brought the year's total to £116,471,110—an increase of 11.5 per cent over the previous record annual figure of £104,500,000, achieved in 1956. This was a 58 per cent increase over the 1955 total.

The figures were announced by the Society of British Aircraft Constructors on January 21.

For the third year in succession, the industry sold more of its products abroad than ever before, and since 1954 (when exports amounted to £56,000,000) the total has been more than doubled.

Since the end of the war the British aircraft industry's exports have amounted to more than £650,000,000 of which about £167,000,000 was accounted for by the sale of aero-engines.

The Sterling Area's gold and dollar reserves increased again last month. They rose by \$131,000,000, said the Treasury in London on February 4, and at the end of the month (on January 31) stood at \$2,404 million.

A sum of \$13,000,000 was paid to the European Payments Union (EPU) in respect of December, and \$3,000,000 went to creditors of the Union in bilateral settlements. On the provisional figures for the month, the United Kingdom had a surplus of £10,500,000 with EPU. This falls due for settlement in February as to 75 per cent in gold or dollars

Indian Finance

and as to 25 per cent by reduction of Britain's debt to the Union.

This is clearly a satisfactory result, especially since the month saw no unusual movements on capital account and no abnormal receipts, writes a London correspondent. Of course, there may have been some movements of funds to London to take advantage of the high interest rates prevailing there, but it is impossible to be at all precise about these and the reserves must have grown principally through current earnings.

This is a time of year when the tide of commercial payments begins to move strongly in favour of sterling, the sterling exchange rate has been very buoyant for some time. Even so, allowing for favourable commercial factors, the addition to the reserves is substantial and it reflects the current strength of sterling.

The surplus with the European Payments Union is also gratifying—it follows two months of deficit. It means that instead of having to start the month with a debt of nearly \$14,000,000, as happened in January, Britain begins February with a credit of some \$21,000,000.

New nuclear research laboratories costing, with their equipment, £1,000,000 are to be built by and for the British firm C. A. Parsons & Co. Ltd., of Newcastle-upon-Tyne, which is a member of the Nuclear Power Plant Co.

Only five years ago it provided itself with one of the most modern research and design centres in Britain, which was expected to meet its needs for 15 years. Since then, however, the resources of this 1953 building have been so taken up with increased export orders for the company's world-famous turbines and generators that it has already been impelled to expand still further to meet the growing demand for nuclear research.

The new £1,000,000 building will have a tower 100 ft high for use as a full-length heat-transfer research channel, to give results of the accuracy that the designers require for the larger and more efficient reactors yet to come.

It will also have a digital computer to facilitate not only the most complex calculations of reactor operation but also, for instance, the work of an associated firm—Sir Howard Grubb, Parsons & Co.—on the astronomical telescopes it exports to many parts of the world.

As the country leading the world in the development of nuclear power, Britain will naturally have one of the largest displays at the second "Atoms for Peace" exhibition at Geneva in September.

Between 50 and 60 British firms associated with the development of atomic energy will occupy some 43,000 sq ft of floor space at the exhibition. Other countries taking part will include Belgium, the Federal Republic of Germany, France, Italy, the Netherlands, Switzerland, the USA, and the USSR.

February 15, 1958



INDIA

Oberoi Imperial, New Delhi - Oberoi Maidan
Delhi - Oberoi Swiss, Delhi - Oberoi Cecil,
Simla - Oberoi Clarke, Simla - Oberoi Palace,
Srinagar - Oberoi Grand, Calcutta - Oberoi
Palm Beach, Gopulpur-on-sea - Oberoi Mount
Everest, Darjeeling - Oberoi Mount View
Chandigarh.

PAKISTAN

Oberoi Cecil, Murree - Oberoi Flashman,
Rawalpindi - Oberoi Durr, Peshawar - Oberoi
Falestis, Lahore.

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MY plans for this week's gossip have been thrown into some disarray, thanks to the uncertainty about the publication of the Chagla Commission Report. I have been putting off sitting down to this week's task day after day, hoping that the Report would be available for comment. But there are indications from New Delhi that such an opportunity will not be forthcoming before it was too late for the week's issue. It is not, therefore, possible to put off the printer's devil at my elbow any longer, even with promises of brighter copy the next morning. In any case, it is now fairly certain that the Report will be available to the public only next week.

No one particular person is perhaps to blame for this disappointment, unless you pick on the over-anxious purveyors of news, who have been predicting the various dates of publication. But then, at second remove, you will have to blame the over-anxious public, which, having lapped it all up when the evidence was being tendered, was now clamouring for the final thrill. Some day, it will be worthwhile to go in detail into the tangled web of motives that made this phenomenon of extraordinary interest in the affair. Such an inquiry will include, I am afraid, the investigation of the modes of increasing the circulation of one's paper. Be that as it may, neither the Government nor the Commission are responsible for the denial, for the present, of the last thrilling instalment of this exciting drama. Certainly, the Commission has completed its job with remarkable expedition. (Indeed, Mr Sachin Choudhury, the Counsel for the Life Insurance Corporation, seemed to imply that he found himself at some disadvantage because of the somewhat limited number of witnesses examined). Mr Chagla himself submitted his Report early this week, and the Government are trying to get copies printed and placed on the table of Parliament by the end of the week. The whole thing has taken less than a month, and for an inquiry of this magnitude, is a remarkable feat.

In any case, my comment on the Report must await a future occasion. Meanwhile, since public interest in inquiries into conduct of men in position of responsibility

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

has, for whatever reason, shown a remarkable increase, it would be of some value to think about a somewhat contemporaneous inquiry in Great Britain. I am referring to the inquiry into the Bank Rate leak. As you are doubtless aware, a three-man Tribunal, presided over by Lord Justice Parker, went into the question of whether or not there was a leak of the decision to raise the Bank Rate in September last, and, if so, whether such information was made improper use of for making personal gain. After examining over two hundred witnesses and sifting a mass of gossip, rumour and tittle-tattle of the periphery of fashionable world, the Tribunal came to the finding that there was no evidence at all of irregularity.

I have no doubt that, when the Chagla Commission's Report is published, it would be of extraordinary interest to look for points of similarity in the approach of the two Commissions as also for points of dissimilarity, if any. In any case, there can hardly be any doubt that Mr Justice Chagla would have read the Parker Report, either as a matter of course, or as a document of interest in the context of his own particular assignment. It is safe, therefore, to assume that Mr Justice Chagla's Report will be of extraordinary interest from the point of view of a comparison of the sort I have mentioned. In fact, from some of the observations that the Prime Minister let slip the other day, it would appear that his mind is working on the possibility and perhaps even the necessity of basic departure from some of the Anglo-Saxon conventions on constitutional propriety. In the light of recent developments and in view of the reported findings of the Chagla Commission, it is likely that this particular line of inquiry into constitutional niceties will lapse into abeyance, as far as the general public is concerned. Constitutional pundits, however, will debate the point endlessly.

But the question I am at the moment interested in is whether the Chagla Commission's inquiry will reveal any departure from British conventions on quasi-judicial inquiry. As I said, I am incommode and indeed prevented

from answering this question that I have raised for the simple reason that the Chagla Commission's Report is not before me. In all likelihood, and considering Mr Justice Chagla's training and background, there may not be a serious departure. But that is merely a piece of speculation which I do not want to pursue now. I shall content myself with pointing out that the salutary principle of Anglo-Saxon jurisprudence that there should be positive evidence before any man is condemned of any misdemeanour runs through like a golden cord in the entire report of the Parker Tribunal. The Tribunal repeatedly, almost monotonously, says that no case of corrupt practice has been made out against anyone. In other words, the requirement that the Tribunal felt bound to insist on was a positive case against those of whom gossip and rumour had alleged all manner of misdeeds. Indeed, in a passage which is a classic exposition of the correct principles involved in such a situation, the Tribunal observes: "Where conduct and documents are capable either of an innocent or a sinister explanation, the only course is to reach a conclusion upon a dispassionate appraisal of the character and truthfulness of the person whose conduct is under inquiry". The importance of this dictum cannot be too strongly emphasised, especially in the context of a quasi-judicial inquiry. We have only to read Libowetz's magnificent book, "Trial", to realise how, even in normal processes of law, such prejudice can be a formidable obstacle to the formally accused person. And, in the case of an inquiry, even the smaller mercies available in a regular trial are not available to the persons concerned, for the simple reason that no one is formally in the dock and the purpose is ostensibly to find the truth. This leaves them wide open to popular prejudice of which both in the Bank Rate leak and the LIC inquiries, we saw impressive evidence. The crowds that jeered Mr Mundhra and Mr Patel no less than the crowds (perhaps the same) that cheered Mr Mundhra when he came out after his evidence are hardly likely to have conduced to create a proper atmosphere. Of course, trained judges like Mr Justice Chagla and Lord Justice Parker are fully armoured against this kind of pressurising.

But presence of popular prejudice is an additional complication in all such circumstances.

I should like to indicate by an example from the Parker inquiry how strongly reliant a Tribunal of this sort has to be on the principle that Lord Justice Parker enunciated in order to avoid any possible injustices. The example I am quoting has some points of similarity with the Mundhra deal since, in both, somebody was alleged to have made private gain (or avoided losses) by certain crucial acts of the persons concerned. In the British case, three reputed City firms were alleged to have sold £2,000,000 worth of Government securities three days before Bank Rate rose from five to seven per cent. A few days after the rise of the Bank Rate, one of the companies bought £750,000 worth of Government securities at the lower price (consequent on the crash in prices of Government securities) and made what the Attorney General called a "nice profit" of £32,000. Some of these securities bought back were the same as the ones that were sold before the rise in Bank Rate. And the crucial facts were, first, that Lord Kindersley, who had been a Director of the Bank of England for ten years, was also connected with these companies in the capacity of either the managing director or director. Secondly, he had met the Governor of the Bank of England at least twice before the rise in the Bank Rate (and the sale of securities) at which the possibility of the raising of the Bank Rate was discussed. As the Attorney General put it, "If it were a fact that Lord Kindersley had used his personal knowledge to secure that as much as £2,000,000 gilt-edged should be sold, then, it would be the case that he was using his secret knowledge for the benefit of Lazards and presumably also to his indirect, if not direct, advantage. It is only right I should say there is no direct evidence I can produce before your Lordship to establish that as a fact."

That last sentence of the Attorney General and the final verdict of the Parker Tribunal are extremely significant. I tried a small experiment last week on this

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K135

Indian Finance

point. Without mentioning names and the context, but going into the substantial facts of this particular deal, I put it to three intelligent but not judicially-trained persons (one of them a stockbroker) and asked for their verdict. I deliberately omitted the context, because I feared that their knowledge of the final findings of the Parker Tribunal might influence their answer. And since I was sure that they had not read the evidence let in before Lord Justice Parker, I was also sure that the facts of the case were completely isolated from the context. I took the further precaution of saying that it had nothing to do with Mundhra, since, in the present context, it might have prejudiced them the other way. The results of the experiment were revealing. The stockbroker remarked cynically that it was all in the day's work. The others, scarcely less tentatively, agreed with him that a "nice profit" was made with the help of inside dope.

★
Mind you, none of these people was what you might call the "crowd". But that is the way they react. I have a friend, who is not so much Anglo-ophile as anti-Indian. He has a firm conviction that the Anglo-Saxon niceties of jurisprudence are hopelessly out of place for the simple reason of a certain alleged basic defect in character. I know that there are many others who share his view without his courage to speak it out. But he is hopelessly wrong, if for nothing else, for the reason that these principles of jurisprudence have, even on Anglo-Saxon premises, absolute and not relative validity. So, the three estimable men who in all probability share this prejudice along with their general view of the depravity of mankind, especially in the context of money making, would have had even less hesitation, if I had given the transactions an Indian context. Which, I need hardly say, is very improper and opposed to all canons of justice. Indeed, in our general disgust with some of the known practices in the commercial life of our country, we should not throw away salutary principles of justice when we are obliged to deal with them. I have a feeling that there is some danger of this mood overcoming us. Whether or not our conventions of constitutional propriety should be different from those of Great Britain is a question on which I have no firm present opinion. (I do not believe in meeting trouble, even intellectual trouble, half way). But, on the question whether the time has come for us to depart from British jurisprudence, I have no doubt. The time has not come, and I hope that it will never come.

★
Sir Biren Mookerjee is, as ever, on the go. That is why, within a week of the inauguration of the country's biggest blast furnace at Burnpur (which, incidentally, has brought no small measure of pride to West Bengal), the second spun

pipe plant at the Kulti works of the Indian Iron and Steel Company was put into commission late last week. This is news to gladden every heart. This plant, Sir Biren said, was constructed in under two years at a cost of Rs 14 million and, with its annual capacity of 90,000 tons, would mean an annual saving of Rs 80 million in foreign exchange. Spun iron pipes were manufactured in India for the first time about twelve years ago at the same works, but then they ranged in diameter between 3" and 12". Longer pipes of up to 14" diameter were later made, but those of larger diameters were either imported or cast at the vertical pipe foundry at Kulti. The new plant has now been turning out pipes wider in diameter as well as longer in size, i.e., from 16" to 27" by 18ft. These pipes, Sir Biren explained, were more economical, having fewer joints and more homogeneity of metal. When the second blast furnace at Burnpur starts working in July, the two Kulti blast furnaces will be dismantled as obsolete, and Sir Biren has already offered the services of the technical personnel at these plants to the Hindusthan Steel Works and the West Bengal Coke Oven Plant at Durgapur. More power to Sir Biren's elbow.

★
I have not had the time to visit the Leather Industry Exhibition now being held on Chowringhee. But that need not stop me from commenting on one aspect of it which is visible to all passers-by, namely, its facade. An exhibition of such importance and under such favourable auspices (Mr M. L. Khaitan must be the principal moving spirit behind it, I guess) should have been able to put its best face forward. But instead it presents to the public a rather unattractive one. The design is crude if colourful, and some of the slogans, curious. I was quite intrigued by, for example, "Leather For Health", which stared me out of countenance for a while. I had heard of such slogans as "Milk For Health", "Open Air For Health" etc. But "Leather for Health"? This was a floorer. Since when, I wondered, had tanned hide begun to be counted as among delicious, health-giving comestibles? Then, of course, I realised what I was face to face with—an ad-man's smartness. The coiner of the slogan was not content with the straightforward "Shoes for health". Probably that would be too intelligible and hence too drab. But this is obviously wrong. Advertising need never compete in reconditeness with the Relativity theory or modern poetry. I suppose the tendency to pinch-beck smartness in our advertising comes from the rather widely held notion that it is a highly specialised, almost esoteric art which, I am quite sure, it is not. Its main object is not to reveal the brilliance of the ad-man, but to convince the consumer, and this can always be done by being straightforward.

EAVESDROPPER

February 15, 1958



THE attempt to industrialise the country at a rapid pace has thrown up many problems, some of which seem to be intractable. There is first the problem of finding the requisite resources, as what we have has been proved to be quite inadequate even as we are taking the first steps.

Our deep faith in democracy and peaceful coexistence, coupled with our aim of a socialistic pattern of society, have left us no short cut to national prosperity. Foreign assistance is desired and acceptable only when there are no strings attached to it. Even so, aid being received by us is quite considerable and friendly nations are taking an active interest in our development as has been recently evidenced by the sanction of a loan of \$ 225 million by the U.S. Practically all major countries are giving us help one way or another. But, in spite of all these, we are not yet out of the woods. On the contrary, we seem to be moving toward the centre.

All our present financial difficulties are traceable to two main factors: high level of imports and low exports. Efforts at bridging the gap in our balance of payments have been vigorously pursued for some time now, but it would appear that such efforts have proved to be too feeble compared to the velocity of the current that separates the two sides of the gap. A study published in the latest issue of the Reserve Bank of India Bulletin indicates the extent of the gap and the factors responsible for the continued deterioration in our Balance of payments position. According to this article, the gap between the country's receipts and payments during the first half of 1957-58 amounted to Rs 298 crores, having more than doubled from Rs 126 crores during the corresponding period of 1956-57. It is pointed out that, since the main source of finance for this large deficit was chiefly the foreign exchange reserves, they had been drawn down by Rs 174 crores. The other important means of finance were the United States assistance under Public Law 480 and standby credit of Rs 34.5 crores from the IMF.

Though a seasonal decline in exports and a decline in invisibles had also contributed toward increasing the deficit, the principal reason was the continued high rate of imports. During the period under review, aggregate imports amounted to Rs 622.2 crores. Compared with the corresponding period of the previous year, this is nearly Rs 145 crores higher. Of this, imports on Government account alone aggregated Rs 238.7 crores, representing an increase of Rs 153.5 crores over the figure for the corresponding period of last year. The steep rise in imports on Government account is accounted for by two main items, food and

development expenditure. The figure includes imports financed through foreign exchange to the tune of Rs 82 crores, an overwhelming proportion of which represents imports of grains. If this item is excluded, the increase in imports will amount to Rs 96 crores.

A significant development to which attention is drawn by the article is that, unlike both halves of 1956-57, the rise in imports during the first half of 1957-58 is attributable wholly to increased spending by the public sector. In sharp contrast to the trend in the public sector, the trend in the private sector is in the opposite direction. For, during this period, imports of the private sector show a reduction of some Rs 20 crores. This, the article attributes to the various restrictive policies imposed by Government. It may be remembered that the bulk of the increase in imports in the previous year was associated with the private sector.

As has been pointed out earlier, exports have been disappointing. The poor performance is all the more glaring because, all through this period, Government have been pursuing a policy of active export promotion. The article points out that the low level has been brought about mainly by the fall in earnings from tea and jute goods exports. While tea has brought in Rs 20 crores less, jute has recorded a fall of Rs 10 crores. Exports of vegetable oils have also earned Rs 5 crores less.

The rapid running down of our foreign exchange reserves, while exports are showing no sizable improvement in spite of a vigorous export promotion drive, has raised honest doubts about the practicability of implementing the current Plan in its entirety. The Government seem to be quite determined to overcome all the obstacles in the way and go ahead with the Plan.

In this connection it is to be noted that the Economists advising the Planning Commission have endorsed the Plan targets. They have pointed out that in view of the fact that the rate of domestic saving implied in the investment target envisaged cannot be considered to be high "it should be possible to devise ways and means of raising the resources required without causing serious strains in the process". On the question of controlling the domestic inflationary situation, which is an essential condition for the success of the Plan, the economists are of the view that Government are in a position to keep it under check.

The critics of the Plan in our country fall into two broad groups. One group maintains that, though it is too ambitious, there can be no going back as the consequences of such a step will be disastrous for the nation as a whole. It

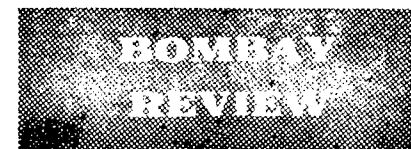
points out that by scrupulous husbanding of our resources and by arousing the active interest of the people, all the major schemes can be implemented.

The other group seems to be quite convinced that the Plan in its present shape is not at all feasible. It may be just an accident that persons who advocate this view are mostly from the business community or what may be called spokesmen of the private sector. From the very beginning, they have been warning that it is impracticable. After it has become apparent that the Plan is encountering rough weather, their voices have become louder than ever before. But Government can ill afford to ignore this point of view merely because it does not conform to theirs.

For instance, Mr J. R. D. Tata is of the view that there is no alternative to a considerable re-phasing or curtailment of the Second Plan in view of the inadequacy of resources available in the country. The present difficulties have stemmed mainly from an overestimate of our internal resources and an underestimate of our foreign exchange reserves. Moreover, the emphasis has been mislaid on the size of Plan instead of on the ultimate goal. Smaller steps are more likely to bring us nearer our goal than big steps which will involve us in all sorts of difficulties. Mr Tata has pointed out that, even now, it is not too late to carry out the necessary cuts and, in this regard, he advocates the postponement of the third steel plant and the diversion of the funds thus saved toward building additional fertilizer and steel using industries as these will yield higher foreign exchange. Economies can be effected in other directions as well, and he mentions particularly expenditure on civil administration, which has nearly quadrupled in the course of the last five, six years.

Whether Government choose to accept Mr Tata's views on the re-phasing of the Plan or not, they should bestow their closest attention on what he has to say on the working of the private sector. First of all, he has drawn attention to the fact that there is unanimity among businessmen and Government as regards the objective of the nation. Industrialists realise that the days of unrestricted free enterprise are gone for ever. They have accepted the concept of mixed economy and their understanding of it is that, in it, the private sector will be given an important role.

The point at issue now, therefore, would appear to be whether, having accepted the concept, Government have adequately discharged their concurrent responsibility of providing the private sector with the necessary facilities to function effectively. Mr



Tata says that Government have signally failed in this regard. Much damage has already been done by the fiscal and other measures initiated by Government in recent years.

Mr Tata is not the first person to refer to what appears to be the disastrous consequence of Government's taxation policy. In recent weeks, three other prominent spokesmen of the private sector have stated in unambiguous terms that industries in the private sector are very near breaking point on account of the heavy burden imposed in recent years. It will be wrong on the part of Government to ignore such overwhelming evidence, which at least clearly indicates that private enterprise is not in robust health.

In CALCUTTA

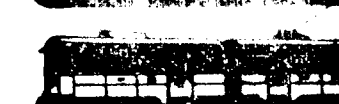
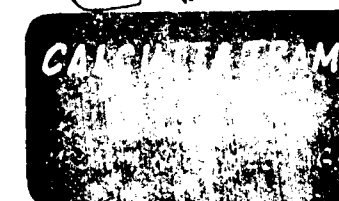
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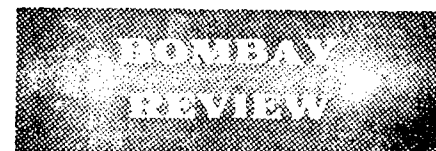
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New Tyre Factory

The proposed tyre factory under the stewardship of Tatas will be a welcome addition to the tyre manufacturing capacity in the country. At present Dunlop and Firestone are the only two producers of automobile, aero and tractor tyres and tubes. These units, between them, account for the entire production of giant, passenger, tractor and aero tyres and tubes and nearly 90 per cent of bicycle tyres and tubes. There are three other units engaged in the manufacture of bicycle tyres and tubes. With the rising tempo of industrial and economic activity in the country, it is to be expected that road transport will be called upon to bear a sizable portion of the increase in goods and passenger traffic.

As a corollary to the increasing demand for facilities for the movement of goods and passengers by road there will be a corresponding increase in road-building and the Second Plan envisages the building and upgrading of 20,000 miles of additional road. It is estimated that an addition of 10,000 to 12,000 trucks per year will have to be targetted for and that, if the requirement of replacement of over-aged trucks is taken into account, a fleet strength of 160,000 trucks by the end of the Second Five Year Plan will be essential to handle the growing goods traffic by road.

A direct consequence of the increased production of motor vehicles of all types in the country will be a sizable increase in the demand for original and replacement equipment from the tyre manufacturing industry. The estimated requirement of automobile and bicycle tyres by 1960 is 1,620,000 and 11,000,000 respectively. Such demand will grow further in the third plan period.

The factory which will be called the Ceat Tyres of India, Limited, will be floated by Tata Sons in collaboration with the well-known Italian industrial firm, Ceat S.P.A. The new company will have an authorised capital of Rs 4 crores and a paid-up capital of Rs 1.15 crores, of which 60 per cent is to be subscribed by the Italian firm and its associates and 40 per cent by the Indian public. This issue will be underwritten by the Investment Credit Corporation. The company will have no serious difficulty in finding the requisite foreign exchange as the capital subscribed by Ceat and its associates will be in the form of imports of plants, machinery and structures for the factory.

The technical know-how is to be supplied by Ceat Gomma, one of the subsidiaries of Ceat S.P.A. As the company has also a technical agreement with a well-known American company, the General Tyre and Rubber Company of Akron (Ohio), to exchange the most up-to-date technical knowledge, the Ceat Tyres of India will

have access to the technical know-how from both Italy and US.

★

LIC's Progress

The preliminary figures pertaining to the record of life insurance business in India during 1957 make heartening reading. These also dispel the apprehension occasioned by the poor showing of last year that with the advent of the Life Insurance Corporation there will be a fall in the tempo of new business written. Statistics so far available show that a business of Rs 256 crores has been completed during 1957. The figure is higher than the earlier ones and compares with Rs 258 crores, Rs 238 crores and Rs 188 crores in 1954, 1955 and 1956 respectively.

The Chairman of the Corporation had indicated in the middle of the last year that the LIC would reach the level of Rs 250 crores of completed business during 1957.

A press release issued last week by the Central Office of the Life Insurance Corporation states that, after recording the figures available to date, the Corporation has crossed the target. According to the latest figures available at the Central Office showing the position as on 20-1-1958, the business completed for 1957 amounts to Rs 256 crores with a further business of at least Rs 9 crores awaiting formalities. Proposals for insurance introduced aggregate Rs 320 crores. Final figures will be available after receipt of particulars from the various Divisions based on completion of business introduced before 31st December 1957 on which full first year's premiums were collected and in respect of which the Corporation was on risk on 31st December 1957. Total of Rs 256 crores relates only to all business done within the country. Foreign business is being accounted for separately.

Apart from the fact that 1957 has proved to be a record year for the life insurance industry in our country, the industry's performance last year is in sharp contrast to the state of affairs in 1956. The upsurge in activity which has been apparent since the beginning of the year has gathered fresh momentum toward the close as will be evidenced by the quantum of business introduced in the four weeks in December 1957.

★

Housing Problem

One of the problems which has been plaguing the Bombay Municipality, has been that of providing adequate housing facilities to the population of the city especially the industrial workers. The efforts so far made by the Municipality in this direction have failed to produce any tangible improvement in the existing situation. The shortage

of raw materials has aggravated the difficulties of the Municipality in facing the problem of housing shortage.

Speaking at the quarterly meeting of the Association of Indian Industries, Mr V. L. Gidwani, Municipal Commissioner of Bombay pointed out that the problem could be tackled effectively only with the cooperation of the private sector. State Government, railways, port trust and the public. The difficulties of the Municipality are more precisely that of securing adequate funds for house construction. An end to this can only be envisaged when the public and the private sectors as pointed out by Mr Gidwani come forward to give long term loans to the body at a small rate of interest.

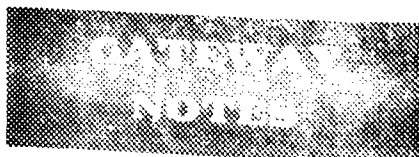
The Municipal Zoning Scheme of the Corporation has met with some opposition from certain quarters and in this connection, Mr S. M. Dahanukar who presided over the meeting urged the authorities to see that there was no harassment of industries to shift unless it was found that in their present premises they were causing great inconvenience to residents nearby. But such rationalisation and planning as were implied in the Zoning Scheme were made inevitable by the erstwhile chaos. Even the existing arrangement, in the absence of sufficient statutory powers for the Municipality to enforce the measures, has not been as effective as was expected at first. Mr Gidwani suggested that association of industries should promote public companies for acquiring large blocks of land to promote industrial estates in suitable areas and promised that the Municipality would help such efforts in respect of providing roads and water facilities.

The chief difficulties met by the industrialists in providing housing accommodation for the workers seem to be the prohibitive price of land, lack of adequate loading facilities at the local railway station and absence of suitable areas for housing the workers. Therefore, it was suggested by Mr Dahanukar that the Government should prepare a layout, construct roads and provide essential services on the Estates to attract manufacturers.

★

A Reactionary Trend

The proposed reduction in the dearness allowance of workers by some mills in Vidarbha has, as is to be expected, raised a storm of protest from Labour. Mr S. R. Vasavada, General Secretary of INTUC, has already dismissed the suggestion as ridiculous and has warned the employers that the workers will not agree to it. His argument is simple: How can anyone think of reducing the allowance when everywhere in the country workers are demanding an increase in wages in view of the rising cost of living.



The spokesmen of the mills are equally vehement about their contention that the only way open to them is asking labour to agree to a cut if the mills are to carry on at all. They point out that between mounting stocks due to poor offtake which in its turn has been brought about by the heavy excise duty and drastic depletion of funds on account of heavy taxation and credit restrictions, the textile industry in general and the marginal and uneconomic units in it in particular are finding it impossible to carry on even from day to day. In this connection it is to be noted that the closure of a few units is considered imminent.

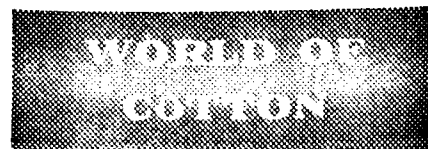
It may be remembered that a similar situation obtained some time ago in Sholapur and that Government have had to take up the responsibility of management of some mills themselves. Now the developments in Vidarbha seem to be heading toward a more serious crisis. It would appear that as Mr Vasavada has pointed out that the time has come for a comprehensive enquiry into the working of the mills in Vidarbha. For only such a thorough examination will help in finding out the extent of the damage done to the mills by the cloth excise and the taxation and other fiscal policies of Government. The facts that will thus be made available will also help labour to find out what is good for them.

★

Food Position

Even after one year of its inauguration, the zonal system for distribution of food which was expected to ensure sufficient supplies to all parts of the country, while it had met with a measurable degree of success in some cases, seems to have singularly failed in relieving the position in Bombay State. The State has not yet been able to wipe out its deficits in regard to rice requirements.

In regard to rice, the problem of meeting the deficit had been aggravated by cutting off supplies of rice from Madhya Pradesh which until lately was allowed to export its surplus rice to Bombay. Further no rice imports are permitted to Bombay from surplus areas like Andhra Pradesh, Orissa and Punjab. And in spite of the zonal arrangement smuggling of large quantities of food grains, from neighbouring States seems to have been on the rise. This has received stimulus from the low prices for food grains ruling in those States. In such circumstances, the State Government are of the view that such smuggling could be effectively checked only when they are given freedom to purchase food grains from States with surplus stocks, and to sell them in the Bombay State.



LISTLESS conditions have prevailed in the Cotton market during the week under review. While price movements in the futures section have been moving irregularly, trading in the spot market has been restricted in the absence of fresh support. Even the announcement of an export quota of 50,000 bales of Bengal Deshi has not produced any effect on the market. This is mainly due to the fact that the absence of any reduction in the export duty has chilled the enthusiasm created by the announcement.

In this connection, it is pointed out that only half the quantity of Deshi varieties is consumed by the textile industry and the balance is usually earmarked for export. The output of this variety is estimated at 3.75 lakh bales during the current season and the carry-over from the previous season is placed at 40,000 bales. It is, therefore, suggested that an export quota for 1.5 lakh bales can easily be granted.

Price competition from Pakistan in regard to the Deshi variety is another factor to contend with. The average export price of this variety of Indian cotton works out to Rs 820 per candy (including an export duty of Rs 200 per candy), while Pakistan is offering this cotton at Rs 808 per candy, which includes an export duty of Rs 160 candy. Thus, the difference in Indian and Pakistani prices varies between Rs 12 and Rs 20 per candy, depending on quality.

Again, operators are taken aback to find that stocks of unsold cloth with the mills are still high. The improvement following the conversion of Sales Tax on cloth into excise duty and a cut in excise duty on medium cloth has proved to be temporary. The industry is still facing heavy accumulation of stocks. Many mills have, therefore, been adopting a hand-to-mouth policy in regard to their purchases of cotton since cloth prospects have not brightened.

On top of these, reports of a bumper crop of Bengal Deshi cotton in the Punjab and Ganganagar circles have caused considerable uneasiness in the trade. Huge stocks are reported to have accumulated with the factories in the Punjab and prices have receded to low levels not seen in many years. Total supply, including the carry-over from last year, is estimated to be well over 4 lakhs bales. With consumption in India being only about 2 lakhs bales and exports sanctioned so far amounting to one lakh bales, there still remains a surplus of one lakh bales. In these circumstances, unless the Government reduce the existing high export duty so as to nullify the price advantage offered by Pakistan, it seems doubtful if the entire quota will be taken up immediately.

For obvious reasons, sentiment in the cotton futures market re-

mained depressed, while the inauguration of futures trading at Akola accentuated the fall in prices. The turnover was only about 20,000 bales. Against the previous closing of Rs 683.50, ICC Jharilla March opened easier at Rs 677 and, after receding further to Rs 671.25, improved at the close to Rs 674.75. May delivery touched a high of Rs 672.50 and a low of Rs 669, to close finally at Rs 670.50.

×

SPOT MARKET:

Trading in the Spot market was quiet, reflecting trade disappointment over the Commerce Minister's statement at the Export Advisory Council meeting that no further export quota would be released. New crop Laxmi, Khadesh, Jharilla and Surti varieties were only in modest demand.

For reasons stated earlier, the export section remained dull.

On the import front, there was no development. New import programmes are awaited for East African, Egyptian and Sudan cottons. The general expectation is that import quotas may be forthcoming after the meeting of the Import Advisory Council. Meanwhile, trade attention is centred around the Egyptian delegation, which is reported to have arrived. With the Commerce Minister's reported statement that he would consider favourably more imports of East African cotton in relation to American types, the trade is hopeful for an early release of import quotas in these varieties. Prices, however, remain unchanged.

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NEW YORK COTTON MARKET:

Price movements in the New York cotton futures market were rather irregular. A lower forecast of domestic cotton consumption and the uncertainty on the level of the interim cotton loan for the 1958 crop discouraged rallying tendencies. The market, however, staged a recovery, partially on trade buying and short-covering; but eased again towards the close as selling increased. There was some switching from nearby March to later months.

The US Department of Agriculture has estimated domestic consumption, this season, at 8 million bales, which is down 600,000 bales from its November estimate. The Agricultural Department has also announced an increase in price support on the 1958 cotton crop to 81 per cent of parity as compared with 78 per cent of parity from the 1957 crop.

The Department has stated that the average support level for the 1958 crop will figure out to 39.75 cents a pound for Middling 7 cotton as compared with 28.81 cents in 1957. Supports may be adjusted upward if cotton supplies decline by the time the next marketing year begins on August 1.

Listless Conditions

Meanwhile, Middling Spot is quoted at 36.10 cents per pound.

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LIVERPOOL COTTON MARKET:

Values on the Liverpool cotton market showed a further small improvement last week with the distant mixed contract deliveries being supported by commission house buying. The advance attracted hedge selling and, with professional realising, the close was barely steady. Trading remained inactive in the Sudan contract.

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KARACHI COTTON MARKET:

The easy trend, noticed in the Karachi cotton market, gathered momentum during the past week, thanks to persistent selling induced by continued slackness of foreign demand and poor domestic spinner interest. Towards the close of the week, there was a slight recovery in prices following speculative support being influenced by the reports that Japan would shortly make sterling allocation for the purchase of 15,000 bales of short-staple cotton. Sind Deshi was quoted at Rs 70; Punjab Deshi at Rs 67-8; LSS Punjab Rs 79-12 and N.T. Rolling Rs 80-4.

×

CLOTH AND PIECEGOODS: Conditions in the Piecegoods market remained steady. Inquiries from several consuming centres have broadened; but demand from the South Indian centres is yet to improve. But, in spite of the steady offtake, the quantity of unsold stocks with the mills is said to be still heavy.

From the peak figure of 664,000 bales on the 11th January, stocks of sold and unsold cloth with the mills have come down to 616,000 bales as on the 25th January. Last year this time, stocks were in the vicinity of 514,000 bales. It is still considered problematic as to whether this pretends a definite change in the psychology either of the wholesale trade or of the consumer. Following were the stocks of cloth (in bales) held by the mills during the past year:—January 514,188; February 527,631; March 543,706; April 534,767; May 469,672; June 506,764; July 539,210; August 563,200; September 572,163; October 605,526; November 612,138 and December 659,885.

Also, conditions on the export front were steady. Satisfactory business was reported with Sudan. Trading conditions in Aden seem to have improved slightly and there have been modest enquiries from this destination. Inquiries were also received from Ethiopia, while some business was booked with Iraq. Business with East Africa was moderate.

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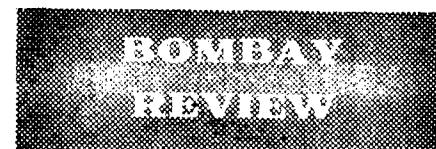
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M. C. MUTHIAH Chairman C. P. DORAICANNU General Manager



Buoyancy in Bullion

THE Bombay Bullion Exchange continued to present a firm front in the midst of general depressed conditions in other commodity and share markets. Firm in their conviction and in full control over sentiment, bull operators dominated the market and manipulated prices to their own advantage despite imposition of margin.

In general, the trend of demand for both silver and gold has been reassuring and the traders are inclined to look forward to a generally satisfactory performance with a few spells of periodic dullness.

So far as Gold is concerned, prices have touched fresh higher levels as stocks are depleted and unauthorised arrivals have dwindled considerably. The tighter sealing of the Indo-Pakistan border and increased vigilance within the country have coincided with the brisk demand from Calcutta, Madras and North Indian consuming centres. The reduced offerings of indigenous gold during the last few days have also gone to tighten further the supply position. With the result, forward rates were taken further up to Rs 112.69 from Rs 112.44, while the ready position is quoted around Rs 113.87. Sovereign remained firm at Rs 71.50.

The position in respect of Silver has been more or less identical.

Thanks to the recent spell of consistent local as well as uncountry demand, the supply in Bombay is reported to have declined by about 500 to 1,000 bars during the last one month. Lesser arrivals of silver coins from Tibet on account of winter have also reduced the supply position. Arrivals and offtake are balanced at 17 bars. Forward rates moved between Rs 188.69 and Rs 189.50, while the ready position is quoted around Rs 189.06.

There is a general feeling that the offtake of silver, during the next two months, will remain good. Even since Tibetan coins were allowed as from April 1956, India is estimated to have absorbed about 38,000 bars or even a little more. This is something spectacular.

Oils & Oilseeds

Although the markets for Oils and Oilseeds commenced on a discouraging note under the lead of groundnuts, values improved slightly towards the close on technical considerations.

The Union Commerce and Industry Minister's refusal to grant export quotas for Groundnut Oil and HPS groundnut, for the time being, has caused a feeling of disappointment. This is reflected in a modest drop of about Rs 2 from

the week-end levels. It is pointed out that the setback in the market would have been more sharper, but for the healthy spot position. In the futures section, February delivery touched a high of Rs 154.75 and a low of Rs 153.25, to finish the week at Rs 154.62. Ready bold was quoted at Rs 30.37 and Groundnut Oil at Rs 16.62.

Meanwhile, the announcement releasing 20,000 tons of Groundnut Oilcake for exports has provided some consolation to exporters. This is reflected in the rate gaining Rs 10 to Rs 12 per ton. Shippers have envisaged a favourable outlook for exports to the UK and the Continent where the current rates are placed around £27½ per ton c.i.f.

Price movements in the Castor-seed section were confined to a narrow range. The dull atmosphere in the market was attributed to the absence of fresh overseas demand for castor oil. May delivery touched a high of Rs 139.62 and a low of Rs 138.62, to finish at Rs 155.62. Ready was quoted around Rs 27.25 and Castor Oil, commercial quality, at Rs 14.00.

Prices in the Linseed section, however, developed a slightly hardening tendency due to short-covering, stimulated by higher up-country advices and the reports that shippers had been able to put through export business for about 300 tons of linseed oil at £105 to £105½ per ton. May delivery changed hands at Rs 29.31 to Rs 29.50, while the ready position is quoted at Rs 28.25 and Linseed Oil at Rs 15.44.

Trading in the Cottonseed section was featureless with the May delivery moving between Rs 95.25 and Rs 98.00.

Yarn

Conditions in the Yarn market continued to remain dull with the prices, especially of Staple-Fibre, showing a further drop from last levels. Mills from Madras and Coimbatore were reported to be eager sellers, while the offtake in Calcutta and Delhi was low.

In Rayon yarn, business put through was meagre as traders adopted a wait and watch policy, pending a clearer picture of the import policy for the March/October period.

In the Spot section, National Rayon 120 1st quality was quoted at Rs 4.46 as against Rs 4.56 per pound. The Japanese and Italian varieties remained mostly unchanged.

Sentiment in the Cotton Yarn section continued to remain depressed although prices ruled practically unchanged. There was a general feeling that the export outlook was poor, while many spinners were willing to dispose of their production to handloom and powerloom factories at concessional rates.

Non-Ferrous Metals

With the exception of Copper which ruled firm due to continued scarcity of the metal, conditions in other sections of the Non-Ferrous Metal market ruled quiet. It is believed that, as a result of the discussions the Government of India had with the established importers and the actual users, a scheme is likely to be introduced by which the established importers will have to sell metals to the actual users under Government instructions and at a nominal profit in all the important metals. While this should end the complaint of the actual users, the Government are understood to be examining the price structure of the rollers. It is considered likely that the Government may take some action to bring down the profit of the rollers, so that non-ferrous metal utensil manufacturers can sell their finished products with reasonable level of profits.

Meanwhile, ready Copper ruled firm at Rs 175 per cwt, while Zinc was quiet at Rs 53 per cwt in view of the comfortable stock position. The stock position of Lead was also healthy, resulting in the rate hovering idly around Rs 64 per cwt. Trading in the Tin section was featureless, the rate being quoted around Rs 128 per quarter.

On the London Metal Exchange, Copper was quoted at £162½ per ton. There are reports that the Japanese copper smelters are cutting their production by 25 per cent. Zinc ruled better at £65 per ton. The cutback in the production of this metal is, it is felt, adequate to stabilise the market. Moreover, consumer demand in the UK is now better than in the previous week. Lead ruled remarkably steady at £73½ per ton, mainly attributed to the continued import of this metal into the USA in anticipation of higher import duties at a later date. Tin ruled quiet at £730 per ton. Heavy arrivals in the UK are expected in the next few days.

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Budget Session Begins

PARLIAMENT begins its Budget session this year in an atmosphere tense with unresolved mysteries and unanswered questions about the immediate future of one of the most important members of Government. What has added to the piquancy of the situation is the fact that it has become tantalisingly difficult to predict about the developments of the next few days. Indeed, the difficulty has increased rather than diminished with the passage of time. This may appear somewhat paradoxical, but it is a fact that, until the meeting of the Congress Parliamentary party over the week end, observers here were fairly confident about not only the possible contents of the Chagla Commission Report, but also the possible subsequent developments. It may be such assumptions were premature, but they were there.

But Mr Nehru's speech, at the meeting of the party's Parliamentary wing, has thrown all prophetic wings into some confusion. Mr Nehru made it clear, of course, that it would not be useful to discuss the question till the Report of the Commission was actually submitted, and that when it was so submitted, the fullest possible discussion would take place. But, despite these reservations, some of his remarks at the meeting have every appearance of having been made with the deliberate purpose of rousing his party men and his countrymen from a too exclusive absorption with the Chagla Commission's inquiry. In the first place, he elaborated his earlier appreciation in Bombay of the splendid work that the Finance Minister has been doing in the last two years. It is a fact of some psychological interest that this undoubtedly splendid record of Mr Krishnamachari's stewardship of the finances of the country at a very difficult period has had but niggardly acknowledgment from his party men. This lack of generosity has now found a remote rationalisation in the alleged acts of the Finance Minister over the LIC deal. Mr Nehru's first purpose was to clear this fog of prejudice against the Finance Minister.

Mr Nehru went even further. It is possible to read too much into his remarks, but the context and terms of his reference to the constitutional issues involved in the LIC deal, in so far as they concerned Mr Krishnamachari, were extremely significant. It is an open question whether or not the terms of reference of the Chagla Commission included the constitutional position involved in these transactions. In any case, we must await the Report of the Commission to find out what view it has taken of its duties. And even on the constitutional questions involved, the situation, as Mr Nehru pointed out,

is not quite simple. In Mr Nehru's view, though we have been following the British Parliamentary system in our country, it is for consideration whether or not we should forge our own conventions with regard to constitutional proprieties.

This indication of the way in which Mr Nehru's mind is working is extremely important, for two reasons. Firstly, and in relation to Mr Krishnamachari's immediate future, it would seem that Mr Nehru would be willing to deprive himself of Mr Krishnamachari's services only if the Chagla Commission's findings fix direct, personal and factual responsibility on the Minister for any irregularity in the LIC deals. In other words, the doctrine of vicarious responsibility of the Minister, of which so much was said during the inquiry itself, is something which the Prime Minister considers needs reconsideration in our present context. And, if one may hazard a guess on the tenuous evidence of the observations and the surrounding circumstances, Mr Nehru would appear to reject the theory of vicarious responsibility at least at the stage of development in which we find ourselves. If this is indeed Mr Nehru's view and he persuades (as he, in all probability, will) his followers to accept it, it would be an event of considerable significance to our constitutional history. And this is the second reason why I consider Mr Nehru's remarks significant.

In the light of all this, the events of the next few days are fraught with momentous interest. Not only the future of an important and almost indispensable (at any rate at this juncture) member of the Cabinet is to be decided but also far-reaching constitutional conventions may be forged in consequence. Of course, all this assumes too much on the contents of the Commission's Report, which as I write, is just in the hands of Government. But, by the time this despatch is in your hands, some of the uncertainties would have resolved themselves one way or the other.

It is a measure of the obsessional interest generated by the LIC inquiry that so much of the space of my despatch reporting the new commencement of Parliamentary session should be taken up with it. Considering that the session is to unfold in a few days the final shape of the core of the Plan, and the Budget for the next year, this diversion of interest is all the more striking. But it would be a mistake to underestimate the importance to the future of the country of the decisions that are to be taken on these substantial matters in the course of the next few months.

From the point of view of scanning what the future has in store for us, the customary address by the President to the Joint Session of Parliament was somewhat barren of interest. Indeed, most of his address was taken up with a review of the activities of the last year and the success that has attended our efforts and the difficulties that have been overcome in the course of our endeavour during that period. But the President re-emphasised Government's determination not to allow themselves to take the easier but "not the gainful or constructive way" of slowing down the rate of progress. Though the President could not obviously indicate the details, he stated that we shall shortly have a clearer outline of the Plan rephrased to overcome current difficulties over foreign exchange. He also indicated what might well become a major shift in policy, namely, the decentralisation of the community project administration with a view to mobilising local democratic impulses toward purposeful endeavours. Among more particular promises is the possibility during the Second Plan period of one or more atomic power stations. The President also reiterated our general policy with regard to international affairs and, in a particular reference to the request for atomic weapons by Baghdad Pact countries, deplored it and added the assurance that we do not intend to produce, though we have the technical resources to do so, atomic weapons.

For the rest, the President's address was notable for its assurance that the difficulties of the past year have been brought under control and for the general tone of optimism that he brought to the immediate tasks. The economic situation has improved steadily since the President last addressed Parliament. The President referred to the improvement in the foreign exchange position, in which context he thanked friendly foreign countries (especially the US) who have come to our assistance. He quoted the increase in agricultural and industrial production and the substantial success achieved in the restraining of the inflationary pressures as further evidence of the economy being in fairly good shape. Emphasising that our difficulties were those of development, the President called for concerted efforts to reach the goals the country has set itself.

By way of post script, I should like to return to the Chagla Commission's Report. Since writing the earlier portion of this despatch, some indications are available about the actual finding of the Commission. It is believed that the ninety page report of Mr Justice Chagla fixes the responsibility of the deals on Mr Krishnamachari

and Mr H. M. Patel. It is believed that the Commission is of the view that the executive responsibility of the transactions is that of Mr Patel, who, the Commission thinks, could not have acted without consultation with the Finance Minister. The Commission is also reported to have been of the view that the Minister must, in addition, bear the constitutional responsibility for the deals. As at present advised, it is not clear what view the Commission takes of the soundness and bona fides of the deals themselves.

It looks as though we may all have to wait longer than originally anticipated for the official release of the Report. It was earlier expected that the Report would be presented to Lok Sabha on Wednesday, but it now appears that the Report is still being studied by Mr Nehru and will be considered by the Cabinet on Wednesday. In all probability, it will be presented to the Lok Sabha on Thursday and will be released to the public shortly thereafter.

Except that it now seems certain that Mr Krishnamachari will press his resignation, it is difficult to say anything definitely at this stage. The situation will perhaps be clearer by the end of this week. As I said last week, should it become inevitable that Mr Nehru should accept, for whatever reason, the Finance Minister's resignation, it would be one of the most unfortunate things to have happened. This is so especially in view of the fact that the first fruits of TTK's efforts have, as the President's address showed, started making their appearance.

Whether or not Mr Krishnamachari resigns, and whether or not such resignation is the direct result of any adverse remarks that might be made by the Chagla Commission, there can be no doubt that the whole affair has, as I said last week, all the attributes of Greek tragedy. Once the drama got under way, there was no break, no intermission in the story that it had to unfold. But I may mention here that, although the tragic characters had, in consonance with Greek definition, courted disaster almost inevitably, there is, in Delhi, the impression that the enquiry has, from every point of view, been much less than satisfactory. One almost gets the impression that the Government's case has gone by default. One also gets the impression that the Attorney General went beyond his province and has indulged in a denunciation of State enterprises that was not called for. So, whether or not TTK resigns, one thing is certain: the debate over this affair is likely to be prolonged—and, may be, even bitter and acrimonious.

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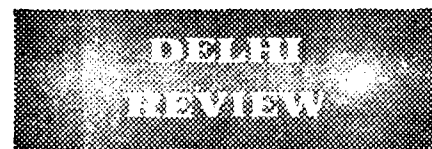
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Outlay on States' Plans

The outlay for the States during the third year of the Plan has been fixed by the Panning Commission at Rs 386.30 crores against a total of Rs 500.83 proposed by the State Governments. The pruning of the States' original proposals by Rs 115 crores seems to have been rendered necessary in view of the limited resources left with the Centre consequent on the recommendations of the second Finance Commission. The increased commitments of the Centre in respect of the steel plants, railways and coal development were partly responsible for such pruning. The figures given here refer to the outlay of only 14 States and exclude the Centrally-administered Union territories. The outlay in respect of the latter is still being worked out and the total for them is expected to come to another Rs 10 to Rs 12 crores.

Apart from the scaling down of the Plans of the State Governments for the third year of the Plan, they have also been asked to reduce deficit financing to a lower level in 1958 than in the first two years of the Plan. If expenditure is to be maintained at the old level the State Governments would be required to secure more resources internally. While small savings should offer a way for increasing the States' revenue, there seems to be scope for raising revenue in other ways also. For example in Madhya Pradesh the land revenue assessments and water rates would seem to admit of some upward revision at the present level of agricultural prices. Similarly the arrears of taccavi loans were also enormous, their advances having exceeded the recoveries.

In respect of programmes touching agriculture great stress has been laid on the need to pay sustained attention on minor irrigation works. To facilitate speedier implementation of agricultural programmes the States have been advised to concentrate on projects yielding quicker results in preference to long-term programmes. Fuller utilisation of every kind of irrigation facilities is one of the ways that should suggest to the Governments in the drive at quicker implementation of the programmes for agriculture. Agricultural production would also show better results if it is properly coordinated with the community development programmes.

In the field of social services the most glaring deficiency is perhaps the great leeway still to be made in regard to education. Though a dead line had been fixed for the introduction of compulsory primary education throughout the country by 1965 how far this would make headway would depend on what the State Governments do to tackle the problem in the course of the Second Plan. The State Governments have been asked to utilise fully the provision made for this purpose under the Second Plan within the

Plan period. In regard to housing a phased programme regarding the acquisition of land for industrial housing in place of yearly schemes as is the case with some States like West Bengal at present seems to have found favour with the Planning Commission.

* "Socialism Through Peaceful Means"

The Communist Party of India has made a radical departure from the orthodox preference of means, by amending the Party's Constitution to accommodate "socialism through peaceful means". For aught we know, this is the first time that a Communist party anywhere in the world registers formal acceptance of peaceful means for the attainment of its objectives. In taking this step, it has to be presumed, the Indian Party leaders have secured prior approval from their international colleagues to whom every national leadership habitually looks for life and guidance.

Having been able to secure Governmental authority through peaceful and legitimate means in one of the States of the Indian Union, the Communist Party can justifiably hope to repeat the performance in more States. If wedded to violence, the party will find its freedom of activity curtailed and the chances of securing public support may also be less.

Eschewing violence, the party can easily identify itself with whatever is convenient in the Congress platform and at the same time will be free to criticise and condemn whatever suits its public relations programme. It is therefore an admirably poised position for the party to strengthen its hold on the people. While claiming a share of the credit for the economic progress achieved by the plan, the party can shift the entire blame for deficiencies and lapses on to the Congress. Incidentally, untamable unemployment will continue to give the party the powerful whip it needs to beat the Congress with.

By accepting socialism through peaceful means, the distinctive marks of the leading political parties in India could be completely blurred to the utter confusion of the masses. Henceforward, socialism through peaceful means will be the common slogan for the Congress, the Socialist, Praja-Socialist and the Communist Parties, not to speak of the innumerable tiny local groups obtaining all over India.

* Progress of Education

Maulana Abul Kalam Azad's presidential address to the recent meeting of the Central Advisory Board of Education should serve to dispel some of the doubts and apprehensions which have come to

vitate discussion on the progress of education in the country. The main obstacle has been and continues to be, according to Maulana Azad, the non-acceptance by the Planning Commission of the theory that the spread of education should precede all developmental activity for the simple reason that progress in other fields without widespread education will fail to achieve optimum results. This is borne out by the scant attention paid to education in the First Plan. In spite of the Union Education Ministry's strenuous effort they have not been able to get the allocation asked for in the Second Plan also. Originally the estimate has been Rs 1,000 crores and when it has been subsequently halved to Rs 500 crores which in the opinion of the Ministry will be the minimum required, what they finally have been allotted is only Rs 300 crores. The Ministry has never left it in doubt that this sum will be grossly inadequate to carry out the abridged programme. This is not the end of the story. With financial difficulties assuming almost unmanageable proportions in the past two years, education also has had its share of the general pruning and the programme of educational buildings has been cut down.

Apart from the financial stringency the programme of education has also to grapple with the general lack of suitable personnel and Maulana Azad has mentioned the general inertia of the people as one of the impediments in the way. In the context of these inhibitory influences, therefore, the advance recorded in the field of education in the past few years must be deemed to be quite satisfactory.

On the controversial issue of official language of the Union the decision seems to rest with the Parliamentary Committee but Maulana Azad is emphatic on the need for the rapid development of Hindi. In this connection he has pointed out that considerable progress has already been made. Neither has he left the place of English in doubt. Knowledge of English is considered essential for progress in all fields of education and Maulana Azad has pointed out that "this requires that we must give adequate attention to the study of English even at the secondary stage."

It is gratifying to note that Maulana Azad has drawn pointed attention to the role of teachers and the need to make the teachers feel that their services are properly appreciated. If it is accepted that education is the basis of all progress, it will be easily evident that the teachers who mould the mind of the younger generation which is destined to succeed to the responsibilities of governing the country deserve the utmost consideration at the hands of Govern-

ment. Any neglect of the needs and problems of this section of people will leave an indelible and ugly mark on the future of the nation as a whole.

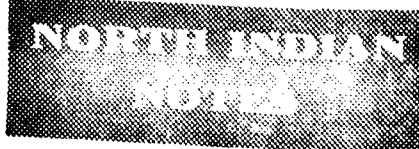
* Shellac Exports

The problems facing the shellac trade seem to have stemmed mainly from its rather uncertain position among the commodities. Perhaps the most important factor that militates against its stability is its availability neither on a large enough scale for industry to take an active interest in it nor too small to be completely ignored. It is this characteristic about the size of its production that seems to have been largely responsible for its difficulties. Moreover, it is difficult to forecast its availability in any particular year. The uncertainty about its production trend has, as is to be expected in such a case, led to a search for substitutes by consumers like gramophone record manufacturing industry. This has further reduced the demand. The violent fluctuation in the earnings from shellac may be seen from the estimate that during the current year shellac exports may bring in only Rs 2 to Rs 3 crores as against nearly Rs 6 crores during the last year, though the quantity has been more or less the same in both the periods. The decline in prices has become inevitable because of the limited scope for the commodity. It would appear that the steep fall expected this year is mainly due to the withdrawal of two big purchasers as well as the paucity of funds with the producers.

Mr Nityananda Kanango, Union Minister for Commerce, has rightly pointed out at the recent meeting of the Shellac Export Promotion Council that improvements in production forecast and the reorganisation of the producers on sound lines may reduce the uncertainty about shellac. Along with these, constant efforts should also be made to find new uses for this product in view of the growing competition from substitutes in the industries using shellac.

* Atoms for Medicine

Research in connection with the peaceful uses of atom in the country has revealed its revolutionary potentialities for diagnostic aids in medicine. In this connection, Dr H. J. Bhabha, Chairman of the Atomic Energy Commission stated, in the course of his address to the 12th Indian Congress of Radioactivity at Kanpur, that the Gamma rays produced by atom were of better quality and more penetrating than those of radium. Dr Bhabha stressed how important it was to know the safe dose for radiation of various types and tolerance levels for ingestion of different radio-active elements.



FOODGRAINS prices have been showing a downward trend during the past few weeks. They are appreciably lower at present than they were last year. The downward tendency is particularly noticeable in the case of Wheat. During January and February which are pre-harvesting months, prices of wheat normally tend to rise. But, this year, prices are not only down, but continue to show a steady decline.

In the case of Rice, although prices are not as low as they were last year, there is a downward tendency. For instance, price indices ranged from 91 in January 1957 to 96 in February and 97 in March. This year, the tendency is indicated by the fact that, in December 1957, the index stood at 102; in the first three weeks of January at 101 and in the last week of January 100.

In the Hapur market, conditions remained quiet. Although stocks are fast dwindling, the price trend is still bearish under the lead of Coarse grains. Good crop prospect is the main contributory factor, while the credit squeeze by banks against foodgrains stocks have gone a long way in easing the supply position. Wheat prices are quoted at Rs 15.25 per maund for the average variety and Rs 17 for the farm quality. Rice has recorded a slight fall, thanks to the satisfactory supply position. Appreciable fall in Gram prices in the Punjab have influenced local prices, which have eased fractionally. The markets for Maize and Bajra are, however, ruling steady. Sentiment in the Peas section continues to remain depressed due to good crop prospects and the demand is only at lower rates. Harvesting of early-sown variety will begin shortly. Arhar continues to attract good demand at almost unchanged prices.

In the Delhi grains market, Rice has recorded a further improvement of about Rs 4 per maund. Following reports of confiscation of rice stocks in the Punjab markets, buyers have become active. There is good demand for wheat. Owing to lack of timely rains, sellers are lacking, while stocks are also small. In view of the nearness of the crop, Gram prices are ruling easy in the absence of buyers. Bajra and Jowar have lost about 50 nP per maund for want of enquiry, induced by discouraging advices from the neighbouring States. The market for Pulses rules generally quiet as a result of slackened offtake.

The grains market in Bombay has passed another dull week. After a comparatively steady behaviour in the previous week, prices in the Rice section have developed a downward tendency, the fall being shared by both the old and new crops. The weakness in this commodity is attributed to sustained receipt from Andhra by road via Sholapur

Downward Trend in Foodgrains Prices

and a steady inflow by rail from other areas. In the Coarse grains section, Jowar has moved down by about Rs 5 per candy. The receipt of new jowar is stated to be fairly satisfactory and is expected to increase after about a fortnight. Bajra reflects a quiet undertone.

* Sugar

Sugar prices have tended to go up following good demand from the consuming centres. The export policy about the commodity having not yet been declared by the Government, the trade and industry are keenly awaiting the announcement, which will go a long way in shaping the future price trend.

Crushing is in full swing in West Uttar Pradesh as cane supplies are adequate. Ready mill-delivery prices have advanced by 19 nP to 25 nP per maund in the Muzaffarnagar market, as good business is done for the Punjab, Delhi, Gujarat, Saurashtra and the South.

Sufficient quantity is reported to have been sold by the factories out of the recently-released quota of 1.55 lakh tons for open sale. Following mill-delivery prices (per maund) are quoted in the Hapur market:—Meerut (D-28) Rs 35; Modinagar (B-29) Rs 36.50; Sim-

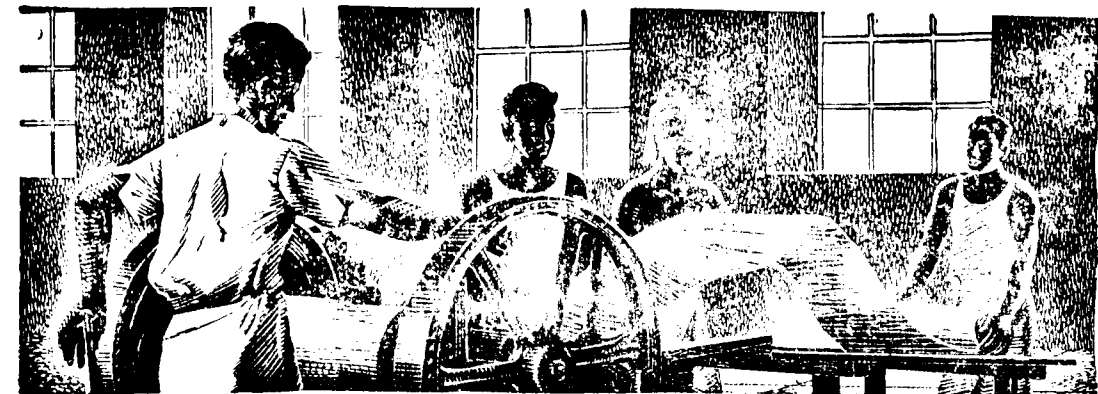
bhauli (E-29) Rs 35.37; Mansoorpur (B-29) Rs 37.62; Shamli (B-29) Rs 37; Daurala (B-29) Rs 36.81; Mowana (B-29) Rs 37.12; Amroha (D-29) Rs 34.62 and Bijnore (E-29) Rs 34.44.

Good demand from the Madras side accounts for 25 nP per maund advance in prices in the Kanpur market. Some of the factories have already disposed of their quota and demand from Saurashtra is keen. The undertone is fully steady.

There has been a marked decline in Khandsari arrivals and prices have moved up further, being now quoted at Rs 32 per maund.

* Gur

Despite loading restrictions to the Punjab and Gujarat sides—the two main consuming centres—ready Gur prices have improved fractionally due to support by stockists and in line with an appreciable advance in forward prices. Arrivals average 3,000 maunds per day, while stocks are estimated around 80,000 maunds. Forward delivery purchasers are reported to be keen to take delivery, while sellers are building up stocks for such delivery. Pansera quality is quoted at Rs 12.00 to Rs 12.12 and Balti at Rs 12.19 per maund.



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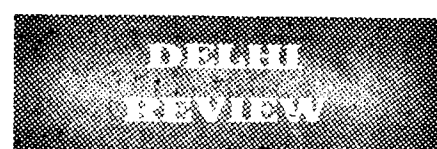
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In the Muzaffarnagar market, prices have also improved and daily arrivals average 5,000 maunds. Chakku Minja is quoted at Rs 14.50 to Rs 15.25 and Shakkar at Rs 14.50 to Rs 15.50 per maund.

* Shellac

Conditions in the Calcutta Shellac market have turned a shade quieter due to lack of fresh buying from overseas consumers. Pure TN quality, which was done upto Rs 84 per maund, is presently quoted around Rs 81. Shipments, during the current month upto 5th, were 15,052 packages, comprising 9,093 packages of shellac; 5,127 packages of seedlac; 175 packages of buttonlac and 657 packages of other varieties.

Also, in the London market, business done is reported to be moderate and prices have eased by a few shillings per cwt. There are reports that the Board of Trade, London, is now offering its lac at ordinary c.i.f. prices and has managed to dispose of a fair amount. Thus, stocks with the British Government stand at 3,647 bags now as against 4,495 bags at the end of December last year. February delivery is quoted at 188sh with sellers at 191sh per cwt.

MADRAS REVIEW

THE long awaited Report of Mr P. S. Lokanathan has just been published and circulated to the members of the Madras Legislative Assembly last week. In his Report, Mr Lokanathan has recommended the extension of the single-point tax to a number of articles. Though the Report is yet to be debated by the members of the Legislature, the reaction among the general public to the proposals of Mr Lokanathan must be one of general satisfaction since the inquiry itself was instituted in an atmosphere of growing opposition to the system of multi-point levy which was in vogue in the State.

Mr Lokanathan was invited by the Madras Government to examine the scope and working of the Sales Tax Law in the State with a view to simplifying its structure and administration. The scope for the reform of the existing system was suggested by the very nature of the structure as it obtained in the State. Madras has been following a pattern of multi-point levy in regard to sales tax as against the general practice of single-point tax in the majority of States in India, including West Bengal, Bombay and Bihar. The case for the inquiry rested also on the fairly long period for which the tax has been in operation during which, from a secondary position which it occupied in point of revenue during the few years following its introduction, it had come to occupy the top place as the most prolific source of revenue for the State Government. The percentage which it contributed to the total revenue had risen from 2.6 in 1939-40 to 32.9 in 1952-53. The frequent impositions of the tax on new and additional articles as and when demanded by financial contingency also meant that the system had grown in a haphazard way without any attempt being made at rationalising the whole structure. By the indiscriminate extension of the tax to almost all articles, including those articles of daily consumption, the tax has got itself into emotional entanglements. Being a multi-point levy, opposi-

Rationalising the Sales Tax

tion was not confined to consumers alone but came from other quarters also, such as the producers and traders.

Mr Lokanathan has examined the main aspects of the system, namely, structure and administration of the sales tax in the State, and has made recommendations touching both these sides of the issue. In regard to the former, the most important change that has been suggested is the extension of the single-point sales tax to a number of articles in place of the multi-point levy. And though he has rejected the demand for the outright abolition of all multi-point levies and has a list of articles for taxation on the latter basis, he envisages a period when the multi-point system as such could be abolished. Thus, the Report carries a presumption against the multi-point system of sales tax. The condition for the ultimate abolition of the multi-point system is the adequacy of the revenue receipts from the single-point tax. Even after this condition is satisfied, the wholesale abolition of the system is viewed only as a gradual process beginning with the raising of the exemption limit for the multi-point levy from the present level of Rs 10,000 to Rs 25,000 and the exemption altogether of essential articles from sales tax. Perhaps the difficulties in a sudden and outright switch to single-point system would have explained the stand in favour of a gradual transition.

The suggestion for a single-point tax would naturally be welcomed by all interests, since the single-point system is less complicated than the multi-point system and is also simple to understand. The main complaint with the latter has been that it impinges on the economic system and interferes with the movement and sales of goods at too many inconvenient points. This vexatious interference by the Government would certainly be reduced by the introduction of the single-point pattern. Thus, much of the psychological resistance to sales tax from the commercial interests also would wear away. For the Government, the single-point system should simplify the problem of administration of the tax, since the point and source of collection would be better and clearer defined. Since the problem of simplifying the administration of the sales tax law in the State was one of the terms of reference in the inquiry, this presumption is inescapable. When ultimately even the remnant of the lingering multi-point structure is finally done away with, as envisaged in the Report, a greater element of uniformity would be imparted to the structure of sales taxes in the country.

Mr Lokanathan has further suggested that, as far as practicable the single-point tax should be collected at the source from the producer or the importer as the case may be. The reason underlying this is that, when imposed at the source, chances of evasion could be minimised. If it is to be imposed at any other point, it would open the door to evasion by unregistered dealers, especially when exemption limit for the turnover of different classes of dealers come to be fixed. Questions of where exactly to draw the line for the turnover limit and the increase in administrative expense in case of low limit would further have to be dealt with. Collection of taxes at source would eliminate all such difficulties.

While, certainly, the single-point system would make the task of the Government easier, so far as the common man who in the last analysis bears the burden of the taxes, is concerned it is the rates of taxation which matter. The relative merits of the two systems of taxation on the basis of incidence are impossible of being correctly assessed. The single-point tax of the same rate as the multi-point rate would certainly not yield the same amount of revenue to the Government. The burden would be equalised only when the rate under the single-point system is raised by as many times as it is taxed under the multi-point system. Mr Lokanathan has, in his Report, recommended the reduction of the multi-point rate to 1 per cent. Considering that almost all the items in the daily necessities of the consumer are grouped for multi-point levy, this reduction of the rate of tax should give great relief to the low-income group. Further, very low rates have been suggested for such articles as paddy and rice and cereals, pulses, and milk. For articles subject to the single-point tax, rates ranging from $\frac{1}{4}$ per cent to 6 per cent have been suggested. Low rates have been prescribed for articles of common use while higher rates have been proposed for articles having a luxury value.

The question of administrative simplification has also been kept in view in regard to proposals for exemptions from sales tax. In this connection, it has been suggested that exemptions which afford scope for misuse and evasion should be avoided. It has further been pointed out that criteria for exemptions should be defined clearly in the Act. Exemptions to cooperative societies are not considered desirable and other methods to lighten the financial pressure such as subsidies and subventions have been mentioned.

One of the weaknesses of the Madras Sales Tax Law was that it had not been sufficiently rigo-

rous in regard to methods of preventing evasion. Though the extent of such evasion has not been known, it is generally considered to be of huge dimensions. Proposals for rationalisation of the sales tax system which do not include measures to meet this need would have defeated the purpose of the entire scheme. Mr Lokanathan has in his Report suggested a number of measures to check this. They are as follows. (1) Reduction of the multi-point rate and of the difference between the single-point rates in Madras and in the neighbouring States. (2) Issue of bills and maintenance of stock accounts should be made compulsory for wholesalers and single-point assesses. (3) All agents should be made to register compulsorily for and submit proof of their agency status. (4) Greater powers should be granted to departmental officials to check movement of goods in lorries and boats and to check consignments by Railway. (5) A special Intelligence and inspection Section should be created. While there is not much to be said against these proposals, difficulties arise in regard to the first one. For, in the event that the single-point tax with reference to a particular commodity in Madras is comparatively higher than that in the neighbouring State, the reduction of the tax to the level of that prevailing in other States would involve the loss of receipts to the Government. The taxation system would further have to be manipulated to accord with the practices of the neighbouring Governments. Even original fixation of rates at similar levels is no guarantee against further revision if the neighbouring States choose to revise their own rates. Thus, a common measure of agreement in regard to the rates between the Contiguous States would be warranted if this condition is to be fulfilled.

In regard to administration, Mr Lokanathan has suggested a number of measures to make the system efficient. Compulsory registration of all producers and importers of single-point commodities without any turnover limit, registration of all casual dealers from other States and agents of all kinds, abolition of the licensing system are presumed to safeguard against any evasion. The single-point system demands the maintenance, by those liable to the tax, of elaborate registers and accounts. Recommendations as to this have been made with a view to giving the least room for manipulation.

The separation of the appellate authority from the assessment authority for which a case has been made is calculated to promote administrative efficiency and make for quick disposal of appeals against the law in particular cases.

THIS MINISTER

50 YEARS IN INDIAN POLITICS

The Kerala Government have to be congratulated in taking a move for the abolition of dowry. They could have pioneered in this field but Andhra has stolen a march. The social tragedies which the dowry system even now bring about are innumerable and often pass without serious public notice.

A group of village leaders in Rajasthan have taken a similar step for reducing expenditure on death ceremonies. Non-official efforts can always stimulate legislation and even independently contribute toward amelioration of conditions inseparable from outmoded outlook and practices. It is when Governments and non-official agencies march together that the best results are achieved and in the smoothest fashion.

A word of caution is also necessary against any fanatic view being taken of expenditure on ceremonies. While the dowry is invariably a dissipation of wealth hard earned by someone or other, social ceremonies within limits cannot be condemned outright, particularly in rural areas where there is little else to relieve the tedium of life to provide occasional hilarity and facilitate social mixing. Expenditure on ceremonies is a factor for economic good.

Many petty businesses and avocations, as for example, those of the florist and the cook thrive or are being preserved with the aid of these ceremonies. To cut them out at one sweep would mean new recruitment in strength to the vast ranks of the unemployed. A little expenditure once in a way by families who can afford does sustain social equilibrium and is a sluice for emotional exuberance without which neither stability nor peace can be ensured.

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Village Officers

The report of the Village Officers Enquiry Committee just published by the Andhra Government contains many useful suggestions for the improvement of the prospects and conditions of the large number of village officers in the State. The Government have already accepted the main recommendations of the committee in regard to basic salaries and have ordered that the new scales of pay should take effect from 1st January 1958. An increase from Rs 2 to Rs 5 has been granted to the three classes of village officers who number about 47,000 and it is estimated that the additional cost to Government will be about Rs 15 lakhs.

The committee is of the opinion that village officers should continue to remain as part-time Government workers and that the hereditary system should be retained in a modified form. Another important recommendation is that

Good up to a Limit

village officers may be allowed to engage themselves in subsidiary occupations like stamp-vendors and branch post-masters within their village so long as the subsidiary occupation does not seriously interfere with the Government work. The committee has also recommended that the sons and daughters of village officers and servants may be given free education upto SSLC class. On the subject of educational qualification for village officers it has been suggested that the ultimate aim should be to raise it to SSLC Travelling allowance and daily allowance in certain specified cases, an increase in the existing rate when officers are required to go out of the village on Government work and additional remuneration for work in connection with loan collection have also been recommended.

The committee's suggestion that village officers may be made ex-officio members of panchayats without the power to vote but with the right to place on record their views on important matters will help ensure coordination between the revenue and panchayat administration at village level. In view of the important role assigned to panchayats in local self-government the active association of village officers in panchayat administration will go a long way in establishing an effective link between the village and the State Government. An essential prerequisite in this regard is the need to secure the willing cooperation of village officers. It is here that the suggestions of the committee can be of considerable assistance to Government.

★

A New Slant in Small Savings

The Madras Government are evidently determined to make a resounding success of the small savings drive. This is as it should be because this method of mopping up purchasing power with the community has the double advantage of containing inflation and providing the Exchequer with a sizable amount of much needed fund. The States have a special stake in the drive as the Centre has assured them that a good proportion of the proceeds will be given to them. The advice from the same source that they should desist from going into the market for loans has vested savings drive with a new sense of urgency and has helped give it fresh momentum.

It is, however, to be remembered that the small savings movement should not lose sight of the fact that there can be no element of compulsion. The investment must come voluntarily from the people especially in the rural area. Such ready response is possible only

when people at large come to realise that small savings give them not only a chance to put by something but that by investing in this wise they also make a direct contribution toward development of the country.

In this view, it would appear that the reported proposal of the Government of Madras to suggest to the employers to advance money to their workers in order to enable them to invest in national savings certificates is neither proper nor advisable. This hardly seems the correct approach. The Madras Government cannot have so soon forgotten the rather unhappy consequence of their "successful" loan collection in the not distant past. The representative of the Employers Federation of South India has pointed out that one of the unsavoury possibilities is that the employees may cash the certificate soon after buying them. An objectionable feature is the element of compulsion in asking the employers to advance money which rightly belongs to the shareholder or which the concern concerned has borrowed at a high rate of interest. The warning, however, seems to have fallen on deaf ears. It will be in the interest of everybody concerned if the State Government fully consider the pros and cons of their proposal before seriously putting it forward for adoption by employers.

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Improvement of Livestock

At a time when financial stringency is threatening to slow down expansion plans in general, it is gratifying to hear that in such an important sphere as the development of livestock, the Madras State will implement in full all the schemes drawn up for the Second Plan period. It hardly needs to be emphasised that improvement of livestock will go a long way in strengthening our rural economy in the first place. There is ample scope for profitable development work in this regard as the return from livestock is very poor in our country though in point of numbers we occupy a prominent place among the countries of the world.

The allotment under the current plan for animal husbandry schemes for Madras is Rs 217.48 lakhs and Mr M. Bhaktavatsalam, Minister for Agriculture revealed in the course of his speech at a meeting of the Madras Livestock Improvement Board that so far a sum about Rs 25.48 lakhs had been spent. Though the amount is small considering the fact that two years of the five have passed by, there are indications that the outlay may considerably increase in the coming years as most of the schemes are still only in their preliminary stage of implementation.

Work on the setting up of three livestock farms is progressing satisfactorily and it is expected that soon it will be possible to supply good pedigree animals to the districts for grading up local scrub cattle and for building up pure breed herds. The key village scheme is also being implemented according to a planned programme for production of improved progenies through superior and pedigree bulls. Sheep and poultry development schemes are also making good headway.

It is, however, to be noted that for the development schemes to yield the desired results, it is essential to produce the requisite quantity of fodder. It would appear that in this regard progress has not been quite satisfactory. For Mr Bhaktavatsalam pointed out that the production of more fodder grasses and legumes had not increased to the desired extent. The main reason seems to be the lack of interest displayed by both the ryot and the breeder to use the land at their disposal for growing fodder. This underlines the need for impressing on the rural population that increasing the fodder supply is an integral part of the schemes of livestock development.

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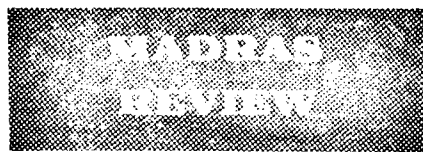
Community Development Programme

Community development programme is the point where planning in our country assumes the democratic pattern. This also fixes in a broad way the extent to which the people can contribute to the success of the Second Plan.

Speaking at Palghat, Mr K. P. Gopalan, Minister for Industries in Kerala regretted the relatively slower pace of the movement in the State as compared to other States. For till the end of December 1957, the people in that State have contributed a sum of Rs 26.32 lakhs by labour, and Rs 29.41 lakhs in land and Rs 20.62 lakhs in other ways.

Of the 142 blocks into which the State has been delimited, only about 64 blocks are now working. The blocks cover a total area of about 5787 sq miles which is about a third of the area of the entire State. Out of a total provision for non-loan items of Rs 26.5 million made for the movement in the State till December last, a sum of Rs 10.6 million has been spent. Agriculture seems to have received the maximum attention and achievements in this sphere have been substantial. About 25,500 tons of fertiliser have been distributed and 1,58,366 acres of paddy land have been brought under the Japanese method of cultivation.

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IN the Madras Tanned Hides market, prices of Cow hides have developed a firmer tendency as all available supplies are being taken up by shippers. Although there is little change in the pattern of demand for Cow Calf hides, fancy prices are reported to have been paid for extra light weight fourth and inferior fourth selections.

There is, however, no change in Buff hides. Arrivals of Buff Calf and Cow Calf are small and there has been a steady clearance at firm prices.

On the export front, trading continues to be difficult as Madras sellers are rather reserved and business is not easy to put through as prices between buyers and sellers vary anything between 1d to 2d per pound. A small volume of business is, however, reported done in prime class 5/5 lbs at 69d, 59d and 49d for runs, fourths and fifths respectively.

Buff Calf is quoting 1d higher and, in one or two instances, a small advance is reported to have been paid for run selections. Business in Buff hides is difficult in view of the high prices obtainable locally due to North Indian demand.

In the Tanned Skins section, there is only a small clearance. Prices of Goat skins are unchanged, while those of Sheep skins are lower by 12 nP to 25 nP per pound. On the export front, trading is sporadic. Generally speaking, buyers in foreign countries are bidding 6d less than Madras-asking prices.

In the London auction, about 340,000 Goat skins were sold, representing about 78 per cent of the total offerings. Auctions in Sheep skins began with a catalogue of 669,000 skins as against 557,000 in

December last. Trading was extremely limited as the attendance of buyers was small. Where sales were made, prices were reported to be 1sh to 2sh per pound below December averages.

On the second day, demand improved, best primes and semi-primes realising full December levels. Fair and good middle classes, however, declined by 2½sh with other qualities ruling unchanged. The auctions ended with only 240,000 skins sold, representing about 38 per cent of the total offerings.

Following were the figures of exports (in bales) to the UK during January:—Cow hides 1,573; Cow Calf 127; Buff hides 17; Buff Calf 193; Goat Skins 525 and Sheep skins 584.

Groundnut

Conditions in the Madras Groundnut market remained fairly steady last week. Arrivals were small and averaged 15 to 20 tons per day. Only Chekku and rotary interests are taking up small quantities, while big buyers are not operating in view of the great disparity between the seed and oil prices. New crop is quoted around Rs 142 per candy.

In the Groundnut Oil section, there are no appreciable buyers. With the result, the rate for the ready position has declined to Rs 284 from 289 per candy. The fall in prices would have been greater, but for the resistance shown by sellers.

It has been decided to release 20,000 tons of Groundnut Oilcake (expeller variety) for export by established exporters, who exported groundnut oilcake during any one of the three calendar years 1955, 1956 or 1957 on the

basis of their past exports. Established shippers should submit documentary evidence of their past exports to the Port licensing officers, who will be issuing a trade notice in this behalf.

Coffee

There are indications that the Coffee industry will not be able to repeat, during the current season, the exceptionally good results it produced during the previous season. In view of the fears of a shortfall in output during the 1957-58 season, it is expected that the export quota for the current season will be pruned to about 7,000 tons as compared to about 15,000 tons expected last year.

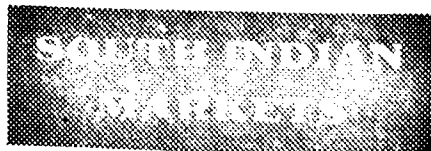
On account of the increasing competition in world markets and the need for stepping up the country's foreign exchange resources, it is pointed out that there is an urgent need for revising the marketing policy by which exports are maintained at a stable level. It is felt that it will be helpful to the industry if a stable export policy is pursued, keeping in view the internal requirements.

It is also emphasised that more attention should be paid to the export of quality coffee. By exporting coffee which commands a high premium in world markets, the country will also help the industry to find more easily an export outlet whenever the exportable surplus becomes larger. In fact, a larger crop is envisaged for the next year, with the possibility of about 15,000 tons being available for export.

Pepper

Pepper markets, which had been ruling dull and quiet during the

Indian Finance



past few weeks, have taken a slight turn for the better, thanks to some covering purchases made by exporters who had sold to Russia and the USA for February shipment. Thus, a greater part of the arrivals in all the primary markets has been absorbed, relieving the pressure though temporarily. In the Kozhikode market, Wynaad quality is quoted at Rs 500 and the Country variety at Rs 490 per candy.

The rate in New York, reflecting steadier advices from both India and Singapore, has improved to 23 cents per pound, although no follow-through support is noted on the part of grinders. Sarawak is quoted at 22 cents per pound.

In the Singapore market, Black Sarawak special is quoted at 62½d. dollars per picul of 133.3 pounds. A sizable quantity of Lampong is reported to have been sold at Strs. \$58 to 60. The stock of Lampong and Muntok is reported to be heavy, as unauthorised arrivals are mounting from Sumatra though that of Sarawak black remains poor.

On the whole, the future of the pepper markets depends upon the buying policy of New York. If the USA continues to support the market at about 21 cents, the Indian market is likely to stabilise. However, trade in general awaits developments from Lampong and Singapore.

Cardamom

At the auction held this week at Bodinayakanur by the South Indian Cardamom Planters' Association, following rates (per pound) were quoted:—Green Rs 9.09 to Rs 9.73; shipment Rs 7.60 to Rs 8.79; Extra Green Rs 10.86 to Rs 11.13 and Thakkolam Rs 5.85 to Rs 8.23. In all, 7,307 pounds were sold. Average price realised per pound was Rs 8.87.

STATE BANK OF INDIA

NOTICE

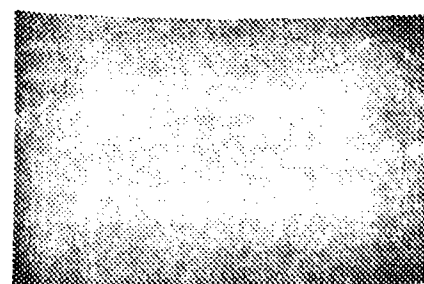
The Third Annual General Meeting of the Shareholders of the State Bank of India will be held at the Local Head Office of the Bank, Apollo Street, Bombay, on Friday, the 14th March 1958, at 4 P.M. (Standard Time) for the transaction of the following business:—

To receive the Central Board's Report, the Balance Sheet and Profit and Loss Account of the Bank made up to the 31st December 1957 and the Auditors' Report on the Balance Sheet and Accounts.

P. C. BHATTACHARYYA,
Chairman.

Calcutta, the 24th January 1958.

February 15, 1958



Limited Trading: Selective Enquiry

Watch-Dog Writes:

ALTHOUGH business in stock markets remains generally restricted in view of the proximity of the Central Budget, a slightly steadier trend in prices is noticed this week. This may probably be due to technical considerations and paucity of offerings. Hopes are also entertained about some welcome changes in respect of compulsory deposit of reserves, Wealth Tax, tax on Bonus shares and Dividend Tax.

With the exception of the speculative issues which staged a marked recovery from the recent low levels, conditions in other sections on the Calcutta Stock Exchange remained generally steady.

The Bombay Stock Exchange experienced rather dull conditions with prices moving within a narrow range.

Thanks to short-covering and some replacement buying, conditions on the Ahmedabad Stock Exchange turned steadier.

A slight retreat on a cautious appraisal of the Budgetary prospects featured trading on the Madras Stock Exchange.

Trading on Wall Street was dull with losses ranging from fractions to around one dollar.

Calcutta

Calcutta, Friday Evening.

THE local Stock Exchange, which suffered a sharp setback last week, took a slight turn for the better during the week under review, although the recovery in prices was marked in the speculative issues under the lead of Indian Irons.

Turnover, however, remained restricted as operators were rather cautious in their commitments in view of the forthcoming Budget. Again, the acceptance of the Finance Minister's resignation failed to excite trading sentiment as it was in line with the market expectations. There was also a general disposition to await the Railway Budget which, it was felt, might contain further revisions in freight rates affecting some industries. Above all, anxiety was expressed over the findings made by Justice Chagla and fears were consequently entertained with regard to the investment outlook. But, the slight recovery in the prices of a few scrips was mainly due to speculative support, being induced by the expectation of some favourable changes in the tax structure. The market finished the week with moderate gains on balance.

With the money market showing some signs of stringency, activity in the Gilt-edged market was very much restricted. Enquiry was still confined to a limited number of issues, while the rest of the market was altogether neglected. Three per cent 1986 Conversion Loan opened steady at Rs 71.00 and, after improving at one time to Rs 72.00, receded again at the close to Rs 71.05.

Bank shares turned a shade quieter on the feeling that the working during the current year might not be as profitable as it was last year. United Commercial eased off to Rs 58.50 from Rs 59.75, while Hind were done at Rs 46.50 and Punjab National at Rs 62.75.

Weaker advices from the jute goods market following a sharp rise in stocks as well as in production of jute goods and the fears with regard to the profit margins of mills in view of the tight supply position of raw jute, had an adverse effect on sentiment in the Jute section where enquiry continued to be limited. The only bright spot was National which were pushed upto Rs 24.00 from Rs 23.00 on speculative buying, to finish the week at Rs 23.90. Ganges were a shade cheaper at Rs 48.50 against Rs 49; Howrah at Rs 13.19 against Rs 14.25 and Nuddea at Rs 31.50 against Rs 33.00. New Central were nearly maintained at Rs 13, while Anglo-India were marked down further to Rs 127 from Rs 129 and Belvedere to Rs 66.00 from Rs 67.50.

The belief, that the private colonies might be allocated a bigger expansion target, caused Coal shares to remain active; but higher levels could not be retained till the close due to general profit-taking. Burrakur were pushed up at one time to Rs 22.37 from Rs 22.25, to recede again at the close to the latter level. Bengal changed hands at Rs 231 to Rs 233; Central India at Rs 6.50 to Rs 6.69; Western Bengal at Rs 5.06 to Rs 5.25 and New Beerbhoom at Rs 14.31 to Rs 14.37. Equitable hardened to Rs 24.37 from Rs 24.06.

Tea shares continued to meet with restricted trading and, in the absence of any sustained buying support, prices were marked down further from last levels. Lower prices still obtained at the auctions, anxiety to await the interim dividend announcements to be declared shortly by tea companies and the fears of further taxation by the State Governments—were all factors contributing to a depressed sentiment in the section. The only bright spot was Jayshree having buyers upto Rs 10.25 from Rs 10.12. Hantapara were maintained at Rs 111, while Brahmapootra changed hands at Rs 3.21 to Rs 3.31; Bishnauth at Rs 18.62 to Rs 18.81; Choonabhutti at Rs 262 to Rs 263.50; East India at Rs 17.50 to Rs 17.62; Gohpur at Rs 21.25 to Rs 21.37; Hattikhira at Rs 10.25 to Rs 10.44; Methoni at Rs 16.25 to Rs 16.44 and Sapoi at Rs 23.75 to Rs 23.87.

Textile scrips met with stale liquidation on lack of support on the feeling that dividends to be declared by rest of the mills for 1957, would be substantially lower

than for 1956. Kesoram were on offer at Rs 9.87 to Rs 10.00 and Jayshree at Rs 6.00 to Rs 6.19. New Victoria were a steady feature at Rs 1.34.

The publication of excellent working results by some companies for last year induced a revival of activity in the Sugar section; but enquiry was selective. Most prominent were Cawnpore having recovered to Rs 12.37 from Rs 12.06 and Carew to Rs 6.56 from Rs 6.00. Dyer Meakin met with sustained demand upto Rs 9.81 from 9.19. SKG were a narrow market around Rs 9.00 with Belsund a shade cheaper at Rs 9.62 against Rs 9.81.

Engineering shares, after staging a sizable recovery till Thursday, lost ground towards the close on profit-taking following the release of the Chagla Commission's report and the consequent fears with regard to the investment outlook. Despite settlement considerations, Indian Irons were gradually pushed up to Rs 19.84 from the opening level of Rs 19.55 to finish the week at Rs 19.66. The settlement rate was Rs 19.74 against last settlement of Rs 20.36. "Satta" was fixed at 6 nP.

In sympathy, TEXMACO finished slightly lower at Rs 17.15 and Jessop at Rs 22.50 after touching higher levels of Rs 17.30 and Rs 23.00 respectively. Braithwaite changed hands at Rs 26.81; Britannia at Rs 13.44 to Rs 13.50; Burn at Rs 321 to Rs 333; G.K. Williams at Rs 28.25 to Rs 28.81 and Marshalls at Rs 4.87 to Rs 5.12.

Miscellaneous issues came in for selective support although price movements were rather irregular due to profit-taking at bulges. Orient Paper changed hands at Rs 24.15 to Rs 24.75 (Rs 24.50); Indian Cable at Rs 28.69 to Rs 29.12 (Rs 28.50); Indian Aluminium at Rs 12.37 to Rs 12.69 (Rs 12.69); Phillips India at Rs 13.81 to Rs 13.94 (Rs 13.87); Indian Oxygen at Rs 16.00 to Rs 16.19 (Rs 16.12); Hindustan Motor at Rs 5.87 to Rs 6.12 (Rs 6.12); Sone Valley at Rs 5.12 to Rs 5.25 (Rs 5.12); Indian Steamship at Rs 11.69 to Rs 11.34 (Rs 11.34); Indian Copper at Rs 2.83 to 2.87 (Rs 2.87); Aikali Chemical (new) at Rs 12.19 to Rs 12.25 (Rs 12.25); B.I.C. at Rs 3.75 to Rs 3.83 (Rs 3.80); Dunlop Rubber at Rs 21.75 to Rs 22.12 (Rs 21.87); Martin Burns at Rs 25.25 to Rs 25.37 (Rs 25.37) and Rohas at Rs 15.94 to Rs 16.12 (Rs 16.06). Osler were a steady feature at Rs 2.37, while Angelo Brothers were better at Rs 18.37 against Rs 18.25. Figures shown within brackets were the closing rates for the week.

Bombay

But for some active interest noticeable around Wednesday, the Stock market generally ruled dull last week. Reports that the Finance Minister's resignation would be accepted sent prices of speculatives up in earlier dealings on Wednesday but by close sentiment was once again subdued in the absence of fresh interest. The effect of the indication that the sanction for the Tata Jubilee bonus would be

given early was almost nullified by reports of labour unrest in Jamshedpur. In the background, there was the uncertainty caused by the proximity of the Budget though there seemed to be no doubt as to the absence of any relief in it. News from the cotton textile industry was far from encouraging. On the one hand, the reports published by some textile companies were disappointing and on the other, advices from the cloth market was also not quite good.

TEXTILES

Textiles shares were quiet. The accounts of Central India published during the week showed that, apart from the dislocation in the company due to renovations, the loss of nearly Rs 200,000 against previous year's profit was due to the continued depressed state of the cloth market and increase in labour costs. Over the week, Central India lost two points to be placed at Rs 82. Century on the other hand was well held around Rs 387.50. Bombay Dyeing was almost unchanged at Rs 50.60.

STEELS

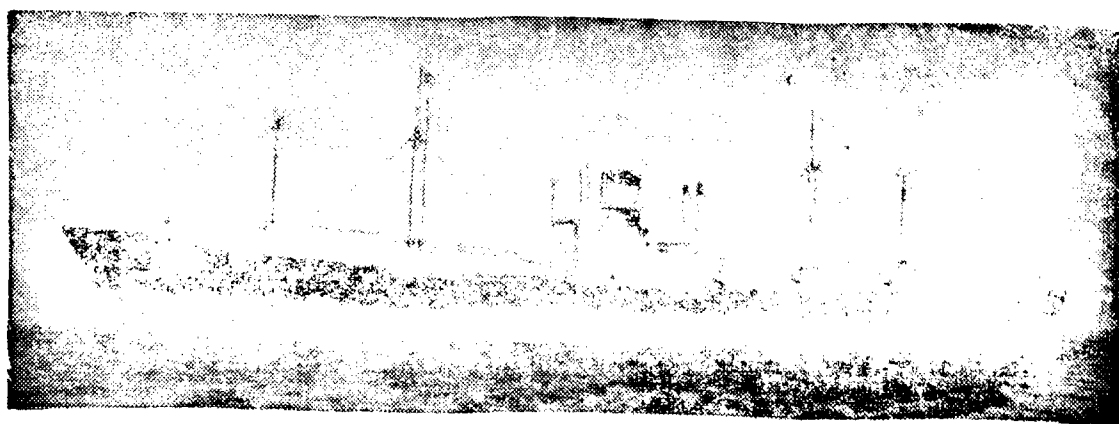
In the steel section, Tata Steel began at Rs 170.50 and on the opening day fluctuated within narrow limits to close at Rs 170.25. In the absence of fresh support the scrip eased to Rs 169.75 on Monday. Rumours about the Jubilee bonus issue lifted the price to Rs 171.25 on Tuesday, while the uptrend was further extended on Wednesday by reports of the acceptance of the resignation of the Finance Minister. The quotation at close on that day was Rs 171.50. Thursday found the scrip subdued closing the day at Rs 171.00. Indian Iron continued to forge ahead after mid-week to be finally placed at Rs 19.78. In this case an additional bullish factor was the continued hope about a bonus share.

MISCELLANEOUS

Except for a few bright spots, the miscellaneous section followed the main trend of the market. National Rayon was in request due to interested buying and was done upto Rs 217.50 before closing at Rs 217.00. In earlier dealings ACC was done upto Rs 155.25 on hopes of increase in cement price. By close the scrip was marked down to Rs 153.75. Bombay Burmah closed at Rs 537.50 against its opening of Rs 539.50. Beapur Sugar was almost unchanged at Rs 236.50. Telco, after having been done upto Rs 141.50, closed at Rs 140.00.

Ahmedabad

THANKS to short-covering and some replacement buying, the Ahmedabad Stock Exchange developed a steadier tendency. Following were the closing rates:—Calico Rs 596.50 (Rs 591.50); Ambica Rs 591 (Rs 597); Arvind Rs 1008 (Rs 1004); Atul Rs 179 (Rs 179.50); Shorrock Rs 452.50 (Rs 452.50); New Commercial Rs 432 (Rs 433); Anil Starch Rs 260 (Rs 260) and New Shorrock Rs 690 (Rs 694). Figures shown within brackets were the opening rates for the week.



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Madras

DULL conditions prevailed on the Madras Stock Exchange during the week under review.

TEXTILES: Prices in this section developed an easier tendency on lack of buying support. Loyal's had sellers at Rs 37.50 to Rs 38, while Coimbatore Cottons declined to Rs 162 on rumours of lower dividend. There were sellers for Coimbatore Spinnings, Rajalakshmis and Bangalore Woollens at the market rates. Air Glo-French were, however, in request upto Rs 79.

PLANTINGS: Dealings in this section were scattered and prices generally tended to lower levels, although there were a few exceptions. Tea shares met with selective support, prominent amongst these being Devasholas and Highlands. However, Talayars, Haileyburias and United Nilgiris attracted sellers at the quoted rates. Coonoors lost about 15 nP at Rs 17.60.

Coffee shares seemed to be rather neglected. Ouchterlony's were a

shade easier at Rs 4.85, while Badras had some support at the market rate. Consolidated Coffees changed hands a little lower at Rs 22.30, while Coffee Lands were quoted around Rs 27.60.

Among Rubber shares, Kalpettas were enquired at the market rate. Nilamburs declined to Rs 12.50 on more selling enquiries, while Cochin Malabars maintained the ground at Rs 4.05. Kil Kotagiris were done at Rs 5.00 to Rs 5.03 and Midlands at Rs 14.43.

SUGARS: Sugar shares were fairly active, K.C.P. Deferreds being in demand at the market rate. E.I.D. were a shade lower at Rs 29.12, while Deccans met with some business at Rs 7.88 to Rs 8.00 and Cauverys at Rs 88.50.

MISCELLANEOUS: In this section, Cement shares continued to be absorbed at higher prices. Buying enquiry was noticed for Indias, Travancore and Andhras at the market rates. FACTs dropped further to Rs 5.00 from Rs 5.20 on

renewed selling pressure. Offerings were seen in Mettur Chemicals and Mysore Papers at the quoted rates. Radio Electricals were done at Rs 5.10; Parrys Confectionery at Rs 3.70; Singareni Collieries at Rs 11.25 and Textools at Rs 178.

London

GENERALLY dull conditions were experienced by the London Stock Exchange. There was a reluctance to extend commitments, resulting in a substantial decline in prices at the close. News of a sharp rise in the number of unemployed in America was a major adverse influence.

Industrials were the chief sufferers and losses were widespread. Steel shares suffered a sharp setback following the Labour Party's declaration that rationalisation of the steel industry would be the first big task of the next Labour Government. Many of the Miscellaneous leaders were lower including Dunlop Rubber, which eased follo-

wing the news of tyre output cuts in the USA. Oil shares remained under the influence of falling world oil prices, while Tobacco and Brewery shares ruled comparatively steady. Tea shares were easier.

New York

TRADING on Wall Street was dull and losses ranged from fractions to around one dollar. There was again a contraction in the volume of business, which was interpreted as a favourable technical sign. On the other hand, there was little in the news to stimulate demand.

A rise in steel scrap prices at Pittsburgh was ignored by Steel shares. Price trends in Oil and Rubber shares were rather mixed. Paramount Pictures rose by 2.37 dollars following the news that it was selling its pre-1948 films for 50 million dollars. Anaconda Copper was quoted at \$43; General Motors at \$34½ and US Steel Common at \$56½.

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 7-2-58 Rs nP	7-2-57 Rs nP
Alahabad 6% 100	106.50	114.75	
B. of Behar 5% 50	22.25	22.25	

BANKS

Alahabad 6% 100	106.50	114.75
B. of Behar 5% 50	22.25	22.25

ELECTRICS

Calcutta 5% 100	10.12	9.68
Dishergarh 5% 100	74.50	98.00
Dishergarh 4% 100	84.00	88.50
Jorhat 6% 100	90.00	90.00
Kurseong 6% 100	90.00	90.00

COAL

Asso. K'pura 4% 100	24.50	24.50
B-Nagpur 7% 100	68.00	83.50
Bharat 5% 100	49.50	51.00
Borrea 6% 100	90.00	103.00
Burrakur 7% 100	99.00	113.50
Burakr 6% 100	7.47	8.82
Equitab 6% 100	88.00	101.00

ENGINEERING

Arthur Butler 7% 10	7.25	10.00
Br. Bldg. 6% 100	70.00	100.00
Burn & Co. 7% 100	109.00	127.00
Burn & Co. 6% 100	102.50	110.50
I. Iron 5% 100	96.00	105.00
I. Machinery 7% 100	28.00*	28.00
Ind. St. Wagon 7% 100	115.00	127.50
Jessop & Co. 5% 100	88.00	95.50
K'dhubi 5% 100	81.00	101.00
R. Cruddas 5% 100	54.00	76.00
S. Products 5% 10	3.44	1.00
Texmaco 6% 100	86.50	94.00
Texmaco 5% 100	54.00	63.00

JUTE

Agarpara 7% 100	91.50	102.00
Alexandra 7% 100	83.00	97.50
Alliance 6% 100	69.00	97.00
Anglo-India 7% 100	97.00	100.50
Auckland 5% 100	75.00	80.50
Auckland 4% 100	52.00	61.50
Bally 7% 100	91.00	103.00
Barnagore 5% 100	80.00	41.00
Belvedere 7% 100	95.50	105.50
Bengal 6% 100	72.50	77.00
Birla 7% 100	76.00	90.00
Budge-Budge 7% 100	88.00	102.00
Calcutta 7% 100	78.00	78.00
Calcutta 6% 100	93.00	105.50
Caledonian 7% 100	93.00	109.00
Chevrolet 7% 100	91.50	108.00
Chittavalsah 7% 100	77.00	78.00
Clive 6% 100	83.75	91.00
Clive 7% 100	74.00	91.00
Dalhousie 7% 100	79.00	102.00
Delta 5% 100	70.00	87.50
Empire 7% 100	91.00	102.00
F. Gloster 7% 100	96.50	105.00
F. Gloster 6% 100	64.50	72.00
F. Gloster 5% 100	91.50	107.00
F. William 7% 100	100.00	112.00
Ganges Mfg. 8% 100	69.50	80.00
Gouropore 6% 100	84.00	90.00
Hastings 6% 100	7.25	18.12
Hooghly 1. 10	90.00	102.50
Howrah A. Pref. 100	90.00	107.00
Howrah 7% 100	89.00	101.50
K'hatty 6% 100	74.00	80.00
K'narrah 6% 100	77.00	87.80
Kedarnath 6% 100	68.00	68.00
Kedarnath 7% 100	85.00	95.00
Kelvin 7% 100	87.50	108.00
Khardah 6% 100	78.50	89.50
Kinnison 7% 100	85.50	111.50
Landedowne 7% 100	87.00	100.00
Lawrence 7% 100	95.00	108.00
Lawrence 5% 100	65.00	76.00
Nalhati 7% 100	82.00	110.00
Nalhati 4% 100	57.00	73.00
National 7% 100	95.00	108.50
Nelkmaria 6% 100	79.00	97.50
N. Central 7% 100	89.50	101.50
Northbrook 5% 100	61.00	79.50
Rameshwara 6% 10	10.19	10.19
Reliance 7% 100	69.00	94.50

NAME	Paid-up per	Quotation as on _____
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COTTON

Basanti 6% 10	7.56	7.81
B-Nagpur 7% 100	75.00	100.00
Bowreah 8% 100	136.00	140.00
Bowreah 7% 100	65.00	70.00
Delhi Cloth 4% 25	17.75*	17.75
Elgin 8% 100	109.25	135.75
Elgin 5% 100	7.25	9.37
Jagatjit 5% 100	50.00	50.00
Jayaheerao 6% 100	92.00	97.00
J. K. Cotton 6% 100	90.00	100.00
Kesoram 7% 100	91.00	118.50
Muir 6% 100	63.00	81.50
N. Victoria 6% 5	3.31	5.31
Pravati 6% 100	5.00	8.00
S. Niwas 4% 100	55.00	55.00
Swadeshi 6% 100	86.00	90.25

ENGINEERING

Arthur Butler 7% 10	7.25	10.00
Br. Bldg. 6% 100	70.00	100.00
Burn & Co. 7% 100	109.00	127.00
Burn & Co. 6% 100	102.50	110.50
I. Iron 5% 100	96.00	105.00
I. Machinery 7% 100	28.00*	28.00
Ind. St. Wagon 7% 100	115.00	127.50
Jessop & Co. 5% 100	88.00	95.50
K'dhubi 5% 100	81.00	101.00
R. Cruddas 5% 100	54.00	76.00
S. Products 5% 10	3.44	1.00
Texmaco 6% 100	86.50	94.00
Texmaco 5% 100	54.00	63.00

TEA

Amuluckie 7% 100	55.00	55.00
Bornah Jan 6% 100	74.00	78.00
Brooke Bond 6% 100	78.00	78.00
Dhunsari 7% 100	3	2.44
Dimakli 5% 100	11.50	12.62
Kingsley Gola 6% 100	92.00	96.00
Moheema 6% 100	8.81	9.19
Tezpor 2. 100	11.12	12.37

Darjeeling.				
Gielle 6% cp ..	100	75.00	87.50	
Okayti 7% rep ..	100	93.00	100.00	
Pussimbing 7% cp	100	95.00	85.00	
Singtom 5% cp ...	10	7.12	7.25	

Doonars.			
Banarhat 6½% cp	100	112.50	121.50
Birpara 9% (Pref.)	100	112.00	120.00
C'bhutti 6½% cp	100	114.00	125.00
Hantapara 8% cp	100	114.00	140.50
Hasimara 7% cp	100	116.75	128.00
N. Doonars 6½% cp	100	115.00	125.00

		Cachar.		
Sonai	River	8%	93.00	100.
		Sylhet.		

N. Samanbagh 8%	100	100.00	100.0
South Indian.			
Kotamullai 6%	25	16.50	25.

		Total.		
Atal 4½% op	..	10	6.12	4.
Thirrihannah	10%	10	14.00†	12.

SUGAR			
Carew 6½% rcp	100	81.50	99.50
Cawnpore 8% ..	100	109.50	127.50
Gwallor 7% rcp	100	65.00	68.50

Gwallor 7% cp	100	85.00	60.00
Jaswant 5% cp	100	75.00	80.00
Mohini 5% cp	100	70.00	111.00
New India 7% cp	100	110.00	140.00

NAME	Paid-up per	Quotation as on
		7.2.58 7.2.57

		share.	7-2-58 Rs nP	7-2-57 Rs nP
S. K. Gyan	5%	100	75.00	80.00
Upper Ganges	5%	100	70.00	85.00

MININGS AND MINERALS			
Asso. Mining 5%	50	28.50†	31.00†
Ch. Mica 5½% ..	100	55.00	51.50†

Metal Corpn. 5%	100	80.00	84.00
CEMENT, POTTERY & FIRECLAY			
Dalmia Bharat 6%	100	84.00	84.00

Dalmia Bharat 6%	40	30.00	37.75
Jaipur Udyog 3%	100	40.00	...
K'pur Lime 6%	100	80.00	80.00
K'pur Lime 6% cp	100	100.50	..

K'dhubi Fire 7%	100	101.00	118.00
K'dhubi Fire 5½%	100	54.50	72.00
Orissa Cement 4%	100	40.00	...

CHEMICALS

CHEMICALS				
Alkali 5% ...	100	97.00	101.50	
Bathgate 4½% ...	100	40.50	42.00	
Beng. Chem. 7½% ...	10	11.00	12.75	
Beng. Chem. 4½% ...	100	77.50	82.00	
Frank Ross 4½% ...	100	36.50	41.00	
Lister Anti. 6% ...	100	13.00	13.00	
Smith Stani 10% ...	50	56.50	62.75	

[illegible]

NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on	
		7-2-58 Rs nP	7-2-57 Rs nP			7-2-58 Rs nP	7-2-57 Rs nP
B'lore Wool 6%	100	117.00	120.00	ELECTRICS	Swinton	2	2.35
Buckingham 7%	100	135.25†	142.75		Talayar	10	8.20
Cambodia 7%	100	108.00	115.00		Teekoy	10	6.40
Cauvery Spg. 6%	100	95.00	96.00		Thamarapally	10	20.75
Colm. Muru. 6%	100	94.00	...		Thirumalai	1	1.36†
Co. Pioneer 6%	100	98.25	104.75		Trav. Rubber	10	13.50
Hemalatha 5%	100	85.00†	...		T. R. & T. Co.	10	6.02
Kothari Tex. 6%	10	8.40	10.15		Tropical	25	25.65
Loyal 5%	100	67.25	78.00		Twyford	10	12.40
Palani Andavar 7%	50	58.50	63.00		Udaygiri	10	11.00
Rajalakshmi 6%	50	53.00	56.00		Uni. Nilgiris	10	15.30
Sarada 7%	100	100.50	101.00		Vellore	710	27.50
Thirupati 6%	10	10.00	10.00		Vayitr.	72	1.30
Trav. Rayon 5%	10	7.10	8.62		Velimalal	5	4.83
Vasanta 6%	100	104.00	111.25		Waterfall	2	3.32
Vasanta 6%	100	92.00	98.00	SUGAR	Woodcote	1	1.85
Venkatesa 4%	50	53.00	53.50		Woodland	10	6.68
Vijayakumar 6%	100	95.00	104.00		Andhra	10	17.25
Vijayamohini 6%	100	95.00	93.50		Cauvery	100	88.50
Virudunagar 5%	100	62.00	60.00		Deccan	5	7.90
					E. I. Dist.	20sh	29.25
					India	10	13.00
					Jeycore	10	13.00
					K. C. P.	100	120.00
					Kiriampudi	100	41.00
					Mysore	10	37.50
					Travancore	10	10.00
					United Brew	75	178.00
					Vizag.	10	7.12

SUGAR

Cauvery 6%	100	100.00	50.00
Deccan 7%	...	5.87	6.08
E.I.D. 7%	20sh	16.94	17.00
India 7%	100	98.00	106.75
Jeycore 6%	100	99.00	96.00
K.C.P. 5%	100	100.00	95.00
Kiriampudi 5%	100	87.50	82.00
Travancore 5%	10	6.95	8.12

MISCELLANEOUS

Amrutnjan 7%	100	135.00	114.50
A. Cement 6%	100	106.00	107.00†
A. Scientific 5%	10	5.12	5.12
Aspinwall 6%	10	9.40	10.00
A.V. Thomas 6%	100	73.00	79.00
A. V. Thomas			
India 5%	10	6.50	6.12
Brunton 6%	10	6.75	8.00
Cen. Scientific 6%	5	4.90	5.00
Dal. Cement 6%	100	81.00	95.50
Dal. Cement 6%	40	32.00	40.25
Dal. Cement 6%	10	10.00	10.00
Enfield 6%	100	100.00	...
India Cement 5%	100	86.25	92.00
Indian Steel			
Rolling 5%	10	8.48	9.25
Mad Vana 5%	100	33.00	33.00
Marikar 6%	50	45.50	50.00
Mettur Chem. 6%	100	87.00†	97.50†
Mys. Chem. Mfg. 6%	10	8.78	9.28
Mys. Lamp 4%	10	5.60	6.00
Orissa Cement			
4%	100	95.50	100.00
Parry 5%	10	7.50	9.12
Rallis 6%	100	50.00	71.00
Rane 6%	5	4.70	5.00
Rane 7%	5	4.90	5.00
Ruby 6%	10	9.75	10.00
Sen Raleigh 5%	100	73.00	95.00
Spencer A. 6%	10	7.75	9.00
Spencer B. 8%	10	10.05	10.37
Stand. Motor 6%	100	88.75	98.00
Tr. Chem. Mfg.			
6%	10	9.37	10.00
T. Stanes 7%	100	100.00	100.00
United Elec. 5%	10	10.00	...
Vanguard Fire 5%	10	9.28	9.88
Vanilnad 6%	10	3.00	3.00
W. I. Plywoods			
6%	100	94.00	...

Ordinary Shares

MADRAS

NAME	Paid-up per share.	Quotation as on	
		7-2-58 Rs nP	7-2-57 Rs nP
Andhra	100	111.75	120.00
Andhra	85	93.00	...
Bank of Mysore	100	250.00	250.00
Canara Banking	50	80.00	80.50
Central I. & B. 'A'	100	176.50	177.00
Central I. & B. 'C'	1	1.86	1.75
Indian Bank	100	207.00†	202.00
Indian Bank	80	179.00†	...
Indian Overseas	100	147.50†	153.50
Indo-Comm. 'A'	100	42.50	42.50
Indo-Comm. 'B'	25	11.00	10.50
Indo-Comm. 'C'	50	28.00	19.50
Pandyan	25	87.50	40.00
Punjab National	25	51.00	56.50
Travancore	25	17.50	17.00
Trav. Forward	10	4.85	4.94

Indian Finance

NAME	Paid-up per share.	Quotation as on	
		7-2-58 Rs nP	7-2-57 Rs nP
FACTs	10	5.30	6.40
Forest Indus.	4	3.00	2.00
Genl. Papers	10	8.20	8.37
Hindustan Lever	10	20.12	...
India Cement	25	28.50	29.87
Ind. Steel Rolling	10	11.05	11.75
Inv. Trust of			
Inda			
Jeewanlal	100	60.00	85.50
K.I.O.	10	8.50	8.50
Madras Safe	10	12.00	...
Madras Vanaspathi	80	50.00	52.75
Marikar	80	40.50	...
Mettur Chem.	10	9.62	10.00
Mys. Chem. Fert.	10	6.50	8.56
Mys. Chem. Mfg.	10	15.12	23.81
Mys. Coffee Curing	10	10.80	12.25
Mys. Electricals	100	90.00	...
Mys. I. T. L.	5	6.87	6.00
Mys. Lamp	10	15.25	15.00
Mys. Paper	10	15.50	16.25
Mys. Stoneware	10	11.00	11.62
Mys. Tobacco	10	13.00	12.50
Mys. Veg. Oil	8	5.75	5.50
Ogale Glass	5	1.90	2.50
Orissa Cement	10	12.08	13.12
Parrys Confec.	1	3.50	2.97
Radio & Elec.	5	5.05	6.31
R. E. M. Co.	10	12.87	...
Rallis	100	29.27	39.75
Rane	5	5.25	7.31
Ruby Rubber	10	9.70	...
Sen Raleigh	10	11.10	13.37
Singapore	10	11.15	10.50
Spencer	10	17.75†	16.19
Stand. Motors	10	10.00	11.12
Stanes T.	10	19.20†	24.87
Textool	100	177.00	265.00
Trav. Cement	10	8.40	9.81
Trav. Chem. Mfg.	10	14.12	15.62
Trav. Ogale	10	2.70	3.62
United Elec.	10	9.50	...
United India Fire	74	5.50	5.25
Vanguard Fire	10	4.05	5.12
Vanilnad Matches	5	0.94	1.00
W. I. Plywood	100	131.50	...

TEXTILES

Adoni	10	8.00	10.37
Alagappa	10	9.20	9.50
Anglo-French	100	77.50	95.00
Balasubramania	40	59.00	74.00
Balasubramania B	70	106.50	135.00
Bangl. Woolen	100	174.00	572.50
Buckingham	100	158.50	183.50
Camboda	10	9.90	14.62
Cannanore	100	158.50	177.00
Cauvery	10	12.00	12.25
Colm. Cotton	100	172.00	386.00
Colmb. Kamala	80	103.50	...
Colmb. Kamala	50	50.00	50.00
Colmb. Murugan	100	141.00	...
Colm. Pioneer	100	237.00	295.00
Colmb. Spg.	50	67.75	88.00
Dhanalakshmi	100	205.00	374.00
Gnanambikal	100	130.00	160.00
Hemalatha	10	9.50†	...
Janardana	50	80.00	108.00
Jawahar	5	13.40	14.81
Kadri	100	162.00	175.00
Kadri	10	16.00	17.50
Kaleswarar	100	325.00	335.00
Kannapiran	10	10.40	...
Kasthuri	25	25.00	30.75
Kothari	10	10.50	15.75
Kr. Rajendra	50	83.00	110.00
Lakshmi	50	113.50	262.00
Lakshmi A	25	56.00	132.50
Loyal	50	38.25†	50.75
Madura	15	34.75†	46.62
Malacore	200	99.00	108.00
Mettur	100	365.00	442.50
Mysore Suk	10	1.30	2.44
Palamalai Rangam	100	109.00†	109.00
Palani Andavar A	50	135.00	148.00
Palani Andavar B	75	197.50	215.00
Pankaja	100	45.50	77.00
Premier	100	141.00	194.00
Pullicar	100	129.00	...
Radhakrishna	100	244.00	310.00
Radhakrishna B	50	120.00	155.00
Rajalakshmi	50	79.00	181.00
Rajapalayam	100	133.50	154.00
Ramakrishna	100	190.00	...
R. C. Ambika	100	153.00	262.00
Rangavilas	50	68.00	89.00
Rayalaseema	100	112.25	152.00
Sarada	100	76.00	115.00
Sivanandha	10	14.00	...
Thirupati	10	9.75	10.00
Trav. Rayon	10	12.10	14.00
Trichinopoly	10	12.40	13.31
Vasanta	100	270.00	320.00
Venkatasa	50	124.00	165.00
Vijayakumar	100	111.00	142.50
Vijayalakshmi	100	105.00	151.50
Vijayamohini	100	81.00	87.00
Vijayeswari	100	95.00	...
V. rudhunagar	50	26.50	35.50

DEFERRED SHARES

Dalmia Cement	1	2.87	4.87
India Cement	5	5.25	4.37
K.O.P.	10	130.00	100.00

BOMBAY

Preference Shares

ELECTRICS

NAME	Paid-up per share.	Quotation as on	
		7-2-58 Rs nP	7-2-57 Rs nP
Amalgam. 5%	100	80.00	101.50
Amalgam 5%	100	82.50	94.00
Andhra Valley 7%	1000	1025.00	1092.50
Poona 7%	100	103.00	106.00*
S. Madras 5%	10	10.00*	10.00*
2nd	10	10.00*	10.00*
Surat 6%	100	10.00*	10.00*
Tata Hydro. 7%	100	108.00	115.00
Tata Power 7%	100	104.00	111.87
	1000	1115.00	1135.00

TEXTILES

Adon. 6%	10	10.00*	10.25
Ah. Adv. 5%	100	98.00	107.50
B. R. Cotton 6%	100	80.00	70.00
Bradbury 7%	50	59.00	63.50
C. India 5%	500	340.00	455.00
Elphinstone 7%	100	72.00	90.00
Jijayesara 5%	100	92.75	...
Khatana 4%	100	75.00	79.00
Kothari 6%	10	10.00*	10.12*
Laxmi 5%	10	10.00*	...
Madhusudan 4%	250	187.50	210.00
Madhusudan 4%	124	7.50	7.50
Mahendra 5%	100	90.00*	...
Marfati 1st 4%	100	86.00	92.00
Marfati 2nd 4%	100	92.00	92.00
Mysore 4%	50	80.50	80.00
New Great 5%	100	143.75	180.00
N. Kaiser-I-Hind			
5%	100	80.00	90.00
Podar 4%	100	72.00	80.00
Shreenivas 4%	100	68.00	81.00

February 15, 1958

NAME	Paid-up per share.	Quotation as on	
		7-2-58 Rs nP	7-2-57 Rs nP
Swadeshi 5%	100	99.00	115.00
Swadeshi (Kan.)			
6%	100	92.00*	92.00*
Vishnu 7%	500	520.00	567.50

SHIPPING

Indian Finance

FACTS AND FIGURES

INDUSTRIAL PRODUCTION

Items and Unit.	1956												1957											
	1952*	1955*	1956*	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Coal (000's Tons)	3,019	3,134	3,286	3,166	3,308	3,123	3,177	3,323	3,678	3,627	3,519	3,653	3,726	3,794	3,330	3,331	3,376							
Iron Ore (000's Tons)	324	355	354	292	293	335	401	379	418	375	377	408	391	419	369	318								
Sugar (000's Tons)	125	133	155	7	4	9	12	98	335	361	356	376	277	153	39	10	8							
Tea (00000's Lbs)	512	557	556	888	1,095	1,047	1,003	600	121	81	76	116	327	431	796	892	1,008							
Salt (000's Mds)	6,405	4,756	7,407	4,316	2,569	4,783	1,801	1,047	1,720	1,879	4,819	8,706	16,484	24,704	22,533	6,066	4,719							
Vegetable Oil Products (Tons)	15,901	21,732	21,301	18,403	18,969	20,007	16,279	16,178	26,715	28,648	25,022	27,907	25,361	26,835	25,653	22,897								
Cigarettes (00000's)	16,766	19,024	21,919	23,353	23,016	22,023	20,895	23,520	23,393	25,350	22,670	23,360	23,119	25,350	22,290	25,410								
Cotton Textiles:																								
(a) Yarn (00000's Lbs)	1,208	1,359	1,393	1,453	1,403	1,462	1,425	1,395	1,552	1,564	1,432	1,505	1,537	1,500	1,370	1,502	1,441							
(b) Cloth (00000's Yds)	3,832	4,245	4,422	4,670	4,383	4,656	4,434	4,301	4,793	4,837	4,351	4,633	4,644	4,581	4,196	4,589	4,205							
Jute Textiles:																								
(a) Hessian (000's Tons)	36	34	35	34	35	36	35	37	38	39	35	36	36	36	32	36	34							
(b) Sacking (000's Tons)	51	48	51	53	48	44	41	42	41	44	40	43	45	45	42	45	43							
Footwear leather (000's Pairs)	431	462	544	567	621	553	517	621	593	706	589	585	690	497	589	731	583							
Paper & Paperboards (Tons)	11,459	15,407	16,117	16,746	16,253	16,120	16,020	16,008	17,570	17,493	15,970	17,290	16,874	17,276	16,786	17,511								
Footwear (Rubber) (00000's Pairs)	19	29	30	25	29	30	29	35	35	36	28	28	31	25	23	32	28							
Tyres (Automobiles) (000's)	60	74	78	84	84	88	87	86	83	88	82	82	91	85	78	84	83							
Paints & Varnishes (Tons)	2,681	3,253	3,467	3,155	3,524	3,368	3,257	3,951	3,617	3,645	3,347	3,295	3,612	3,603	3,252	2,847								
Matches (000's Cases)	52	51	51	55	53	50	46	48	48	51	45	52	56	46	39	47								
Soap (Tons)	7,198	8,250	9,188	8,977	9,042	9,707	8,858	8,280	9,727	10,500	9,200	9,420	10,076	8,960	8,740	9,365								
Glass & Glassware (000's sq ft)	754	3,969	3,969	2,814	4,260	4,001	4,726	4,778	5,317	5,182	4,354	4,442	3,970	2,633	974	1,789								
Cement (000's Tons)	295	374	411	396	399	400	411	412	459	459	429	492	456	448	393	425	455							
Ceramics (000's Tons)	20	23	27	28	28	26	26	28	30	30	26	29	29	30	30	29								
Iron and Steel:																								
(a) Pig-iron & Ferro-alloys (000's Tons)	155	158	163	160	164	161	169	168	174	166	155	167	168	158	147	150								
(b) Finished Steel (000's Tons)	92	105	112	118	118	111	110	114	113	126	104	117	112	111	101	110								
Non-ferrous Metals:																								
Brass (Tons)	699	1,087	1,132	1,190	976	1,216	1,314	1,249	1,262	1,367	1,278	1,536	1,569	1,553	1,359	1,406								
Gold (Fine Ounces)	21,105	17,622	17,438	19,135	18,781	18,292	18,002	17,126	15,888	14,300	15,648	15,464	15,744	13,981	14,736	15,530								
Hurricane Lanterns (000's)	294	457	432	468	451	454	420	459	510	418	873	524	362	364	383	316								
Enamel Ware (000's Pieces)	641	1,310	1,268	1,288	1,287	1,226	1,341	1,215	743	1,216	1,011	1,152	1,035	1,180	1,098	1,158								
Automobiles (Nos)	1,274	1,924	2,678	2,876	2,600	3,282	2,828	2,638	2,881	3,014	3,153	3,175	2,664	2,299	2,317	2,882	2,273							

*Monthly average.

MONEY SUPPLY WITH THE PUBLIC

	November					
	1952-53	1955-56	1956-57	1956	1957	
Money Supply	176471	218432	231289	215146	225247	
Total Currency with the Public	119925	150509	155650	146201	149823	
Notes in Circulation	111906	142423	148320	139566	143576	
Circulation of rupee coin	12522	12345	11830	11409	111510	
Balances held at Treasuries	734	114	581	635	541	
Cash on hand with banks	3769	4145	3970	4140	4369	
Total deposit money with Public	56546	67923	75639	68945	75425	
Net demand liabilities with banks	54895	68722	74474	67799	74113	
Other Deposits with Reserve Bank	1661	1201	1165	1146	1312	
Total variation in money supply	-3908	+26369	+12857	+2846	-3126	
Currency	-1732	+19332	+5141	+1949	+123	
Deposit Money	-2176	+7037	+7716	+897	-3248	

STOCKS OF PRINCIPAL COMMODITIES WITH INDUSTRY.

	August				
	1956	1957	1958	1959	1960
Raw Cotton—Indian (000 bales)	1,120	949	779		
Foreign (000 bales)	224	213	205		
Yarn (million lbs.)	27	30	34		
Cloth (million yds.)	508	534	587		
Raw Jute (000 bales)	766	635	754		
Hessian Cloth and Bags (million yds.)	125	109	108		
Sacking Cloth and Bags (million yds.)	127	95	92		
Coal at Pithead (000 tons)	2,780	2,755			
With Industries (000 tons)	2,022	2,226			
Cement with Producers (000 tons)	121	123			
Finished Steel with Producers (000 tons)	139	133			

RECEIPTS, EXPENDITURE & PUBLIC DEBT OF THE CENTRAL GOVERNMENT.

	(In Lakhs of Rupees)									
	Customs.	Union Excise duties.	Corporation tax.	Income-tax.	Total Receipts from revenue railways & posts receipts & telegraphs.	Defence drawings.	Revenue expenditure.	Capital expenditure (net).	Debt incurred.	Debt discharged.
1956:										
July	1,322	1,521	381	1,274	4,711	465	1,259	1,750	317	16,137
August	1,179	1,371	85	436	3,326	338	1,206	2,216	—385	20,574
September	1,342	1,435	276	656	3,607	78	1,179	1,860	356	24,239
October	1,512	1,523	760	2,016	6,077	—494	1,318	1,564	—129	13,581
November	1,404	1,585	227	—2,098	1,300	—1,244	1,366	2,384	407	48,363
December	1,458	1,321	268	292	3,306	49	1,183	1,518	476	26,676
1957:										
January	1,641	1,941	788	2,373	7,058	—850	1,372	2,055	2,125	12,644
February	1,672	2,019	417	869	5,426	—296	1,420	2,777	2,935	31,412
March	1,413	1,387	425	297	3,518	80	1,275	2,263	2,881	39,862
April	1,749	2,128	1,612	2,156	8,349	—922	2,330	7,931	2,063	2,26,896
May	1,525	1,656	149	514	3,874	479	1,628	1,932	1,684	27,925
June	1,470	2,050	147	812	4,242	—193	1,321	1,891	1,318	41,296
July	1,563	2,071	202	441	4,971	1,132	1,358	2,750	2,001	24,957

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended		
	7-2-58	31-1-58	8-2-57
LIABILITIES:			
Notes in Banking Dept.	11,00,60	20,72,49	7,00,63
Notes in Circulation	1558,63,33	1531,19,83	1519,65,02
	1569,63,93	1551,92,32	1526,65,65
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India			
Sterling Securities	245,53,81	245,53,81	412,51,91
Total of A	363,29,84	363,29,84	530,27,94
(B) Rupee Coin	129,51,81	131,80,30	121,34,27
Rupee Securities	1076,82,28	1056,82,28	873,03,44
	1569,63,93	1551,92,32	1526,65,65

BANKING DEPARTMENT:

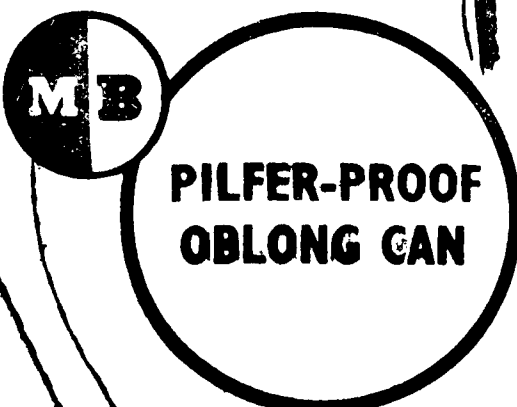
LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	5,00,00
National Agricultural Credit (Long-term Operations) Fund	20,00,00	20,00,00	15,00,00
National Agricultural Credit (Stabilisation) Fund	2,00,00	2,00,00	1,00,00
Deposits:			
(a) Central Govt.	57,52,32	58,13,24	51,01,08
(b) Other Govt.	13,12,00	27,34,28	13,53,40
(c) Banks	71,91,67	75,73,23	50,69,67
(d) Others	113,56,56	113,20,55	41,78,78
Bills Payable	15,33,96	20,86,61	15,17,43
Other Liabilities	33,03,78	31,40,56	112,59,22
	411,50,39	432,88,47	310,79,58

ASSETS:

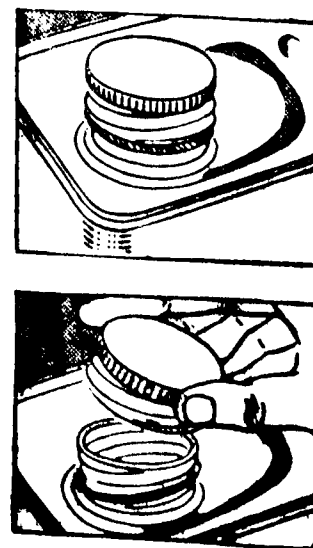
Notes	11,00,60	20,72,49	7,00,63
Rupee Coin	4,11	9,81	5,05
Subsidiary Coin	2,20	2,12	13,49
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	2,15,54	1,22,20	1,15,31
Balance held abroad*	35,42,37	37,15,21	122,16,54
Loans & adv. to Govt*	40,62,39	36,03,50	6,26,70
Other Loans & Adv.....	71,76,41	65,27,47	124,32,01
Investments	233,12,35	254,72,45	36,71,90
Other Assets	17,34,32	17,03,22	13,08,13
	411,50,29	432,88,47	310,79,56

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Indian Finance

HIGHLIGHTS OF THIS ISSUE

Indian Finance

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Saturday

February 22, 1958

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Volume LXI No 8

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Price: Rs 1.50

Amateur detection of the arm-chair type has recently been a favourite pastime.

Our sleuthing abilities have thus been tested in unravelling the various strands of evidence in "l'Affaire LIC".

Our task has proved difficult because, at the "inquest", the Chagla Commission did not by any means record all the evidence.

So, asks Eavesdropper, without this cardinal requirement of motive, what exactly is the case that has been made out at the inquest?

The "post mortem" was preceded by the inquest, but the Parliamentary debate on the Commission's Report still leaves us in the dark.

On the basis of available evidence, the amateur detectives have set about re-constructing the crimes.

What is conspicuously missing, strange to say, is ultimate motive.

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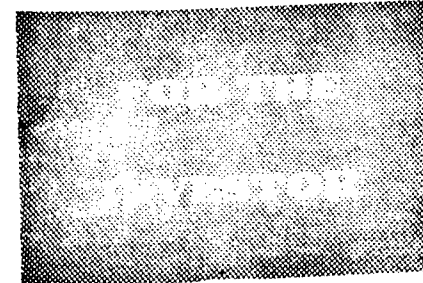
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February 22, 1958



What lies hidden in the Briefcase?

Investment Gossip:

AS I write this, the Budget looms a week away. Where once the market was confident that 1958-59 would offer little by way of unpleasant surprises, it has now been overtaken by the apprehension that, in the event, the Budget may not prove to have any incentives either. In this context, the new Finance Minister has aroused the anxiety in market circles, with his statements on the Chagla Commission Report, that the private sector can scarcely look forward to, shall we say, deferential treatment. So, while the market gained momentary steadiness when the LIC was reported as having purchased parcels of gilt-edged, in the hope that this presaged the Corporation's re-entry into the market for equities, sentiment later turned downward. By the end of the week, however, in consonance with the general desire to square up commitments before Budget, bear covering operations have been in evidence, such that there has been a slight recovery of prices.

But I do not think that the prospect is altogether bleak. On the contrary, I should say that prices have gone down as low as they could get. If I were sure that whims and caprices and fanciful interpretations of any development in the Indian economy no longer influenced the attitudes of stock exchange operators, I would straightaway suggest that the present is the time to buy. Sad to say, the whims and caprices will be there so long as there is a Stock Exchange. So, I suppose I would be best advised not to suggest any immediate purchases; that, instead, I should recommend a wait-and-see policy. This I will do; but, with it, I would like to couple an assessment of the factors that are likely to dominate the economy in the course of the next few days, weeks and months.

First, as regards the Budget. TTK prepared it, and if we are to be guided by his statement on the economic conditions, then, we would be foolish to expect any tax concessions. However, I am not without hope that he would have suggested some specific reliefs, accompanying, of course, one piece of major taxation—the Gifts Tax. What could these concessions be? One may well be the repeal of the Reserve Deposit. In this regard, a question was put in the Lok

Sabha, and Mr B. R. Bhagat's equivocal answer suggests that such repeal may be in the offing. Then, we might have a reduction in the dividends tax; this, however, is likely to be more a gesture than anything else, and the rate may not be much reduced. Lastly, I would not rule out the possibility of a reduction in the rate of Bonus tax.

Second, the next few weeks: the busy season is now running its course, and, after a delayed start, is now witnessing more stringent monetary conditions. This, of course, is a damper upon market activity. But, then, the current busy season would appear to be experiencing a much shorter period of stringent money; and to that extent, the recovery in market activity, following upon a relaxation in monetary conditions, will be quicker.

Third, as far as the next few months are concerned, the sizable accretions to the Deposit resources of Scheduled Banks are a sure indication of the fact that there is more money with the general public; and this, naturally, is of favourable significance to the Stock Exchanges.

Waiting, now, for the Budget and the contents of the briefcase of our Prime Minister cum Finance Minister.

£ R S

Investment Notes:

THE TISCO has obtained the Government sanction to issue bonus shares in the ratio of one share for every five shares held, by utilising the premium received on the new ordinary shares issued last year and a small amount out of the Reserves.

India Steamship Company Limited will capitalise Rs 22.50 lakhs from the Share Premium Account and issue 2.25 lakhs bonus shares of Rs 10 each in the proportion of 1:10.

The Metal Corporation of India Limited will be converting its Deferred shares into Ordinary shares in the ratio of one Ordinary for every three Deferred shares held.

Voltas Limited has decided to maintain the dividend at Rs 9 per share on the Old shares and Rs 6 on the New shares for 1957-58. Though the company has done well, the strict import policy has presumably prevented the directors in taking a liberal view on dividend.

An official announcement has been made by the liquidators for the payment, by way of fourth return, in respect of the Ordinary shares of the Bombay Electric Supply & Tramway Company Limited. The shareholders have, so far, received Rs 120 per share and, with the payment of another Rs 20 now, the total amounts to Rs 140. There appears to be a chance for additional payment of about Rs 2 or so per share. This may, however, take some months.

It is understood that the Premier Construction Company has a proposal to issue bonus shares in the ratio of one share for every share held. The proposal is expected to receive active consideration after the Budget. The company is also likely to request the Government for permission to pay the tax liability, in the event of a bonus issue, by instalments.

The authorities of the Bombay Stock Exchange have now allowed resumption of transactions for spot delivery in the shares of Anglo Brothers, Smith Stanistreet, Osler Electric, Jessop, Duncan Spartan, Brahmapootra Tea and F. & C. Osler.

In Ahmedabad, the directors of the Calico Mills Limited will decide the bonus issue on the 2nd March. This depends on the bonus tax in the forthcoming Budget.

In Madras, Kothari Textiles have made a final call of Rs 5 on the 2,52,000 equity shares of Rs 10 each. The amount is payable on or before the 7th April, 1958.

Jeypore Sugar Company has decided to capitalise Rs 6,95,330 out of the Reserves for issuing 69,533 bonus equity shares of Rs 10 each to the existing shareholders in the ratio of 3:10, subject to the Government sanction.

£ R S

Investment Briefs:

T. Stanes & Company, Coimbatore, has declared a final dividend of 12 per cent, making a total of 20 per cent for the year ended 30th September 1957 as against 17½ per cent in the previous year.

Jeypore Sugar has maintained the dividend at 6 per cent for the year ended 30th June, 1957.

Jogta Coal has again passed over the dividend for 1956.

£ R S

Textile Profits

Balance-Sheet Reviews:

THE worst fears about the unsatisfactory performance of the textile industry during the past year have already been confirmed by the dividend announcements made by certain important mills. The Brady group is the first to come out with dividend announcement for the calendar year and hence the distribution policy is indicative of the shape of things to come in respect of other textile units. As the industry had to nurse huge stocks and had to sell cloth at lower prices, it can be safely assumed that a serious inroad has been made into the profit margins of the mills.

£ R S

Central India

The above fact has been confirmed by the working results of the Central India Spinning and Manu-

facturing Company. The company has incurred a loss of Rs 20.79 lakhs for the year ended 30th June 1957 as against a profit of Rs 37,631 in the previous year. With the credit balance of Rs 13,125 brought in, there is a net loss of Rs 20.66 lakhs, which has been written off by transfer of the same amount from the Reserve Fund. Naturally, the directors have passed over the dividend.

According to the directors' report, the unsatisfactory working of the company were mainly due to the disruption and dislocation of normal working caused by the large-scale renovation programme which is in progress, the continued depressed state of the cloth market and the increase in labour costs.

In order to put the mills on a remunerative basis, they have now embarked on an extensive renovation and rehabilitation programme, which involves the complete scrapping of Mills No. 1 and No. 2 with the exception of the preparatory equipment of Mill No. 1 and 456 looms of Mill No. 2 which are serviceable and have been retained.

The transition period between the demolition of the old unit and the operation of the new unit is one of dislocation and disruption of normal working. On the basis of the progress so far achieved, it appears likely that the new unit will commence coming into operation by the middle of 1958. The resultant economies of this large-scale rehabilitation programme are expected to be realised when the whole new unit comes into operation.

£ R S

New Great

In the Brady group, the New Great Eastern Spinning & Weaving Company Limited has incurred a loss of Rs 9.55 lakhs for 1957 without providing for Depreciation, while the gross profit for the previous year amounted to Rs 1.67 lakhs. With a view of offset this loss and to provide Rs 30,178 for Wealth Tax and Rs 44,000 by way of dividends on the Preference shares, the directors have transferred Rs 7.30 lakhs from Reserve for Taxation and Rs 2.99 lakhs from General Reserve. Sales of cloth, yarn and waste are, however, slightly higher at Rs 1.97 crores against Rs 1.93 crores.

Further progress has been made in the modernisation of the mill in addition to the spinning machinery of the value of Rs 5.96 lakhs, which has enabled some retrenchment of operatives to be effected.

The paid-up capital of the company is Rs 38 lakhs, while Reserves and surplus have dwindled to Rs 11.72 lakhs. Secured and unsecured loans have increased to Rs 29.42 lakhs from Rs 10.95 lakhs. Current liabilities and provisions amount to Rs 20.90 lakhs.

The net block amounts to Rs 38.45 lakhs with Depreciation of about Rs 63 lakhs being provided so far. Current assets are shown at Rs 57.55 lakhs.

Indian Finance

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New City

The New City of Bombay Manufacturing Company Limited has also incurred a loss of Rs 62.75 lakhs for 1957 without providing any depreciation as against a profit of Rs 3.80 lakhs in the previous year. With a transfer of Rs 23,888 being excess provision not required; Rs 2.68 lakhs from Reserve for Taxation and Rs 1.20 from General Reserve the total available balance comes to Rs 4.65 lakhs. This is adjusted against the loss of Rs 2.75 lakhs, leaving a credit balance of Rs 1.89 lakhs. Out of this, the directors have provided Rs 68,000 for Wealth Tax, while a dividend of Rs 5 against Rs 10 per share has been recommended on the Ordinary shares. Sales are higher at Rs 1.39 crores against Rs 1.32 crores.

£ R \$

Empire Dyeing

After providing Rs 30,419 by way of managing agents' commission as against Rs 37,168, the gross profit of the Empire Dyeing and Manufacturing Company Limited, for 1957, amounts to Rs 3.16 lakhs as against Rs 3.30 lakhs in the previous year. Out of the profit, Depreciation has been provided at Rs 37,433 (Rs 35,340) and Taxation Rs 1.06 lakhs (Rs 87,500). A dividend of Rs 3 per share has been recommended.

£ R \$

Sholapur Spinning

A move on behalf of three or four creditors has been made to take the Sholapur Spinning & Weaving Company Limited into liquidation. It is learnt that the application for the same has been received by the High Court. The Court has, however, given time till the 28th March for the formalities to be completed.

At the moment, the mills are working in very depleted strength as the working has been hard hit due to the incidence of heavy excise duty. The liabilities of the mills, which were once a most efficient unit in the textile industry, have steadily mounted up during the past few years.

The company owns two mills situated at Sholapur, which contain 86,048 spindles and 2,234 looms. The paid-up capital of the mills is Rs 49 lakhs. The carry-forward loss for the year ended 31st March 1956 was Rs 1.65 crores. This, it appears, might have increased further. The

net block stood at Rs 1.08 crores. Depreciation provided so far being Rs 2.05 crores.

£ R \$

Brady Engineering

The gross profit, earned by the Brady Engineering Company Limited, for the year 1957, has amounted to Rs 3.06 lakhs as against Rs 2.41 lakhs in the previous year. Out of this, the directors have provided Rs 94,787 for Depreciation against Rs 96,145 and for Taxation Rs 1.34 lakhs against Rs 33,000. They have transferred Rs 20,000 to General Reserve as against Rs 25,000. The dividend is maintained at Rs 3 per share.

Proceeds of engineering work amount to Rs 10.37 lakhs against Rs 8.92 lakhs. The directors have pointed out that the business has again been of a general nature; but a licence has recently been granted to the company for the manufacture of pulley blocks and ancillary equipment. It is hoped that this will develop into profitable line of business.

£ R \$

Eharat Collieries

Despite a rise in sales from Rs 82.11 lakhs to Rs 87.42 lakhs, Bharat Collieries Limited has reported a decline in the net profit, after providing for Taxation and Depreciation to Rs 3,60,320 for the year ended 30th June 1957 from Rs 4,23,536 in the previous year. After providing a sum of Rs 41,000 for Wealth Tax for two years, the Depreciation amount is reduced to Rs 3.70 lakhs from 3.72 lakhs. The dividend recommended is slightly lower at 60 nP against 62 nP per share.

According to the directors' report, the sinking of Pits No. 4 and No. 5 at Chapul Khas Colliery has been completed and the work in connection with the layout is now in progress. Raisings on a commercial scale from these pits will begin by the end of this year and increase gradually towards achieving the target of about half a million tons for this colliery under the Second Five-Year Plan.

The directors are also considering sand-stowing at Ekra Khas Colliery to increase the life and raisings from this colliery. Negotiations are being carried on with the Coal Board for requisite financial assistance to install ropeway for sand transport.

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I—The Railway Budget

WITH little to offer by way of relief in congestion of passenger traffic and the alterations in freight arising from the Mudaliar Committee deferred to a future occasion, this year's Railway Budget is devoid of exciting features. Total revenues for the Budget year are estimated to be Rs 4075 millions, as against Rs 3844 millions in the revised estimate for 1957-58 and Rs 3476 millions in the actuals for 1956-57.

The increase in revenues anticipated for 1958-59 is at a lower annual rate than estimated for the previous year. This adverse difference is obviously due to the absence of any increase in rates in the budget. Last year the increase in gross traffic receipts was substantially assisted by the enhancement of rates. The anticipated addition to the traffic load in the third year of the Plan is of the order of 12 million tons, leading to a total of 145 million tons against 162 million tons in the original estimates of the Second Plan.

The year 1958-59 is described as a lumpy period from the standpoint of financial outlay. From that of addition to railway traffic too, it deserves the same description. While in the first year of the Plan it was 10 million tons, in the second year 9 million tons, and in the fourth and fifth years together 17 million tons, in the Central year 1958-59, the addition is estimated to be 12 million tons. To what extent this new demand on the Railways could be met is roughly indicated by the outlay proposed on rolling stock, machinery, works on new lines, electrification projects etc. For the current year, the budget estimate of Rs 2180 million for this purpose was arrived at on the basis of a probable saving to the extent of about Rs 247 millions. A revision of the estimate for the different heads of expenditure has wiped out the larger part of the anticipated savings and places the new estimate at Rs 2350 millions.

If the grievances voiced by trade associations from different parts of India are an indication, it is difficult to believe that wagon supply and movements have been satisfactory and sufficient during the year. For the budget year Rs 2600 millions have been allotted for this area of expenditure. Among the new items are included two important new lines which together add up to 140 miles, the doubling of line capacity on a few busy routes, the conversion of a section of the Southern Railway from meter gauge to broad gauge and a track renewal programme considerably bigger than what was undertaken in the previous year.

A total length of 1062 miles will be taken up for electrification with priority in execution going to those sections where traffic in steel and coal has increased, sections from Howrah to Moghalsara on the Eastern Railway and Asansol to Tatanagar and Rourkela and Rajkharwan to Barajamda on the South Eastern Railway. The Railway Minister in his speech presenting the budget was also able to report satisfactory results of steps taken to improve the supply of "critical" materials, by which he meant mainly steel.

At Chittaranjan 168 locomotives were produced in the current year and an equal number is expected in the next, against 156 in 1956-57.

The Minister would surely have wished for an increased output for the budget year. Chittaranjan, we gather, is hopeful of putting out a locomotive a day. Perhaps that day belongs to a period of surfeit and export. The TELCO is scheduled to improve the output from 78 locomotives last year to 90 in the current year and 100 in the next. The Integral Coach Factory has a more striking performance to report. From 88 unfurnished coaches in 1956-57, deliveries from the ICF have increased more than double to 180 in the current year and are expected to reach 295 in the budget year. A year hence, on double shift working the ICF output is scheduled to transcend the one per day limit.

While all these developments are indicative of a direction and a pace of improvement which in the context of the Second Plan has a certain inevitability about it, the day of adequacy in rail transport still remains far off. To say this is not to cast reflection on the determination or drive of the authorities. Strewn throughout the speech, there is ample evidence of both.

Financial outlay alone or for that matter the number and size of new projects can seldom be adequate criteria for actual improvement. Administrative steps have also a vital place. It is to be wondered if smaller zones can achieve greater all round efficiency. The creation of the North East Frontier Railway with the smallest mileage for any zone is a step in that direction, though here strategic considerations also came to play. The Mudaliar Committee is divided on the question of further zonal division. Anyway, that is a subject which the authorities may be called upon to pursue further.

Financially, the Railways are now in a sound position. The Second Plan allotment has been increased from Rs 11,250 millions to Rs 14,000 millions, which inspite of inflated costs here or there, must be fairly sufficient for the maximum physical achievement possible within another three years. In comparison with 1957-58 revised estimate, working expenses for 1958-59 have, as estimated in the budget, shown decline in the annual rate of increase. Net railway revenues on the contrary show a considerable higher rate of increase. Against Rs 584 millions in the actuals of 1956-57, the net revenues stand at Rs 659 millions in the revised estimate for 1957-58 and at Rs 769 millions in the new budget. Of the latest annual increase anticipated, the general revenues will absorb Rs 53 millions and the railway development fund Rs 57 millions.

These figures, comfortable as they are from the stand point of the Administration, can provide no relief to the lower class passenger who even now is obliged to travel under conditions of acute discomfort, if not also a threat of danger to life and property arising from too frequent accidents and too many thefts and robberies. Recent major accidents have induced the Railway Administration to take urgent measures of safety. Mr Jagjivan Ram assures us that technical improvements which can help to mitigate the incidence of the human element are being progressively effected. This is some consolation but when

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

human failure admittedly accounts for these accidents more than any other factor, we can only pray with the Railway Minister that all those engaged in the running of Railways will be fully alive to their duty and responsibility. How far the labour unions could contribute toward avoidance of accidents is somewhat debatable. When the Railway Minister requests the unions to extend their full co-operation, he may be thinking only of the distractions and lassitude engendered by localised indiscipline or factionalism.

The experience of recent years has shown that the safety and comfort of the individual traveller are also dependent on his own conduct and the general attitude of the public toward crime and social discipline. As it is impossible to line the entire thirty thousand and odd miles of Indian Railways with a protection force, equally inconceivable is a policeman in every compartment. A better civic sense and more disciplined social co-operation in tackling lawbreakers will go a long way in the direction of rail travel with less discomfort.

For the lower class passengers overcrowding remains the worst terror, ordinarily. In spite of all the efforts being taken, the Railway Minister is afraid the difficulty will still continue to be as formidable as ever. Between requirements of additional goods transport and those of passenger traffic, the Administration has for the moment given priority to the first. In the light of the over-riding demands of a growing economy, this preference is scarcely a matter for controversy.

It is disturbing to feel that a vital national service like the Railways run by the State continues to be the cockpit of rival trade unions. Twice during last year there was threat of an All India strike. The revival of the All India Railwaymen's Federation is an unflattering development. There is reference in the budget speech to progress made by way of implementing the unity agreement made by the two organisations in March 1956. It is to be hoped that no new spoke would be put into the wheel. The budget contains quite an impressive array of items by way of extended amenities for railway staff. Against a provision of about Rs 30 millions provided for amenities for railway users, Rs 110 millions have been allotted for staff quarters and staff amenities. These figures speak of a solicitude on the part of the Administration for which the least that could be expected from the workers is the avoidance of strikes.

The lack of excitement in the Railway Budget arises, of course, in the fact that there is no sensation provided, by an increase either in passenger rates or goods rates. In the case of the Central Budget, there may be a similar absence of excitement, though there is one striking difference between the two Budgets. That is, while the tax effort has been completed from the standpoint of the Central Budget, much remains to be done in the case of the Railway Budget. And, surely, it would be inadvisable in this regard unduly to defer action on the recommendations of the Mudaliar Committee.

II—Performance in 1956-57

THE annual Report of the Railways Ministry, containing details about the activities and achievements of the Ministry for the last year (1956-57); points to significant developments in all spheres of railway operation. The performance of the railways during the year was marked by new levels of activity in almost all lines of operation which was paralleled by a rise in efficiency in working. This has coincided with improvement in other sectors of the economy which testifies to the impulse which railway expansion has given to economic development. Both industry and agriculture during the year have responded well to the momentum generated by the railways and production in these two has shown encouraging signs. In turn, part of the railways progress could also be traced to the expansionary influences generated in other sectors.

The all important index of performance so far as the railways are concerned, is the volume of traffic, both passenger and goods, which is carried. The volume of traffic under both these heads increased, goods traffic having gone up by 8.77 per cent and the number of originating passengers by 6.57 per cent over the previous year. In terms of tons and ton-miles, goods traffic during the year attained a peak of 125 million tons and 40,225 ton miles, against the previous year's figures of 115 million tons and 36,472 million ton miles. The increase in goods traffic on Government lines alone worked out to 10 per cent. The number of originating passengers showed a similar rise from 1,297 million in 1955-56 to 1,383 million in 1956-57. Passenger miles increased from 39,083 million to 42,194 million. Revenue loadings, or wagons loaded for the public, etc., also showed better results and averaged 12,168 a day on broad gauge and 7,819 on metre gauge against 11,374 and 7,263 on broad and metre gauges respectively during the previous year. In percentage terms, the increase was to the extent of 6.69 on broad gauge and 7.36 on metre gauge.

The most striking feature of the working of the railways was the increase in efficiency as reflected in the figures for the net tons miles per wagon day and for passenger train miles and goods train miles. The net ton miles per wagon day index rose to 570 on broad gauge and 210 on metre gauge from last year's figures at 541 and 203 respectively. Passenger train miles increased during the year by 2.70 per cent to 118.75 million and goods train miles totalled 86.64 million representing an increase of 4.85 per cent. As a result, the operating ratio (the ratio of working expenses, excluding suspense but including appropriation to Depreciation and Reserve Fund to gross earnings) was reduced from 81.95 per cent in 1955-56 to 79.90 per cent in 1956-57.

The increase in the volume of traffic made it possible for the railways to increase their earnings. Earnings from the carriage of goods increased from Rs 177.92 crores in 1955-56 to Rs 201.09 crores in 1956-57. The average receipts per freight ton mile stood at 11.3 pies against 11.1 pies during 1955-56.

The gross traffic receipts of the Government railways, amounted to Rs 347.57 crores and included Rs 116.33 crores under passenger traffic and Rs 203.96 crores under goods traffic. The net revenue during the year, after meeting all expenses including the ordinary working expenses to the tune of Rs 233.94 crores, was Rs 58.38 crores. Out of this, a sum of Rs 38.16 crores went to meet the obligation to pay dividend to the Government. Thus, the net surplus which remained for purposes of

development and allocated to the Development Fund was Rs 20.22 crores.

The year also witnessed the opening of new lines which had increased the mileage by 115.89 miles. Though this is only a minute fraction of what the country requires by way of new lines, more of such lines for about 569.45 miles are under construction. The total route mileage of all railways in India at the end of the year was 34,744, with about 34,291 miles under Government management. The total investment on all railways at March 1957 has been estimated at Rs 1246.40 crores, the investment on Government railways being placed at Rs 1239.88 crores.

The increase in the figures for revenue and volume of goods carried would fail to appeal to the common man, for whom progress is nothing unless it includes also increase in the amenities and facilities for travel. The expectations of the travelling public have also been roused by promises of such amenities by the Railway Ministry. The Railway Ministry, it is to be admitted have shown a keen awareness of the popular demand for better and more facilities and the need to meet them. The important standards for evaluating the performance of the Railways from the standpoint of the travelling public are safety, adequacy and comfort. Applying these standards, it would be evident that the Railway Ministry have not let their interest in the needs of passengers to slacken.

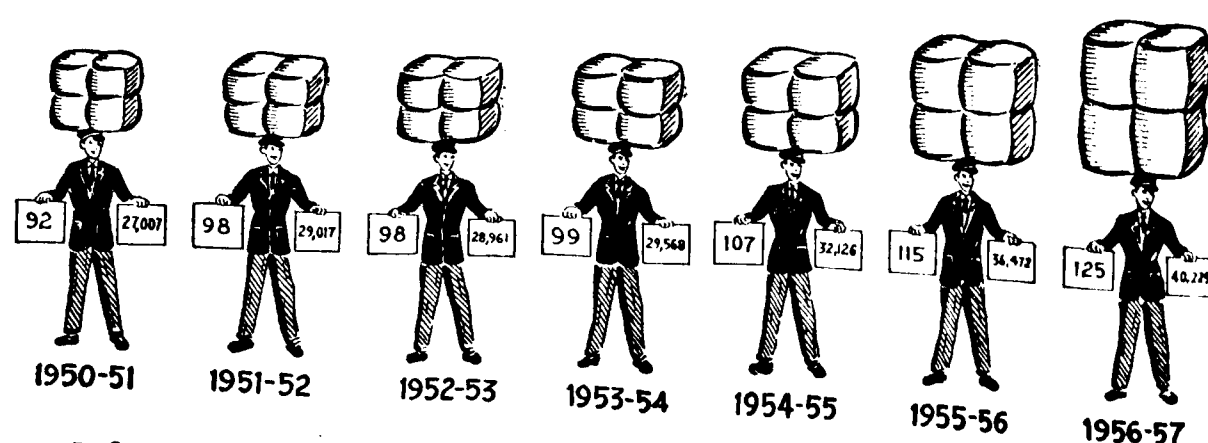
During the year, 1,301 new coaching vehicles were placed on line—565 broad gauge, 704 metre gauge and 32 narrow gauge. Out of this lower class coaches alone accounted for 910. Further, new locomotives numbering 322 broad gauge, 254 metre gauge and 3 narrow gauge were also released for increasing travelling facilities. Fitting of electric fans in third class coaches, supply cool drinking water to passengers, introduction of departmental catering on the Zonal railways on which it did not exist and efforts at improvement of the quality of food served, were the various kinds of amenities which received special attention. Sleeping accommodation for third class passengers was provided on seven pairs of trains. Further, extension of facilities was attempted by arrangement for reservation facilities for third class seating accommodation both at the starting stations as well as at intermediate stations. While all these would not fail to evoke appreciation, and have admittedly

made railway travel more comfortable for the middle class who form the majority of third class travellers, unless accompanied by greater safety of travel increase in amenities will remain a mere mockery for the travelling public whose chief concern is safety of travel. The unsafe condition of some parts of the Railways in the country has been so cruelly demonstrated by a series of major accidents a year ago involving heavy loss of human lives. That the causes of such accidents have not been completely eliminated has also been proved by some minor accidents in the course of the last year. More than anything else, it is this need to avoid accidents which should receive the major share of the attention of the Railway Ministry.

The Railway Ministry have shown themselves to be equally concerned in the welfare of their own staff and have been following a progressive and enlightened policy to meet the aspirations of the members. Construction of quarters, opening of staff canteens and co-operative societies and extension of medical facilities constitute the various strands of this policy.

Thus, judging from the capacity, shown by the railways in the first year of the Second Plan to respond to the needs of the industry and trade, there is no reason why, given the necessary foreign exchange, which is the basic factor governing the development of railways, the railways should not be capable of not merely repeating the performance of last year but also improving on it still further. As forming part of what is known as the hard core of the Plan, expenditure for railways is not subject to pruning and the Government are also committed to securing the requisite foreign exchange for the implementation of the various programmes coming under Railway development. Even if the difficulties on the foreign exchange sector are to be got over, the outlook for the successful implementation of the various schemes of railway development would remain uncertain to the extent that internal factors are not mobilised in support of them. In this connection, co-ordination in the implementation of programmes in the various sectors with particular reference to possibilities of diverting materials now in short supply from less important purposes would seem to be warranted. The Report has pointed to conditions of shortage in regard to certain materials vital to the development of the railways such as steel, cement, and timber. Ways of economising such materials by use of fair substitutes have therefore to be explored and the use of such substitutes encouraged.

Rising Goods Traffic on Indian Railways



Left panel shows total tonnage lifted, and right panel shows total ton-miles (both figures in millions)

February 22, 1958

III—Freight Rates Revision

IT was only in 1948 that a general revision of railway rates took place. Since then sporadic changes have been effected both at the time of the annual budgets and in between. The changes thought necessary in 1948 proceeded on the basis of the new approximation of economic to political conditions as much as for any other circumstance. Since then, economic development has followed a more systematic pattern and on a pace unprecedented for India. The appointment of a committee in 1955 to investigate the question of railway freight was impelled by this overwhelming circumstance.

The Committee's membership was a balanced mixture of servicemen and Members of Parliament, who could claim both an intimate knowledge of both business and public affairs in general. This very fact implied the assurance that no important relevant aspect would be missed in the analysis of problems or given an emphasis without proportion. The task of the Committee was also adequately defined. It had to review the existing freight structure on Railways in all its aspects bearing in mind the needs of a development economy and financial stability of the Railways.

Alongside, the Committee was also asked to examine the statutory responsibility of the Railways as a carrier and to suggest improvements towards making the Railway Rates Tribunal a more effective and expeditious instrument for adjudications on railway freight matters. That on a few important questions such as the size of zones, the members of the Committee could not come to unanimous conclusions is not so much a matter of regret as a basis for a further and deeper study of the impacts of the present zonal grouping on convenience, efficiency and discipline. Even these differences, apart from the general report, display the practical thoroughness which has been applied to a comprehensive survey.

The most important recommendation of the Committee is a basic revision of the freight structure. The existing telescopic pattern of mileage—of "legs" as it is described—is amplified to provide a more supple articulation. The change is primarily directed to discourage as far as possible short distance traffic by rail and encourage alternative modes of transport over such distances. The first leg of 1 to 25 miles is designed particularly for this purpose. The new pattern of legs for traffic in "smalls" and in wagon loads is as follows:

Mile	1—	25
Plus	26—	75
"	76—	150
"	151—	300
"	301—	500
"	501—	800
"	801—	1,200
"	1,201—	and

beyond, the distance being charged for in steps of five miles up to five hundred miles, and of ten miles beyond.

The classification of goods is altered that for "smalls" being increased from 15 to 24 and that for "wagon-loads" from 19 to 24. The revised total number of classes is 31, allowing for classes common to both categories.

As to rates, a percentage scale is proposed starting with the existing class IX as the norm "100" and working backward and forward over the whole range. At the same time the "minimum distance" has been raised from 20 miles to 25, as conducive to divert to the road an optimum of traffic.

The alternatives of "owners' risk" and "Railway risk" rates have been reduced, in favour of the latter; and it is recommended that where "owners' risk" terms are still ad-

mitted as desirable, the rate levied should be that of one class below the corresponding percentage class rate.

The new scheme of rating aims at absorbing the separate charges such as ghat charges, terminal charges, etc. It suggests new minimum loads. The Committee's approach to the question has been essentially pragmatic, and the increases of charge recommended are considered to be the minimum necessary to serve the growth of trade and industry while enabling the Railways to be paid adequately for the services rendered—particularly in the period of the Second Five Year Plan. The scope of separate "station-to-station" rates is curtailed.

The Committee view that the cost of service rendered should be the basis of railway rating and desire that a unified study of costs should be part of the statistical routine—differentiating, as far as practicable, between kinds of services such as coaching and goods.

On the question of liability of railways in respect of goods carried, the Committee is of opinion that the Railways should take the responsibility of "common carriers" or "insurers", instead of remaining "bailees" only as at present. They consider that packing conditions should be made stiffer than now, pointing out that the packing industry is now becoming important in the country and will be appropriately stimulated. Business should pay the carrier adequately for the new responsibility it imposes. The Committee have met

Deus ex Machina

EARLIER this month, many must have read with amused mistrust the report of the centenary of what are usually called the Lourdes miracles, and many more must have just passed it over as a sheer cock-and-bull story deserving no attention at all. What are these miracles? In Southern France, an illiterate peasant girl called Bernadette Soubirous is said to have had visions of the Virgin Mary in the grotto of Lourdes no fewer than eighteen times between February 11 and July 16 in 1858. Since then, the place has been a pilgrim centre for people seeking spiritual and physical healing. During the past hundred years, more than five thousand cures are believed to have been effected by bathing in the waters of the grotto spring, and of these thirty-four have been declared miraculous by the Catholic Church.

This story should be of interest to India where people, despite the influence of modern science and the frequent charlatanism of pseudo-religious humbugs, continue to believe in miracles. The believers usually come in for a good deal of ridicule from the more advanced, the so-called Western-educated, the scientists, the medical men and so on. The son of faith is retreating fast in the modern world. Yet this business of miracles is worth investigating, for, a proper scientific spirit cannot afford to disregard anything without examination and enquiry. This is the point we wish to emphasise.

What is a miracle? Carlyle shouted at his usual high pitch that we were all the time surrounded by miracles, and that only those with eyes to see could see them. The sunrise and the sunset were daily miracles for him. "Too mystical", we sardonically comment and return to our daily chores and accustomed cynicism. As for Sir Oliver Lodge, we take his science seriously, but reject his spiritualism with a deprecating shrug of the shoulders. Our attitude to Faraday is similar. In brief, scientists have made neat formulae and whatever cannot be fitted into their framework is

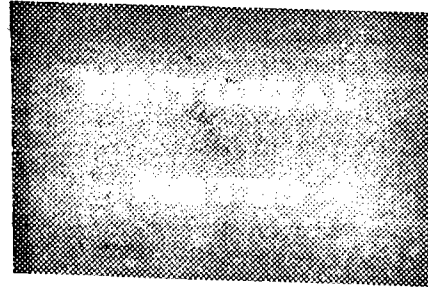
the needs of business and the public in a number of minor recommendations, including the liberalising of "excepted articles", suggesting legal amendments to allow of acceptance of certified copies of extracts of Delivery Books, Number Takers' Hand books, Seal Memo Books and other original documents.

The Committee favours a Railway Rates Tribunal, presided over by a High Court Judge, with mandatory as well as advisory functions—mandatory, binding on the Government, in matters relating to undue preference or unreasonableness of rates and charges and advisory only as to classification and other matters.

The Committee has also dealt fairly elaborately with the question of concessions for particular industries and regions. While it is felt that concessions for industries will have to be reviewed periodically in the light of their stage of development and financial status, concessions for export, for backward and under-developed areas as such are not regarded susceptible to any general formula. For the first, a permanent body of a high-level character is suggested; for the second, the Canadian practice of granting low concessional rates for wheat moving from certain territories and reimbursing the Railways to a corresponding extent by the federal Government, has been recommended.

Concessions to cottage and hand industries are suggested at 25 per cent of normal freight rates, to start with, provided these are given to products booked by recognised cooperative societies and on the authority of official or semi-official certificates.

treated as nonsense. Yet, science has a firm knowledge of very limited areas of the universe and the human mind. It has not written "finis" to the book of knowledge and shut it with a bang. A few enquiring spirits will always keep it open for fresh entries, and the late Dr Alexis Carrel was one such. In 1903, this eminent surgeon and Nobel Prize winner—then a young beginner—went on a personal investigation of the Lourdes miracles and recorded his findings in a book entitled *Journey to Lourdes*. To this, he gave the garb of fiction, using imaginary names in place of real, and called himself Lerrac, Carrel spelt backwards. Most men of reputation are cautious of discussing phenomena falling beyond the accepted purview of science, and Carrel as a young starter in life was fully alive to the dangers that he would run into if he openly testified to the miraculous cures he then witnessed. Hence the literary trick used by him and hence the decision to publish the book posthumously, in 1950. But this does not take away from its documentary value, especially as he had also published in the Press a report of his investigations and was obliged to defend his opinions publicly. The consequences to himself of the evidences of his own senses were profound. A girl called Marie Bailly (in the book she appears as Marie Ferrand), suffering from desperate tubercular peritonitis and actually on the point of death after years of unavailing medical treatment, was seen by him cured within minutes of her arrival at the grotto. Carrel at once found himself stimulated to research into those medical laws which had hitherto seemed reliable but which now appeared set at naught. In this book, he describes the mental processes which he underwent as he formulated his positions on the obscure question of religious faith and scientific investigation. Throughout his life, like a true scientist, he continued to believe that the outposts of reason are perpetually invested by mystery, a point which he later on expanded in his world-famous work, *Man the Unknown*.



Financial Pattern Challenged

Prognostications of most of the State Governments coming out with a crop of fresh taxation have been belied at least in the case of West Bengal. Barring the taxes, which would take effect from the new financial year, the latest West Bengal Budget is content with whatever existed before by way of sources of revenue. The revenue receipts for the Budget year are estimated at Rs 689 millions against Rs 700 millions for the current financial year. To a corresponding extent, the deficit on revenue account is larger.

The revenue expenditure is more or less the same, in the revised estimates for the current financial year and in the Budget estimates for 1958-59. The decision to float a public loan of Rs 50 millions directly by the State Government implies inadequacy of results for efforts to secure small savings.

In his Budget speech, Dr B. C. Roy has recapitulated some of the special difficulties which West Bengal has come to face, both on account of political changes and on account of a financial situation which he describes as "slightly different in practice from the clear cut division of functions and also of finances in relation to such functions as visualised in the Constitution".

In the general picture drawn by Dr Roy, many points have been

raised in support of the argument that the Union Government had not been fair or considerate to the State Government. This kind of charge goes against the latest Report of the Finance Commission too. The principal criterion accepted by the Finance Commission for the determination of allocations from the divisible pool of income-tax revenue has again been challenged.

On the eve of the budget, we are told, the Union Government revoked an earlier order accepting the Finance Commission's recommendations in respect of certain arrangements. This revocation, it is complained, has upset the Budget to some extent.

Of even the routine loan policies of the Government of India, the West Bengal Finance Minister has something severe to say. The point is made out that the Government of India obtained money by deficit financing, part of which they lend to the State Governments at a full rate of interest, with the result that there is loss in one place and gain in another.

In spite of all these difficulties, the West Bengal Government are hopeful of achieving the maximum measure of economic progress in the future and Dr Roy assures that the pace of progress will be accelerated.

The Second Arab Union

The immediate consequence of the formation of the United Arab Republic by the merger of Syria and Egypt is the emergence of a counter union through the merger of Iraq and Jordan. The ambition proclaimed by the Republic of winning over the entire Arab world into its fold has been quickly flouted by the action of two neighbours. Against the numerous independent principalities of the Middle East, two rival blocs have now been thrown up each with its friendships and alliances extending deep into the orbit of the international cold war.

The new setup does not appear to be more congenial to peace than the old. The Arab Federation, under which name the Iraq Jordan combination goes, has obvious points of contrast with the United Arab Republic. The second born has two presiding monarchs, two capitals and possibly two separate administrative systems, though the army and flag are common. Common diplomatic representation is qualified by the continuance of independent political and military commitments.

The details of the other merger are yet obscure. There are resemblances too. Both will suffer from the largely distorted equality which is sought to be maintained between the partners. Both are unequal combinations and it is also doubtful at least in the case of monarchies how far the union and its policies would receive popular approval. In the Egyptian camp, there has always been a hopeful suspicion of the overwhelming unpopularity of

the ruling families of the Middle East. President Nasser has however chosen to congratulate King Faisal and to describe the union of Iraq and Jordan as a blessed step which would bring close "the day of great unity". Except the presence of Israel as the common enemy for both the partnerships, there is scarcely any factor at present which is likely to hasten the unity of the Egyptian President's dream.

Nationalise What?

Few Resolutions before Parliament appear to have received as wide a measure of support from all parties as the one moved by Mr M. L. Dwivedi, a Congress Member from UP in the Lok Sabha, on the nationalisation of the Panna Diamond Mines. Any measure which receives all party approval must commend itself automatically to the majority.

But in this case a word of caution appears necessary. What is described as the Panna Diamond Mines, as far as we could gather, is really only an area in which a few private companies have been trying to discover diamonds. With hopeful hurry, the Government of India had declared as early as April 1956 that as a matter of principle these mines would be nationalised. In pursuance of this declaration, the Government are now being pressed to carry out the intention.

Mr K. D. Malaviya disclosed that as far as the Government were concerned they had many difficulties not the least of which concerned the import of machinery from abroad for prospecting the mines. This reply shows that the companies have not even completed the work of prospecting and no one is sure as to whether any diamond exists at all. Some newspapers have published an amusing anecdote about the mines which is also disheartening.

Of late, a fast deteriorating employment position is reported in the mines, which might mean that either a positive stage has been reached or that expectations have fallen. If the latter were to be the case, the Government would be well advised to proceed carefully before deciding to take over something whose value as an asset or a source of potential wealth still remains a matter of speculation.

It needs scarcely be said that when the Government do decide to nationalise these mines which after all does not seem urgent for any reason, they will have a clear idea as to what they are paying for and why.

Toward Better Cooperatives

The Report submitted by Sir Malcolm Darling to the Planning Commission on certain aspects of the cooperative movement in India would, we are sure, stimulate some rethinking on a question, on the discussion of which an element of

dogmatism has always been present. The progress of cooperative societies, which is being reviewed periodically and in a most competent fashion by the Reserve Bank of India and other authoritative agencies, has not been all too encouraging. There is also the fact that whatever progress that has been achieved is largely due to the initiative and interest shown by the Government.

The Planning Commission have, in accordance with the economic aims formulated by the Congress, outlined a programme for the development of co-operatives, particularly in the sphere of agriculture. Sir Malcolm regards this programme as a little too ambitious and having the drawback of overlooking the differences in conditions between States. In view of these differences, he suggests suitable alterations in phasing. According to him a slowing down of speed in the case of the weakest States to ten years instead of five for the attainment of the targets contemplated in the Plan would be desirable.

He is disturbed by the dissociation of credit from thrift in the village credit societies. These two features, Mr Malcolm insists, will have to be reunited so that credit could be supplied largely out of the savings of the members themselves. In the light of an economic situation in which small savings are regarded a significant item in total national savings, this suggestion coming from one who can claim rare intimacy with the problems of the Indian peasant is most timely.

For a clearer understanding of the needs of cooperatives in general and the proper role which the Government could play in satisfying these needs, Sir Malcolm suggests the formation of three types of societies namely, those with Gov-

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ernment participation in shares but not in membership and the third without Government participation either in shares or membership. Periodical review of these societies would enable a judgment which is impossible under present conditions.

It would be highly desirable if in future policy regarding co-operatives, these views are given the weight they deserve. As the State ought at some stage or other to leave the field entirely to private initiative, the comparative study

suggested by Sir Malcolm should prove out to be beneficial.

Rochdales of Calcutta

If the UK has had one Rochdale, Calcutta has had two this week, the milieu and consequences being, of course, different. At Rochdale the Liberals landed a heavy sock in the Conservative jaw, while the Labourites also fared miserably in the two Calcutta constituencies,

the Graduates' and the Teachers', the Congress was similarly beaten hip and thigh. From the former, two additional members were elected to the West Bengal Legislative Council, both non-Congress, one a Communist and the other a PSP. They are respectively Messrs Gopal Haldar and Tripurari Chakraborty. One of the two Congress candidates lost his deposit. Though things were not exactly as bad as this in the Teachers' constituency, the Congress candidates just managed to escape without the loss of depo-

sits, victory going to the two nominees of the All Bengal Teachers Association, Messrs Sachindra Nath Banerjee and Bijoy Behari Basu. It should be easy to interpret these victories as those of the Leftists, if precisely not of the Communists, since it is well known that the ABTA is largely dominated by crypto-Communists. The Congress has often been warned in the recent past through by-elections and municipal elections. Did it really need this last one too? Its complacency seems too, too solid, alas!

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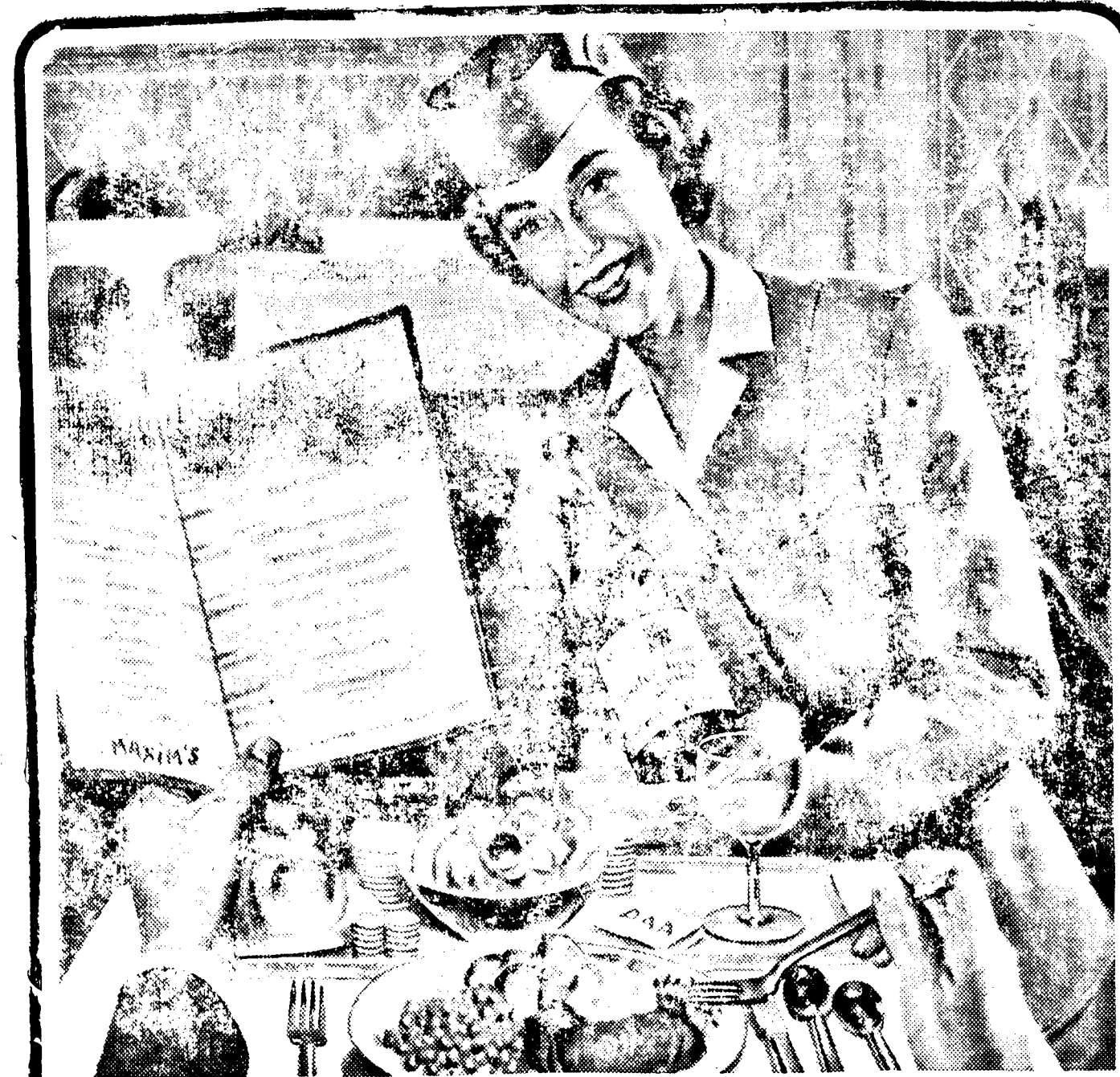
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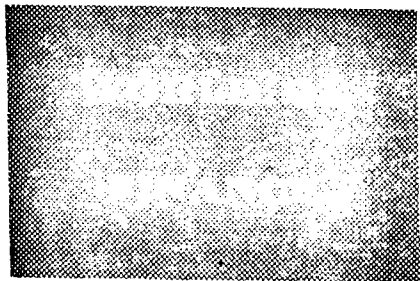
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Thinking Aloud on State Borrowings

INDICATIONS are already available of the prospect of the State Loan borrowing programme in 1958-59 being on as substantial a scale as in 1956-57. In that year, it may be recalled, State Government Loan issues were for an amount of Rs 64 crores, and the amount realised, by virtue of the provision by which over-subscriptions to the extent of 10 per cent were retained, was of the order of Rs 69 crores. Two of the bigger State Governments, West Bengal and the Uttar Pradesh, have published their budgets for 1958-59, and it has been explicitly stated therein that their deficits are to be made up through market loans amounting to Rs 5 crores and Rs 7 crores respectively. Thus, it is fair to state that the financial authorities at least at the provincial Government level have decided that the conditions, which, during 1957-58, held them back from approaching the market, no longer obtain. It is, we must assume, in the confidence that conditions are propitious for State Government Loans that the Finance Ministers of West Bengal and the UP have announced their intention of going on to the market for a total of Rs 12 crores during 1958-59. We would like to utilise this opportunity of stating the case for State Government Loans.

At the outset, it is to be remarked that the State Governments have so far shown themselves chary of attempting the targets that were set for them by way of resources either against new taxes or against market borrowings. In both cases, as far as the first two years of the Plan are concerned, it is possible to excuse this apparent lack of ambition or effort. Why this is so, we may now see. First, in the matter of taxation, the State Governments were understandably reluctant to propose any new taxes in 1956-57, since the general elections were quite imminent. Then, by the time the Central Government had made their tax effort in 1957-58, there was precious little left for the State Governments to tax. So, we may suggest, in the present context, that there is little prospect of the State Governments attaining the target for additional taxation which, we may recall, was Rs 225 crores. Furthermore, we need not be unduly disturbed by this fact since, of the Central levies, many, involving excise duties, are divisible and accruing in part to the State Governments.

Thus, in a sense, the Central Government may be said to have taken the responsibility for proceeding with new taxation in behalf of the State Governments. Nor do we see any prospect of the State Governments, in the next three years, raising any considerable sums of money from new taxation. In a word, we would say that the target of additional taxation from State Governments will be achieved only to the extent that the amount from the divisible pool itself becomes larger. Secondly, in respect of borrowings, the experience in 1956-57 was of paradoxical significance. On the one hand, the State Governments together gleaned in a phenomenal amount of Rs 69 crores. On the other hand, however, no sooner were the subscription lists closed than there was a stampede to sell, which resulted in the new issues being offered on the gilded market at a discouraging discount. This last factor, coupled with the monetary stringency during the 1956-57 busy season, made it advisable for the State Governments to desist from any borrowings during 1957-58. This indeed happened, since only two State Governments, Mysore and Bombay, were on the market during the current financial year for an amount totalling Rs 9 crores. Now, however, there is clear evidence to show that the monetary stringency which was observable from, say, August 1956 to April 1957, no longer obtains. What is much more important, there are also signs that there is a famine of State Government loans.

Let us explain why we have suggested that an acute scarcity obtains in the availability of State Government Loans. Leaving apart loans floated by State Governments prior to the First Plan, it is to be noted that State Government Loans floated since 1951 have been as follows:

	(In crores of Rs)
1951-52	11.53
1952-53	17.03
1953-54	39.62
1954-55	2.52
1955-56	55.06
1956-57	68.71
1957-58	9.00
Total	203.47

That is to say, in a seven year period, the market absorption of State Government Loans has amounted to Rs 204 crores—that is, something less than Rs 30 crores per annum. There can be no doubt at all that the funds accruing annually with Provident Fund Societies and similar organisations are for an amount considerably exceeding this sum. This explains why, in spite of an increase in Bank Rate in the interim between the issue of the new loans in 1956-57 and the present time, the comparison of quotations between the two dates is not so unfavourable.

Again, even at the current prices, it is a sellers' market. Scrip is hard to come by, and the strength being displayed by some of the longer-dated Central Government

Loans—3 per cent 1966-68, 3 per cent 1970-75, 3½ per cent 1974 and 4 per cent 1972—indicates that some of this unsatisfied demand for State Government securities has overflowed into Central Government securities. We take this state of affairs to mean that the State Government Loans will have a favourable reception in 1958-59.

But we must warn against a recurrence of the 1956-57 debacle, when the closing of the subscription lists was a signal for an immediate selling pressure in the New Loans. It is within our knowledge that the selling pressure arose from the fact that many Scheduled Banks, intending a favour for particular Chief Ministers, put in their applications for State Loans. This explains the fact that the State Loans purchased by the Scheduled Banks were for an amount, roughly, of Rs 15 crores in 1956-57. But, in hardly three months, the Scheduled Banks had divested themselves of such State Government Loans as they had subscribed for. It is this selling pressure from the Scheduled Banks which must be held out as the villain causing the debacle in the State Loans soon after the closure of the subscription lists.

We put it to the financial authorities at the State Government level that they are doing themselves no good in seeking the support of such sections for their issues. It may be said, bluntly, that the Scheduled Banks are not that class of institutional investors which has a penchant for State Loans. In the result, the so-called support derived from Scheduled Banks is not only exceedingly short lived—the pressure or persuasion that might have been used by the State Government has a boomerang effect. This boomerang consists in the fact that, with Scheduled Banks losing no time in getting rid of their newly acquired purchase, the market gets spoilt for subsequent issues by the State Governments. So, the first thing we wish to suggest in the matter of State Loans is that it is neither necessary nor desirable to expect or to induce forced support for the State Loans from the Scheduled Banks.

At this stage, we shall be told that, if the Scheduled Banks are not to take up any parcel of State Loans, then the total amount that can be realised will be small; and it will also be suggested to us that, to the extent that the Scheduled Banks' sales of State Loans find a sanctuary with Provident Fund Institutions ultimately, the Scheduled Banks perform a necessary office as middlemen. We wish to say that, at least in this context, the Scheduled Banks prove to be as unnecessary and undesirable as most middlemen are. But it devolves upon us to suggest some other entity as a middleman; and this is so since the particular class of investors interested in State Loans are the provident fund institutions, which have funds accruing month by month. It is these funds, seeking State Loans,

which have to be satisfied by a continuing supply of State Loans. To our way of thinking, it is the help of the Reserve Bank which in this respect should be sought. By all means, let the State Governments set an ambitious target for their loans. But let them take care to see that the amount taken up by "stags" is kept to a minimum. Let the State Governments ensure that the bulk of their new loans are taken up by entities, which will not be in any haste to sell. Then, in order to cater to the month by month accruing funds, the State Governments could prevail upon the Reserve Bank to take up that part of the issues which is not subscribed to by the "investing" public. It should be an easy matter to arrange that the Reserve Bank would then make available its holdings of State Government securities through the tap. This, of course, involves strategy and tactics, since open market operations and especially sales through the tap are an intricate business. There must not on any account be the intention to make available securities from the Reserve Bank at a price lower than the issue price. On the contrary, the tap rate of the State Government Loans must be steadily taken up, so that their very strength induces further and further purchases.

Given these conditions, we are hopeful that the State Governments will be able to secure not only the spectacular Rs 69 crores that they did in 1956-57; we see no reason why the target for State Loans in 1958-59 should not be, say, Rs 100 crores.

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SBI Deposits Cross Rs 400 Crore Mark

The latest banking returns are largely uninteresting, since the only noteworthy features are an indication of deficit financing, the crossing of the Rs 400 crores mark in Deposits of the State Bank and a sharp decline in Deposits of Scheduled Banks due to month early disbursements.

According to the return of the Reserve Bank for February 14, Active Notes are slightly lower at Rs 1557.65 crores against Rs 1558.63 crores. Rupee Coin went out into circulation for Rs 0.12 crores, and the Reserve Bank's cash in the till has improved by Rs 0.85 crores to Rs 11.86 crores.

The Centre's balances are lower by Rs 5.70 crores, but the improvement in the Deposits of other Governments is much sharper, with a rise of Rs 11.71 crores to Rs 24.83 crores. Besides, the State Governments have also reduced their indebtedness to Reserve Bank by Rs 2.41 crores. Thus, the rise in investments from Rs 233.12 crores to Rs 242.85 crores is suggestive of deficit financing that apparently became necessary in order that the Centre could effect some payments to the State Governments.

Reserve Balances of member banks have been marked down by

February 22, 1958

Rs 2.66 crores to Rs 69.26 crores; but there has been a decline of equal size in the Reserve Bank's Other Loans and Advances, which are lower by Rs 2.70 crores at Rs 69.07 crores. Advances against usance bills are practically unchanged at Rs 28.12 crores. Lastly, Balances Held Abroad have declined by Rs 1.81 crores to be placed at Rs 33.61 crores.

With a rise of Rs 7.23 crores, the Deposits of the State Bank, in the week ended February 14, have crossed the Rs 400 crore mark to be placed at Rs 400.67 crores. The continuing demand in respect of the busy season is responsible for a rise of nearly Rs 4 crores to Rs 199.71 crores from Rs 195.76 crores in Advances. Nevertheless, borrowings have been reduced from Rs 2.53 crores to Rs 1.59 crores. However, with Other Assets rising by Rs 3.80 crores to Rs 6.56 crores, Cash Balances have declined from Rs 31.35 crores to Rs 28.23 crores.

According to the return of Scheduled Banks for February 7, month early disbursements have involved both a drain in Deposits and a rise in Advances. Deposits have been marked down by Rs 9.35 crores at Rs 1429.33 crores. Ominously, while Demand Liabilities are lower by nearly Rs 28 crores, Time Liabilities have risen by Rs 18½ crores; and, furthermore, for the first time, Time Liabilities exceed Demand Liabilities. So, at the present time, Deposits on which Scheduled Banks pay a higher interest account for more than 50 per cent of total Deposits. The total of Advances is higher by Rs 11.27 crores at Rs 918.65 crores, and this has necessitated both an increase in borrowings and a drawing on cash balances. Borrowings from the State Bank have risen to Rs 9.96 crores against Rs 9.17 crores. Indebtedness to the Reserve Bank is higher by Rs 6.88 crores at Rs 34.00 crores. Cash balances have been drawn upon to the tune of Rs 8.21 crores to be placed at Rs 160.49 crores.

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Politics & Inflation in the British Isles

By

Paul Einzig

MR. MACMILLAN, returning from this Commonwealth tour, found gloom and despondency. The result of the Rochdale by-election, at which the Government's supporter was easily defeated not only by the Socialist candidate but even by the Liberal candidate, was a setback in sterling and a further weakening of the Stock Exchange. The markets felt that this result foreshadowed a return of the Labour Government after the next general election. The effect was, however, moderate and short-lived, and a steadier tone set in within twentyfour hours. This was because Ministerial spokesmen made it perfectly plain that it is not the Government's intention to decide in favour of an early general election. Under the Bri-

tish constitution the Prime Minister is entitled to carry on for five years even if it becomes obvious that his Government no longer enjoys the confidence of the majority of the electorate, so long as he commands a majority in the House of Commons. And the Conservative Party could afford to lose quite a few seats in the House before the Government would cease to have a working majority.

The position is that, unless some unexpected development should make an early election appear expedient, there will be no general election for another two years. For this reason, it would be, to say the least, premature to sell sterling or British stocks in 1958 in anticipation of the advent of a Socialist Government in 1960. After the first unfavourable reaction most operators realised this and the immediate adverse effect of the disastrous by-election result ceased.

Even so, the increased probability of a change of Government in 1960 is likely to prevent unwarranted optimism about the

British economic prospects. It is true, there is nothing to prevent sterling and British stocks from booming if immediate economic conditions should favour such a trend. Towards the close of 1959, if not before, holders of sterling and of British stocks—whether Government loans or equities—are likely to begin, however, to play for safety at all cost. And many of the more cautious holders may feel inclined to get out much earlier, while the going is good. Possibly events may prove them to be wrong. After all, public opinion is liable to change unexpectedly, and it is by no means impossible that within the next two years the Conservative Party may restore its popularity.

To that end it would be necessary, however, to bring inflation to a halt and to resume non-inflationary expansion of production. If by 1960 the British public could be made to realise that the Government succeeded in establishing stability and to combine it with prosperity, the general election

might not bring the Socialists to power. But time is becoming short. At the present moment the rise in the cost of living is still going on. It would have to be halted and reversed for at least twelve months in order to satisfy the public that the change is of a lasting character. And it would take some time before the recovery that would follow two years of economic stagnation could make itself felt.

Strangely enough, the class of people who stands to lose the most through the advent of a Socialist Government has done its best to undermine the position of the Conservative regime. Employers, through their unwillingness to resist inflationary wage demands, have done fully as much as trade unions towards bringing about the non-stop rise in prices which has discredited their Government in the country. The temptation to take the line of least resistance in face of wage claims, and to outbid each other for the scarce manpower, was too strong for them to

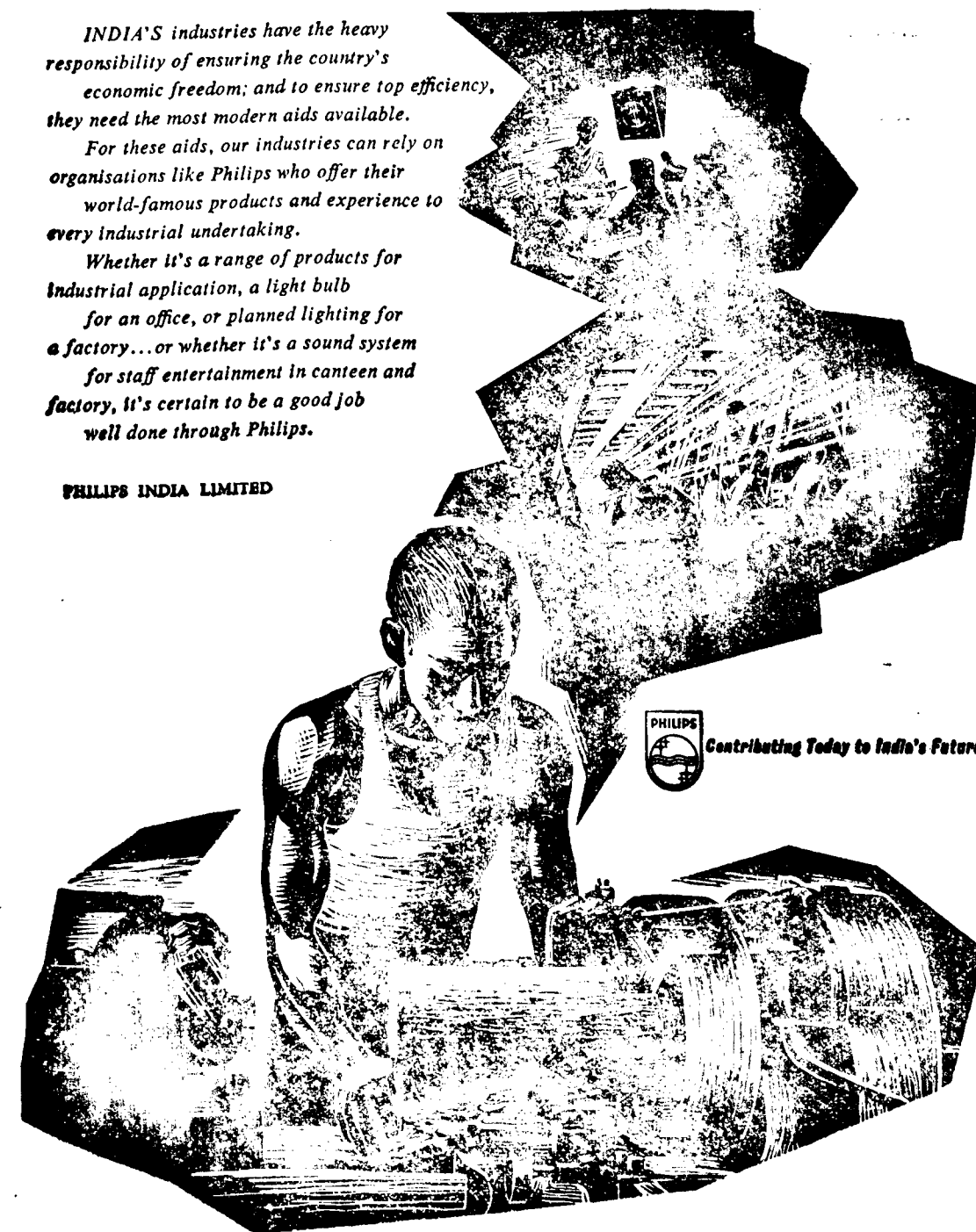
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resist. They will have only themselves to blame if, as a result of their short-sighted attitude, they will be exposed to nationalisation with inadequate compensation, to crippling taxation, and to various other anti-capitalist policies that the next Labour Government intends to adopt.

The only hope to avoid a Socialist victory at the next election lies in a change in the attitude of employers. It would be well worth their while to sacrifice the greater part of their profits during the next two years, by making substantial cuts in their prices. If this is done by a sufficient number

of larger firms it would bring about a decline in the price level. The trade unions would then have no excuse for demanding wage increases. Should they continue to do so nevertheless, and should the resistance of employers to such demands lead to major strikes, the sympathy of the public would turn

strongly against the Socialists who have always identified themselves with wage demands. Such a change of sentiment would provide the Government with an opportunity to have a general election before the five years' time limit expires.

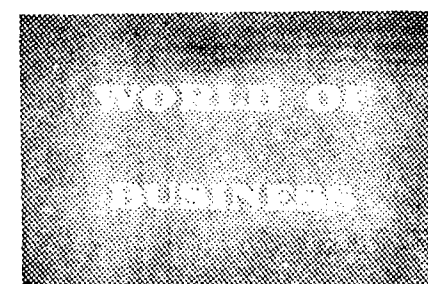
Yet, although most employers are supporters of the Conservative Party, the Government has not succeeded so far in obtaining their co-operation in this sense. The National Union of Manufacturers emphatically rejected the Government's recent appeal to cut their prices. Possibly the shock of the Rochdale by-election may induce them to re-consider their short-sighted attitude.

The Government itself is gravely at fault for its failure to enlighten public opinion about the inherently inflationary character of Socialist policies. It would be absurd if the Conservative Government were to be rejected by the country for its inability to stop inflation, seeing that under a Socialist Government inflation would be certain to proceed at a greatly accelerated pace. Even the inflation that has taken place since the Conservatives assumed office in 1951 has been largely the outcome of the Socialist devaluation of 1949. A country cannot devalue its currency from \$4 to \$2.80 without causing a substantial increase of its price level. For the price level of a country such as Britain, with extensive international trade and financial relations, does not exist in a vacuum; it has to bear some relation to the world price level. If its price level is reduced in terms of foreign currencies as a result of devaluation, there is bound to be a trend towards upward adjustment, unless the prices of other countries decline to a corresponding degree.

Socialist equalitarianism would greatly aggravate inflation, because a larger proportion of smaller incomes is spent and a smaller proportion is saved. The decline in the rate of saving would be accompanied by an increase in the rate of capital expenditure in pursuance of the ambitious Socialist investment policies. This would step up inflation. The Socialists would revert to the policy of overfull employment regardless of cost. The defence of sterling would rank very low in their list of priorities, and another devaluation would accelerate the rise in prices. The Socialist idea that this flood could be stemmed by physical controls is absurd. Such controls could disguise an inflation of, say, 5 or 10 per cent. But when it comes to a powerful trend physical controls would be helpless, as indeed they were helpless during the Socialist regime of 1945-51.

All this may appear self-evident. And yet the Government and the Conservative Party has done very little to make the public aware of these facts. Possibly the shock of the Rochdale by-election result may produce salutary effects also in this respect.

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The Leeway ahead of Machine Tools

FROM the point of view of the prospects before individual industries, the most hopeful thing about the present state of affairs is that, although it is a negative way of looking at it, there is so much leeway to be made up. One such industry where the already existing indigenous demand far exceeds internal production is the machine tool industry, where, at the moment, we have preponderantly to depend on imports. The recently held annual general meeting of the Indian Machine Tool Manufacturers Association (IMTMA) in New Delhi offered an opportunity to the Association's President, Mr S. L. Kirloskar, for painting a word picture of the industry.

1956, reports Mr Kirloskar, was a record year in that a new peak was touched in production at an estimated value of over Rs 1 crore. This mark has been touched within 15 years of the establishment of the industry on an organised scale. Plans for raising production are being implemented. For instance, in 1957, the estimated production is expected to be over Rs 2 crores, that is, showing an improvement of 100 per cent over 1956. However, this is a far cry from the Second Plan target of Rs 10 crores in value, but Mr Kirloskar is confident that, "if the raw materials supply position becomes a little more easy during the next two or three years", then, the industry "would be able to accomplish the production target... as demanded by the Government". While it is heartening to note that new and modern types of machine tools have gone into production, we must not lose sight of the fact that internal production is of very small proportions. Mr Kirloskar estimates the ratio of indigenous production to demand at 13 per cent.

Thus, while internal production increased, there has been a proportionate rise in the demand. While Indian imports of machine tools in 1951-52 were valued at Rs 3 crores, by the end of the First Plan, the figure had risen to Rs 6.4 crores. The IMTMA President has reported that licenses issued for import during 1956 were placed at the staggering figure of Rs 12 crores. If we bear in mind the fact that Indian steel production will rise to 4½ million tons by the end of the Second Plan, it will be realised that an even greater demand will be generated for machine tools. This has been placed, by Mr Kirloskar, at approximately

160,000 machine tools installed by the end of the Second Plan.

The IMTMA President records his gratification at the good work done by the Machine Tool Committee, which has submitted a scheme under which "the development of the principal categories of basic machine tools has been allotted to different units existing in the country". This means, says Mr Kirloskar, that all grounds for dispute and wasteful competition will be eliminated; and he hopes that the industry would now settle down "to a collective integrated effort to develop and expand" production.

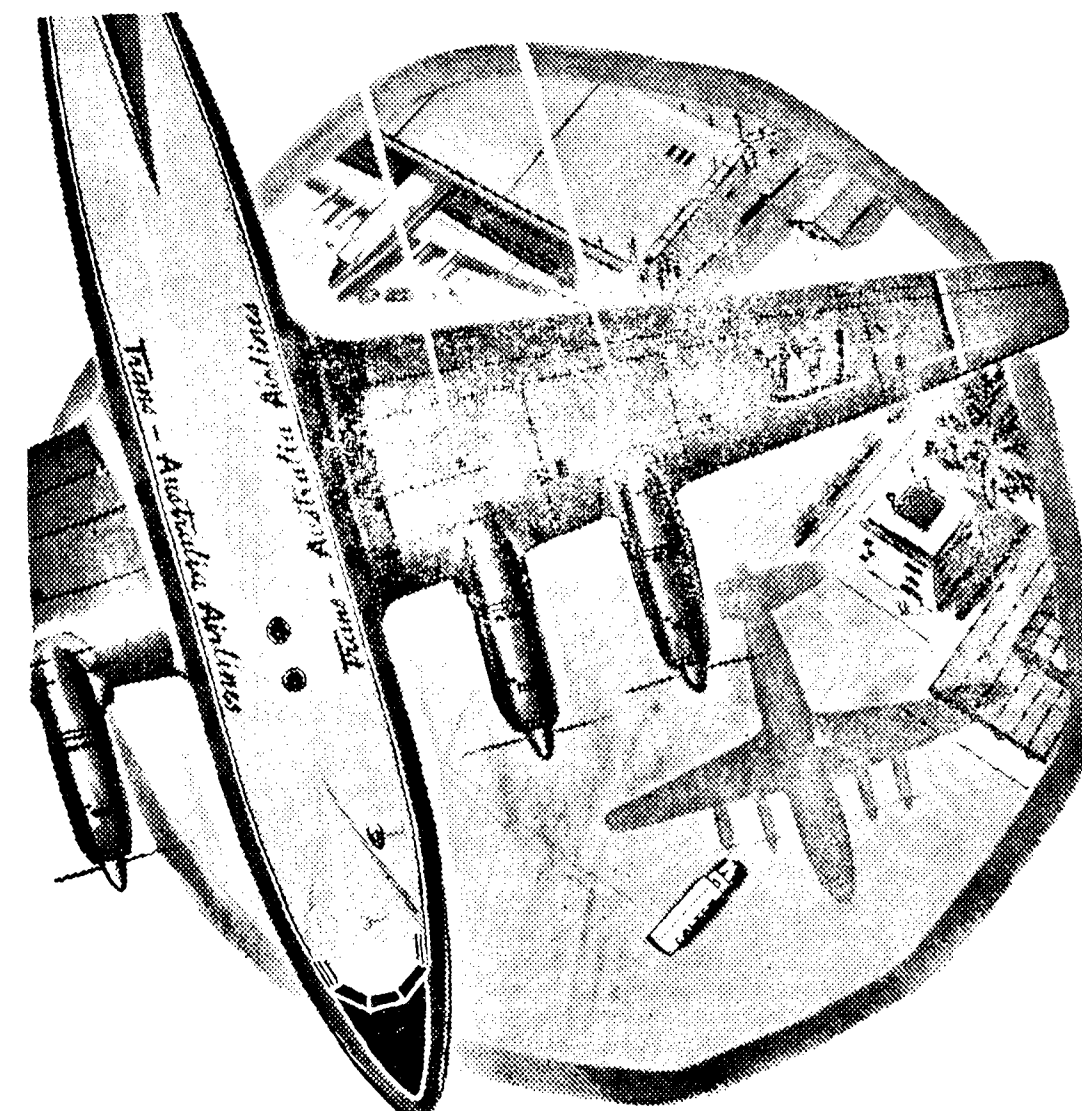
Aside from the difficulties in respect of the supply of raw materials, about which he has suggested that the least that the Government

should do is to issue to the industry "a priority in obtaining their requirements of graded pig iron and coke", Mr Kirloskar thinks that a more intractable problem requires urgent consideration. He refers to the difficulty in obtaining technical know-how, which, he says, "we so badly need for the purpose of rapid development and expansion". The fault would appear to lie in the fact that insufficient inducements are available for eliciting such cooperation. For example, the royalty that is permitted by Government is a maximum of 5 per cent; after Indian and foreign taxes are paid, the manufacturers usually receive a net of 1.8 per cent. Clearly, "this meagre margin of income to foreign manufacturer is not at all conducive to the entry of foreign

collaboration and technical know-how". So, Mr Kirloskar has pleaded for a change in Government policy in the sense that a liberal royalty might be payable tax free to foreign firms. As he puts it, "the case of royalty for the know-how in machine tool industry requires a special treatment."

In conclusion, Mr Kirloskar defines machine tools as the foundation of a nation's prosperity and progress; and, in this view, he remarks:

"We have no doubt that our Industry has a great future in this country and as our need for new machines and equipment increases, it would stabilise our Industry and place it on a firm footing with increased output from both the public and private sectors".



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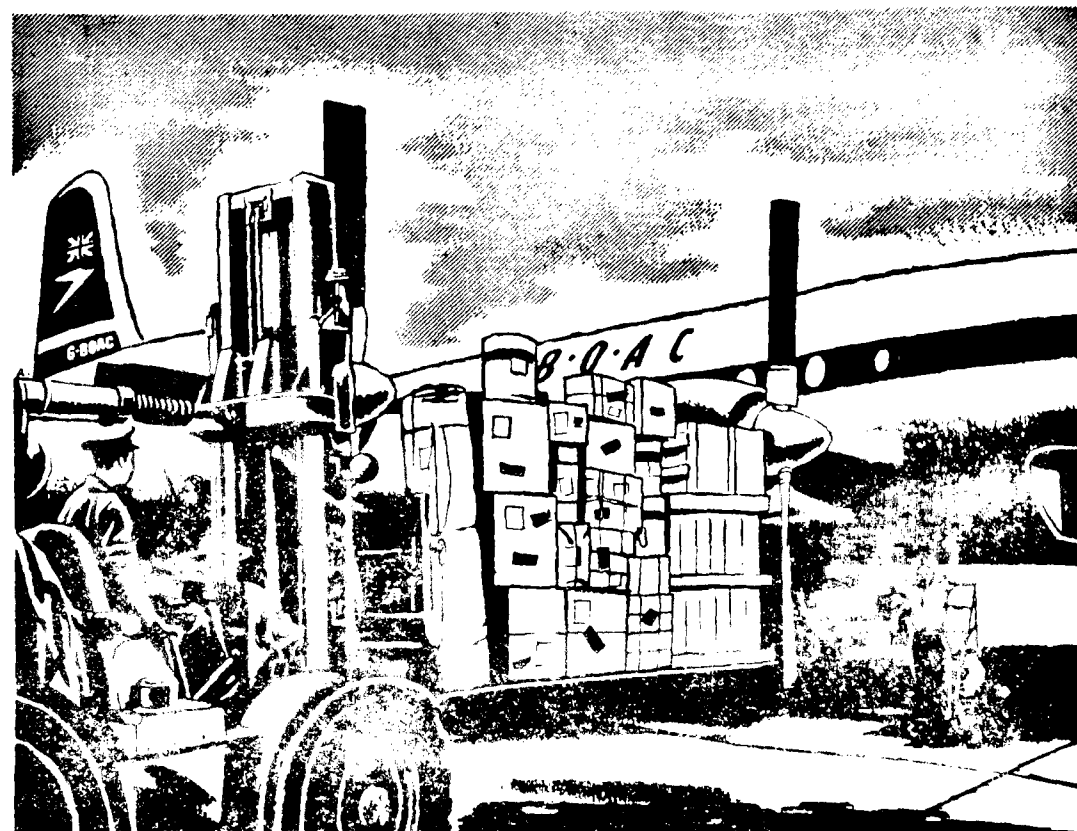
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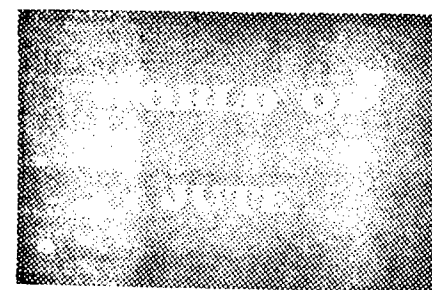
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Progress Attained in Modernisation

THE discussions at the recent meeting of the Export Advisory Council relating to jute goods have served to emphasise the urgent need for further intensifying efforts toward promotion of exports of jute manufactures. It is generally expected that earnings from jute goods exports in 1957 will be considerably lower than in the previous year. In this connection it may be noted that according to a study published in the latest issue of the Reserve Bank of India Bulletin on the Balance of Payments during the first half of 1957-58, earnings from jute goods during the period have declined by Rs 10 crores as compared with the corresponding period of the previous year. Such disappointing performance is particularly unfortunate at this juncture because jute goods constitute our biggest foreign exchange earner, contributing on an average some 20 per cent to our total foreign exchange earnings every year.

But when one looks ahead, one may find some encouraging signs. For, steps are being taken to remove some of the fundamental handicaps of the industry. Government are now in full agreement with the belief that hundred per cent raw jute self sufficiency is an important pre-requisite to its stability. Vigorous steps are to be taken to attain this objective. The Central Supervisory Body for the Promotion of Jute Production has fixed the target for the 1958-59 jute season at 5.143 million bales representing an increase of 25.8 per cent over the current season's production. A significant point is the emphasis placed on intensive cultivation through increased use of fertilizers, adoption of improved methods of cultivation and use of quality seeds. Though the attainment of the target depends also on other unpredictable factors such as the weather, the percentage of increase aimed at is an indication of the realisation that dependence on outside sources for raw material supply must be removed as quickly as possible. The emphasis on quality and yield augurs well for a reduction in the price of raw jute. Once the raw material becomes available in adequate quantity and at an equitable price level, the Indian jute industry will automatically be placed on the road to a speedy recovery.

The industry is also steadily gaining strength from the modernisation of its machinery. Thanks

to the active help extended by Government, nearly 50 per cent of the machinery has been replaced by modern equipment. It is understood that so far more than half of the companies have modernized their plant either completely or partially. In coming years the progress of modernisation will be quickened because indigenous production of jute mill machinery is also being stepped up.

Side by side with the programme of modernization, jute mills are also making steady progress in diversifying their production. Some of the specialities now manufactured are cotton bags, a loose fabric used for packing cotton in the US, jute tarpaulins, paper lined hessians, jute carpets and jute webbing. It is said that these types of jute goods fetch better prices. In this regard it may be noted that with the completion of the modernisation programme Indian Mills will be enabled to undertake the manufacture of many new varieties for which there is good demand in world markets. Continuous research may also reveal many more new uses for this versatile fibre.

The jute goods market ruled easier with prices steadily declining from day to day. Hessian section was subdued as US burlap consumption during January at 71 million yards, though maintained compared with the previous month, was 4 million yards lower as compared with the corresponding month of the last year. The fact that stocks in that country had increased by 15 million yards over the month to be placed at 240 million yards was interpreted to mean that the prospects of an increase in offtake of hessian in the succeeding months were not quite bright. As for sackings the position was considered uncertain, and in the absence of fresh enquiries the market was in the grip of bear speculators who had hammered down the price levels.

Despatches of jute goods during January 1958 were placed at 75,528 tons comprising 30,014 tons of hessian, 41,534 tons sacking and 3,980 tons other varieties. In December and January 1957, total despatches were 88,087 tons and 78,785 tons respectively. A significant feature of the offtake in January 1958 is the slight increase recorded in offtake for local purposes which has been placed at 19,874 tons against 19,079 tons during the previous month and 14,716 in January 1957. Exports were considerably lower at 55,654 tons against 69,008 in the previous month and 64,069 tons in January 1957. Exports of hessian were lower at 28,103 tons as against 31,265 tons and 31,864 tons in December and January 1957 respectively. Exports of sackings were considerably lower at 26,215 tons as compared with 36,273 tons in the previous month and 28,605 tons in the corresponding month of the previous year.

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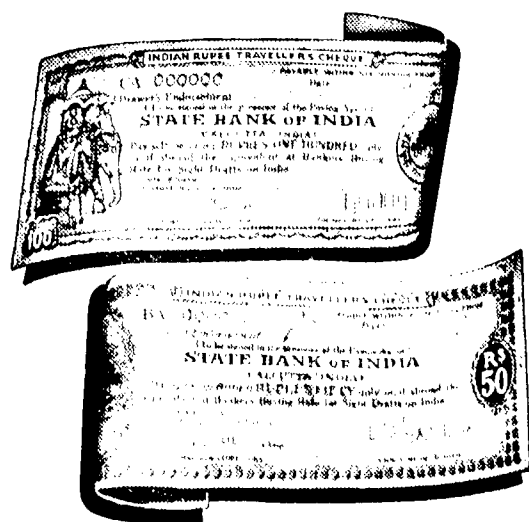


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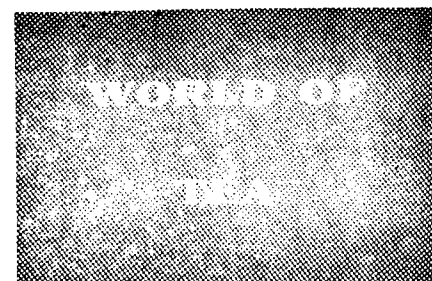
Hessian 40"x10 oz Ready which was quoting at Rs 39.40 at the beginning of the week was placed at close on Wednesday at Rs 39.05. B Twills Ready had declined from Rs 100.75 to Rs 98.75. In the forward delivery positions, Hessian 40"x10 oz April-June was marked down from Rs 39.65 to Rs 39.10 while B Twills April-June was pushed down to Rs 99.25 from Rs 101.75.

The raw jute market ruled quiet in sympathy with the goods section. Assam Bottoms recorded a decline of 50 nP over the week to be finally placed at Rs 24 per maund.

Arrivals of raw jute into Calcutta and mill stations during

January 1958 were 7,50,000 bales of which 6,89,000 bales were of Indian origin and 61,000 bales Pakistani.

PRICE TRENDS DURING THE WEEK.			
		Week's Opening	Week's Closing
Hessian:		Rs.	Rs.
40" x 10 oz.			
Ready	..	30.40	30.00
April-June	..	39.65	39.10
Sackings:			
B Twills:			
Ready	..	100.75	98.75
April-June	..	101.75	99.25
Heavy Coes Green	..	100.50	98.75
Cornacks	..	102.50	101.50
Cubans	..	127.00	125.00
A Twills	..	124.00	122.25
L Twills	..	115.75	115.25
D. W. Flour	..	118.00	119.25
Sugar Bags	..	118.25	115.00



Mixed Trend in Prices

PRICES realised in this week's tea auctions in Calcutta have shown a mixed trend. The best grades, on offer, have sold well at hardening dates, while others have moved irregularly with buyers closely following quality. There is a general feeling that the present trend will continue for the remainder of the 1957 crop.

Despite a marked decline in the outturn of tea in North-East India and Pakistan due to adverse weather conditions, the total tea crop of the major producing countries has recorded a rise of more than 20 million pounds last year. Moreover, in view of the increase of 2.2 million pounds in the tea production of British East Africa in the first nine months of 1957, it is estimated that the year will show a rise of some six to eight million pounds. Thus, an adequate supply is expected. It is possible that buyers will take their requirements slowly.

According to the latest figures of tea production in South India, output in December amounted to only 10.56 million pounds, as against 10.68 million pounds in the corresponding month of 1956. This decline in output is mainly accounted for by the reduced output in South Travancore and Anamallai districts. The production returns from some other districts, including Coorg, Mysore, Malabar and Wynaad, have also shown slight declines as compared with those in December, 1956.

Meanwhile, the Government of India have declared the export allotment of tea for the year 1957-58 at 460.96 million pounds. This represents 63.44 per cent of the crop basis for the year, which is estimated at 726.56 million pounds.

In the Export Sale held in Calcutta, offerings were 59,979 packages for which there was good demand. Plain teas were easier by 2 nP per pound for Broken and 2 nP to 4 nP for Fannings. Clean Black BOPs and OFs met with good demand at dearer rates. Medium BPs were about 4nP easier; but Fannings were in strong demand and were dearer by 4 nP. The brighter liquoring BOPs and OFs were often sold well above valuations.

Better CTC types, especially the Fannings grades, were keenly sought after and sold at 20 to 30 nP above last rates. Those, which were bright or had antumnal character, were particularly strong. The poorer CTC types were, however, again easier and were often difficult of sale. Non-wither

Dooars were rather irregular and showed an easier tendency.

Whole Leaf grades were barely steady, any change being in buyer's favour. Darjeeling teas were sold well, but generally below valuations although a few of the best realised attractive prices. Following rates were quoted:—Clean Black Pekoe Rs 2.25; Plain Broken Pekoe Rs 1.52 to Rs 1.56; Plain Fannings Rs 1.62 to Rs 1.66; Medium BP Rs 1.58 to Rs 1.62; Medium Fannings Rs 1.76 to Rs 1.80; Best Assam CTC BP Rs 2.70 to Rs 2.90 and Best Assam CTC Fannings Rs 2.80 to Rs 3.00.

In the Internal Sale, offerings amounted to 18,892 packages of Dusts. There was more general demand than last week. Black, clean Dusts from the Dooars as well as Assam met with competition from the Middle East buyers and these were generally sold above valuations. The best liquoring CTC sorts and the coloury or brighter liquoring Mediums were firm; but the plainer sorts, particularly those with fibre, were again easier.

The few Darjeeling teas, on offer, met with less demand and there were some withdrawals. Following rates were quoted:—Medium Dooars Dust Rs 1.56 to Rs 1.60; Medium Assam Grainy Dust Rs 1.60 to Rs 1.52; Medium Assam CTC Dust Rs 1.70 to Rs 1.90 and Best Assam CTC Dust Rs 2.80 to Rs 3.10.

Also, 2,848 packages of Leaf grades were offered for internal consumption. There was a good general demand and, with the exception of the CTC Fannings, prices were often in buyer's favour.

In the Export Quota section, business commenced at 15 nP per pound after which the rate gradually declined towards the close to 6½ nP per pound.

In the Colombo market, offerings totalled 6,529,246 pounds. All operators operated freely with the exception of Soviet buyers. Strong general demand prevailed at the opening and prices for the best quality improved. Dimbulas hardened as the sale progressed. Medium Broken were irregularly higher; but low-grown tended easier with the exception of Persian Gulf types, which were firm to dearer. Bright Mediums were 12 to 16 cents per pound dearer, while very Common sorts were irregularly lower.

The pausing tendency, discernible in Mincing Lane tea auction recently, was much less evident during the past week. Generally speaking, the volume of demand was more satisfactory, especially for any invoices possessing attractive characteristics. But, thin liquoring types were again irregular and easier in prices. Even so, the general price structure recorded no change at the close, with the plain descriptions continuing to range at 3sh 3d to 4sh 6d per pound.

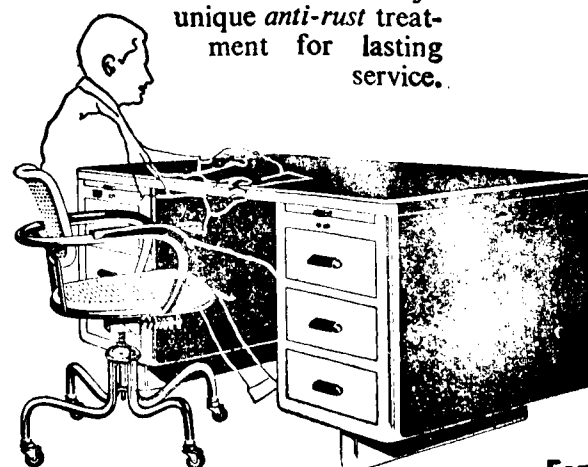
At the sale held on Wednesday this week, offerings were 16,539 packages, including 11,972 packages from North India and 1,661 pack-

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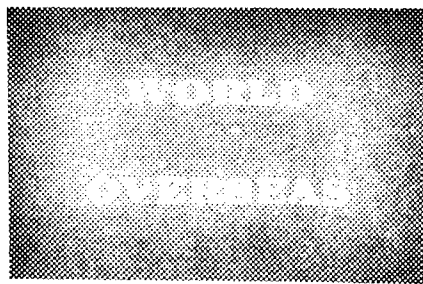
ages from Pakistan. Similar market conditions to those ruling on Monday were experienced. A brisk tone prevailed for all descriptions and, although there were a few irregularities, prices on the whole remained fully firm. Rates remained unchanged. Plain Broken Pekoe was quoted at 3sh 3½d; Medium Assam BP 3sh 4½d and Best CTC 4sh 7d.

The offerings of Ceylon tea will be decidedly bigger for the time being. These liberal offerings presumably reflect the steps taken by Ceylon to reduce the quantity of tea that has been held up in the Port of Colombo.

Tea stocks in London, as on the 7th February, were 120.56 million pounds as compared to 121.44 million pounds in the previous week

and 73.58 million pounds a year ago. Landed between 1st and 7th February were 10.92 million pounds, while deliveries were 11.79 million pounds.

In the Internal Sale held at Cochin, offerings were 800,000 pounds. There was a fair general demand at easier rates. Best Nilgiris met with only limited interest and were generally lower by upto 15 nP per pound, while Good Mediums from Travancore and the Wynaad came to a strong market, but were generally easier by 5 to 10 nP and the unattractive sorts from these areas were often withdrawn. Milled and Residual sorts came to a weak market and, when sold, it was at a drop of fully 10 to 15 nP. Black leafy grainy descriptions again met with only limited enquiry.



US Notes

THE US Government is planning a marked increase in its "development" assistance to other countries in the next six months. Much of the increase will affect two major US lending institutions. The long-established Export-Import Bank and the new Development Loan Fund.

Between now and July, according to the latest estimates, the Export-Import Bank will lay out some \$625 million to finance exports of US capital goods. This outlay will serve a dual purpose: as an important stimulus to the economic advancement of other countries, and also as a source of strength to the domestic economy, since it involves the purchase of equipment made in the United States.

Among the commodities and countries expected to share in the \$625 million credits are these: railroad equipment, for Argentina, Brazil, Iran, Mexico and Spain; steel mill equipment, for Austria, Chile, Germany, Japan and Mexico; electrical generating equipment mostly for Japan; mining equipment, mostly for Peru. In addition, miscellaneous credits will help finance the export of aircraft and of electronic, road-building and telecommunications equipment to various countries.

Also in prospect is an estimated \$100 million in sales of US reserve farm goods, mostly cotton. Japan and Austria would be the chief beneficiaries of these sales, which will be conducted with the traditional care not to disrupt normal world marketing.

This is the first time the Bank's actual operations have been detailed in advance in this manner. It is estimated that a total of \$366 million in net credit outlays will have been made available by the Bank during the fiscal year ending this June 30—a faster pace than usual. According to present budget estimates, similar credits are scheduled to total about \$825 million in the fiscal year that begins July 1. Meanwhile, the Eisenhower Administration is seeking from Congress a \$2,000 million increase in the Bank's lending authority.

The US Government's new foreign lending agency, the Development Loan Fund, may be making its first loan abroad within a month. The Fund was authorized by Congress last year, and began operations this past January. Yet it already has application from 27 countries to finance development projects there.

Most of the financing proposals received so far have come from South Asia and the Near East. But there also have been a number

from developing lands in other parts of the world—the Far East, Latin America and Africa.

Applications already received amount in value to more than four times the \$300 million the Fund now has available for spending abroad. It was planned originally to have actually paid out some \$200 million on agreements concluded before the end of this fiscal year, but officials now say they expect to exceed that estimate.

The Loan Fund is designed to fill an important gap in international assistance programmes, by serving projects for which financing has not been available from such other sources as the UN World Bank or the US Export-Import Bank has confined its activities largely to short-term financing, chiefly for American exports, the Fund can finance long-term development projects of both foreign governments and private foreign businesses.

The \$300 million now available for lending is just a "starter", covering the Fund's operations through this June 30. Congress already has authorized an additional \$625 million for the second year.

Administration officials are hopeful that Congress will appropriate and thus make available for use in the next fiscal year—the full amount of this authorization. In fact, interest in the Fund has been so great that the Administration may ask Congress for even larger sum next year.

Britain

ORDERS from countries as far apart as India, Australia and Scandinavia have already been received for the products of the Rotherham (Yorkshire) steelworks of J. J. Habersohn & Sons Ltd., where a completely new principle in steel strip rolling has come successfully through its trials.

The new mill enables the manufacturers to hot-roll steel with the accuracy of cold-rolling, and the joint managing director, Mr Richard Habersohn, says that it makes it possible to roll thinner in the hot condition.

This hot-rolling mill, of a type of which there are only four in the world, is so revolutionary that engineering experts from China, Germany, Italy, Japan and the Soviet Union have been to watch it in operation.

Mr Habersohn says that the demand for the products of the new mill is such that the company is preparing to introduce double-and possibly treble-shift working.

The Under-Secretary of State for Commonwealth Relations, Mr C. J. M. Alport, told the House of Commons on February 13 that the first volume of the report of the Committee on Commonwealth Raw Materials had been completed and all Commonwealth Governments had agreed to its publication. It was a general survey and analysis of the Commonwealth's resources in raw materials.

Sweden

Sweden's foreign trade in 1957 resulted in a deficit of Kr. 1,423,000,000 (£98,600,000; \$277,000,000), as compared with Kr. 1,367,000,000 in the preceding year. Imports went up from Kr. 11,434,000,000 to Kr. 12,533,000,000 (£864,000,000; \$2,433,000,000), while exports rose from Kr. 10,067,000,000 to Kr. 11,104,000,000 (£766,000,000; \$2,156,000,000).

The actual figures for Sweden's foreign trade in 1957 are only slightly lower than those estimated in the National Budget report submitted earlier this month. As the net income of foreign shipping in this report is assessed at some Kr. 1,400,000,000, the balance of payments is likely to result in a deficit of Kr. 29,000,000 as against Kr. 127,000,000 in 1956.

Of the Kr. 1,100,000,000 increase in imports in 1957 close on Kr. 500,000,000 is accounted for by machinery, means of transport and instruments. The value of iron and steel imports was up by Kr. 225,000,000 and fuel imports by Kr. 140,000,000.

Of the somewhat more than Kr. 1,000,000,000 increase in exports nearly Kr. 300,000,000 referred to machinery and instruments. Kr. 270,000,000 to ships and Kr. 70,000,000 to automobiles. Timber exports rose by Kr. 100,000,000, foods by the same amount and iron ore by Kr. 130,000,000.

In terms of volume, imports of coal and coke declined from 5,400,000 tons in 1956 to 5,100,000 tons in 1957 and mineral oils from 9,700,000 tons to 9,300,000 tons. Iron and steel imports rose from 661,000 to 813,000 tons and imports of cars from 94,874 to 109,017 units. Textile imports rose in value from Kr. 1,090,000,000 to Kr. 1,227,000,000.

Exports of sawn and planed timber went up from 966,000 stds to a new post-war peak of 1,052,000 stds and paper exports rose from 921,000 tons to 961,000 tons, while shipments of chemical pulp decreased from 2,116,000 tons to 2,047,000 tons. A decline was also noted for iron and steel exports, i.e. from 330,000 tons to 301,000 tons, whereas iron ore shipments increased from 17,300,000 tons to 17,500,000 tons. The number of automobiles exported nearly doubled, or from 12,399 units to 24,362, with an increase in value from Kr. 253,000,000 to Kr. 323,000,000. Exports of ships rose in value from Kr. 527,000,000 to Kr. 797,000,000.

Registrations of new cars in Sweden showed a new high in 1957, totalling 154,344. This is 17 per cent, or 22,820, more than in the preceding year.

No less than 83 per cent of all cars sold in Sweden last year were accounted for by the 'Big Five' in the country's car trade. General Motors' share of the market was 21.2 per cent, while Volvo accounted for 18.2, Scania-Vabis (represent-

ing Volkswagen) 17.8, Philipssons (including Saab, Mercedes and DKW) 14.5 and Ford 10.7 per cent.

German-built cars predominated sales in 1957, followed by Swedish, British, French and Italian cars. American cars, which before the war accounted for about 50 per cent of total sales in Sweden, have shown a gradual decline over the past few years and no individual American make exceeded 2,000 registrations in 1957.

Registrations of trucks, including pick-ups and delivery vans, showed a decline from 12,736 in 1956 to 12,644, while the number of new buses rose from 507 to 541.

A 'planned parenthood' campaign will be started in Ceylon under a plan drawn up by Professor Sten Wahlund, Stockholm, who has previously conducted similar work in India. The scheme will be sponsored by the Central Committee for Swedish Technical Assistance.

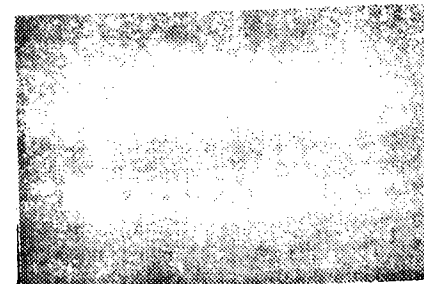
The high nativity rate in Ceylon—40 per thousand as compared with Sweden's 14.5—would, if unchecked, double its present population of 8.5 million in 24 years. Swedish leader of the project will be Dr Jan Asplund, Stockholm, and he and his Sinhalese assistants will establish their headquarters in Colombo.

The costs will be defrayed by funds collected in Sweden. A sum of Kr. 400,000 (£28,000; \$80,000) has been set aside for the first four years.

A method of fishing by the means of electric shock is to be tried on the Swedish West Coast this spring. A Gothenburg company, Atlas Marin AB, has received permission by the Board of Fisheries to make experiments over a period of three months. The new method is reported, to be highly selective, so that only that size of fish wanted at a given moment is affected by the current.

The Swedish company has developed its method on the basis of a direct-current motor designed by the German physicist Conrad Kreutzer. The fish, for instance cod, tends to swim towards the positively charged pole in an electric field and is thus directed towards a chosen point where it is numbed by the current, floats to the surface and can be easily collected in a hoop-net or by a specially designed suction apparatus. The voltage is regulated so that the potential drop between the head and the tail of the fish corresponds exactly to the size fished for. The method thus spares fry and small fish.

When fishing for tuna, which is usually done by angling and which requires special skill, it is proposed to use the hook as electric conductor. A series of short D. C. shocks of 400 Volts and 100 Amperes numbs the fish, which can then be towed and taken on board and clubbed without difficulty. The Gothenburg firm works in close contact with the German inventor and is said to have perfected the method.



Export Risks

Replying to a question by Mr T. K. CHOUDHURI and Mr R. S. TIWARI in the Lok Sabha, the Minister for Commerce, Mr NITYANAND KANUNGO, said that 49 policies were sold by the Export Risks Insurance Corporation until January 25, 1958. Their value was over Rs 2.02 crores.

The Minister said that premium rates charged by the Corporation depended upon a number of factors like the types of risks and their causes, the markets to which the goods were exported, the types of goods and the period for which the risks were covered. Any change in any of these factors, he added, necessitated changes in the premium rates.

Technical Personnel

According to estimates made recently, the requirement of technical personnel in the country will be about 650,000 during the Second Five-Year Plan period.

This was stated by the Union Deputy Minister for Labour, Mr ABID ALI, in a written reply to a question by Mr S. M. BANERJEE in Lok Sabha. He added that the exact extent of shortage of technical personnel at present was not known.

Tractors

In a written reply to a question by Mr G. P. SINHA and two other Members in the Lok Sabha, Mr MANUBHAI SHAH, Minister for Industry, said that one firm had already been licensed for the manufacture of agricultural tractors. He added that a few more applications for the manufacture in collaboration with foreign firms were under Government's consideration.

Ethiopian Mill

The Deputy Minister of Finance, Mr B. R. BHAGAT, replied in the affirmative to a question in the Rajya Sabha whether it was a fact that a private company had been floated establishing cotton textile mill in Ethiopia. He also replied in the affirmative to a question whether the Central Government had permitted the company to raise capital in India.

The questions had been put by Mr V. C. KESHAV RAO.

Glass Plant

The Minister for Industry, Mr MANUBHAI SHAH, told the Lok Sabha that the Soviet expert team, which came to prepare a preliminary

report for the proposed optical glass factory, had recommended the Asansol area as the most suitable for locating the factory. They had considered a number of places for establishing the plant.

Mr SHAH, who was replying to a question by Mr V. C. SHUKLA said that, as regards the coal mining machinery plant, the first team of Soviet experts did not consider possible locations but gave only factors to be taken into account in choosing a site. The Soviet experts, who were now in India, were considering the suitability of different locations in the coal bearing areas.

Mr SHAH added that in both cases a final decision about the exact locations had yet to be taken by Government.

Quinine

In reply to a question by Mr J. H. JOSHI regarding the production of quinine, the Union Minister for Health, Mr D. P. KARMARKAR, said in the Rajya Sabha that 88,290 lbs of quinine sulphate were produced during 1956-57 and during 1957-58 the output amounted to 41,853 lbs upto the end of October 1957.

Asked about the annual requirement of quinine in the country the Minister said that it was not possible to estimate the exact annual requirement of quinine in the country. On the basis of data available the annual demand for quinine was estimated to be about 20,000 lbs he said.

Bhakra-Nangal

In reply to a question by Mr. J. H. JOSHI, Mr S. K. PATIL, Minister of Irrigation and Power, laid the following statement on the Table of the Rajya Sabha on the progress made in the construction of the Bhakra-Nangal project and the expenditure incurred up to the end of last year:

All works under the Bhakra-Nangal Project, except the Bhakra Dam and its two Power Houses and the transmission system, have been completed. The progress on these items of works up to the end of December, 1957, is given below:—

Bhakra Dam:

(i) Excavation:—Out of a total excavation of 51,60,000 cubic yards required to be done for the Bhakra Dam, excavation to the extent of 51,53,000 cubic yards had been completed by the end of December, 1957.

(ii) Concreting:—A total quantity of 23,78,216 cubic yards had been placed in the Dam which is nearly half of the total work involved.

Power Houses:

The construction work on the Power Houses at the Dam site made steady progress. Draft tube liners for the Bhakra Left Bank Power House have been installed for all the five units. Welding and assembling of pen stock units and work on tail race lining in the power house are in progress.

Transmission System:

The following lines and grid sub-stations have been completed and energised:

(i) Lines:

- 1 13/220 k.v. double circuit from Canguwal to Delhi.
- 2 132 k.v. double circuit from Ganguwal to Ludhiana.
- 3 132 k.v. single circuit from Ludhiana to Jullundur and Ludhiana to Moga and Mukatsar.
- 4 132 k.v. single circuit from Panipath to Hansi and Hansi to Bhiwani.
- 5 66 k.v. single circuit from Panipat to Karnal and Abdullahpur.
- 6 66 k.v. single circuit from Dhulkote to Surajpur.
- 7 66 k.v. single circuit from Dhulkote to Patiala.

(ii) Sub-Stations:

- 132 k.v.—Ganguwal, Kotla, Dhulkote, Panipat, Delhi, Hansi, Ludhiana, Jullundur, Moga, Muktsar.
- 66 k.v.—Chandigarh, Indri, Karnal, Abdullahpur.

(b) An expenditure of Rs 132.98 crores has been incurred up to the end of December, 1957, excluding interest charges.

Canal Waters

Replying to a question by Mr. AMOLAKH CHAND, Mr S. K. PATIL, Minister of Irrigation and Power, said in the Rajya Sabha that during his recent visit to India and Pakistan, Mr W. A. B. ILLI, Vice-President of the World Bank, discussed with the two Governments possibilities of various approaches towards a settlement of the canal waters dispute. These discussions had not yet led to any concrete result.

Foreign Exchange

The decline in the sterling balances of the Reserve Bank of India during the last three months had been significantly smaller than in the preceding three months, said the Deputy Minister of Finance, Mr. B. R. Bhagat.

He was replying to a question in the Lok Sabha by Mrs ILA PAL CHOUDHURI and three others.

Mr. Bhagat added that the weekly averages of decline were: November 1957 Rs 3.52 crores; December 1957 Rs 2.96 crores and January 1958 Rs 2.87 crores. The corresponding figures for the three preceding months were Rs 8.07 crores; Rs 6.83 crores and Rs 6.35 crores respectively.

The improvement, the Deputy Minister said, reflected the effect of the measures taken in the last few months to conserve foreign exchange such as the curtailment of imports, drastic restriction of allowances for foreign travel, negotiation of arrangements for deferred payments etc.

Dearness Allowance

In a written reply to Mr B. S. MURTHI in the Lok Sabha the Finance Minister, Mr T. T. KRISHNAMACHARI, stated that there was already a scheme under which Central Assistance was offered to State Governments for granting increases in emoluments of low-paid employees of State Governments, local bodies and teachers in aided primary schools. Four State Governments (Madras, Mysore, Andhra Pradesh and Uttar Pradesh) had recently raised the question of further Central assistance for removing the disparities between the emoluments of their employees and those of the Central Government.

The Finance Minister said that a decision had been taken for the present to liberalise the scale of Central assistance at the uniform rate of two-thirds of the expenditure entailed by the States in giving relief to their low-paid employees, provided that the increase did not exceed Rs 12/- p.m. in any individual case and the total emoluments after the increase did not exceed Rs 100/- p.m.

The Finance Minister added that the amounts that would be payable to the various State Governments under this modified scheme had not yet been worked out.

Ports

The Deputy Minister of Finance, Mr B. R. BHAGAT, replied in the affirmative to a question in the Lok Sabha whether it was a fact that negotiations were held with the World Bank for the grant of a loan for the development of ports in India. The ports concerned, he said, were Calcutta and Madras. The total foreign exchange component of the cost of the project amounting to Rs 17.68 crores had been mentioned in the memorandum given to the World Bank, he added.

Mr Bhagat was replying to a question by Mrs TARKESHWARI SINHA and four others.

Synthetic Oil

In a written reply to a question by Mr DAMANI whether Government had taken any decision on the report of the expert committee constituted under the chairmanship of Dr J. C. Ghosh to examine the feasibility of schemes for the manufacture of synthetic oil in the country, the Union Minister for Steel, Mines and Fuel, Sardar SKARAN SINGH, stated in Lok Sabha:

Government have examined the schemes drawn up by the expert committee. These schemes comprise a long-term and a short-term plan. The former envisages production of 50 million tons of domestic coke by low temperature carbonisation together with production of bye-product oils, phenols, road tar etc. at a capital cost of Rs 600 crores. In the short-term plan, production of about 0.8 million tons of domestic coke has been recommended with the consequential utilisation of the bye-products. The cost of this is Rs 20 crores. While Government

consider the schemes feasible, it has not been possible to make any financial provision for them so far because of the difficult foreign exchange position and the difficulty of finding even the rupee resources.

Investigation Commission

Mr B. R. BHAGAT, Deputy Minister for Finance, replied in the negative to a question by Mr RAM KRISHAN in the Lok Sabha, whether all the amounts of income-tax settled under the Taxation on Income (Investigation Commission)

Act by the Income Tax Investigation Commission, had been realised from various assessees. The Deputy Minister stated that the total amount realised so far was Rs 10.21 crores and that the remaining amount to be realised was Rs 7.93 crores.

Mr BHAGAT placed a statement on the table of the Sabha indicating the reasons for delay in realising the remaining amount. According to the statement, the main reasons for delay were (1) inability of a few assesseees to pay the demands on due dates due to their

financial difficulties; (ii) grant of instalments, and (iii) proceedings before High Court wherein the validity of the settlements had been challenged in consequence of which there were Court orders restraining the department from realising such demands.

Coercive measures for the collection of such demands had been kept in abeyance pending receipt of legal opinion on the question of the validity of the settlements arrived at before the Income Tax Investigation Commission. A few assesseees on their part were not honouring the

settlements on the ground that in view of the Supreme Court's judgment invalidating Sections 5 (1) and 5 (4) of the Commission Act from the commencement of the Constitution, such settlements had become bad. The Government had since been advised that the Supreme Court judgments did not affect the liability arising out of a settlement arrived at before the Commission under Section 5A of the said Act. In view of this, necessary steps have been taken for the purpose of collecting the outstanding demands expeditiously.

Indian Finance

February 22, 1958

Law

The Law Commission's section dealing with the reform of judicial administration has concluded its work and its report is likely to be submitted to Government in two or three months.

The Commission's other section which is mainly concerned with the statute law revision, has finalised its eighth report on the Indian Sale of Goods Act, 1930, which will be submitted to Government shortly. The report on the Specific Relief Act, 1877, is in the final stage. Another report on the Negotiable Instruments Act, 1881, has been drafted and is awaiting consideration of the Commission.

This information was given by Shri Hajarnavis, Union Deputy Law Minister, in reply to a question by Mr D. C. SHARMA and Shri Ram Krishnan.

UNTAB

The Deputy Minister of Finance Mr B. R. BHAGAT, told Mr P. C. BHANJ DEO, in reply to a question in the Rajya Sabha, that allotment

S. E. RLY TENDER

Sealed tenders are invited for supply of the following materials:—

Tender No. CON/GM/4/Gb5/225/P/58 for supply of 5000 gallons Paint Red Oxide ready mixed primer brushing I.S. shade No. 446 to specification I.S. 105-1950.

Tenders will be opened at 12 noon on 19-3-58. Tender forms (not transferable) are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23 at Rs. 5/- (not refundable) per set of form.

Firms not on the Railway's approved list of contractors must obtain a Cash Receipt for earnest money of Rs. 1000/- from the railway's Chief Cashier and enclose a valid Income Tax Clearance Certificate without which the tender is liable to be rejected.

S125 GENERAL MANAGER

TEA BOARD REGISTRATION OF TEA EXPORT QUOTA TRANSFERS 1957-58

It is hereby notified that the last date for the filing of applications for registration of transfers of tea export quota rights in respect of the year 1957-58 is the 20th March 1958. Quota transfers will not be registered unless the necessary transfer forms from both the parties to the transfer are received by that date by the Controller of Licensing, Tea Board, 1-A, Vansittart Row, Calcutta-1.

P. V. GOVINDAN,
CONTROLLER OF LICENSING.

of funds for technical assistance by the United Nations Technical Assistance Board was made on an annual basis after discussions in India between the Government of India and the United Nations Resident Representative, and after examination of the country's programme in New York by the UN Technical Assistance Committee. This procedure had been followed for 1958 also.

The Deputy Minister said that technical assistance was provided not only in the form of services of experts but also in the form of

training facilities for Indian nationals and in the form of equipment. He added that it was not possible to say what would be the number of United Nations technical experts in India during the next three years.

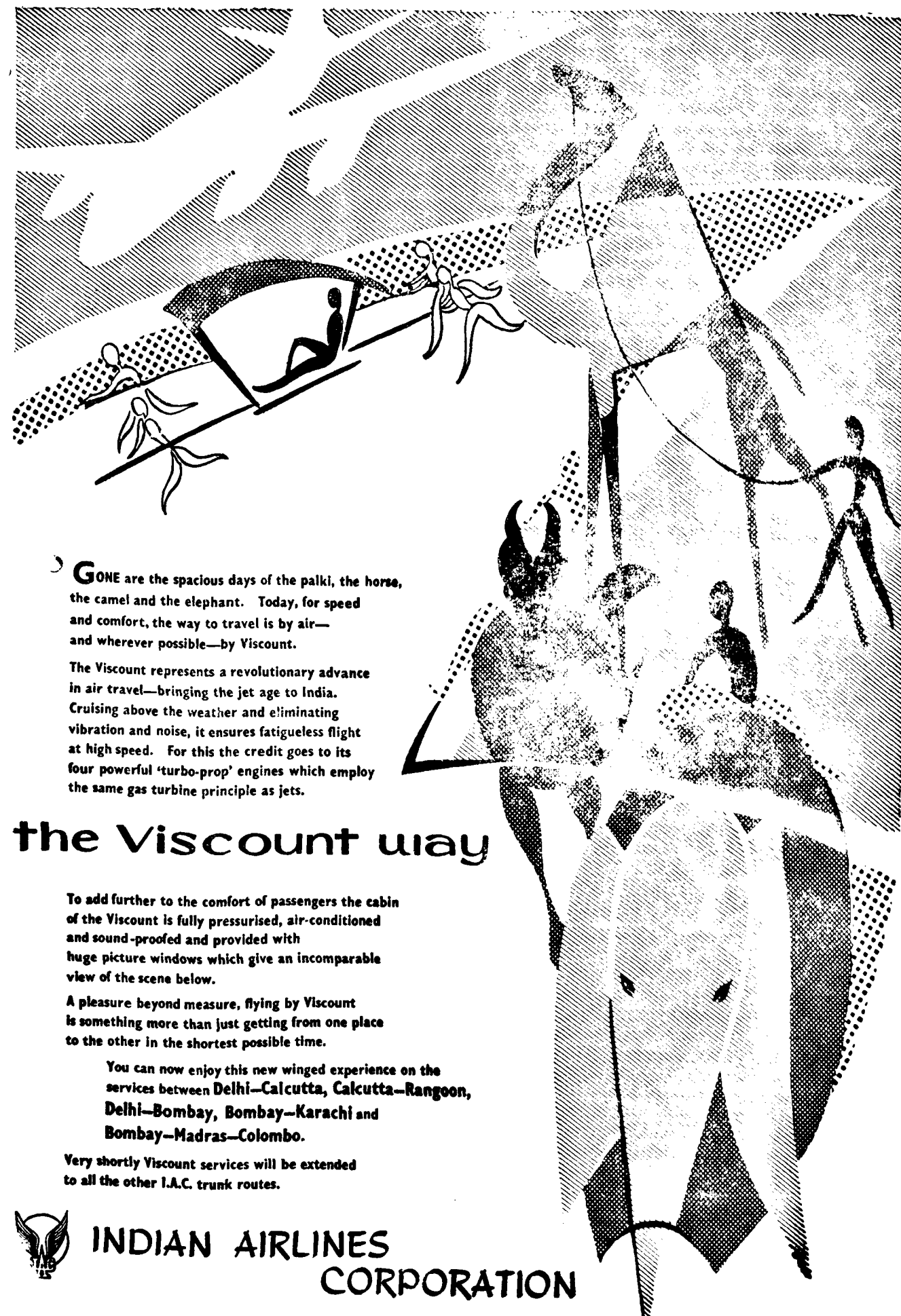
Reserve Deposit

The total amount deposited by companies under the scheme of deposits enacted by sections 10 (2B) & 10 (2C) of Indian Income-tax Act during the year ended December 31, 1957, was Rs 348 lakhs, said the Deputy Minister of Finance.

Mr B. R. BHAGAT, in the Rajya Sabha.

He was replying to a question by Mr MAHESWAR NAIK.

The Deputy Minister added that the general object of the scheme was to ensure that surplus monies of the corporate enterprise out of liberal tax-free depreciation development rebate, etc., were utilised for developmental purposes. Since the scheme of deposits was effective only from April 1, 1957, he said, it was too early to assess fully the extent to which the objective of the scheme had been achieved.



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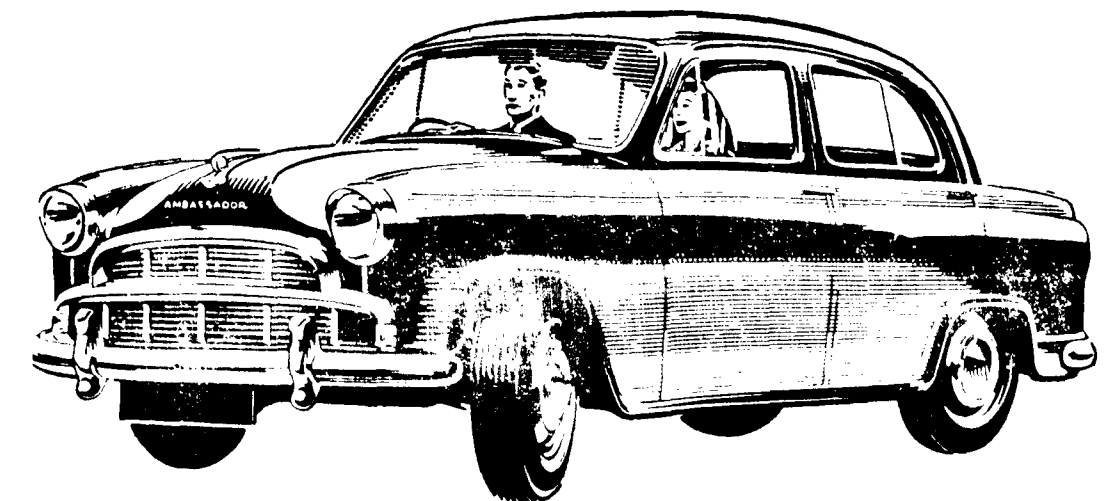
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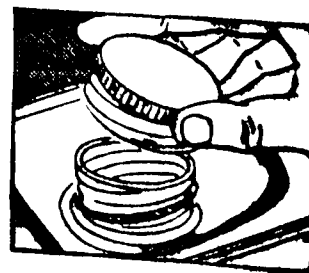
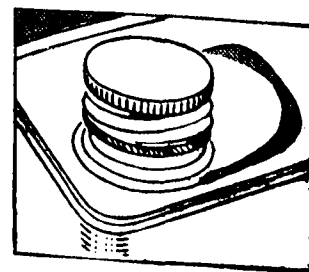
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THE Chagla Commission's Report and its sequel have brought into the open, among other things, a secret vice that most of us cultivate, with greater or lesser shamelessness. I mean the passion for amateur detection (the emphasis being more on the former word than on the latter). I hope, therefore, that you will not consider me flippant if I start my reflections on it with a reference to a detective story I read years ago. Unfortunately, both the story and its author deserved better since, with an appalling lapse in my memory, I am not able to recall the names of either. But I remember the story, for, it was something of a tour de force. A murder had been committed and three famous fictional detectives, Lord Peter Wimsey, Hercule Poirot and Father Brown are on the spot, besides the despised flatfooted policeman. Each deduces by the employment of his particular method the man responsible for the crime, but, as was not wholly unexpected, each pins the murder on different persons. The long-suffering police inspector, using such despised arts as the use of the eye and elementary chemistry, gets at the truth that is acknowledged as such by the others who had missed it by miles.

This is not entirely a shaggy dog story, as far as my present purposes are concerned, for, in the last few days, I have heard, besides the verdict of the Chagla Commission on the course of events, many other theories of what actually happened. There is no question of anybody trying to upset the findings of the Commission, but it can hardly be denied that the full picture of the whole unhappy business has not emerged at the end of the inquiry. I shall indicate one reason for this incompleteness presently, but let me deal with certain comments of shocked incredulity on the Prime Minister's remarks implying such an incompleteness. There was an element of disingenuousness at the horror simulated at the PM's alleged impropriety. First of all, this is not a judicial proceeding in actual progress, but a comment on the findings of an inquiry after it has been completed. Even in the case of the strictly legal proceedings, it is not improper for any one to comment academically on

the soundness of particular decisions, though, of course, every one concerned is bound by them. It is only comment on matters that are sub judice that is improper. In this case, the Prime Minister did not indulge in any such thing. Secondly, it must be remembered that it is open to Government to accept or reject the findings of an inquiry commission or accept them in modified form, though, of course, in practice, such dissent or modified assent would be infrequent. In any case, the findings of commissions of this sort, though entitled to the highest respect, are not sacrosanct. Indeed, the eminent judge who constituted the Commission would not claim any such immunity.

And what is the substance of Mr Nehru's complaint, if such it can be construed? In the first place, he felt that the full facts relating to the affair have not come to light. This is a feeling to which both the Attorney General and the Commission confessed in the course of the inquiry itself. Secondly, in the matter of procedure, the Commission's decision to make it a public inquiry has had mixed results. The Commission itself is satisfied about the correctness of the decision to make it a public inquiry. Perhaps there is nothing wrong in an inquiry being public, but many besides myself have wondered whether an inquiry with the appurtenances of microphones and loudspeakers was strictly necessary for the purpose on hand. It is ridiculous to suggest, as I have seen it done in print, that the inquiry resembled at some stages the notorious Communist open trials with a crowd baying for the blood of the victim. But it is true that the jeering and cheering crowds that flocked the Bombay Legislative Assembly, where the inquiry was held, did not contribute to anything of importance to the Commission's tasks. Indeed, in one sense, they seriously impeded with the ascertainment of truth. I think that very many people would have tendered evidence that was of relevance to the inquiry, if only it was conducted in a less lurid light of publicity. It is perhaps true, as Mr Chagla had suggested in his opening speech laying down the procedure, that democracy cannot function if all of us were afflicted

with this kind of squeamishness. But in matters like this, the ascertainment of what actually happened is more important than the appearance of having paid homage to an abstract principle of democratic conduct. I am not suggesting that anonymity should have been encouraged, or that insinuations are made in the security of secret avowal. As Mr Chagla conceived it, this stipulation of public inquiry was more a protection of the persons likely to be maligned. But, in the event, as the inquiry proceeded, and as the reports of the conduct of the crowd outside the halls came in, many who would have thought it their duty to render evidence thought it better to keep their own counsel. This surely was one of the reasons for the incompleteness of evidence of which the Attorney General, the Commission and the Prime Minister complained.

But the more serious difficulty was the absence of re-examination of witnesses. For some reason, it was considered either inexpedient or improper to recall an earlier witness and ask him to clarify issues in the light of later revelations. This led to the serious difficulty of the pattern of evidence being determined by the accident of the sequence of witnesses. Indeed, at one stage in the inquiry, when discrepancies in the evidence of two persons emerged (between that of Mr Mundhra and Mr Chaturvedi), the embarrassment was felt by the Attorney General himself. But, again, for a reason I am not able to fathom, it was not considered necessary to have them probed further.

A complaint made by Mr Nehru was that there was a one-sided presentation of facts by counsels. This is a more serious charge, and is not strictly correct. But, at some stage in the inquiry, which began with the position that there were no parties and all that it was interested in was the ascertainment of truth, a subtle distinction between parties and witnesses did emerge. These parties were identified as the Finance Minister, the LIC and the Principal Secretary. The last two were allowed counsel and the Finance Minister, being technically Government, was presumably understood to be represented by the Attorney General.

But, when it became evident that the Attorney General dissociated the person of the Finance Minister from Government at a particular stage, the anomalous situation, for which none is to blame, made itself manifest. The confusion was not cleared by the Finance Minister seeking representation by, of all people, the counsel for the LIC. To the confusion of the parties and witnesses was added the confusion of the personal and professional ethics and so forth of Mr Sachin Choudhury. A more complicated tangle it is difficult to imagine. It seems to me that a more informal but searching procedure may have helped to ease the rigidity of the procedure and, therefore, the nature of evidence before the Commission.

It will thus be seen that there was nothing seriously improper in the substance of the Prime Minister's remarks, which, he made clear, were not made in any spirit of complaint. It is difficult to understand the fuss made by some about these remarks. It is suggested, for instance, that such remarks will undermine the independence of the judiciary. A more ridiculous suggestion can hardly be imagined, and I am sure that Mr Justice Chagla will be the first to laugh at it. If it were indeed the case that an adverse comment by the executive on the findings of a judge acting in a different capacity is apt either to ruffle or to cow the judiciary to such an extent as to make them lose their poise, then the independence of such a judiciary is hardly worth a day's purchase. The sources of the equanimity and independence of judges are their unwavering vision of the inviolability of the human soul and the immutability of certain basic laws about human conduct. These are beyond the reaches of a passing comment. In any case, these very critics say that the complaint that this inquiry has demoralised the services is ill founded and irrelevant in the context of the larger purposes of the inquiry. By the same token, it is difficult to see why the judiciary as such should be upset about a passing remark.

As regards the actual findings of the Commission, it is no reflection on the learned judge to say that they have every appearance of in-

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completeness. The reason for this can be explained again in terms of detective fiction. I myself lean to the psychological school of detective fiction which looks for motives (which very often resolves itself to the dictum of Cherechez la femme!, though in this case even the most incurable of romantics can hardly find a feminine interest. In this, of course, the Parker inquiry with its crop of ex-chorus girls and so forth was more rewarding). The point I am wishing to make is that, while the Commission has identified forces behind the transactions and fixed responsibilities, it has not answered the question why the people acted the way they did. As always, the question is "Why, Oh! Why?" What was the motive for these acts? To say it was to help Mr Mundhra out of his difficulties is surely not enough. Why should anyone help Mr Mundhra? For this, there is no answer at all in the Commission's Report. And until that is found, it cannot be said that the Commission has got to the bottom of the business.

★

It may be that the terms of the Commission's reference did not include this particular question. (I myself consider the terms of reference as very badly worded). But, on the other hand, if I assume that the purpose was not to help Mr Mundhra and it was in fact to help the revival of the stock market, then the ultimate and not the penultimate motive is found. It now remains to see whether this alternate hypothesis of ultimate motivation is correct or not. The Commission has marshalled impressive evidence for its conclusion that the claims that the stock exchange was in a bad way, that there was a "crisis" and that the crisis was due to the "drag" of the Mundhra shares on the market are incorrect. Graphs were consulted and particular experts were examined, and the weight of their opinion was to make the Commission reject the hypothesis of an objective presence of a "crisis" or near crisis. It was also found by the Commission that the actual

manner of the transactions did not remove the drag at all. And that was an additional reason for presuming that they were not intended to act in this way at all.

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Now, I have no wish to question the findings of the Commission. Nor do I wish to defend the actual modes of transaction, the prices fixed and so forth. But, if I have learnt anything in my experience of the last forty years of the financial world, it is that the last thing that Indian Stock Markets consult in patterning their behaviour is "objective facts". One has no need to be financial expert to know this. A visit to the stock exchange any day of the week will show what a jungle it is. And behind it all, you will find men who base their conduct on the merest whisper and who buy and sell on the basis of the ghost of a rumour. The appalling naivete of these folks is a source of constant wonderment to me, no less than the fact that I, despite my sophistication, am not making one millionth part of the money they are making. The only rational explanation is that, since the whole stock exchange psychology is a closed circuit of irrational conduct, some kind of ultimate rational appearance is traceable in the results. I am aware that there is more than mere credulity in the stock market. But the share-rigger operates precisely on this credulity, and not on graphs and charts.

★

So the evidence to consult on the behaviour of stock markets is not charts and tables, but rumour, gossip and canards. It is here that there was comparative lack of illumination for the Commission. My point is that, however misguided Mr Patel might have been on the basis of the charts (which he admittedly did not consult) in imagining that the Calcutta market was in a bad shape, it was his subjective reading of the situation based on the "subjective" reading of those who told him of the Calcutta market that led him to believe there was a drag in the market. Here, the evidence of

Indian Finance

Mr Chaturvedi is clear. And it would have been relevant to inquire whether there were others who felt the same way as Mr Chaturvedi felt. Not experts, but the Katni operators are folks who would have thrown light on this.

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Indeed, there was evidence, in the shape of the letter from Mr Raman (of the Reserve Bank, Calcutta), before the Commission that there was no inherent impossibility in the notion that the Calcutta Stock Exchange was in a bad shape. Quite a number of people seem to have thought that the LIC deal in June did good to the market. This is what Mr Raman says, according to the Commission, in his letter dated 6th of July 1957 to Mr Madan of the Reserve Bank: "The recent Life Insurance Corporation's support to buy the Mundhra shares has relieved the market of the floating stocks to the extent of over a crore of rupees. The opinion on the Life Insurance Corporation buying such shares is itself divided. While some say that to the extent that it has avoided a crisis and imparted some stability, the Life Insurance Corporation has done a good job. There are others who say that it has only temporarily plugged the loophole and has only postponed D-day."

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This is the opinion contemporaneously gathered by an expert on the behaviour of the stock exchange and he clearly says that a "crisis" has been avoided by the action of LIC. It is also noteworthy that the dissident voices do not say that there was no crisis, but merely say that it has been postponed. So, all of Mr Raman's informants are agreed on the imminence of a crisis, though it must always remain a matter of opinion what and when a "crisis" is really a "crisis". But no prudent man would wish the Government to deal with a crisis only after it has descended on them. Indeed, the whole purpose of the proposed action is to avert a crisis. Support to a market that has already collapsed is meaningless. Thus, it seems to me that there is no inherent improbability in the notion that Mr Patel acted on the notion that there was need for the LIC supporting the market.

★

In the light of the charts and graphs and expert opinion, Mr Patel may have been deluding himself in so imagining, but then he was in good and numerous company. Of course, this does not answer the further question about the methods adopted of relieving the market and the propriety of his acting on his own in the matter and bypassing of the procedure laid down for the purpose. On all these issues, Mr Chagla's findings cannot be seriously called into question. But on the central question of motivation for the deal, it seems to me, especially in the absence of any finding on the ultimate motivation for the Com-

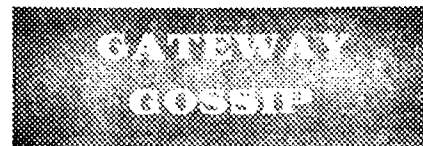
mission's theory of proximate motive, viz., helping Mr Mundhra in his difficulties, that the motive force was to help the stock exchange. How far this accords with declared Government policy and how far such policy is inherently justifiable is a different question. These and other aspects of the Commission's findings must await a future occasion.

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I am neither so witty nor so bold as Sidney Smith who once said, "I never read a book until after reviewing it. It prejudices one so". Yet, I am afraid I am going to do precisely this for once. The reason is, of course, that the book is not available in India at the moment, and that a good deal about it has appeared in the form of reviews in foreign magazines, which makes me quite excited about it. An American publication, it is called *The Capitalist Manifesto*, which is said to stand in the same relation to a bigger and still unpublished work titled *Capitalism that The Communist Manifesto does to Das Capital*. This new Manifesto is the product of the joint authorship of Mortimer Adler, the philosopher, and Louis Kelso, a corporation lawyer, and is a kind of preview of Capitalism which the latter wrote some four years ago. Now, about the Manifesto. It sounds, the reviews tell us, a reveille to world capitalism and seeks to take it out of its hitherto defeatist and defensive position. It furnishes a new philosophy of capitalism, showing that, much more than any other type of economic philosophy, it is capable of securing the greatest good for the greatest number. It not only asks "Is it workable?" but also "Is it just?". It sees capitalism as the only just form of economic existence in conformity with democracy. Most important of all, it asserts that the moral aim of capitalism is not toil, but leisure, leisure for all to pursue the liberal arts of civilisation. Real capitalism, it argues, should not only bring full employment, but a full enjoyment by all "of the leisure work that machine-produced wealth can make possible for all". It also warns American capitalism that, despite all its great performance, it will not lead to this fine ideal but only to an increasing measure of socialism. Its great vision is, of course, that of economic citizenship, a thing which can and will materialise only with full automation and with machines becoming man's super-slaves. In the society of "economic citizens", there will be no "subsistence work", no drudgery to produce "the goods of the body"; only freedom to produce "the goods of the soul", such as the arts, sciences, culture, religion, etc. My final opinion on this work naturally awaits the opportunity of a fuller perusal. But, meanwhile, I would advise my friends in Clive Street to watch out for copies as soon as available. It looks like a capitalist's vademecum, if not a bible.

BAVESDROPPER

February 22, 1958



IF the main purpose of Governors' addresses is to give a clear indication as to how Governments have fared in the interregnum between one session of the Legislature and another and on what lines work in the coming months is going to proceed, Mr Sri Prakasa's address to the joint meeting of the Bombay State Legislature which commenced its budget session last Monday, has left little to be desired.

The past year has witnessed considerable progress being made in the Bombay State in a number of directions and such headway is especially significant in two of them. Firstly, the initial problems arising out of States reorganisation have been solved with remarkable speed with the result that Government energies have been increasingly diverted toward development work. Secondly, a sizable improvement has been achieved in food production and steps have already been taken to launch an all out drive to augment food supplies in the State.

That the Governor has devoted a considerable portion of his speech lasting for over three quarters of an hour to agricultural and allied matters is indicative of the great importance attached by the State Government to the food problem. This is as it should be; because recurring food shortage has been causing considerable anxiety to them. Last year the position has been rendered doubly difficult by the failure of the monsoon in some districts. However, thanks to the vigorous measures taken to step up production, food output in the State as a whole has recorded an improvement.

But the Governor has pointed out that "even so, the overall food position is by no means satisfactory". The problem of recurrent food shortage is sought to be tackled simultaneously in different directions. In the first place various steps have been taken to ensure the supply of sufficient foodgrains to the people. The fair price shops scheme has been extended throughout the State. The Household Foodgrain Card System has been introduced in Greater Bombay and a close watch is being kept on the situation in other large cities like Ahmedabad, Poona and Nagpur.

In the meantime Government have launched an all out drive to increase food production in the State by a rephrasing of the Plan so as to complete some of the important schemes of agricultural production ahead of schedule. In this regard emphasis has been placed on minor irrigation works in view of the fact that agriculture in the State is largely dependent on rainfall. Moreover, minor irrigation works can be completed much sooner than big projects. Therefore, a programme for the

Toward Increased Food Production

construction of 35,000 new wells and repairs to 28,000 wells has been prepared for the remaining three years of the Second Plan. The scheme is expected to bring under irrigation over 2½ lakh acres of land. Already some progress has been made and the response to the wells scheme is encouraging as a large number of people have applied for loans which are offered on liberal and attractive terms. Special attention is also bestowed on soil conservation by contour bunding as it will lead to an immediate improvement in food production.

It is, however, recognised that the long term solution of the food problem can be obtained only through systematic attention being paid to the implementation of the major irrigation schemes. Government have, therefore, not slackened their efforts in this direction. Though works carried over from the First Five Year Plan have been given priority for completion, preliminary works have been started in most of the new projects sanctioned by the Planning Commission under the Second Plan.

The fact that mere expansion of irrigation and other agricultural facilities will not bring the desired result has been well recognised and the State Government have taken active steps to extend to all areas of the State their policy to remove intermediaries and to make the tiller of the soil the occupant of the land.

The good progress made in the consolidation and reorganisation of the Administration in the enlarged Bombay State and the measures taken to democratise the institutions of local self-government show that the State Government are alive to the need for ensuring cooperation among the different parts constituting the State and making Government more broadbased. Already the integration of the various service cadre has been completed and steps toward integration of administrative setups and laws are in hand. It is gratifying to note that Government are "anxious that all corruption should be stamped out from the Administration", and have established an anti-corruption bureau under the direct supervision and control of Government in the Home Department with a view to ensure better co-ordination of work between the various anticorruption establishments. But as the Governor has pointed the evil of corruption can be completely eradicated only when there is full public cooperation with Government efforts in this direction.

Perhaps the most significant progress made by the State is in the matter of democratising local Government. The establishment of a Panchayat Raj is one of our ultimate objectives. But due to

various reasons, local self government has not made much headway. One of the main causes for this has been the absence of any provision for adequate finances for the local bodies including panchayats. The Bombay State Government have now decided to remove this basic defect by making to village panchayats in all regions grants from 25 to 30 per cent of land revenue according to a classification to be prescribed. The grants to municipalities and district local boards to meet 50 per cent of the expenditure on account of dearness allowance, hitherto applicable to institutions in certain specified regions, have been extended to all such bodies in the State. The grant to district boards has been made uniform at 5 per cent. These institutions will also get a share of 2 per cent of the forest revenue.

In the industrial sector, Government have assumed the direct responsibility for the development of small scale and cottage industries. The inclusion of new areas within the State has opened up new vistas of industrialisation. The discovery of extensive mineral deposits in parts of the State has led to the establishment of a full-fledged directorate of mining. The Governor has pointed out that the State Department of Mining has taken

up the survey and prospecting for bauxite deposits in Udgiri area in Kolhapur District.

In this connection it may be noted that there are reports that the State Government have already approached the Planning Commission with a request to include in the Second Plan the setting up of a big aluminium plant with a capacity of about 20,000 tons per year using the bauxite deposits from Kolhapur. It is also said that the suggestion has been favourably received by the Planning Body. The possibility of priority being given to the Kolhapur plant is heightened by the fact that the ore here is high grade and easily accessible. The requisite power will be available from Koyna and the communication system is particularly good in the area. The rival claimants, it is pointed out, to an aluminium plant (Madhya Pradesh and Madras) are lacking in one or more of the advantages enjoyed by Kolhapur. It would appear that the State Government are very anxious to put up an aluminium plant in the area and it is stated that they are prepared to seek the help of private enterprise in case the Planning Commission are unable to sanction the project due to financial considerations.

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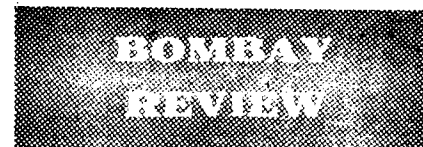
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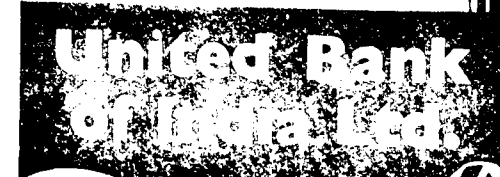
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BOMBAY
REVIEW

Balance of Payments

The balance of payments difficulties experienced by India at present have provoked many comments from various quarters as to what the right solution to them should be. Devaluation of the rupee has found favour with a certain section of opinion in the country. Adherents to this view, as is obvious, believe that the causes of the present difficulties are deep-seated and not of a temporary character as would seem to be the view of the Government.

The latest and one of the most authoritative comment to come is that from Mr Per Jacobsson, Managing Director of the International Monetary Fund. Mr Jacobsson is in favour of tackling the problem from the side of internal spending and credit and he gives the examples of some European countries which have successfully controlled the problem by concentrating on internal speeding. Devaluation according to Mr Jacobsson deals only with the superficial side of exchange rates. So far as India is concerned, the error which led to deterioration in the balance of payments position lay, according to Mr Jacobsson, in the resort to deficit financing as contemplated in the Second Plan. In his view deficit financing is a costly method which only countries enjoying the status of creditor nations could afford, in view of the adverse reactions it might have on the payments position. In this connection he explains how in Italy, in 1949, attempts made by the Government at economic planning by recourse to deficit financing led to problems of inflation and unemployment.

The Government's policy on this problem is based on the view that the present difficulties on the foreign exchange sector are only of a short duration being the result of the pressure on foreign exchange which it expects, would subside once

the heavy initial requirements of imports for various development schemes are met. Therefore the Government have been content with taking steps to drastically restrict unnecessary imports and to encourage export of Indian goods by means of export promotion schemes. But in the light of the observations made by Mr Jacobsson in regard to the connection between deficit financing and balance of payments problem, a reappraisal of the provision made for deficit financing in the Second Plan would seem to be called for.

In regard to the credit needs of India Mr Jacobsson said that it would be unwise on the part of the Government to seek short term credit from the International Monetary Fund, since such credits have to be repaid in the near future, and that the policy of getting long term loans would be suitable for development purposes on which the country has embarked. It was also disclosed by him that no request had been made by the Government of India for such short term credits from the IMF. Mr Jacobsson also praised the creditworthiness of India one of the main elements of which according to him was the general political framework.

Personnel for Management

With the rapid industrialisation of the country, the problem of personnel has assumed great importance. In the first place it has been realised that to establish large industrial units and man them, we require a large number of technical personnel. Though it is not expected that the requisite number will be available in the immediate future, plans are already in hand to increase the training facilities in the country so as to be self-sufficient in this regard by the Third Plan

period. A kindred problem is the availability of trained personnel for management. Considering the fact that the importance of this factor has come to be adequately realised even in the industrialised countries of Europe only in recent times, it must be said that the need for having trained personnel for management has been well recognised quite early in our country. But industrialisation has been so rapid that there has been no time to wait for the availability of trained personnel. The result is already apparent in the shape of various difficulties in the industrial sector.

Speaking at the Ahmedabad Textile Industry's Research Association in Ahmedabad recently Dr A Ramaswami Mudaliar pointed out that there was urgent need for evolving a national technique of management if industrialisation was to progress smoothly and rapidly. Such a technique should be applicable to both the sectors. Referring to prevailing conditions he pointed out that the position was far from satisfactory. The defect in the public sector seemed to be an utter lack of initiative. There seemed to be a paralysis in the top management in which the personnel were unable to take quick decisions even on minor matters. The private sector suffered from a different handicap. There was interference from the managing directors who were more often than not, mere financiers without any industrial experience. The result was delay and consequent loss of production. Apart from the unnecessary interference in their work, the management personnel were frequently exposed to the wrath of the workers for no fault of theirs.

Therefore, it is essential that the industrial units have at their head and at the various sectional levels, management personnel especially

GATEWAY
NOTES

trained for the type of work involved in these positions. An essential part of the equipment of these personnel is a capacity to maintain smooth industrial relations. As a big employer Government are equally concerned with this problem along with private enterprise. It is therefore gratifying to note that Government have also recognised the necessity of providing training to management personnel.

Iron Ore Exports to Japan

The prospects of increasing iron ore exports from India to Japan seem to be becoming brighter every day. Already Japanese imports in this regard are estimated to be in the neighbourhood of 1 million tons per annum. It is now understood that Japan has decided to stop all imports of iron and manganese ore from Goa in order to pave the way for a speedy conclusion of a trade pact with India. It would appear that Japan's decision in this regard has been buttressed mainly by the advantages that are likely to accrue to it if it buys its requirements of these ores from India.

In the first place after the recent visit of the 35 member Japanese technical team to study the prospects of increased iron and manganese ore trade, it has become clear that India is in a position to supply its entire requirements.

In this connection it is said that the technical team has estimated the deposits in the Rourkela district of Orissa at about 1000 million tons of iron ore, which is higher than the estimates of the Government of India. Moreover, it would appear that the team is reported to have drawn attention to the fact that the final cost of the Orissa ore will work to be lower than that of the ore bought from the West coast area.

Stimulating Exports

The fact that despite export promotion efforts, export earnings during the past year have not come up to expectations shows that the task is both complicated and exacting. In this regard it is pointed out that better results can be obtained if the recommendations of the Export Promotion Committee are implemented at an early date. Speaking at the annual meeting of the All India Exporters' Association, its president, Mr Chinnobhai C. Javeri suggested that Government should periodically review the progress made in export promotion and make the findings along with useful suggestions from Government Trade Commissioners in overseas markets available to the business and trading Community in the country. Such reports would go a long way in helping Indian exporters to make their goods attractive to foreign consumers.

WORLD OF
COTTON

CONDITIONS in the Cotton market have again become sluggish and prices have taken a downward course in the absence of adequate demand and due to heavy arrivals at the terminal markets. Many mill's are still facing heavy accumulation of cloth stocks and are reluctant to enter the market for long-term commitments. The sustained monetary stringency has also compelled them to keep away from the market. They are, therefore, adopting a hand-to-mouth policy in purchasing cotton.

The season has already started in Andhra and Karnataka, while it is in full swing in Vidarbha, Gujarat, Saurashtra and Gaorani areas. Almost 45 per cent of the crop has, so far, been marketed. Also, arrivals of the new crop have been increasing as growers seem to be eager to market their crop as early as possible.

With the result, prices in the futures section developed a downward trend although a halt was cried at the close due to some short-covering. Turnover was 15,000 bales. ICC Jharilla March started lower at Rs 680 and, after touching a fresh lower level of Rs 674.50, finished better at Rs 674.75. May delivery closed at Rs 670.50 after touching a low of Rs 669.00.

SPOT MARKET:

Trading in the Spot section was dull. Mills were only interested in old staple varieties. Prices, where changed, were inclined to be lower with Dhollera down by Rs 10 to Rs 15 per candy. However, fairly good enquiries were emanating from Ahmedabad and Calcutta mills for Southern Cambodia, 0394, Laxmi and CO/2.

It is understood that Saurashtra merchants have wired to the Commerce Ministry about the consistent fall in prices of Dhollera owing to inferior quality of the crop and lack of spinner's demand. They have urged that an export quota for this variety should be released to stem the downward trend.

There was hardly any doing in the export section. Shippers, who relied too much on the recommendation of the Cotton Advisory Board that exports of 25,000 bales of the old crop cotton should be allowed, were disappointed at the refusal of the Commerce Minister to grant any export quota for Deshi varieties. Reports were, however, current that the Government had agreed to examine the need for a reduction in the export duty on Bengal Deshi cotton to bring it in line with the Pakistan export duty.

On the import front, mills continued to buy spot lots of East African and American cottons. The licensing programmes for all foreign cottons have come to an end and new import quotas are necessary for the licensing of fresh

Heavy Arrivals : Poor Offtake

business. This situation has, therefore, brought forth limited transactions in foreign cottons.

From the trend of discussions the visting Egyptian cotton delegation has had with the interests concerned in Bombay since its arrival, it is apparent that Egypt is anxious to conclude an agreement with India. India may be in a position to absorb a substantial quantity of her cotton every year against payment to be credited to a rupee account, which can be utilised by her to import Indian goods, particularly tea and jute.

Although it is said that no discount will be offered, the fact remains that Egypt is rather keen to sell her cotton in substantial quantities and, as such, it is still possible that the reported decision in regard to discounts may be reconsidered or possibly something will be forthcoming to bring Egyptian cotton eventually in close "parity" with Sudanese cotton.

COTTON CONSUMPTION:

Consumption of cotton by mills in India, during the first four months (September to December 1957) of the current season amounted to 1,754,794 bales as compared to 1,726,268 bales in the corresponding period of the previous season. Out of this, Indian cotton accounted for 1,554,180 bales as against 1,525,011 bales and foreign varieties 200,614 bales against 201,257 bales. The average monthly consumption, during the mentioned period, was 388,550 bales and of foreign cotton 50,150 bales.

Variety-wise monthly consumption, during the period from 1st September to 31st December 1957, was as follows (figures in bales of 392 lbs):—

	1957	1956
Indian	1,554,180	1,525,011
East African	51,823	93,658
American	95,943	25,510
Egyptian	25,537	43,908
Sudan	24,831	34,633
Others	2,480	3,548

Total ... 1,754,794 1,726,268

NEW YORK COTTON MARKET:

Price movements on the New York cotton futures market were rather erratic with old crops falling on liquidation and hedge selling, while new crops went irregularly higher for the market to close with the March position at 35.15 cents.

LIVERPOOL COTTON MARKET:

Also, prices moved rather erratically on the Liverpool cotton futures market, reflecting the interpretation of the various reports from the USA on cotton policy and possible legislation.

BOMBAY
REVIEW

front so far as cotton textiles are concerned. The gloomy outlook for textiles is reflected in the drop of mill output of cloth to 433 million yards in January against 484 million yards in the corresponding month of the last year. The production of Yarn has also come down by 9 million to 42 million yards.

Dealers report that, although the demand is not brisk, the situation cannot be said to be unsatisfactory. Satisfactory demand is reported in respect of super-fine mulls and dhoties. While enquiries from Andhra have started, the other South Indian centres, particularly Madras, are yet to evince any marked interest. Well-known mill's are said to be receiving orders for delivery of goods in March and April.



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NO. 1

Status Quo in Forward Bullion

THE Government of India have decided to maintain the status quo in respect of forward trading in Gold and Silver throughout the country. Initially, there was a fear that the Government's approach to the issue might hit trading in bullion in a number of small centres in the country. However, under the latest decision, these centres have received a fresh lease of life.

So far as the Bombay market is concerned, Government's decision has only meant the continuance of trading under the Forward Contracts Control Act, 1947 of the Bombay Government. The up-country centres, on the other hand, will continue to enjoy the present freedom regulation under the Forward Contracts (Regulation) Act, 1952. The only uncertain factor is, that the Government have not specified the time limit of the

present policy of maintaining the status quo.

The highlight on the Bullion Exchange was a sharp upswing in Silver to a new high level for the past several years. A prominent speculator of Calcutta was stated to have built up a substantial bull interest in forward silver, taking advantage of the paucity of actuals. Arrivals amounted to 20 bars as against an offtake of 12 bars. Fagan delivery was taken upto Rs 192.50 from Rs 190.87 and Chaitra upto Rs 191.25 from Rs 190.56. Ready changed hands at Rs 191 to Rs 192.

Gold also tended to harden in early dealings, being influenced by the encouraging performance of silver. Prices, however, reacted on profit-taking at the close, prompted by slow spot demand. Arrivals were estimated at 4,000 tolas as against an offtake of 2,000 tolas.

Fagan delivery changed hands upto Rs 112.56 and Chaitra upto Rs 112.06, to finish at Rs 111.84 and Rs 111.62 respectively. Ready, after being taken upto Rs 113.56, receded at the close to Rs 112.19.

Oils & Oilseeds

The market for Oils and Oilseeds gave generally a cheerful performance, thanks to aggressive buying by the Punjab operators and nervous short-covering by local dealers. The rally was also aided by the marked improvement in the spot position.

The changed sentiment in the market was concided with the reports that the terminal markets in Hyderabad and Bombay State had been receiving smaller arrivals of the new crop due to dwindling supplies with the growers and their disinclination to sell at lower prices. Moreover, a section of the

shippers was not still inclined to give up hopes of export possibilities in respect of HPS groundnut. Groundnut May delivery started at Rs 156.37 and improved gradually, to finish at Rs 158.75. Similarly, February delivery started at Rs 155.62, to finish at Rs 158.62. In the ready section, bold quality was quoted at Rs 31.37 and Groundnut Oil at Rs 17.25.

There was a noteworthy advance in prices in the Castor seeds section, the buying movement being largely spurred by the revival of shippers' enquiry for castor oil. Hopes, that the Government would sooner or later accept the suggestion made recently to effect a reduction in the export duty on castor oil to facilitate exports, were also a contributory factor. May delivery opened at Rs 137.25 to advance gradually towards the close to Rs 139.37. In the ready section, Madras quality was quoted at Rs 28.12 and Castor Oil, commercial, at Rs 14.31.

The Linseed section presented a steadier appearance with the rate registering a gradual improvement on scattered support at lower levels. The occasional interest shown by the UK in linseed oil also tended to stabilise the market. May delivery opened at Rs 28.94 to finish firm at Rs 29.31. Ready rate was quoted at Rs 28.62 and Linseed Oil at Rs 15.56.

Non-Ferrous Metals

According to the announcement made by the Import Trade Control authorities, established Importers of Non-Ferrous Metals have been asked to supply certain particulars to the Government to enable them to review the supply position of the metals. The information is to be supplied separately in regard to lead ingot, pig and scrap, zinc or spelter unwrought, tin block and tin scrap, copper unwrought in the form of ingots, blooms, slabs, cakes, tiles, billets, cathodes, blister bars, electrolytic wire bars and ingot bars.

Meanwhile, with the renewed firmness in copper prices, conditions in other sections of the Non-Ferrous metal market ruled generally steady. Copper ready was marked up to Rs 181 from Rs 175 per cwt despite lower advices from London. This was mainly due to continued shortage of the metal. Zinc and Lead remained practically unchanged at Rs 53 and Rs 64 per cwt respectively, while Tin changed hands at Rs 127.50 to Rs 128 per quarter. On the London Metal Exchange, Copper is quoted at £164; Zinc at £64; Lead at £74½ and Tin at £733½ (all per ton).

Yarn

The Yarn market took a slight turn for the better last week. Staple-fibre yarn prices improved partially on renewed support from upcountry weaving centres, while Art Silk Yarn and Cotton Yarn continued to be steady.

The Last Reel

THE last instalment of the exciting serial 'L' Affaire LIC' is providing fresh thrills to the citizens of the capital as it is to those of the rest of India. Only our thrills are first hand, since the scene shifted from Bombay to Delhi when the report of the Chagla Commission was flown to Delhi. In the true traditions of the conventional serial, either of the magazine or of the cinema, the LIC affair has been providing new excitements at every stage. One would have thought that the last ounce of the unexpected had been squeezed out in the earlier instalments and the contrivance of newer surprises will be impossible. But the enterprising concocter of the serial is never at a loss. The last reel of the LIC transactions has provided an entirely new variation on the theme of which we have been hearing so much all these weeks. And, appropriately enough, it was provided by the outgoing Finance Minister.

As you would have learnt by now, the Finance Minister made an entirely new case in so far as he was concerned in the particular affair. It was a lucid and coherent account and fits in with all the known facts of the situation. According to Mr Krishnamachari, the three reasons that led the Commission to the fixing of his personal responsibility are: "(i) it is improbable that any secretary would have put through an unusual deal of this character without Ministerial concurrence. (ii) there must have been some prior understanding in Calcutta to which the Minister was privy. (iii) the absence of subsequent repudiation from which could be inferred the Minister's prior concurrence or subsequent acquiescence." Mr Krishnamachari deals with each of these reasons. As regards the first, he says that neither the Principal Finance Secretary nor the Chairman of the State Bank (who were the only persons who testified to any mention of the deal to the Minister) said that any specific approval was either sought or given. These two also testified to the mention of only the scrip of Jessops and Richardson and Cruddas. It is also in evidence that Mr Krishnamachari gave some cautionary advice on the matter.

In fairness to TTK, it must be said that, if any argument is to be built about an approval by him that absolved the Secretary of his (Secretary's) responsibility, then he (TTK) is certainly entitled to ask that it should be built on a firmer foundation than one in which an approval is inferred from a casual conversation. The fact that Mr Patel says that he would not have taken a decision since the sum involved was so large and that the haste was due to the fact that he wanted to take advantage of

the presence of the Minister would not in itself make such an assumption of specific approval tenable.

As regards the second reason, surely TTK is right in saying that there is absolutely no evidence of any prior understanding in Calcutta. The fact that there is an inherent improbability in that the whole thing should have started in Bombay on the 20th of June cannot be any reason for inferring any prior confabulation at Calcutta. In a matter like this, positive evidence is certainly necessary.

The question of the subsequent conduct of the Minister is somewhat more complicated. The two strands of the Commission's argument in this regard are: firstly, the absence of repudiation by the Minister may indicate a prior concurrence before the event. And, secondly, an acquiescence. As regards the first strand, there is a certain illogicality and even absence of equity in that that too much is sought to be inferred about prior conduct by subsequent events. It is quite conceivable that one may not repudiate conduct that one knew nothing of at the time (for a number of reasons) it took place. It is true such an argument throws one into the lap of the latter alternative of acquiescence. But that is a different argument, and though it has to be met squarely, cannot confer any respectability to the fallacy involved in the argument that seeks to infer earlier motives from subsequent conduct.

About the theory of acquiescence, Mr Krishnamachari's defence is two-fold. First, on the assumption that he knew the real state of affairs, Mr Krishnamachari points to difficulties involved in administration in which such repudiation is demanded as a matter of course. Mr Krishnamachari wisely refrains from developing this argument, because it is not particularly good. He refers to the need for an inquiry before any action is taken. This is not strictly correct, for a prima facie case is all that is necessary to make a gesture, say, by way of suspension, in order to indicate that you have repudiated the action of the person concerned without in any way jeopardising his obtaining justice after inquiry.

But the real defence of Mr Krishnamachari is that he was not aware of the true nature of these transactions until well after the inquiry was on its way and, therefore, there is no question of acquiescence in a thing that he was not aware of. It is here that we enter into a realm of facts of which a more detailed survey would have been useful. It is a great pity that this was not undertaken during the inquiry. Mr Krishnamachari blames the procedure laid down for the inquiry.

He says that since he was merely answering specific questions and not deposing, he was not in a position to give a complete picture. It is difficult to say at this stage whether or not the Minister could have been less of a model witness, answering only the questions put to him. In any case, the crucial fact as it now emerges is that not only did TTK not see before the inquiry the letter dated 16th July written by Mr Kamat giving the details of the June transactions, but he saw the letter by Mr Kamat dated the 12th of July in which he had given information about the LIC investments in blue chips and this letter did not contain details of the LIC investments in Mundhra concerns in June. Now, this important fact explains very many puzzling things about Mr Krishnamachari's answers to questions in Parliament in September and November, and certain apparent contradictions that bothered observers while the inquiry was proceeding. Another fact that greatly added to the confusion was the absence (on the crucial dates) of the Principal Finance Secretary from Delhi from whom the Minister says he could have had the clarifications he needed.

According to TTK, the factual position, therefore, boils down to this: he was not aware of the deal of June 1957 at any time before the inquiry started and, therefore, the question of repudiating it did not arise. He agrees that the deal was irregular and that there was no reason for any departure from the normal procedure laid down in this behalf. And his ignorance of Mr Kamat's letter of July the 16th explains his statement in Parliament that the investment policy was dictated by the Investment Committee.

Mr Krishnamachari has also given a very convincing explanation about what the Commission had characterised as "equivocation" in his reply to questions in September in which reference was made (in the Lok Sabha) to LIC's dealings with private interests with headquarters in Kanpur. He says that the supplementaries were not reached on the occasion and that was the reason why the cryptic answer to the main question gave the wrong impression.

Mr Krishnamachari's statement is thus a detailed exoneration of what were admittedly inferential charges against him by the Commission. There is apparently no reason why this should not be the truth. Even on the controversial question of the prior approval, the issue is one of understanding by the parties concerned. There is no factual conflict about what happened between Mr Patel and Mr Krishnamachari. What Mr Krishnamachari may have imagined as a mere casual conver-

sation may have been invested by Mr Patel with more specific attributes and he may have proceeded on that basis. So, unless there is positive evidence of prior consultation which would show that TTK was privy not only to the purchase but also to the procedure finally adopted, Mr Krishnamachari's version of the story should be accepted.

As regards the constitutional responsibility, Mr Krishnamachari takes his stand on the factual position of his ignorance of the events. Here, the Commission's finding is at variance with Mr Krishnamachari's own view of the matter mainly because the Commission proceeded on the footing that Mr Krishnamachari was actually responsible. Of course, it is an open question whether constitutional responsibility extends even to cases where a civil servant acts in a way that the Minister (as it now appears) does not approve of and without his knowledge. In the Crichton Down case, which has some resemblance to the present case, the Minister's resignation was not considered obligatory, and the resignation of the Minister came as a surprise to many. (By a curious coincidence, Sir Thomas Dugdale, the British Minister who resigned, was in India and was an interested listener to Mr Krishnamachari's references to the case). Indeed, Mr Krishnamachari himself has stated in a Press interview that he looked up and saw Sir Thomas in the galleries when he was making the statement.

According to TTK, his reasons for resignation had nothing to do with either actual or vicarious responsibility both of which he specifically denies. His reasons are that a Finance Minister must function from a position of strength these days. And in this context, he made some scaring references in blood-curdling metaphors to some unspecified powerful interests who are out to destroy the Government. I must confess that it left me, as it did many others, somewhat puzzled and slightly disappointed. It would have been better if he had been more specific. Of course, such references may have been motivated by tactical reasons of stealing the opposition's thunder in advance. (And in the event, it proved to be a shrewd calculation). But it helps no one to understand the situation, already obscure enough in all conscience. It is a little late in the day to chill spines by referring to the insatiable private sector prowling to swallow the public sector. The cynical answer to such scare-mongering is that if it did swallow, it would die of indigestion. In any case, to vary the metaphor, the octopus is more than a match for the whale.

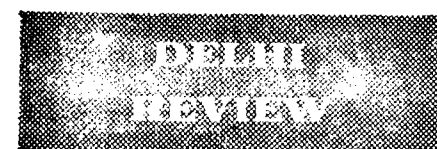
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The second round of Dr Frank Graham's attempt to discover a formula for the settlement of the Kashmir issue is reported to be as barren of results as the first. Even when the Mission was announced, there was frank scepticism in India over what the UN emissary could achieve.

What he has managed to gather from Pakistan is not known. From India he could have heard only a repetition of the arguments raised in the UN. The situation, as far as India is concerned, has not been materially altered in any respect, since the US became a party to the Baghdad Pact and started supplying arms to Pakistan. For the rest, Kashmir's accession to India has been confirmed irrevocably by the Constituent Assembly of the State.

Dr Graham's recent visit has fortuitously coincided with Sheikh Abdullah's activities after release. If any foreign observer wished to have a close study of the emotional reactions of the people of Kashmir to the question of accession or to any related matter, the situation which has prevailed during the last few weeks could have given them impressions as hostile to India as they could possibly have.

Dr Graham is believed to have suggested the abandonment of the proposal for a plebiscite. Such a recommendation could have pro-

ceeded only from the recognition of facts which the representatives of the Government of India have been trying hard to press home on the United Nations. India has clearly stated that on no account would war be resorted to as a means of settlement. If now Dr Graham reports that a plebiscite is no longer feasible, the UN should feel enabled to take decisions which would simplify the issue, to the relief of all parties concerned.

UP Budget

The budget of Uttar Pradesh for 1958-59 which was presented to the State Assembly last week by the Finance Minister Mr Hafiz Mohd. Ibrahim lacks any novel feature unlike the one he presented last year which contained some provision for pension to old people beyond the age of 70. The budget for the coming financial year contains no new tax proposals and it envisages no relief to any particular section of the State's people. Thus for the low-paid government servants who have been clamouring for increased dearness allowances the budget is a disappointing one. The revenue for the coming financial year has been estimated at Rs 108 crores and expenditure at Rs 112.77 crores. Thus there is a deficit to the tune of Rs 4.54 crores.

More Light for UN

The important schemes of development for which the budget has made provision are the expansion of Churk cement factory and precision instruments factory in the public sector and construction of a 30,000 k.w. steam station on the Ganga Grid at Harduaganj. The budget has also made provision for the opening of ten spinning centres and one weaving and production centre for the hill districts, as also for the construction of more houses for labour at a cost of Rs 1 crore. With a view to meeting the credit needs of small-scale industries in general the setting up of a Small-scale Industries Corporation with a capital of Rs 12.5 lakhs is contemplated.

As regards educational services, provision has been made for the starting of 1250 new junior basic schools and 150 school libraries. The scales of pay and allowances to teachers of aided Harijan schools are also sought to be brought on a par with local body schools. Extension of medical facilities to teachers of aided higher secondary schools on lines of those available to their counterparts in Government institutions is envisaged.

The deficit in the budget for the coming year is of the same size as that for the last year. Though the original budget estimates for 1957-58 disclosed a deficit of the order of Rs 11.6 crores, according to the revised estimates this has been reduced to Rs 4.07 crores. While in the original budget estimates the revenue receipts were placed at Rs 96.66 crores in the revised one this had gone up to Rs 99.86 crores. Similarly while in the original budget estimates for 1957-58 expenditure was estimated at Rs 108.3 crores according to the revised estimates this is anticipated at Rs 103.93 crores.

As against the deficits in these two years, the figures for the 1956-57 showed a surplus of Rs 12 lakhs though a deficit of nearly Rs 9 crores was anticipated at the time of the original estimates. The revenue receipts estimated in the budget for the coming financial year shows an improvement over the figures for the previous years. This according to the State Finance Minister is primarily due to the Finance Commission's recommendations as a result of which the State's share of income-tax is expected to go up by Rs 249 lakhs and of the Union Excise Duties by Rs 114 lakhs. Perhaps this accounts for the fact that no new tax proposals have been made in the new budget.

Harijan Welfare

Inaugurating the conference of State Ministers in charge of the work of welfare of the Scheduled Castes and Scheduled Tribes Pandit G. B. Pant, Home Minister,

Union Government, disclosed that the funds allocated to the State Governments for expenditure on welfare of Scheduled Castes and Tribes have not been fully utilised. Such a state of affairs is really intriguing in view of the scope for incurring even more funds than has been allocated for the purposes by the Union Government. Why such expenditure for welfare schemes should be restricted to a level even below that warranted by the total allocations is not clear. This reflects adversely on the attitude of the State Governments to the problem of Harijan welfare in which there is an immense gulf to be filled.

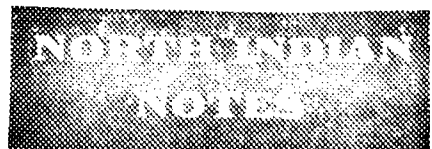
The most important aspects of the problem of welfare of these underprivileged classes are those of economic betterment and educational improvement. The minimum requirement for their economic uplift is as pointed out by Pandit Pant that every Harijan family should be enabled to own a small plot of land. But substantial success in this direction seems to have been achieved only in the Punjab where the State Government have purchased land for distribution among the Harijans.

If these classes are to be enabled to move on equal terms with others, more attention would have to be paid to the educational side. As pointed out by Pandit Pant secondary and primary education could not alone produce these results, and facilities for higher education intended to fit them for higher positions of responsibility would have to be increased. But this aspect of the matter would seem to have received only little attention, attempts so far having been confined to secondary and primary education.

There would appear to be more room for coordination of activities of the Central and State organisations connected with welfare schemes and Pandit Pant suggested that it should be possible to establish some link between the Central Welfare Board and the State Welfare Boards. According to him a small body consisting of representatives of these boards could also look to the execution of the programmes chalked out by them.

The Second Plan has earmarked a sum of Rs 91 crores for schemes in connection with the welfare of the Scheduled Castes and Scheduled Tribes, against a sum of Rs 39 crores allotted under the First Plan. Pandit Pant has indicated that larger sums could be made available if the States could utilise the sums already allocated under the Second Plan. Thus the progress of the schemes would depend on the capacity for organisation and cooperative effort shown by the State Governments on whom devolve the responsibility for the formulation and prosecution of the schemes of welfare.

Indian Finance



February 22, 1958

NORTH INDIAN MARKETS

LIVELY conditions have been witnessed in the Khandsari sugar market during the week under review. In view of the heavy incidence of excise duty on sugar production during the current season and the amalgamation of the Sales Tax as from the 14th December 1957, it is considered very likely that part of the supplies of sugarcane will be directed to Khandsari production, which has already been on a fairly heavy scale.

As production is not subjected to excise duty, it is estimated that production of khandsari may increase to 3 lakh tons as against 1.25 lakh tons during the past season. Stockists are, in some areas, reported to be trying to conceal stocks in anticipation of imposition of some levy in the Budget proposals. In some areas, producers are buying cane up to Rs 1.44 per maund. Rates, as a result, have improved, to be quoted at Rs 26 to Rs 33 per maund.

Sugar

Prices in Sugar markets have tended to go up following demand from all the consuming centres and good business was done with the Punjab, Delhi, Gujarat, Saurashtra and the South. Mill-delivery prices have, therefore, recorded an advance of 25 nP per maund. Rumours, that the excise duty on sugar will be raised further in the ensuing Budget, have also helped the rising trend.

So far, no tangible scheme for the export of sugar has been mooted in view of the serious difficulties following the disparity in rates. The problem of subsidising exports bristles with difficulties. The latest rumour is that a scheme may be formulated through increase in cane prices.

In this connection, the Deputy Minister for Food and Agriculture, has stated that the Indian Sugar Mills Association has suggested two schemes for the export of Indian sugar. One suggestion favours the establishment of an Indian Sugar Marketing Corporation and another the grant of quotas for each factory for export. These suggestions are being considered by the Government.

He has further added that the question of utilising the services of the State Trading Corporation is not ruled out. The Government are considering various suggestions in regard to this matter and no decision has been taken so far. He concludes by stating that the export of Indian sugar will depend on world market conditions. At present, the price of sugar in the world markets has gone down. Therefore, it is not possible to fix any target for exports. It will, however, be Government's effort to export the maximum quantity.

The Bombay sugar market has been ruling steady with prices of small grains improving by 50 nP

per bag, as local stocks are diminishing. The recently-declared quota of the Deccan mills has almost been sold off except in the case of two Co-operative factories for which the results of the tenders will be known shortly. Ex-mill quotations are ruling steadier as some of the mills appear to be somewhat reserved due to approaching Budget.

Gur

The Gur market has presented a firm front with spot as well as forward rates rising by about Rs 2 per maund on increased buying and improved despatches to the consuming centres. The advance has been aided by the reports that the crushing season in the Punjab and Uttar Pradesh will draw to an end earlier this year, perhaps at

the end of March or in the beginning of April due to the scarcity of sugarcane. Barring a few mandies in Uttar Pradesh, gur stocks have been generally smaller this year, and there are rumours that the excise duty on sugar will be raised further in the Union Budget.

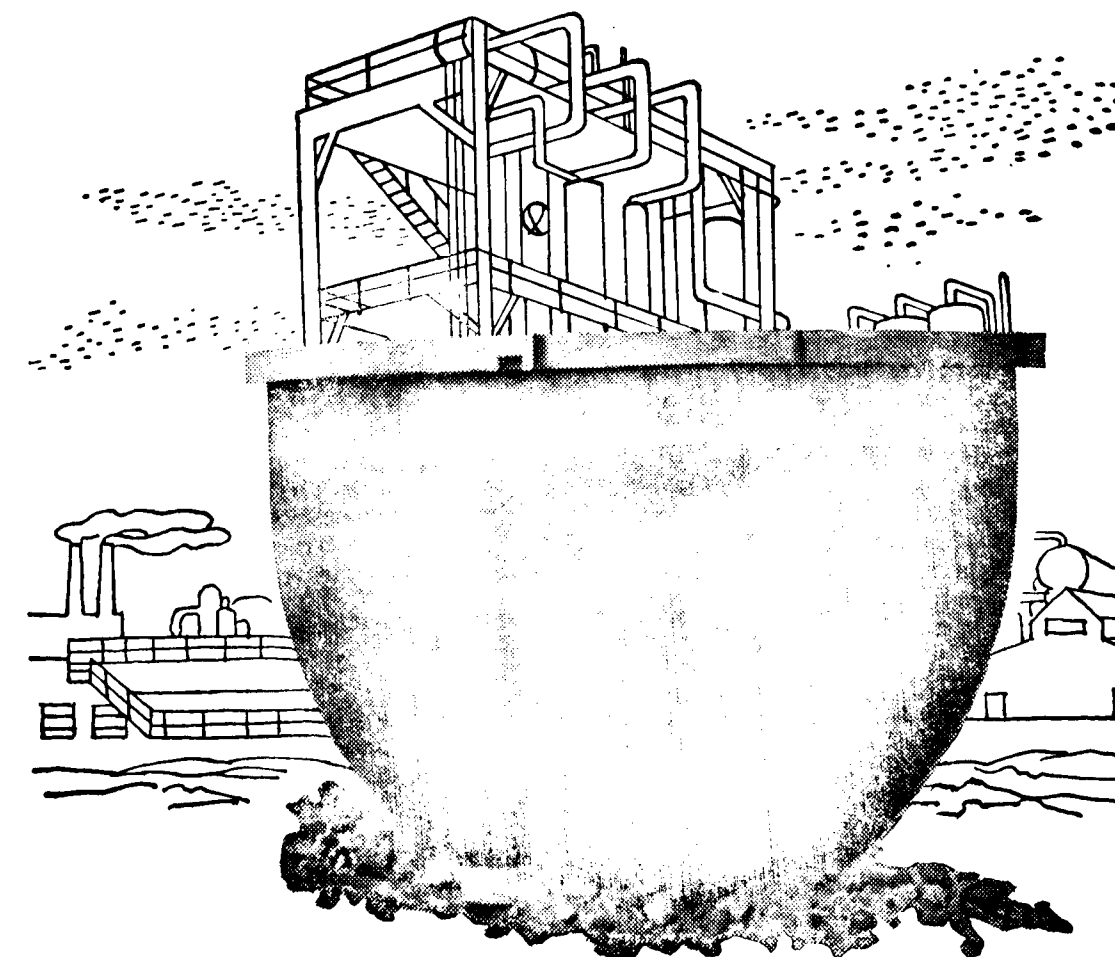
In the Hapur market, prices have advanced despite loading restrictions. Arrivals average 2,500 to 3,000 maunds daily, while stocks have swelled to one lakh maunds, the corresponding figure for last year being 65,000 maunds. Pansera quality is quoted at Rs 13.00 to Rs 13.25 and Balit as Rs 13 per maund.

In the Muzaffarnagar market also, prices have improved. Chakku Minja is quoted at Rs 15.25 to Rs 15.75; Khurpa Rusket at Rs 9 to Rs 10 and Shakkar Dara at Rs 15 to Rs 16 per maund.

Foodgrains

With the exception of Cereals which have recorded modest gains following the damage done to the standing crop, conditions in other sections of the Foodgrains market have remained quiet. At Hapur, Wheat average quality is quoted at Rs 15.50 and the farm quality at Rs 17.25. The market for Rice continues to rule steady although the supply position is satisfactory. Prices of Gram have improved due to the firmer Punrab advices, while those of Barley and Bejher have improved by about 25 nP. Maize and Bajra have also scored small gains, with Pulses developing a hardening tendency.

The Bombay grains market has displayed a steadier undertone with Rice, Cereals and Pulses recording a sizable improvement in prices.



CAUSTIC SODA FUSION POTS

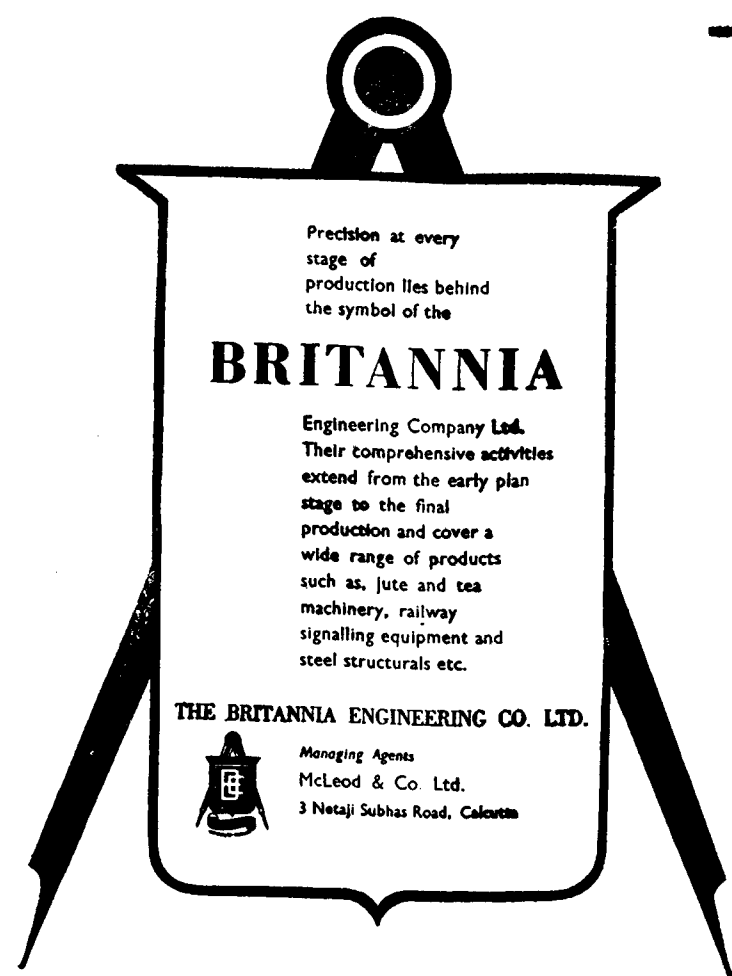
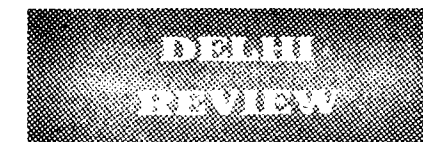
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MADRAS
REVIEW

The Autonomy of Universities

IN his Convocation address at the Venkateswara University, Dr A. Lakshmanaswami Mudaliar, Vice-Chancellor of the Madras University, has drawn attention to certain disturbing developments in the field of University education. More specifically, he has referred to the dangers posed to University education by official interference in University administration on the one hand and the infiltration of political ideology into the ranks of University students on the other.

The new power which official interference signifies, it would appear, is exercised by the Secretaries and Under-Secretaries both at the Centre and the States, and takes the form of communications addressed to the University men on a wide variety of subjects. What would seem to cause concern to the Vice-Chancellor is not the mere fact of communications as such but the nature of them, which, according to Dr Mudaliar, partakes of the character of directives and near-directives. From what Dr Mudaliar has said, it would seem that such communications have in recent times risen to such proportions as to make the Vice-Chancellor feel distressed.

Considering the autonomous position which the Universities in the country have been enjoying and the wide discretionary powers and freedom of action left with the Vice-Chancellor, such directives would seem to imply an unwarranted intrusion into the affairs of the University by bureaucratic

officialdom and would have the effect of circumscribing the powers of the Vice-Chancellor. What these officials exactly intend to do for the cause of University education by such interference is not clear. But, in the light of the autonomous position of the University, this can be interpreted to mean as casting an aspersions on the competence of the present management, and this is one of the motives which Dr Mudaliar attributes to them. It cannot be that such interference is in ignorance of the autonomous status of the Universities, for, this is not the first time that Dr Mudaliar has made the complaint. It would appear that, far from taking any corrective action, the authorities have only allowed the matter to drift, with the result that Universities are faced with new condition under which they have to grow and function and this raises questions about the future of University education in the country.

That autonomy for the Universities is essential is demonstrated by the example of Universities in foreign countries where they enjoy freedom from unnecessary official restrictions. In fact, as pointed out by Dr Mudaliar, it was the example of these Universities which inspired the structure and constitution of our own Universities, the latter having been shaped on the model of the former. Much of the progress that our Universities have been able to achieve in academic fields has been not a little due to the particular condi-

tions in which they functioned, and University autonomy, which carried with it freedom from vexatious interference, was the most congenial of them. Under University autonomy, the Vice-Chancellor could give University education his personal touch. The springs of dynamism would be dried if the Vice-Chancellor is to be reduced to a position of subservience to others. But if the Universities are to adjust themselves to the new conditions, it will only be at the expense of University autonomy. This, as Dr Mudaliar has said, would not enable the Universities to function properly or to deliver the goods even according to the expectations of those in political authority.

As Dr Mudaliar has pointed out, University autonomy is never so keenly needed as it is now. For, Universities in the country are now saddled with greater responsibilities of extending facilities of University education to greater numbers of students and shaping University education to suit the needs of the country and of changing time. These are matters which call for the personal care and attention and energy of the University men, and especially the Vice-Chancellor. Under such circumstances, official directives would only add to the embarrassment of these people with adverse effects on the quality and progress of University education, and it is doubtful whether education would attract men of quality and eminence. The length to which the

evil effects of such meddling in Universities could go has been indicated by Dr Mudaliar, who has charged these men with trying in many ways to direct University education to such activities as seem desirable to particular persons or departments of the Government. Above all, the fundamental question arises whether, if these new forces were to be accommodated, University administration would not be reduced to mere chaos.

Apart from the propriety of such behaviour on the part of officials in relation to University education—which is at best tenuous—it has larger implications for the political life of the country. If Governmental officials are to exercise their power in contravention of accepted conventions and customs and even rules, how it would conduce to smoothness and stability in the working of any department is not clear. Already, eminent men in public life have noted a centralist tendency in the political rule of the country. No less a person than Mr C. Rajagopalachari has seen in the dealings of the Central Government *Visa-vis* the States a disposition on the part of the former to treat the States as existing merely to carry out the orders of the Centre. What Dr Lakshmanaswami Mudaliar speaks as official interference in University education would in this light appear to be only a symptom of this centralist direction in which the whole administrative machinery is moving.

Secretaries and Under-Secretaries at the Centre and States do not seem to exhaust the source of interference in University education. The freedom of action of the Universities is made even scarcer than what the officials would leave it by certain All-India Organisations and professional bodies who, according to Dr Mudaliar, tend to take a superior attitude in matters affecting the University. The Indian Medical Council, he says, exercises powers to the point of even controlling medical education in the country. The activities of other professional bodies such as the All-India Council of Dental Education, the All-India Pharmaceutical Council, the All-India Nursing Council are all to similar effects. Though some of the powers exercised by these bodies over University education are statutorily given to them, Dr Mudaliar questions the wisdom of the action in having given these powers which, he says, was done without consulting the University officials. Further, he finds no parallel for such powers being vested with such bodies in foreign countries where, according to him, these organisations function in an advisory capacity in matters relating to University education.

SOUTH INDIAN
NOTES

As a solution for regional disaffection, Dr V. K. John, Deputy leader of the Opposition in the Madras Legislative Council, has put forward a novel idea, novel as far as India is concerned. He pleads for representation in the Union Parliament and the Cabinet on a footing of equality of all the States.

Any idea which offers the prospect of upsetting the existing setup in whatever sphere will always appeal to those who stand to benefit by the change. To all the small States in India are thus thrown an irresistible temptation. It is undoubtedly fascinating to be told Kerala and Orissa that in the affairs of the nation they could command a directly equal voice with States such as Uttar Pradesh or Bombay several times their size and population.

In the United States, the Senate alone has equal representation for all the States but there all the States are nearly of the same size and there is scarcely any factor which tends to divide one State from the other emotionally. The two causes of division, race and religious sect transcend political boundaries. Equality of status in a limited measure for the Federal Legislature in the United States does not form an answer to the kind of problems which Dr John has in mind when he recommends equal representation for States in the Parliament and Union Cabinet. Even otherwise, the idea strikes at the very root of the principle of one man one vote.

Dr John's suggestion, if carried out, will mean that as far as the national legislature and Government are concerned, five voters in Uttar Pradesh will have the political right represented by one voter in Kerala. This will be a kind of inequality unknown to any democracy in the world and palpably indefensible. How it will meet regional dissensions is not clear.

The possibility is more toward aggravation of tensions when the numerically weaker States are persuaded to feel equally strong with the rest. It will be also carrying the assumption of emotional divisions to a dangerous extreme. The answer for some of the present ill-feelings and misgivings should come in the form of the realisation

in a deeper and deeper measure of the identity of material interests and aspirations between one State and another and a fundamental sense of national unity based on that realisation.

Industrial Health

Measures to promote industrial health which is an important aspect of human relations in industry are of recent origin, the first forward step taken in this direction being the inauguration of the Employees' State Insurance Scheme. Before the introduction of the ESI Scheme there were of course some factories who had their own medical services and health units to attend to the medical needs of the staff. The Employees' State Insurance Scheme made it compulsory on the part of the factory management to render the necessary help to factory workers and members of staff in cases of breakdown of health. But the ESI scheme deals with only one aspect of industrial health namely the curative side and gives help to the worker in cases of breakdown of health. The preventive side of the problem has practically received little attention and the position has been rendered worse by the disbanding of the medical services maintained by some of the industrial establishments consequent on the inauguration of the State Insurance Scheme.

The ninth All-India Conference of the Society for the Study of Industrial Medicine which met last week in Madras has served to spotlight attention on the preventive aspect of industrial health. At the conference the various aspects of industrial health and the problems connected with them were all discussed. Dr Ramachandrar who presided over the conference explained the peculiar features of industrial medicine and said that industrial medicine laid stress on the maintenance of health rather than on the treatment of diseases. The factory medical service as pointed out by him could contribute to this in a wide variety of ways such as assisting in choosing a good location for the factory, planning the buildings to house the factory recruiting the most suitable candidates by means of medical tests, supervising the health of the worker by periodical check-ups studying

industrial processes with a view to making it safe for men to work.

Thus the subject of industrial health is as pointed out by Mr Ramachandrar highly specialised one which would require thorough study and research. But while in every industrially advanced country provision to carry out such research has been made by industrialists, this field has been neglected in our country. Even the medical units maintained by some of the factory establishments had largely concentrated on the curative aspect alone. Therefore it is absolutely essential as suggested by Ramachandrar that factory doctors should get interested in industrial medicine in the broader sense of the term.

Sugar Development

Mr T. C. Puri, the Chairman of the Development Council for Sugar Industry of India has suggested to sugar mill owners that they should buy indigenous machinery. The consumption of indigenous machinery was valued at Rs 1,900,000 in 1955 which increased to Rs 3,200,000 in 1956. The production in the first half of 1957 has been estimated at Rs 4 million. These figures show the upward trend of production and, no doubt, the demand will increase in course of time.

Although India is the leading producer of sugar in the world, the yield of sugarcane per acre is poor, compared to the western countries. While in India the per acre production is of the order of 13.5 tons, the yields in Hawaii, Java and Puerto Rico are respectively 62, 56 and 24 tons per acre. This is due to the different methods of cultivation adopted in India and those countries. In those countries, large scale methods are followed and scientific methods of cultivation are encouraged. Aeroplanes are used to spray insecticides to keep away the pests and periodical manuring is done. While in those countries they have modern methods of cane crushing, and the extraction rate is high, in India the methods of cane crushing and extraction rates are defective. Also, the quality of the Indian cane is poor compared to the rich canes of the West. This could be attributed to the poor sucrose contents of cane in India. And a large quantity of sugar is wasted during refining. The other causes of the backward condition of the sugar industry in India are: (1) Improper utilization of the by-products, specially bagasse which is used as fuel and which could be better utilized for making paper; (2) the absence of control by the industrial units over sugarcane cultivation, which is in the hands of the ryots; (3) sporadic outbursts of crop diseases; and (4) lack of subsidiary occupation for the mills during the growing stage of sugarcane.

MADRAS
REVIEW

The Indian Tariff Board recommended (1) shifting up of factories from UP and Bihar to more suitable localities; (2) allocation of adequate funds for carrying out research and other development programmes; and (3) fixation of sugar prices at a fair and reasonable level. The cost of shifting the factories as recommended would be a colossal sum, and if the suggestion were accepted, then, the position of those employed in the mills in those areas would be severely affected. If the price of sugar was fixed, then sugar will be kept off the market.

But the sanctioning of adequate finance to the Sugarcane Research committee for its various programmes is a wise course to follow, since the quality of the Indian cane is poor. Moreover, our methods of cultivation are antiquated and therefore reorganisation of our system is essential.

Exports of sugar in 1956 amounted to 174,000 tons and the buyers were mainly Middle East countries. But, despite the increased production of 2.1 million tons of sugar in 1957, the exports declined due mainly to the competition of the Western countries, whose quotations were much lower. Whether a subsidy on exports would be practicable is worth examining. In the alternative, a generous drawback from excises and cesses could provide the necessary fillip to sugar exports.

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MADRAS REVIEW

THERE has been some criticism, among Coffee interests, of the policy regarding exports. They suggest a new look in the coffee marketing policy. Since late 1952, it has been policy of the Government and the Coffee Board to make considerations of export subordinate to the needs of the domestic market.

It is pointed out that the quantity of coffee earmarked for export is about 22 per cent of the total export. This means, that a disproportionate weight in inferior coffee is allocated for the export market, which is already faced with an over-supply. Since Plantation coffee fetches about Rs 100 more than Arabica Cherry, a larger quantity of the latter will mean lower foreign exchange earnings.

It is also pointed out that the export policy violates the principle of restricting internal consumption

and of exporting its quality products in an effort to build up overseas markets. One of the reasons for domestic disinterest in Cherry and other inferior coffees is the small margin of difference, which has been arbitrarily placed between the realised price of Plantation coffees, Cherry and Robusta. The small margin makes the domestic consumer keep away from inferior varieties.

The season's first export sale was held on February 6. Prices offered were disappointing and nearly 75 per cent of the stocks exposed for sale were withdrawn. In view of the difficulty in obtaining imports of potash and rock phosphate, the Board has decided to sell 2,000 tons of coffee this year to East Germany against supplies of these fertilizers for the coffee industry to be paid on rupee account.

Coffee Exports

Meanwhile, receipts of new crop into the Coffee Pool, upto the end of January, totalled 14,566 tons, consisting of 12,749 tons of Plantation; 1,509 tons Cherry and 308 tons of Robusta. During January, the Board released 2,361 tons for the home market as against 1,931 tons for the corresponding month of the previous year. The carryover of the previous crop, as on January 1, would not be sufficient to cover the needs of Plantation in February and Robusta in April. But, the shortfall will, however, be made up by the newly-processed coffee as it becomes available.

In respect of the crop, coffee-growers are in high hopes of a bumper crop in the coming season, larger than any they have ever picked, provided the weather behaves. As for the crop now being picked, guarded optimism seems to

prevail and the estimate may be exceeded.

Pepper

Conditions in the Pepper markets remained generally steady. There was brisk trading in the Alleppey market where the rate was quoted at Rs 481.25 per candy for superior new season variety. In the Kozhikode market, rates were quoted at Rs 525 for Wynad quality and Rs 500 to 510 for the Country variety.

Arrivals at Cochin and Alleppey are reported to be light, while they are rather heavy in North Malabar. As a consequence, the rates in Tellicherry are comparatively cheaper. Most of the daily arrivals are absorbed.

The New York market also ruled steady. London is reported to have purchased at 177sh, while New York has raised its buying indication by about 1 cent. In the London market, White Sarawak is quoted at 24½d and Black Sarawak at 16½d per pound.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides were restricted and all the available stocks were easily absorbed at firm prices. Arrivals of Buff Calf and Cow Calf were small and prices were generally unchanged.

In the export section, business was difficult on account of the price difference between the UK and Madras. There was some enquiry for 5/5½ lbs and business was done in premium single tannage marks at 69d, 59d and 49d for runs, fourths and fifths respectively. There were some enquiries for 8/8½ lbs at 45d.

In the Tanned Skins section, there was no change in the arrivals. Bazar quality Goat skins ruled unchanged. In Sheep, heavily adulterated qualities were maintained at steady levels on account of small arrivals.

On the export front, stray sales were reported in prime goats at unchanged prices. In Sheep skins, no fresh business was reported done as foreign buyers seemed to be adopting a "wait and watch" attitude.

The market for Raw Hides ruled firm. However, the market for Raw Skins continued to rule weak, particularly for sheep.

Groundnut

Conditions in the Madras Groundnut market ruled generally steady last week. Arrivals averaged 30 to 40 tons a day, while small crushers were the main buyers.

Report from Tanjore indicate that the summer crop cultivation may be smaller this year. The rate is quoted around Rs 144 per candy.

In the Groundnut Oil section, the rate for the ready position showed a slight improvement to Rs 297 per candy, thanks to good buying interest.

Scindia Steam Navigation Company Limited

Satisfactory Results Despite Enhanced Costs

Expectation of Reasonable Support in Future Years

Mr Dharamsey M. Khatau, the Chairman, Reviews Prospects

Speech delivered by the Chairman, Shri Dharamsey M. Khatau, at the 38th Ordinary General Meeting of the Company held on Wednesday, the 19th February, 1958, at 4 p.m. at Scindia House, Ballard Estate, Bombay.

Gentlemen,

It gives me great pleasure to welcome you to this, the thirty-eighth Annual General Meeting of the Company. The Directors' report and the Statement of Accounts for the year ended 30th June 1957, have been in your hands for some time now and with your permission, I will take them as read.

I shall now make a brief survey of our operations during the year.

ACCOUNTS

In my speech I had informed you last year that the working results for the year 1956-57 would be satisfactory compared with the previous year and I am happy to be able to report that our expectations have been fully realised as can be judged from the Accounts already before you. I would invite your attention to the allocations proposed in the Directors' report with you and would clarify that the amount of Rs. 72 lacs provided as Special Depreciation represents the amount by which our tax liability has been reduced on account of the Development Rebate allowed under the Income Tax Act in respect of new ships commissioned during the year under review. This together with the amounts previously provided in this behalf, brings the total of Special Depreciation to Rs. 150 lacs. Our gross earnings of freight have shown an increase of about 20% even though during the year under review the cargo lifted by your vessels was only 18.67 lac tons as against 19.15 lac tons last year.

In spite of enhanced and rising costs of operation the improved results have enabled your Company to pay a dividend of Rs. 1.25 per share. You will also observe that we have added substantially to various reserve funds and these additions have strengthened the finances, which will be necessary for the modernisation and expansion of our fleet, to which I shall refer later this afternoon.

With the addition of new and faster ships in the trade, it was expected that our liftings would increase proportionately. Unfortunately, however, owing to the closure of the Suez Canal, our voyages were longer with the result that our liftings increased only by about 5%. The freight earnings have been higher than last year due to freight increase during the year and to the Suez surcharge levied to cover increased costs due to deviation in the routing of ships.

The India/U.S.S.R. Service which we started last year is still meeting with some operational difficulties which I would call

I had referred last year. The freight earnings would have been better had the increase recommended by the Rail-Sea Co-ordination Committee been made effective by Government on salt cargoes carried by your vessels. The sanctioned increases in freight rates, referred to above, have helped us in meeting to some extent, the rising operating costs, but they still fall short of the request of 28% increase made by the Coastal shipowners. Under these circumstances it is not going to be easy not only for your Company but also for other shipowners engaged in these trades to meet with the rising spiral of operating costs and to provide even for a modest programme for replacement of old and uneconomic units presently employed. It is apparent therefore that it would be extremely difficult if not impossible for shipowners in these trades to provide for additional tonnage, which would be necessary to meet with the trade requirements as envisaged not only by the Rail-Sea Co-ordination Committee but also by the authors of the Second Five Year Plan.

As regards the West Coast (B. S. N. Line) trade catered for by the smaller vessels of your Company, I have nothing very hopeful to report for even though there is some improvement on the Bombay-Saurashtra Sector, it is apparent that we have lost a good portion of our passenger and cargo traffic between Bombay and Karachi due to passport and export-import restrictions between the two countries. Similarly, the passenger traffic between Bombay and Mormugao is not available owing to our having to discontinue the services to and from Mormugao.

OVERSEAS TRADES

With the addition of new and faster ships in the trade, it was expected that our liftings would increase proportionately. Unfortunately, however, owing to the closure of the Suez Canal, our voyages were longer with the result that our liftings increased only by about 5%. The freight earnings have been higher than last year due to freight increase during the year and to the Suez surcharge levied to cover increased costs due to deviation in the routing of ships.

The India/U.S.S.R. Service which we started last year is still meeting with some operational difficulties which I would call

"teething" troubles. To meet the increased operating costs, we have requested the Government to increase the freight rates suitably and hope that an early decision will be taken.

The India/West Africa service to which I referred last year has found favour with the exporters from the West Coast as it provides regular direct sailings at lower rates. This new service has enabled us to cater not only for cargoes to West African ports but also to the cross trades between West Africa and Continental Mediterranean ports thereby making an additional contribution to the foreign exchange resources of the Country.

OPERATING EXPENSES

In view of the greater number of 8 and 12 yearly surveys in 1956-57 as compared to the preceding year, repairs, surveys and dry-docking charges show a considerable rise over the preceding year. Our fuel bill shows a rise due to the deviation of some of the voyages via the Cape and the increased cost of fuel oil consequent upon the Suez crisis, apart from the two extra voyages performed in the year under review. There is a small set off against these increases due to saving in the Canal dues. The implementation of the piece-rate scheme at Bombay has brought an increase in the stevedoring charges which, to some extent, could be set off against the improved despatch obtained.

In view of the demand made by the National Union of Seamen of India for a rise in wages and for certain other benefits a ten per cent increase in wages and certain benefits were agreed to be given to the seafarers as from 1st October, 1957, i.e. in the current year, and this will cost us about Rs 5 lacs per annum.

PORT CONDITIONS

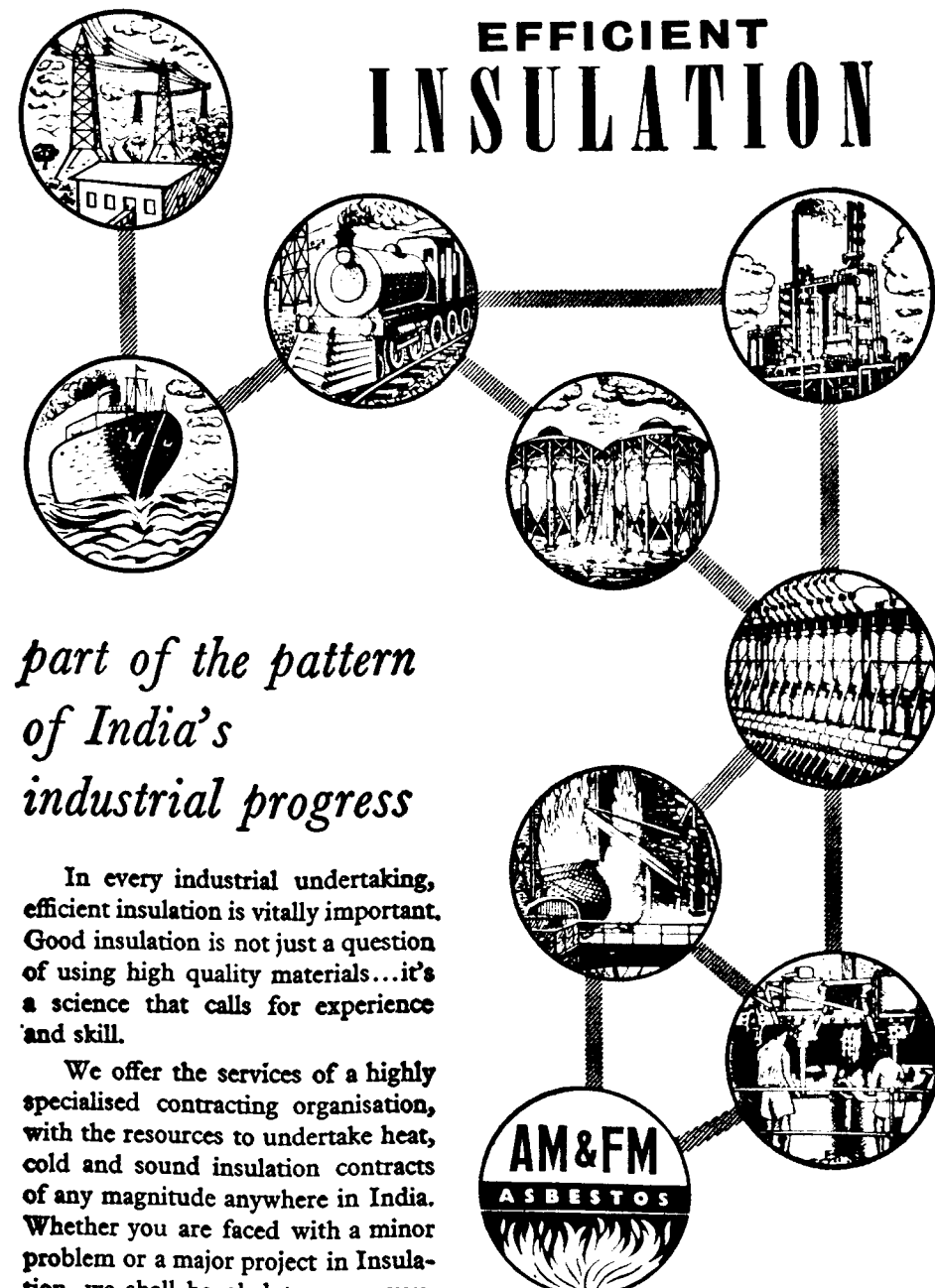
Shipowners had to put up with considerable delays at some of the Indian ports, thereby losing a number of ship-days in a voyage, due not only to monsoon conditions but also to unphased imports of fertilisers, foodgrains, iron and steel and other Plan cargoes, which severely strained the resources of the ports like Bombay and Calcutta and nullified the advantage gained by the introduction of the piece-rate system in Bombay. The port congestion was further aggravated by the clearance and reopening of

the Suez Canal which brought about a simultaneous arrival of ships via the Cape and via the Canal. The port congestion in India caused great concern to the members of the various Conferences abroad trading with India. These Conferences were seriously considering the question of levying a surcharge on freight to compensate themselves for losses due to such delays and it required most strenuous efforts on the part of Indian Lines to persuade the Conferences to stay action in regard to the imposition of surcharge. These efforts were very necessary in view of the active steps taken by the port authorities and Government to reduce the congestion and minimise delays to ships in ports. It is hoped that the good record recently established in the working at different ports will be continuously maintained. Early steps should be taken by Government to introduce the piece-rate system, so effectively working in Bombay, at other important ports. Side by side, no doubt, efforts will be made by the authorities to augment and improve the handling equipment at various major ports. The Government, I am sure, will not spare any effort in expanding the capacity of major and important minor ports so that they can in future cope with the increased export-import trades and conveniently handle larger and deep-drafted ships.

TONNAGE PROGRAMME

With the delivery of the six 17-knot ships from the Lubeck shipyard we have now with us 44 ships aggregating 2,36,532 GRT in all operating in the overseas, coastal and adjacent trades including also the seven smaller ships employed in the West Coast trade. Delivery of two ships ex the Vizag Shipyard has been considerably delayed and we now expect one of these to be handed over to us next month and the other in June this year. Two faster ships on order with the Lubeck Yard are expected to be delivered to us in 1959 and 1960. With the delivery of these new ships we hope to be able to cater to the requirements of the coastal, adjacent and the overseas trades by suitable adjustments. Such additional demand for space as we have to cope with particularly from the U. K.-Continent, we arrange to cover by chartering ships on a suitable basis.

The question of providing the necessary tonnage to meet our requirements has been receiving our constant attention. As from May, 1955 to date we have acquired 14 ships in all and expect two more to be delivered to us in the next few months and a further



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two during the next two years. Even so, we shall have to replace the eight liberty ships and five ships presently employed in the coastal and adjacent trades, apart from any expansion of our fleet, to enable us to cater increasingly to the overseas trades of the country in which the Indian lines have so far had a very meagre share. Looking to the depressed state of the freight market and the easier position in regard to placing of orders for new tonnage, the present seems to be an appropriate time to acquire tonnage to provide for replacements and expansion. We have been planning to provide at least for our replacement programme. We have the necessary resources but we are faced with the very tight position in regard to foreign exchange. We trust that as a result of the efforts being made by our Transport Minister, it will be possible for Government to release some foreign exchange for acquisition of tonnage.

PROSPECTS FOR THE CURRENT YEAR

You would perhaps like me to say a few words about the current year which is coming to a close shortly. With the improvement in working at ports our turn-around has improved and we expect more voyages to be completed due to our placing newer and faster ships in service. Our operating results as up to the six months ending 31st December 1957 have been satisfactory. We propose to provide regular coastal berthings for the carriage of general cargoes both from the West and East coast ports, and we expect improved earnings in the carriage of coastal cargoes. In regard to the carriage of rice from Burma to India aggregating four lac tons in the current year, the rate of freight as agreed by the Government of India is far from economic. While the low rate awarded is no doubt the result of lower prevailing tramp freight, it particularly hits essentially Liner Companies like ours who have not hesitated in the past to carry rice cargoes at comparatively lower rates even when the tramp freights were at a high level.

The persistent low level of tramp rates in the overseas trades has, however, affected the Liner rates on bulk cargoes like ores, fertilizers, oil-cake, bulk oil, scrap, etc., and the effects of this downward trend in rates will have some impact on the working results for 1958-59. The import restrictions and the delayed announcements in regard to export quotas also affect the availabilities of cargoes in the Liner trades. In view, however, of the positive foreign exchange earning possibilities manifest in the expansion of the export markets of these commodities, I am sure the question of the release of sizeable quotas of these commodities is engaging the constant attention of the Government of India. With these steps and with the expansion of the trade in general as a whole, I would expect

our Liner services to get reasonable support in years to come.

We had the usual periodical Conference of our Agents and Branch Managers early in December at Bombay when our various departments at the Head Office and the Management of the Company had full and frank discussions about the important developments affecting our various services. Particular advantage was taken during these discussions to place before our representatives our plans for further improvement in our services and as a result of these joint deliberations we have drawn up improved schedules of different services which are being given effect to during the current year. I have every hope that our joint deliberations will result in a better and more efficient working of our services as we progress from year to year.

GOVERNMENT AND SHIPPING

The year under review has seen a number of taxation and allied proposals being given effect to with a view to augment the finances for the implementation of the Second Five Year Plan. The Indian shipowners were considerably agitated over the introduction of the Wealth Tax and the effect of this tax on the competitive ability of Indian shipping in the international trade. A delegation of Indian shipowners presented the case of the shipping industry before the Select Committee of the Parliament and ultimately we were able to obtain the necessary exemption from the application of the provisions of this Act to the shipping industry. I am sure, you will join with me in expressing our due debt of gratitude to Shrimati Sumati Morarjee who led the delegation and particularly to Shri M. A. Master for his able advocacy in the cause of Indian Shipping before the Select Committee.

The systematic disposal of our older and uneconomic ships is a natural outcome of planned modernisation of our fleet. The sale of such ships, however, brings us within the ambit of the Capital Gains Tax. Your Directors are alive to the fact that a ship is sold only to be replaced and that such replacement costs the Company at least 5 to 6 times the original cost of the vessel disposed of. We are therefore making every effort to impress upon the Government that the sale of such vessels is not with a view to encash the 'Capital Gains' arising out of the transaction but only to replace and improve the general tonnage position of Indian shipping and that therefore shipping should be exempted from the imposition of the Capital Gains Tax.

As on 1st January 1957, India had 124 ships of 5,17,300 GRT; ten ships aggregating 69,017 GRT were added during 1957. On 1st January 1958, there were under construction or on order twenty-three ships of 1,38,100 GRT in Indian and foreign shipyards.

Two second hand ships of 9,870 GRT were purchased for delivery in 1958. With these acquisitions the Indian Registered tonnage would reach a total of 159 ships of 7,34,296 GRT. By 1960-61 about 90,000 GRT will be due to be scrapped or sold and India would, therefore, still need about 2,55,000 GRT to reach the modest target of nine lac GRT as fixed by the Planning Commission. Viewed in the context of available finance and the foreign exchange resources of the country, the fulfilment of this objective would appear to be a stupendous task. It was, therefore very heartening to hear the encouraging and appreciative remarks from our Transport Minister, Shri Lal Bahadur Shastri, about the efforts made by the Indian Shipowners in acquiring additional tonnage, when he addressed the General Meeting of the Indian National Steamship Owners' Association in December last. He was not only fully appreciative of the difficulties that the Indian shipowners had to face as regards acquisition of tonnage but was further prepared to extend assistance to the Indian shipowners in this connection. I particularly value his very encouraging observations about the shipping development fund, reduction in the rate of interest on loans granted to Shipping Companies for the acquisition of Coastal ships and the hopes that he has held out for an increase in the development rebate allowance. He was sympathetic also in regard to the question of foreign exchange. The Transport Minister further made certain proposals in regard to the availability of cargoes to be moved in Indian ships and we are happy to note that—thanks to his efforts and the co-operation of the other Ministries in the Government of India—a Shipping Co-ordination Committee has been constituted which would attend to this question and suggest steps that could be taken to enable the Indian shipowners to acquire additional tonnage. Indian shipowners are indeed very grateful for the sympathetic understanding of our difficulties and the steps taken to resolve the same. We are sure, with the presentation of the next budget we may see further implementation of some of the proposals made.

MANAGING AGENCY AGREEMENT

As mentioned in the Report the question of future Managing Agency of the Company is now in the final stage of discussion and the same will be placed before you for approval at an early date.

BONUS SHARES

I may inform you that, consequent on the receipt of the sanction of Controller of Capital Issues, allotment letters in respect of Bonus Shares are being got ready and will be sent to Shareholders shortly.

Indian Finance

THE ALKALI & CHEMICAL CORPORATION OF INDIA, LTD.

NOTICE TO MEMBERS

The Twentyfirst Ordinary General Meeting of the Members of The Alkali & Chemical Corporation of India, Ltd., will be held on Wednesday, 19th March 1958, at 3.30 P.M. at the Registered Office, 34 Chowringhee, Calcutta, to transact the following business:—

- (1) To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 30th September 1957.
- (2) To declare a Dividend on the Ordinary Shares.
- (3) To elect Directors.
- (4) To appoint Auditors for the current year and to fix their remuneration.

The Ordinary Share Registers of the Company will be closed from the 10th March 1958 to the 19th March 1958, both days inclusive.

By Order of the Board,
Imperial Chemical Industries
(India) Private Limited,
Secretaries.

Calcutta,
5th February 1958.

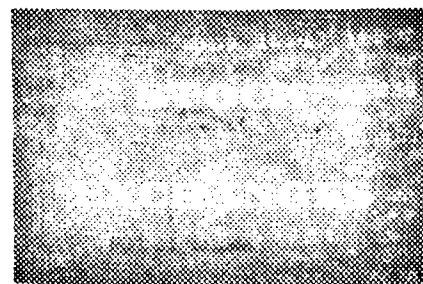
Notes:—If the Dividend as recommended by the Directors is sanctioned at the Meeting, it will be paid on or after the 19th March 1958, to those Shareholders whose names are on the Company's Register on the 8th March 1958.

A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy so appointed need not be a member of the Company.

To,

The Shareholders of the Alkali & Chemical Corporation of India Ltd., and in particular to:—

Mr. L. E. Bagshaw, Mrs. E. E. Thompson & Mr. W. B. Joiner, Mr. E. A. Nassim & Mrs. R. E. A. Nassim, Mr. Allan Biggar, Mr. J. P. Brander & Mrs. A. J. Brander, Mr. G. F. Carter, Mrs. H. C. D'Cruz Her Highness Bada Maharani Deela Kumari Devi, Mrs. Janet Guest, Mr. P. H. Guest, Mrs. W. L. Gregory, Mr. W. W. Hinton, Commdg. Genl. Mohun S. S. Jung B. R. & Maj. Gen. Bijaya S. S. Jung B. R. Mrs. B. J. Johnson, Mrs. Nora Johnson, Baber Shum Shere Jung & Mrigendra S. S. Jung Rani Beda Bhakta Laxmi Devi, Mr. A. Y. Kadwa, Mr. F. J. C. Melhuish, Mr. A. R. Sahasranam, Mr. T. L. Swales, Mr. S. P. Upadhyay, Mr. J. V. A. eBrito, Mrs. E. M. Fanthome, H. H. Maharani Krishna Kumari, Col. Min S. S. Jung B. R. & Rani Bindu Kumari, Mrs. C. V. Pandi, Mrs. M. V. Randall, Maj. R. E. Webb & Mrs. D. M. Webb.



Lack of Support: Setback in Prices

Watch-Dog Writes:

EXTREMELY dull conditions have prevailed in stock markets during the week under review. The complete absence of support and small selling have caused prices to drift to lower levels, resulting in a limited turnover. The markets have finished the Pre-Budget week on a cautious note.

The Calcutta Stock Exchange witnessed another featureless session and, with the speculative issues losing ground, prices of other scrips developed an easier tendency, although the closing tone was a shade better.

The Bombay Stock Exchange ruled easy with prices yielding ground on renewed selling and lack of support.

The Madras Stock Exchange continued to function in a state of uncertainty.

Prices on the Ahmedabad Stock Exchange drifted to lower levels on some selling pressure.

Unsettled conditions persisted on the London Stock Exchange where prices again moved lower, although on less extensive scale.

Trading on Wall Street remained quiet with price movements confined to a narrow range.

Calcutta

Calcutta, Friday Evening.

EQUITIES on the local Stock Exchange displayed an all-round easier trend in the absence of support, as both investors and operators adopted a cautious attitude due to the proximity of the Budget. Mr. Nehru's speech in the Lok Sabha on Chagla report and his reference to nationalisation policy also caused a bearish effect on sentiment. Above all, Mr. Krishna-machari's recent statement in Parliament created some doubts about the future of the private sector. The only redeeming feature of trading was a slight recovery noticed towards the close, thanks to short-covering and some replacement buying at lower levels.

Renewed weakness of the jute goods market caused a further setback in the prices of Jute shares in view of the predominance of sellers. Budge-Budge were offered further lower at Rs 66.00 against Rs 66.50; Delta at Rs 94.50 against Rs 97.00; Kelvin at Rs 160 against Rs 175; Nuddea at Rs 29 against Rs 31.50 and Kanaknarrak at Rs 40 against Rs 46.00. National lost nearly 70 nP at Rs 23.10, while Howrah changed hands at Rs 13.12

to Rs 13.25; New Central at Rs 12.87 to Rs 13.06; Champdany at Rs 95 to Rs 96 and Union at Rs 105.50 to Rs 108.00. It is reliably learnt that the Naihati Jute Mills Company, in the managing agency of F. W. Heilgers & Company, has changed over hands.

With the exception of Bengal which suffered a sharp setback to Rs 208 from Rs 231 on reports of the explosion in the company's mines, other Coal shares ruled generally steady. Turnover, however, remained restricted as operators were inclined to await the Price Revision Committee's report, which is expected to be issued very shortly. Burrakur were almost maintained throughout the week at Rs 22.50, while Central India were enquired upto Rs 6.75 and Western Bengal upto Rs 5.25 from Rs 6.72 and Rs 5.19 respectively. Amalgamated were, however, a shade quieter at Rs 15.50 against Rs 15.62.

Tea shares were devoid of interest and prices were marked down again from last levels on renewed liquidation. There was a general belief that there would be an adequate supply and that buyers would take their requirements only slowly. Even the absence of any proposal for taxation by the West Bengal Government had no effect on sentiment. Brahmaputra changed hands at Rs 3.19 to Rs 3.31; Bishnauth at Rs 18.44 to Rs 18.62; Choonabhatti at Rs 260 to Rs 263.50; Grob "A" at Rs 20.75 to Rs 21.12; Telojian at Rs 22.75 to Rs 22.87 and Tezpor at Rs 15.44 to Rs 15.56. Tukvar were on offer at as low as Rs 7.87 against Rs 8.62 and Methoni at Rs 15.25 against Rs 16.44.

Sugar shares came in for selective support although higher levels could not be retained till the close due to general profit-taking. Most prominent were Balramore being taken upto Rs 8.25 from Rs 6.25; Buland upto Rs 13.37 from Rs 13.25 and Belsund upto Rs 9.90 from Rs 9.62. Darbhanga touched at one time a high of Rs 18.81; Ramnugger Rs 25.06 and Dyer Meakin Rs 9.62, to ease off at the close to Rs 18.56; Rs 24.00 and Rs 9.12 respectively. S.K.G., after improving to Rs 9.25 from Rs 9.00, receded again at the close to the latter level.

Price movements in the Engineering section were mainly influenced by the speculative activity in Indian Irons. Against the week-end closing of Rs 19.66, Indian Irons opened at Rs 19.64 and, after improving to Rs 19.68, receded gradually to Rs 19.34, to finish the week better at Rs 19.32 on some bear-covering. In sympathy, TEXMACO were pushed down to Rs 16.90 from Rs 17.15 and Burn to Rs 320 from Rs 323, to recover at the close to Rs 17.20 and Rs 322 respectively. Jessop were, however, on offer at Rs 21.25 against Rs 22.56. Indian Galvanizing were better at Rs 14.00 against Rs 13.19, while Indian Standard Wagon changed hands at Rs 94.50 to Rs 97.00. Britannia were well maintained at Rs 13.50.

G. K. William continued to rule firm, having sustained support upto Rs 29.27 from Rs 28.75. Marshalls closed quiet at Rs 5.00 against Rs 5.12.

Miscellaneous issues came in for selective enquiry. Most prominent were Dunlop Rubber having sustained buyers upto Rs 22 from Rs 21.87. Indian Steamship were keenly sought after upto Rs 12.00 from Rs 11.75 following the company's proposal to make a bonus issue. Indian Cable had buyers at Rs 28.50 to Rs 28.87; Metal Box at Rs 25.25 to Rs 25.37; NICCO at Rs 23.75 to Rs 24.19; Indian Aluminium at Rs 12.62 to Rs 12.87; Sone Valley at Rs 5.25 to Rs 5.13; Phillips India at Rs 13.69 to Rs 13.94 and Indian Oxygen at Rs 15.75 to Rs 16.12. B.I.C. were nearly maintained at Rs 3.80, while Angelo Brothers were offered further lower at Rs 18.12 against Rs 18.37. In the Paper section, Orient Paper moved rather erratically between Rs 23.90 and Rs 24.40 on alternate buying and selling, to close finally at Rs 24.35. Titagur were marked at Rs 33.19 against Rs 34.00. Among other scrips, Rohas closed better at Rs 16.00 after touching a low of Rs 15.87 and Jardine Henderson at Rs 57.75 against 53.75. Hindustan Motor were a narrow market around Rs 5.94.

Bombay

THE announcement that Government had given sanction to Tatas to issue Jubilee bonus shares and the absence of any taxation in the West Bengal and UP Budgets were not found to be powerful enough to counter the depression caused in the market by thoughts about the coming Central Budget. It would appear that sentiment had been quite adversely affected by the Finance Minister's speech and the subsequent reiteration of Government's industrial policy by the Prime Minister. The reference to powerful groups working against the Government in the country was taken to mean that it was an indirect attack on the private sector. The reactionary tendency was further accentuated by the Prime Minister's somewhat changed idea on nationalisation. In the prevailing anxiety about the Budget, Mr. Nehru's statement that if private sector was to function effectively it was essential that it was given adequate facilities and the report that the LIC had resumed purchases of equities failed to induce any enthusiasm. The market closed the week on a subdued note with operators reluctant to extend commitments.

In the steel section Tata Iron opened at Rs 170.50 on announcement of Government sanction for bonus issue. But the enthusiasm proved shortlived as anxiety over labour situation in Jamshedpur began to disturb sentiment. With the rejection of the company's appeal on sales tax, prices eased to be finally placed at Rs 167.50 Indian Irons after a steady opening reacted to close 40 nP lower on balance at Rs 19.24.

In the miscellaneous section Scindia Steam was a steady counter following the encouraging prospects

for the company as revealed in the speech of the Chairman during the week. The scrip was well maintained at Rs 17.32. National Rayon was also a steady spot in earlier dealings but closed easier at Rs 215. Telco was marked down to Rs 137.50, while Premier Construction was no better at Rs 155.75. ACC turned ex-dividend at Rs 143.00.

Madras

THERE was a feeling of apathy on the Madras Stock Exchange. Plantings noted small and selective buying, while Textiles were extremely dull. Miscellaneous issues ruled generally steady.

PLANTINGS: Selective support was given in this section. In the Tea section, Peermades improved to Rs 19.75, while Coonoors were done at Rs 17.87. Halleyburlas at Rs 16 and United Nilgiris at Rs 15.15.

Among Rubber shares, selling enquiries were noted for Kailas and Mercaras. Kalpettas were, however, bid higher at Rs 19, while T. R. Ts met with some demand at the market rate. Cochín Malabars were done at Rs 4.10.

In the Coffee section, Ouchterlony were enquired at Rs 4.95; Consolidated Coffees at Rs 22.15 and Blue Mountains at Rs 2.90. Puthathottams were a steady feature at Rs 2.50.

SUGARS: Sugar shares came in for selective enquiry. There was sustained buying of E. I. Ds upto Rs 29.25. Cauvery, Decang and Travancore remained steady with moderate enquiries.

Ahmedabad

SENTIMENT on the Ahmedabad Stock Exchange remained rather depressed with prices developing a slightly easier tendency at the close due to some selling pressure. Following rates were quoted:—Calico Rs 612 (Rs 614.50); Arvind Rs 1006 (Rs 1011); Atul Rs 177.25 (Rs 179.00); New Commercial Rs 431 (Rs 434); New Shorrock Rs 686 (Rs 689); and Ambica Rs 597 (Rs 595.50). Figures shown within brackets were the week's opening rates.

London

BUSINESS on the London Stock Exchange failed to expand as operators continued to adopt a cautious attitude, awaiting further developments particularly those concerning the American economic situation.

The brightest spot in trading was Gilt-edged where in renewed demand. Dollar Stocks were adjusted upwards in unison with the improvement on Wall Street.

New York

PRICES on Wall Street, after initial firmness, developed a slightly reactionary tendency towards the close. At the opening, demand improved following the better results shown by various companies. However, towards the close, the news of lower industrial production in Texas caused some hesitation, resulting in prices developing an easier tendency.

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
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BANKS			
Allahabad 6% 100	106.50	114.75	

ELECTRICS

Calcutta 5% .. £1	10.19	9.62	
Dishergarh 5% 100	74.50	98.00	
Dishergarh 44% 100	84.00	88.50	
Jorhat 6% .. 100	90.00	90.00	
Kurseong 6% .. 100	90.00	90.00	

COAL

Asso. K'pura 44% 100	24.50	24.50	
B-Nagpur 7% .. 100	68.00	83.50	
Bharat 54% .. 100	49.50	51.00	
Borra 64% .. 100	90.00	103.00	
Burrakur 7% .. 100	100.00	113.50	
Burrakur 7% .. 10	7.47	8.13	
Equitable 6% .. 100	88.00	100.50	
Ghushik & Muslia 5% .. 100	95.00	103.00	
Gourangdi 5% .. 100	40.00	40.00	
Jorha 5% .. 100	30.00	45.00	
K'pura 54% .. 100	44.50	59.00	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	84.00	
Onidai 64% .. 100	95.00	108.00	
Paraseo 54% .. 100	50.75	50.75†	
Uni. Colliery 5% 100	88.00	85.50	

JUTE

Agarpara 7% .. 100	91.50	109.00	
Alexandra 7% .. 100	83.00	97.50	
Alliance 6% .. 100	69.00	97.00	
Anglo-India 7% 100	86.00	103.00	
Auckland 54% 100	75.00	80.50	
Auckland 44% 100	52.00	61.00	
Bally 7% .. 100	89.50	102.00	
Barnagore 5% .. £5	30.00	41.00	
Belvedere 7% .. 100	95.50	105.50	
Bengal 56% .. 100	72.50	77.00	
Biria 74% .. 100	76.00	90.00	
Bucke-Budge 7% 100	83.00	105.50	
Calcutta 64% .. 100	78.00	78.00	
Calcuttania 7% 100	93.00	105.50	
Chiviot 7% .. 100	93.00	109.00	
Chitavalsah 7% 100	91.50	108.00	
Clive 6% .. 100	53.75	78.00	
Clive 7% .. 100	74.00	91.00	
Dalhousie 7% .. 100	79.00	102.00	
Delta 5% .. 100	70.00	86.00	
Empire 7% .. 100	91.00	102.00	
F. Gloster 7% .. 100	96.50†	105.00	
F. Gloster 5% .. 100	66.00†	72.00	
F. William 7% .. 100	91.50	107.00	
Ganges Mfg. 8% 100	100.00	112.00	
Gourepore 6% .. 100	69.50	82.00	
Hastings 6% .. 100	84.00	90.00	
Hooghly I .. 10	7.50	10.87	
Howrah A. Pref. 100	90.00	102.50	
Howrah 7% .. 100	90.00	104.00	
H'chand 7% .. 100	89.00	101.50	
K'hatty 6% .. 100	74.00	80.00	
K'narrah 6% .. 100	77.00	87.50	
Kedarnath 6% 100	68.00	69.00	
Kedarnath 7% 100	85.00	95.00	
Kelvin 7% .. 100	87.50	108.00	
Khardah 6% .. 100	73.50	89.50	
Kinnison 7% .. 100	85.50	111.50	
Lansdowne 7% 100	87.00	100.00	
Lawrence 7% .. 100	95.00	103.00	
Lawrence 5% .. 100	65.00	76.00	
Nahati 7% .. 100	82.00	110.00	
Nahati 44% .. 100	57.00	73.00	
National 7% .. 100	95.00	108.50	
Nellmaria 6% 100	79.00	97.50	
N. Central 7% 100	89.50	102.00	
Northbrook 54% 100	61.00	79.50	
Rameshwara 6% 10	10.19	10.19	
Reliance 7% .. 100	69.00	94.50	

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
S Ambica 74% 100	81.00	91.25	
Soorah 7% .. 100	100.00	107.00	
Standard 6% .. 100	74.50	86.00	
Union 7% .. 100	93.00	101.50	
Waverley 5% .. 50	30.00	40.00	

COTTON

Basanti 64% .. 10	7.56	7.37	
B-Nagpur 7% .. 100	75.00	100.00	
Bowreah 8% .. 100	130.00	140.00	
Bowreah 7% .. 100	65.00	79.00	
Delhi Cloth 44% 25	17.75*	17.75	
Elgin 8% .. 100	109.25	135.75	
Elgin 5% .. 100	7.25	9.37	
Jagatjit 5% .. 100	50.00	...	
Jiyajeeero 54% 100	92.00	91.50†	
J. K. Cotton 6% 100	90.00	100.00	
Kesoram 7% .. 100	91.00	113.50	
Muir 6% .. 100	63.00	81.50	
N. Victoria 6% 5	3.31	5.06	
Pravati 6% .. 100	5.00	8.00	
S. Niwas 4% .. 100	55.00	...	
Swadesh 6% .. 100	86.00	90.25	

ENGINEERING

Arthur Butler 7% 10	7.25	10.00	
Br. Bldg. 6% .. 100	70.00	100.00	
Burn & Co. 7% 100	109.00	127.00	
Burn & Co. 6% 100	102.50	110.50	
I. Iron 5% .. 100	96.50	102.00	
J. Machinery 7% 100	23.00*	23.00	
Ind. St. Wagon 7% 100	115.00	128.00	
Jessop & Co. 5% 100	83.00	95.50	
K'dhubi 5% .. 100	83.00	101.00	
R. Cruddas 54% 100	54.00	85.00	
S. Products 5% 10	3.44	1.00	
Texmaco 54% .. 100	86.50	94.00	
Texmaco 54% .. 100	54.00	63.00	

TEA

Amluckie 7% .. 100	58.00	...	
Bormah Jan 6% 100	74.00	78.00	
Brooke Bond 6% 100	78.00	83.50	
Dhunsari 7% .. 3	2.44	3.31	
Dimakudi 8% .. 10	11.50	12.62	
Kingsley Gola 6% 100	92.00	98.00	
Moheema 6% .. 10	8.31	9.19	
Tezpor 2, .. 10	11.12	12.37	

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
Gliele 6% .. 100	75.00	87.50	
Okayit 7% .. 100	93.00	100.00	
Pussimbing 7% 100	95.00	85.00	
Singtom 5% .. 10	7.12	7.25	

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
Doors.			
Banarhat 64% 100	112.50	121.50	
Barpara 9% (Pref.) 100	112.00	120.00	
Chhutti 64% .. 100	114.00	125.00	
Hantapara 8% 100	114.00	140.50	
Haimara 7% .. 100	116.75	128.00	
N. Doors 64% 100	115.00	125.00	

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
Sonai River 8% 100	93.00	100.00	

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
N. Samanbagh 8% 100	100.00	100.00	

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
Kotamullai 6% 25	16.50	25.50	

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
Atal 44% cp .. 10	6.12	4.00	
Tirrihannah 10% 10	14.00†	12.75	

SUGAR

Carew 64% .. 100	81.50	99.50	
Cawnpore 8% .. 100	109.50	127.00	
Cwalior 7% .. 100	65.00	68.00	
Cwalior 7% .. 100	65.00	68.00	
Jaswant 54% .. 100	75.00	90.00	
Mohini 5% .. 100	70.00	111.00	
New India 74% 100	110.00	140.00	
Purtat 10% .. 100	18.82	14.87	
Ramnugger 6% 100	94.50	100.50	
Ryam 6% .. 100	9.12	9.31	
S. Behar 9% .. 100	20.60	20.50	
S. Hanuman 5% 100	60.00	65.00	
S. K. Gyan 8% 100	85.00	100.00	

NAME	Paid-up per share.	Quotation as on 14-2-58 Rs nP	14-2-57 Rs nP
S. K. Gyan 5% 100	75.00	80.00	
Upper Ganges 5% 100	70.00	85.00	

MININGS AND MINERALS

Asso. Mining 5% 50	28.50†	31.00	
Ch. Mica 54% .. 100	55.00	61.50	
Metal Corp. 5% 100	80.00	84.00	

CEMENT, POTTERY & FIRECLAY

Dalmia Bharat 6% 100	84.00	93.00	
Dalmia Bharat 6% 40	30.00	37.75	
Jaipur Udyog 3% 100	40.00	...	
K'pur Lime 6% 100	80.00	80.00	
K'pur Lime 6% cp 100	100.50	...	
K'dhubi Fire 7% 100	101.00	115.00	
K'dhubi Fire 54% 100	64.50	72.00	
Orissa Cement 4% 100	40.00	...	

CHEMICALS

Alkali 5% .. 100	97.00	102.25	
Bathgate 44% .. 100	40.50	42.00	
Beng. Chem. 74% 10	12.00	12.75	
Beng. Chem. 44% 100	77.50	82.00	
Frank Ross 44% 100	36.50	41.00	
Lister Anti. 6% 100	13.00	13.00	
Smith Stant 10% 50	51.50†	62.75	

OILS

I. B. Petrol 7% 100	83.50	101.37	
N. I. Oil 6% cp 100	40.00	56.00	

PAPER MILLS

Bengal Paper 7% 50	57.25†	64.25	
Bengal Paper 7% 100	108.50†	135.75	
Bengal Paper 6% 100	72.69†	81.69	
Orient Paper 54% 100	81.50	95.00	
Orient Paper 54% 100	56.75	72.00	
S. Gopal 4% cp 100	98.00	116.00	
Star Paper 5% 100	64.50	67.50	
Titaghar 8% .. 100	131.50	139.00	
Titaghar 44% .. 100	79.00	90.50	

PRESSING

Bhagwati 5% rep 100	45.00	50.00	
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REAL PROPERTY

Dar. Prop. 6% .. 10	4.00	4.00	
Humayun 6% .. 20	7.25	9.00	
New India Bldg. 44% cp .. 50	15.00	21.00	
R. Estate 5% .. 100	34.00	35.00	

SAW MILLS AND TIMBER

Ben. Timber 8% 100	33.50	32.75	
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SHIPPING

B-A Steam 7% cp 60	61.50	82.00	
I.G.N. 6% cpt .. £10	64.00	70.50	
I. Steam 5% rep 100	81.00	94.56	

MISCELLANEOUS

Alum. Corp. 5% 10	69.00	74.00	
Alum. Corp. 6% 100	88.00	96.00	
Amal. Dev. 5% .. 100	49.25	60.00	
Asso. Hotel 7% .. 100	56.50	74.00	
Bharat Veg. 54% 100	30.00	30.00	
Birds Inv. 54% 100	54.00	72.00	
Br. Biscuits 8% cp 10	10.50	11.37	
B. Cey. Corp. 6% 10	8.50	8.06	
B. I. Corp. 8% 100	102.00	119.50	
Cal. Cr. Corp 6% 100	50.00	55.00	
Cal. Gas 54% rept 100	40.50	66.00	
Cal. Silk 6% cp 100	40.00	55.00	
Cal. Tanneries 5% 100	40.00	40.00	
Cal. Trans 5% cpt £1	7.14	8.25	
Duncan Bros. 4% 100	53.00†	56.75	
Dunlop 6% .. 100	113.00	119.00	
Dunlop 6% .. 100	86.00	93.50	
Eastern Inv. 5% 100	77.50	77.50	
Elec. Consn. 5% 100	55.00	...	

*Nominal. †Ex-Dividend. ‡Cum-Dividend.
§Ex-Rights.

NAME	Paid-up per <u>share.</u>	Quotation as on	
		14-2-58 Rs nP	14-2-57 Rs nP
F. & C. Osler 4½% 100		41.50	50.25
Gillanders 5% ... 100		56.50	61.00
Godfrey Phil. 5½% 100		61.00	69.75
Greaves Cot. 5% 100		50.00	...
Greaves Cot. 6% 100		49.00	...
Haji & Anderson 100		62.00	...
Hindusthan Nat.			

NAME	Paid-up per share.	Quotation as on	
		14-2-58 Rs nP	14-2-57 Rs nP
Swadeshi 5% ... 100	100	99.00	115.00
Swadeshi (Kan) 6% ... 100	100	92.00*	92.00*
Vishnu 7% ... 600	600	520.00	567.50

SHIPPING

Gr. Eastern 5 1/4% ... 100	100	91.50	100.00
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STEEL

Indian Iron 5% ... 100	100	97.80	104.00
Tata 1st 6% ... 150	150	150.50	155.00
Tata 2nd 7 1/4% ... 100	100	107.50	114.00

PLANTATION

Highland 6% ... 10	10	9.50*	9.69*
Midland 6% ... 10	10	9.00*	9.01*
Nallampathy 6% ... 10	10	9.00*	9.43*
Rajagiri 6% ... 10	10	8.50*	9.50*
Waterfall 6% ... 10	10	9.50*	9.89*

SUGAR

Ehopal 5% ... 100	100	94.00	94.00
Cauvery 5% ... 100	100	100.00*	100.00*
Maharashtra 7 1/2% ... 250	250	240.00	260.00*
Ravalgaon 5 1/4% ... 100	100	65.00*	65.00*
S. Behar 7% ... 100	100	20.00*	20.00*
Walchand 7% ... 100	100	135.00	135.00

CEMENT

Andhra 6% ... 100	100	100.00	106.00*
Dalmia 6% ... 100	100	91.00	100.00*
Dalmia 7% ... 40	40	40.00*	40.00*
Digvijay 5% ... 100	100	83.50	97.25

MISCELLANEOUS

Alembic Ch. 6 1/4% ... 100	100	85.00	90.00
Amar Dye 6% ... 100	100	100.00*	100.00
Bom. Potteries 6% ... 100	100	65.00	65.00
Bom. Potteries 4 1/4% ... 100	100	50.00	50.00*
Bom. Silk 5% ... 100	100	47.50	47.50
B. I. Corp. 8% ... 100	100	100.50	117.00
Brunton Eng. 6% ... 10	10	8.00*	8.37*
Dhanga Chem. 6 1/2% ... 100	100	83.00	95.00
Digvijay Tiles 6% ... 100	100	83.50	96.50
Estrella 5% ... 50	50	35.50	38.50
Ferro Alloys. 6% ... 100	100	100.00	100.00
Hindus. Elec. 6% ... 100	100	82.00	82.00
Hindus. Motor 6% ... 50	50	32.00	32.00
Hingir Rampur 4 1/4% ... 50	50	32.00	32.00
Indian Dye 6% ... 100	100	100.00*	100.00*
Jaipur Metals 6% ... 100	100	55.00*	55.00*
Kamani Eng. 5 1/4% ... 100	100	61.00	71.00
L. & Toubro 5% ... 100	100	82.00	90.50
Mahindra 6% ... 100	100	102.00	101.50
Motor & Gen. Fin. 10% ... 25	25	35.00*	36.00*
Nation. Elec. 4 1/4% ... 100	100	80.00*	80.00*
Nat. Rayon 5% ... 100	100	66.50	78.50
N. Cen. Jute 7% ... 100	100	100.00	101.00
N. I. Fisheries 6% ... 100	100	101.00	100.00*
Orient Paper 1st. 6 1/4% ... 100	100	90.00	90.00
Orient Paper 2nd. 6 1/4% ... 100	100	72.00*	72.00*
Poly Chem. 7 1/2% ... 50	50	50.00*	50.00*
Pulson 6% ... 100	100	84.70	87.00
Prem. Const. 1st. 6 1/4% ... 100	100	82.00	94.00
Prem. Const. 2nd. 6 1/4% ... 100	100	80.00	90.00
Prem. Const. 3rd. 4 1/4% ... 10	10	5.25	5.25
Rohas 7 to 9% ... 100	100	122.00*	122.00*
Rohas 4 1/4% ... 100	100	57.50	57.50
San Raleigh 5% ... 100	100	64.50	100.00*
Simpur Paper 6% ... 100	100	100.00*	100.00*
Structural Eng. 5% ... 100	100	100.00	100.00
Supreme Indus. 6 1/4% ... 100	100	70.50	80.00
Tata Chem. 5% ... 100	100	92.00	96.37
Tennaco 1st 5 1/4% ... 100	100	100.00*	100.00*
Tennaco 2nd 5 1/4% ... 100	100	64.00	100.00*
W. Coast Paper 6% ... 100	100	100.00*	75.00*

Ordinary Shares

BOMBAY

NAME	Paid-up per share.	Quotation as on	
		14-2-58 Rs nP	14-2-57 Rs nP
Allahabad ... 50	50	360.00*	360.00*
Baroda ... 50	50	105.00	103.75
Bikaner ... 25	25	18.00	23.00
Central ... 25	25	50.00	54.25
Central (F.P.) ... 25	25	53.00	58.50
Devk. Nanjee ... 50	50	47.25	42.50
Hind. Comm. ... 50	50	14.25	14.25
Hind. Mercantile ... 50	50	10.00*	71.00*
India ... 50	50	136.00	130.00
India 'A' ... 50	50	137.00	142.00
Jaipur ... 50	50	38.50	40.00
Jodhpur Comm. ... 5	5	1.45	1.15
Mysore ... 100	100	247.00*	247.00*
Punjab National ... 25	25	51.80	54.50
Punjab Sind ... 25	25	30.00*	30.00*
Union ... 5	5	7.58	7.53
United Comm. ... 50	50	59.00	57.50

TEXTILES

Adoni ... 10	10	10.40	11.52
Ahmed. Adv. ... 100	100	119.00	180.00
Apollo ... 2	2	1.98	2.55
Azam Jali ... 100	100	55.00	82.50
B. R. Cotton ... 100	100	24.50	44.50
Berar ... 200	200	70.00	90.00
Bhawani ... 10	10	10.00	10.00
Bom. Dyeing ... 25	25	50.40	50.40
Bradbury ... 50	50	155.00	230.62
C. India ... 100	100	82.50	122.00
Century ... 100	100	386.00	493.00
Colaba ... 100	100	61.00	125.00
Cooria ... 100	100	122.50	125.00
Davangere ... 100	100	115.00	118.00
Dawn ... 50	50	79.00	178.12
Edward Tex. ... 200	200	220.00	310.00
Elphinstone ... 50	50	47.80	50.50
Finlay ... 100	100	260.00	305.00
Gokak ... 100	100	154.25	220.50
Gold Mohur ... 100	100	171.50	208.12
Hindustan F.P. ... 1000	1000	4550.00	5600.00
Hindustan P.P. ... 250	250	992.50	992.50
Hukumchand ... 100	100	105.00*	105.00*
India United ... 10	10	9.32	10.72
Indian Manfg. ... 1000	1000	4900.00	5250.00
Indore ... 100	100	117.00	138.12
Jam. Ranjit ... 1000	1000	1450.00	1505.00
Jyajeerao ... 10	10	9.60	9.60
Khandesh ... 1000	1000	2000.00	2000.00
Khandesh ... 250	250	500.00*	500.00*
Khatav ... 100	100	143.75	211.25
Kohinoor ... 100	100	264.00	324.00

Kothari ... 10	10	14.75	18.00
Kothari (New) ... 10	10	12.00*	12.00*
Lakshmi ... 250	250	423.75	700.00
Madhusudan 'B' ... 50	50	20.00	20.00*
Madhusudan ... 100	100	97.50	98.00
Mahendra ... 100	100	100.00*	100.00*
Mafatal ... 100	100	345.00	380.00
Minerva ... 100	100	71.30	87.00
Model ... 250	250	180.00	180.00
Mysore ... 50	50	99.50	104.75
Morarjee ... 100	100	203.00	227.50
New City ... 100	100	125.00	151.87
New Great ... 100	100	218.00	235.00
N. Kaiser-I-Hind ... 100	100	81.50	108.75
Osmanshahi ... 100	100	51.50	69.25
Phoenix ... 100	100	120.00	145.00
Podar ... 100	100	145.00	165.00*
Pulgaon ... 10	10	10.00	10.00
R. Motilal ... 100	100	63.00	71.50
Ruby ... 25	25	30.25	30.25
Sassoon Silk ... 10	10	6.52	9.81
Sassoon Spg. ... 10	10	30.00	40.00
Sholapur ... 1000	1000	640.00	1400.00
Shrinivas ... 100	100	141.00	185.00
Shubhalaxmi ... 100	100	125.00*	125.00*
Simples ... 50	50	159.00	179.00
Standard ... 100	100	495.00	421.25
Swad-shi ... 100	100	15.25	219.75
Swadeshi (Kan.) ... 10	10	12.00*	12.00*
Swadeshi (Kan.) ... 100	100	11.90*	11.87
P.O. ... 100	100	324.50	403.75
Swan ... 25	25	85.50	49.25
Tata ... 100	100	281.25	138.75
Victoria ... 100	100	97.50	141.25
Vishnu ... 1000	1000	4525.00	5180.00
W. India ... 1000	1000	4525.00	5180.00

NAME	Paid-up per share.	Quotation as on	
		14-2-58 Rs nP	14-2-57 Rs nP

ELECTRICS

Ahmedabad ... 100	100	95.00	100.00
Amalgamated ... 10	10	10.12	10.62
A. Valley ... 1000	1000	1085.00	1202.50
Bassein ... 10	10	8.50*	8.50*
Bom. Suburban ... 100	100	106.25	109.37
Broach ... 10	10	7.52	11.00
Dharwar ... 50	50	51.00	50.00
Poona ... 100	100	120.00	123.75
Saharanpur ... 100	100	105.00	100.00*
S. Madras ... 10	10	10.95	12.00*
Surat ... 100	100	107.50	117.00
Tata Hydro ... 100	100	113.75	120.00
Tata Power ... 1000	1000	1122.50	1231.50

SHIPPING

Gr. Eastern ... 10	10	19.68	18.37
Scindia ... 20	20	17.32	19.03

STEEL

Indian Iron ... 10	10	19.65	21.94
Mukund ... 10	10	10.92	14.25
Tata ... 75	75	170.60	175.00
Tata (New) ... 75	75	165.50	165.50

PLANTATIONS

Blue Mountain ... 2	2	3.00	5.31
Highland ... 10	10	11.72	14.37
Halleybury ... 10	10	15.76	23.00
Kalpetta ... 10	10	19.76	25.00
Midland ... 10	10	14.52	18.00
Nallampathy ... 2	2	2.82	3.31
Rajagiri ... 10	10	15.60	21.62
Twyford ... 10	10	12.52	19.37
Waterfalls ... 2	2	3.66	5.37

SUGAR

Belapur ... 50	50	236.00	230.00
Bhopal ... 10	10	20.75	18.75
Cauvery ... 100	100	87.00	87.00
Changdeo ... 12 1/2	12 1/2	28.50	29.00
Kesari ... 40	40	59.30	43.00
Kr. Gyanoday ... 10	10	9.20	12.75
Maharashtra ... 250	250	830.00	810.00
Modi ... 10	10	9.00*	9.00*
New Swadeshi ... 100	100	200.00	225.00*
Oudh ... 100	100	136.25	140.00
Phaltan ... 50	50	146.00	146.50
Ravaraon ... 50	50	130.00	130.00
S. Behar ... 10	10	1.00	1.00*
Vishnu ... 100	100	235.00	235.00
Walchand ... 100	100	273.75	276.25

CEMENT

Andhra 'B' ... 10	10	12.24	15.37
A-C-O ... 100	100	154.00	169.50
A-C-O (new) ... 100	100	140.00	140.00
Ashoka ... 10	10	8.50	11.12
Bagalkot ... 10	10	8.32	8.32
Dalmia ... 10	10	10.24	14.50
Indian ... 10	10	28.75	37.00
Jaipur Udyog ... 10	10	11.60	12.06
Digvijay ... 100	100	136.00	149.50
Orissa ... 10	10	12.60	13.00

MISCELLANEOUS

Alembic	..	100	122.00	116.25
Amar Dye	...	100	100.00	115.62
Alcock	...	100	216.25	260.00
Bom. Burma (Id.)	...	100	634.50	695.00
Bom. Burma (P.P.)	...	50	200.00	260.00
Bom. Cycle	...	20	20.00	29.00
Bom. Potteries	...	100	64.00	52.00
Bom. Safe	...	200	500.00*	539.00*
Bom. Silk	...	50	5.00*	5.00*
Bom. Uganda	...	80	47.00	60.00*
Brady. Eng.	...	50	44.00	44.00
B. B. Petrol	...	5ah	1.72	2.75
B. I. Corp.	...	5	3.88	8.06
Brunton Eng.	...	10	5.00	6.37*
C. I. Coal	...	10	6.38	6.38
C. I. Machinery	...	10	10.00*	10.00*
C. I. Machy (new)	...	10	10.00*	10.00*
C. P. Railway	...	100	57.50	70.50
Chemo. Pharma.	...	25	25.00*	25.00*
Chemo. Pharma.	...	25	25.00*	25.00*
(New)	...	25	25.00*	25.00*
Commerce (1935)	...	10	25.00*	25.00*
Cooper Eng.	...	100	92.80	92.80

Secured Advances of Scheduled Banks

	December 13, 1957	November 29, 1957	November 15, 1957	October 25, 1957
Number of Reporting Offices ...	3,000	3,000	3,000	3,002
I. Food Articles:				
(1) Paddy and Rice ...	508	488	488	421
(2) Wheat ...	219	244	270	287
(3) Jowar ...	11	14	14	16
(4) Bajra ...	27	33	24	8
(5) Maize ...	73	58	37	18
(6) Grams ...	180	207	224	241
(7) Other Grains and Pulses ...	331	388	423	410
Total of I ...	841	944	992	960
II. Industrial Raw Materials:				
(8) Groundnuts ...	651	527	321	197
(9) Other Oilseeds ...	984	1,008	1,032	1,078
(10) Cotton and Kapas ...	4,855	4,540	4,350	4,424
(11) Raw Jute ...	1,623	1,533	1,396	1,333
(12) Hides and Skins ...	514	499	507	561
Total of II ...	8,607	8,116	7,516	7,793
III. Plantation Products:				
(13) Pepper and other spices ...	152	133	134	134
(14) Cashewnuts ...	222	248	302	315
(15) Tea ...	2,659	2,628	2,718	2,879
(16) Coffee ...	212	196	266	175
Total of III ...	3,245	3,205	3,420	3,503
IV. Manufactures and Minerals:				
(17) Sugar and Cur ...	2,324	2,105	2,350	2,814
(18) Rubber and Rubber Products ...	170	180	148	211
(19) Vegetable Oils including Vanaspathy ...	582	526	672	481
(20) Cotton Textiles (including yarns) ...	9,641	9,500	9,710	10,050
(21) Jute Textiles ...	1,779	1,869	1,841	1,926
(22) Other Textiles (Silk, Art Silk, Woolen, etc.) ...	1,486	1,447	1,508	1,571
(23) Iron, Steel and Engineering Products ...	9,357	9,540	9,813	10,087
(24) Other Metals and Metal Products ...	1,160	1,195	1,277	1,553
(25) Coal, Manicane, Mica and other Minerals ...	994	976	976	1,018
(26) Chemicals, Dyes and Pharmaceuticals ...	1,633	1,684	1,651	1,622
(27) Glass and Glass Ware, Pottery and Ceramic Products ...	120	123	120	119
(28) Electrical Goods ...	500	494	482	487
(29) Cement ...	164	156	190	199
Total of IV ...	29,910	29,971	30,538	31,916
V. Other Securities:				
(30) Real Estate ...	1,588	1,576	1,528	1,613
(31) Gold and Silver Bullion (other than to banks) ...	265	281	210	290
(32) Fixed Deposits ...	1,144	1,209	1,132	1,215
(33) Government and Other Trustee Securities ...	3,722	3,806	3,862	4,850
(34) Shares and Debentures of Joint Stock Companies ...	7,525	7,439	7,463	7,452
(35) Assets of Industrial Concerns—Fixed or Floating (other than those specified under above categories) ...	3,215	3,287	3,362	3,202
(36) Other Secured advances not mentioned above ...	5,725	5,857	5,652	5,832
(37) Composite advances ...	1,862	1,790	1,880	2,032
Total of V ...	25,046	25,245	25,149	25,886
Grand Total (I to V) ...	68,157	67,967	68,103	70,499

SMALL SAVINGS (in lakhs of rupees)

	5 year. Outstandings	7 year. Receipts	12 year. Outstandings	12-year National Plan Saving Certificates Receipts	Post Office Savings Bank deposits Receipts	10-year National Plan Certificates Receipts	Post Office Cash Certificates etc.	10-year Treasury Saving Deposit Certificates	15-year Annuity Certificates
	Outstandings	Receipts	Outstandings	Outstandings	Outstandings	Outstandings	Outstandings	Outstandings	Outstandings
1952-53 ...	683	65	336	2,786	8,417	...	11,335	9,202	...
1953-54 ...	376	198	548	2,719	14,437	...	15,811	16,785	...
1954-55 ...	300	287	601	3,162	16,368	...	17,697	19,650	...
1955-56 ...	323	14	567	231	15,764	...	1,270	18,688	...
November ...	317	22	576	247	15,893	...	1,477	18,735	...
December ...	312	21	579	276	15,995	...	1,346	18,809	...
January 1957 ...	307	17	581	235	16,104	...	1,296	18,832	...
February ...	300	35	601	401	16,368	...	1,270	18,688	...
March ...	293	12	592	230	16,482	...	1,476	19,878	...
April ...	288	12	584	213	16,559	...	1,468	19,756	...
May ...	282	1	572	47	16,457	...	1,454	19,797	...
June ...	274	2	561	—	16,236	...	829	1,503	...
August ...	268	—	549	—	16,038	...	803	1,331	...
September ...	260	—	539	—	15,823	...	686	2,017	...
October ...	254	—	526	—	15,581	...	617	2,633	...
November ...	248	—	514	—	15,340	...	648	3,282	...
December ...	...	...	...	...	...	...	...	...	...

Yields on Industrial Securities-All-India

	July	August	Sept.	October	Nov.	December
(Tax-free Rates).						
Debentures ...	4.19	4.21	4.35	4.18	4.20	4.27
Preference Shares ...	5.94	6.05	6.16	6.00	6.01	6.03
Electricity ...	4.50	4.97	5.07	4.85	4.85	4.84
Cotton Textiles ...	6.35	6.58	6.62	6.62	6.68	6.96
Jute Textiles ...	7.32	7.49	7.66	7.37	7.20	6.98
Coal ...	6.11	6.11	6.43	6.59	6.63	6.76
Sugar ...	6.83	7.01	7.03	7.03	7.03	7.03
Paper ...	5.90	5.90	5.90	5.90	5.90	5.93
Plantation ...	6.34	6.43	6.53	6.53	6.66	6.79
Miscellaneous ...	4.78	4.84	4.95	4.70	4.82	4.87
Variable dividend industrial securities ...	6.39	6.68	6.97	7.09	7.02	7.20
Financial ...	6.37	6.35	6.47	6.61	6.57	6.42
Banks ...	7.33	7.30	7.49	7.59	7.45	7.33
Insurance ...	7.65	7.72	7.76	7.76	7.83	7.93
Investment trust ...	6.86	7.06	7.19	7.20	7.16	7.17
Public utilities ...	5.77	6.38	6.46	6.63	6.42	6.37
Electricity ...	6.86	7.06	7.19	7.20	7.16	7.17
Shipping and other transport ...	6.79	6.95	7.26	7.38	7.17	7.44
Manufacturing Industries ...	4.63	4.73	5.01	5.17	5.56	6.62
Cotton Textiles ...	4.06	5.27	5.63	5.72	5.44	5.43
Jute Textiles ...	7.42	7.58	7.66	7.63	7.76	7.64
Iron and Steel ...	5.40	5.55	5.81	5.89	5.90	5.94
Paper ...	5.71	5.84	6.13	6.32	6.30	6.64
Cement ...	6.23	6.20	6.24	6.18	6.17	6.23
General Engineering ...	6.00	6.21	6.38	6.49	6.63	6.77
Sugar ...	7.19	7.42	7.48	7.55	7.45	7.21
Chemicals ...	7.56	7.79	8.39	8.58	8.18	9.01
Non-manufacturing Industries ...	7.57	8.46	9.61	10.16	10.35	10.67
Coal ...	7.77	7.95	8.17	8.17	8.00	8.04
Mining and Oil ...	...	...	...	...	...	...
Plantations ...	...	...	...	...	...	...
Miscellaneous ...	...	...	...	...	...	...

Discounts Rates of Central Banks

	Present Rate.	Previous Rate.	Percent per annum.	Date Effective.
Central Bank of				
Austria ...	5.00	4.50	17th November, 1956	
Belgium ...	4.50	3.50	25th July, 1957	
Burma ...	3.00	...	February, 1948	
Canada ...	3.87	3.83	November, 1957	
Ceylon ...	2.50	3.00	11th June, 1954	
Chile ...	6.00	4.50	February, 1957	
Costa Rica ...	5.00	4.00	1st April, 1954	
Denmark ...	5.50	5.00	25th May, 1955	
El Salvador ...	4.00	3.00	April, 1957	
France ...	5.00	4.00	13th August, 1957	
Germany ...	3.00	4.00	17th January, 1958	
Greece ...	10.00	9.00	May, 1956	
India ...	4.00	3.50	16th May, 1957	
Indonesia ...	3.00	4.00	1st April, 1946	
Italy ...	4.00	4.50	6th April, 1950	
Japan ...	8.40	7.87	8th May, 1957	
Mexico ...	4.50	4.00	4th June, 1942	
Netherlands ...	5.00	4.25	16th August, 1957	
New Zealand ...	7.00	8.00	19th October, 1955	
Norway ...	3.50	2.50	14th February, 1955	
Pakistan ...	3.00	...	1st July, 1948	
Peru ...	6.00	5.00	13th November, 1947	
Philippines ...	4.50	2.00	September, 1957	
Portugal ...	2.50	3.00	12th January, 1944	
South Africa ...	4.50	4.00	29th September, 1955	
Spain ...	5.00	4.25	July, 1957	
Sweden ...	5.00	4.00	11th July, 1957	
Switzerland ...	2.50	1.50	15th May, 1957	
Thailand ...	7.00	...	February, 1945	
Turkey ...	6.00	4.50	June, 1956	
United Kingdom ...	7.00	5.00	19th September, 1957	
USA ...	3.00	3 1/2	...	
Venezuela ...	2.00	...	May, 1947	

February 22, 1958

RESERVE BANK OF INDIA

	14-2-58	7-2-58	15-2-57
ISSUE DEPARTMENT: (In 000's of Rupees)			
LIABILITIES:			
Notes in Banking Dept.	11,86,05	11,00,60	11,27,90
Notes in Circulation	1557,65,26	1558,63,33	1515,62,27
	1569,51,31	1569,63,93	1526,90,17
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India	...	...	...
Sterling Securities	245,53,81	245,53,81	412,51,91
Total of A	363,29,84	363,29,84	530,27,94
(B) Rupee Coin	129,39,19	129,51,81	121,58,79
Rupee Securities	1076,82,28	1076,82,28	875,03,44
	1569,51,31	1569,63,93	1526,90,17
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	5,00,00
National Agricultural Credit (Long-term Operations) Fund	20,00,00	20,00,00	15,00,00
National Agricultural Credit (Stabilisation) Fund	2,00,00	2,00,00	1,00,00
Deposits:			
(a) Central Govt.	51,82,25	57,52,32	52,25,29
(b) Other Govt.	24,82,79	13,12,00	12,47,59
(c) Banks	69,25,80	71,91,67	51,59,01
(d) Others	113,51,93	113,56,56	42,39,50
Bills Payable	15,25,83	15,33,96	13,64,28
Other Liabilities	33,33,12	33,03,78	112,27,77
	414,91,72	411,50,29	310,63,44
ASSETS:			
Notes	11,86,05	11,00,60	11,27,90
Rupee Coin	10,40	4,11	10,83
Subsidiary Coin	2,53	2,20	14,60
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	1,81,27	2,15,54	1,54,92
Balances held abroad*	33,60,93	35,42,37	113,43,32
Loans & adv. to Govt.	38,20,93	40,62,39	6,72,70
Other Loans & Adv.	69,06,74	71,76,41	120,32,78
Investments	242,84,66	233,12,35	44,01,91
Other Assets	17,38,21	17,34,32	13,04,48
	414,91,72	411,50,29	310,63,44

(1) The item 'Other Loans and Advances' includes Rs. 15,11,57,000 ad-
vanced to scheduled banks against secured bills under section 17 (1) (c) of
the Reserve Bank of India Act.

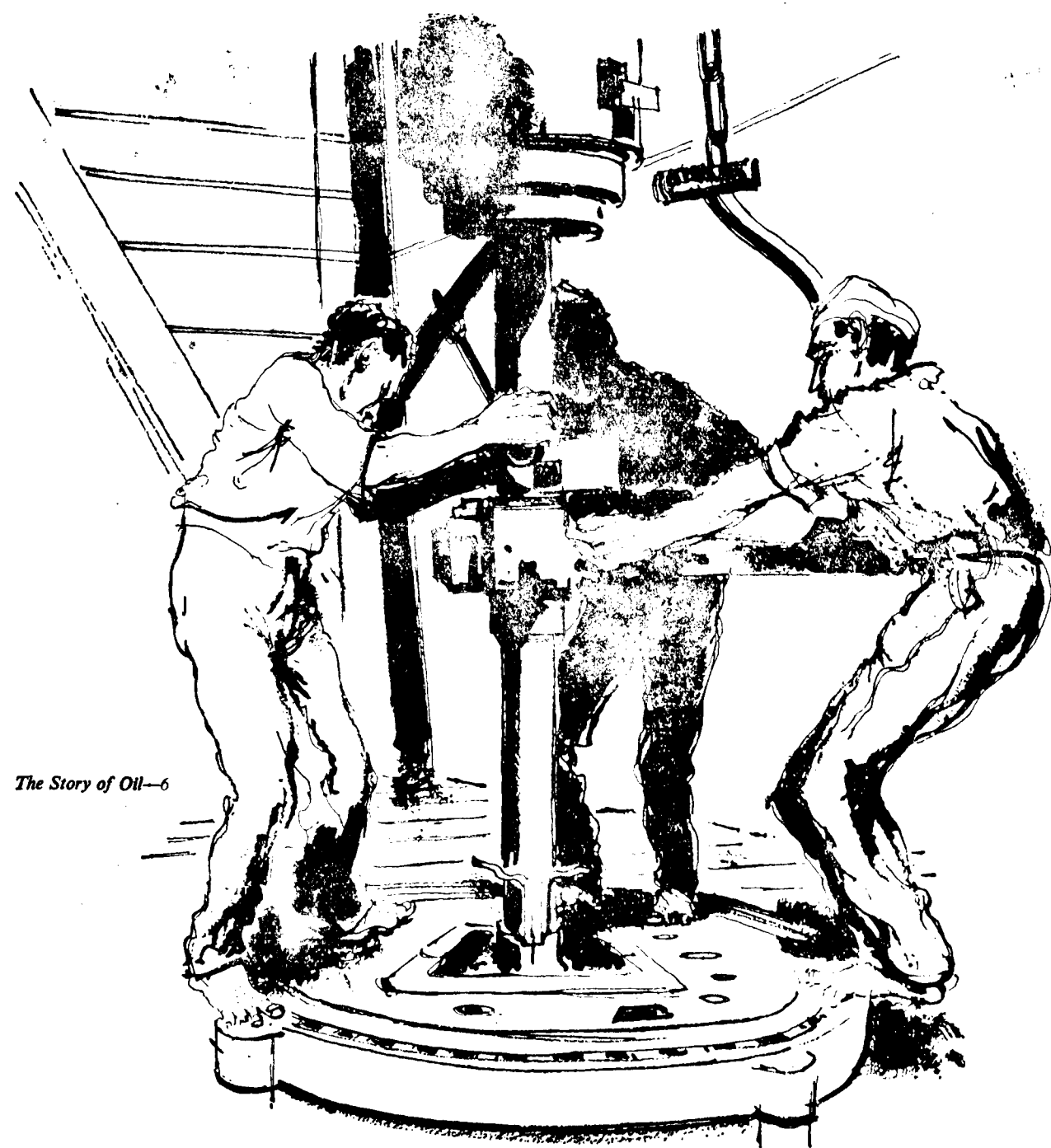
SCHEDULED BANKS IN INDIA

	7-2-58*	31-1-58*	8-2-57
Week Ended			
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified bank (A)...	13,23,02	17,88,89	6,71,65
(ii) Other demand liabilities	696,29,06	719,58,74	669,28,14
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified bank (A)...	16,08,00	16,38,00	2,38,00
(ii) Other time liabilities	703,73,09	684,82,74	461,46,08
Borrowings in India from the State Bank and/or a notified bank			
(i) Demand Liabilities	9,16,30	8,37,13	16,69,09
(ii) Time Liabilities	80,00	80,00	...
Borrowings in India from the R. B. I.			
Cash in India	33,99,86	27,11,78	96,38,79
Balances with the Reserve Bank of India	38,19,80	37,59,86	35,98,69
Balances with other banks in current account in India	71,12,02	73,54,00	48,78,13
Money at call and short notice in India	11,39,42	11,43,44	9,73,10
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury De-	39,77,57	46,23,08	9,84,11
post Receipts	431,94,94	432,55,11	360,66,82
Advances in India	766,34,42	756,30,17	688,13,68
Inland Bills Purchased and Discounted in India	110,78,69	109,46,06	114,44,54
Foreign Bills Purchased and Discounted in India	41,51,82	41,61,76	53,46,70

*Figures are provisional since complete returns have not been received from Banks.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

	14-2-58	7-2-58	15-2-57
Week Ended			
LIABILITIES:			
Capital Paid-up	5,62,50	5,62,50	5,62,50
Reserve Funds	6,62,50	6,62,50	6,37,50
Deposits and other Accounts	400,67,09	393,43,68	265,01,4



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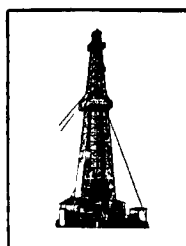
Drilling a test well is a tremendous undertaking in itself, involving great quantities of machinery, equipment and supplies. A typical well (10,000 or more feet

deep) would probably need: a complete drilling rig, weighing about 200 tons, 15,000 to 17,000 feet of drill pipe, 14,000 to 16,000 feet of steel casing, 60 to 100 drilling bits, 500 to 1,000 tons of drilling-mud chemicals, 2,000 to 5,000 sacks of cement, 48,000 barrels of water, and 3,000 barrels of fuel oil. In addition, at least 125 skilled personnel comprising drillers, drilling crews, geologists, engineers, cementers, electricians and other technicians would be required for drilling the well.

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Indian Finance

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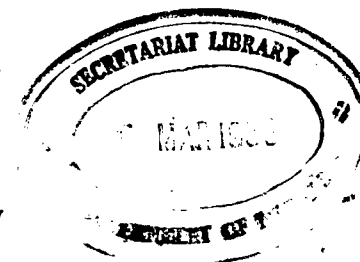
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HIGHLIGHTS OF THIS ISSUE

By the time this issue is in your hands, U will know whether the Budget for 1958-59 will Dampen or delight. For the moment, we can only Guess what is in the Finance Minister's briefcase. Either way, this copy of Indian Finance contains Three articles on the Budget.

See Leading Article, For the Investor, World of Finance.



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379

Disappointment— or a Sigh of Relief?

Investment Gossip:

THE market has not quite made up its mind about the Nehru Budget. Should it heave a sigh of relief, in that it has been let off lightly, with new taxation proposals running to barely Rs 6 crores? Or should it show its disappointment, because scarcely any of the concessions it had hoped for has materialised?

As expected, the Gifts tax has turned up; and I don't think that its imposition will cause the sentiment to be swayed one way or the other. For, not only had it been anticipated—and therefore "discounted", in market parlance; the exemptions are just, with the provision of permissible gift to spouse being more than fair.

As expected, this was the single piece of major taxation—on the "new" proposals side.

I am afraid I must record the disappointment of markets, that the compulsory reserve deposit has not been done away with, that excise duties have not been reduced.

But there are the silver linings.

An immeasurable gain to the shipping industry is the hiking of the Development Rebate to 40 per cent; and, in the Budget Session on Lyons Range, this was suitably recognised by a marking up in India Steamship.

For the Investor, there is a concession which, I am led to believe by the discussions I have had, the market has not apparently understood the significance of. I refer to the Super-tax on Dividends. The proposal is that, in the case of Section 23A Companies, for purposes of determining the tax, there are henceforth to be two slabs instead of three as heretofore. (It may be noted that for companies other than Section 23A Companies, there will continue to be three slabs). The first slab will comprise dividend payment between 6 per cent and 10 per cent, and will attract a Dividends Tax of 10 per cent; and the second slab, on dividend exceeding 10 per cent, will attract tax at 20 per cent; at present a dividend between 10 per cent and 18 per cent attracts 20 per cent and dividends over 18 per cent attract 30 per cent.

It may be said that, by and large, the gain to Section 23A Companies will amount to roughly 50 per cent of their retore Dividend Tax liability—provided, of course, they were paying high dividends!

As I write this Gossip, the thought occurs to me that such concessions as have been given, coupled with nothing unexpected in the way of new levies, should have the effect of toning up market sentiment. There are other reasons why this should be so, as for instance the hint by Mr Nehru that "some changes might be made here and there in the tax structure" in the light of experience. Nor is there any reason to be pessimistic, merely because the Finance Minister has said that the tax structure is here to stay, that "the major steps that were taken last year had to continue."

Market reaction, as I said at the beginning, is groping and uncertain. But then, this has always been the case; there are few Budgets on which the market has been able expeditiously to make up its mind, and the most notorious instance of an inability on its part to read the facts correctly was when Sir Chintaman Deshmukh handed over Development Rebate on a silver salver. So, I suppose we shall have to wait a while, as ponderously the market weighs the Budget.

It has no right, I say, the market has no right to come to the conclusion that the Budget is lacking in concessions. What were the concessions that had been expected? First, the Dividends Tax; some relief has been offered, and there are not many non Section 23A Companies which have to bear a heavy or intolerable burden under this head. Second, the Bonus Tax; and I agree some relief should have been granted. Third, the Reserve Deposits; but, if the score on which its repeal has been asked for is that it profits the exchequer negligibly, then, it is as correct to say that the impost cannot be involving so severe a strain.

Indian Iron's quotation in the Budget session shows how difficult the market felt about assessing prospects. On Lyons Range, in the Budget session, Indian Iron opened at Rs 19.60. The pressure at first was all downward, as it was pressed rapidly to Rs 19.20. Then apparently came "flash" news that seemed more encouraging, and Indian Iron was lifted to its high, past the Rs 20 mark, to Rs 20.20. Call it profit-taking, if you will, but thereafter there was a quickening in the sentiment, with Indian Iron declining to Rs 19.66—the closing quotation.

I must take this opportunity of drawing attention to a specific weakness in the Stock Exchange. The Concession that Did Not Materialise, is the excise duty that was not reduced on cotton textiles. In Bombay, I understand that Dalal Street proved to be unsteady, and the motivating force for the downtrend in prices was the selling pressure in the Textile section.

I put it to the authorities that relief in this sphere is warranted. After all, when the duties were raised in September 1956, there were two objectives: on one side, the inflationary pressure in cotton

textiles was sought to be mitigated by inducing consumer resistance; and higher excise did the trick. On the other side, it was intended that the higher profits being made by textile companies should part of them at least be diverted to Government exchequers.

By now, both these objectives have been attained. Consumer resistance was in fact generated, as mounting stocks with mills will testify. Also, there was a diversion to Government of profits, as witness the sharp decline in earnings of textile companies.

At the present stage, I trust Government will recognise that a revision in the excise duties is called for.

For, the law of diminishing returns is beginning to set in. The improvement in revenues by way of excises is being cancelled by a decline in the tax realised on profits. Then, the industry itself is none too prosperous. On grounds of equity, no less than enlightened self-interest, a reconsideration of the cotton textile excise duty is indicated.

It is not too late for Government to revise excise duties—such revision does not necessarily have to be restricted to a Budget. I suggest the appointment of a special body to examine all excises currently in force, and it could be directed to recommend changes where they are necessary.

These, then, are the first thoughts I have on the Budget; my second thoughts, I reserve for the Budget Supplement, which I suppose will be brought out some time next week.

£ R \$

Investment Notes:

IT is learnt that the control of the Nalhuti Jute Mills Company Limited has passed into the hands of Messrs Bhagat & Company from the present managing agents, Messrs F. W. Heijgers & Company. The shares are presently quoted around Rs 69.

Details of acceptance of the applications to the offer for sale of 570,000 shares in Indian Oxygen Limited, by the British Oxygen Company Limited, are now available. It is learnt that over 1,800,000 shares were applied for by the public and applications for the minimum quantity (50 shares) alone exceed one million. The British Oxygen Company Limited have obviously given priority to the smaller applications as will be evidenced by the following basis of acceptance:—50 shares—40 per cent; 100 shares—25 per cent and 150 to 300 shares—20 per cent. Higher denominations have been accepted at a reducing percentage down to a minimum of about 7 per cent. It is also learnt that Letters of Acceptance and Refund Pay Orders will be issued by the Registrars from March 8th onwards.

The issue of right shares by the Tata Chemicals Limited, for an aggregate of Rs 1.12 crores, is un-

derstood to have been oversubscribed. According to the Chairman of the company, the company's operations are now well established on a profitable basis.

The results for the year to 31st December 1957, of Hindustan Lever Limited showed that net profits for the year were Rs 100 lakhs after providing Rs 123 lakhs for taxation at current rates. After allowing for the additional taxation consequent upon the 1957 budget, net profits in 1956 were Rs 61 lakhs after charging taxation of Rs 162 lakhs. Included in the 1956 taxation charge of Rs 162 lakhs was Rs 47 lakhs on account of the bonus issue made in October 1956.

The Board of Hindustan Lever Limited propose to recommend to the Annual General Meeting of the Company which will be held on 7th April 1958 the declaration of a dividend of one rupee and forty naye paise per share free of income tax for the year to 31st December 1957.

£ R \$

Investment Briefs:

Walchandnagar Industries Limited has maintained the dividend at Rs 21 per share for the year ended 30th September, 1957.

Sirpur Paper has maintained the dividend at 50 p per share for the year ended 30th June, 1957.

United Motors (India) Limited has reduced the dividend from Rs 2.00 to Rs 1.20 per share for 1957.

In Madras, Aluminium Industries have recommended an interim dividend of 64 per cent on the Ordinary and the new Ordinary shares (allotted on 1st April 1957).

Dhanalakshmi Mills have reduced the dividend from 25 to 10 per cent for 1957.

United Nilgiri Estates have recommended an interim dividend of 5 per cent for the year ended 31st March, 1958.

£ R \$

Balance-Sheet Reviews:

Gillanders Reduce 1956-57 Dividend

DESPITE a rise in sales from Rs 1.39 crores to Rs 1.99 crores, Gillanders Arbuthnot & Company Limited has reported a substantial decline in profits for the year ended 31st March, 1957. The net profit, after providing for Depreciation and Taxation, amounts to only Rs 11,53,857 as against as much as Rs 17,20,481 in the previous year.

Managing agents' commission and allowances have recorded a considerable decrease to Rs 39.03 lakhs from Rs 58.59 lakhs, reflecting the cession of income from those managing agencies for jute, tea and coal, which were relinquished during the year under review and in the preceding year. It appears inevitable that there will be further contractions in the earnings from these sources in future. As the directors are fully conscious of this situation, they have taken action to consolidate the company's position in relation to its managed

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London and Overseas Representatives: Baptist Smith, Keith & Slater Ltd, Napier House, 24/7 High Holborn, London W.C. 1. Telephone: Holborn 5022.

companies and to expand the company's interests in other directions.

The item "Income from Investments" is also shown substantially lower at Rs 5.49 lakhs against Rs 11.79 lakhs, mainly due to the reduction in the dividends received from the tea companies under the company's management. In this connection, the directors state that the outlook for the tea industry continues to give cause for some anxiety.

In respect of allocations to Funds, the directors have, apart from providing a sum of Rs 2.00 lakhs for General Reserve and Rs 1.00 lakhs for Superannuation Fund, raised the Depreciation amount to Rs 2.15 lakhs from Rs 1.82 lakhs. But, the Taxation provision is slightly lower at Rs 12.52 lakhs against Rs 12.83 lakhs. The dividend on the Ordinary shares is reduced to 10 per cent from 16 per cent.

In connection with the relinquishment of the managing agency of the Air Conditioning Corporation Limited, the directors state that the total loss now amounts to Rs 25.64 lakhs, which has been written off.

£ R S

Jogta Coal

The Jogta Coal Company has again passed over the dividend for 1956 despite a substantial increase in earnings. The net profit, after providing for Depreciation, amounts to Rs 66,540 as against only Rs 27,847 in the previous year. The directors have, after setting apart a sum of Rs 60,462 for Capital Redemption Fund, reduced the Depreciation amount to Rs 70,579 from Rs 96,095.

For the purpose of redeeming the Preference shares of the company which will require a total sum of Rs 5.00 lakhs, the directors have transferred Rs 4.40 lakhs from various Funds. This amount, together with a sum of Rs 60,462 out of the profits for the year under review, has been transferred to a special Fund called "Capital Redemption Fund" in order to utilise the same for redeeming the fully paid-up preference shares of the company at the face value thereof.

£ R S

Alkali and Chemical Corpn.

The Alkali & Chemical Corporation has produced excellent results for the year ended 30th September, 1957. After stepping up the pro-

vision for Depreciation from Rs 10.40 lakhs to Rs 12.18 lakhs, the net profit amounts to as much as Rs 36.28 lakhs as against only Rs 29.84 lakhs, in the previous year. The directors have provided Rs 16.30 lakhs (Rs 4.67 lakhs) for Taxation; Rs 2.00 lakhs (Rs 3.00 lakhs) for General Reserve; Rs 6.20 lakhs (Rs 13.64 lakhs) for Dividend Equalisation Reserve; Rs 2.00 lakhs (nil) for Wealth Tax and Rs 5.64 lakhs (Rs 2.25 lakhs) for Deferred Tax liability. The dividend on the Ordinary shares is maintained at 8 per cent on the increased capital. Sales total Rs 2.25 crores against Rs 1.88 crores.

According to the directors' report, production in most units has surpassed all previous records. There were record outputs of Chlorine and Caustic Soda to meet demand, both for sales as such and for the manufacture of Chlorine derivatives. The output of Hydrochloric Acid plant kept pace with the demand. A substantial increase in output and sales was recorded in "Gammexane" formulations. There has been a steady expansion in the demand for the well-known 'Duco', 'Dulux' and ancillaries and the plant has been working at capacity. Very satisfactory sales were achieved in the metal pre-treatment products, which are becoming increasingly popular. For the manufacture of Polythene, delivery of plant and equipment from the UK has started and is reasonably in step with the programme.

£ R S

Ravalgaon Sugar

The Ravalgaon Sugar Farm Limited has also reported satisfactory working results for the year ended 30th September, 1957. The net profit, after providing Rs 4.10 lakhs (Rs 5.07 lakhs) for Depreciation and Rs 8.50 lakhs (Rs 7.50 lakhs) for Taxation, is slightly higher at Rs 13.96 lakhs as against Rs 13.88 lakhs in the previous year.

Other allocations are: Rs 2.75 lakhs for Reserve for special Depreciation and development against Rs 1.43 lakhs; Rs 1.45 lakhs to General Reserve against Rs 2.00 lakhs; Rs 80,000 to Dividend Equalisation Reserve against nil; Rs 2.00 lakhs to Debenture Redemption Reserve against Rs 3.00 lakhs and Rs 75,000 to Contingency Reserve against Rs 1.25 lakhs. The directors have recommended a dividend of Rs 12 per share on the Ordinary shares.

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The Budget and the National Economy

MR NEHRU himself was impelled to say, in presenting the Budget for 1958-59, that it was this year a pedestrian statement. To him also belongs the credit for one of the shortest speeches that have been made on such an occasion. It is for us to examine in what sense and to what extent the description affixed to his Budget by Mr Nehru is correct. This we shall do in the course of this article, though we must defer a fuller study of the Budget, since the relevant papers and documents have yet to be received. If by pedestrian, Mr Nehru wishes to suggest that there is nothing in the Budget which is intended to provoke excitement, none will disagree with him. But this does not mean that the Budget itself is unexciting. The intention may not have been there, but hints are not wanting that, for all the rousing cries in behalf of austerity, economic conditions are so improving as to suggest a more hopeful future. Indeed, it is noteworthy that, in his review of the past year, the Prime Minister paid more than passing attention to the change that has taken place in the economic outlook over the recent few months. Before, however, we take account of this facet of the Budget, we may deal with its core—the new proposals.

The fact is that the 1958-59 Budget is, as compared to the May Budget of Mr Krishnamachari last year, devoid of any sweeping changes. It is, shall we say, a status quo Budget, with minor changes or "such changes as flowed from what was done last year". There is an endorsement of the tax structure created by Mr Krishnamachari, although, "with experience", some changes might be made here and there. The only major measure of new taxation is the Gifts tax; but its imposition had been expected.

On the side of the concessions, the increase in Development Rebate to shipping companies was also expected. Similarly, it had been anticipated that some relief would be given in respect of the Dividends Tax. Other hopes have failed to materialise, and a particular disappointment is that the excise duties on cotton textiles have not been reduced. Does this mean that the Budget will generally be found as being below expectations? We do not believe so, because the concessions that were being talked about were not so much anticipation as wishful thinking. A source of relief must be that new taxes raised amount to a meagre Rs 6 crores, the concession is that changes in the future are not, in the light of experience, ruled out.

We would like at this stage to draw attention to a speculation that had been mooted in some circles that it would be desirable to do away with the Expenditure Tax, because it did not serve a useful purpose since its realisations were so low; and, for the same reason, it was thought in certain sections that Wealth Tax, too, was not in Indian conditions necessary. This is a way of thinking that has been completely scotched by Mr Nehru. The intent of the two new taxes imposed last May and of the Gifts tax levied this year is not merely that they will bring in revenue to Government; the main objective is that an integrated structure of taxes be created, in which, with the existence of numerous check-

points, the scope for evasion would be minimised. The honest tax-payer should not resent, but indeed welcome such imposts. For, there is now reasonable hope that, as the system of checks begins to function efficiently, and as the extent of evasion becomes less, tax revenues would improve and so pave the way for the reduction in the income-tax rates that Mr Kaldor had postulated in his Report. It is no use bemoaning the fact that, while Mr Kaldor's suggestions of new-fangled taxes have been accepted and implemented, his recommendation of a 45 per cent maximum on income tax rates is a far cry from the existing 84 per cent. For, it was not to be expected that Government would sacrifice their revenues in the hope that, as a consequence of a lowering in the tax rates, there would be more honesty in the payment of taxes. Indeed, if revenues improve in the future, it would be because evasion would have been rendered difficult, not because of any improvement in the honesty of the tax-payer.

Thus, the "pedestrian" Budget of Mr Nehru assumes an importance by virtue of the fact that it completes the integrated tax structure that Mr Krishnamachari last year set about bringing into being. It is important, also, because it may prove to be the turning point in Indian taxation; for the future, we have to wait for the enforcement of the laws, for the gradual banishment of evasion, so that in

Revenue

	(In lakhs of rupees)	Revised Budget	Budget
		1957-58	1958-59
Customs	...	183.00	170.00
Union Excise duties	...	264.55	301.93
	Surplus	...	2.83
Corporation tax	...	50.50	55.50
Corporation Taxes on income other than Corporation tax	...	82.47	84.58
Estate duty	...	12	12
Taxes on wealth	...	9.00	12.50
Taxes on railway fares	...	3	7
Taxes on Expenditure	...	...	3.00
Taxes on gift	...	...	3.00**
Opium	...	3.28	2.87
Interest	...	6.15	6.60
Civil administration	...	56.79	44.24
Currency and mint	...	36.84	36.62
Civil works	...	2.78	2.87
Other sources of revenue	...	21.56	32.93
Posts and Telegraphs—			
Net contribution to General revenue	...	1.23	2.34
Railways—			
Net contribution to General revenues	...	6.33	7.04
Total revenue	...	724.63	763.16
	Plus 5.83**		

**Effect of budget proposals.

Expenditure

	1957-58	1958-59
Direct demands on revenue	62.97	94.45
Irrigation	10	13
Debt services	37.44	40.00
Civil administration	194.71	200.44
Currency and mint	7.25	8.50
Public improvements	16.23	18.71
Pensions	9.36	9.40
Expenditure on displaced persons	22.33	20.48
Other expenditure	42.63	50.83
Grants to States, etc.	47.26	47.03
Extraordinary items	13.15	28.40
Defence services (net)	266.05	278.14
Total expenditure	719.58	796.01
	+5.06	-27.02

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

due course the burden falls less heavily and unfairly on the honest tax-payer. But we should not make the mistake of expecting such reliefs within the period of the Second Plan. On the one hand, it will be inexpedient, since, with a socialistic pattern of society as their objective, Government could not effect such reduction in taxes as will appear to the general public as pampering of the haves. On the other hand, at the present stage of development, Government can afford no such loss of revenue.

Usually, of the two parts of the Budget,—the review of economic conditions and the new tax proposals—the importance naturally attaches to the latter. But, in the current year, the roles have been reversed. Mr Nehru has noted that, in recent months, "some" improvement has been discernible in the economic conditions. We would like to suggest that he had unnecessarily underplayed the extent of the change for the better. These improvements may be first listed.

The most important gain to the economy is the downward trend in prices. The index number of wholesale prices was headed dangerously upward from the beginning of the Second Plan, and by August 1957, it had touched a peak of 112. Today, the index number has declined to 105. Mr Nehru attributes the improvement to various measures to hold the price level, and also to a better supply position.

While it is true that, over the same period, other countries in the world had also experienced a decline in prices, after a bout of inflationary pressures, there are two important differences as far as India is concerned. In the first place, the inflationary pressures in this country were derived, at least in part, from the very substantial deficit financing that we had to have recourse to. It is now learnt that, in the first two years of the Second Plan, deficit financing has been of the order of Rs 600 crores. In such conditions, it was inescapable that an impetus was given to higher prices. In the second place, in the face of such inflationary pressures, the steps taken by the monetary authorities have been distinctly different from those taken elsewhere. The institution of a policy of selective monetary control was taken in hand; and such a policy was imperative in Indian conditions, because it was not open to us to impose a blanket credit squeeze. For, development could not be impeded. The evolution of such quantitative and qualitative control over the money market is of especial significance in that, while inflationary pressures have been turned back, no obstacle has been placed in the way of development and increasing production. In brief, Indian monetary policy has proved that, given the vigilance and the determination to take effective steps, the inflation implicit in deficit financing can be kept in check; and this means that, for a country in the process of industrialisation, planned deficit financing need not be avoided as having in it the seeds of runaway inflation.

Secondly, the money market itself is showing an improved countenance. Mr Nehru has stated that expansion of money supply and bank credit has been brought under control. Properly speaking, the sense in which this

is to be welcomed is that bank advances to sectors of the economy wherein prices tended to be upward have, by selective monetary control, been restrained. Again, it is the fact that the resources of the banking system have risen substantially which, from the point of view of the money market, is heartening. Mr Nehru made a reference to this fact as well, but let us explain what its significance is. If control is being wielded upon advances, such that bank credit is available only for productive purposes, and if meanwhile the resources of the banking system are rising sharply, it means that banks will have extra resources which could be, and indeed will need to be, invested in giltedged. So, the improvement in the money market signifies a more favourable reception to Government's market borrowings.

Thirdly, the foreign exchange situation is, after eighteen months of continued strain, in sight of a more hopeful outlook. Mr Nehru made pointed reference to the fact that the drawal on the Reserve Bank stands reduced from a monthly average of Rs 36 crores to less than Rs 3 crores a week. This is due to the steps taken by Government to arrest the drain, but the problem remains as to the manner in which the foreign exchange gap for the Second Plan is to be covered. Here, too,

West Bengal's Budget

A DEFICIT budget is always an exciting document, almost like a thriller, except that the denouement is known well before the details. West Bengal's 1958-59 budget is a deficit one in line with its several predecessors, but before we proceed to examine it, it would appear useful to go a little backward to obtain a correct perspective. Since the partition, this State has had to face tremendous financial difficulties, often hard put to it to keep the pot boiling. In 1948-49, the State's revenue income stood at around Rs 32 crores while its expenditure was of the order of Rs 29 crores. Both sides of the ledger have since shown more than a cent per cent increase, the revenue income, as in the budget presented, being Rs 68.87 crores and the expenditure, Rs 72.69 crores. The moral? Once in the enjoyment of surplus budgets, the State has now the right side of its account heavily marked in red. But there is more to it; the State's economy is far from moribund. True, its expenditure exceeds its income, but it happens because, like a bold entrepreneur who borrows to expand and increase the income of his establishment, the State Government are embarked upon a programme of progress.

The State budget's principal relieving feature is, of course, that there is no proposal for fresh taxes, obviously because there is hardly any room for any. The 1957-58 budget exhausted the last remaining sources of taxation by enhancing the sales tax and instituting the entry levy. The net deficit of the current budget is Rs 1.76 crores, by no means a large one for a progressive State

Mr Nehru dwelt at some length. In expressing his gratitude for the assistance that has been forthcoming from friendly foreign countries, Mr Nehru has given an idea of the expectations of aid in the Budget year. Whereas, last year, foreign assistance was for a total of Rs 463 crores, credit has been taken in the Budget for Rs 325 crores. The USA, the USSR, the UK, West Germany, France and Japan, in addition to such sources as the World Bank, are expected to extend credits or assistance during 1958-59. It would seem to us that, by these means, the gap in foreign exchange has been largely covered.

However, imports must continue to be kept at a minimum, and efforts at increasing exports have to be intensified. It is in this light that the prospect before Indian industry may be said to be very good during the Budget year. For, it means that the responsibility of indigenous producers becomes magnified, since they will be called upon to meet the rising demand internally as well as to augment foreign exchange earnings. Since, meantime, prices have assumed stability, the economic conditions would favour further development. Thus, in the final analysis, it is the improvement in the internal economic conditions which must be said to be the most hopeful thing about Mr Nehru's Budget for 1958-59.

like West Bengal.

State Finance Minister Dr B. C. Roy's criticisms of the Central assistance and the Second Finance Commission's recommendations in the matter of allotment of Central taxes to West Bengal seem highly pertinent. Apart from the general tardiness of Central loans and grants-in-aid, Dr Roy points out that the Union Government have been charging exorbitant rates of interest on loans to the States, frequently far higher than the former pay on their borrowings from foreign countries. Another difficulty is presented by the rehabilitation loans from the Centre. The State is asked to repay these on realisation from the refugees.

For this State the unemployment problem is a specially harassing one. The Government must continue to do everything possible to control it, even though this means a good deal of non-productive investment. Expenditure on productive investments, even when excessive, does no great harm. For, after a period, the income more than counterbalances the expenditure. But non-productive investments have to be maintained as a purely social service measure, and the State Government have been incurring substantial debts on this account from year to year and at high rates of interest payable to the Centre.

Finally, it is obvious that the State Government will have to rely largely upon public loans and the Small Savings Scheme. As for the latter, there is no sign that one sees of any active interest shown by the Government in carrying on an energetic campaign.

The Future of Trade Unionism

By M. SUR

THE history of trade unionism in India in recent years has been one of uneven development and many contradictions. Trade has been a great increase in the number of unions and their membership, but little real consolidation and growth of national unions. The principle of compulsory recognition of trade unions has been on the Statute Book since 1947, but has never been enforced. Mushroom unions and union rivalry spring up everywhere; disputes are raised against management which are really disputes between unions; agreements made with one union are

turned up by another; and there is a great outcry from management against multiplicity of unions. These are the symptoms of the present malaise in industrial relations.

Opinion now seems definitely to be crystallizing in favour of action to establish a single representative bargaining agent in each industrial unit—to borrow the jargon of American industrial relations. At an interesting conference of labour and welfare officers drawn from both the public and the private sectors, held in Delhi last week by the Indian Institute of Personnel Management, it was remarkable

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that speeches prepared for different sessions of the conference by the President of the Hind Mazdoor Sabha and the Labour Adviser of a large employers' association put the same point of view on this subject, and this was accepted without a dissentient vote from more than 150 delegates. They agreed that the time had come to take steps, if necessary by legislation, for the recognition of a single collective bargaining agent in each unit, both as a means of preventing indiscipline and of promoting negotiation and joint consultation in industry.

Mr S. C. C. Anthoni Pillai, President of the Hind Mazdoor Sabha, was outspoken in his criticism of trade unions at the present time. He admitted that they were weak and said the first essential for developing direct negotiation and joint consultation was a strong trade union. He did not think that the stage had been reached when workers' participation in management could be realistically discussed—certainly a bold admission. One of the difficulties, he said, was a dearth of good trade union leaders, and he deplored the fact that union leaders at present were being forced to think more of the reactions of their rivals than the achievement of a reasonable settlement. "Bitter experience" he said, "has shown that negotiations cease to be honest and straightforward when there is a multiplicity of rival unions. None of the rival unions will dare accept a good and realistic offer of a concession to conclude an agreement, lest a rival make a bid to canvass support for a still higher claim." He was strongly of the opinion that the country could not afford to wait for the natural development of strong unions, and maintained that it was absolutely essential that one trade union should be recognised as the bargaining agent in each unit and that where there were rival unions a ballot should be taken among the employees.

The Labour Adviser stated his case as follows: "It is worth considering whether the Trade Union Act should be suitably amended to give the status of bargaining agent only to a union having sufficient majority amongst the workers. It is desirable that for one unit there should be one bargaining agent which should be voted to power for a limited period, and if its authority is not challenged it should continue to remain in power."

A few years ago there would not have been unanimity among labour officers on the subject of recognition of trade unions and of a single bargaining agent, but many labour officers now know the frustration of attempting to build up sound industrial relations with rival unions around the corner. A case was quoted of a large engineering concern which had a recognised union whose efforts had achieved very substantial results for the workers, but certain outside trade unionists became jealous of its success and tried to force outsiders on the committee. When this was turned down by a vote of the workers, other means were attempted to undermine the recognised union, and eventually a minor cause of discontent in a particular department was fanned until it broke into an open riot, and fighting between the rival unions. Similar examples can be multiplied from many parts of the country.

There are still, it is true, many employers who do not recognise trade unions in their concerns. No jute mill has a recognised union, although discussions with the unions take place at the level of the Indian Jute Mills Association. Other companies may recognise their unions but give them little chance to function effectively.

There is no doubt that at first when rival trade unions began to spring up many employers thought this an excellent opportunity for applying the old adage "Divide and rule"; but they have found that this does not work in the present day. Fifteen employees can get themselves registered as a trade union, but

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they can also raise a dispute and have it referred to adjudication, despite the existence of an agreement with another recognised union. "Divide and rule" has not helped the employers; the unfair labour practice of intervention in trade union affairs and encouraging rival unions has returned like a boomerang. Those employers who have tried to play fair and to negotiate honestly with their recognised unions have found themselves also accused of unfair labour practice. The more successful negotiation in the past, the more often settlement has been reached by collective bargaining, the more easy is it for a rival union to raise the cry of 'dalal' or 'stooge' against the recognised union. And eventually such propaganda has its effect, for after all the employees do not really know what goes on behind the doors of the joint conference room, and they have a suspicion of their own leaders as well as of authority—the suspicion, born of ignorance, of the illiterate for his more fortunate, lettered friend, even when the latter comes from his own class, and when, as so often happens, he comes from a different class, the suspicion is heightened.

Out of this present chaos opinion is definitely veering towards appreciation of the need for strong, national trade unions. Strong unions may mean harder bargaining, but at least they will introduce an element of stability and bring with them a sense of responsibility for carrying out agreements fairly negotiated. They should prevent such sad spectacles as that witnessed at the Engineering Tribunal in Calcutta last week of a trade union president calmly arguing that the recent agreement which bore his signature did not mean that the union had settled their dispute with the company, and that they now preferred to refer the dispute for adjudication.

Opinion is still divided on whether the recognition of a single bargaining agent should be made compulsory by legislation or achieved in other ways, but the Labour Minister can rest assured that action taken towards this end will have the backing of experienced labour officers throughout the country and of many employers also, although others may shake their heads over it. After all, when we have reached the stage of experimenting in workers' participation in management, it is high time that unions were recognised in all industries.

The conference referred to had before it consideration of two main questions: discipline and grievance procedure; and means of developing direct negotiation, joint consultation and co-operation in industry. Both discussions led the delegates back to the need for stronger trade unions, and the third session, which took the form of a symposium on "My Approach to Industrial Relations", approached the same point from a different angle. In a friendly sparring match between the present Union Labour Minister and Mr V. V. Giri, former Labour Minister and present Governor of Uttar Pradesh, the latter took up the theme which he has been consistently urging in recent years that "if you want to have good industrial relations; if you want differences and disputes to be settled at the level of the industry, adjudication has no place. Adjudication should be taken out of the statute book, otherwise there can never be an abiding settlement in trade disputes.... My feeling is that so long as there is adjudication and compulsion in the statute book, strong unions will not come into existence."

Mr Gulzarilal Nanda, who was in the chair, could not resist a humorous dig at his former colleague, when he pointed out that "a Labour Minister cannot take the risk which a person who is not a labour minister at the moment can do. Other persons have been labour ministers, but they did not take that risk then." He then went on to explain that in his

view a strong trade union movement should come into being first before government could take the risk of abolishing compulsory adjudication. At the moment trade unionism had not yet reached that stage of maturity. "Trade unionism, in spite of adjudication, is becoming stronger," he said, "but still for its strength and sustenance it depends upon incitement for getting the support of the workers." If one union came to an agreement with the employer for a 5 per cent increase, another union would say that they should have got 10 per cent. Till workers' education had reached a point where they could understand these things, it would be difficult for the State to keep aloof from industrial disputes. Mr Nanda also pointed out that in 99 per cent of the cases the reference to adjudication came from the workers; if the Government were to take this machinery away, it would be said that it was being done merely in order to help the employers.

It is certainly a quandary. Most people with experience of industrial relations deplore the tendency to rely upon compulsory adjudication, and agree that it is weakening the trade unions; yet Government dare not abolish the system because it is the unions in their weakness who wish to retain it. Yet it is compulsory adjudication in its present form which encourages rival unions. The problem is like that of weaning a baby away from the use of the unhygienic rubber 'comforter'. It has to be done gradually, otherwise the infant will howl. So some intermediate measures must be found.

Mr Nanda said he was quite prepared to make an experiment, and he suggested placing before the next Indian Labour Conference the suggestion that Government should not use its powers of referring disputes to compulsory adjudication for a period of six months and see what happened. He dared not abolish the system at a single step because that would lead to a state of anarchy and might undermine the country's industrial development. He also suggested that a trial might be given to Industrial Courts on the British model whose decisions would not have the force of law but would depend upon the power of public opinion for their enforcement.

A Great Man Goes

MAULANA Abul Kalam Azad's death last week has cast a gloom over the country. He was not merely a great Muslim, he was a great Indian fashioned in a mould which is seemingly fast going out of vogue. It will be off the mark to pretend that he was among the most popular of our leaders. He was not, despite the fact of his uncontested return in the last general election, which it would be more correct to attribute to the Congress's apparently undamaged prestige in the North than to any personal magnetism on the Maulana's part. He represented a paradox in Indian politics where it is well-nigh impossible to strip a person of his popularity to obtain his true measure. He was not a mass man and yet a great leader, a type that democracy tends to eliminate everywhere. He was a leaders' leader, a Triton among the Tritons.

He was a scholar, a man of refinement and a lover of the good things of life which, for him, comprised a long list covering everything from the creature comforts to communal harmony. Not a touch of petty puritanism about him with all its paraphernalia of hardwood bed, hair shirt and grumpy penny-pinching. He saw no necessary relation between a well-furnished mind and dowdy dress or a lack of savoir faire. He was a flower of Islamic culture at its Mediterranean best. A good liver with moderation as his

It was not suggested, though it might very well have been considered, that Government should advise the Labour Commissioners to use their powers of reference sparingly. The Labour Minister of the former Travancore-Cochin State frequently refused to refer cases to adjudication when he felt they were insufficiently urgent. The Kerala Government have announced their intention of using the machinery sparingly. Unfortunately the weak position of conciliation officers in the main industrial areas, confronted with rival unions, attacked from all sides as partial and with insufficient backing from their ministers, has led them, like the trade unions, to lean on the support of compulsory adjudication. If the Labour Commissioner's authority to say "this is a dispute which can and should be settled by the parties themselves, instead of by adjudication" was in some way strengthened, it would be a step in the right direction. It is the general impression that as soon as conciliation proceedings break down the case is automatically referred to adjudication, and so both trade unions and employers pay but perfunctory attention to conciliation proceedings. The Industrial Disputes Act does not require the Labour Commissioner, except in the case of essential services, to refer a case to a tribunal on the breakdown of conciliation proceedings. The operative word in the Act is "may", but in the minds of the parties this is assumed to mean "shall". If there were some doubt about the ultimate reference to adjudication, greater efforts would be put into the task of finding an agreed settlement.

Though most people are afraid to go as far as Mr Giri, the time does seem ripe for making it more difficult to go to the industrial courts. One way might be to make a distinction between quasi-judicial cases, such as claims of wrongful dismissal, and cases for arbitration such as claims for increased wages, bonus, etc. If the unions are to learn to stand on their own feet, they must achieve results by bargaining in the latter cases. In the former cases, however, since much of their support depends on being able to back the individual who loses his job for whatever cause, we may for the present have to continue to send these cases to adjudication.

key-note, he died a fitting death, involving the minimum of suffering—a denouement full of poetic justice such as nature rarely provides.

One of the severest tests of culture is that it should be able to pass through fire without reeking of smoke afterwards. Of this ability, the Maulana gave ample proof. The hazards of a hectic political existence in a country in the bonds of slavery, repeated spells of imprisonment, personal bereavements—he had a full share of them all, yet he remained wonderfully unsoured, his personality enriched and intensified by his experiences. Of the role he played in the country's fight for independence, it should be enough to say that few had such a difficult task to perform. Being a Muslim, he had perpetually to walk on a razor's edge and he often got nasty cuts, mostly from his own co-religionists. The Leaguers had attempted to make him out, man of steel as he was, a wax-doll in the hands of the "Hindu Congress", and whenever he retorted, he did so with cool dignity, never flinging invective for invective. It was an act of supreme self-sacrifice on his part when, at the clamour of the Leaguers, he gave up his right as the Imam of Calcutta to address the Id gathering on the maidan, and he did it without the least fuss. No wonder, although he was no popular hero, millions are mourning his death.

create a slump scare have not met with very much success so far.

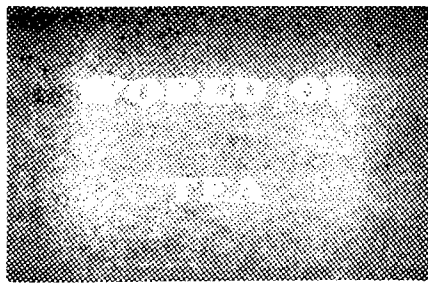
At the time of writing the British official policy continues to favour resistance to inflation. There are no indications of a softening of the British monetary policy. This is all the more remarkable as inflationists in Britain are incomparably more vocal than their opponents. A large number of well-known economists have publicly advocated abandonment of resistance to inflation, while most of those who are against such a change of policy are reluctant to commit themselves in public. The whole of the Socialist Opposition in Parliament and in the country have thrown their weight into the balance on the side of inflationists. A large section of the British Press is either neutral or is inclined to flirt with inflationism. Even among Treasury officials there are many who would prefer to take the line of least resistance.

As and when the gold reserve will increase during the next few months pressure on the Government in favour of adopting a more popular monetary policy is bound to gain in strength. Yet whatever the balance of arguments may be in the United States, there is no case for replacing disinflation by reflation in Britain. An increase in productive activity in the United States is liable to reverse the downward trend of world commodity prices. On the other hand, the extent to which a relaxation of the credit squeeze in Britain would increase world demand for commodities would be much more moderate to be a decisive factor in the world trend.

There is everything to be said against the abandonment of fight against wage inflation in Britain. For that fight has not been altogether without results. There have been no major wage increases since last summer, and major wage demands are pressed very half-heartedly by the trade unions. They are beginning to believe that the Government really means business this time, and most trade union leaders are reluctant to precipitate a major showdown. The moment the Government were to show signs of weakening in its determination to fight the battle to a finish, the trade unions would feel encouraged to press their claims with vigour and determination.

Having regard to the stability of wages during the last six months, it may well be asked why the trade unions refused to agree to a wage freeze six months ago. Had they consented to a six months' wage freeze in August there would have been no need for an increase in the bank rate to 7 per cent. If, having learnt their lesson, they were to consent now to a six months' wage freeze, it would be possible to lower the bank rate and relax the credit squeeze. But British trade unions, like their counterparts in the United States, are too much under the influence of their "Fools' Paradise Economics" favouring a non-stop rise in money wages to be willing to consider such a course.

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Prospects for Next Season are Better

TEA is selling quite well at all the main auction centres. There is some irregularity at times; but, where quality is maintained, prices are generally maintained or a little dearer. Dealers do not expect prices to show much change for the rest of this season, provided the Colombo unrest does not flare up again.

A noteworthy feature of the current season is, that, for the first time in some years, a fairly close balance between supply and demand has been achieved. It is, therefore, hoped that the next season will start reasonably well. It is generally felt that the limit of production has been reached in Ceylon and it will not be surprising if her output, this year, falls short of last year's total.

As far as North India is concerned, an expansion in output is likely in view of the areas newly planted. A section of the trade has the feeling that the effects of the past year's drought may reduce production, while some estates may not be able to obtain their full requirements of artificial manures in view of the foreign exchange shortage.

There is also a general feeling that the output as well as exports from Indonesia may suffer in view of the uncertain political situation there. But, East Africa is expected to produce as much as she can, as production costs in that area are lower. It, however, appears that Indian tea will be advantageously placed if the domestic markets are properly expanded.

In the Export Sale held in Calcutta this week, offerings were 59,919 packages. Although there was a fair demand, price movements were rather irregular due to lack of consistent support. Commons, Low Medium Broken and Fannings declined by 4 to 6 nP per pound, while Clean Black ones, especially the Fannings as well as the leafy BPs, were frequently dearer. Low Medium BOPs and OFs were about steady; but the brighter liquoring ones were strong and tended dearer, especially the OFs.

Good CTC sorts were readily taken up by the buyers at or about 10 nP below valuations, while the best in this category were strong and sometimes dearer. The poorer types were rather irregular and there were some withdrawals, too. Plain legg-cut teas were about 4 to 8 nP easier; but the brighter liquoring types were sold well and were often

dearer. Whole Leaf grades were about steady.

Darjeeling teas met with fair demand, especially those with flavour or attractive leaf appearance which were generally sold above valuations. Following rates were quoted:—Clean Black Pekoe Rs 2.25; Plain BP Rs 1.48 to Rs 1.52; Plain Fannings Rs 1.56 to Rs 1.60; Medium BP Rs 1.56 to Rs 1.60; Medium Fannings Rs 1.74 to Rs 1.78; Best Assam CTC BP Rs 2.70 to Rs 2.90 and Medium Fannings Rs 2.80 to Rs 3.00.

In the Internal Sale, offerings amounted to 19,663 packages of Dusts for which there was a better general demand than last week and prices for all descriptions, except the plain CTC types and Darjeelings without flavour, were dearer. There was improved enquiry from the Middle East buyers this week. Doors and Assams of orthodox manufacture, when they had clean black leaf appearance, were generally dearer, while the remainder were firm.

Good liquoring CTC types were about firm, while the best were occasionally dearer; but the plain liquoring kinds were easier. Following rates were quoted:—Medium Doors Dust Rs 1.60; Medium Assam Grainy Dust Rs 1.62; Medium Assam CTC Dust Rs 1.75 to Rs 1.95 and Best Assam CTC Dust Rs 2.80 to Rs 3.10.

Also, 3,352 packages of Leaf grades were offered for internal consumption. There was a good general demand; but prices were irregular and occasionally in buyers' favour.

In the Export quota section, rates moved between 4½ and 7 nP per pound and business was reported done between these levels. At the close of the week, the rate was quoted at 6 nP per pound.

In the Colombo market, offerings this week were 6,723,836 pounds. There was a strong general demand with best liquoring Broken dearer on quality; but below the best were rather irregular and generally easier. Small Leaf low-grown were 5 to 10 cents per pound easier; but Persian Gulf types were firm as the sale progressed. Better liquoring and bright Fannings followed the trend of Broken; but Medium types were somewhat firm to dearer. At the close, the sale of the Middle East teas registered firm to dearer prices; but a firm demand prevailed for other teas, which were irregularly easier. All centres operated quietly with no Russian interest evident.

Although the movement of tea in the Colombo Port has somewhat improved, the market there is still affected with uncertainty about the export duty and the basis on which it should be levied. Crops are slightly lower than in the previous year; and there is no immediate prospect of fine quality tea being available.

In the Cochin market, about 1,300,000 pounds were offered. There was a very useful all-round selection, particularly of high-grown teas. Low Medium and Medium teas met with a useful enquiry at 5 to 10 nP per pound below last rates. Good Medium

teas and best liquoring high-grown encountered some competition and, although rates were often below valuations, they were above last prices. There was a rather better demand for high-grown Fannings. There was a strong demand for Whole Leaf grades at dearer rates. The next auction will be held on the 4th March.

In the tea sale held at Chittagong, offerings were 13,326 chests of Leaf grades and 3,467 chests of Dusts. With a few exceptions, the offerings of Leaf grades were a dull end-of-the-season lot. Demand, although irregular, improved as the sale progressed and, at the close, bidding was fairly brisk. The weakest feature were Fannings, which shed about As 3 per pound, while the Commonest sorts were frequently down by As 4.

There was an irregular demand for all sorts of Dusts. The leg-cut varieties and quality teas were well supported, selling around valuation and sometimes a fraction dearer. The remainder were, on the average, an anna per pound easier. Plain Sylhet Dust was quoted at Rs 2-5-0 per pound.

The polished grades of Green teas, on offer, were readily sold at around As 2 to As 3 per pound below last rates; but the offerings met with keen competition at or even valuation. The next sale will be held on the 12th March, 1958.

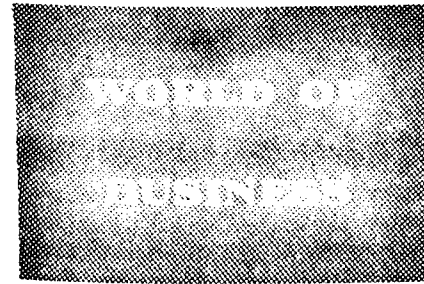
In the Djakarta market, offerings were about 1,500 packages. Demand was again good for all good liquoring teas; but, due to the continued scarcity of offerings, only a small quantity of sales was recorded. Good Medium to best quality Broken changed hands at higher rates, while lower kinds also shared in the general advance. Leaf grades continued to meet with a good enquiry, although no sales were recorded so far. Dusts, with the exception of high-grown, were a quiet feature.

In London auction, offerings were 23,522 packages including 19,235 packages of Northern India and 966 packages of Pakistani teas. The market proved generally strong, especially for colour Fannings and Orange Fannings. Thin liquoring Assams were sometimes easier to buy; but this weakness was lost in the keen tone of the market. The few invoices of Doors with cold-weather flavour were sold extremely well and prices realised were above broker's valuations. Good demand for clean plain teas was still evident and no quotable change in the price was recorded.

Stocks in London, as on the 14th February, were 123.58 million pounds as compared to 120.56 million pounds in the previous week and 83.48 million pounds a year ago. Landed between 8th and 14th February were 13.81 million pounds, while deliveries were 10.80 million pounds. Total afloat was 39.32 million pounds including 30.59 million pounds from Calcutta; 347,380 pounds from Chittagong; 2.19 million pounds from Cochin; 3.52 million pounds from Colombo and 2.68 million pounds from other Ports.

Indian Finance

March 1, 1958



Budget of Calcutta Port for next year

THE Commissioners for the Port of Calcutta have presented their Budget Estimates for 1958-59, and the position was particularly clarified by a Note very ably drawn up by the Chairman, Mr R. K. Mitra. In drawing attention to the Revised Estimates, which show a distinct improvement in revenue, Mr Mitra has pointed to the difficulty of assessing with any degree of accuracy the tonnage that is likely to be handled by the Port, in view of the uncertainties in imports as a result of the tight foreign exchange position. Indeed, it was caution arising from this recognition of a difficult foreign exchange position which led to the conservative estimates drawn up in the Budget for 1957-58. The Revised Estimates for the current financial year disclose that tonnage handled by the Port exceeds the original figure by 1.7 million tons to be placed at 10.1 million tons. Foodgrains and flour account for an increase of 300,000 tons, ores contribute another 300,000 tons, coal handled has risen by 200,000 tons, movement of petroleum and lubricating oil was higher by 150,000 tons and other cargo, especially iron and steel and machinery, was placed at 800,000 tons higher. It is expected that tea exports would be 15,000 tons lower, so that the net increase in cargoes handled by the Port would work out to 10.1 million tons.

This has naturally had a favourable impact on the revenues of the Port. As against the Budget figure of Rs 10.15 crores, it is now expected that revenues will amount to Rs 12.20 crores. It is heartening to note that, while such a favourable turn has been experienced in revenues, the Commissioners have succeeded in having a rigorous control upon expenditure. For, the Revised Estimates of expenditure are merely Rs 29.29 lakhs higher at Rs 10.82 crores. Such a net increase has taken place after a number of adjustments, among which the most important may be mentioned. On the one hand, the heads under which increases in expenses occurred totalled Rs 80.40 lakhs, the main rises having occurred under dearness allowance (Rs 11.50 lakhs), maintenance and repairs (Rs 11.75 lakhs), miscellaneous (Rs 35.22 lakhs) and interest and sinking fund charges (Rs 9.55 lakhs). This was largely offset by decreases under other heads for a total of Rs 61.11 lakhs, this being rendered possible mainly by a

decrease of Rs 45.65 lakhs under Labour. In the result, the expenditure of the Port showed a net increase of Rs 29.29 lakhs.

Thanks, however, to the very substantial increase in revenue, 1957-58 is expected to produce a surplus of Rs 1.38 crores as contrasted with the Budget deficit of Rs 39.97 lakhs. The Chairman has indicated that the original estimates "were prepared on a conservative basis keeping in view the possible fall in imports as a result of the difficult foreign exchange position".

As far as the Budget Estimates for 1958-59 are concerned, the Chairman qualifies his remarks with the statement that, because of the severe restrictions on imports, "it is difficult to forecast with any degree of accuracy the probable trend of trade during the coming year". Nevertheless, the present estimates indicate that the tonnage likely to be handled by the Port during the Budget year would be 10.7 million tons. The anticipated revenue is Rs 11.97 crores, and the expected expenditure is Rs 11.16 crores, so that the anticipated surplus is Rs 80.90 lakhs.

But, mindful of the foreign exchange difficulties, Mr Mitra advocates "rigid austerity as in the previous years on all items of Port expenditure". Nevertheless, the Port is doing its bit to ensure that it will be equipped to facilitate the handling of developmental cargo that has to pass through Calcutta. To this end, the Port has its own Second Five Year Plan schemes. Thus, in the matter of capital expenditure, work in progress and firm contractual commitments for 1957-58 are placed at Rs 3.28 crores, of which Rs 2.96 crores relate to Second Plan projects. This expenditure is to be met partly from the Rs 1.40 crores brought forward from the previous year, and the balance will be secured as to Rs 1 crore by loan from Government and as to Rs 1 crore by contributions from revenue out of the year's surplus. It is also noteworthy that, during the current year, the Commissioners floated a 30 year 4½ per cent Loan of Rs 1.24 crores for repaying uncanceled debt against the 5 per cent 1927-57-87 Loan of Rs 1.5 crores.

Estimates for the capital budget for 1958-59 place expenditure at Rs 5.43 crores. Moreover, expenditure on unsanctioned capital works is put down at Rs 1.47 crores. On this basis, Mr Mitra remarks that the Commissioners will need to have recourse to Government for Rs 6 crores. Moreover, a loan of Rs 1.3 crores is to be raised for repaying uncanceled debt against the 5 per cent 1928-58-88 Loan of Rs 1.5 crores. Lastly, the capital account is to close at a credit balance of Rs 20.89 lakhs.

Altogether, the Calcutta Port Authorities are to be congratulated for having risen commend-

ably to the occasion in tackling the onerous responsibilities posed by the Second Plan. Its past performance should not, however, permit complacency to creep in. The tasks in the future are going to be as arduous and the Calcutta Port will have a busy time. But we cannot help wondering whether the creation of a subsidiary port at Geonkhali, under the direction of the Commissioners for the Port of Calcutta, will not go a long way in solving the problem of congestion of cargo at this major port.

★

"The Philosophy of Despair"

When, in August last year, the UK Government set up a Council on Prices, Productivity and Incomes, trade unions were apprehensive that the newly created body would view wage increases with a jaundiced eye. That apprehension has more than materialised, for, in its first Report issued last week, the Council has reached certain conclusions none of which will find favour from the trade union or labour point of view. While there can be no disputing the need for stopping inflation, the method by which such an end is to be consummated, at least as suggested by the Council, is likely to arouse a bitter controversy. The Council says, in brief, that the crux of the inflation threatening the British economy lies in untoward wage increases. So, it has recommended that wage increases should be kept to the minimum. Here, again, it must be conceded that, other things—especially production—being static, higher wages must be resisted. But, surely, the Council has gone too far in stating that wage increases should not necessarily be linked with cost of living or—and this is what is questionable—productivity. For, the linking of wages to cost of living can act as a continuing inflationary spiral. But, if there is an improvement in productivity, it is hardly equitable to deny a part of the benefit accruing therefrom to labour. Not content with this, the Council has also indicated that it could not at the present time recommend physical controls over investment, or controls over prices, or subsidies, or limitation of dividends. This, of course, is likely to exacerbate labour grievances. Is it just that higher productivity should pave the way for a stepping up in the dividend rate, but that it should not necessarily be grounds for a wages claim? Small wonder, therefore, that the Report, approving as it does the Government's "tough" money policy, should be considered by union leaders as being "archaic, out of touch with modern times and the philosophy of despair".

At one time, it was thought that the exit of Mr Peter Thorneycroft signified a change in Government economic policy. But it now appears as if, under New Management, the Enterprise is to be conducted as before. Plus ça change, in other words, plus c'est la même chose.

Jay Engineering Works

THERE is an implication in the decision to raise Indian steel production to 6 million ingot tons, which, we are afraid, tends generally to be overlooked. That is, that, unless auxiliary industry is also set up, we may have a surplus in steel, notwithstanding the demands arising from such sources as the Railways. Of course, such surplus availability could always be exported, but, surely, it should be the objective to export finished goods rather than raw materials. To this end, it is clearly desirable that the so called light engineering industry should be given every initiative to develop.

On the part of the industry, it is heartening to note that there is to be discerned a resourceful attempt to add to productive capacity. Details were available last week of the steps taken by one important unit, the Jay Engineering Works.

The Planning Commission have estimated the probable demand for sewing machines by the end of Second Plan at 300,000. Manufacturing licenses given by Government cover this target, and the Jay Engineering Works, it is intriguing to note, have received permission to increase their capacity to 300,000 from the present 120,000.

In regard to another light engineering product, electric fans, the Development Council found it necessary to raise the target for the Second Plan from an annual rate, originally fixed, of 600,000 units to 900,000 units. This is because, in addition to rising internal demand, an export market is also being built up slowly.

Jay Engineering can take legitimate pride in the fact that they figure as a worthy earner of foreign exchange. Exports of fans by the company last year fetched over Rs 18 lakhs; and the prospects, of course, are that overseas demand—on the basis of the very satisfactory quality of Indian fans—will rise considerably.

In respect of sewing machines, exports by Jay Engineering fetched in Rs 8 lakhs in 1957. Present indications are that exports may increase sevenfold; and so too, naturally, exchange earnings.

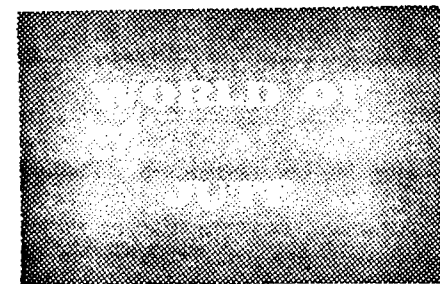
It is units like Jay Engineering which have to be afforded every incentive to add further to manufacturing capacity.

★

Scope for Further Progress

Perhaps there are very few industries in the country which could stand comparison with electrical engineering industry in point of performance during the course of the last few years. The industry at the beginning of this decade occupied an insignificant place and filled up only a fraction of the demand for electrical goods in the country.

The remarkable progress made by the industry would be best appreciated if it is put in terms of figures of production in the two major lines of activity with which



Pakistani Target for next Jute Year

WHY they bother to do so, I really don't know. By they, I mean the Pakistani jute authorities; and what it is that they do, and which I don't comprehend, is the "official" fixation of the jute crop. Each year that passes witnesses the farce of a target for raw jute production; of official estimates of crop that provoke incredulous amusement; and of trade estimates which show that there is no prospect whatever of the raw material being in short supply. All that happens is a self-deluding satisfaction that an attempt has been made to mulct higher prices; for, in the event, such attempted ransom proves a failure as there is nobody, but nobody prepared to give credence to official figures or pay the higher prices.

Evidence was available last week of the true state of affairs in the Pakistan jute market. Reports are current that the Pakistani Jute Board has taken action against eight firms doing business in that country. The charge? That they had collusively depressed the market, by dint of sales at lower than prevailing market rates. But the point precisely is that the quantity of raw jute available for sale could be disposed of only at lower than market rate. May I suggest that there are some in our neighbour country, who appear to think that the Korean war boom in commodities continues to be experienced? It is very far from a seller's market that we today have in raw jute or, for that matter, in jute goods. Consequently, it is unrealistic to hope that prices can be maintained.

I am afraid that Pakistan has cooked its own goose; and neces-

sarily my comments relate only to the raw jute position. For, by trying to extort high prices from its customers, it has succeeded in pushing up the cost of production of Continental mills to such an extent as to destroy the competitiveness of Continental jute goods. I hope I am mixing no metaphor, when I go on to suggest that Pakistan is stewing in its own juice. The intention may have been twofold: on the one hand, to imbue the sparse indigenous jute goods production with an advantage in export markets; on the other hand, to handicap the Indian industry by postulating a high cost for the so-called superior quality of Pakistani jute.

But, I repeat, the scheme has backfired, it has boomeranged on Pakistan. Let me explain.

What was altogether unintended happened: the position of the Continental mills was rendered weaker. What was furthest from the objective occurred: Indian jute goods were stronger placed. The totally unexpected was a rude shock: demand for Pakistani jute declined.

I should not be taken to mean that all's well with the Indian World of Jute. But then, it has always been the experience, uniquely of this industry, to suffer cyclical prosperity—or is it depression? And, at the present time, we are in the midst of one of the periodic slumps. That, however, does not mean that there is no prospect of a change for the better. Indeed, it is certain that the retrogression has had a long enough currency, and there is reasonable hope of a much more cheerful jute year in 1958-59.

Pak animosity has been the salvation of the Indian industry. Were it not for the obstacles that Pakistan placed in the way of raw jute exports to India, we would never have plucked enough courage to have self-sufficiency in raw jute as our objective. We have succeeded spectacularly well, and Pakistan knows it only too well.

Back to the present: As I reported at the beginning of this despatch, the target for raw jute production in East Pakistan for the jute year 1958-59 has been fixed; the figure is 5.5 million bales. I suppose that we may confidently expect, always providing that the weather gods, by not visiting drought or floods, are unkind to Pakistan, that actual production will turn out to be in the environs of—shall we say—7.5 million bales. In due course, we shall be informed that, miraculously, the output was slightly below the target; and, meantime, reports will be finding their way abroad, that unlicensed production for 2 million bales was destroyed! The most unkindest cut of all will be when the trade estimates place the crop at—strange, isn't it?—7.5 million bales.

But I am anticipating. The crop is to be 5.5 million bales; the carry forward will be—as already determined by the authorities—0.6

million bales. World (sic) demand, according to the Pakistan Government, would amount to 5.7 million bales; internal consumption will take care of the rest; and there will presumably be no raw jute carried forward into 1959-60.

I would again draw attention to the phrase used: "world demand". What of the Indian jute goods industry? Is it to be kept out of the reckoning? I suppose what was intended to be meant was the net effective demand for Pakistani jute; and if so, I fancy that the authorities have been rather liberal in their estimates. My impression is that the "world" demand has tended barely to touch the 5 million bale mark in recent years.

As far as the carry forward into the next jute year is concerned, no trade circle would not but place it at three times the official asseveration. In a word, the supply of Pakistani jute during the current jute year will certainly be substantially in excess of "world" demand; and, unless the weather is really bad, there is little prospect of any improvement in the position as far as Pakistan is concerned: Outlook, over-production as before.

It is a trifle early to talk of the next Indian raw jute crop. So, I shall content myself in the current article with what debunking I have been able to do in respect of the Pakistani jute figures.

★

The jute markets had been very much depressed during the past week with conditions at one time becoming akin to panic. The sacking section of the goods market had to bear the brunt of the selling pressure. As against last Thursday's closing rate of Rs 97.75, B Twills Ready was done as low as Rs 93.90 on Monday. Hessian 40" x 10 oz Ready was also weak on that day quoting at Rs 37.80 as against Rs 38.90 at the beginning of the week. The undertone, however, steadied up from Tuesday on bear covering presumably stimulated by reports of fixation of minimum prices for ready jute goods. It was reported on Wednesday that all IJMA mills had agreed not to sell below Rs 100 and Rs 39.50 for B Twills and Hessian 40" x 10 oz, respectively. The news was greeted with a spurt in prices on Wednesday and the market closed as follows: Hessian 40" x 10 oz Ready Rs 39.50 and B Twills Rs 97.00.

The jute goods market opened the week on a quiet note in the absence of foreign enquiries. Locally also buyers were conspicuous by their absence. Hessian 40" x 10 oz Ready was finally placed at Rs 38.90 while B Twills was marked down to Rs 97.75. In the forward deliveries April-June Hessian 40" x 10 oz was quoted at a small premium at Rs 38.95 while B Twills was marked at Rs 99.00. Nervous selling characterised trading on Friday with B Twills reacting to Rs 96.30. Hessian 40" x 10 oz was however almost unchanged at Rs 38.89. Elsewhere

B Twills April-June was on offer at Rs 97.80 while Hessian 40" x 10 oz was placed at Rs 38.87.

Panicky conditions prevailed on Monday as sellers dominated the proceedings the whole of the day. With mills also coming out as sellers toward close prices declined sharply all along the line. B Twills Ready lost Rs 2.40 to be finally placed at Rs 93.90 while Hessian 40" x 10 oz also lost more than a point to come back to Rs 37.80. April-June Hessian 40" x 10 oz was placed at Rs 37.85 and B Twills at Rs 95.25.

After a quiet opening on Tuesday the market steadied up in later dealings on bear covering. Hessian 40" x 10 oz Ready improved by 20 nP to Rs 38.00 but B Twills was only 10 nP higher at Rs 94.00. In the forward delivery positions Hessian 40" x 10 oz was quoted at Rs 38.00 while B Twills was done at Rs 95.65. The recovery movement gained further momentum on Wednesday on news of fixation of minimum prices for Hessian 40" x 10 oz and B Twills. By close of transactions on that day, Hessian 40" x 10 oz Ready had gained Rs 1.50 to quote at Rs 39.50 while B Twills recorded a gain of Rs 3 to advance to Rs 97.00. Hessian 40" x 10 oz April-June also improved to Rs 39.06 and B Twills for the same position was placed at Rs 98.65.

The raw jute market had closely followed the trend in the goods section. After opening on a quietly steady note with Assam Bottoms quoting at Rs 23.75 the market developed a sagging tendency in the subsequent two or three days in sympathy with the goods market. When there was panicky selling in the goods section, raw jute holders were also inclined to discount rates and in the continued absence of mill interest prices declined sharply and on Monday Assam Bottoms were quoted Rs 22.50. From Tuesday the downward trend was arrested and a steadier tendency was noticeable with Assam Bottoms recovering to Rs 23.00. With mills evincing interest presumably on account of the sharp improvement in prices in the goods section, the raw jute market also steadied up further on Wednesday and Assam Bottoms added one full point to its rate to be finally placed at Rs 24.00 per maund.

PRICE TRENDS DURING THE WEEK.

	Week's Opening	Week's Closing
Hessian:		
40" x 10 oz.		
Ready	38.90	39.50
April-June	38.95	39.06
Sackings:		
B Twills:		
Ready	97.75	97.00
April-June	99.00	98.65
Heavy Coes Green	98.25	98.01
Corn sacks	101.50	101.00
Cubans	125.00	125.00
A Twills	121.50	121.50
L Twills	115.00	113.25
D. W. Flour	117.50	116.50
Sugar Bags	104.50	113.50
Raw Jute:		
Assam Bottoms (per maund)	23.75	24.00

March 1, 1959

the industry is concerned, namely electric motors and transformers. Production of the former increased from 1,42,800 H.P. in 1951 to 4,50,000 H.P. in 1957 while production of the latter showed a steeper rise from 1,95,600 K.V.A. in 1951 to 11,95,000 K.V.A. in 1957. What these figures conceal is the fact that the industry is now in a position to meet the needs of the country for electrical engineering goods to the extent of 90 per cent of the national demand, for almost all kinds of goods barring Commutator and Flame-proof motors. The

main stimulus for such hectic activity was provided by protection which was granted to the industry. But an expanding market which schemes for power generation and distribution undertaken by the Government of India assured would explain for part of the increase in production that was witnessed in the electrical engineering industries.

The rapid strides made by the industry notwithstanding, it would be wrong to conclude that the industry has reached the limits of its growth. Considering the low

level of industrialisation and the low per capita consumption of electrical energy the scope for further progress is still vast. Therefore it is necessary that the limitations in the way of smoother progress of this industry should be removed. The existence of such uncertainties was revealed by Mr N. R. Banerjee in the course of his presidential address to the Tenth Annual General Meeting of the Indian Electrical Manufacturers Association in Calcutta. The major problem before the industry according to Mr Banerjee is that

of securing adequate raw materials especially pig iron and mild steel which are in short supply in the country. A slackening of demand by the Government has rendered the extensions to manufacturing capacity, largely futile. He has also referred to regional lapses in the assistance rendered to the industry by the DGS & D and Stores Purchase Departments. Finally the complaints Mr Banerjee has made about imports of even restricted types of motors have to be looked into if there is to be sufficient offtake of indigenous goods.



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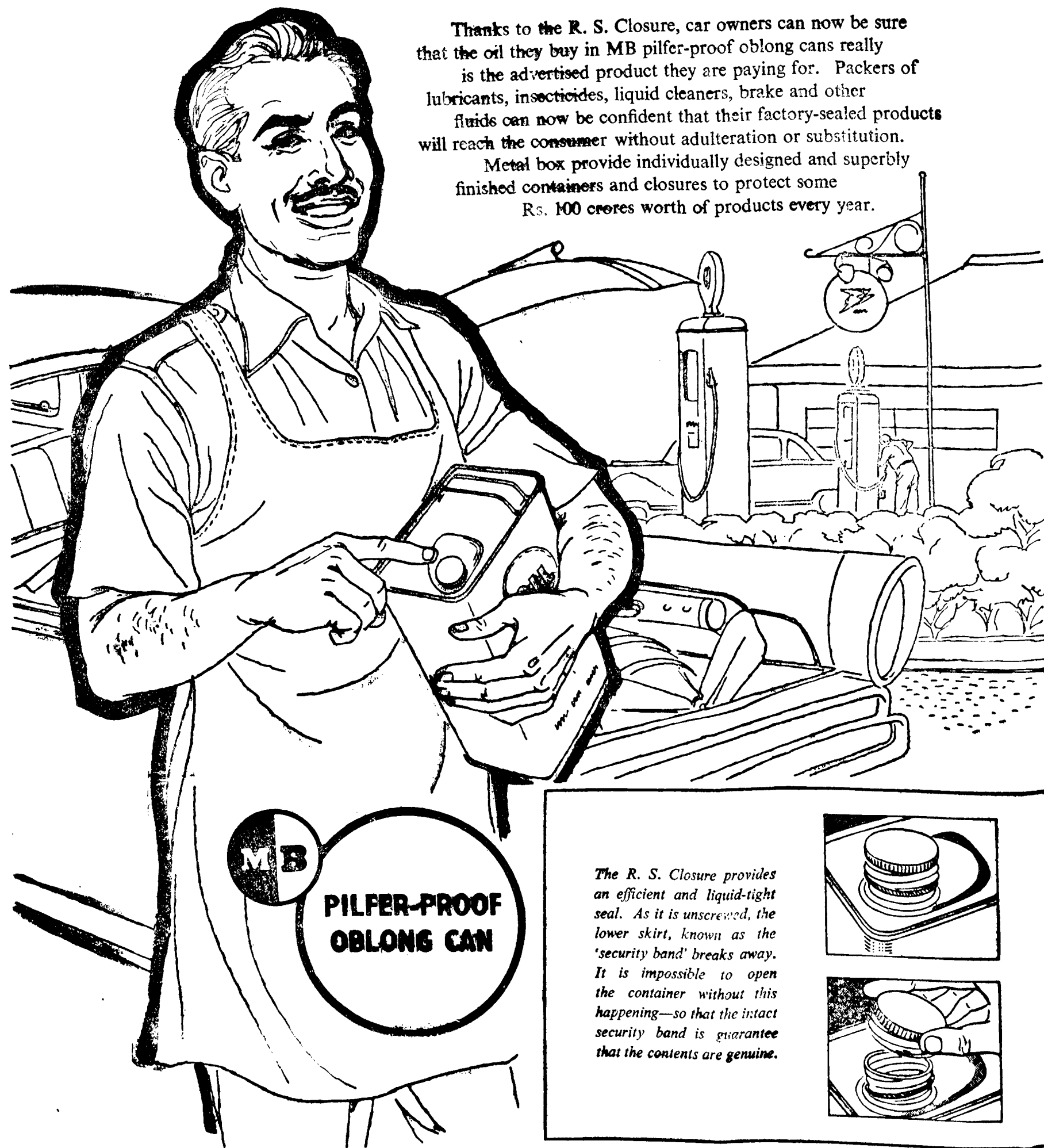
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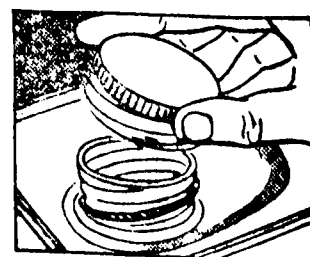
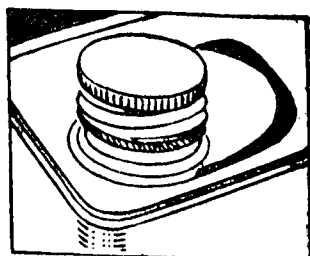
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March 1, 1958



WITH the conclusion of the debate in both the Houses of Parliament, the curtain has been rung down, at least temporarily, on the exciting drama of L'affaire LIC Investments. It is time, therefore, to gather such wisdom as one can from all that has been aired in the last two months. But, before we start doing it, let me dispose of some of the preliminary courtesies and congratulations. Almost every member of Parliament taking part in the debate referred to the part played by the sovereign body to which he had the honour to belong in bringing into the open this murky affair. Mr Nehru himself referred to the fact that the inquiry has vindicated the dignity and majesty of that august assembly. There is no doubt that this patting on the back is legitimate. The persistence and, one might add, caninness, with which Mr Feroze Gandhi brought matters to a head in November and December last and the readiness, in fact over-readiness, of the Government to have the matter thoroughly investigated showed clearly that Parliament is wide awake and we have among us that essential requisite of democratic good Government, Parliamentary gadfly. So far, so good.

The country, too, is to be allowed its mead of praise on the same token. This inquiry has demonstrated again the way this country functions in matters involving the public responsibility. Comparisons are invidious and in any case the point need not be laboured. In some countries that we know, a situation of this sort would have been dealt with in either of two ways: it would either have been completely hushed up, or, if the situation demanded it, the heads of those involved would have literally or metaphorically rolled in the dust without their having a say in the matter. Indeed, in the course of the debate, some of the members demanded precisely this kind of justice to be administered to some of the civil servants involved. Even as they were complacently patting the Parliament on the back for its "democratic victory", Communist members were wanting to get Mr Patel dismissed summarily. This completely gave away their democratic pretensions. On the other hand, the decision of the Government to allow departmental rules to govern the future

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

of the civil servants concerned is in strict conformity with democratic code and demands of natural justice.

As regards the debate itself, it was of uneven quality. It was, perhaps, inevitable that personalities should loom large, since the Commission was primarily concerned with investigating particular acts and with the fixation of specific responsibilities. And even so, some members safe behind the immunity of parliamentary utterances hit out wildly at folks who were in no position either to defend themselves or to hit out with assurance of similar immunity. While we are all anxious to allow Parliament to scrutinise as closely as it wishes into the lives of those who are in position of authority, the tendency to make legislatures the forum for cowardly attacks on people who do not belong there can degenerate into the worst kind of tyranny.

One other aspect of the debate is worth commenting upon. Mr Krishnamachari's little stratagem in his final speech succeeded beyond all hopes. Many members, especially of the Communist party, chased happily all the various red herrings he had strung all along the tracks. Thus, the man-eater and other wild animals supposedly prowling around the environs of our economy were pursued with vigour. But the humiliating discovery at the end of the chase, which was evident to all but the happy hunters, was that they were chasing shadows. Meantime, the real subject of controversy was left in tact on the high road.

On the factual side of the inquiry, the debate in the Lok Sabha only proved how inconclusive the present ascertainment of the real truth was. Mr Feroze Gandhi confirmed further his already well established reputation as an industrious producer of skeletons from cupboards. (I wonder whether it is not worth investigating how he has such apparently easy access to secret cupboards). There was an unexplained telegram and a top secret note in which Mr Krishnamachari had apparently expressed himself dissatisfied with the working of the LIC. Incidentally, this revelation of TTK's manner of expressing himself, even in secret

documents, has not enhanced his reputation as an administrator. We all have our notions about others, but we do express ourselves, even in the security of top secrecy (now proved illusory), with a becoming sobriety. These and other data will presumably be sifted further and we shall hear more about it later. It is very much to be hoped that this inquiry, held in the anonymity and obscurity of departmental proceedings, will succeed where the open inquiry failed, namely, the eliciting of positive evidence of the motives behind the transactions. Quite conceivably, it may produce the ultimate motive to which I referred last week. In which event, Mr Justice Chagla's finding, on admittedly inadequate material, that the force behind the transactions was the desire to help Mr Mundhra will get firmly established.

Another aspect of the debate was the desire on the part of some members to obtain from Government the clarification about Government's own view of the factual responsibility of TTK for the transactions. It will be recalled that the motion on the Report before the Parliament was to obtain Parliamentary approval for the statement of the Government that the Government accept the Commission's finding that the transactions were irregular and that they propose to initiate proceedings against the officials concerned and to consider carefully the principles recommended by the Commission for adoption by the Corporation and the Government in regard to the running of the LIC. As will be seen, this has carefully omitted any reference to the Finance Minister and his factual or vicarious responsibility. Perhaps, the Government's naive hope was that members would take the view that the portions relating to the Finance Minister were of no particular significance one way or the other, since the Finance Minister had, in fact, resigned. As was only to be expected, this hope, if such it was, was falsified soon enough. For one thing, many a member has been sharpening his political knife for precisely this kill and he is not going to be diverted at the last moment by a simple expedient like resignation. Secondly, the Finance Minister had made matters somewhat complicated by denying in his statement both factual and

constitutional responsibility. Thus, Government's assertion that they have accepted the Chagla Commission's Report was, on a reading of the motion, only partially true.

Though many tried to bring the matter to focus, the only person who really and unambiguously brought it to a head was Pandit Kunzru. This was just as well, since it brought Mr Nehru on his feet and, in the ensuing exchanges and clarifications, it became clear that Government had not accepted the factual responsibility of Mr Krishnamachari for the deal. Mr Nehru asserted that there was no finding by the Commission that Mr Krishnamachari gave any factual approval of the deal. It is true that Mr Chagla had given as his own opinion that there must have been a prior approval or at least subsequent acquiescence. But the basis for this, as found in the Commission's Report, is quite tenuous. As Mr Nehru argued, a reference in a casual conversation of about a minute or two on one's way to lunch after discussing entirely different subjects cannot be construed as a basis for assuming that the matter has had the necessary approval.

In this connection, there is one aspect of the matter that has not had the proper emphasis in discussion. It is the possibility, admitted by all during the evidence, of both the principal Secretary and the Minister being right, at least in a manner of speaking. Is it not possible that the conversation has been construed entirely differently by the two persons concerned? For, it is significant that there is no variation in the factual material let in on the incident by the two persons. "You may look into it" is an expression that can be considered by the man in authority as a mere casual suggestion. To the technical subordinate at the receiving end, it may be an approval. This kind of misunderstanding may have taken place in other contexts also, but since the consequences on those occasions may not have been vastly different on the basis of either understanding, no piquant situation as in the present case might have arisen. After all, human communication is so imperfect even when one takes care, as in a formal document, to define one's terms. People who

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have read some of the stimulating books of the American political scientist Stuart Chase will have some idea of how different memory pictures that words evoke in different persons are responsible for three quarters of the confusion in the international scene today. On the lesser scale, we have the daily misunderstandings, some of which have serious consequences, as in the present case. The moral, of course, is that there should be greater precision in making known one's intentions and ascertaining the correctness of one's understanding, even when exigencies of business make it difficult to give or take written instructions.

★ Another lesson of the inquiry was about the need for greater preliminary work before an actual inquiry takes place. Mr Nehru referred to it more than once, and there is absolutely no doubt that he is right. Many members thought that Mr Nehru was being specious about his complaint of having been hustled into the inquiry and some were even inclined to be cynical about the real purposes of a preliminary inquiry. But the many awkward moments that arose in the course of the inquiry, the pervasive atmosphere of incompleteness, were certainly due to the lack of sufficient preparation. In the result, when a dead end was reached, the considerable resources of the Commission, the Attorney General and the other counsels who assisted at the inquiry were helpless. The flat footed policeman who

does the routine job of gathering the material is best left to him and the judge should not be embarrassed, as Justice Chagla undoubtedly was in this, of feeling that the truth has not come out and that there is nothing he can do about it.

★ Finally, we come to the seven principles that the Commission had recommended as a code of conduct for the running of the Corporation. The enunciation of these principles, it may be said without disrespect to the learned judge, was not part of the terms of reference of the Commission. These are essentially not judicial questions, not even, in some of their aspects, administrative questions. They are essentially political. Indeed, certain things said during the inquiry had made politicians somewhat irritated at what they considered as needless poaching on their preserves. But all this does not mean that Mr Chagla's suggestions do not provide a starting point for discussion of the issues involved. The answers are not easy and Government were certainly wise in deferring their consideration to a future occasion, and Parliament was sensible in agreeing to it. Indeed, it would be worth while and I hope the editor would consider the suggestion, to bring out a special study on the subject. Any such study will have to consider, among other things, the place of open market operations in the context of LIC investments. There is no doubt that part of the difficul-

ties of the LIC in the last one year arose from the absence of a coherent investment policy. Indeed, TTK was aware of it and was evolving a suitable policy and was preparing a bill to give effect to his ideas on the subject. Two points I wish to make here in this connection are: The recent unhappy experience of the LIC is likely to make it withdraw into a shell as far as open market operations are concerned. This would, in my view, be a pity. I believe that with the evolving of suitable conventions and safeguards, the LIC can have a function somewhat analogous to the Reserve Bank. The theory that LIC's funds can be employed only in 'safe' investments because of its being in the nature of a trust, is one that needs several qualifications. In the first place, the real security to the policyholder is the fact that ultimately Government are the guarantors of the moneys they pay in. So no real jeopardy threatens the policyholder when intelligent open market operations are carried on by the LIC. Indeed, as the largest investor, (having a daily fresh investible fund of over ten lakhs) it must do this in order to safeguard its own large investment portfolio. Secondly, as Mr Nehru was quick to point out, the nationalisation of insurance has wider implications from the point of view of the Second Plan. He stated that the policy in this regard cannot be dictated by the Investment Committee. And the directive will have to come from the Government under Section 21 for purposes which many now consider as not strictly legitimate in the narrow view of the function of the LIC that has suddenly become fashionable.

★ My second comment is simple. Do people (especially enthusiasts of free enterprise) realise the full implications of the suggestion that the LIC should invest only in blue chips? In less time than it takes you to say Jack Robinson, Indian Iron would be Government property. Alternatively, LIC will have funds which it cannot invest. It is all very well to hold up the LIC as an example of the ineptitude of the public sector and suggesting that no private insurance company would have made the kind of investment that the LIC made. The alternative suggested by these people would be the 'Backdoor' nationalisation that they so ostentatiously denounce.

★ The moral of it all is that the whole problem should be studied dispassionately in sensational contexts and a sensible policy evolved. This the Government have promised and all of us should make public our considered opinion in this regard, so that the correct thing may be done.

★ If Lady Ranu Mookerjee was the recipient of the Cross of the Legion of Honour awarded to her the other day by the French Ambassador, Count Ostrorog, on

Indian Finance

behalf of his Government, I do not suppose it was anything but a pleasant surprise for any one in Calcutta. Lady Mookerjee has been the acknowledged patron saint of the fine arts in this State, giving her time and resources without stint to their cause. Anybody who has had anything to do with the art world must think of her as the benevolent discoverer of many obscure talents, and it will indeed be hard to name another, since the heyday of Abanindranath Tagore and Nandalal Bose, whose services to art and artists have been more considerable than hers. There is hardly any contemporary Indian painter or sculptor who has not trodden with profit the gravel drive of 7 Harrington Street and who does not owe his recognition and standing to Lady Mookerjee's silent inspiration and encouragement. The various art bodies of the city, the Government College of Art and Craft, the Institute of Art in Industry, the Academy of Fine Art—to mention only a few—are all in her debt and immeasurably so. Lady Mookerjee's activities in the propagation of French culture in India are but another facet of her love of art. If I have my facts right, she is the President of the French Cultural Centre in this city and it is not a little due to her personal efforts that there is a steadily widening interest here in the great French masters of painting.

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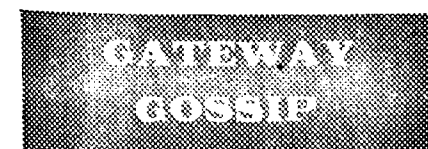
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March 1, 1958



PERHAPS no aspect of our national life so constantly reminds us of the darkest period in our history as our mercantile marine. For, even after ten years of freedom, we depend almost entirely on outside agencies to carry our goods to and from our shores. We have too few ships to be placed in the overseas trade and the addition of shipping tonnage has been proved to depend on factors other than the national will. In the first place, we do not have the requisite number of shipyards. Secondly, most of the important raw materials are not available within the country. Thirdly, we are only now acquiring the know-how necessary for engaging on largescale modern shipbuilding.

The question naturally arises why we should not buy the required number of ships as we are not in a position to build ourselves all the ships we need. This is quite a pertinent query, but not quite so easy to answer. Because acquisition of a large number of ships requires a huge capital outlay all of which we simply cannot afford at the present juncture. Even supposing we are in a position to lay our hands on the required amount of foreign exchange, it is not easy to find the shipbuilders who can undertake the task.

It is when one is appraised of the stupendous character of the problem which confronts the nation in this regard that one finds one's mind going back to the past. History shows that India has held an important place among the maritime nations of the world till about the middle of the last century, having attained high standards as early as the 11th century. It was no accident that shipbuilding as an industry in our country practically ceased with the advent of foreign domination. It is no accident again that the industry has begun to sprout fresh shoots soon after independence has been regained. But, in the interregnum, serious damage has been done and the hundred years or so of forced inactivity has put the Indian shipbuilding industry as many years backward in the shipbuilding history of the world. Meantime, shipbuilding has undergone a metamorphosis. Timber and sails have yielded place to steel, steam and a new technique. So, the Indian shipbuilding industry has not only to start from scratch but has to acquire the new technique as well.

It is not surprising, therefore, that the Reconstruction Policy Sub-Committee on Shipping, 1947, fixed the target of shipping at only 2 million tons. Taking into account all factors the Planning Commission put the target for the First Plan at 600,000 tons. It has now been found that even this reduced tonnage has been difficult

Shipping: Problem of Foreign Exchange

of attainment. For on June 30, 1956 Indian owned tonnage totalled only 491,463 GRT. In view of the actual achievement, the Second Plan has placed the target by 1960-61 at only 900,000 tons. It would appear that, in the past one and a half years approximately 100,000 tons have been added.

Speaking at the 38th Ordinary General Meeting of the Scindia Steam Navigation Company Limited held in Bombay last week Mr Dharamsey M. Khatau, the chairman, has estimated that India would need about 255,000 GRT to reach even the very low and moderate target of 900,000 tons fixed by the Planning Commission. The relevant figures given by him are as follows: Total Indian tonnage as on 1-1-1957—517,300; added during 1957—69,017; tonnage on order or under construction on 1-1-1958—138,100; tonnage purchased for delivery during 1958—9,879; total—734,296 GRT. As it is estimated that, during the next three years, about 90,000 GRT will be due to be scrapped or sold, the short-fall will come to as much as 255,000 GRT. It would appear that the chances of reaching the target of 900,000 tons are rather slender, even though the entire Second Plan allotment of Rs 38 crores has already been spent. For, the money needed to purchase the requisite tonnage has turned out to be much more than the original estimate on account of the increase in the cost of ships. And the problem now is, how to find the extra money in the present context of paucity of foreign exchange?

As far as Scindia is concerned, it is very anxious to implement its expansion and replacement programme and, what is more important, it has the necessary resources. The company has Rs 150 lakhs in special depreciation account. Gross earnings have increased by about 20 per cent during the year ended June 1957. Substantial amounts have been added to various reserve funds, thereby strengthening the finances of the company. Despite such substantial addition to its funds, the company is "faced with the very tight position in regard to foreign exchange." The expansion and modernisation of its fleet, therefore, now depend largely on the release by Government of sufficient foreign exchange for acquisition of tonnage.

Mr Khatau has pointed out that coastal and adjacent trades are beset with the rising spiral of operating costs. Shipowners engaged in these trades have been sanctioned an increase of only 15 per cent in freight rates as against 28 per cent requested. The companies feel that this increase will not be sufficient to provide even for a modest programme of replacement of old and uneconomic units presently employed. On the

overseas trade, the India-USSR service which Scindia started last year is still meeting some operational difficulties and the company has requested Government to increase the freight rates suitably.

Referring to the prospects for the current year Mr Khatau has said that with the improvement in working at ports, ships' turn-round has improved. It is also expected that more voyages will be completed due to the placing of newer and faster ships in service. The improvement is already reflected in the company's operating results for the six-months ending 31st December 1957. The company has plans to provide regular coastal berthings for the carriage of general cargoes both from the West and East Coast ports. These proposals when implemented will result in improved earnings in the carriage of coastal cargoes. It is, however, to be noted that the persistent low level of tramp rates in the overseas trades is having an adverse effect on Liner Companies. Mr Khatau has indicated that the effects of the downward trend in tramp rates will have some impact on the working results of the company for 1958-59. The import restrictions and the delayed announcements in regard to export quotas have also to be taken note of in assessing prospects. But in view of the export earning possibilities of commodities like ores, oil-cake, scrap etc., it may be confidently expected that there will be no dearth of cargoes in the Liner trades.

Another difficulty that shipping companies are faced with is the delay at some of the Indian ports. Though the position has lately improved, there is need for vigilance and sustained continuance of effort. It should be the constant endeavour of Government to augment and improve the handling equipment at various major and important minor ports. In this regard, Mr Khatau has appealed to the Government to extend the piece-rate scheme, which has been found to work effectively in Bombay, to other important ports.

It is gratifying to note what Mr Lal Bahadur Shastri, Union Transport Minister, has recently assured the shipowners that Government will extend all possible help to them in the matter of acquisition of tonnage. Already, a Shipping Development Fund has been envisaged. A Shipping Coordinating Committee has been constituted to study the question of cargoes to be moved in Indian ships and to suggest steps that can be taken to enable Indian shipowners to acquire additional tonnage.

It may be recalled that, in response to the representations made by the shipping industry, Government have exempted it from the application of the provisions of the Wealth Tax. It would appear that

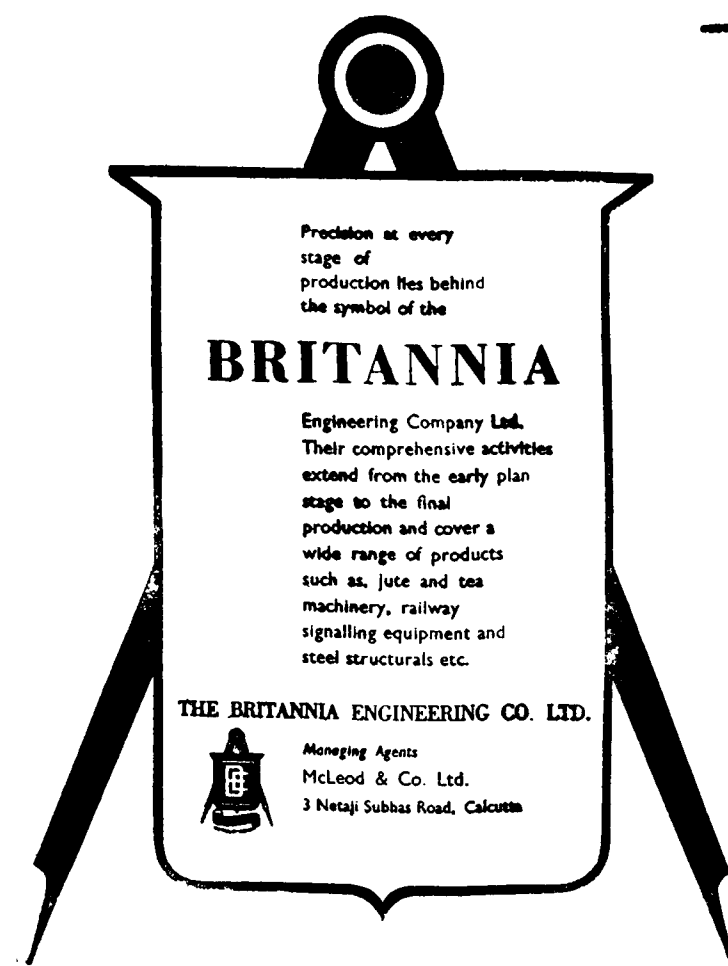
there is urgent need for granting exemption from the provision of the Capital Gains Tax also. As shipping companies are now engaged on a planned programme of modernisation of their fleet, it is inevitable that there should be a systematic disposal of their old and uneconomic ships. As such sale proceeds will naturally be ploughed back into the business for purchasing new ships, there is no question of "Capital Gains" in these transactions.

It is undeniable that the problem that faces the country as regards the attainment of even the modest target of 900,000 tons by 1960-61 is a serious one. In the first place, as our only shipyard is fully booked up for the next five, six years, it cannot undertake to fill even a small part of the leeway to be made up. The only alternative open is to acquire the necessary tonnage from overseas. For this, it has been estimated that foreign exchange to the tune of Rs 50 crores will be required. It would appear that Indian shipowners have not been quite successful in their attempts to acquire additional tonnage from foreign countries on a deferred payment basis as suggested by Government. Such a condition in the case of coastal trade will bring to a standstill the expansion programme for coastal shipping, because coastal ships have no means of earning foreign exchange.

In this regard, it may be recalled that the Export Promotion Committee has drawn attention to the fact that shipping can help augment our foreign exchange resources. It has been pointed out that, if the Indian shipping's share in the country's overseas trade, which is only 6 per cent now, is appreciably increased, a sizable portion of our country's annual freight bill of nearly Rs 200 crores can be saved.

The present also seems to be an opportune time for the acquisition of ships. For, Mr Khatau says: "Looking to the depressed state of the freight market and the easier position in regard to placing of orders for new tonnage, the present seems to be an appropriate time to acquire tonnage to provide for replacement and expansion". Past experience has shown that conditions in the shipbuilding trade are quite unstable and that favourable conditions for the buyer of ships do not obtain often. The shipping companies are helpless because of the paucity of foreign exchange, even though they have the adequate resources. It is, therefore, incumbent on Government to devise ways and means of finding the requisite foreign exchange at an early date so as to enable the shipping companies to take advantage of the prevailing favourable conditions to place orders for additional tonnage.

BOMBAY REVIEW



BOMBAY
REVIEW

One of the urgent problems which India had to grapple with soon after partition had been the finding of adequate quantities of raw material for its cotton and jute textiles industries. The solution was naturally seen in the growing of the requisite quantities of cotton and jute within the country itself. But at the same time it was recognised that such consummation could come only in course of time and after sustained endeavour.

Thanks to the vigorous efforts put forth in the past ten years the position today has vastly improved and as far as raw cotton is concerned the gap between supply and demand has been narrowed down considerably. The country has attained self-sufficiency as regards the supply of short staple cottons. The varieties now imported are cottons of staple length 1.1/16 inch and above.

In his speech at the recent annual meeting of the Indian Central Cotton Committee Mr Ajit Prasad Jain, Union Minister for Food and Agriculture, has said that the time is not far off when the country will be in a position to supply all the cotton required by the textile industry. For, superior varieties of cotton approximating to those that are now imported are already under cultivation in Madras State, Gujarat region and Mysore State. Further, experiments have proved that staple lengths of 1.3/16 inch and above can be successfully grown in Kerala State.

As in the case of most Indian crops, in regard to cotton also we have yet to go a long way in the matter of profitable utilisation of the land already under cultivation. Apart from the fact that much additional land may not be available for cotton cultivation due to the emphasis that has to be laid on food production, there is need for directing attention toward increasing the yield per acre because yield in our country is the lowest in the world. Moreover, intensive cultivation has become an urgent necessity in order to bring about an improvement in the economic condition of the cultivator who has an important role to play in the development of the country as a whole.

An increase in yield can be brought about, however, only when the cultivator adopts the latest improved methods of cultivation and the cultivator is not likely to effect any change in his methods until he is told of the benefits that will accrue to him by the use of the new methods. Government have initiated measures to enable the cultivator to obtain a fair price for his produce. But it would appear that distress selling is still prevalent because growers have not been provided with adequate alternate means to

Self-Sufficiency in Cotton

meet their demands. It is to be hoped that the National Co-operative Development and Warehousing Board and the Central Warehousing Corporation which have already been established will be able to afford the much-needed relief to farmers. As regards intensive cultivation it is imperative that concerted measures are taken to bring home to the cultivator the benefits of the improved methods of cultivation.

Corruption in Administration

One of the principal points on which, the almost unanimous voice of the members of the opposition was raised in the course of the debate on the Governor's address in the State Legislature was in regard to the necessity for eradicating corruption at all levels of administration in the State. Corruption they considered to be one of the serious defects of the administrative machinery of the State.

Corruption as a social and administrative malady is not something confined to Bombay State only and its existence in all other States has been recognised even by the parties in power. Though attempts have been made by arming the legal machinery with sufficient powers and even by the creation of separate departments, to deal with the social menace success has so far been limited. Even appeals to sentiments of patriotism and larger interests of the nation have seemed to have made little impression on those who have been defying the law for their own petty interests. If mere threats of severe penalties could have solved it the problem should have been solved long ago.

Corruption also does not seem to be the special weakness of the administrative machinery of the Congress Governments. After one year of rule in Kerala, the Communist Government which fed the electorate during the election time with promises of ending corruption in the State have now admitted failure in its fight. Mr Namboodiripad, Chief Minister of the Kerala State only a month ago stated that corruption was still one of the major problems with which the Ministry had to contend.

Evidently only an all-out assault on the problem would yield any result. And this calls for the need for co-operation from all the parties concerned. The need for urgent action to fight the evil has been met by the Bombay Government by the setting up of an Anti-Corruption Bureau. To a certain extent the creation of such a separate department to deal with offences of corruption would reduce the incidence of corruption. But it is idle to expect such a department to give the final blow to such anti-social practices. For such a department would be concerned with the punitive aspect of the problem and not

with the preventive side. A corruption enquiry committee for the Railways has not succeeded in eliminating corruption completely. The problem cannot be solved unless the root causes are analysed and remedies on this basis provided. But there is clear need for taking it out of the realm of party politics.

Futures Trading in Bullion

The decision of Government to maintain the status quo in forward trading in bullion for the time being would seem to indicate that they have taken some more time to study the problem. The Forward Markets Commission have pointed out that there is a case for permitting futures trading in bullion on a limited scale. The Commission have found that the usual arguments advanced against futures trading in bullion are not valid.

The lack of an adequate volume of internal production cannot be said to provide a decisive ground for prohibiting futures trading in bullion in India. For, appreciable stocks of both gold and silver are found to be available in the market despite large hoarding and small internal production. The explanation for this phenomenon seems to lie in the fact that being non-perishable the same stocks can be offered for sale almost continuously. It is also wrong to contend that futures trading encourages smuggling because it is fostered by the high price obtainable in India for bullion and not by any stability that may be brought about by the existence of a futures market.

The Commission aver that the fact that futures trading in bullion is not carried on in any country in the world except India cannot justifiably be cited as an argument in favour of its abolition in our country. For, in India the use of bullion is neither confined as in most countries only to monetary purposes nor the Government or the Central Bank enjoys a monopoly of the purchase of these metals. Private transactions are a common feature in our country and there is a long tradition in futures trading. Internal production of gold and silver in India is almost negligible when compared with the total world production. It is estimated that Indian gold production forms only 0.71 per cent of world production while that of silver is much less at 0.08 per cent. The Commission point out that the value of gold smuggled into India is roughly estimated at between Rs 30 crores to Rs 40 crores annually and say that "since the cost of gold even after payment of duty is below the price of gold ruling in the Indian markets, it has provided a strong incentive for the smuggling of gold into India."

Anti-Bi-lingual

Though the Bi-lingual experiment in the Bombay State has been successfully working, opposition to it from the parties rival to that in power has continued unabated. Even after one year of its successful working these parties refuse to accept that merits of the new scheme. They see in continuance of the setup a serious wrong done to the people speaking the two languages who have been brought together under one administrative unit and consider it as anomalous since they are able to show that all the other States have been split up on linguistic basis.

This has not only given a rallying point to the opposition parties to work on a united basis against the party in power, but has also furnished a common theme for the opposition parties on every occasion the State legislature meets. The new session of the legislature was no exception to it and the opposition members raised their unanimous voice for the creation of two unilingual States of Maharashtra and Mahagujarat and demanded the scrapping of the present setup. Naturally the Government spokesmen had a busy time in answering these demands of the opposition parties. And Dr Jivraj Mehta the Finance Minister of the State made an impassioned appeal for ending linguistic bickerings which he said would stand in the way of forging national unity at a time when this is the paramount need of the country. He also pointed to various other fields in which the people could utilise their energies in a constructive way.

The opposition parties have also found issues other than the continuance of the present Bi-lingual set up to exploit the linguistic feelings of the people in the State. One such is the non-integration of the outlying Marathi speaking areas in Bombay State. This point was raised in the course of the present session of the State Legislature by the Samiti members. In regard to this issue it would seem that the difference between the opposition parties and that of the party in power is not so marked as that in regard to the question of the Bi-lingual State. The difference is only one of approach towards this issue. Mr Mehta in this connection pointed out that the issue would be taken up at the forthcoming meeting of Western Zonal Council to be held in Bombay. Thus though the Government is agreed about the need for incorporating the remaining areas in the State it depends on the method of negotiation with the neighbouring Government in the Zonal platform. Considering that such disputes between Madras and Andhra Pradesh were amicably settled by Zonal meetings, there is reason to hope that the proposed meeting of the Western Zonal Council should yield results satisfactory to all parties concerned.

GATEWAY
NOTESWORLD OF
COTTON

THE forward Cotton market has developed a weak tendency due to heavy selling pressure from local and upcountry interests. Although values commenced on a promising note in response to the fixation of room rates which was considered favourable, the trend was reversed and there was a decline in prices for lack of follow-up support and on general liquidation prompted by continued inactivity in the spot section.

The market had an eye on the tendering differences to be fixed by the new Spot Rate Committee for the maturing March contract. The prevailing feeling among the bulls that the decision to be arrived at in the meeting would not be favourable to them caused heavy liquidation. Upcountry interests, specially from Akola and Gujarat, joined hands in the downswing.

There were also other factors contributing to a depressed sentiment in the market. Arrivals of the new crop were fast increasing at the upcountry markets. Unnerved by the current easy trend in the commodity and the obscure outlook for textiles, growers became impatient to market their produce as early as possible. The limited holding capacity also compelled them to do so. A somewhat higher estimate of this year's cotton output at 52 lakh bales by the Indian Central Cotton Committee also aided the easy trend. Mills were reluctant to buy even at lower levels. With the result, ICC Jharilla March finished lower at Rs 660.50 after opening at Rs 670. May delivery started at Rs 667, to finish at Rs 657.50.

In sympathy, the Spot section remained dull. While the values of the lower quality cotton declined by about 15 points, rest of the varieties declined by about 5 to 10 points per candy. Due to restricted spinner interest, domestic styles were on offer at somewhat lower prices. Limited business done had been mainly in good quality lots of 197/3 of Khandesh and the new crop Lakshmi of Karnataka.

On the export front, listless conditions prevailed. Shippers showed little interest in the absence of any fresh interest. As a result, prices of Wagad, Kala and Berar Deshi growths declined further. No important turnover took place in Zoda and Yellow Pickings.

On the import front, there were practically no enquiries. Many mills appear to have postponed their purchases until the Government of India announce definite import quotas and resume licensing. Some of them hope that the Government will soon announce import of AR/Uganda cotton.

Traders are anxiously awaiting such permission as business has already been concluded covering

80,000 bales of the new crop, subject to import licences.

FUTURES AT AHMEDABAD:

Forward trading in Gujarat cotton was opened at the end of last week after a lapse of 15 years. Trading was conducted under the auspices of the West India Cotton Association—the body recognised by the Forward Markets Commission for the purpose of forward trading in Gujarat cotton in Gujarat, Saurashtra and Kutch. The basis of the hedge contract is 25/32" Kalyan MG fine and the tenderable varieties included Kalyan, Vijay, Surat and Wagad cottons. The total annual production of varieties of cotton in the region is estimated around 12.5 lakh bales. The four major varieties of cotton permitted for forward trading constitute nearly 75 per cent of the total cotton production in the region.

The resumption of futures market in Ahmedabad will enable both the cotton textile mills of the region (there are 74 cotton mills in Ahmedabad alone) and the cotton trade, which had been deprived of its avocation because of Government restrictions in force, to get all their requirements of cotton directly instead of via Bombay, as hitherto. It not only satisfies the regional aspirations, but also provides facilities for straddle operations, especially when price fluctuations are wide. The establishment of one more futures market—there are now four—for cotton should also make for more stable prices.

CROP STATISTICS:

Areawise, about 80 per cent crop in Vidarbha, Khandesh and the Punjab has been marketed. Malva, Moglai and Rajasthan will take about six weeks more, while the season will continue unabated in Saurashtra and Gujarat till the end of April. The quality of the crop has been satisfactory although there have been some complaints about the crop in Surti and Broach areas. The season has just commenced in Andhra and Mysore.

Thanks to the efforts of the ICC in the matter of improving cotton production, India's dependence on imports of foreign cotton is being gradually reduced. A co-ordinated scheme on the development of Andrews variety of sea-island cotton has been undertaken by the Committee. The scheme is intended to bring an area of 3 lakhs acres in Kerala, Mysore and Assam. In the not too distant future, imports of foreign cotton will largely be substituted by similar indigenous growths.

Exports by rail, from 1st September 1957 to 20th February 1958, were 107,440 bales. Estimated mill consumption in Bom-

bay, during the same period, was 631,232 bales as compared to 626,319 bales in the corresponding period of last season. Estimated stock of raw cotton, held by exporters, dealers and mills in Bombay, on the 20th February 1958, was 614,171 bales as compared to 536,248 bales on the corresponding date of last year.

NEW YORK COTTON MARKET:

Prices on the New York cotton futures market moved rather irregularly in early dealings with further liquidation in near March and hedging and profit-taking in new crop months. The pressure eventually lifted and the market took on a steadier appearance and then became firm and active with prices rising by as much as 30 points for the new crops.

The revival of demand was traced to the likelihood that more acreage would be placed in the Soil Bank this year, thus reducing the potential size of the new crop. Increased buying and the uncovering of stop-loss orders followed the news that the House Appropriations Committee had voted an additional 175 million dollars for the 1958 Soil Bank programme. Traders took this to imply that additional acreage might now be taken out of cultivation this year. Middling Spot was quoted at 35.95 cents per pound.

The International Cotton Advisory Committee has forecast that, for the present season, world cotton consumption is expected to stabilise at near last season's level of 42 million bales. In the United States, the decline in per capita consumption of cotton textiles has more than offset the increase in population. The Committee has stated that textile output in India has continued to expand; but stocks of yarns and cloth are increasing, which may be a moderating influence in the future.

With cotton yarn production presently curtailed, consumption in Japan should fall to around 2.6 million bales—a decline of about a quarter of a million bales from 1956-57. Aggregate free world consumption is likely to be down this season from last season's record of 29.5 million bales, largely on account of the continued downward trend. In Belgium and Holland particularly, some decline in consumption is in prospect. Italy is reportedly considering voluntary curtailment of cotton yarn production, while France and Spain are experiencing difficulties in obtaining raw cotton supplies.

On the other hand, yarn production in the UK has stabilised last year, while textile production in Germany, Switzerland and many of the smaller countries should continue at or near record levels. In brief, cotton consumption for Western Europe, as a whole, is

expected to remain close to last season's level.

The Soviet Union grew 4,355,000 tons of cotton last year—more than six times the total grown in Russia in 1913.

LIVERPOOL COTTON MARKET:

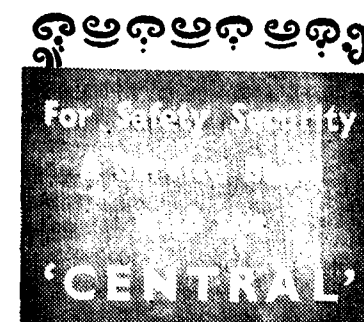
The Liverpool Cotton futures market ruled generally steady, although business remained small. Some commission house buying gave support; but, in the absence of trade buying, light hedging and professional realising caused a small setback at the close.

The Sudan contract remained nominally unchanged.

CLOTH AND PIECEGOODS:

Trading conditions in the Bombay Piecegoods market remained dull as demand from the consuming centres was not quite encouraging. Offtake was confined to a few popular items. In view of the Budget uncertainties, upcountry dealers were not willing to extend their commitments at the moment.

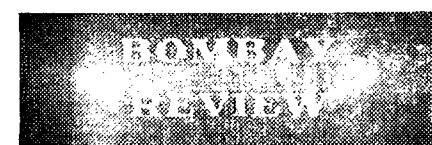
Even on the export front, conditions were slack. Ceylon is said to have booked some quantities of saris, dhoties, bleached long cloth and printed voiles. In the absence of the issue of import licences for cloth by the Burmese authorities, demand from this country has been negligible.



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World Copper Surplus: Acute Shortage in India

IN contrast to the international trend, the steadiness in Copper prices in India continues, mainly because imports are small in relation to requirements. Copper, which arrived per s.s. "Pachumba" and "Amra" last week, consisted more of blister metal. Thus, these arrivals had no effect on the market apart from the fact that these were already sold on a forward basis. Whereas, in London, the rate has eased to £163½ from £164 per ton, the rate in the Bombay market, has developed a hardening tendency to Rs 180 from Rs 178 per cwt. In Calcutta, the rate is unquoted in the absence of any stock.

Indications are available that India will continue to face a shortage of the metal for another six months if the Government of India's policy is not modified. As for indigenous sources of supply, pure copper scrap is not procurable as most of the copper sheet in the market contains zinc ranging from 6 to 18 per cent or even more. According to an information, importers have established a claim for quotas of the value of Rs 10.05 crores up to the end of 1957. It is estimated that these licences will cover about 24,000 tons on the basis of the Government's policy of permitting imports to the extent of 65 per cent of the past imports.

In addition to these 24,000 tons, the country is expected to receive about 7,500 tons of copper as a result of the recent release of this quantity to the scheduled industries under the Colombo Aid Programme. Besides, the Government have issued some ad hoc quotas to actual users; and some more imports are likely to take place on account of the initial policy of permitting imports to the extent of 85 per cent before the basis was revised to 65 per cent. However, an early arrival of about 2,000 tons of copper by s.s. "Kampala" is expected to ease the situation a bit and bring down prices to saner levels.

Meanwhile, the world copper surplus for 1957 is estimated at 200,000 tons. The surplus—which is unchanged as compared with the 1956 surplus—is partly due to a drop in world consumption despite an increase during the first months of the year in Japan. The overall copper reserves for 1957—both raw and refined—total 995,000 tons or 149,000 tons more than the previous year.

The drop in consumption particularly hit the United States and Canada, while West European consumption has reached a new high, totalling 1,549,000 tons as compared to 1,467,000 tons in 1956. At the same time, consumption in Japan

has risen by 20,000 tons during the first six months; but has dropped during the last quarter of the year.

Production in the main producer-countries has dropped: it is 44,000 tons lower in the USA than the previous year; 9,000 tons lower in Chile and 7,000 tons in the Belgian Congo. It has increased by 13,000 tons in Japan; by 3,000 tons in Canada and by 32,000 tons in Rhodesia. The USA and Canada have, no doubt, contributed substantially to the fall in consumption. World producers have, however, recently taken steps to reduce output. If the Government stock-pile sales are regulated, it is expected that copper prices will achieve relative stability in future.

With regard to other non-ferrous metals, there has been a good demand for Zinc from mofussil centres, as Calcutta prices are higher at Rs 53.50 per cwt than Rs 52.50 quoted in the Bombay market. Although stocks in the market are reported to be ample, they are not in the weak hands. With the result, prices are still ruling firm. In London, the rate has eased to £63½ from £64 per ton. The cuts in production, recently announced by various smelters, should have strengthened the market; but the sluggish demand from consumers has prevented such a development.

Lead is moving narrowly between Rs 62 and Rs 64 per cwt. Supply position is quite healthy and, as such, the improvement in LME prices has not affected the local price. In London, the rate is quoted around £75½ per ton.

As regards Tin, the sharp rise in prices in Singapore to the extent of \$ (St.) 7½ per picul and £5 to £6 per ton in London has not affected local prices due to heavy stocks. Normally, this much rise in Singapore would have raised local prices by Rs 10 per cwt. But, in the present case, the price is higher by only Rs 5 per cwt, being quoted at Rs 515 per cwt. In London, the rate is quoted at £735 per ton.

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Gold & Silver

The recent boom in Gold prices has shown signs of abatement on the Bombay Bullion Exchange during the last few days. The easy turn of the market has been attributed mainly to the changed outlook for the yellow metal. Dealers have reported a marked fall in the demand from the South, which had figured as a major buyer in the past few weeks. The situation in Calcutta and Delhi has, of course, been relatively good with prices remaining higher than those in Bombay. It is generally felt that the present dull spell will last for another fortnight.

Arrivals and offtake of Gold were estimated around 3,000 and 5,000 tolas respectively. Unrefined metal receipts totalled 4,000 tolas. Phagun delivery changed hands at

Rs 111.00 to Rs 111.25 and Chaitra delivery at Rs 111.00 to Rs 111.25. Ready was quoted around Rs 111.62, while Sovereign remained firm at Rs 71.37.

Arrivals and offtake of Silver were estimated at 16 and 10 bars respectively. Unrefined metal receipts were heavy at 11 bars. Phagun delivery changed hands at Rs 191.62 to Rs 192.50 and Chaitra delivery at Rs 190.37 to Rs 191.00. Ready was quoted at Rs 191.62.

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Oils & Oilseeds

With the commencement of the marketing of the new crop of Castorseed, trade interest has turned on a reassessment of the export outlook for Castor Oil. The situation is particularly alarming this year in view of the country's disappointing performance on the export front in the last few months. The UK and the Continent have continued to observe silence and quoted highly unremunerative rates, while the US market is unfavourable on account of the increasing competition from Brazil. With the result, Castor May delivery eased off further to Rs 136.25 from Rs 138.37. In the ready section, ready is quoted at Rs 28.25 and Castor Oil, commercial quality, at Rs 14.25.

Trading in the Groundnut section, was featured by strong rumours that the Government would enhance the excise duty on groundnut oil in the forthcoming Budget. May delivery, after opening at Rs 158.87, receded gradually towards the close to Rs 157.37. In the ready section, bold quality was quoted at Rs 32.12 and Groundnut Oil at Rs 17.62.

Prices in the Linseed section, moved with the general trend of the market. Although the export outlook for linseed oil is far from encouraging, operators are not inclined to press sales. May delivery finished at Rs 28.94 after touching a high of Rs 29.25. In the ready section, the rate is quoted at Rs 29.25 and Linseed Oil at Rs 15.50.

★

Yarn

Listless conditions continued to prevail in the Yarn market. Operators were reluctant to extend their commitments in view of the forthcoming budget, while prices in both spot and futures sections moved within a narrow range. Turnover was reported to be negligible.

The market for Cotton Yarn continued to be easy, medium counts suffering a loss of about 50 nP per bundle. Upcountry weavers were reluctant to augment their stocks on account of growing accumulation of handloom cloth. Demand for cloth from upcountry centres was also at a low ebb. Above all, the export picture is also disappointing, barring some demand from Aden and Buma.



A Great and Gracious Spirit

IT was some years ago that I saw Maulana Azad swish past me in his car in the ascent that leads to the Secretariat. I have seen him often enough since, but the fleeting image of a moment has stuck firmly in my mind. His face, as of burnished bronze, with a well trimmed beard and a sharp nose had a certain austere calm of one on whom authority settles easily and appositely. Though it was the face of an intellectual, there was nothing of the tortured, tormented soul about it. There was nothing harassed, nothing neurotic and nail-biting about his sense of his own burdens. On the contrary, there was the contemplative calm of man used to intellectual authority. But it was not a smug face. Though it did not appear, like Rodin's Thinker, bent with the burden of his own cerebrations, there was no mistaking the air of his being acutely aware of the responsibility of his own authority. Here was a man, one would have instantly thought, to whom I could go to get the proper advice in any difficult situation. And such advice would have been not only admirable, but also provided with a depth that derived nothing from the immediate accidents of the particular problem. In other words, in acting on the advice, you would have committed yourself to a way of life and an attitude of mind.

There is thus no wonder that, in all the tributes paid to him in the last few days, a recurring motif should be the deprivation of his wise counsel. This may come as a surprise to many whose acquaintance with the world of affairs is limited to the more formal aspects of public life. Especially since independence, Maulana Azad has reduced his formal public acts to the minimum. Though he was Mr Nehru's deputy after Sardar Patel's death, he had chosen the comparatively quiet tasks of the Education Ministry as his formal responsibility. But this very freedom from strictly formal tasks gave him the time and the opportunity for being a sage counsellor on all aspects of policy. Mr Nehru had, especially since the Sardar's death, come to lean heavily on the Maulana's counsel. Apart from the fact that he was an old colleague, he was, in the latter days, almost as the only man who dared tell him what he really thought about any particular problem. In an atmosphere in which more and more people were too awed to tell the PM what he ought to be told, the calm wisdom of Maulana Azad was what was valued most by Mr Nehru. And yet, characteristically, there was nothing assertive about Maulana Azad's special position. Lesser men who had the ear of the Prime Minister and who had occasionally dared him have boasted about it some time or the

other. But Azad and Nehru, who (despite basic identity on almost all things) have had many differences, have never allowed them to come into the open.

As a man, Maulana Azad was one of a band that is becoming rarer every day: the intellectual aristocrat. Mr Nehru described him with his usually admirable felicity—which especially springs when he is under the stress of powerful emotion—as a man of "luminous intelligence". Maulana Azad had a most unusual education in that he did not go to conventional schools, where minds are mechanically filled with more or less useless information. Azad's, on the other hand, was the Muslim equivalent of Arnold's famous "grand, old, fortifying classical curriculum". His father, who was a famous divine, taught him fairly young and put him through the paces of Islamic theology. And to this equipment was added, then and later, the rich harvest of Azad's own adventures in the sensuous realms of Persian and Urdu poetry. It would, therefore, be a mistake to imagine the Maulana as one of those ineffectual disputators or effeminate poetasters that turn up monotonously in the pages of the Arabian Nights. When a mind so naturally gifted as Maulana Azad's is fertilized by the heady waters of Persian and Urdu literature, it flowers forth into a humane and civilised intelligence. Nothing that is shoddy in feeling or thinking will get past the penetrating luminosity of such a mind. And it is not only the mind that acquires such an imperviousness to vulgarity and pettiness. The character of a person submitted to such an intellectual discipline scorches to ashes the banal and fatuous in human behaviour. His was a mind that was both tough and cultivated and there was nothing that was merely smart that could get past it. And he was no mere book-worm, as references to his having translated the Koran may make one imagine him to be. He once wrote: "There is no conviction of mine but was riddled with all the thorns of doubt. There is no spiritual belief but has passed through all the vicissitudes of unbelief. I have quaffed the poison jar even as I have tried all the antidotes that the science of medicine has prescribed. When I was thirsty, my thirst was unlike that of others, nor was the peace that has filled me since obtained from the common spring". This characteristically eloquent account of his spiritual and intellectual battles shows him to be a man both complex and great.

As I said, there must have been hundreds of occasions when the petty and little minded have wilted

before the calm authority of the Maulana and about which we know nothing. But there have been occasions within public knowledge when small minds have visibly slunk away in fear before the steady and unruffled gaze of the Maulana's calm authority. Many will recall the debate in the Lok Sabha some years ago when some extremely petty insinuations were made about Maulana Azad's lack of energy in propagating Hindi. It was one of those rare occasions when the Maulana was stirred deeply enough by pettiness to reply. The dignity with which he defended himself put his opponents completely out of countenance and the entire House became positively hostile to the unfortunate cavillers.

Likewise, Maulana Azad was able to deal effectively with other assaults made by narrow prejudice on him. Many have, in the soporific atmosphere of post-independence, forgotten the unutterable insults hurled at Maulana Azad by rabid Muslim communalists in the old days. Jinnah had used, in reference to him, language which was characteristically haughty. A lesser man than the Maulana would have referred to them, at least for the purpose of showing up how unutterably vulgar such slanders were and how impervious he was to all such insinuations. It is to the eternal credit of Maulana Azad that he treated all such indignities with a contempt that did not even reveal itself as contempt.

His was a truly emancipated mind, which had transcended all narrow prejudices. Politically, the Maulana was a constant vindicator of our secular aims. Just as, in his person, he was in the tradition of the composite culture of India that had its first beginnings in Akbar's court, in his political career he symbolised the concept of the unity of India, and India's great capacity for absorbing a variety of cultures. In the crucial years in which the Muslim League was trying to assail this concept, Maulana Azad was the sole spokesman of a body that was vainly sought by Mr Jinnah to be identified with the Hindus. If subsequent events have yielded to fanaticism and not shaped themselves according to the light of reason, it only shows how primitive our politics still is.

Maulana Azad's passing away has been universally considered as not only the passing away of a great and gracious spirit but also as the passing of an age. Even during his life time, the pressure of modern life had corroded deeply into those things he valued most. The good life, courtesy, gracious personal relationship, and compassion are daily receiving short shrift at the hands of a society that is in too much of a hurry to get nowhere in particular. And more

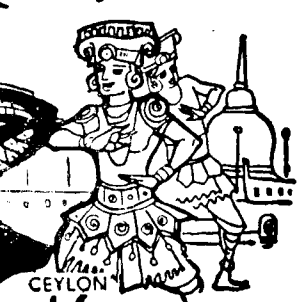
immediately, the Maulana has taken away with him part of a world that is not even a memory for many young people today. It is sometimes a shock to realise that, to the young of today, 1942 is just history and there are school children who have heard of Gandhiji only in the past tense. And the number of the old guard, still happily left with us, is dwindling. Mr Nehru, Mr Pant, Mr Rajagopalachari, Dr B. C. Roy, Mr Krishna Menon are the names that occur to me readily. Of course, it is not necessary to cross bridges before you reach them and, therefore, it is not necessary to get panicky about future leadership. But, to the grief of the passing away of a great and good man, is added the worry about future leadership. It is true that Maulana Azad is irreplaceable. He is so in more than the conventional sense because of his unique position in Indian public life, but India, as Mr Nehru pointed out, has had many great men before and shall without doubt produce many great men in future. But, try as one might, the thought of the need for training a second order of leadership comes breaking in on our present grief. It is time that the several parties in the country set about thinking seriously on the subject.

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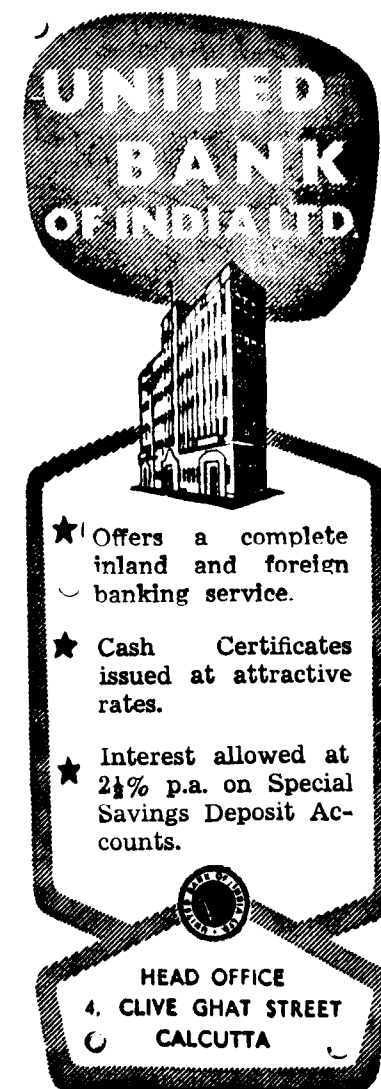
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DELHI REVIEW

One of the basic shortages of the country's economy in relation to the need for industrialisation is that of adequate technical manpower. If technical education is only in a nascent stage it is because of the fact that the need to develop it was not felt acutely as long as economic development was left to take care of itself. But with the need to develop basic heavy industries in the country, the importance of the technical education has also come to be increasingly recognised.

According to a latest report, the Government of India have now a scheme for starting new institutes to provide education in technological subject, with the object of increasing the availability of technical manpower for the Third Plan. The new scheme envisages a target of 15,000 engineering graduates during each year of the Plan as against the original target of 10,000. This upward revision of the target seems to follow the approval of some new schemes like the heavy machine-building plant and the forge foundry at Ranchi.

For the purpose of meeting this target the Government have in view the setting up of eight new technological institutes two each in the four geographical regions of the country. These institutes between them are expected to turn out nearly 5,000 graduates the annual intake of students being 500. Apart from the new institutes, expansion of the existing ones is also envisaged so as to fill up the shortfall that would be left even after the starting of the new institutes.

The novel feature of these new institutes is that they will give education in all branches of engineering for which purpose the laboratories and workshop facilities would also be on correspondingly larger scale. This is a welcome departure from the practice of present institutes which specialise in certain branches of engineering. Apart from these changes which would increase the number of engineers during the Third Plan there are also schemes sponsored by the government of India for giving foreign training to personnel in connection with certain specific projects such as the three steel plants. Further increased facilities for instruction and training in metallurgical and mining engineering are also contemplated.

The setting up of these institutes will mark a new turning point in the educational policy of the Government, which has long stood in need of a new orientation in favour of engineering education. This is in tune with current trends in education in other countries especially Soviet Union and the Western European countries.

Bichromates Industry

The main difficulty of the bichromates industry would appear to be lack of adequate demand for

its products either within the country or abroad. One of the probable reasons for its failure to attract the attention of overseas buyers may perhaps be found in the price level of its products. As far as internal demand is concerned the market is necessarily restricted as consumers of bichromates are confined to one major and three or four medium scale industries only. It is but natural that an industry which has yet to develop the markets for its products is finding it difficult to stabilise itself even after ten years of protection. The Bichromates industry has asked for the continuance of protection for a further period beyond December 1958 when the present term will expire.

It will be evident from a study of its history in the past ten years that the Bichromates industry has had its origin in wartime needs. After the war most of the units which have been set up found no demand for their products and consequently have closed down. In 1946 there were 17 units and in the course of the next two years they were reduced to 11. By 1953 there were only 8 units engaged in the manufacture of bichromates. In the past four years, four more units closed down and a new one was put up with the result there are now 5 units situated as follows: two in Calcutta, one each in Bombay, Madras, and Kanpur. The average number of workers employed in 1957 by the three main producers in their bichromate plants was about 700. The overall capacity of all the five units for production of sodium bichromates (inclusive of capacity for the production of potassium bichromates) is 4,548 tons per annum and the actual production was 2,461 tons in 1953, 3,207 tons in 1954, 2,934 tons in 1955, 3,262 tons in 1956 and 3,623 tons in 1957.

Except soda ash, all other raw materials for the industry are available internally in adequate quantities. The gap between demand and supply in soda ash is now filled by imports made through the State Trading Corporation. According to the manufacturers considerable difficulty is experienced by them in procuring the raw materials because of high transport cost and high prices of chrome ore and sulphuric acid. Shortages of coal are also contributing to delay and the high cost of production.

The industry's products have obtained the approval of consumers. Estimates of current total demand for bichromates in India vary from 2,800 tons to 3,950 tons. The Development Wing of the Ministry of Commerce and Industry has placed the demand at 3,400 tons of sodium bichromates and 240 tons of potassium bichromate, same as

the level of production in 1957. The basis for this calculation is that there has been no import during the year.

The problem that is now confronting the industry is the utilisation of its idle capacity. This is possible only if exports increase. Progress in this regard so far seems to be disappointing even though exports of bichromates are freely allowed since 1955. Government have now permitted draw back of duty on imported raw materials used in bichromate for export.

Technology and Humanities

Delivering the Convocation address of the Kharagpur Institute, Dr John Matthai, Vice-Chancellor of the Travancore University, laid stress on the need for incorporating subjects of humanities in the curriculum of technological institutes so that the wider atmosphere of cultural development of the country would not be lost by the students. In this connection he pointed to the example of the technological institutes in the USA where students according to him are required to devote a considerable portion of their time and study to subjects of a purely cultural character.

But Dr Matthai would seem to justify the exclusive preoccupation of our technological institutes with technological studies in the great need to increase the country's technical manpower in relation to the growing demands from fast developing industries. He also emphasised the need for intensive specialisation of technological studies in view of the comparatively undeveloped stage of such studies in the country.

Dr Matthai pointed to the example of Soviet Russia which in the course of only 40 years has made tremendous advances in the field of technological studies, and pointed to certain lessons which this has for us. In this connection he said that such great strides which Russia has made was because of the comprehensive nature of the improvement and expansion of education which the Russian planners undertook. This would call for action on lines similar to that which was taken in Russia. Perhaps the most outstanding feature of education in Soviet Russia which has relevance to the conditions existing in India and her needs for more trained technical personnel is that in Soviet Russia nearly 50 per cent of the 10-year curriculum is devoted to Science and Mathematics.

Dr Matthai also warned against the futility of efforts at improvement of education which was directed merely at setting new laboratories and new institutes without considering the need for progress in the primary and University stages. This as he points out would considerably detract from the value of such new institutes and laboratories.

Indian Finance

NORTH INDIAN MARKETS

Dr Matthai also deplored the existence of the paradox noted earlier by Prime Minister Nehru, of industries complaining of shortage of skilled personnel and young engineers going without jobs or drudging at wrong jobs. With a view to removing this paradox Dr Matthai called for closer examination of the methods of recruitment followed by private as well as the public sector of industry.

Role of Unesco

With its firm belief in mutual negotiation as the best means of establishing world peace, India has naturally been drawn toward the Unesco whose main aim is to promote better understanding among the peoples of the world. Ever since its inception our country has been one of its strongest supporters as it has been able to find in its basic objectives the best guarantee for world peace.

At the two conferences of the permanent Indian National Commission and at the Ninth Session of the General Conference of Unesco held toward the end of 1956 in Delhi, India has, by example and through fervent appeal endeavoured to bring home to the Unesco that it should become global in character if it has to be truly representative of peoples of the world.

Speaking at the Third Conference of the Indian National Commission for Cooperation with Unesco last week in Delhi, Prof. Humayun Kabir pointed out that with the enormous advances in science and technology, the role of organisations like Unesco had become very important. For, in a fast contracting world the need for matching the physical neighbourhood by "neighbourly feelings and sentiments and the growth of mutual respect among the nations of the world" has become quite urgent as the absence of these will lead to disastrous consequences to the world as a whole. It is in this view that a major project for mutual appreciation of cultural values between the various peoples of the world and particularly between the East and West is an immediate necessity. Such mutual appreciation will become fully effective only when the major project is supplemented by mutual appreciation between the peoples in the different regions.

The Unesco programmes, however, can achieve the desired results only when the different regions of the world are enabled to play their rightful part in the formulation as well as the execution of its policies. The different cultural traditions should be given adequate representation in the Secretariat of Unesco. It would appear that so far none of the Asian countries has found a place in any of the senior posts in the Unesco Programme Department. It is to be hoped the early steps will be taken to rectify this defect.

March 1, 1958

NORTH INDIAN MARKETS

PRICES in Sugar markets have developed a hardening tendency following good demand from all the consuming centres. Rumours about like increase in excise duty on the commodity in the ensuing Budget proposals have aided sentiment. Crushing is in full swing in West Uttar Pradesh; but, due to shortage of cane and appreciable rise in gur prices, it is feared that the factories will have to close their season earlier than last year. Following mill-delivery rates (per maund) are quoted in the Hapur market:—Meerut (D-28) Rs 35.50; Simbhauli (E-29) Rs 35.75; Mansoorpur (B-29) Rs 37.81; Shamli (B-29) Rs 37.36; Daurala (B-29) Rs 37.75; Mowana (B-29) Rs 37.50; Amroha (D-29) Rs 35.00 and Bijnore (B-29) Rs 34.81.

According to the Indian Sugar Mills Association, in January, production was 4.28 lakh tons, bringing the total production, upto 31st January 1958, to 9.22 lakh tons. The corresponding figures for the 1956-57 season were 3.61 lakh tons and 8.13 lakh tons respectively.

Offtake from factories, during January 1958, was 1.46 lakh tons as against 1.41 lakh tons during the corresponding month of last season. This brings the total despatches from factories upto 31st January (including despatches for exports) to 4.41 lakh tons against 4.59 lakh tons in the corresponding period of last season. Closing stock with the factories, as on the 31st January, was 9.10 lakh tons as compared to 8.78 lakh tons on the corresponding date of last year.

Gur

Gur prices have registered further gains of about 75 np per

Hardening Tendency in Sugar Prices

maund, thanks to good buying support from stockists and easy loading facilities. Daily arrivals at Hapur have gone down to an average of 2,000 maunds, while stocks have swelled to about 1.15 lakh maunds, the corresponding figure for last year being 85,000 maunds. Total arrivals, from the beginning of the season up-to-date, are put at 3.40 lakh maunds as against about 4 lakh maunds, by this date last year. Gur Pansera quality is quoted at Rs 13.12 to Rs 13.56 per maund.

In the Muzaffarnagar market also, prices have recorded some gains as demand from the consuming centres has been fairly heavy. Chakku Minja is quoted at Rs 15.62 to Rs 15.87 and Shakkar Dara at Rs 16 to Rs 17 per maund.

There is a general feeling that gur will not come under the purview of the Forward Markets Commission. The Commission, while recommending a regulated hedge market in the commodity, has stressed the need for ensuring fair practice in the marketing of the commodity. Regulated markets, it is stated, can also assist in improving the quality of gur. The forces of supply and demand in respect of the commodity are uncertain enough to require a continuous assessment of their changing relationship through the medium of a futures market.

Khandsari prices have recorded further advance due to good demand; and producers are now buying cane upto Rs 1.25 per maund. Levy on Khandsari production is feared in the coming Budget proposals. Prevailing rates are Rs 27

to Rs 33 per maund, according to quality.

Foodgrains

Quietly steady conditions have prevailed in the Foodgrains market. In the Hapur market, Wheat prices have recorded fractional gains due to falling stocks, average quality being quoted at Rs 15.75 and the farm variety at Rs 17.25 per maund. In sympathy, Rice has improved, while the reports of overall shortage has aided sentiment. After recording some gains early in the week, Gram prices have receded following good crop prospects. The market for Barley and Belher are ruling quiet, while that of Malze remains unchanged. Arhar prices have scored some gains, while Pulses rule quiet.

In the Delhi grains market, mixed conditions are noticed. Prices of Wheat have slightly improved, while those of Gram have receded due to the predominance of sellers following the nearness of the new crop. The market for Rice rules quiet on account of better supply, while there is a good demand for Bajra from Saurashtra. Malze has improved slightly due to better offtake. The Puses market rules generally quiet on decreased buying activity.

A moderate all-round improvement in Pulses has provided the main feature of trading in the Bombay grains market. Trading in Rice has been characterised by the continued small arrivals into the City. The Union Food Minister's assurance to the Bombay

State of larger supplies of rice has been received with a sense of relief; but traders expect little change in the trading conditions in the near future. In the Coarse grains section, Jowar rules steady following higher advices from Sholapur. Bajra has reflected a firm undertone with prices rising by about Rs 5 per candy.

Shellac

The Shellac market in Calcutta, which had been ruling very firm during the past few weeks, has turned quiet with prices developing a reactionary tendency on lack of fresh demand from overseas buyers. Pure TN quality is now quoted at only Rs 75 per maund as against Rs 82.50 at the beginning of the month.

Although there have been some buying by the USA and Russia and some re-stocking by Britain, ship pers in India are reluctant to discount the next crop which, they fear, may be small. Further, the Chairman of the new Shellac Export Promoting Council has announced, in his recent speech, that steps may have to be taken to stabilise prices; and this has induced some caution in the market.

Traders in Calcutta are also disappointed by the January export figure, which was not much above the low December figure. However, shipments, during the current month upto 24th, are slightly higher at 27,112 packages as compared to about 24,000 packages in the corresponding period of January.

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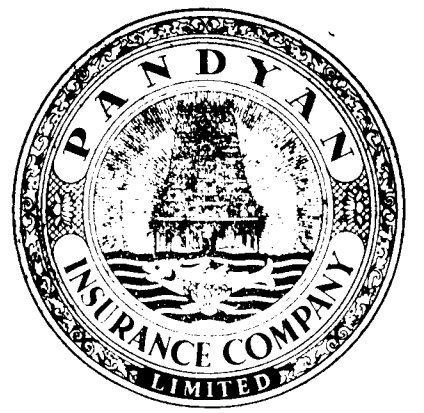
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MADRAS REVIEW

IF the address of Dr B. Ramakrishna Rao, Governor of Kerala, to the Budget session of the State Legislative Assembly, is marked more by concern for the problems faced by the State than by elation at the achievements of the past, as it evidently is, it is an indirect admission of failure on the part of the State Government in tackling the vital problems touching the welfare of the common man. The deteriorating unemployment problem as well as the continuing deficits in food production to which the Governor has made reference in the course of his address would seem to have made the task of the Government at improving the living standards only difficult. Excepting for certain measures, such as increase in the pay-scales of certain classes of Government employees and the fixation of minimum wages in regard to certain industries, there has been little else to improve the quality of the life of the middle classes as well as that of the working classes.

The problem of food production is viewed as not merely serious but as likely to continue as such for a few years more. Cutting off of rice supplies from outside the zonal area of which Kerala is a member is adduced as one of the reasons which have made the supply of food acute. But there is no mention of the measures the State Government have taken to increase production of foodgrains

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The Situation in Kerala

within the State. As is natural, in the future economic programmes of the State Government, priority has been given to increasing agricultural production. The list of measures by means of which this increase is sought to be achieved is of the familiar variety and includes the implementation of some major irrigation schemes, besides a number of minor and medium irrigation schemes, opening of more seed farms, and distribution of fertilisers. While these measures would certainly have the desired effect on the production of foodgrains in the measure in which professions of such intentions are translated into practice, how the passing of certain legislative measures such as the agricultural relations bill would conduce to increased production is a matter of controversy. It is indeed probable that, in so far as such reforms displace progressive and improved cultivation, the new outlook which Dr Ramakrishna Rao wants the cultivators to bring to bear on agricultural production would be found to be lacking. The dilemma which such land reforms have posed to increase production in agriculture was the subject of a discussion at the recent conference of land owners at Mysore.

The stress on the formation of industrial co-operatives and other organisations for resuscitating and strengthening cottage and small scale industries, which has been assigned the second place in the list of priorities of the State Government, follows the recognition of the gravity of the unemployment problem in the State and embodies the determination of the State Government to fight it. With the invitation extended on his assumption of office by Mr Namboodiripad, the Chief Minister of the State, to industrialists in other States, along with a sure guarantee he gave of a favourable atmosphere in the field of industrial relations, the employment position in the State would at least have been expected to remain the same even if it did not improve. But even modest expectations seem to have been belied in this respect, for, Dr Ramakrishna Rao has, in his speech, pointed to a deterioration in the employment opportunities existing in the State. The setback to the coir industry, which is the biggest source of employment in the State, is believed to have been responsible for this. Whether and to what extent it is connected with the partisan attitude of the Government in matters affecting industrial relation is also worth examining. Dr Ramakrishna Rao has referred to the setting up of a tripartite committee which is expected to evolve an acceptable basis for industrial truce in the State. How far this would succeed in maintaining industrial peace and consequently

attracting capital from other States would depend not on the terms of the truce itself but on the behaviour and attitude of the State Government in disputed cases.

The Governor has also laid stress on the utilisation of available cultivable land by planting rubber and cashew so as to mitigate the severity of the unemployment problem. Industrial cooperatives for coir, fishing industry, and bamboo and for other small scale industries are also envisaged.

The solution of these problems and others is naturally bound up with the implementation of the various programmes coming under the State sector in the Second Plan. The prospects for this, as indicated by the State's ability to raise the required financial resources, do not appear to be entirely free from difficulties. The total allocation to the State under the Second Plan amounts to Rs 87 crores of which the share of the Centre is Rs 40 crores, the balance of Rs 47 crores being left to the State Government to procure. The Governor's observations on the ability of the State Government to raise the required amount are cautiously worded. He has referred to the difficulties imposed on the State Government by the requirement to provide a revenue surplus of Rs 13.4 crores during the five year period, and the increasing demands of non-plan expenditure. He has also referred to the problem of raising the State's allotted share of loans from the market to the tune of Rs 19 crores which, he says, has been rendered difficult in view of the tight conditions of the money market in the country and the directive of the Reserve Bank to the State Governments not to go to the market. Even the recommendations of the Finance Commission, as a result of which the State has gained to the tune of Rs 1.5 crores, do not seem to have altered the problem materially. Concentration on small savings would seem to point the way out. In this respect, the record of the State Government during the last year has been very encouraging. Collections from small savings showed an increase from Rs 44.90 lakhs in 1956-57 to Rs 66.76 lakhs in the next year. Therefore, organisation of small savings drive on bigger scale, the need for which has been recognised by Dr Ramakrishna Rao in his speech, should show better results in the coming year than in the previous one. Economy in non-plan expenditure is also mentioned as a field in which the efforts of the State Government would be directed.

The implementation of the various programmes under the Plan has also left much to be desired, as is evident from what the Governor has spoken as deplorable lag between targets and fulfilment. It

Indian Finance

THIS IS THE PENINSULA

would appear that the actual expenditure during the course of the First Plan has fallen short of allotment by nearly 16.67 per cent of the total allocations, the actual allocation and expenditure being Rs 30.03 crores and Rs 25 crores, respectively. The shortfall in expenditure in the first year of the Second Plan seems to be even greater being about 55 per cent of the total allocations, the respective figures for allocations and expenditure being Rs 18.60 crores and Rs 10.20 crores. The reasons for such lags, according to Dr Ramakrishna Rao, are delay in working out details of schemes and their scrutiny at State and Central levels, delay in implementation even after sanction has been obtained because of what he calls the slow-moving administrative machinery. The failure of the Government in tackling the problems of food production and unemployment, which the Governor deplores, could be partly attributed to the failure to utilise the Plan allocations fully. That the State Government are sufficiently seized of the need to remove such deficiencies in administration as stand in the way of the implementation of the various programmes is evident in the action of the Government in setting up an administrative reform committee to look into the problem and suggest recommendations.

It would also appear that the State Government are fast progressing in the direction of administrative integration and unification of laws. Dr Ramakrishna Rao enumerated a number of measures that have already been passed in the Legislature. The important bills which are awaiting final sanction are University Bill, Forest Bill, Agrarian Bill and the controversial Education Bill. The reference to the problem of minorities in the State and the need to give educational facilities, especially the use of their own mother tongue as the medium of instruction, was a welcome feature of the Governor's speech and would be warmly appreciated by the resident minorities.

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SOUTH INDIAN NOTES

Optimum utilisation of the scarce resources is the very crux of the problem of economic planning. But in an underdeveloped country such as India is, the problem is complicated by certain dilemmas inherent in the economy and the conflicting claims of social and economic policies. Though the need to raise the national income of the country is the accepted goal which is sought to be achieved by means of five year plans, the size and pace of the increase would depend on the level of investments and the manner of such investments.

Speaking on the "dilemmas of Indian economy" Mr K. Santanam, former Chairman of the Finance Commission, analysed the various aspects of the problem and said that while both increased productivity in the existing farms and factories and increase of production through new farms and factories would contribute to higher level of production, diversion of savings to social services would not raise national income in the near future. Even investment in new industries would take time before it yields the full fruits. Naturally planning in the country has to take account of the widely divergent potentialities of these various courses for raising national income.

Another aspect of social policy which would have profound impact on the pace of development is that with regard to the distribution of income in the country. As pointed out by Mr Santanam though there would be scope for reduction of inequalities of income it could be done at the cost of reducing the level of savings and investment. The existence of disparities of income as between various sections and regional groups such as agricultural and urban workers, workers in cottage industries and factories, and State Government and Central Government employees is another source of friction which does not contribute to any effective solution of the problem of a just distribution of national income in the country.

Provision of more opportunities of employment which should be one of the obvious goals of economy policy, Mr Santanam points out, conflicts with the need for bettering the conditions of those already in employment, and therefore could be achieved only to the extent to which the demand for increased wages and salaries could be effectively controlled. Though he would seem to advocate austerity on the part of salary and wage earners so that more savings would be available for longterm investments he is not totally opposed to the legitimate demand of these sections, but at the same time he thinks it desirable to give such increases in deferred payments.

In regard to the nature of investments Mr Santanam considers

that the long term interest of the country should have a higher priority over the short term interests, and therefore he gives a weightage to such investment to the extent of at least 60 per cent.

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Agricultural Banks

Though it has been long recognised that rural indebtedness is the main impediment in the way of economic progress of the agricultural community, it is only in recent years that concerted efforts have been initiated towards removing the crushing burden of rural debt. In this regard the report of the Rural Credit Survey has indicated that for a successful solution of the problem it is essential that the State should enter into partnership with cooperative institutions at various levels. The second Plan has incorporated many of the recommendations of the Committee in the programme for the development of cooperation.

However, in view of the formidable character of the task involved in the liquidation of rural indebtedness, it is idle to expect much improvement in the rural sector of the economy all of a sudden. It will take some time for the effect of the steps that are being taken, to become apparent. As yet only a small proportion of the population is benefited by the cooperative movement.

In the Madras State active efforts are being made to bring much needed relief to the poor ryots. In this connection special attention is bestowed on the expansion of rural banking. Speaking at the Second State Rural Banks Conference, Mr R. Venkataraman Minister for Co-operation revealed that the State Government had planned to open 600 rural agricultural banks during the Second Five Year Plan period. To raise the requisite fund for this purpose, they would float a short-term seven year debenture loan. The Minister pointed out that the ready response to a similar offer made recently had given encouragement to Government to adopt the method in regard to setting up the proposed banks. Already considerable progress has been made in increasing the credit facilities in the rural areas. As against 300 agricultural banks sanctioned by the Planning Commission for the Second Plan period the State Government have, even in the first two years of the Plan, set up 160 banks. Considering the rate of progress it is certain that the target will be attained much sooner than 1961. Besides these, there were as on 31st January 1958, 23 cooperative rural banks whose main object is to provide medium term credit facilities to needy villages.

With more than 180 rural agricultural banks in operation in the rural areas the cooperative movement in Madras may be expected

to forge ahead. It is however, to be noted that the facilities and help provided by Government will be of little avail if the people do not take an active part in it. In this regard it may be recalled that it has been envisaged in the Plan that every family in the rural areas should be a member of some co-operative society or other.

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Development of Mysore

Considering the fact that Mysore had to face many administrative problems as a consequence of the States Reorganisation, the progress achieved in the development of the State during the past year must be considered to be quite satisfactory. Delivering his opening address to the Budget session of the Mysore Legislature, His Highness Jayachamaraja Wadiyar, Governor, pointed out that concerted efforts had to be made toward increasing food production in order to achieve a lasting solution of the State's food problems. A target of an additional production of 5 lakh tons has been fixed for Mysore under the Second Plan, the additional production target for 1958-59 being 148000 tons. If the State is to avoid the recurring food shortage, it is essential that the additional production is achieved. The schemes costing about Rs 4 crores which are already under implementation may go a long way toward making the State self-sufficient in foodgrains.

In this regard it may be mentioned that it has been the accepted policy of the State Government that the land must belong to the tiller of the soil. A draft bill mainly based on the recommendations of the Land Reforms Committee is due to be introduced in the current session of the Legislature.

Against the allocation of Rs 28.68 crores for 1957-58 under the Second Plan, actual expenditure is expected to be of the order of only Rs 22 crores. The shortfall in fulfilment has been occasioned largely by the Government's preoccupation with the administrative problems posed by the States Reorganisation. Though an allocation of Rs 35 crores had originally been made for 1958-59 target had to be revised downward to Rs 25.7 crores due to the difficult financial position in the country. Of this, nearly Rs 16 crores are proposed to be spent on Agriculture, Community Development, Power and Irrigation. The next big item is Social Services absorbing Rs 5.84 crores.

Notable developments in the large-scale industries sector are the coming into operation of a new spun pipe plant with a capacity of 17,000 tons of cast iron pipes and the finalisation of the plan for the expansion of the ferro-silicon capacity in the Bhadravati Iron and Steel Works from 5000 to 20000 tons. In the field of mining the Government have reserved mineral

bearing regions for exploitation by the State and in this connection have set up a Board for Mineral Development. Development schemes involving an outlay of Rs 94.50 lakhs for the Kolar Gold Mines have been sanctioned.

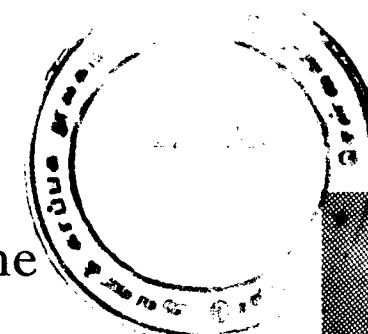
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Hindi and Non-violence

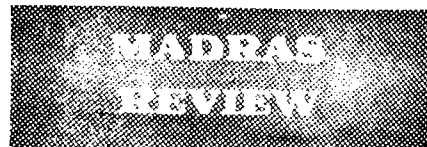
It is unfortunate for the country as a whole that the protagonists of Hindi fail to pause to consider why a person of the calibre of Mr C. Rajagopalachari has come out in support of English as the Union Language and at the same time is so vehemently opposed to the elevation of Hindi. If, however, they do so they will be able to find that Rajaji's arguments are quite simple and reasonable. In the first place it will be foolish to associate a language with any sentiment. In other words it will be wrong to say that English signifies slavery or that Hindi denotes freedom. Secondly, Union language can be any one of the national languages or even one that is not included in the list. By selecting one language as the Union language, other languages will not suffer, and should not be made to suffer. Such guarantee is inherent in the demand for making the regional language the official language of the State. Thirdly, the Union language should be capable of expressing in adequate measure modern thoughts in every walk of life. Fourthly, the Union language should be capable of being understood by the people of the country. The test here should not be by numbers alone.

The list perhaps is lengthier but the four criteria seem to be the most important. Rajaji's contention is that taking into consideration all the relevant factors and especially the fact that wide tracts in the country are utterly ignorant of Hindi, the status quo should be maintained. Hindi cannot become the official language not only because it is unintelligible to the people in the southern States but also because it is incapable of discharging its responsibility as a Union language for the simple reason the language itself is in an undeveloped state.

Speaking in Madras last week, Rajaji has pointed out that the protagonists of Hindi do not seem to realise that they are flouting one of the cardinal tenets of Mahatma Gandhi. The imposition of Hindi on a region when it does not want it is tantamount to violence and it is in no way different from lathi charge or military action. Rajaji has given another suggestion. He has asked the predominantly Hindi speaking States to try Hindi as the State language in the first instance. In this regard he has pointed out that these States are yet to introduce Hindi in their own regions.



MADRAS REVIEW



Slump in Ginger Prices

THE Ginger-growers of Kerala, who number about 1½ lakhs, are reported to be in a very sad plight as a result of the steep fall in the price of the commodity. It is stated that, during the last 15 years, they had not faced such a deplorable situation. Three years ago, ginger was fetching a handsome price of Rs 1,400 per candy of 6 cwts. Last season, on an average, the price ruled between Rs 700 and Rs 800 per candy. But, it is now difficult to get buyers even for Rs 200 per candy.

The paradox of the situation is, that the price has dipped to such a low level despite the fact that the current season's production is considerably lower when compared to last season's. The present price is much below the cost of production, which is estimated by the

growers at Rs 600 per candy. Last season's production, in India, is estimated at the record figure of 15,000 tons and the export at 9,500 tons.

The Ginger Marketing Co-operative Society in North Travancore has, therefore, suggested that a Committee should be appointed by the Government to enquire into the present slump in the market and to suggest remedies for the situation. It is also suggested that the Government should purchase the stocks with growers and the floating stocks in the market at an average of the prices obtained during the last five years. Prices can thus be rigged up and the stocks with the Government can be sold in an improved market. The margin, that the Government get from the sale, should be distributed

among the growers after taking a reasonable interest for the money which the Government advance for this purpose.

Coffee

Export prospects for Indian Coffee, for the current year, appear more clouded than what was expected earlier. That the first export sale for the current season, held last week, was marked by very disappointing prices and the Coffee Board was forced to withdraw 75 per cent of the quality, is a known fact. It is felt that the present system of closed bidding in coffee sales is disadvantageous to the producers and it should be replaced by open auctions, at least in respect of export sales. It is also felt that the open export auctions will be more popular with foreign buyers, who may show more interest in India's export sales which will ultimately fetch better prices. With prospects of lower export prices ahead, the industry cannot afford to rely on an inadequate marketing system. A well-established exchange for marketing coffee similar to the tea markets at Cochin and Calcutta should be the target.

Meanwhile, world coffee production is expected to be in excess of demand. The US Department of Agriculture estimates the world production of Green coffee, in the 1957-58 marketing season, at 50.4 million bags, which is 8.9 per cent higher than the previous season's output. This means, that the surplus already hanging on the market will be enlarged, acting as a damper on the market.

According to reports, Brazil, Colombia and Central American States have come to an agreement by which nearly 4 million bags will be withheld from the market during the 1957-58 season to bring about a better balance between exportable production and world demand.

Pepper

Prices in Pepper markets are forging ahead to fresh higher levels following the news of deterioration in the political situation in Sumatra. Advices are also better from New York where ready stock is reported to be at a low level as dealers there had so long persisted in their conservative buying policy. The future of the market, therefore, depends on the political situation in Indonesia. In the Kozhikode market, rates are quoted at Rs 542.50 per candy for the Wynaad quality and Rs 520 for the Country variety.

In the New York market, values have continued to rule steady, reflecting political unrest in Indonesia. However, overall buying is inclined to be more cautious as dealers are awaiting further developments in the situation. In view of moderate demand, Lampung now



compares favourably with Malabar Pepper. Muntok February delivery is quoted at 33½ cents per pound. In London, Black Sarawak is quoted at 17d per pound.

Groundnut

Steady conditions prevailed in the Madras Groundnut market where the rate was quoted around Rs 145 per candy. Arrivals averaged 35 to 40 tons per day, Chekk/rotary crushers being the main supporters.

In the Groundnut Oil section, ready rate was quoted around Rs 297 per candy. Calcutta interests were reported to have given good support and taken sizable quantities. Offerings from the South were not appreciable, while business on forward account was small.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides continued to be restricted and these were taken up readily by shippers at the previous week's levels. There was very little change in Buff hides and Calf sections.

On the export front, trading was rather quiet. Enquiries from UK were small on account of the unworkable price levels.

In the Tanned Skins section, arrivals of Goat and Sheep skins were on the same level as in the previous week and there was fair clearance.

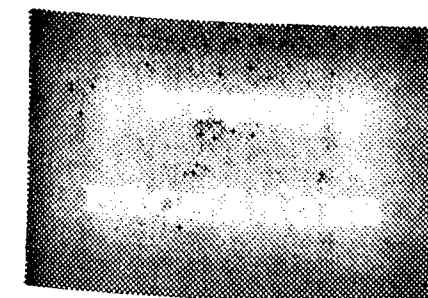
In the export section, trading was small. Sellers of prime quality goat skins were quoting erratic prices. With the result, the market was a little confused. In Sheep skins, business was reported in middle class marks at 9d to 1sh per pound lower as compared to pre-auction levels. Semi-primed and good middle classes were difficult to sell.

The market for Raw Hides ruled steady.

In the Raw Skins section, prices were quoted Rs 20 to Rs 25 per 100 skins lower.

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Sober Reception to Budget

Watch-Dog Writes:

PENDING announcement of the Budget proposals, stock markets generally experienced a dull period till Thursday when price movements were narrowly irregular in all the sections as operators were rather cautious in their dealings. But, a better sentiment prevailed in the pre-Budget session on Friday when an all-round recovery in prices was recorded, being influenced by the hopes that there would be no increase in the burden of taxation excepting for the introduction of a tax on gifts.

Following the announcement of Budget proposals, prices reacted sharply as disappointment was felt at the omission of the keenly-awaited relief in cloth excise duty. Although the gift tax had generally been expected, the retention of the compulsory deposit scheme and the absence of any relief in the bonus tax caused a barish sentiment in the market. However, the proposals, that the surcharge levied on cement by the State Trading Corporation would be withdrawn and that the rate of development rebate for ships would be increased, induced some short-covering, resulting in a partial recovery in prices at the close.

The Calcutta Stock Exchange, after having experienced steadier conditions till the pre-Budget session, suffered a setback in the special session. Some short-covering, on second thoughts, caused a partial rally at the close.

On the Bombay Stock Exchange, Textiles suffered a sharp fall in the special Budget session with popular scrips losing substantial ground.

A mixed trend in prices was noticed on the Madras Stock Exchange.

The London Stock Exchange developed a firmer tendency, sentiment being assisted by some good company statements and a sharp recovery in sterling.

Wall Street closed barely steady.

Calcutta

Calcutta, Friday Evening.

ONITIONS on the local Stock Exchange remained generally dull till Thursday when price movements were confined to a narrow range as operators were found to be rather cautious in their dealings due to the proximity of the Budget. However, they took a turn for the better in the pre-Budget session when prices staged a marked improvement, being influenced by belief that there would be no fresh increase in taxation and some re-

lief would be granted in excise duties, especially on cloth.

But, the announcement of the Budget proposals caused a sharp reaction in prices. What inspired bullish buying in the early part of the session remained obscure. Later on, the idea of a gift tax or of lowering the level of Estate Duty proved unpopular. In the prevailing confusion, the market's bell-weather, Indian Irons, were subjected to wide fluctuations in prices. The frugality of turnover indicated that the market had formed only a tentative view of the Budget proposals. Full reaction will be known on Saturday as operators had no time to study the full implications of the Budget proposals.

The Giltedged section ruled generally steady with a good all-round enquiry for most issues. The demand was particularly noticeable for medium-dated issues. State Loans were also enquired for; but here, too, sellers were reported to be scarce. 3 per cent 1986 Conversion Loan opened at Rs 70.90 and, after improving at one time to Rs 71.25, receded again at the close to Rs 71.05.

Sentiment in the Jute section continued to remain depressed in view of the obscure outlook for the industry. The reported decision made by the mills not to sell jute goods below certain specified minimum prices (Hessian Rs 39.50 and B. Twills Rs 100 per 100 bags) had no marked effect on the market. National, after being pushed up to Rs 23.75 from Rs 22.65 on settlement considerations, receded at the close to Rs 22.75 on profit-taking. Nuddea receded to Rs 28.50 from Rs 29.00; New Central to Rs 12.75 from Rs 13.00 and Kinnison to Rs 104.50 from Rs 113.

Coal shares suffered from neglect due to the revival of nationalisation talk following the Chinkai mine disaster. Bengal lost another Rs 4 at Rs 21, while Burakur closed a shade easier at Rs 22.60 after touching a high of Rs 22.75. Central India changed hands at Rs 6.50 to Rs 6.65. Western Bengal eased off to Rs 5.12 from Rs 5.22 and Amalgamated to Rs 15.25 from Rs 15.50.

Textile scrips were also a neglected counter on pessimistic outlook regarding the dividends as well as the absence of any improvement in the working of the industry. The absence of any relief in excise duty on cloth was also a contributory factor. The only steady feature was Kesoram at Rs 9.75.

Reports, that an adequate supply of tea was expected and it was possible that overseas buyers would take their requirements only slowly, caused restricted trading in the Tea section. Although a few scrips were pushed up on the expectation of some relief in the export duty, especially on Common teas, profit-taking erased most of the gains at the close in the absence of any relief following the Budget proposals. Basmatia were taken up to Rs 22.00 (Rs 21.87); Brahmapootra up to Rs 3.19 (Rs 3.06); Betjan Rs 22.87 (Rs 22.75);

Bishnauth up to Rs 19.00 (Rs 19.00); Dhelakhat up to Rs 19.94 (Rs 19.87); Grob "A" up to Rs 21.62 (Rs 21.50); Hasimara up to Rs 20.75 (Rs 20.00); Jayshree up to Rs 10.22 (Rs 10.12) and Methoni up to Rs 15.12 (Rs 14.69). Figures shown within brackets were the closing rates for the week.

Sugar shares continued to meet with selective support. Most prominent were Champaran being taken up to Rs 22.12 from Rs 19.00; Dyer Meakin up to Rs 9.31 from Rs 9.25 and Buland up to Rs 13.56 from Rs 13.37. Darbhanga changed hands at Rs 18.37 to Rs 18.50 and S.K.G. at Rs 8.94 to Rs 9.00. Barrampore were, however, quiet at Rs 6.06 against Rs 8.25.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to settlement adjustments till mid-week. Against the week-end closing of Rs 19.32, Indian Irons opened better at Rs 19.43 and advanced further to Rs 20.20 in the pre-Budget session on expectation of some relief in taxation. But, the announcement of the Budget proposals caused a sharp setback to Rs 19.35, to finish better at Rs 19.66 on second thoughts about the Budget proposals. Similarly, TEXMACO were pushed down to Rs 17.08 from a high of Rs 17.20 and Jessop to Rs 22.25 from Rs 22.37, to finish better at Rs 17.10 and Rs 3.12 respectively. G. K. Williams continued to attract good investment support up to Rs 29.37 from Rs 29.31, while Kumardhubi changed hands at Rs 7.75 to Rs 7.87; Indian Galvanizing at Rs 13.94 to Rs 14.06; Burn & Company at Rs 316.50 to Rs 318 and Marshalls at Rs 4.94.

The Miscellaneous section provided a few firm spots. The most outstanding feature was India Steamship, which were keenly sought after up to Rs 12.50 from Rs 11.94 following the relief granted to the shipping companies, to finish a shade quieter at Rs 12.44 on profit-taking. Paper shares remained strong in the absence of any further increase in the excise duty as was originally feared.

Orient Paper were taken up to Rs 25.00 from Rs 24.30; Titagur up to Rs 33.56 from Rs 33.50 and India Pulp up to Rs 19.37 from Rs 19.25. Dunlop were enquired up to Rs 22.12 from Rs 22.00; National Carbon up to Rs 25.00 from Rs 24.50; Hindustan Lever up to Rs 19.69 from Rs 19.50; Phillips India up to Rs 13.87 from Rs 13.75 and Indian Cable up to Rs 28.81 from Rs 28.44. Indian Oxygen developed a hardening tendency to Rs 16.25 from Rs 16.00 on reports of the tremendous success of the recent offer made to the public.

Indian Copper were a narrow market, moving between Rs 2.80 and Rs 2.85. Rohtas were enquired up to Rs 16.12 from Rs 15.87; Indian Aluminium up to Rs 12.81 from Rs 12.75 and Sone Valley up to Rs 5.25 from Rs 5.12, to finish at Rs 16.00; Rs 12.81 and Rs 5.22 respectively. Alkali Chemical new shares changed hands at Rs 11.94 to Rs

12.31, to close at Rs 12.12 on profit-taking.

Bombay

Thursday.

Sentiment on the stock market during the past week was quite steady most of the time despite the proximity of the Central Budget. Around midweek the textile section was quite active with selected scrips changing hands at improved levels following expectations of reliefs for the cotton textile industry.

Sectionwise Steel shares ruled steady. Tata Iron opened at Rs 168.00 and after fluctuating within narrow limits closed better on balance at Rs 169.25. Indian Irons moved up to Rs 19.52 from Rs 19.32.

In the textile section Bombay Dyeing opened at Rs 50.20 and steadied up further by midweek but by close developed a sagging tendency to close at Rs 50.50. Century was higher at close at Rs 381.50. Swadesh was steadier at Rs 165.00.

In the miscellaneous section ACC after opening at Rs 143.25 was finally placed at Rs 143.50. Scindia was well maintained at Rs 17.40. Bombay Burmah was quietly steady at Rs 523.00. Sugar shares were better with Belapur quoted at close at Rs 234.00.

Madras

PRICES on the Madras Stock Exchange showed a mixed trend during the week under review. Plantings met with better support, while Textiles were generally easy. Sugars and Miscellaneous issues remained steady with moderate enquiry.

Textiles: There was not much activity in this section. The poor dividends by Coimbatore Cottons, Dhanaalakshmi and Loyals caused a generally easier tendency in prices.

Plantings: This section accounted for a lively turnover, thanks to better crop reports. Among Tea shares, Chembas and Periakaramals met with good enquiry up to Rs 2.90 and Rs 4.10 respectively.

Miscellaneous: In this section, Cement shares turned a shade quieter on lack of fresh enquiry. Indias were offered at Rs 27.25 with Orissas quoting around Rs 12.35.

Ahmedabad

CONDITIONS on the Ahmedabad Stock Exchange ruled quietly steady. Following were the trend of prices:—Calico Rs 611 to Rs 614; Ambica Rs 589.50 to Rs 592; Atul Rs 177 to Rs 177.25; Arvind Rs 1,004 to Rs 1,012; New Shorrock Rs 689 to Rs 690; New Commercial Rs 430 to Rs 432; Rohit Rs 141.25; Nutan Rs 360 and Ahmedabad Cotton Rs 420.

London

ONE of the worst accounts, that the London Stock Exchange had experienced for some time past, came to an end. Although sentiment was still very much influenced by the determination in the American business situation and the uncertainty at home, the closing rates for the week showed substantial gains on balance, thanks to some good company statements and a sharp recovery in sterling.

New York

EXCEPT for some selected scrips which made gains, trading on Wall Street was generally dull as business news continued to be on the gloomy side. Steels and Motors appeared to be the softest sections.

SIJUA (JHERIAH) ELECTRIC SUPPLY CO. LTD.

NOTICE is hereby given that an Annual General Meeting of SIJUA (JHERIAH) ELECTRIC SUPPLY CO. LTD., will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 2.30 P.M., on Monday, the 31st day of March, 1958 for the following purposes:

- To consider and approve the Audited Accounts of the Company for the period of 15 months ended 31st March, 1957 and to receive the Directors' and Auditors' Reports thereon.
- To declare Dividend recommended by the Directors.
- To appoint Directors in the place of the retiring Directors, including Mr. S. B. Bose, who retires by rotation, and being 69 years of age, is not eligible for re-election unless his appointment is approved by a resolution of the Company in General Meeting, specifically declaring that the age limit shall not apply to him.

AND in this connection to consider, and, if thought fit to pass the following resolution, of which special notice as required by Section 281(2) of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which, as required by Section 173 of the said Act is appended below.

TO BE PROPOSED AS AN ORDINARY RESOLUTION:

"That the restriction as to age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to Mr. S. B. Bose and

that he be and is hereby re-elected as a Director of the Company, whose period of office as such director would be liable to determination by retirement of directors by rotation".

- To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 20th to 31st March, 1958 both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Secretaries.

CHARTERED BANK BUILDINGS,
CALCUTTA: 24th February, 1958.

NOTES:

(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The Dividend, if declared, will be paid on or after 10th April, 1958, to those shareholders so entitled whose names appear in the Company's books on the 31st March, 1958, or to their mandatees. No application for Dividend Warrants will be necessary.

EXPLANATORY STATEMENT.

In the special notice given to the Company of the resolution under item No. 3 of the above notice it has been stated that the services of Mr. S. B. Bose have proved most useful to the Company and as he has considerable experience and personal knowledge of the affairs of the Company, he should continue to remain on the Board of Directors of the Company and that the age limit imposed by Section 280 of the Companies Act, 1956, should not apply to him.



ALKALI & CHEMICAL CORPORATION OF INDIA LIMITED.

Secretaries:—Imperial Chemical Industries (India), Private Ltd.

Year ended Sept.	1957	1956	1955
Sales	22,546,464	18,830,913	15,510,289
Stocks	4,686,388	3,810,149	3,315,831
Stocks in Progress	1,09,503	67,257	9,723
Net profit	5,110,990*	4,020,836	3,128,246†
Taxation	1,830,000	4,67,000	...
Depreciation	1,218,235	1,040,509	948,706
Reserve Fund	2,00,000	300,000	...
Res. for Defd. Taxation	564,000	225,000	1,250,000
Other Funds	620,000	1,364,000	273,000
Div. Amt Ord.	496,000	496,000	496,000
Div. Amt Pref.	155,000	155,000	155,000
Carry Forward	120,250	92,495	119,168
Div. % Ord.	8	8	8
Div. % Pref.	5	5	5

*Includes Rs 2,64,765 being Tax Refund and provisions no longer required.

†Includes Rs 2,39,696 transferred from Reserve for exchange losses no longer required.

(Annual General Meeting on 19-3-58 at 3-30 p.m. Books closed from 10-3-58 to 19-3-58).

Capital:—Authorised Rs 50,000,000. Subscribed Rs 27,942,455 in 31,000—5 per cent cum. pref. shares of Rs 100 each; 620,000 ordy. shares of Rs 10 each and 2,490,000—A' ordy. shares of Rs 10 each less calls unpaid Rs 6,157,545.

Synopsis of balance sheet as on the last day of Sept.	1957	1956	1955
Liabilities.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	3,100,000	3,100,000	3,100,000
(ii) Ord.	24,842,455	6,200,000	6,200,000
Capital Reserve	1,475,273	1,475,273	1,475,273
Reserve Fund	2,800,000	2,600,000	2,300,000
Other Funds	5,590,000	4,406,000	2,817,000
Taxation Provision	2,220,353	731,764	20,272
Loans Secured	3,966,488	5,981,318	8,833,100
Debits	6,103,823	3,299,075	2,301,575
Carry Forward	120,250	92,495	119,168
Total	50,218,642	27,885,925	25,166,388

Assets.	1957	1956	1955
G. Block	24,913,748	20,189,098	18,751,510
Depreciation	6,065,069	4,924,610	3,897,818
Block (net)	18,848,679	15,264,488	14,853,692
Cap. Exp. in progress	2,639,214	500,690	187,650
Works in Progress	109,503	67,257	9,723
Stores	1,960,233	1,776,161	1,660,332
Raw Materials	3,864,710	3,521,082	2,248,832
Stocks	4,686,388	3,810,149	3,315,831
Outstandings	1,904,661	1,754,046	1,962,712
Do. More than 3 months	771,173	757,894	790,706
Mis. Deposits and Advances	905,095	278,482	68,262
Deposits in Banks	10,603,005	...	...
Cash	3,925,981	155,677	68,648
Total	50,218,642	27,885,925	25,166,388
Liq. Assets	28,730,749	12,120,747	10,125,046

GILLANDERS ARBUTHNOT AND COMPANY, LIMITED.

Mg. Director:—Mr. P. E. G. W. Parish.

Year ended March	1957	1956	1955
Commn. and Allowances	3,902,856	5,859,690	5,658,909
Income from Invs.	549,275	1,178,953	696,567
Interest	128,750	150,430	913,062
Sales	19,963,702	13,932,854	13,839,213
Stocks	4,000,124	4,168,146	2,135,430
Net profit	2,520,953*	3,185,396	3,155,346
Taxation	1,251,626	1,283,159	1,243,521
Depreciation	215,470	181,756	183,537
Reserve Fund	200,000	...	...
Other Funds	...	617,300	700,000
Div. Amount Ord.	650,000	1,040,000	910,000
Div. Amount Pref.	125,000	125,000	125,000
Carry Forward	168,398	89,541	151,360
Div. % Ord.	10	16	14
Div. % Pref.	5	5	5

(Annual General Meeting on 20-3-58 at 12-15 p.m. Books closed from 7-3-58 to 20-3-58).

*After writing back Rs 1,71,052 being excess provision for Sales Tax and Rs 44,165 being excess depreciation on Assets sold.

Capital:—Authorised Rs 10,000,000. Subscribed Rs 9,000,000 in 25,000—5 per cent Taxable Redeem. Cum. Pref. shares of Rs 100 each and 650,000—ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of March.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	2,500,000	2,500,000	2,500,000
(ii) Ord.	6,500,000	6,500,000	6,500,000
Reserve Fund	1,700,000	1,500,000	1,500,000
Other Funds	1,120,910	3,317,300	2,700,000
Superannuation Fund	600,000	500,000	500,000
Taxation Provision	211,759	515,113	176,028
Loans Secured	5,378,709	3,366,926	2,037,633
Loans unsecured	6,462,014	12,551,593	15,518,151
Debits	9,273,795	9,061,694	6,372,309
Carry Forward	168,398	89,541	151,360
Total	34,015,585	39,902,167	37,955,481

Assets.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
G. Block	2,925,473	1,973,012	1,927,685
Depreciation	1,066,888	918,963	808,872
Block (net)	1,858,585	1,054,049	1,118,813
Goodwill Exp.	2,300,000	2,300,000	2,300,000
Stores	183,116	113,953	124,088
Stocks	4,000,124	4,168,146	2,059,890
Outstandings	6,609,494	6,841,800	11,352,226
Do. More than 3 months	1,288,671	3,707,515	...

Mis. Deposits and Advances	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Advances	5,903,999	10,867,993	10,144,718
Investments	10,179,802	9,633,406	9,039,839
Cash	1,691,794	1,215,305	1,815,907
Total	34,015,585	39,902,167	37,955,481
Liq. Assets	29,857,000	36,548,118	34,536,668

BHARAT COLLIERIES LIMITED.

Mg. Agents:—Sahu Jain Ltd.

Year ended June	1957	1956	1955
Raisings (tons)	469,945	525,865	560,579
Despatches (tons)	461,657	523,167	573,680
Interest and Dividends, etc.	26,725	64,395	...
Stocks	443,346	558,112	780,149
Raw Materials	7,830	6,292	9,370
Works in progress	40,068	30,051	22,435
Net profit	756,896*	764,562	917,186
Taxation	41,000	...	...
Depreciation	364,112	368,458	238,308
Res. for Tax. Contingencies	...	...	250,000
Div. Amount Ord.	240,000	250,000	250,000
Div. Amount Pref.	118,200	165,000	165,000
Carry Forward	2,120	8,336	27,432
Div. % Ord.	6	6	6
Div. % Pref.	5	5	5

(Annual General Meeting on 8-3-58 at 12 noon. Books closed from 1-3-58 to 8-3-58).

*After transferring Rs 275,000 from General Reserve. Capital:—Authorised Rs 20,000,000. Subscribed Rs 7,000,000 in 30,000—5 per cent cum. pref. shares of Rs 100 each less tax and 400,000 ordy. shares of Rs 10 each.

Synopsis of balance sheet as on the last day of June.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	3,000,000	3,000,000	3,000,000
(ii) Ord.	4,000,000	4,000,000	3,999,998
Debentures	3,000,000	3,000,000	3,000,000
Reserve Fund	275,000	550,000	550,000
Taxation Provision	1,176,480	1,135,490	1,473,235
Loans Secured	1,361,184	...	...
Debits	2,647,741	1,946,557	2,416,761
Carry Forward	2,120	8,336	27,432
Total	15,462,525	13,640,573	14,467,426

Assets.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
G. Block	14,483,028	14,165,792	13,906,662
Depreciation	7,759,408	7,397,428	7,105,188
Block (net)	6,723,620	6,768,364	6,801,474
Works in Progress	40,068	30,051	22,435
Stores	1,155,436	1,185,386	1,169,411
Raw Materials	7,830	6,292	9,370
Stocks	443,346	558,112	780,149
Outstandings	1,707,368	940,741	2,442,564
Do. More than 3 months	1,696,316	853,561	...

Mis. Deposits and Advances	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Advances	1,568,859	1,262,278	1,888,367
Investments	2,062,750	566,900	611,115
Deposits in Banks	...	1,000,000	...
Cash	56,932	468,888	742,541
Total	15,462,525	13,640,573	14,467,426
Liq. Assets	8,738,905	6,872,209	7,665,952

JOGTA COAL COMPANY, LIMITED.

Mg. Agents:—Mr. Bajpale Trust (Private), Ltd.

Year ended Dec.

	1956	1955	1954
Raisings (tons)	131,217	142,701	129,391
Despatches (tons)	115,821	127,458	94,712
Net profit	111,697	123,942	63,017
Depreciation	70,579	90,095	106,346
Other Funds	60,462	...	...
Carry Forward	—548,496	—529,446	—557,293
Div. % Ord.	Nil	Nil	Nil
Div. % Pref.	Nil	Nil	Nil

(Annual General Meeting on 15-3-58 at 12 noon. Books closed from 25-2-58 to 14-3-58).

Capital:—Authorised Rs 3,200,000. Subscribed Rs 2,700,000 in 5,000—5 per cent Redeem. Pref. shares of Rs 100 each, and 220,000 ordinary shares of Rs 10 each. Synopsis of balance sheet as on the last day of Dec.

Capital Paid-up:	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
(i) Pref.	500,000	500,000	500,000
(ii) Ord.	2,200,000	2,200,000	2,200,000
Reserve Fund	...	112,060	112,060
Other Funds	500,000	...	...
Taxation Provision	359,398	372,761	372,761
Debits	20,936	21,158	22,421
Total	3,580,334	3,205,979	3,207,242

Assets.	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
G. Block	3,028,796	3,028,796	3,028,797
Depreciation	1,062,650	1,269,026	1,172,931
Block (net)	1,976,146	1,759,770	1,855,868
Prel. Exp. Et.	80,400	65,000	65,000
Outstandings	8,227	1,967	44,933
Mis. Deposits and Advances	620,349	608,498	556,611
Investments	19,250	19,250	19,250
Deposits in Banks	318,560	218,000	100,000
Cash	8,881	9,048	8,289
Debit Balance	548,491	529,446	557,293
Total	3,580,334	3,205,979	3,207,242
Liq. Assets	975,297	851,763	729,083

MADURA SUGARS & ALLIED PRODUCTS LTD.

Mg. Agents:—Pandia Rajan & Co. (Private), Ltd.

Year ended July.

	1957	1956	1955
Ra.	Ra.	Ra.	Ra.
Cane Crushed (tons)	53,063	45,801	43,696
Sugar (tons)	4,617	4,190	4,034
Sales	3,020,153	4,059,713	2,586,252
Stocks	1,389,226	630,244	1,033,347
Net profit	551,089	643,676	392,437
Depreciation	141,907	318,124	320,732
Carry Forward	—516,589	—925,771	—1,251,323
Div. % Ord.	Nil	Nil	Nil

(Annual General Meeting on 15-3-58 at 3 p.m. Capital:—Authorised Rs 4,000,000. Subscribed Rs 2,000,000 in 2,000,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of July.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up	2,000,000	2,000,000	2,000,000
Taxation Provision	2,871	...	...
Loans Secured	1,137,377	890,221	619,017
Loans Unsecured	4,955	3,565	1,187,454
Debits	134,549	160,833	242,880
Total	3,279,752	3,024,619	4,051,351

Assets.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
G. Block	2,769,165	2,785,394	2,766,133
Depreciation	1,648,798	1,539,079	1,239,670
Block (net)	1,120,367	1,246,315	1,526,463
Works in Progress	42,311	26,255	15,186
Stores	132,271	130,735	100,251
Raw Materials	3,752	...	...
Stocks	1,389,226	630,244	1,033,347
Outstandings	12,518	6,750	25,006
Do. More than 3 months	3,734	3,839	...

Do.	More than			
	3 months	3,734	3,839	
Mis. Deposits and				
Advances	...	40,426	44,971	6
Cash	...	18,560	9,739	3
Debit Balance	...	516,589	925,771	1,251,323

Indian Finance

NAME		Paid-up per share.	Quotation as on		NAME		Paid-up per share.	Quotation as on		NAME		Paid-up per share.	Quotation as on		NAME		Paid-up per share.	Quotation as on	
			21-2-53	21-2-57				21-2-58	21-2-57				21-2-58	21-2-57				21-2-58	21-2-57
			Rs nP	Rs nP				Rs nP	Rs nP				Rs nP	Rs nP				Rs nP	Rs nP
Shahjahanpur ...	10	6.81	7.25			Dalhousie ...	100	55.50	96.00	Saran ...	4	4.87	5.87			Hasimara ...	10	20.69	23.00
Shillong Hydro.	2	4.84	6.00			Delta ...	100	94.00	145.00	Steel Products	84	1.22	0.87			Hulibari ...	10	18.78	26.00
Shiva Jherriah ...	10	10.75	11.12			Empire ...	100	15.04	15.37	Tex. Machinery	10	17.20	19.12			Jaybirpara ...	10	16.87	23.87
U. P. ...	100	129.00†	146.00			Fort Gloster ...	100	275.00	309.00							Killcoot ...	10	12.75	21.50
Upper Ganges ...	10	12.25	13.56			Fort William ...	100	17.19	19.06	TEA						Malhati ...	10	21.00	15.87
Upper Jumna ...	10	16.25	16.87			Ganges Mfg. ...	100	48.50	57.50							Manabbarie ...	10	68.00	70.00
COAL						Gondalpara ...	800	485.00	850.00	Assam Gardens						Nagalsurree ...	100	145.00	190.00
Amalgamated ...	10	15.50	18.62			Gourepore ...	100	214.00	225.00	Amiuckie ...	10	18.50	...			New Doocars ...	100	253.00	309.00
Asso. K'pura ...	10	3.00	1.00			Hastings ...	100	107.00	119.00	Ananda Assam ...	10	37.00	44.87			Oodlabari ...	10	20.50	20.12
Ass. Lalkidih ...	10	1.19	2.175			Hooghly ...	10	12.69	19.78	Anandabag ...	10	20.50	24.50			Phaskowa ...	100	82.50	190.00
Bagdigi Kujama ...	10	4.11	4.50			Howrah ...	10	13.12	20.00	Baghmari ...	10	18.06†	22.12			Rajabhat ...	10	14.87	23.00
Bengal ...	100	207.00	231.50			Hukumchand ...	74	15.50	22.00	Barदार Tea ...	6	6.00	6.25			Ranicherra ...	10	15.19	18.00
Bengal Bhatdee ...	10	5.88	6.62			India ...	125	94.50	135.00	Basmatia ...	10	22.12	35.87			Rydkok ...	10	37.25	34.50
Bengal-Nagpur ...	10	15.00	15.00			Kamarahatty ...	100	74.00	104.00	Bateli ...	5	18.62	25.80			Sarugaon ...	10	27.25	37.00
Bhaigora ...	10	6.50	6.25			Kankarnahar B ...	100	72.00	108.00	Betjan ...	10	24.12	25.62			Cachar Gardens			
Bharat ...	10	6.50	6.50			Kankarnahar (B') ...	100	41.00	65.00	Bishnauth ...	10	18.62	20.81			Arcuttidpore ...	10	9.00	12.00
Bhulanbararee ...	10	13.25	14.37			Kedarnath ...	10	9.00	10.12	Bokakhat ...	10	15.00	25.25			Central Cachar ...	100	72.00	64.00
Bhuranga ...	10	2.00	2.00			Kelvin ...	000	160.00	204.00	Bormahjan ...	10	17.00	18.44			Chandypore ...	100	67.00	67.00
Bokaro & Ramgur ...	10	13.00	12.25			Khardah ...	100	115.00	118.50	Brahmaputra ...	10	15.25	18.50			Eastern Cachar ...	10	4.12	9.00
Borra ...	10	18.05	20.19†			Kinnison ...	100	113.00	150.00	Brooke Band ...	10	17.37	21.37			Kallinnger ...	100	87.50	94.50
Burrakur ...	10	22.50	21.00			Landsowne ...	100	78.00	104.00	Dejoo Valley ...	10	50.00	47.00			Kunchanpore ...	10	7.62	10.12
Central India ...	10	6.75	6.00			Lawrence ...	100	76.50	98.00	Dessal & Purbat ...	100	270.00	320.00			N.W. Cachar ...	100	80.00	210.00
Central Kerkend ...	10	12.00	12.50			Mahabir ...	100	85.00	85.00	Dhlekhat ...	10	20.06	21.75			Pathemara ...	10	5.44	11.50
Churulla ...	4	1.94	2.50			Megna ...	100	83.00	79.50	Dhunerai ...	20	11.37	19.50			Roopacherra ...	10	14.00†	20.50
Dhemo Main ...	10	7.18	6.25			Nalhati ...	100	55.50	77.00	Dibrugarh ...	10	21.50	23.87			Rungamattae ...	50	60.00	97.00
East Indian ...	21	20.00	26.87			Naskarpura ...	10	12.00	14.37	Dimakul ...	10	20.25	27.87			Sonal River ...	10	12.00	15.37
Equitable ...	10	24.37	25.25			Natona ...	10	23.10	18.87	Diflaghur ...	10	29.00	31.62			Tea Producing Co ...	10	10.37	10.37
Ghusiek & Muslia ...	10	16.12	15.75			Neilmaria ...	10	10.44	12.00	East India ...	10	17.62	24.00			Tukah ...	10	9.00	12.50
Gourangdi ...	10	5.12	7.75			New Central ...	10	12.87	12.19	Gilapukri ...	10	27.00	31.75			Chittagong Gardens			
Gurda Kajora ...	10	1.60	1.50			Northbrook ...	10	15.37	22.00	Gohpur ...	10	20.90	23.62			Dantmara ...	5	5.00*	5.00
Hurridiadi ...	10	30.75	22.12			Nuddea ...	50	29.00	31.12	Grob 'A' ...	10	21.10	32.50			Kodala ...	10	12.38	30.00
Jagadaga ...	10	2.50	2.75			Orient ...	100	81.00	122.00	Grob 'B' ...	10	12.25	16.75			Korneah ...	10	11.50	12.62
Jainty Central ...	24	1.00	2.25			Presidency ...	5	3.00	4.25	Hapjan Purbat ...	20	14.00	18.50			Oodaleh ...	10	12.00	15.00
Jogta ...	10	1.76	1.06			Rameshwara ...	10	4.37	5.94	Hograjull ...	10	28.00	30.00			Thandancheri ...	10	4.00	4.00
Kalapahari ...	10	20.00	21.00			Rellance ...	10	5.75	9.69	Hoolunoorie ...	100	176.00	301.50			Syhet Gardens			
Karanpura ...	100	88.00	97.00			Shree Ambica ...	10	15.25	9.50	Juttilari ...	10	15.50	25.37			Baitakhal ...	10	8.75	7.75
Katras Jherriah ...	10	55.00	62.37			Shree Luchmi ...	10	9.25	18.75	Kyang Tea Seeds ...	10	5.00	5.25			Chundeecherra ...	10	27.50	27.12
Khas Kajora ...	10	3.75	3.75			Shree Luchmi ...	10	5.25	5.25	Kingsley Golaghat ...	100	125.00	178.00			Dauracherra ...	10	10.12	12.00
Khas Shampore ...	10	1.06	1.06			Shree Luchmi ...	5	5.25	5.25	Krishnabehari ...	10	11.00	16.75			Hatikkhira ...	10	10.37	17.62
Kuadi ...	10	2.56	2.44			Shree Luchmi ...	10	13.12	15.62	Ledo ...	10	17.12	22.19			Kaliti ...	10	6.37	8.00
Lakurka ...	10	10.00	10.00			Shree Luchmi ...	100	57.50	75.00	Maud ...	10	16.00	16.75			Lackatoorah ...	10	20.00	19.50
Mahabir ...	10	10.00	12.00			Shree Luchmi ...	200	108.00	132.00	Methoni ...	10	15.19	20.00			Loohak ...	10	5.19	5.68
Mundulpore ...	10	1.50	2.25			Shree Luchmi ...	2	2.87	3.62	Moheema ...	10	24.00	24.75			N. Samanbagh ...	10	19.00	25.75
Nazira ...	10	6.37	6.31			Shree Luchmi ...	10	12.00	12.00	Mothola ...	100	450.00	390.00			Patrakola ...	100	124.00	182.00
New Beerbhomm ...	10	14.37	17.00			Shree Luchmi ...	10	5.25	5.25	Murphulani ...	10	30.00	33.12			Rajnagar ...	10	11.00	15.50
Ney Churulla ...	10	1.56	1.81			Shree Luchmi ...	10	5.25	5.25	Murphulan P.O. ...	10	31.00	35.12			Tellapara ...	100	114.00	175.00
Ney Huntodih ...	10	2.06	2.44			Shree Luchmi ...	40	32.00	40.00	Naga Hills ...	10	34.00	35.25			South Indian Gardens			
Ney Jairampur ...	10	3.50	3.50			Shree Luchmi ...	10	4.31	7.51	Namburnadi ...	10	11.87	20.00			Kotamulla ...	5	12.50	27.00
Ney Manbhoom ...	10	10.58	9.50			Shree Luchmi ...	10	34.50	35.00	N. Oinnatollah ...	100	112.00	105.00			TEA Gardens			
North Damuda ...	24	0.94	2.00			Shree Luchmi ...	100	112.00	123.00	New Coollekoosie ...	10	8.00	10.50			Atal ...	10	6.50	8.37
North-West (F.P.) ...	10	18.37†	17.38			Shree Luchmi ...	5	4.44	7.94	Rajgarh ...	10	40.12	39.50			Belgachi ...	10	59.50	62.50
North-West (P.P.) ...	74	13.37†	15.75			Shree Luchmi ...	100	383.00	535.00	Sapoi ...	10	23.75	30.12			Gungaram ...	100	120.00	192.00
Oriental ...	10	4.60	8.25			Shree Luchmi ...	28	34.25	37.75	Seajuli ...	10	18.25	32.75			Hansgaa ...	20	23.75	25.00
Ondal ...	10	16.75	14.82			Shree Luchmi ...	100	120.00	190.00	Teen Ali ...	10	26.31	25.00			Longvlew ...	10	9.25	11.50
Parasea ...	10	13.87	13.87			Shree Luchmi ...	100	13.19	26.28	Teloijan ...	10	22.87	24.06			New Chumta ...	10	33.50	43.50
Pench Valley ...	10	18.00	17.00			Shree Luchmi ...	100	9.00	10.00	Tengpaai ...	10	39.00	...			New Terai ...	10	18.00	21.00
Pure Situlpore ...	10	7.00	6.00			Shree Luchmi ...	10	6.19	5.75	Tezpor ...	10	15.31	20.37			Pahargoomlah ...	10	34.75	63.00
Raneegunge ...	10	11.37	11.25			Shree Luchmi ...	100	5.85	7.31	Tongani ...	10	8.00	12.00			Putinbaree ...	10	48.00	56.50
Rewa ...	10	14.50	23.12			Shree Luchmi ...	100	100.00	115.00	Tycoon ...	10	41.75†	45.50			Tirihannah ...	10	29.00†	32.25
Samia ...	10	12.00	12.31			Shree Luchmi ...	100	5.85	7.31	Darjeeling Gardens						Balrampur ...	5	6.25	6.75
Searsale ...	24	4.88	5.12			Shree Luchmi ...	100	9.75	14.50	Bloomfield ...	10	2.25	2.00			Belsund ...	74	10.00	11.62
Seebpore ...	7	23.31	29.87			Shree Luchmi ...	100	94.75	75.00	Chamong ...	10	11.00	15.12			Bharat ...	10	13.50	17.00
Sendra ...	10	8.00	9.00			Shree Luchmi ...	100	1.28	1.94	Darjeeling ...	100	116.00	235.00			Baeti ...	100	120.50	120.50
Shree Mahakali ...	10	3.00	3.00			Shree Luchmi ...	100	2.00	2.00	Dilaram ...	100	149.50	190.00			Buland ...	10	12.37	...
Singaran Synd. 'A' ...	24	0.81	0.81			Shree Luchmi ...	100	15.08	16.00	Ghale ...	10	17.50	25.00			Carew ...	10	6.69	7.25
Singaran Synd. 'B' ...	24	0.50	0.81			Shree Luchmi ...	100	15.08	16.00	Jayshree ...	10	10.12	10.44			Cawnpore ...	10	12.37	20.25
Singaren ...	10	9.00	9.50			Shree Luchmi ...	100	15.08	16.00	Lingia ...	10	16.75	25.00			Champaran ...	10	20.44	21.75
S. Karanpura ...	10	0.00	9.50			Shree Luchmi ...	100	15.08	16.00	Margaret's Hope ...	10	11.12	16.50			Darbhangaa ...	10	18.56	21.00
Standard ...	10	17.00	19.87†			Shree Luchmi ...	100	15.08	16.00	Mim ...	100	201.00	255.00			Deoria ...	10	9.19	10.10
Talcher ...	14	1.62	2.19			Shree Luchmi ...	100	15.08	16.00	Nagri Farm ...	10	20.75	24.62†			Dyer Meakins ...	5	9.37	6.00
Union ...	10	13.87	13.75			Shree Luchmi ...	100	15.08	16.00	Okayta ...	100	440.00	600.00			Ganeah Sugar ...	10	19.75	19.50
United Collieries ...	10	10.00	10.00			Shree Luchmi ...	100	15.08	16.00	Pashok ...	10	6.62	14.25			Ganga Sugar ...	10	10.00	30.00
Western Bengal ...	10	5.22	5.62			Shree Luchmi ...	100	15.08	16.00	Poobong ...	10	5.75	9.00			Gwalior ...	100	89.25	77.00
West Ghusiek ...	10	13.50	12.00			Shree Luchmi ...	100	15.08	16.00	Pussimbong ...	10	9.37	10.50			Jaaswant ...	10	6.00	

Pale

NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on	
		21-2-56 Rs nP	21-2-57 Rs nP			21-2-56 Rs nP	21-2-57 Rs nP			21-2-56 Rs nP	21-2-57 Rs nP			21-2-56 Rs nP	21-2-57 Rs nP
Raza	10	20.00	..	Comm'l. Prop. ...	5	0.31	0.50	Martin-Burn ...	10	25.31	23.62	3 1/2% Loan (1961) ...	99.63	99.37	..
Samastipur	10	21.76	22.00	Darjeeling Prop. ...	10	1.00	5.00	Marwar Trading ...	100	200.00	208.00	3 1/2% Loan (1964) ...	97.75	98.19	..
Shree Anand	10	12.25	11.50	Hindustan Bldg. ...	10	8.89	6.78	Metal Box ...	10	25.00	27.50	3 1/2% Loan (1965) ...	97.66	98.19	..
South Behar	10	4.37	4.37	Humayun Proper- ties ...	10	10.75	13.00	Moradabad Water ...	10	4.87	5.56	3 1/2% Loan (1967) ...	97.60	98.56	..
Sri Hanuman	10	15.25	16.00	New India Bldg. ...	5	0.50	1.00	Nat. Carton ...	10	24.25	25.75	3 1/2% Loan (1967) ...	99.60	..	..
S. K. Gyan.	10	9.00	11.12	Madnapore Zami- ndary ...	100	29.00	23.25	Nat. Rolling ...	10	24.00	20.50	3 1/2% Loan (1974) ...	98.20	98.56	..
Shree Sitaram	10	11.00	13.00	Regent Estate ...	100	2.00	2.00	Nat. Rubber Mfg. ...	10	9.28	..	4% Loan (1960-70) ...	100.80	100.81	..
Upper India 'A'	100	127.00	127.00	SAW MILLS AND TIMBER				Nat. Tanneries ...	10	2.40	2.50*	4% Loan (1972) ...	100.03	..	..
Upper India 'B'	25	15.00	15.00	Assam Saws ...	5	1.69	3.19	Nat. Tobacco ...	10	9.08	10.50	(Rupee Counterparts).			
Upper Ganges	10	60.00	91.00	Bengal Timber	100	41.00	41.00	Nat. Safe ...	5	2.87	2.50	4 1/2% Loan (1958-68) ...	100.55	102.68	..
Unl. Province	10	13.50	14.00	SHIPPING				New I. Invest. ...	75	32.00	53.00				
				Bengal-Assam				Osler Elec. Lamp ...	10	1.25	1.25				
				Steam ...	100	107.00	139.00	Pearl Invest. ...	10	13.81	..				
				Cal. Landing ...	10	13.87	14.25	Phillips India ?	10	10.00	..				
				Cal. Steam ...	10	14.06	13.98	Phosphate Co. ...	100	165.00	..				
				Fraser & Co. ...	10	18.19	14.06	Publicity Society	4	10.00	10.00				
				India General				Prem. Trans. ...	10	1.50	1.50				
				Navigation ...	£10	57.00	75.00	Rails ...	100	27.25	36.50				
				India Steam ...	10	12.00	10.12	R. B. Rodda & Co.	10	4.63	8.31				
				Port Shipping				Rohtas ...	10	16.00	18.81				
				Scindia Steam ...	20	17.25	18.87	Sen Raleigh ...	10	10.75	12.50				
				MISCELLANEOUS				Sodepur Glass ...	10	1.56	2.44				
				Alrways (India) ...	10	4.65	5.75	Shaw Wallace ...	10	10.12	11.44				
				Alum. Corp. ...	10	9.69	10.56	Spence's Hotel ...	2	1.06	1.00				
				Amalgam. Devel. ...	100	80.00	60.00	Spencer & Co. ...	10	17.00	17.25				
				Anglo Bros. ...	10	18.12	21.12	Star Co. ...	100	81.00	81.50				
				Asso. Hotel ...	10	5.31	10.75	Star Trading ...	25	8.00	8.00				
				Assam Match ...	100	148.00	164.50	Straw Products ...	10	14.50	20.12				
				Balmer Lawrie	100	10.56	16.50	Union Co. ...	100	75.00	107.50				
				Baruwa Coke ...	10	2.69	3.19	Union Tobacco	10	0.25	0.25				
				Bharat Commerce	10	5.25	5.25	Walfords ...	1	1.69	2.06				
				Bharat Vegetable	10	5.65	5.65	Walford (Po) ...	1	1.58	1.75				
				Bharat Co.	100	54.78	52.37	W. Stockholder	1sh	0.75†	0.87				
				Bharat Sons ...	10	2.87	2.87	INSURANCE							
				Birds Invest. ...	10	12.50†	14.50	Concord of India	5	13.00	10.75				
				Bihar Rice ...	10	1.50	1.75	General ...	25	15.00	23.37				
				Bihar ...	10	12.50	14.69	Hercules ...	10	20.12	26.00				
				Br. Biscuits ...	10	10.81	9.56	Indian Trade ...	40	23.25	25.00				
				Br. Ceylon Corp'n.	10	3.80	7.56	National Insur. ...	100	344.00	344.00				
				B. I. Corp'n. ...	5	4.12	5.44	New Asiatic ...	5	3.19	6.12				
				Cal. Credit Corp'n.	10	5.50	6.50	Ruby General ...	6	8.80	8.84				
				Calcutta Gas ...	100	50.00	50.00	Standard ...	10	13.00	154.00				
				Cal. Invest. ...	100	7.69†	8.50	Triton ...	25	19.00	154.00				
				Calcutta Safe ...	10	4.06	4.50	RAILWAYS							
				Calcutta Silk ...	10	0.50	0.50	Ahmedpur-Kutwa	100	50.00	60.00				
				Cal. Tanneries	10	15.56	16.37	Ahmad-Sasaram	100	60.00	67.80				
				Calcutta Trams	£1	15.56	16.37	Bankura-Dumardar	100	40.00	58.75				
				Cambay Invest.	100	75.00	82.00	Baraset-Basirhat	100	8.00	10.00				
				Corp'n. ...	100	4.50†	4.75	Burdwan-Cuttwa	100	50.00	58.00				
				Cherra Chhatkak	5	8.97	9.75	Bukh-Bihar	100	10.00	8.87				
				Clive Row Inv't.	10	8.75	7.37	Chapar-Slighat	100	10.00	12.56				
				Darjeeling Rope	10	5.75	7.37	Dehri-Rohtas ...	10	10.00	12.56				
				Duffan Bros. ...	100	120.00	115.00	Futwah-Islampur	100	40.00	53.37				
				Dunlop ...	10	22.00	25.25	Howrah-Amta ...	100	50.00	52.00				
				Eastern Invest.	100	108.00	106.2	How-Sheakhala	100	40.00	65.00				
				Elec. Const. ...	10	9.25	21.50	Kata-Lalabazar	100	65.00	72.00				
				French Motor ...	10	2.37	7.87	Shahdara (Delhi)	100	120.00	129.50				
				F. & C. Osler	10	123.00	123.00	Saharanpur ...	100	120.00	129.50				
				Ganges Rope ...	100	12.50	11.12	Deffered Shares							
				Gillanders ...	10	24.50	25.62	Aluminium Cor.	2†	8.31	6.06				
				Godfrey Phillips	10	255.00	250.00	A. B. Cement	1	0.95	1.31				
				G. E. Hotel ...	250	116.80	124.00	Asso. Mining	5	5.19	5.25				
				Greaves Cotton	100	7.75	9.31	Chreetan Mica	5	6.83†	7.06				
				Hall & Anderson	10	8.31	10.37	Dalmia Cement..	1	2.50	5.37				
				Hindusthan Gas	7	5.04	1.25	Humayun Proper	1	9.18	1.94				
				Hindusthan Ice	10	19.62	..	Indian Mail Cast	1	3.06	3.69				
				Hindusthan Lever	10	5.94	..	James Wright ...	1	0.81	0.62				
				Hindus. Motors	10	3.00	3.00	Macfarlane ...	1	0.47	0.56				
				Hindusthan Nat.	10	10.00	10.00	Metal Corp'n. ...	1	2.00	2.50				
				Hindus. Pilkington	10	5.56	8.62	Rampoorva Cotton	1	4.60	2.75				
				Glass ...	10	7.25	7.25	S. Behar Sugar	2†	0.25	0.31				
				Honre Miller	10	11.12	13.75	Union Tobacco ...	8	2.00	2.00				
				Ideal Invest. ...	10	12.81	13.62	GOVERNMENT OF INDIA LOANS							
				Impl. Tobacco ...	10	28.50	28.75	(Non-Terminal Loans).							
				Indian Alum. ...	10	41.75	42.00	3% Govt. Paper	..	71.20	78.25				
				Indian Cable ...	10	5.25	5.62	(Terminal Loans).							
				Indian Wood ...	10	20.50	24.06	3% Loan (1988)	..	71.07	74.12				
				Indian Plastic	10	15.87	..	3 1/2% Loan (1981)	..	94.60	93.31				
				Indian Rubber	10	11.00*	12.00*	2 1/2% Loan (1990)	..	97.35	96.37				
				Indian Oxygen	10	6.62	6.60	2 1/2% Loan (1982)	..	94.83	94.00				
				In. Turpentine A	5	0.31	0.31	2 1/2% Loan (1976)	..	83.05	82.87				
				In. Turpentine B	5	2.00	2.75	3% Loan (1988)	..	99.72	99.62				
				Indust. Inv't. ...	100	5.75	78.00	3% Loan (1956-61)	..	99.04	97.78				
				Indus. Corp'n. of	10	5.06	5.06	3% Loan (1963-65)	..	94.00	94.13				
				Bengal	10	6.00	5.87	3% Loan (1964)	..	94.20	94.25				
				Ivan Jones	2	2.00	2.00	3% Loan (1966-68)	..	91.72	92.25				
				James Wright ...	5	2.50	2.00	3% Loan (1970-78)	..	85.40	87.00				
				J. Henderson ...	100	10.00	10.00	3 1/2% Loan (1982)	..	97.85	97.75				
				James Alexander	10	150.00	169.00								
				Jeevanlal ...	100	75.00	70.00								
				John Paterson	10	5.75	5.75								
				Kalimpong Rope	10	3.25	3.06								
				Kettlewell Bullen	100	..	..								
				Kishore Trading	100	..	..								
				Kusum Products	10	..	..								
				Macfarlane ...	5	..	..								

MININGS AND MINERALS

Assam Sillimanite

10

10.18

..

Assoc. Minings

10

8.44

10.06

Misra Stone Lime

10

26.50

31.00

Burma Mines

4sh

1.27

2.62

Consoli. Tin

5sh

0.81

1.69

Chr. Mica

10

10.50†

14.06

Karanpura Devel.

2sh

2.82

3.19†

Kangra Valley

100

85.00

120.00

Metal Corp'n.

10

8.35

13.12

Orissa Miners

10

6.75

8.37

Orissa Miners

10

22.31

21.37

Orissa Stone Lime

10

20.12

18.00

Tavoy Tin

2sh

0.48

0.62

CEMENT, POTTERY & FIRECLAY

A-B. Cement

10

4.12

6.44

Ashoka Cement

10

8.50

10.50

Bhakra Potteries

24

3.09

3.50

Dalmia Bharat

10

10.19

12.00

Dalmia Bharat

2†

2.31

2.94

Jaypur Udyog

10

11.56

11.87

Jaypur Lime

100

102.00

100.00

Khandu Fireclay

10

24.00

25.00

Reliance Firebrick

10

19.00

20.00

Orissa Cement

10

12.50

12.81

Sone Valley

5

6.25

7.19

CHEMICALS

Alkali

10

13.50

18.31

Bathgate

10

1.06

1.37

Bengal Cheml.

100

89.00

102.00

Bharat Starch

10

8.06

9.06

Burma Lime

10

8.00

8.50

Dharamdhar

100

112.00

137.00

Frank Rose

5

2.19

2.19

Indian Starch

10

5.81*

5.81*

Lister Antiseptic

100

4.87

4.87

Smith Stanistreet

5

12.12†

10.00

FLOUR MILLS

Bengal

10

27.62

34.00

Doshi

10

16.00

11.00

Hoochly

10

17.25

21.75

United

10

20.00

39.00

OILS

B. B. Petrol

NAME	Paid-up per share.	Quotation as on	
		21-2-58 Rs NP	21-2-57 Rs NP
B'lore Wool 6%	100	117.00	123.50
Buckingham 7 1/2%	100	135.25	142.75
Cambodia 7 1/2%	100	108.00	115.00
Cauvery Spgr. 6 1/2%	100	95.00	97.00
Coim. Mgr. 6 1/2%	100	94.00	...
Coim. Spgr. 6 1/2%	100	98.25	104.75
Co. Pioneer 6 1/2%	100	80.00†	...
Hemalatha 5%	100	8.40	10.08
Kothari Tex. 6%	10	68.25†	76.00†
Loyal 5%	100	58.50	63.00
Palani Andavar 7%	50	53.00	56.00
Rajalakshmi 6 1/2%	100	100.50	101.00
Sarada 7%	100	10.00	8.75
Tirupati 6 1/2%	10	8.75	8.75
Trav. Rayon 5%	10	104.00	111.25
Vasanta 6 1/2%	100	92.00	98.00
Venkatesa 4 1/2%	50	53.00	53.50
Vijayakumar 6%	100	95.00	103.00
Vijayamohini 6%	100	95.00	103.50
Virudunagar 5%	100	65.00	60.00

SUGAR

Cauvery 6%	100	100.00	50.00
Deccan 7%	5	5.67	6.12
E.I.D. 7%	20sh	16.12	17.00
India 7 1/2%	100	98.00	108.75
Jeypure 6%	100z	99.00†	100.00
K.C.P. 5%	100	100.00†	90.00†
Kirlumpudi 5 1/2%	100	87.50	82.00
Travancore 5%	10	6.85	0.12

MISCELLANEOUS

Amrutnayan 7 1/2%	100	135.00	114.50
A. Cement 6%	100	108.00	108.00†
A. Scientific 5%	10	5.12	5.12
Aspinwall 6%	10	9.40	10.08
A.V. Thomas 6%	100	73.00	79.00
India 5%	10	6.50	6.12
Brunton 6%	10	6.75	8.00
Gen. Scientific 6%	5	4.90	5.56
Dal. Cement 6%	100	81.00	92.00
Dal. Cement 6%	40	30.75	38.00
Dal. Cement 6%	10	10.00	10.00
Enfield 6%	100	100.00	...
India Cement 5 1/2%	100	86.25	90.00
Indian Steel	...	...	...
Rolling 5 1/2%	10	8.48	9.25
Mad. Vana 5 1/2%	100	38.00	33.90
Marikar 6%	80	46.80	50.00
Mettur Chem. 6%	100	87.00	94.50
Mys. Chem. Mfg. 6%	10	8.78	9.28
Mys. Lamp 4%	10	5.60	6.00
Orissa Cement	...	...	...
4 1/2%	100	95.50	100.00
Parry 5%	10	7.80	9.12
Rallis 6%	100	50.00	71.00
Rane 6%	5	4.70	5.00
Rane 7%	5	4.90	5.00
Ruby 6 1/2%	10	9.75	10.00
Sen. Raleigh 5 1/2%	100	71.00	92.00
Spencer A 6 1/2%	10	7.75	9.00
Spencer B 6 1/2%	10	10.10	10.31
Stand. Motor 6 1/2%	100	88.75	96.00
Tra. Chem. Mfg.	...	...	...
6 1/2%	10	9.37	10.00
T. Stanes 7%	100	100.00	100.00
United Elec. 5%	10	10.00	...
Vanguard Fire 5 1/2%	10	9.28	9.88
Vandrad 6 1/2%	10	3.00	3.00
W. I. Plywoods	...	...	...
6%	100	94.00	...

Ordinary Shares

MADRAS

NAME	Paid-up per share.	Quotation as on	
		21-2-58 Rs NP	21-2-57 Rs NP
Andhra	100	111.00	120.00†
Andhra	85	88.50	...
Bank of Mysore	100	251.00	255.50
Canara Banking	50	80.00†	80.50†
Canara I. & B. A.	100	180.00	177.00†
Canara I. & B. C.	1	1.86	1.75†
Indian Bank	100	212.00†	198.00
Indian Bank	80	182.00†	...
Indian Overseas	100	147.00†	163.00
Indo-Comm. A	100	42.50	42.50
Indo-Comm. B	25	11.00	10.50
Indo-Comm. C	50	27.00	19.50
Pandyan	25	37.50†	40.00
Pd'njab National	25	52.00	56.00
Travancore	25	18.00†	17.19
Trav. Forward	10	4.35	4.94

NAME	Paid-up per share.	Quotation as on	
		21-2-58 Rs NP	21-2-57 Rs NP
ELECTRICS			
Berhampore	10	6.20	7.75
Cochin	10	9.25	11.37
Ellore	10	11.25	11.33
Gudivada	100	71.00	71.00
Karakkal	10	9.30	9.50
Kumbakonam	10	10.95	11.75
Nagapatnam	10	10.00	10.75
Salem-Erode	10	12.75	13.12
South Madras	10	12.35	11.37
Tin-Tuticorin	10	12.75	13.00
Vellore	10	13.50	13.75
West Coast	10	17.75†	13.25

SUGAR

Andhra	10	17.75†	16.12†
Cauvery	100	88.50	...
Deccan	5	7.85	11.00
E. I. Distil.	20sh	29.25	28.19
India	10	13.00	16.50
Jeypure	10	13.00	18.25
K. C. P.	100	120.00†	120.00†
Kirlumpudi	100	41.00	33.75
Mysore	10	37.00	41.00
Travancore	10	10.00	11.10
United Brew	75	179.00	182.00
Vizag.	10	7.12	7.12

PLANTATION

Alageewar	2	2.45	3.25
Amalgamated	10	10.50	11.56
Anandam	10	14.12	21.80
Anapara	2	4.85	4.15
Arthala	8	4.00	4.00
Athimattam	2	1.05	1.22
Bababudin	5	10.75	11.25
Badra	2	3.00	3.80
Balanoor	10	14.75	18.50
Belmadies	2	3.00	3.31
Be Be	5	3.75	4.75
Blue Mountain	2	2.98	4.31
Chandramalai	2	2.90	3.72
Chembra	3	4.35	9.19
Cochin Malabar	10	28.50	24.37
Coffee Lands	10	22.10	20.75
Cons. Coffee	10	18.25	24.25
Coonoor	10	10.75	11.50
Coorg	5	10.75	11.50
Cowcoody	2	7.50	7.87
Devasola	10	19.50	22.25
Devon	10	17.28	17.87
Emerald Valley	5	6.85	7.19
Gokul	2	1.75	2.10
Halleyburia	20	18.10	23.25
Highland	10	12.00	14.81
Kadur	2	2.85	3.00
Kal'as	2	3.70	6.03†
Kalasa	9	13.00	14.12
Kalpetta	10	20.25	24.62
Kalkode	10	10.35	14.19
Kikkotagiri	2	4.98	6.53†
Kumergode	2	6.70†	6.89†
Kurohmalia	10	6.25	6.78
Lucky Valley	10	10.75	12.50
Malabar Agr.	10	8.75	11.63
Malabar Indust.	10	13.25	22.50
Malankara	10	15.25	30.00
Manar	2	2.70	3.03
Manimala	10	8.75	10.00
Mercara	5	7.40	9.25
Midland	10	14.43	18.12
Miamallay	25	30.00	45.00
Mys. Amalgam	5	8.00	...
Mysore Coffee	2	2.92	2.87
Mys. Plantations	2	1.43	1.81
Neelamalai	5	4.85	6.00
Nellampathy	2	2.87	3.28
Nellithanam	10	13.00	13.00
Nemmeny	10	14.25	22.50
Nilambur	10	12.50	16.00
Nilgiri	10	7.85	9.75
Onsutch	10	19.35	22.75
Quechterlong	2	4.97	4.50†
Panchura	1	3.20	4.08
Parkside	10	18.25	16.50
Peermade	10	19.75	29.12
Peintsalur	10	19.25	28.50
Periakaramalai	2	4.10	7.25
Ponmudi	2	1.55	2.15
Pullangode	2	1.68	2.69
Puthuthottam	2	2.55	3.62
Rajagiri	10	14.20	21.06
Rajendra	5	9.25	11.37
Sangameshwar	2	2.60	...
Savarnalai	2	4.05	...
Shevaroy	2	1.88	2.10
Stanes Amalgam	10	14.75	10.00

NAME	Paid-up per share.	Quotation as on	
		21-2-58 Rs NP	21-2-57 Rs NP
SWINTON			
Talayar	10	2.45	...
Teekoy	10	8.20	11.87
Thamarapally	10	6.40	9.19
Thirumbadi	10	30.85	28.00
Trav. Rubber	1	1.31†	2.10†
T. R. & T. Co.	10	13.50	22.25
Tropical	10	6.08	9.97
Typical	25	25.65	32.50
Trayford	10	12.40	19.00
Udayagiri	10	11.00	16.25
Unl. Nilgiris	10	15.15†	17.12†
Vaikundam	10	19.47	31.75
Vayitri	2	1.36	1.90
Vellimalai	5	4.86	7.62
Waterfall	2	3.05	5.56
Woodcote	1	1.88	1.81
Woodland	10	6.88	10.00

TEXTILES

Adoni	10	9.25	10.25
Alagappa	10	9.20	9.62
Anglo-French	100	90.00	95.00
Balasubramania	40	57.00	73.00
Balasubramania B	70	103.00	135.00
Bengal Woollen	100	174.00	560.00
Buckingham	100	157.00	185.00
Cambodia	10	9.90	14.62
Cannanore	100	156.00	171.00
Cauvery	11	12.00	12.00
Colin Cotton	100	160.00†	886.00†
Colmb. Kamala	100	103.50	108.50
Colmb. Kamala	50	50.00	50.00
Colm. Murugan	100	135.00	...
Colm. Pioneer	100	233.00	285.00
Colm. Spg.	50	65.00	87.00
Dhanalakshmi	100	200.00†	376.00†
Gnanambikal	100	130.00	160.00
Hemalatha	10	8.90	...
Janardana	50	79.00	107.00
Jawahar	5	13.00	14.81
Kadri	100	162.00	178.00
Kadri	10	16.00	17.50
Kaleeswarar	100	628.00	885.00
Kannapiran	10	10.40	...
Kasthuri	25	24.75	30.75
Kothari	10	10.25	15.75
Kr. Rajendra	50	82.00	110.00
Lakshmi	50	111.00	250.00
Lakshmi A	25	56.00	125.00
Loyal	50	37.10†	...
Madura	18	34.75†	47.00†
Malabar	200	99.00	109.00
Mettur	100	364.00	442.50
Mysore Silk	10	1.30	2.44
Palamalai Rangam	100	109.00†	109.00
Palani Andavar A	50	135.00	147.00
Palani Andavar B	75	197.50	215.00
Pankaja	100	48.50	77.00
Premier	100	141.00	194.00
Publicar	100	129.00	...
Radhakrishna	100	240.00	290.00
Radhakrishna B	50	118.00	145.00
Rajalakshmi	50	77.00	172.00
Rajapalayam	100	133.00	150.00
Ramakrishna	100	190.00	...
R. C. Ambika	100	153.00	202.00
Rangavilas	50	65.00	85.00
Rayalseema	100	111.25	150.00
Sarada	100	76.00	115.00
Sivanandha	10	14.00	...
Tirupati	10	9.75	10.00
Trav. Rayon	10	12.40	13.50
Trichinopoly	10	12.50	13.31
Vasanta	100	262.00	310.00
Venkatesa	50	124.00	165.00
Vijayakumar	100	111.00	142.50
Vijayalakshmi	100	105.00	151.50
Vijayamohini	100	81.00	48.00
Vijayeswari	100	98.00	...
Virudhunagar	50	28.50	35.00

MISCELLANEOUS

Alum. Indus.	10	13.85	15.12
A. Cement B	10	11.95	14.31†
Andra Insee	80	80.00	100.00
Andhra Scientific	10	3.70	3.69
Ashok Leyland	8	4.25	5.25
Aspinwall Trav.	10	8.75	10.12
A. V. Thomas	10	15.00	14.87
India	10	8.52	8.52
Bang. Fritz	10	10.50	...
Binnu	100	157.00	182.00
Brunton	10	4.50	5.69
Central Scientific	5	5.52	6.4
Dalmia Cement	10	10.00	12.44
Enfield	10	10.00	...

NAME

Indian Finance

FACTS AND FIGURES

INDEX NUMBERS OF SECURITY PRICES
(1949-50=100)

Week ended	16-2-57	8-2-58	15-2-58
Government and semi-Government securities—All-India			
TOTAL	89.8	89.2	89.2
Government of India	89.5	88.9	88.9
States Governments	96.6	96.5	96.5
Municipal, Port Trust, etc.	90.7	90.1	90.1

Debtures of industrial securities—All-India			
TOTAL	99.0	97.2	97.2
Electricity	98.7	98.5	98.5
Jute	97.3	94.4	94.4
Plantations	98.6	97.8	97.8
Sugar	98.5	96.4	96.4
Coal	90.6	84.8	84.8
General Engineering	100.9	98.2	98.2
Shipping	101.8	98.6	98.6
Others	100.3	94.1	94.1

Preference shares—All-India			
TOTAL	79.6	71.3	71.2
Electricity	88.3	84.0	84.6
Cotton	80.6	67.7	67.6
Jute	74.2	62.0	61.3
Coal	82.7	72.6	72.7
Iron & Steel	81.0	77.6	77.6
Sugar	81.6	71.0	71.0
Paper	79.7	74.2	74.2
Plantations	99.4	87.5	87.4
Miscellaneous	74.0	66.3	66.4

Variable dividend industrial securities—All-India			
TOTAL	113.6	96.6	96.4
Financial: Total	93.9	96.7	96.3
Banks	96.1	100.9	99.6
Insurance	84.7	86.1	86.7
Investment Trust	80.4	66.6	64.7
Public Utilities: Total	109.3	103.6	104.0
Electricity	119.9	100.6	101.5
Shipping & other Transport	116.4	121.1	121.0
Railways	78.7	65.9	65.8
Manufacturing Industries: Total	120.3	99.1	98.7
Cotton, Woollen & Silk	125.8	95.7	94.9
Jute	62.3	49.1	48.8
Iron & Steel	131.3	121.2	120.9
Paper	252.3	187.0	186.8
Cement	158.0	140.3	140.3
General Engineering	170.3	143.5	144.3
Sugar & Breweries	99.5	96.4	97.1
Chemicals	137.2	129.9	127.5
Non-Manufacturing Industries: Total	140.3	109.1	108.7
Coal	74.8	65.9	65.9
Mining & Oil	197.4	149.2	148.8
Plantation	156.0	118.5	117.7
Miscellaneous	91.5	69.8	69.9

Government and semi-Government securities—Regional			
Bombay	89.2	88.6	88.6
Calcutta	89.7	89.1	89.0
Madras	90.0	89.4	89.4

Debtures of industrial concerns—Regional			
Bombay	99.4	96.3	96.3
Calcutta	98.5	97.4	97.4
Madras	99.7	97.4	97.4

Preference shares—Regional			
Bombay	83.4	78.9	79.1
Calcutta	73.8	63.8	63.6
Madras	94.4	83.8	83.7

Variable dividend industrial securities—Regional			
Bombay	123.1	111.4	111.0
Calcutta	100.3	83.3	83.2
Madras	125.7	110.6	109.8
Deli	123.1	114.0	114.0

BULLION PRICES

Week Ended	22-2-57	14-2-58	21-2-58
GOLD:—			
Spot—			
Highest	109 62	114 37	114 03
Lowest	107 69	113 19	111 62
Average	108 62	113 94	112 83
1st Settlement—			
Highest	108 87	113 06	112 69
Lowest	107 31	111 69	111 19
Average	108 08	112 56	111 99
SOVEREIGN—			
Average	70 00	71 19	71 27
SILVER—			
Spot—			
Highest	187 19	191 00	193 12
Lowest	182 12	188 69	190 69
Average	185 20	189 59	192 21
1st Settlement—			
Highest	186 19	190 75	192 87
Lowest	181 37	188 69	190 31
Average	184 39	189 52	191 95

SHORT-TERM MONEY RATES

(Per cent per annum)

	15-2-57	7-2-58	14-2-58
Call Money—			
From Banks—			
Bombay	4 1/4	4 1/4	4 1/4
Calcutta	4 1/4	4 1/4	4 1/4
Madras	4 1/4	4 1/4	4 1/4
From Public—			
Bombay	4 1/4	4 1/4	4 1/4
Calcutta	4 1/4	4 1/4	4 1/4
Madras	4 1/4	4 1/4	4 1/4
Fixed Deposits—			
3 Months—			
Bombay	4 1/4	4 1/4	4 1/4
Calcutta	4 1/4	4 1/4	4 1/4
Madras	4 1/4	4 1/4	4 1/4
6 Months—			
Bombay	4 1/4	4 1/4	4 1/4
Calcutta	4 1/4	4 1/4	4 1/4
Madras	4 1/4	4 1/4	4 1/4

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
France	Fcs. to Rs. 100	8775	8780
Netherlands	Guilder to Rs. 100	79 1/2	79 1/2
Italy	Lire to Rs. 100	13025	13080
Denmark	Kroner to Rs. 100	144 1/2	144 1/2
Sweden	Kroner to Rs. 100	108 1/2	108 1/2
Canada	Ra. to \$ 100	486.25	487.50
		487.50	487.75
		487.75	487.50
		487.50	486.25
		486.25	486.75
		486.75	486.25
Philippines	Ra. to pesos 100	258.25	238.00
		238.00	238.25

STERLING TRANSACTIONS OF THE
RESERVE BANK OF INDIA

Week Ended	15-2-57	7-2-58	14-2-58
Forward Contracts—			
Purchases	£ ('000)	2,250	260
Sales	Rs. ('00,000)	3,00	35
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	...	200
Sales	Rs. ('00,000)	3,635	196
Against forward contracts	£ ('000)	1,195	356
Purchases	Rs. ('00,000)	1,59	47
Sales	£ ('000)	...	50
	Rs. ('00,000)	...	7

PRICES AND YIELDS OF SELECTED
CENTRAL GOVERNMENT SECURITIES

	22-2-57	14-2-58	21-2-58
3% 1958	99 57	99 80	99 80
3 1/2% 1962	97 81	97 85	97 85
3 1/2% N.P.B. 1967	98 50	97 50	97 58
3 1/2% Dev. 1970-75	87 25	85 73	85 75
3 1/2% 1974	98 50	98 15	98 20
3% (Con.) 1980 or later*	74 25	71 04	71 05

*Running yield

INDEX NUMBERS OF WHOLESALE PRICES
BY GROUPS AND SUB-GROUPS
(Base: 1952-53=100)

Group and Sub-Group	15-2-57	8-2-58	18-2-58	16-2-57
Food Articles—	100.6	100.0	102.1	104.2
Cereals	94	93	97	101
Pulses	74	74	91	110
Fruits & Vegetables	93	94	99	96
Milk & Ghee	100	101	119	129
Edible oils	117	110	98	94
Fish, Eggs & Meat	98	96	109	134
Sugar & Gur	110	108	133	134
Others	128	124	96	86
Liquor and Tobacco	96.7	96.7	95	95
Tobacco	95	95	106	107
Fuel, Power, Light & Lubricants	114.5	114.5	114.5	114.5
Industrial Raw Materials	112.1	110.5	113.3	116.3
Fibres	113	113	113	117
Oilseeds	112	109	107	109
Minerals	109	107	110	107
Others	110	110	107	107
Manufactures	107.5	107.1	106.8	106.8
Intermediate Products	105.8	105.5	105.8	105.8
Finished Products	107.8	107.1	106.8	106.8
Textiles	106	106	116	116
Cotton	117	115	90	100
Jute	88	88	103	103
Woollen	103	103	80	131
Silk & Rayon	90	90	142	96
Metal Products	142	142	99	116
Chemicals	99	99	117	109
Oil cakes	111	111	102	103
Mchy. & Transport Equipment	102	102	112	103
Others	111	112	105.9	106.7
All Commodities	104.7	104.1	105.9	106.7

* = Estimated.

† = Revised.

March 1, 1958

RESERVE BANK OF INDIA
ISSUE DEPARTMENT:
(In 000's of Rupees)

	21-2-58	14-2-58	2-2-57
LIABILITIES:			
Notes in Banking Dept.	24,10.98	11,86.05	21,07.90
Notes in Circulation	1546,00.60	1557,65.26	1506,24.61
	1570,11.58	1569,51.31	1527,32.51
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	245,53.81	245,53.81	413,51.91
Total of A	363,29.84	363,29.84	530,27.94
(B) Rupee Coin	129,99.46	129,39.19	122,01.13
Rupee Securities	1076,82.28	1076,82.28	875,03.44
	1570,11.58	1569,51.31	1527,32.51

	21-2-58	14-2-58	2-2-57
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	5,00.00
National Agricultural Credit (Long-term Operations) Fund	20,00.00	20,00.00	15,00.00
National Agricultural Credit (Stabilisation) Fund	2,00.00	2,00.00	1,00.00
Deposits—			
(a) Central Govt.	51,00.76	51,82.25	53,98.47
(b) Other Govt.	16,73.20	24,82.79	11,23.90
(c) Banks	77,34.07	69,25.80	56,48.09
(d) Others	113,04.04	113,51.93	42,26.72
Bills Payable	17,75.35	15,25.83	12,99.80
Other Liabilities	36,66.35	33,23.12	11,79.53
	419,53.77	414,91.72	314,76.51

	21-2-58	14-2-58	2-2-57
ASSETS:			
Notes	24,10.98	11,86.05	21,07.90
Rupee Coin	10,06	10,40	10,20
Subsidiary Coin	2.78	2.53	15.44
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	2,49.56	1,81.27	2,02.83
Balances held abroad*	31,75.43	33,60.93	106,35.15
Loans & adv. to Govt.	39,71.82	38,20.93	7,71.70
Other Loans & Adv.	64,67.62	69,06.74	112,65.67
Investments	240,58.21	242,84.66	51,65.34
Other Assets	16,07.31	17,38.21	13,02.28
	419,53.77	414,91.72	314,76.51

(1) The item 'Other Loans and Advances' includes Rs. 14,10,97,000 ad. issued to scheduled banks against advance bills under section 17 (4) (e) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	14-2-58	7-2-58	15-2-57
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	12,78.02	13,23.02	6,37.08
(ii) Other demand liabilities	704,47.45	696,29.06	676,92.18
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	15,24.50	16,08.00	2,48.00
(ii) Other time liabilities...	706,12.21	703,73.09	461,54.70
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	8,52.17	9,16.30	15,11.97
(ii) Time Liabilities	80.00	80.00	...
Borrowings in India from the R. B. I.			
Cash in India	31,50.94	33,99.86	92,48.11
Balances with the Reserve Bank of India	38,92.56	38,19.80	36,87.71
Balances with other banks in current account in India	66,65.88	71,12.02	48,79.90
Money at call and short notice in India	11,82.35	11,39.42	9,50.20
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	37,36.70	39,77.57	10,23.39
Advances in India	432,81.43	431,94.94	355,70.79
Inland Bills Purchased and Discounted in India	773,12.17	766,34.42	697,75.56
Foreign Bills Purchased and Discounted in India	109,02.31	110,78.69	107,42.42
	41,07.61	41,51.82	56,29.20

*Figures are provisional since complete returns have not been received from A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA
(In 000's of Rupees)

	21-2-58	14-2-58	22-2-57
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	6,62.50	6,62.50	6,37.50
Deposits and other Accounts	407,51.18	400,67.09	271,55.20
Borrowings from other Banks, Agents, etc.	1,10.50	1,59.50	16,91.00
Bills Payable	5,01.05	4,09.68	4,01.06
Bills for Collection as per contra	1,22.64	1,16.75	67.37
Acceptances etc. for constituents as per contra	18.73	19.06	5.18</

2,000 miles make no difference, Bhai Sahib!

Whether you are in Calcutta or Kutch, Delhi or Dhanushkodi, you can be sure of buying your favourite brand of Brooke Bond Tea fresh and at the same price.*

This is because the Brooke Bond system of standard price and direct selling guarantees a square deal to lakhs of shopkeepers and to the crores of consumers who drink over 55,000,000 cups of Brooke Bond Tea every day.

Further, and it is important that you know it, your grocer is under no obligation to buy our

tea. As there are no middlemen or credit tangles but just straight cash dealings in our system of selling, the dealer is free to buy what he likes and when he likes and the fact that more dealers continue to buy Brooke Bond Tea than any other brand proves its growing popularity.

Remember! Wherever you are, there is Brooke Bond—standard in quality and price.

*Subject to local taxes and other duties

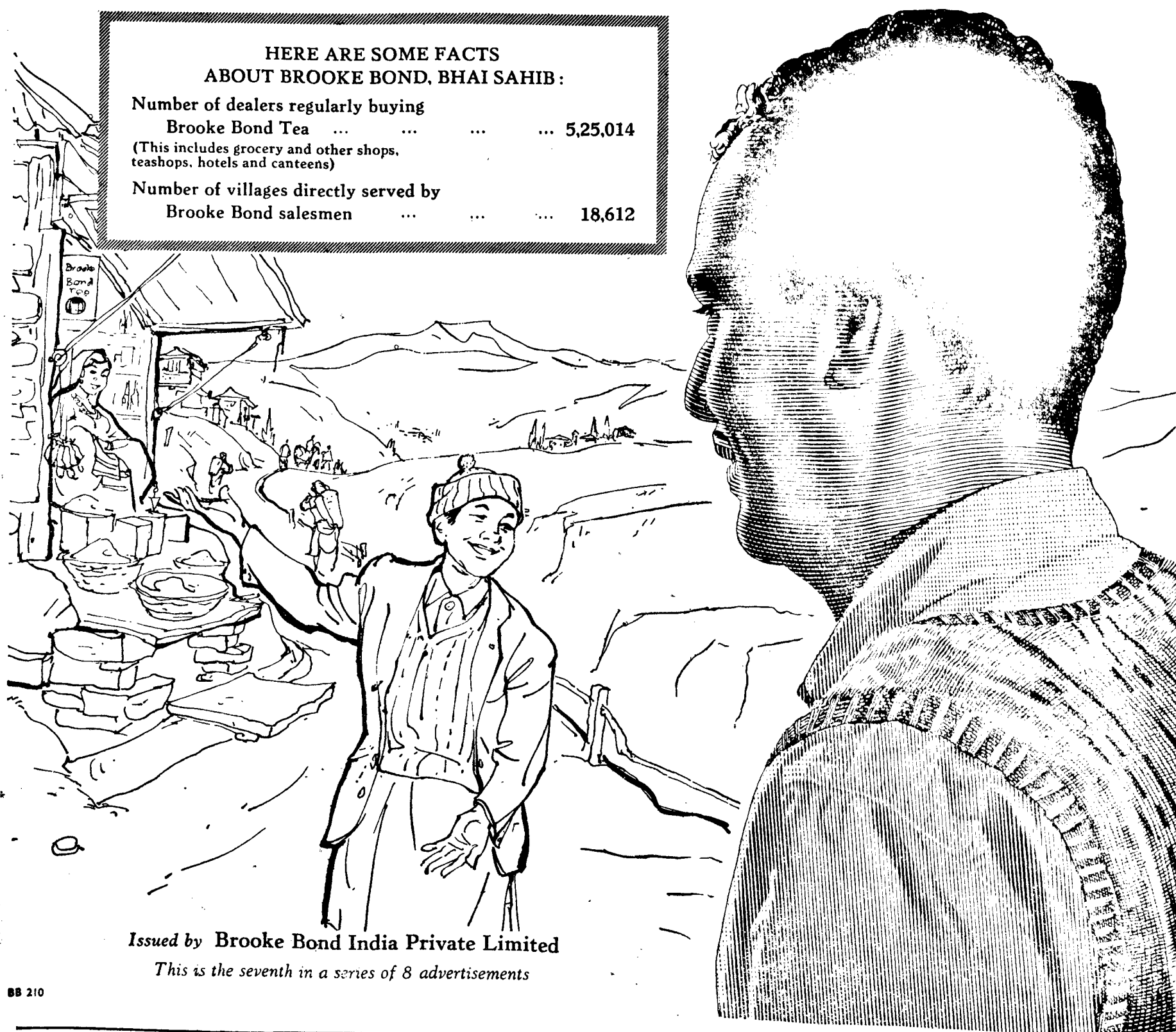
HERE ARE SOME FACTS ABOUT BROOKE BOND, BHAI SAHIB:

Number of dealers regularly buying
Brooke Bond Tea ... 5,25,014
(This includes grocery and other shops,
teashops, hotels and canteens)

Number of villages directly served by
Brooke Bond salesmen ... 18,612

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Indian Finance

INVESTOR'S SUPPLEMENT

Equities Quietly Steady in February

The Stock market began the month on a confident undertone following the improved prospects of foreign aid as a result of the sanction of the \$225 million loan to India by the US. A contributory factor for the signs of improvement noticeable had been the general expectation that in view of the difficulties encountered by the private sector in finding necessary funds for expansion and even for day to day working, the coming Central Budget would contain some concessions which would go a long way toward restoring confidence in the investment situation in the country.

The speech of Mr Nehru at the Indian Merchants Chamber early in the month, seemed to have revived apprehension about the Central Budget. The Prime Minister had said that last year's Budget faithfully reflected Government's policies. The statement was interpreted to mean that there would be no reliefs or concessions.

Meantime it became clear that Mr T. T. Krishnamachari would not be the person who would present the Budget at the end of the month. And when news of the acceptance of his resignation came there had been some speculation as to whether the new Finance Minister would continue the policy of his predecessor or make any fundamental change. In this regard it was noted that in his letter of resignation to the Prime Minister Mr Krishnamachari had said that the preparation of the Budget had been completed by him. Taking this factor along with the announcement that Mr Nehru would take up the Finance Portfolio, it was generally believed that the Budget would fully bear the impress of Mr Krishnamachari.

The Lok Sabha debate on the Chagla Commission Report brought out a number of points which had a vital bearing on the stock markets. In the first place there was uncertainty about the investment policy of the Life Insurance Corporation. As the LIC has become the single major investor in equities it was naturally considered important to have a clear idea in this regard. Mr Nehru's observation that there seemed to be no harm in obtaining the control of private enterprises through LIC investments was responsible for reviving the apprehension about back-door nationalisation.

Toward the close of the month, however, sentiment took a turn for the better with the growing belief that the Budget would contain good tidings especially for the cotton textile industry and for the private sector as a whole. The confidence was reflected in the pre-Budget trading on the last day of the month. When the Budget proposals were made known on the evening of the 28th sentiment was rather disappointed and in the

special budget session prices showed a declining trend. It would appear that the retrogression was due to the disappointment caused by the absence of concessions so eagerly expected. Second thoughts on the budget seemed to have revived confidence as it was realised that though the anticipated reliefs were absent there were no surprises. Moreover, one industry, namely shipping, has been given substantial benefits by increase in the Development Rebate to 40 per cent. It is also to be noted that the Budget is not utterly devoid of concessions. For hereafter in the case of Section 23-A com-

panies, for purposes of determining the tax, there will be two slabs instead of three. The first slab which comprises dividend payment between 6 and 10 per cent will be liable for a dividend super-tax of 10 per cent; while the second slab, dividends exceeding 10 per cent, will attract a tax of 20 per cent.

The absence of any new taxation proposals in the West Bengal and UP Budgets was also responsible for reviving sentiment as it was earlier expected that State Budgets would show fresh taxation proposals. The Railway Budget was also considered to be a favourable

ward self-sufficiency in jute, but also on the foreign exchange earnings of the country". National Jute which opened at Rs 23.85 touched a low of Rs 22.65 to be finally placed at Rs 22.75.

Sugar shares were an active counter following publication of excellent working results by some companies for last year. Some of the prominent spots were Champaran (Rs 22.12), Dyer Meakin (Rs 9.31) and Dharbanga (Rs 18.50).

Tea shares were a subdued market largely because of the uncertain outlook for common teas. Prices obtained in the auctions during the month continued to be at low levels. Though fears of further taxation by the State Government were belied, some disappointment was caused by the absence of any relief in the Central Budget.

Coal shares were a steady market most of the time. Reports of satisfactory working results of coal companies coupled with expectations of a larger allocation for private collieries in the target under the Second Plan kept selected scrips in moderate demand. With the explosion in Chinakuri, Bengal Coal was hammered down. Further, discussions in the country about safety in mines have also revived apprehensions about nationalisation of coal companies. Burrakur opened at Rs 22.12 touched a low of Rs 21.87 and finally closed at Rs 22.60.

The Miscellaneous section was generally steady with a few bright spots showing up from time to time. Toward the close and on announcement of the Budget proposals, India Steamship spurted to Rs 12.50 to close at Rs 12.44. Orient paper steadied up to Rs 25. Other prominent shares were Dunlop Rubber, Indian Cable & National Carbon. Indian Oxygen was in good support up to Rs 16.25. Details of acceptance of the applications to the offer for sale of 570,000 shares in Indian Oxygen Limited, by the British Oxygen Company Limited disclosed that over 1,800,000 shares were applied for by the public and that applications for the minimum quantity of 50 shares alone exceeded one million.

The Textile section remained subdued most of the time but toward close displayed signs of recovery on the confident expectation that the Central Budget would contain some provision that would be beneficial to the cotton textile industry. When it became known that no such concession was to be given, this section became once again quiet.

Bank shares were a steady market. Punjab National Bank was quoted at close at Rs 52.75 against Rs 51.37 at the beginning of the month. United Commercial Bank was finally placed at Rs 59.00.

PRICE TRENDS DURING FEBRUARY, 1958.

		Opening	High	Low	Closing
Gifts:					
3% 1986	...	70.90	71.50	70.80	71.05
Banks:					
Punjab National	...	51.37	52.75	51.37	52.75
United Commercial	...	59.75	59.75	58.50	59.00
Textiles:					
Kesoram	...	9.94	10.19	9.75	9.75
Coal:					
Burrakur	...	22.12	22.75	21.87	22.60
Bengal	...	237.00	237.00	201.00	201.00
Central India	...	6.59	6.75	6.47	6.59
West Bengal	...	5.34	5.66	5.06	5.12
Jutes:					
Anglo India	...	131.00	131.00	127.00	128.00
Howrah	...	13.75	14.25	12.94	13.25
National	...	23.85	24.00	22.65	22.75
Teas:					
Banarhat	...	316.00	316.00	297.00	299.00
Bishnauth	...	18.75	19.00	18.44	19.00
Brooke Bond	...	17.50	17.50	17.50	17.50
Husimara	...	20.93	20.93	19.87	20.00
Tezpur	...	17.50	17.50	17.50	17.50
Engineering:					
Indian Iron	...	20.35	20.37	19.20	19.66
Texmaco	...	17.60	17.65	16.80	17.20
Jessop	...	22.25	23.12	21.50	23.12
Miscellaneous:					
Indian Copper	...	2.91	2.91	2.80	2.84
Orient Paper	...	25.25	25.25	23.90	24.90
Tttaghur	...	34.00	34.00	33.19	33.75
Indian Cable	...	27.50	29.12	27.50	28.62
India Steam	...	11.62	12.50	11.56	12.44
Martin Burn	...	25.12	25.37	24.81	25.25
Rohtas	...	17.00	17.25	15.87	16.00
Dunlop	...	21.87	22.19	21.25	22.06
Hind Motors	...	6.09	6.25	5.87	6.00
National Carbon	...	24.37	25.12	23.85	25.12
Indian Aluminium	...	12.50	12.87	12.31	12.81
Hindustan Lever	...	19.50	19.81	19.50	19.69
Phillips	...	13.94	14.00	13.69	13.87
Sone Valley	...	5.06	5.37	5.00	5.25
Sugar:					
Carew	...	6.44	6.81	6.00	6.69
Champaran	...	22.12	22.12	22.12	22.12
Cawnpore	...	12.25	12.37	12.25	12.37

factor as it contained no new proposals for increasing freight rates as was apprehended.

Sectionwise Engineering shares were quietly steady with Indian Irons fluctuating both ways following alternate bouts of buying and selling. As against the month's opening rate of Rs 20.35, the scrip receded to a low of Rs 19.20. In pre-Budget trading it recovered to Rs 20.20. During the special budget session it receded again to Rs 19.35 but staged a rally to close the month steadier at Rs 19.66.

Jute shares were depressed in view of the uncertain outlook for the industry. Toward the close of

the month prices in the jute goods market declined sharply. With the announcement that the IJMA mills had agreed not to sell Hessian 40"x10 oz below Rs 39.50 and B Twills below Rs 100, sentiment somewhat revived. Explaining the reasons leading to the decision of mills, the IJMA in a press note said "the decline in prices, which was quite unwarranted by the statistical position or prevailing market conditions, was a direct result of the activities of speculators in the fatka market and was having a most serious effect, not only on raw jute prices, with the danger of repercussions on India's drive to-

JUTE

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents Commission and allowances Rs. 000	Year ended Rs. 000	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Agarpara ...	B. N. Elias & Co. ... 7% C. P. ... 54% Deb. ...	554	325	154.10	248.66	77.59	50	3-57	q 4.69	(a)7 4.15	2 1/2	5 1/2	7 1/2
Alexandra ...	McLeod & Co. Ltd. ... 7% C. P. ... 54% Deb. ...	296	150	30.85	34.11	30.77	...	12-56 H	(a)3.61	3.77	5 1/2	5 1/2	5 1/2
Alliance ...	McLeod & Co. Ltd. ... 6% C. P. ...	797	467	...	98.11	23.01	39	6-56 H	(a)26 1.21	(i) 1.23	nil	nil	6 1/2
Anglo India ...	Duncan Bros. & Co. ... 7% C. P. ...	1,589	972	356.65	515.25	142.10	50	3-57	(a)23 15.72	(y)25.63	7 1/2	7 1/2	11 1/2
Auckland ...	Bird & Co. Private Ltd. ... 54% C. P. ... 44% R. C. P. ... 4% Deb. ...	450	360	116.48	160.42	42.64	40	3-57	(a)3.14	(n)9.23	nil	2 1/2	8 1/2
Bally ...	Birla Bros. Private Ltd. ... 7% C. P. ...	659	300	54.82	190.55	46.25	9	3-57	2.75	(b) 2.98	2 1/2	nil	7 1/2
Barnagore & ...	Jardine Henderson ... 5% C. P. ...	1,124	766	...	...	...	...	3-57	-7.1	28	nil	nil	13 1/2
Belvedere ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	601	219	...	106.94	5.93	...	12-56	(a)1 2.0	(a)18 3.16	nil	5 1/2	10 1/2
Bengal Jute ...	Soorajmull Nagarmull ... 54% R. C. P. ... 44% Debentures ...	350	250	...	283.71	26.71	1.43	6-56	10.86	15.21	10 1/2	11 1/2	11 1/2
Birle ...	Birla Brothers Private ... 74% C. P. T. ... 54% R. C. P. ...	982	391	...	431.22	49.91	2.21	3-57	24.80	29.88	10 1/2	10 1/2	10 1/2
Budge Budge ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	552	439	...	152.26	9.61	26	10-56	(a)2.45	(a)19 5.45	5 1/2	5 1/2	9 1/2
Caledonian ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	371	245	...	93.00	4.50	25	11-56	(a)2 4.44	4.73	nil	6 1/2	9 1/2
Champdany ...	James Finlay & Co. Ltd. ... 7% C. P. ...	761	639	208.74	332.61	58.41	50	3-57	(a)24 1.51	(a)27.0	nil	7 1/2	7 1/2
Chevio ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	480	50	...	75.04	5.69	25	11-56	(a)2 1.18	(a)2 4.44	2 1/2	10 1/2	14 1/2
Chitavalsah ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	124	376	35.15	69.29	8.55	1.45	6-56 H	6.94	6.34	6 1/2	6 1/2	3 1/2
Clive ...	S. K. Invst. Co., Ltd. ... 6% C. P. ... 7% C. P. ...	546	423	10.82	158.96	29.56	78	3-56	5.33	19.51	5 1/2	12 1/2	11 1/2
Dalhousie ...	Bird & Co. Private Ltd. ... 7% C. P. ... 54% Debentures ...	448	310	97.05	149.16	9.92	45	3-57	(a)10 -40	(a)45	nil	1 1/2	4 1/2
Delta ...	Andrew Yule & Co. Ltd. ... 5% C. P. ...	450	321	...	103.87	8.34	27	11-56	(i) 2.40	(a) 3.61	5 1/2	10 1/2	12 1/2
Empire ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	305	205	28.03	39.21	8.45	58	6-56 H	2.90	2.41	5 1/2	5 1/2	7 1/2
Fort Gloster ...	Kottrell Bullen & Co. ... 7% C. P. ... 5% 2nd C. P. ... 54% Debentures ...	1,000	784	...	396.37	88.48	39	3-57	11.48	12.37	10 1/2	12 1/2	15 1/2
Fort William ...	Bangur Brothers Ltd. ... 7% C. P. ...	585	429	...	211.21	40.50	64	3-57	9.69	11.44	15 1/2	12 1/2	20 1/2
Ganges ...	Macneill & Barry ... 8% C. P. ...	1,001	708	15.13	140.34	20.27	2.09	3-56 H	-1.44	(a) 2.86	nil	nil	2 1/2
Gondalpara ...	Directors ... Deb. ...	409	198	143.90	194.11	30.06	...	12-56	(a)9.62	-2.03	16 1/2	4 1/2	nil
Gouropore ...	Macneill & Barry ... 6% C. P. ...	962	432	190.42	290.38	14.68	50	3-57	(a)22 6.79	(b) 7.34	2 1/2	10 1/2	15 1/2
Hastings ...	Bangur Bros. Ltd. ... 6% C. P. ...	661	417	142.31	258.29	11.21	95	3-57	(r)19.63	20.42	5 1/2	5 1/2	11 1/2
Hooghly ...	Directors ... 10% Pref. (i) ...	466	254	114.37	146.40	7.33	3.70	3-56	-1.81	5.91	6 1/2	6 1/2	6 1/2
Howrah ...	Jardine Henderson Ltd. ... 7% C. P. ... 7% A. C. P. ... 54% Debentures ...	1,234	706	263.51	365.22	105.39	50	3-57	-14.90	(i) 12.02	nil	10 1/2	12 1/2
Hukamchand ...	Ramdudd Ramkissanday ... 7% C. P. ... 54% Deb. ...	1,519	753	314.66	480.74	69.06	2.09	3-57	23.76	27.15	20 1/2	20 1/2	26 1/2
India ...	Directors ...	522	554	...	191.83	38.01	...	3-57	(a)6 9.44	(a)10.19	7 1/2	5 1/2	5 1/2
Kamarhaty ...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 54% Debentures ...	1,250	542	101.56	147.65	63.48	25	12-56 H	-5.35	-3.71	nil	nil	3 1/2

March 8, 1958

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1958	February 1957			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standings	Cash Balance	Others
	Ra. np.	Ra. a													
Agarpara ...	7 06	9 7	10	60.00	39.23	5.00	1	80.82	120.20	53.26	4.02	92.06	42.65	1.53	6
7% Cum. preference ...	91 50	99 0	100	10.00											
54% Debentures ...	905 00	975 0	1000	12.00											
Alexandra ...	90 00	195 0	100	6.00	4.00	6.25	1.70	29.92	56.93	38.47	70	36.12	5.09	55	2.85
7% Cum. preference ...	83 00	97 8	100	9.00											
54% Debentures ...	455 00	475 0	500	6.00											
Alliance ...	79 00	105 0	100	30.00	2.75	2.50	34	54.03	117.62	94.41	2.10	64.64	12.87	1.81	
6% Cum. preference ...	71 00	97 0	100	15.00											
Anglo India ...	128 80	138 0	100	49.21	50.00	16.00	1.78	180.78	311.47	203.15	41.18	155.12	29.31	3.29	45
7% Cum. preference ...	81 50	102 0	100	40.00											
Auckland ...	84 00	93 0	100	40.00	12.50	20.84	-3.75	54.95	141.67	55.35	3.27	50.96	16.35	16	7.42
54% Cum. preference ...	75 00	80 8	100	10.00											
44% R. Cum. preference ...	50 00	61 0	100	15.00											
4% Debentures ...	770 00	880 0	1000	15.00											
Bally ...	131 00	160 0	100	20.00	16.50	5.00	67	33.91	97.26	66.52	1.01	51.55	11.30	1.48	
7% Cum. preference ...	89 50	102 0	100	20.00											
Barnagore & ...	74 00	97 0	100	2.75	2.15	4.10	-1.56	10.12	16.67	9.62	15	8.26	3.74	35	
5% Cum. preference ...	30 00	41 0	100	2.00											
Belvedere ...	63 00	108 0	100	28.00	10.09	16.47	1	30.61	94.68	51.49	55	42.46	5.59	2	
7% Cum. preference ...	95 50	105 0	100	7.00											
Bengal ...	11 50	14 15	10	45.00	24.00	11.45	1.46	72.88	57.92	33.73	5	44.48	48.88	67.79	4
54% R. C. P. ...	72 50	77 0	100	10.00											
44% Debentures ...	900 00	917 8	1000	10.00											
54% Debentures ...	900 00	950 0	1000	10.00	45.00	173.87	2.67	80.91	364.24	153.36	179.31	67.07	90.03	43.75	10.37
Birla ...	13 94	15 13	10	9.76											
74% C. P. T. ...	76 00	90 0	100	23.61											
54% R. C. P. ...	...	...	...	82.05	12.76	8.34	4	24.06	117.09	72.35	76	42.71	2.02	5	
Budge Budge ...	61 00	107 0	100	36.00											
7% Cum. Preference ...	88 00	102 0	100	9.00											
Caledonian ...	99 00	130 0	100	18.00	23.19	3.27	21	23.53	87.44	45.04	46	30.37	4.96	1	
7% Cum. preference ...	93 00	105 8	100	10.00											
Champdany ...	95 50	116 0	100	59.16											
Cheviot ...	120 00	153 0	100	15.95	14.27	9.03	9	13.09	82.74	57.70	66	32.84	3.87	1	
7% Cum. preference ...	93 00	101 0	100	10.00											
Chitavalah ...	12 00	12 11	10	30.15	18.00	9.00	1.01	22.00	66.69	48.44	9.11	33.90	9.46	29.90	
5% Cum. preference ...	91 50	101 0	100	5.00											
5% Debenture ...	445 00	475 0	500	10.69											
Clive ...	13 75	15 15	10	24.00	4	5.00	26	48.13	81.05	67.13	51	57.33	24.86	70	
6% Cum. preference ...	53 75	78 0	100	8.00											
7% Cum. preference ...	74 00	91 0	100	8.00											
Dalhousie ...	55 50	96 0	100	31.49	8.72	44.48	-8.76	37.34	134.50	51.19	6.16	29.27	20.78	1	52
7% Cum. preference ...	79 00	102 0	100	15.00											
54% Debentures ...	400 00	950 0	1,000	28.00	17.58	22.93	5	19.41	77.35	47.66	15.14	43.22	4.90	2	
Delta ...	91 00	145 0	100	5.00											
5% Cum. preference ...	70 00	86 0	100												
Empire ...	15 04	15 6	10	15.00	24.50	10.00	76	14.17	83.93	60.86	9.37	32.28	13.37	5.20	
7% Cum. preference ...	91 00	102 0	100	10.00											
5% Debentures ...	450 00	472 8	500	8.80	54.40	8.00	2.45	103.20	241.58	169.62	1.89	105.86	45.24	2.91	20
Fort Gloster ...	275 00	309 0	100	14.00											
7% Cum. preference ...	96 50	105 0	100	7.00											
5% Cum. preference ...	64 00	72 0	100	17.95											
54% Debenture ...	96 00	99 0	100	21.00	14.50		1.71	81.35	120.16	58.00	1.18	45.94	17.95	97	36
Fort William ...	17 19	19 1	100	10.00											
7% Cum. preference ...	91 50	107 0	100												
Ganges ...	43 50	47 8	100	84.32			-2.67	75.26	211.07	132.89	4.8	59.32	20.46	13	
8% Cum. preference ...	100 00	112 0	100	6.00											
Gondalpara ...	485 00	850 0	300	10.80	25.50	2.50	1	35.16	76.08	50.72	1.10	35.52	11.57	56	
Debitures ...			300	2											
Gourepore ...	214 00	220 0	100	24.00	3.50	21.00	45	131.25	222.42	158.82	44.09	80.66	21.26	45	
6% Cum. preference ...	70 50	82 0	100	26.50											
Hastings ...	107 00	119 0	100	40.00	21.50	37.93	3.00	61.47	183.6	58.69	33.63	56.77	28.23	61	
6% Cum. preference ...	84 00	90 0	100	25.00											
Hooghly ...	12 69	18 0	10	16.80	1.60	17.02	-2.99	22.72	66.48	47.71	83	27.54	18.65	17	
10% Preference [it] ...	7 53	10 14	10	11.78	12.76	34.50	24.60	136.47	234.14	111.56	4.31	129.43	21.74	1.57	1.33
Hewrah ...	13 25	17 9	100	65.62											
7% Cum. preference ...	90 00	104 0	100	8.75											
5% A' C. P. ...	82 00	101 0	100	17.50											
54% Debentures ...	94 00	97 8	100	30.00	25.37	3.50	1.14	119.98	293.22	157.52	16.02	75.53	35.83	4.42	
Hukumchand ...	16 50	22 0	100	52.50											
7% Cum. preference ...	87 00	101 8	1000	40.00											
34% Debentures ...				25.00											
India ...	94 00	135 0	125	87.30		16.54	95	48.47	138.02	84.79	34.42	43.94	20.77	89	
Kamarhaty ...	74 00	104 0	100	24.00	12.00	6.25	-8.80	112.53	126.06	113.40	1.91	85.49	25.03	1.61	67.30
8% Ordinary ...	71 50	102 0	100	19.20											
8% Cum. preference ...	74 00	84 0	100	16.00											
54% Debentures ...	90 00	95 0		13.04											

JUTE													
NAME	Managing Agents, Agents/Secretaries	LOANS		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission and allowances Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Kankarrah...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 4% R. C. P. ... 5 1/2% Debentures ...	1,239	288	91.51	117.26	59.54	25	12-56 H	-11.38	-9.06	Nil	nil	nil
Kelvin ...	McLeod & Co. Ltd. ... 7% C. P. ...	394	309	50.56	73.31	16.87	87	5-56 H	4.80	6.97	5	7 1/2	10
Khardah ...	Anderson Wright Ltd. ... 6% C. P. ...	914	616	219.56	330.90	93.86	56	3-57	8.43	13.30	3 1/2	3 1/2	3 1/2
Kinnison ...	F. W. Heilgers & Co. Pri. ... 7% C. P. ... 5% Debentures ...	672	578	178.3	248.40	77.32	50	3-57	(a)8.97	(a11)19.67	8	10	11
Lansdowne ...	Bird & Co. Private ... 7% C. P. ...	488	443	118.02	177.38	22.83	45	3-57	(d)-1.85	(a12)7.3	6	6	6
Lawrence ...	Bird & Co. Private ... 7% C. P. ... 5 1/2% B. C. P. ... 5 1/2% Debentures ...	456	384	108.51	152.73	24.66	40	3-57	(p)-7.21	(a13)2.03	7	7	7
Mahabir ...	Agrawal Brothers ... Directors ...	28	123	9.42	52.18	6.71	52	9-54	-1.02	-1.99	5 1/2	5 1/2	5 1/2
Magna ...	...	612	396	...	232.42	67.47	...	3-57	(a5)9.39	(a5)10.01	...	...	...
Naihati ...	F. W. Heilgers & Co. Pri. Ltd. ... 7% C. P. ... 4 1/2% R. C. P. ... 5 1/2% Debentures ...	411	404	104.38	162.08	28.63	45	3-57	(u)-4.37	(a27)6.44	Nil	nil	nil
Naskarpara ...	Howrah Trading Co. Private ... 5 1/2% Debentures ...	333	92	34.37	12.29	4.26	3,17	10-56	-7	5.78	Nil	nil	nil
National ...	Andrew Yule & Co. ... 7% C. P. ...	573	279	...	122.42	6.12	26	10-56	(b)4.74	(a20)9.51	Nil	12 1/2	11 1/2
Nellimaria ...	McLeod & Co. Ltd. ... 6% C. P. ... 4% Deb. ...	55	261	22.42	47.10	7.16	1,01	6-56 H	4.70	5.11	7 1/2	7 1/2	20
New Central ...	Sahu Jain Ltd. ... 7% C. P. ...	10,39	7,26	314.16	722.36	57.70	3,17	12-56	38.28	46.14	7 1/2	15	...
Northbrook ...	Bird & Co. Private Ltd. ... 5 1/2% C. P. ... 4% Deb. ...	214	353	87.63	133.18	50.76	40	3-57	(a28)4.97	15.51	15	22 1/2	15
Nuddes ...	Macneill & Barry ...	644	448	158.78	234.44	13.79	50	3-57	(a14)4.75	(16.04)	5 1/2	5 1/2	5 1/2
Orient ...	Andrew Yule & Co. ...	551	50	...	48.31	4.72	25	11-56	(a)1.90	(a21)2.85	Nil	1	2
Praschand ...	R. J. Roy Bros. ... McLeod & Co. Ltd. ... 4% Deb. ...	364	240	33.68	43.24	6.01	14	10-55 H	-2.25	-64	3	9	10
Praschand ...	McLeod & Co. Ltd. ... 4% Deb. ...	238	162	41.68	66.26	3.69	1,43	12-55 H	1.29	2.24	Nil	Nil	Nil
Rameshwara ...	Birla Bros Private Ltd. ... 6% C. P. ...	...	305	9.14	89.67	15.07	...	3-56	(a15)2.98	-54	2 1/2	3 1/2	3 1/2
Reliance ...	Jardine Henderson ... 7% C. P. ... 5% Deb. ...	924	352	118.85	181.21	49.27	50	3-57	-22.01	-11.43	Nil	Nil	Nil
Shree Ambica ...	Bagaria More ... 7 1/2% C.P. ...	703	208	72.45	156.72	21.28	2,01	3-56	8.62	12.45	Nil	Nil	Nil
Soorah ...	Hind Inv. Corp. ... 7% C. P. ... 4 1/2% Deb. ...	201	200	...	103.39	16.66	70	12-56	8.67	10.54	10	10	10
Standard ...	Bird & Co. Private Ltd. ... 6% C. P. ... 5 1/2% Debenture ...	367	283	83.16	128.12	22.03	40	3-57	(a29)1.82	59	7 1/2	7 1/2	7 1/2
Union ...	Bird & Co. Private Ltd. ... 7% C. P. ... 4 1/2% Deb. ...	740	586	153.64	233.35	39.31	50	3-57	(v)-7.99	(a16)8.82	Nil	6	10
Waverley ...	McLeod & Co. Ltd. ... 5% C. P. P. ... 3 1/2% Debenture ...	306	159	29.97	47.85	9.48	14	6-56 H	(a25)66	-1.05	7	7	7

(a) After transferring Rs 3,00,000 from Development Rebate Reserve, Rs 1,55,000 from Reserve for Taxation Contingencies and Rs 63,186 from Jute Stock Reserve.
(b) After transferring Rs one lakhs from General and Dividend Reserve.
(c) After writing back Rs 1,26,328 from provision made for loss on stock of Jute at mill. ADOAT and forward Jute purchases, etc.
(d) After transferring Rs 1,14,000 from Reserve for taxation contingencies and Rs 70,000 from Jute Stock Reserve.
(e) After writing back Rs 4,22,828 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,066 being provision against anticipated loss on jute contract for and after transferring Rs 5,65,000 from General Reserve and Rs 69,000 from Dividend Equalisation Reserve.
(f) After transferring Rs 5,00,000 from General Reserve and Rs 3,00,000 from Machinery Renewal Reserve, Rs 2,00,000 from Dividend Equalisation Reserve and Rs 2,00,000 from Jute Stock Reserve.
(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.
(h) After transferring Rs 3,00,000 from General Reserve.
(i) After writing back Rs 3,04,000 being provision against anticipated loss on raw jute stock and work in progress and Rs 4,225 being provision against anticipated loss on jute contract for and after transferring Rs 3,90,000 from General Reserve and Rs 32,500 from

Dividend Equalisation Reserve.

(j) After transferring Rs 4,25,000 from Reserve and writing back Rs 30,000 from Workers' Provident Fund shown in excess in previous half-year and Rs 61,000 from provision for possible loss on forward contracts.
(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contract for; Rs 14,600 being excess provision for taxation and Rs 1,95,000 from Dividend Equalisation Fund.
(l) After transferring Rs 8,50,000 from General Reserve.
(m) After transferring Rs 1,00,000 from Dividend Equalisation Fund and Rs 75,000 from General Reserve.
(n) After transferring Rs 1,01,808 from General Reserve and Rs 6,879 from provision for taxation and after including Rs 1,25,603 being refund of taxes.
(o) After transferring Rs 2,00,934 from General Reserve and Rs 58,376 being excess depreciation.
(p) After transferring Rs 1,06,985 from Jute Stock Reserve; Rs 62,400 from Reserve for Tax contingencies; Rs 21,000 from Development Rebate Reserve; and writing back Rs 52,371 from provision for taxation and Rs 10,000 from Id. Liability.
(q) After transferring Rs 7,50,000 from General Reserve.
(r) After transferring Rs 5,00,000 from provision for contingencies and Rs 1,00,000 from provision for tax-

tion.

(s) After transferring Rs 8,23,000 from Reserve for Tax contingencies; Rs 2,30,000 from Jute Stock Reserve; and Rs 1,47,000 from Development Rebate Reserve and including Rs 1,89,365 being Requisition claim realised.
(t) Preference shares carry a dividend of 10 per cent of which only 5 per cent is cumulative.
(u) After transferring Rs 36,028 from Jute Stock Reserve.
(v) After transferring Rs 3,28,000 from Tax contingencies Reserve; Rs 2,50,000 from Jute Stock Reserve and Rs 5,000 from Development Rebate Reserve.
(w) After writing back Rs 2,37,786 being provision against anticipated loss on raw jute and work in progress; Rs 7,350 being provision against anticipated loss on jute contract for and Rs 19,500 being excess provision for taxation and Rs 85,000 from Dividend Equalisation Reserve and Rs 4,25,000 from General Reserve.
(x) After writing back Rs 1,65,396 being provision against anticipated loss on raw jute and work in progress and Rs 16,800 being provision against anticipated loss on jute contract for and after transferring Rs 2,80,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.
(y) After transferring Rs 5,94,144 from Capital Reserve and Rs 3,00,000 from Contingencies Reserve and after providing Rs 2,70,141 for Sales-tax Liability.
(z) After writing back Rs 1,00,000 from excess provision for taxation and Rs 25,000 from provision against anticipated loss on forward contracts.

COMPANIES—Contd.															
NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Depreciation	Liquid Assets				
	February 1958 Ra. np.	February 1957 Ra. as.			General	Others	Carry forward				Invest- ments Ra. 000	Stocks and Stores Ra. 000	Out- standings Ra. 000	Cash Balance Ra. 000	Others Ra. 000
Kankarrah ...	41 50	71 8	100	30,00	6.00	2,75	-21,37	121,76	175,75	87,50	1,77	73,87	20,27	2,65	3,23
B. Ordinary ...	41 00	81 0	100	24,00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	77 00	87 8	100	10,00	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	4.23	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	90 00	97 0N	...	12,69	...	...	91	53,46	135,19	86,26	6,08	49,61	32,22	1,53	...
Kelvin ...	156 00	204 0	100	21,00	43,50	9,50	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	87 50	108 0	100	10,00	...	...	27	133,40	196,61	122,04	1,40	110,88	31,56	1,56	...
Khardah ...	115 00	118 8	100	54,00	2,333	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	73 50	89 8	100	9,00	...	...	29	96,89	236,19	98,60	10,47	95,79	21,18	37	2
Kinnison ...	106 00	150 0	100	48,00	27,91	52,32	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	85 50	111 8	100	15,00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	900 00	965 0	1000	25,00	...	...	...	...	...	...	...	...	...	...	...
Lansdowne ...	75 00	102 0	100	24,48	11,74	25,76	-9,98	73,02	128,57	53,16	3,10	40,36	21,78	7	14
7% C. Preference ...	87 00	100 0	100	15,00	...	...	-7,73	35,61	116,06	65,14	5,25	33,87	27,65	7	25,68
Lawrence ...	76 50	98 0	100	28,00	9,78	43,49	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	9 00	102 0	100	5,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% 'B' cum. preference ...	65 00	76 0	100	10,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	920 00	970 0	1000	19,49	...	...	...	...	...	...	...	...	...	...	...
Mahabir ...	85 00	85 0	100	10,78	...	...	-6,77	23,48	19,87	13,47	47	15,70	3,91	96	...
Magna ...	83 00	79 8	100	81,65	...	22,04	56	81,23	213,91	133,25	1,28	75,28	26,21	1,94	...
Naihati ...	69 00	77 0	100	29,99	12,04	22,58	-13,08	52,60	165,26	86,71	2,77	44,81	19,88	16	45
7% cum. preference ...	82 00	110 0	100	7,50	...	...	...	...	...	...	...	...	...	...	...
4 1/2% R. C. P. ...	57 00	59 0	100	10,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	900 00	950 0	1000	25,00	...	...	...	...	...	...	...	...	...	...	...
Naskarpara ...	12 00	14 6	10	20,00	15,55	...	-1,65	48,88	56,03	21,34	5	28,39	15,35	29,30	...
5 1/2% Debentures ...	...	...	1000	5,00	...	...	...	...	...	...	...	...	...	...	...
National ...	22 75	18 10	10	35,00	21,70	19,59	17	11,15	31,71	10,66	16,70	30,95	4,16	19,76	...
7% C. P. ...	95 00	108 8	100	5,00	...	...	...	...	...	...	...	...	...	...	...
Nallimaria ...	10 25	11 1	10	26,25	17,25	9,75	1,29	20,60	28,31	20,72	5,88	25,21	23,22	23,24	...
6% Cum. preference ...	79 00	97 9	100	5,00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	440 00	465 0	500	5,00	...	...	...	...	...	...	...	...	...	...	...
New Central ...	12 87	12 8	10	35,00	115,00	171,31	3,36	419,40	468,82	106,43	15,90	198,00	83,23	162,03	6,02
7% Cum. preference ...	89 50	102 0	100	33,00	16,48	30,11	9	54,42	123,05	56,38	4,68	63,59	12,37	10	5,48
Northbrook ...	16 47	22 1	10	16,80	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum. pref. ...	61 00	79 8	100	15,00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	800 00	880 0	1000	20,00	...	12,50	20	92,18	224,62	139,16	4,37	55,78	18,99	5	...
Nuddes ...	29 50	31 2	50	66,80	...	...	...	...	...	...	...	...	...	...	...
Orier ...	81 00	114 0	100	24,91	18,71	5,05	11	13,17	75,8	51,46	53	32,23	4,76	3	...
Praschand ...	...	...	100	39,96	7,50	...	-31,69	19,53	58,72	43,90	73	15,27	3,32	1,14	...
Praschand ...	2 97	4 4	5	25,00	5,00	1,2	52	13,46	80,86	65,2	2,33	25,97	7,97	1,35	...
4% Debenture ...	850 00	930 0	1000	8,00	...	...	...	...	...	...	...	...	...	...	...
Rameshwara ...	4 37	5 15	10	20,00	...	...	-9,18	22,87	26,98	8,39	38	19,63	1,97	11	...
6% Cum. preference ...	10 19	10 3	10	7,00	...	1,50	-38,95	79,04	124,76	64,71	1,91	62,93	9,98	1,21	...
Reliance ...	5 75	8 14	10	49,50	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	69 00	91 0	100	20,00	...	...	...	...	...	...	...	...	...	...	...
5% Debenture ...	850 00	890 0	1000	25,00	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	15 25	15 0	10	30,00	12,15	1,00	6	83,32	116,87	81,99	1,72	51,17	49,97	47	...
7% Cum. preference ...	70 00	91 4	100	11,70	...	...	...	...	...	...	...	...	...	...	...
Shree ...	13 12	15 10	10	14,00	10,80	5	23	19,71	67,75	43,57	8,90	20,70	5,27	3,75	...
7% Cum. pref. ...	84 50	107 0	100	10,00	...	30,84	-8,76	35,73	126,57	57,29	4,84	31,79	10,66	32	1
4 1/2% Debenture ...	455 00	480 0	500	8,00	...	...	...	...	...	...	...	...	...	...	...
Standard ...	56 50	75 0	100	25,20	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	74 50	86 0	100	25,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	...	...	1000	25,00	...	...	...	...	...	...	...	...	...	...	...
Union ...	106 00	132 0	100	35,99	14,94	66,16	-13,52	86,05	201,41	89,48	3,93	52,71	37,93	1,11	...
7% C. P. ...	93 00	102 0	100	6,00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debenture ...	900 00	965 0	1000	12,00	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	2 87	3 10	1	2,50	3,00	3,35	11	21,88	56,01	40,74	60	26,08	5,66	71	...
3% Cum preference ...	30 00	40 0	50	7,50	...	...	...	...	...	...	...	...	...	...	...
3 1/2% Debenture ...	400 00	437 8	500	10,00	...	...	...	...	...	...	...	...	...	...	...
Equalisation Reserve and Rs 1,00,000 from Taxation															

MISCELLANEOUS

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Share
								Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Latest	Previous	Share
WESTERN AND CENTRAL INDIA												
Ambic Chemicals	Bhalil Amin & Sons 64% 1st Cum. Prof. 5% 2nd R. C. P. 6% 3rd Cum. Prof.	7.08	31.78	115.38	88.87	4.93	12-55	11.20	8.23	8	8	8
Anil Starch Products	Kasturilal Lalbhai & Co. 5% C. P.		92.01	145.51	3.78	61	12-56	(v)11.04	(c)9.25	10	10	10
Associated Cement Cos.	Cement Agencies	308.06	884.90	22,13.47	65.63	42.75	7-56	504.02	536.87	10	10	10
Associated Stone Industries	Rajputana Mining Agen. Pri. Ltd. 6% C. P.	1.39		39.24	14.82	1.02	9-56	7.09	4.23	30	10	10
Atul Products	Deferred Lalbhai Sons & Co.									62	28	28
Automobile Products	Directors 5% R. C. P.	7.58 11.52	111.24 126.92	183.41 134.73		9	12-56 7-56	30.96 8.39	20.62 5.90	6 nil	5	5
Bharat Line	Dinshaw Private	29.23	149.86	233.71		1.07	12-55	30.88	35.25	5	5	5
Bombay Burma Trading	Wallace & Co. Old Shares New shares	7.53					5-56	102.70	74.32	32	30	16
Bombay Gas	Directors	5.41	37.78	77.73			12-54	15.41	15.27	12	12	7
Bombay Potteries & Tiles	C. J. Motichand & Co. 61% C. P. 41% C. P.	7.53					9-55	4.00	3.67	nil	6	6
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.	42		1.34		9	9-56	6	68	15	16	16
Bombay Uganda Co.	Directors			90.34			12-55	-2.42	2.12	5	5	6
G. Claridge & Co.	W. H. Brady & Co. Ltd.	8.94	14.36	28.39	1.24	37	12-56	3.10	4.26	15	16	12
G. G. Dandekar Machine Works	Landekar Engineers Partly Paid Ordinary 5% R. C. P.	1.86	3.33	8.44	1.68	26	6-56	1.59	1.62	8	8	8
Dharamsi M. Chemical	D. Morarji & Co.	1.22	37.91	49.24	58.62	18	12-55	51	2.03	nil	6	6
Digvijay Cement	Shree Laxmi Agents Ltd. 5% R. C. P.	13.48	90.98	168.53	2.81	3.90	12-55	43.56	41.71	8	8	6
Eastern Shipping Corp.	Scindia Steam Navigation	26.54	129.09	220.84		3.54	3-56	45.68	(r)25.36	nil	nil	nil
Estrela Batteries	Chunilal Manilal Ltd. 5% R. C. P.	14.19	23.27	57.54	18.84	33	3-56	4.79	2.70	6	4	6
Great Eastern Shipping	A. H. Bhiwandiwala & Co. Pri. Ltd. 54% R. C. P.	28.28		372.29		8.31	6-57	(a)97.87	(b)81.81	15	15	(a)
Greaves Cotton & Co.	Directors 5% C. P. 6% R. C. P.	19.48	228.32	251.96	76.22		3-55	16.35	18.63	6	7	11
Hindustan Electric Co.	Dharamsinh & Co. 6% C. P.	4.76	99.20	127.74	31.58	75	4-56	9.42	4.89	6	6	8
Hindustan Lever	Director's	182.86	1972.42	2740.44			12-56	252.19		12		
Indian Cement	Director's	3					3-56	1.64	1.24	30	25	20
Indian Plastics	Directors 54% Cum. preference	8.75	27.88	49.52	13.73		3-56	4.02	3.28	2	nil	2
Indian Vegetable Products	F. F. Campbell & Co. Pri.	5.78	141.29	206.29	7.21	1.31	9-56	6.29	3.18	10	5	5
Indus. Cr. & Invest. Corp.	Directors	3.86		41.75			12-56	34.48	22.81	3	5	5
Industrial Investment	Premchand Roychand & Sons	26		6.72		34	12-56	6.03	5.83	5	4	4
Kemp & Co.	Directors	5.37	47.70	55.40	9.65		3-56	2.02	1.44	7	6	6
Killick Industries	Managing Director	6.69					6-56	26.27	27.63	11	11	11
Machinery Manfrs. Corp.	Mahindra & Mahindra 4% Cum. preference 44% C. P. Loan from I. F. Corp.	22.84	37.82	69.86	40.16	40	3-57	8.72	10.62	nil	nil	nil
Malwa Vanaspati & Chem.	Mohatta Bros. 6% Debentures		96.34	110.33	6.71	15	12-53	4.60	-6.02	nil	nil	ni
National Elect. Industries	Navin Kumar Hansraj Pri. Ltd. 44% C. P.	10.15	44.38	56.93	24.05	83	3-56	5.56	5.37	9	9	9
National Machinery Manfrs.	Directors	37.64	75.06	152.62	81.06		12-55	26.23	10.80	4	4	4
National Newsprints & Paper	Directors	2.06					3-55	-4.42	-39	nil	nil	nil
National Rayon Corp.	Chinai & Co. Private Ltd. 5% Cum. preference 5% Debentures	47.41	197.72	422.38	22.31	10.46	12-56	142.94	102.13	14	12	10
Palampur Veg. Products	Investa Industrial Corp. 54% C. P.						12-55	-1.13	-1.59	nil	nil	nil
Pioneer Magnesite Works	N. Pestonjee & Co. Ordry. Partly Paid	78		9.84	26	38	12-54	1.78	1.71	5	3	3
Polson Ltd.	Polson Agencies Private Ltd. 6% C. P. T.	7.83	47.32	92.12	11.44	1.47	12-56	10.75	13.29	12	10	10
Sanitex Chem. Industries	M. B. Amin & Co. 5% C. P.	3.42	9.78	18.76	9.69	24	12-55	0	30	nil	nil	nil
Sathe Biscuits	Sathe Food Industries Partly Paid 5% R. C. P.	92	11.93	24.09	8.65	11	3-56	2.00	12	5	5	5
Scindia Steam	Directors 44% Debentures	146.51	664.63	1277.51			6-57	356.81	(b)265.89	6	5	2
Shangrilla Food Products	Directors 5% C. P.	1.41	7.54	12.27	1.49		3-56	-3.80	-3.35	nil	nil	nil
Shivrajpur Syndicate	Killick Industries Ltd.	45.00		163.08	34.46	5.74	11-56	43.17	31.73	80	80	80
Supreme Industries	Medy & Co. 64% Cum. Pref.		7.33	4.98	7.63	8	3-56	64	65	6	6	6
Tata Chemicals	Tata Industries Private 5% Cum. preference 5% Debentures	42.22		265.59		2.81	6-57	51.48	41.26	6	7	6
Tata Oil Mills	Tata Industries Private 48% Cum. preference	80.91	439.27	662.64		2.71	3-57	30.29	42.00	10	12	8
United Salt Works & Indus.	Salt & Industry Agency Pr. Lt.	11.24		33.81	9.93	48	9-55	4.16	4.49	10	10	10
Western India Match	Swedish Match Co.	125.95	728.67	1016.87	22.84	13.06	12-55	78.54	78.38	11	11	11

(a) Traffic Revenue (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income. *Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up p per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS						
	February 1958 Rs. np.	February 1957 Rs. a.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
WESTERN AND CENTRAL INDIA																	
Ambic Chemicals	122 00	116 4	100	32.41	18.06	12.85	57	65.41	85.67	44.34	24.86	46.15	31.29	66	...	...	
54% 1st C. P.	85 00	90 0	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...	
5% 2nd R. C. P.	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...	
6% 3rd C. P.	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...	
Anil Starch Products	...	...	100	29.26	13.02	7.38	14	3.79	91.88	23.35	6	22.65	25.08	2.27	...	...	
5% C. P.	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...	...	
Associated Cement	143 00	166 8	100	1271.67	95 00	831.84	2.94	1135.82	2775.39	984.44	78.23	906.41	325.19	185.66	90.85	8.98	
Bharat Line	...	...	100	100.00	15.37	15.37	1.55	219.38	441.66	185.09	3.79	19.02	47.25	71	...	...	
Associated Stones Indust	...	...	10	8.50	3.15	...	10.98	7.26	10.30	5.10	20	16.15	12.48	2.86	...	...	
6% C. P.	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	5	5.00	...	...	...	...	...	...	...	...	...	...	...	...	
Atul Products	...	...	100	189.00	...	...	24	220.38	261.72	45.19	62.42	93.72	33.06	3.85	...	...	
Automobile Products	...	...	10	28.00	1.13	...	4	74.66	59.72	10.24	48.22	13.06	...	8	...	...	
5% R. C. P.	...	...	100	7.00	...	...	...	...	...	...	...	...	...	...	...	...	
Bombay Burma Trading	...	...	2500	2.50	70.98	349.16	40	270.42	398.85	171.93	113.38	108.33	149.34	3.51	34.81	...	
Old Shares	521 00	673 12	125	50.00	...	...	...	...	...	...	...	...	...	...	...	...	
New Shares	200 00	253 12	50	42.00	...	...	...	...	...	...	...	...	...	...	...	...	
Bombay Gas	...	...	100	40.00	11.14	21.79	2.55	38.71	61.49	26.52	10.27	11.82	10.97	46.15	...	...	
Bombay Potteries & Tiles	64 00	53 0	100	14.18	15	4	24	4.29	...	12.40	9	8.52	1.90	4.22	...	...	
64% C. P.	65 00	65 0	100	1.13	...	...	...	...	...	...	...	...	...	...	...	...	
44% C. P.	50 00N	50 0	100	8.63	...	...	...	...	...	...	...	...	...	...	...	...	
Bombay Safe Deposit	500 00N	533 0N	200	2.40	71	3	-2.00	7.20	5.68	4.23	2.70	10.68	1.30	52	...	...	
Bombay Uganda Co.	47 00	60 0N	80	15.96	2.01	...	...	...	2.26	90	86	...	...	9.03	...	...	
G. Claridge & Co.	180 00N	...	100	9.00	6.00	6.25	29	6.90	18.79	14.59	1	14.53	6.79	1.92	...	...	
C.G. Dandekar Mee. Works	...	...	100	4.00	1.00	67	8	4.65	10.06	5.33	4.74	1.68	2.63	9	...	...	
Partly Paid Ordry	...	...	100	2.47	...	...	...	...	...	...	...	...	...	...	...	...	
5% R. C. P.	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...	...	
Dharamsi M Chemical	50 00	46 12	100	13.69	1.70	1.00	1	33.12	41.22	21.00	18	17.44	9.66	7	1.94	...	
Dhruvay Cement	138 50	145 8	100	88.80	30.00	14.50	2.79	78.84	204.20	86.59*	29.42	47.87	14.69	11.42	33.69	...	
5% R. C. P.	63 00	98 0	100	39.78	...	...	...	...	...	...	...	...	...	...	...	...	
Eastern Shipping Corpn.	...	...	100	550.00	...	39.99	24	223.60	467.35	71.18	68.40	98	37.53	166.30	144.46	...	
5% C. P.	36 50	40 0	50	14.97	3.15	7	22	15.50	28.61	19.41	3	17.66	12.81	70	3.50	...	
Great Eastern Shipping	35 50	38 8	50	9.97	...	...	...	...	...	...	...	...	...	...	...	...	
54% R. C. P.	19 76	17 15	10	90.00	76.00	61.60	1.84	367.08	490.84	86.21	2.74	36	72.77	140.71	...	...	
Greaves Cotton & Co.	91 50	100 0	100	25.00	...	...	...	...	10.11	4.54	113.14	75.82	91.65	7.58	...	...	
5% C. P.	...	...	100	85.00	15.00	13.15	14	130.48	...	...	...	...	...	...	...	...	
6% R.C.P.	...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...	
Hindustan Electric Co.	91 50	180 0	100	35.85	2.00	...	18	111.50	78.77	7.27	2.53	28.65	51.22	2.20	7.50	...	
6% C. P.	82 60	82 0	100	8.07	...	...	...	...	...	...	...	...	...	...	...	...	
Hindustan Lever	19 80	19 8	10	557.00	40.00	63.94	94.17	341.58	455.51	103.65	1.03	472.15	174.40	97.18	...	...	
Indian Cement	28 75	37 0	10	1.52	1.00	50	4	1.43	1.42	10.95	1.30	...	53	1.23	...	...	
Indian Plastics	...	...	10	29.88	...	...	...	...	44.45	...	...	27.83	11.05	65	...	...	
54% Cum. preference	...	...	100	22.50	...	1.95	8	16.10	25.35	20.52	69	9.18	10.92	16.21	...	...	
Indian Vegetable Products	110 00	...	100	21.17	2.53	...	...	...	98	35	652.58	...	77.86	577.59	...	...	
Indus.Cr & Invest. Corp.	70 00	75 8	100	500.00	10.00	...	6.31	792.34	20	16	122.60	...	1.77	6.07	...	...	
Industrial Investment	74 50	76 4	100	99.99	16.23	3.90	3.24	7.12	...	...	...	...	...	...	...	...	
Kemp & Co.	185 00	197 8	200	12.00	3.50	2.86	15	14.86	24.75	11.68	78	9.90	8.25	1.33	...	...	
Killick Industries	152 50	167 12	100	100.00	7.50	27.58	5	52.50	35.47	8.04	144.36	4.90	8.82	...	22	...	
Machinery Manfra. Corpn.	...	...	100	39.24	...	14.42	-23.18	90.45	129.21	36.37	21	53.70	10.89	1.16	1.08	...	
4% Cum. preference	...	...	100	13.95	...	...	...	...	...	...	...	...	...	...	...	...	
44% C. P.	...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...	...	
Loan from I. F. Corpn.	...	...	...	49.05	...	...	...	...	...	...	...	...	...	...	...	...	
Malwa Vanaspati Chema.	...	...	10	31.28	...	30	-5.10	29.60	51.07	6.00	...	11.97	14.22	17	84	...	
6% Debentures	...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...	...	
National Elec. Industries	70 00	70 0	50	5.85	...	7.25	18	31.90	24.76	9.46	89	24.05	9.95	51	...	...	
44% C. P.	80 00N	80 0N	100	5.42	...	...	...	...	...	...	...	...	...	...	...	...	
National Machy. Manfra.	...	...	100	252.40	12.36	61	115.89	245.11	...	99	...	95.13	30.54	90	58	...	
National Newsprint & Paper	...	...	10	131.53	-6.60	429.81	...	413.25	...	...	3	15.06	28.74	57.26	40.40	...	
National Rayon Corpn.	216 00	227 12	100	160.64	32.00	86.15	5.52	259.08	946.21	265.00	1.10	141.75	37.17	6.48	...	...	
5% Cum. Preference	66 70	78 8	100	174.28	...	...	...	...	...	...	...	...	...	...	...	...	
54% Debentures	97 50%	...	...	150.00	...	...	...	...	...	...	...	...	...	...	...	...	
Palampur Veg. Products...	...	...	10	15.00	...	...	-23.90	28.59	27.37	...	10	1.84	...	9	28	...	
54% C. P.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...	...	
Pioneer Magnesia Works...	...	...	100	11.79	18	66	2	4.74	9.55	6.26	4.63	3.03	2.88	86	2.75	...	
Partly Paid	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...	...	
5% R. C. P.	168 75	165 0	100	21.60	14.50	11.45	46	25.66	58.81	12.53	1	16.93	20.19	10.27	...	...	
6% C. P. T	84 70	87 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...	...	
Sanites chem Indus.	...	...	50	13.01	...	...	1	8.29	13.12	60	...	8.20	2.07	38	2.63	...	
5% C. P.	...	...	50	4.49	...	...	...	...	...	...	...	...	...	...	...	...	
Sathe Biscuits	...	...	100	4.73	1.52	...	10	24.39	30.54	2.73*	46	8.70	3.74	14	...	...	
Partly Paid	100 00N	...	50	5.13	...	...	...	...	...	...	...	...	...	...	...	...	
5% R. C. P.	...	...	100	4.98	...	...	...	...	...	...	...	...	...	...	...	...	
Scindia Steam	17 60	19 14	20	939.98	80.00	1016.23	5.84	1191.95	249.665	57.900	58.497	25.65	405.59	357.79	343.62	...	
44% Debentures	93 00	...	100	401.28	...	...	-5.79	8.25	39.73	6.16	32	5.52	2.88	16	...	...	
Shanerrilla Food Products	...	...	100	17.00	...	...	...	...	...	...	...	...	...	...	...	...	
5% C. P.	...	...	100	3.00	...	...	...	...	...	...	...	...	...	...	...	...	
Shrirampur Syndicate	90 00	93 12	10	7.00	...	50.25	9	57.68	36.73	24.46	10.02	49.96	18.84	19.54	4.38	...	
Supreme Industries	80 50	80 0	100	6.22	3.45	31	25	4.48	10.60	2.28	1.95	7.63	1.26	18	...	...	
64% C. P.	70 50	80 0N	100	4.62	...	16.23	10	202.86	404.57	156.94	1.50	163.84	31.52	2.62	...	...	
Tata Chemical	12 60	15 4	10	139.96	...	...	...	...	...	...	...	...	...	...	...	...	
5% Cum. Preference	92 00	98 8	100	59.97	...	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	99 00%	...	...	25.00	10.35	26.43	10	293.95	212.21	126.98	7.33	242.81	72.19	23.24	...	...	
Tata Oil Mills	36 50	45 0	25	70.07	...	...	...	...	...	...	...	...	...	...	...	...	
44% C. P.	...	...	100	29.89	13.00	22.31	7.74	10.92	65.62	32.00	5.05	14.75	5.77	8.0	...	...	
United Salt Works Indus.	...	...	250	13.35	6190	19.25	5.62	307.22	303.67	157.21	45	163.96	207.20	150.2	...	...	
Western India Match	170 50	175 10	100	275.00	...	...	...	...	...	...	...	...	...	...	...	...	

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Ra. 000	Other Major Expenses Ra. 000	Sales Ra. 000	Stocks Ra. 000	Managing Agents' Commissions and Miscellaneous Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT				
								Latest Ra. 000	Previous Ra. 000	Latest	Previous			
NORTHERN INDIA														
Alkali & Chemical	Imp. Ch. Industries Private	1,527	91.72	22,546	4,666	...	9-57	5,111	4,020	8	8	8		
All India Finance & Commerce	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5		
	Kavell Sival & Co.	30	...	1,69	...	20	5-56	96	88	7 1/2	8	8		
	Ordinary	...	...	...	...	...	...	...	...	7 1/2	8	8		
Aluminium Corpn.	7 1/2% G. P.	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2		
	J. K. Industries	25.84	30.36	90.90	23.01	...	3-56	25.38	13.00	5	5	5		
	6% Cum. preference	...	...	...	...	...	...	...	...	5	6	6		
	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5		
	Deferred	...	...	...	...	...	...	...	...	5	5	5		
Amrit Banaspati	5% Debentures	...	...	...	...	...	...	...	...	5	5	5		
	5 1/2% Debentures	...	...	...	...	...	...	...	...	5	5	5		
	Amrit Agency Ltd.	2.06	354.43	367.26	66.68	18	3-55	22.07	19.54	...	...	...		
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...		
Anderson Wright	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...		
	Deferred	...	...	...	...	...	...	...	...	...	...	...		
	Directors	4.04	...	10.26	...	...	12-55	(a)1.6	5.02	...	...	...		
Angelo Brothers	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...		
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...		
Ashoka Cement	Turner Morrison & Co. Pri.	7.8	221.12	248.43	...	1.82	8-57	15.99	16.24	18	20	20		
Assam Bengal Cement	Partly Paid	...	...	...	...	...	...	...	...	...	...	...		
	Eastern Corporation	8.64	37.04	72.61	4.13	87	3-55	15.96	17.65	...	...	...		
	Deferred	...	...	...	...	...	...	...	...	...	...	...		
Assam Match Co.	4% Debentures	...	...	...	...	...	...	...	...	...	...	...		
	Directors	15.63	94.59	124.89	5.98	...	12-55	9.52	7.93	12 1/2	12 1/2	12 1/2		
Assam Saw Mills	Bird & Co. Private	4.34	34.53	5.38	...	...	9-56	1.74	81	12 1/2	12 1/2	12 1/2		
Associated Hotels	Oberoi Hotels (India) Private Ltd.	12.88	40.36	71.62	...	2.16	3-56	14.21	8.83	12	4	7		
	7% Cum. preference Tax	...	...	...	...	...	...	...	...	7	7	7		
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...		
	6 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...		
Associated Mining	Ramkumar Agarwala	13	7.37	6.16	1.59	44	12-52	1.90	2.32	6	2	5		
	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5		
	Deferred	...	...	...	...	...	...	...	...	...	...	...		
Ballarup Paper	K. C. Thapar & Bros. Ltd.	10.45	53.71	120.61	4.41	89	6-55	39.50	...	...	...	...		
	5% R. C. P. P.	...	...	...	...	...	...	...	...	...	...	...		
	Directors	75.78	13,33.11	15,51.18	108.84	...	12-56	(a)42.87	35.33	15	12 1/2	13		
Balmer Lawrie & Co.	Jardine Henderson	3.46	9.25	20.61	3.29	17	9-56 HY	2.03	2.40	5	6	7		
Bathgate & Co.	Directors	2.74	9.13	16.21	8.86	...	12-53	-6.31	-11.87	...	...	...		
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...		
Behar Rice Mills	H. V. Low & Co.	...	...	...	...	...	6-54	36	(a6)14.19	7 1/2	7 1/2	7 1/2		
Bengal Assam Steamship	Andrew Yule & Co. Ltd.	8.19	20.65	32.90	...	73	10-56	7.98	...	7	7	7		
Bengal Chemicals	7% Cum. preference	...	...	...	...	...	...	...	...	6	6	6		
	Directors	28.02	82.42	145.99	38.70	...	4-54	15.12	14.44	7 1/2	7 1/2	7 1/2		
	7 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...		
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...		
Bengal Elec. Lamp	5% Debentures	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2		
Bengal Flour	P. C. Datta	1.27	18.69	33.71	...	...	3-54	4.12	4.86	6 1/2	6 1/2	6 1/2		
Bengal Paper	Deferred	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2		
	Balmer Lawrie & Co. Ltd.	5.19	192.13	217.82	4.80	1.11	12-56	12.78	(a7)8.85	25	22 1/2	25		
	Directors	36.10	80.06	202.57	3.05	...	12-56	13.37	30.62	10	18 1/2	12 1/2		
	7% Cum. Preference	...	...	...	...	...	...	...	...	...	...	...		
Bengal Potteries	7% 'A' Cum. preference	...	...	...	...	...	...	...	...	7	7	7		
	6% 'B' R. C. P. T.	...	...	...	...	...	...	...	...	7	7	7		
	4 1/2% Debentures	...	...	...	...	...	...	...	...	6	6	6		
	...	...	...	...	...	...	...	...	...	...	...	...		
Bengal Timber	B. R. Bhagat & Co.	27.09	13.26	91.13	10.48	...	12-56	14.93	11.13	10	10	10		
Bhagwati Pressing	Ordinary	...	...	...	...	...	...	...	...	...	...	...		
	Jardine Henderson	1.34	13.66	24.68	6.48	...	6-55	-81	1.01	...	...	...		
Bihar Carbon & Ribbon	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...		
	Ramduiti Ramkissendass	7	...	1.57	...	17	12-55	1.04	1.13	5	5	5		
Bharat Starch & Chemical	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...		
	Murari Lal Datta & Co.	11.63	14.71	19.61	4.03	11	12-55	1.12	1.06	7 1/2	7 1/2	7 1/2		
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...		
Bharia Company	6 1/2% C. P.	1.65	38.41	37.48	12.65	67	1-55	-6.10	5.37	6 1/2	6 1/2	6 1/2		
Birds Investments	Directors	...	...	...	...	...	3-54	2.68	-3.24	...	...	...		
Bisra Stone Lime	Lovelock & Lewes	...	...	5.71	...	12	9-56	3.49	4.73	...	...	...		
	5 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...		
Pritannia Biscuits	Bird & Co. Private Ltd.	38.34	76.66	1.27	1.00	3-57	3-57	9.82	(a)13.71	5 1/2	5 1/2	5 1/2		
Br. Burma Petroleum & Br. Ceylon Corpn.	Directors	...	...	...	...	...	...	...	...	...	...	...		
	6% Cum. Part preference	...	...	...	...	...	12-55	15.76	10.78	15	10	15		
	Directors	178.72	428.71	761.45	399.76	...	12-56	(f)95.42	(a8)11	2	8	15		
Brushware	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...		
	Begg Sutherland & Co. Pri. Ltd.	1.12	2.13	4.07	2.62	7	11-56	38	15	10	8	8		
	S. C. Chunder & Co.	18	70	2.44	24	...	9-54	31	30	...	...	...		
Calcutta Gas Co.	Partly Paid	...	...	...	...	...	...	...	...	...	...	...		
Calcutta Hydraulic	6% Debentures	...	...	...	...	...	...	...	...	...	...	...		
Calcutta Investment Co.	Soorajmull Nagarmull	...	...	...	...	1.49	9-55	6.38	7.06	6	5	5		
Calcutta Landing & Shipping	5 1/2% R.C.P.T.	...	...	...	...	...	...	...	...	...	...	...		
Calcutta Safe Deposit	4% Debentures	56	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2		
	Andrew Yule & Co.	...	...	...	...	...	...	...	...	...	...	...		
Calcutta Steamship	Ramduiti Ramkissendass	...	...	3.45	...	20	6-56	(i)2.13	-82	...	...	...		
Calcutta Tea Co.	Gladstone Lyall	3.39	...	6.75	...	3	12-54	7.11	3.95	...	...	...		
Calcutta Tea Co.	Amritlal Ojha & Co.	51	...	3.02	...	16	10-55 HY	1.18	50	2	1	1		
Calcutta Tea Co.	4 1/2% Debentures	...	...	...	...	...	3-55	1.19	1.42	5	5 1/2	5 1/2		

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1958	February 1957			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
NORTHERN INDIA															
Alkali & Chemical	13 56	18 4	10	248.42	28.00	70.65	1.20	122.91	249.14	60.65	...	106.21	35.81	145.29	26.39
5% Cum. Preference	97 00	102 4	100	31.00	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	3.00	53	18	...	13.21	36	8	73	10.66	7.76	68	...
Ord.	...	...	10	1.90	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C.	...	...	110	1.28	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corp.	9 50	10 6	10	47.50	21.00	173.83	1.16	28.98	373.52	72.00	5.29	38.13	13.93	16.09	...
6% Cum. preference	88 00	96 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	69 09	74 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	4 00	6 1	2 1/2	2.50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	950 0	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debenture	...	...	1000	50.00	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	53.25	19.25	3.83	-14.14	152.86	160.85	53.32	36.36	85.91	25.33	1.40	...
6% C. P.	...	...	10	16.00	...	...	...	...	...	...	...	...	...	...	...
5% R. C.	...	...	10	24.50	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	1.00	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	10	20.00	3.50	8.50	18	74.03	1.02	58	54.74	3.08	35.77	24	41.94
4 1/2% C.	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Angelo Brothers	16 56xd	21 2	10	30.00	25.21	14.00	3.61	31.73	34.83	23.40	4.81	43.29	30.51	14.56	14
Ashoka Cement	8 37	10 5	10	15.00	...	...	...	71.64	92.94	...	...	38	2.09	1.25	1.22
Partly Paid	...	...	2 1/2	11.25	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	4 12	6 7	10	43.14	10.54	2.59	4.59	95.35	164.36	73.18	5.34	25.44	35.17	37.09	...
Deferred	0 95	1 5	1	4.71	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	24.98	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	15 31	20 6	10	30.00	6.10	2.75	1.18	27.46	38.39	20.85	6	19.69	24.66	5.44	10
Assam Saw Mills	1 56	3 7	3	14.00	7.20	20.59	-4.96	32.14	32.14	11.96	...	17.94	11.11	72	20
Associated Hotels	5 31	10 12	10	20.00	10.00	23.50	2.45	55.66	102.58	36.88	46.41	8.31	30.80	12.17	8
7% C. P. T.	56 50	63 0	100	21.67	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	850 00	860 0	1000	23.50	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	920 00	960 0	1000	6.50	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	8 44	10 1	10	8.92	...	...	33	3.33	...	...	...	...	...	...	...
5% C. P.	28 50	31 0	50	5.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 19	5 4	5	4.10	...	...	...	...	...	...	...	...	...	...	...
Ballarpur Paper	...	...	25	57.08	...	38	-47.41	147.09	219.74	97.20	...	32.08	16.08	1.66	3.03
5% R.C.P.P.	...	...	100	18.09	...	...	...	...	...	...	...	...	...	...	...
Balmer Lawrie & Co.	146 00	154 8	100	80.01	61.50	27.82	5.03	270.74	69.52	37.02	111.40	136.65	152.49	12.66	...
Baraee coke	10 50	16 8	10	12.00	...	50	90	9.21	37.37	33.08	6	10.30	12.69	5.28	...
Bathgate & Co.	1 00	1 5	10	40.00	...	...	-22.19	5.98	23.15	1.24	...	6.65	4.61	62	...
4 1/2% C. P.	40 50	42 0	10	10.00	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 50	1 12	10	16.92	...	...	-4.36	3	7.69	4.95	9.60	10	13	2	...
Bengal Assam Steamship	107 00	139 0	100	20.00	8.25	92.45	1.10	12.68	124.09	18.29	2.55	13	1.80	27.20	...
7% C. P.	61 50	82 0	60	3.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	89 00	102 0	100	45.33	19.50	21.55	11.46	54.56	104.59	47.91	16.62	46.92	63.31	4.79	...
7 1/2% C. P.	12 00	12 12	10	9.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	11 91	12 0	100	11.91	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	77 50	82 0	...	15.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Elec. Lamp	...	...	10	15.52	8.00	97	15	11.50	23.00	11.62	...	13.68	12.08	24	...
Deferred	...	...	1	1.39	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	27 62	34 0	10	12.00	10.00	18.72	5	14.07	33.30	25.71	35	7.99	23.18	43	...
Bengal Paper	58 00	110 0	25	45.00	17.00	...	...	46.00	208.82	156.73	1.28	56.76	41.70	1.48	4.46
7% C. P.	57 25	64 4	50	2.00	...	...	...	...	...	...	...	...	...	...	...
6% B' C. P.	103 50	135 12	100	20.00	...	...	...	...	...	...	...	...	...	...	...
6 1/2% B' R. C. P. T.	72 69	81 11	100	4.90	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	500	4.90	...	...	...	...	...	...	...	...	...	...	...
Bengal Pottery	3 09	3 7	2 1/2	31.70	5.15	...	11	54.34	70.66	33.38	2	29.13	36.06	27	...
Ord. P. Paid	...	...	1	9.41	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	41 0	...	100	6.00	...	...	-5.56	19.06	7.35	7.22	1.00	6.52	14.42	43	...
8% C. P.	22 00	32 12	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	33 50	4 1	10	4.00	1.10	...	2	2.62	10.18	2.28	75	...	93	1.16	...
5% C. P.	7 00	...	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Bharat Carbon & Ribbon	45 00	50 0	100	2.50	2.00	45	5	20.88	7.35	3.30	63	12.79	13.06	74	...
B. Ord.	...	...	10	1.81	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	...	...	100	3.58	...	...	...	...	...	...	...	...	...	...	...
Bharat Starch & Chemical	8 06	3 1	10	10.00	3.78	1.60	-1.340	46.64	33.48	12.26	12	21.59	5.01	10	58
Bharthia Company	54 75	52 6	100	21.00	30	...	9	...	...	...	...	12.92	8.59	69	...
Birds Investment	12 50xd	14 0	10	20.00	5.00	5.05	38	52.17	...	...	66.28	...	37.91	40	...
5 1/2% C. P.	48 50xd	71 0	100	24.00	...	...	...	...	...	...	...	...	...	...	...
Bara Stone Lime	25 62xd	31 4	10	10.00	2.50	28.01	18	18.52	62.22	35.31	3	9.34	19.37	2.07	1.50
Britannia Biscuits	12 50	13 14	10	45.97	20.00	14.62	1.85	35.60	114.31	37.07	...	26.50	25.91	3.45	11
8% Cum. preference	10 50	11 6	10	15	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 0%	100 0%	...	15.00	...	...	...	...	...	...	...	...	...	...	...
Br. Burma Petroleum (£)	1 70	2 10	4 1/2	7.50	...	1.82	35	1.85	9.35	...	2	...	1.52	63	...
Br. Ceylon Corporation	10 31	9 9	10	35.00	23.50	23.19	1.40	30.90	60.95	47.46	26.19	63.70	17.03	11.07	...
6% Cum. Part Pref.	8 50	8 8	10	17.50	...	...	...	...	...	...	...	...	...	...	...
British India Corporation	3 80	7 6	5	325.00	40.00	115.56	-1.23	461.72	300.58	233.80	182.52	492.27	240.47	36.05	...
8% Cum. preference	102 50	119 8	100	81.00	...	...	...	...	...	...	...	...	...	...	...
Brushware	...	...	10	2.00	...	1.21	...	1.66	2.43	2.34	1.30	3.11	1.40	...	...
Burma Lime	8 00	8 8	10	2.00	...	...	6	96	4.81	1.09	2	66	63	7	...
Partly Paid	...	...	5	63	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	1.35	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	6 00	6 8	10	65.00	1.00	...	22	19.29	1	...	116.16	...	26.77	47	2.10
5 1/2% R. C. P. T.	50 50	66 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00N	820 0N	1000	30.00	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic	43 00N	81 0	100	8.00	1.75	1.52	21	36	14	...	10.13	...	1.30	39	...
Calcutta Investment Co.	50 00	50 0	100	55.00	19.00	...	95	24.40	17.50	4.10	...	45.95	43.91	22	...
Cal. Landing & Shipping	13 87	14 4	10	6.25	30	1.75	3	5.16	18.47	12.32	99	30	4.64	1.41	...
Calcutta Safe Deposit	7 69xd	8 8	10	7.42	20	1.43	3	4.82	13.41	1.73	38	1	2.55	34	...
4 1/2% Debentures	...	...	1000	1.05	...	...	...	...	...	...	...	...	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1958	February 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standing	Cash	Others
	Rs. np.	Rs. n.													
NORTHERN INDIA (Continued)															
Calcutta Steam Navign...	14 06	...	10	12.60	5.24	6.49	1.10	7.06	63.14	37.81	...	1.99	5.06	12	...
Campdown Pressing ...	118 00	121 0	100	4.30	85	15	...	45	2.12	...	2.87	...	...	76	...
Central Hydraulic ...	119 00	129 0	100	5.00	30	2.17	...	1.31	8.43	6.98	6.98	...	35	35	...
Cherra Chhatok Ripeway...	4 50	4 12	5	4.75	4.75	...	...	67	12.52	9.78	15	2.57	3.99	47	...
Christian Mica Indusa ...	10 50xd	14 1	10	30.00	14.08	8.70	1.64	57.78	66.99	21.17	23.11	55.86	37.19	10.21	...
3½% Cum. preference ...	55 10	51 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Deferred share ...	6 63xd	7 1	5	15.00	...	...	...	...	...	...	...	...	...	...	...
4¼% Debentures ...	830 00	880 0	1000	15.00	...	...	...	...	...	...	...	...	...	...	...
Clive Building ...	...	...	150	15.00	2.06	8.17	2.08	3.16	48.88	7.63	4.14	...	37	4.48	3
Management Shares ...	...	...	15	15	...	...	...	...	...	...	...	...	...	...	...
4¼% Debentures ...	410 00	425 0	500	19.63	...	...	...	...	...	...	...	265 96	22	65	...
Clive Row Invst ...	8 94	9 15	10	138.80	10.00	7.34	8 17	42.52	...	...	...	...	...	...	...
Dalmia Cement ...	10 25	12 0	10	60.00	25.00	40.05	2.85	158.13	105.62	39.55	194.60	77.37	19.19	16.07	3.38
Ordinary ...	2 31	2 15	2½	26.50	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	84 00	91 0	100	35.00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	30 25	37 12	40	23.75	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	2 50	5 6	1	5.00	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties ...	1 01	5 0	10	5.32	...	7	-33	16	5.38	27	1	4	36	1	2
6% preference ...	4 00	4 0	10	34	...	...	...	...	...	...	...	...	36	47	59
Darjeeling Ropeway ...	5 75	7 6	10	2.48	2	43	1	41	4.01	1.08	...	...	...	...	...
5% Debentures ...	...	...	500	1.00	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills ...	16 00	11 0	10	5.60	8.00	...	1.51	14.36	37.96	22.97	4.94	9.15	10.21	1.09	...
7% Cum. preference ...	...	...	100	90	...	...	...	...	...	...	...	...	...	...	...
5¼% Debentures ...	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...
5¼% Debentures ...	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Dharwadra Chem. Works	112 00	137 0	100	21.50	40.10	18.68	1.11	79.77	140.07	37.67	...	27.61	24.95	58.94	...
Ordy. P. Paid ...	...	...	50	21.43	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	31.91	...	...	...	...	...	...	...	...	...	...	...
Duncan Brothers ...	120 03	115 0	100	90.00	65.00	25.50	5.36	126.39	24.02	9.83	183.46	3.35	88.16	68.10	...
4% Cum. preference ...	53 10	56 12	100	45.00	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubb. Co.	22 06	119 0	100	160.00	216.00	124.86	15 25	329.02	555.02	248.71	25.87	455.47	230.14	25.34	...
6% Cum. preference ...	113 00	93 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax ...	84 10	93 8	100	40.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	98 00	93 0	100	130.00	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments ...	103 00	132 0	100	51.26	54.82	...	2.42	30.66	...	...	164.13	...	3	...	...
5% Cum. preference ...	77 50	77 8	100	25.00	...	3.70	10	16.10	28.71	19.24	1	17.29	5.21	1.09	35
Eastern Manufacturing Co	...	...	100	8.50	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
F. & C. Osler ...	2 37	7 14	10	75.00	3.00	1.27	4.02	29.56	12.65	1.73	20.13	51.41	50.01	1.81	3.56
4½% Cum. preference ...	41 50	50 3	100	25.00	...	...	...	...	...	...	...	...	...	...	...
Frank Ross ...	2 19	2 3	6	4.95	14	...	55	7.89	1.96	1.18	...	11.41	3.89	22	...
4½% Cum. preference ...	36 50	41 0	100	2.75	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	16 19	14 0	10	6.05	1.75	2.76	19	5.91	10.70	3.64	4.11	...	5.48	...	...
French Motor ...	22 00	21 8	20	30.00	4.00	11.28	1.96	69.12	26.45	13.73	13.68	46.95	39.25	4.39	...
Ganges Rope ...	121 50	182 0	100	14.00	...	9.35	35	39.10	34.02	19.61	...	...	27.61	20.83	13
General Invst. & Trust	...	...	75	2.25	18	38	15	98	...	...	5.82	...	...	10	...
5% Cum. preference ...	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax ...	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot ...	12 12	11 9	100	6.500	1.700	1.721	168	21.426	2.925	1.066	10.180	4.183	13.601	1.692	2.300
5% R. C. P. T. ...	56 50	60 12	10	2.500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lvall & Co.	...	...	10	38.27	3.80	3.16	7	53.51	10.57	4.44	30.96	14.19	39.44	4.42	17.80
6% C. P. T. ...	...	...	100	14.15	...	...	...	...	...	...	...	...	...	...	...
Goldfrey Phillips ...	24 40	21 10	10	40.00	...	7.81	11.97	56.73	55.96	24.88	...	79.11	34.70	98	...
5½% C. P. T. ...	61 00	68 12	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel ...	255 00	250 0	250	30.00	10.00	5.17	74	16.50	83.08	36.24	...	7.24	7.02	1.29	...
Hindustan Building ...	3 69	6 12	10	15.00	1.00	...	5	3.65	7	2	14.54	...	6.90	30	7.91
4% C. P. ...	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Gas ...	8 31	10 6	7	10.49	5.50	...	10	8.01	23.93	11.43	7	10.69	2.66	17	...
4¼% Debentures ...	...	...	1000	2.00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Housing ...	...	...	75	15.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Ice ...	0 94	1 4	5	10.00	45	1.00	-3.57	1.73	22.57	10.00	...	31	1.33	26	13
5% Debentures ...	...	...	1000	5.00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Woollen ...	...	...	10	34.97	...	10	...	1.08	26	...	7.66	73	26.31	1.20	...
Hoare Miller ...	6 25	8 2	10	35.20	20.00	1.30	1.31	132.99	21.96	9.19	18.18	10.12	130.97	21	17.66
Hooghly Flour ...	24 00	21 12	10	6.00	5.65	1.00	21	6.50	15.30	12.31	6.56	11.28	7	...	...
Hooghly & Ganges Hyd...	5 40	5 1	10	8.00	54	86	7	1.62	15.50	4.70	5.92	10	1.21	6	...
4½% R. C. P. ...	...	...	100	4.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	...	3.00	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco ...	11 11	14 1	10	15.1600	4.50 10	3 8.47	24 91	318 12	415.59	161.29	95.49	921.06	439.00	452.57	390.36
India Genl. Navigation &	57 00	71 8	£ 10	6.56	1.70	9.38	-1.06	20.25	56.66	34.28	50	6.53	8.19	66	46
5% C. P. ...	64 00	70 8	£ 10	2.44	...	...	...	...	...	...	...	...	...	...	...
India Linoleum ...	...	...	100	25.00	...	...	...	...	...	...	...	...	...	...	...
India Paper Pulp ...	19 37	22 10	10	61.00	10.58	51.36	34	24.09	124.92	83.77	...	24.27	35.85	41.26	8.80
Indi. Steamship ...	12 12	10 1	100	225.00	100.00	74.74	2.71	1041.02	1278.97	263.27	5.27	4.06	178.28	255.15	...
5% R. C. P. ...	81 01	94 9	10	25.00	...	...	...	...	...	...	...	...	...	...	...
Indian Aluminium ...	12 81	13 4	100	201.10	15.00	40.28	7.97	261.18	460.51	196.84	17	191.04	80.27	8.42	21.95
5% C. P. T. ...	65 00	77 0	10	40.00	...	...	...	...	...	...	...	...	...	...	...
Indian Cable ...	28 62	28 3	10	152.89	70.00	75.00	41.82	288.41	225.86	86.85	21	295.12	285.83	19.83	...
6% C. P. P. ...	21 50	31 7	10	12.88	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures ...	98 00	102 4	...	100.00	...	...	...	...	...	...	...	...	...	...	...
Indian Copper & ...	2 85	3 3xd	2½	13.71	11.73	...	1.15	15.08	23.51	14.30	11.10	9.74	4.69	6.93	...

Indian Finance
MISCELLANEOUS

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
Indian Rubber Manfrs. ...	G. S. Moulton & Co Private ...	...	...	...	...	34	3-56	3.68	1.80	64	5	74
Indian Wood Products ...	5% C. R. P. ...	...	...	...	...	...	...	...	...	5	5	5
Indo Burma Petrol ...	Gill, Arbuthnot & Co ...	4.62	36	4181	...	2.01	9-56	15.41	18.10	30	30	274
Investment & Finance ...	Steel Bros. & Co. Limited ...	22.82	598.78	661.57	...	2.75	12-54	55.32	(a) 78.44	20	40	30
...	7% C. P. T. ...	...	...	...	...	...	...	...	...	7	74	2
...	Fixed & Co. Private ...	...	...	97	...	6	2-57	95	1.47	71	74	8
...	5% C. P. ...	...	...	...	...	...	...	...	...	5	5	5
...	6% C. P. ...	...	...	...	...	...	...	...	...	6	6	6
J. K. Comml Corp. Ltd. ...	Directors ...	...	...	4.54	...	...	6-55	5.69	2.22	5	8	8
J. K. Investment Trust ...	Directors ...	...	...	6.93	...	...	6-55	5.86	4.47	nil	nil	nil
James Wright ...	B. Ordinary ...	...	...	...	...	...	...	...	...	...	...	...
...	Directors ...	1.41	12.03	19.40	5.90	...	12-55	52	73	5	5	6
...	6% C. P. ...	...	...	...	...	...	...	...	...	...	...	...
...	Deferred ...	...	...	...	...	...	...	...	...	6	6	6
Jardine Henderson ...	Directors ...	21.23	1519.53	1567.88	26.60	...	3-57	31.99	32.66	nil	nil	nil
...	54% C. P. T. ...	...	...	...	...	...	...	...	...	24	74	74
Jeewanlal (1929) Ltd. ...	Directors ...	...	...	196.96	128.96	...	12-56	6.87	4.12	54	54	54
Jenson & Nicholson ...	Macneill & Barry ...	11.81	...	...	...	46	12-55	10.37	8.16	nil	nil	nil
...	74% R. C. P. ...	...	...	...	...	...	...	...	...	6	6	94
...	...	...	...	...	...	...	...	...	...	74	74	74
Kalimpong Ropeway ...	Directors ...	49	32	94	...	...	3-54	14	-32	nil	nil	nil
Kalyanpur Lime & Cement ...	Directors ...	...	25.24	35.33	3.17	...	12-54	3.08	3.96	5	5	5
...	7% P. T. ...	...	...	...	...	...	...	...	...	7	7	7
...	6% 2nd Pref. ...	...	...	...	...	...	...	...	...	...	...	...
...	Deferred ...	...	...	...	...	...	...	...	...	6	...	...
Kangra Valley Slate ...	Directors ...	13	80	1.92	10	18	6-52	1.37	1.57	18	18	18
Karanpura Development ...	Bird & Co. Private Ltd. ...	3.41	...	2.34	15	...	12-56	(d) 1.59	a2) 3.16	nil	10	10
Kettlowell Bullen & Co. ...	Founders ...	...	...	...	...	...	12-56	10.50	12.97	5	4	4
...	Directors ...	...	...	...	...	...	...	...	...	...	...	...
...	54% C. P. T. ...	...	...	11.80	...	...	...	...	...	54	54	54
...	4% C. P. ...	...	...	...	...	...	...	...	...	4	4	4
Kishore Trading Co. ...	Directors ...	...	...	1.87	...	...	12-54	1.73	1.37	2	31	31
Kumardhubi Fireclay ...	Bird & Co. Private Ltd. ...	40.52	41.63	102.41	6.63	1.31	12-56	13.64	10.11	10	15	15
...	5% C. P. ...	...	...	...	...	...	...	...	...	7	7	7
...	54% R. C. P. T. ...	...	...	...	...	...	...	...	...	...	...	...
...	54% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Kusum Products ...	East India Development Co. ...	4.81	199.18	247.30	7.79	12	3-55	-4.47	3.77	nil	nil	nil
...	54% R. C. P. T. ...	...	...	...	...	...	...	...	...	...	...	...
...	44% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co. ...	James & Co. Ltd. ...	2.48	10.33	17.23	6.20	30	3-53	(a) 96	26	nil	nil	nil
...	Deferred ...	...	...	...	...	...	...	...	...	...	...	...
Macneill & Barry ...	Directors ...	45.46	...	108.35	...	...	3-57	44.67	33.00	8	11	74
...	54% C. P. T. ...	...	...	...	...	...	...	...	...	...	...	...
...	% Debentures ...	...	...	...	...	...	...	...	...	54	54	54
Martin Bera ...	Directors ...	70.11	630.15	865.53	98.37	...	9-57	90.99	96.09	214	214	184
...	5% C. P. ...	...	...	...	...	...	...	...	...	...	...	...
...	4% Convertible Notes ...	...	...	...	...	...	...	...	...	5	5	5
McLeod & Co. ...	Directors ...	5.94	2.9.39	207.77	57.86	...	12-56	18.80	32.70	8	224	17
...	5% 1st C. P. T. ...	...	...	...	...	...	...	...	...	...	...	...
...	5% 2nd C. P. ...	...	...	...	...	...	...	...	...	...	...	...
...	Deferred ...	...	...	...	...	...	...	...	...	...	...	...
...	Convertible Notes ...	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co. ...	Directors ...	113.54	391.38	566.76	185.75	...	3-57	79.33	75.12	174	164	124
...	6% R. C. P. T. ...	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation ...	Eastern Smelting & Refining Pri. ...	...	72.45	87.94	26.73	35	3-57	9.24	11.01	6	6	6
...	5% C. P. T. ...	...	...	...	...	...	...	...	...	...	...	...
...	Deferred ...	...	...	...	...	...	...	...	...	...	...	...
...	54% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary ...	Andrew Yule & Co. ...	...	...	1.71	...	...	4-57	-5.01	-11.08	nil	nil	3
Moredabad Water Supply ...	Noorulla Ghazanfarulla ...	...	...	1.45	...	...	10-54	42	39	3	3	3
C. & E. Morton India Ltd. ...	Cotton Agent. Private ...	4.29	16.79	40.92	6.83	22	6-57	2.98	1.51	6	15	15
Motor & Genl. Finance ...	Gupta & Sval Ltd. ...	78	...	13.46	...	...	6-55	7.88	3.94	40	10	10
...	10% 1st C. P. ...	...	...	...	...	...	...	...	...	...	...	...
...	7% 2nd C. P. ...	...	...	...	...	...	...	...	...	...	...	...
...	7% 3rd C. P. ...	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co. ...	Directors ...	71.47	308.36	518.94	158.60	...	12-56	99.55	90.91	15	324	...
National Insulated Cables ...	Asso. Indust. Development Co. ...	...	...	27.31	41.16	7.23	3-56	60.8	32.36	20	15	10
...	54% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit ...	Directors ...	...	...	1.42	...	...	12-55	1.17	92	34	34	34
National Tannery ...	S. K. Sen & Co ...	50	4.03	5.55	5.09	4	12-52HY	24	-72	ni	ni	ni
...	5% C. P. ...	...	...	...	...	...	...	...	...	...	...	...
National Tobacco ...	B. N. Elias & Co. Private ...	48.19	391.77	515.64	45.45	4.08	12-56	29.61	25.28	7	8	5
...	5% R. C. P. ...	...	...	...	...	...	...	...	...	...	...	...
...	44% R. C. P. ...	...	...	...	...	...	...	...	...	...	...	...
...	4% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
New India Building ...	Directors ...	...	...	...	...	...	5-56	2.35	...	44	44	44
...	44% C. P. ...	...	...	...	...	...	...	...	...	...	...	...
New India Investment ...	Ramdutt Ramkissandas ...	...	2.67	...	...	41	12-55	5.44	1.77	5	34	24
Octavine Steel & Co. ...	Directors ...	13.25	...	48.74	...	...	12-55	29.90	21.45	10	74	10
...	6% C. P. T. ...	...	...	...	...	...	...	...	...	...	...	...
Orient Paper ...	Birla Brothers Private Ltd. ...	59.37	184.48	413.89	26.14	11.32	3-57	123.66	121.57	13	124	10
...	54% C. P. ...	...	...	...	...	...	...	...	...	...	...	...
...	54% C. P. T. ...	...	...	...	...	...	...	...	...	...	...	...
...	54% Debenture ...	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement ...	Dalmia Agencies Private ...	18.52	...	132.30	8.69	3.81	12-56	43.79	55.03	124	124	74
...	44% C. P. ...	...	...	...	...	...	...	...	...	...	...	...

March 8, 1958

INDUSTRIALS—Contd.

INDUSTRIALS—Contd.															
NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital Ra. 000	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities Ra. 000	Gross Block Ra. 000	Deprecia- tion Ra. 000	LIQUID ASSETS				
	February 1958 Ra. n.P.	February 1957 Ra. a.			General Ra. 000	Others Ra. 000	Carry Forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Outstand- ings Ra. 000	Cash Ra. 000	Others Ra. 000
NORTHERN INDIA (Continued)															
Indian Rubber Manfrs. ...	20 50	24 1	10	8.28	5.0	53	63	4.10	16.75	9.58	4	6.15	7.94	5.85	...
5% C. R. P. ...	90 00	88 8	100	8.28	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products ...	46 50	42 0	10	20.00	16.00	4.43	1.45	21.37	19.49	15.06	2	43.79	2.54	12.48	...
Indo Burma Petrol ...	23 00	34 12	10	100.00	27.44	116.22	68	193.72	79.77	47.03	261.64	34.22	75.33	84.13	...
7% C. P. T. ...	84 50	99 8	100	50.00	...	...	...	...	...	...	13.38	...	...	9	...
Investment & Finance ...	...	...	100	2.00	1.49	1.17	20	1.65	...	...	...	...	...	...	...
5% C. P. ...	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
J. K. Comml. Corp. Ltd. ...	...	...	10	20.80	8.22	3	7	48.15	29	17	41.67	...	35.46	4	...
J. K. Investment Trust... ..	...	...	700	70.08	25.50	46	7	40.23	2	1	115.02	...	15.78	8.03	...
B. Ord. ...	...	...	25	2.50	...	...	...	...	...	...	...	...	...	66	...
James Wright ...	3 50	4 2	5	5.88	1.00	53	2	7.93	96	54	5.81	5.91	3.28	...	...
6% C. P. ...	30 50	33 8	50	1.30	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	0 44	0 10	1	1.17	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson ...	54 00	75 12	100	200.00	62.00	5.00	4.71	417.76	39.02	12.09	386.83	26.60	273.03	1.07	25.00
54% C. P. T. ...	58 00	61 0	100	50.00	...	...	...	...	...	...	...	...	...	...	...
Jeewanlal (1929) Ltd. ...	6 00	5 14	10	72.00	8.00	...	-12.50	120.83	34.18	24.00	6	132.77	39.45	5.73	15
Jenson & Nicholson ...	...	...	10	32.50	14.50	6.80	5.88	89.25	50.41	26.01	88	62.75	79.52	1.37	...
74% R. C. P. ...	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway ...	2 50	2 0	10	4.50	65	61	-1.28	1.38	5.97	2.63	9	1.34	33	13	...
Kalyanpur Lime & Cement ...	102 00	100 0	100	18.15	33.15	...	1.71	31.49	48.08	1.38	51	12.92	34.90	7.22	5.71
7% P. T. ...	80 00	80 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref. ...	100 50	...	100	3.15	...	...	...	...	...	...	...	...	...	...	...
Delarod ...	...	...	25	2.00	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate ...	85 00	120 0	100	15.88	1.83	1.57	25	1.72	1.95	68	63	10	27	4.59	8
Karanpura Development Founders ...	8 35	13 5	10	15.00	19.00	5.04	5	30.94	44.47	13.07	19.86	81	8.26	14.71	...
Kettlewell Bullen & Co. ...	150 00	159 0	100	5.00	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T. ...	49 50	70 0	100	40.00	9.03	16.00	1.77	32.19	1.65	1.01	77.50	...	50.59	25	...
4% C. P. ...	58 00	68 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co. ...	75 00	70 0	100	10.00	1.75	24.15	53	4.03	...	...	...	...	1.45	1.24	...
Kumardhubi Fireclay ...	24 00	25 0	100	30.00	4.51	71.82	41	33.18	141.77	44.14	41	25.53	28.45	11.07	2.84
7% C. P. ...	101 00	108 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T. ...	54 50	66 8	100	4.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	96 00	100 0	10	20.00	...	...	-5.28	29.70	39.27	13.15	11	17.44	6.34	41	...
Kusum Products ...	5 75	5 12	10	8.00	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T. ...	75 00	75 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...
41% Debentures ...	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
MacLachlan & Co. ...	3 25	3 1	5	6.34	2.80	...	2	8.10	6.98	4.32	1.43	8.20	3.88	1.51	32
Deferred ...	0 47	0 9	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneil & Barry ...	...	...	100	15.00	27.00	43.50	4.34	112.29	43.42	10.37	256.44	12.01	148.27	1.48	60.88
54% C. P. T. ...	...	...	100	100.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	840 00N	880 0N	1000	75.00	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited ...	23 13kd	23 12	10	145.4	21 50	54.60	2.35	600.59	25.54	14.97	196.27	256.15	396.70	8.94	25.17
5% C. P. ...	92 00	102 8	500	60.00	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes ...	515 00	505 0	100	9.53	51.00	31.87	2.57	219.13	28.53	10.43	264.54	57.98	81.86	2.10	20.08
McLeod & Co. ...	...	...	100	40.00	...	...	...	...	...	...	...	...	...	...	...
5% 1st C. P. T. ...	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P. ...	...	...	10	40.00	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	...	5.00	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes ...	...	...	10	45.00	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co. ...	25 00	26 2	10	115.00	50.00	67.00	16.34	184.85	262.36	89.10	3.41	134.72	81.58	10.21	...
6% R. C. P. T. ...	84 50	92 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation ...	6 60	8 14	10	49.00	...	...	-1.18	42.77	105.41	42.52	15	42.59	5.18	48	1.16
5% C. P. T. ...	80 00	84 0	100	7.0	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	2 00	2 8	1	2.83	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	1000	24.00	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary ...	23 00	23 4	100	94.00	...	41.80	-16.57	24.42	7.33	52	30.71	4	98.12	7.96	...
Moradabad Water Supply C. & E. Morton (India) Ltd	4 75	5 9	10	4.46	...	2	9	87	6.37	2.10	...	24	56	13	25
Motor & General Finance ...	...	...	10	8.85	8.42	2.00	...	12.78	24.08	13.33	70	14.72	5.37	50	...
10% C. P. ...	...	...	25	4.00	11.00	4.00	10	70.63	63	24	11.42	26	82.39	1.60	...
7% C. P. ...	...	...	20	2.50	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P. ...	...	...	10	1.00	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P. ...	...	...	10	2.75	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co. ...	25 12	25 13	10	200.00	25.00	53.16	21.20	79.82	150.98	50.60	47	149.09	62.37	14.78	...
National Insulated Cable ...	24 06	19 12	10	40.00	40.00	34.62	1.44	191.29	63.81	41.53	8	118.30	168.98	7.70	...
54% Debentures ...	...	...	5	7.50	...	3.27	1	7.55	18.10	1.03	5	...	67	4	90
National Safe Deposit ...	2 65	2 8	10	6.59	...	...	-4.72	9.24	7.62	5.42	...	5.09	4.75	14	...
National Tannery ...	2 40	2 8N	10	5.0	57	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	4 50	5 0N	10	79.97	26.11	12.02	9.03	173.78	120.52	61.75	98	192.63	85.97	19.53	...
National Tobacco Co. ...	9 06	10 3	100	25.00	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	63 50	66 9	100	19.98	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P. ...	55 50	62 4	1000	12.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	830 00	845 0	5	15.00	...	...	-1.03	8.58	15.86	2	...	15.79	24	6	61
New India Building ...	0 50	1 0	50	9.97	...	...	...	...	...	...	...	...	...	...	...
44% C. P. ...	15 00	21 0	75	23.32	6.50	1.02	47	13.09	5	3	32.42	...	11.37	60	...
New India Investment ...	32 00	53 0	...	...	...	...	...	...	...	...	...	...	...	...	...
Octavius Steel & Co. ...	...	...	100	50.00	25.00	22.22	1.26	45.29	3.50	1.98	88.60	...	50.78	12.87	...
6% C. P. T. ...	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Orient Paper ...	24 50	30 6	10	146.82	...	242.51	2.63	196.22	604.17	137.53	23.57	96.87	205.98	25.95	...
54% C. P. ...	81 50	95 0	100	71.81	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T. ...	51 00	72 0	100	60.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	915 00	930 0	1000	100.00	...	31.41	11.02	178.93	209.82	98.69	23.34	65 39	27.56	13.82	119.79
Orissa Cement ...	12 37	12 14	10	100.00	...	...	...	...	...	...	...	...	...	...	...
44% C. P. ...	40 00	...	100	40.00	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Orissa Minerals	Bird & Co. Private Ltd.	10.32	2.78	28.23	11.33	44	6-56 H	4.80	5.28	10	10	10
Port Shipping Publicity Society	Andrew Yule & Co. Directors	17.72	12.86	39.08	8.96	68	12-56 3-55	6.78 1.67	4.69 2.01	15 25	15 25	10 21½
Punjab Minerals	Bird & Co. Private Ltd.	3	43	51	...	1	9-56	-57	3	nil	nil	nil
Kallis India	Directors	49.43	1,31.23	26,06.14	243.39	...	8-56	(b)27.52	(b)-21.02	nil	nil	nil
Reliance Firebrick	6% C. P. T.	15.84	12.77	41.76	1.40	...	2-56	7.43	3.61	20	10	2½
Rohas Industries	Sahu Jain Ltd. 7 to 9% C. P. 4% Debentures 6% Debentures	102.45	649.90	1008.26	134.36	8.31	10-56	120.61	105.25	15	15	15
Scientific Instrument Co.	Directors	...	...	38.20	5.77	...	3-55	1.91	...	8	8	...
Shaw Wallace & Co.	6% C. P. T.	37.31	285.46	345.64	68.12	...	12-56	30.02	37.23	10	10	12½
Shiva Jute Press	Kedarnath Mohanlal	50	...	...	...	6	6-55	Rs. 3.07	...	6	6	...
Shree Gopal Paper	K. Ch. Thapar & Bros. 4% C. P. P. 5½% Debentures 6% Debentures	16.37	64.63	136.24	17.05	2.43	12-56 H	25.00	24.32	6½	6½	6½
Smith Stanistreet	Directors	11.89	97.60	113.82	40.30	...	6-56	7.51	5.29	20	20	10
Sonakunda Baling	10% Pref. Cum. as to 7% Bird & Co. (Pak) Ltd. 8% C. P. 5% C. P.	3.44	186.39	200.88	52.00	6	2-55	-2.50	-2.32	10	10	7½
Sone Valley Port Cement	Directors	19.89	59.70	114.08	1.56	...	12-56	(a)7.98	11.54	3	6	5
Star Co.	Directors	7	...	1.12	...	...	3-54	-49	-44	nil	6	2
Star Paper Mills	Bajoria & Co. 5% C. P. 5% Debentures	3.35	19.83	33.24	11.10	52	9-55 H	3.59	3.47	2½	2½	2½
Star Trading & Invst.	Bajoria & Co.	7	...	26	...	3	6-53	-32	-14	nil	nil	...
Straw Products	J. K. Agents Private Ltd.	4.51	10.52	26.49	1.46	70	12-55	5.15	...	10	5	5
Sutna Stone & Lime	Directors	2.73	3.27	9.71	26	...	12-56	1.97	1.58	1½	1½	1½
Tide Water Oil	Andrew Yule & Co. Ltd.	6.34	42.92	49.60	18.19	...	10-56	2.43	2.23	12½	10	nil
Titagarh Paper Mills	F. W. Heilgers & Co. Private Prefd. Ordinary 8% C. P. 4½% C. P.	111.1	218.83	703.92	16.51	9.81	3-57	127.41	107.99	23-75	21½	17½
Union Co.	Directors	6	...	1.58	...	...	3-54	12	-1.31	10	10	10
United Flour	Shaw Wallace & Co. Ltd.	3.66	68.20	85.69	5.67	44	11-56	4.07	3.41	45	35	7½
Walford Transport	Directors Prefd. Ordinary	10.59	176.67	199.11	20.06	...	12-56	8.54	4.89	14	14	12
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	7.74	176.27	208.52	6.55	1.33	3-56	15.63	24.38	12½	12½	12½
Andhra Cement	Andhra Engineering Co. B. Ordinary 6% C. P.	7.75	35.27	94.33	...	1.20	12-55	19.88	17.15	10	10	10
Andhra Scientific Co.	Srinanth Industrials Pri. Ltd. 5% C. P.	1.42	8.59	12.81	6.79	...	6-55	-91	-4.19	6	6	6
Bangalore Printing	Directors Second Ordinary	1.50	1.36	4.14	2.10	...	12-56	84	83	10	10	10
Binny & Co.	Directors	...	...	105.47	12.30	...	12-56	30.64	23.38	10	10	8
Central Scientifics	Guru Agencies 6% C. P. P.	70	6.59	8.83	2.78	19	3-56	78	52	10	10	10
Coimbatore Chem. & Fert.	Venus & Co.	...	...	6.92	...	5	3-55	11	15	8	8	8
East Coast Food Products	Sudarsanam S. Murthy Ltd. 6% C. P. Deferred	82	39.71	57.52	5.59	21	3-54	1.65	2.40	nil	nil	nil
Fertilisers & Chemicals	Seshasayee Bros.	4.05	137.04	188.26	1.59	18	12-55 3-56	40.49 3.80	26.70 6.00	nil	nil	nil
General Papers Ltd.	Gany & Co.	...	...	...	...	19	3-55	67	37	6½	6½	12½
Hyderabad Invst. Synd.	M. Amolakchand Bros. Ltd.	...	...	1.58	...	17	9-55	54	67	2½	2½	nil
India Cements	Essen Pri. Ltd. 5% C. P. Deferred	1.41	70.31	123.81	6.62	2.49	3-56	25.97	24.19	8½	7½	5
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.	...	...	75	...	7	9-57	65	63	8½	7½	5
Jeypore Mining	R. S. Indus'l Corp.	64	1.14	5.76	7.17	9	6-55	1.08	1.00	10	6	51

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1958 Rs. np.	February 1957 Rs. as.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Continued)															
Orissa Minerals	22 37	21 13	10	20.00	6.03	29.91	1.01	31.48	48.05	26.02	30.04	17.97	12.85	4.12	1.43
Port Shipping	15 75	16 12	10	14.08	6.25	18.94	63	8.54	40.59	7.59	4.51	78	6.16	3.99	...
Publicity Society	10 00	10 0	4	1.87	1.05	2.01	27	12.45	1.86	1.62	1.63	...	14.63	1.15	1
Punjab Minerals	...	...	10	3.00	...	...	-1.33	19	1.64	2	...	...	...	...	...
Rallis India	28 00	36 8	100	225.00	...	8.71	-44.13	306.69	145.28	44.23	11.03	294.18	139.13	25.80	8
6% C. P. T.	61 50	71 12	100	75.00	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	19 00	20 0	10	6.00	3.19	7.43	51	15.93	33.79	23.63	...	7.92	13.09	1.89	...
Rohas Industries	16 00	18 3	10	28.00	120.00	16.20	49	592.92	1060.59	396.23	25.90	246.75	137.64	3.28	106.64
7 to 9 C. P.	111 00	122 8	100	20.00	...	...	...	...	...	...	...	...	...	...	...
4½% C. P.	57 00	64 4	100	64.75	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	910 00	910 0	1000	160.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	22.00	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	10 06	11 7	100	9.99	1.45	1.29	4	14.91	1.71	...	72	5.80	18.27	1.16	...
Shaw Wallace & Co.	60 00	67 12	10	75.00	1.00	16.00	3.64	309.23	37.03	7.05	46.83	71.16	217.74	2.25	111.92
6% C. P. T.	65 00	100 0N	100	75.00	...	...	...	...	...	...	...	...	...	...	...
Shiva Jute Press	13 87	16 4	10	4.50	1.10	10	42	50	9.69	4.96	32	...	1.53	3	...
Shree Gopal Paper	98 00	116 0	100	12.49	37.75	30.21	3.18	94.84	156.54	100.80	50.34	98.27	94.81	30.85	8.98
5½% C. P. P.	950 00	1000 0	1000	7.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	950 00	990 0	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	950 00	990 0	1000	30.00	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet	12 12xd	10 0	5	5.00	3.00	8.00	1.18	36.66	18.54	13.94	...	43.80	7.60	3.06	...
10% Pref. cum. a. to 7	51 50xd	62 12	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Sonakunda Baling	...	...	100	6.00	5.02	16.73	-5.67	60.25	38.53	13.27	...	54.01	7.79	77	...
5% C. P.	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	3.50	...	...	...	...	...	...	...	...	...	...	...
Sone Valley Port Cement.	5 25	7 1	5	75.00	7.50	10.20	4	39.30	209.87	150.04	5.80	44.68	19.23	38	14
Star Co.	81 00	81 8	100	10.40	7.25	2.38	-85	7.26	14	5	16.74	32.25	25.47	89	3.41
Star Paper Mill	11 00	9 15	10	30.00	3.00	3.50	14	37.07	65.85	31.03	26	32.25	25.47	...	...
5% C. P.	64 50	67 8	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	870 00	940 0	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Star Trading & Invst	8 00	8 0	25	5.00	40	...	...	6.14	2	1	9.39	...	1.54	2	...
Straw Products	14 50	20 2	10	15.00	21.50	60.41	16	8.37	88.62	21.68	21.26	6.59	4.78	5.86	...
Sutna Stone & Lime	20 12	18 0	10	3.23	22	58	25	3.08	8.13	4.71	10	1.35	1.75	91	...
Tide Water Oil	12 25	12 2	10	6.00	4.50	5.03	58	27.56	2.30	1.67	...	24.75	13.57	2.72	2.00
Titagarh Paper Mills	33 75	36 7	10	112.05	47.53	322.97	93	245.97	613.24	351.67	52.43	185.70	183.42	11.79	65.23
Prefd. Ordinary	3 90	4 2	24	4.37	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	131 50	139 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
4½% Cum. preference	77 00	90 8	100	...	...	...	...	...	...	...	...	...	...	...	...
Union Co.	75 00	107 8	100	12.50	7.50	4.62	-93	25.16	14	10	23.15	5.97	25.64	2.18	...
United Flour Mills	20 00	39 0	10	2.50	4.70	3.35	17	7.31	7.87	5.35	18	5.97	7.19	...	...
Walford Transport	1 69	2 1	1	8.41	10.00	8.00	1.67	27.60	12.00	7.87	41	31.44	16.56	4.75	47
Prefd. Ordinary	1 34	1 12	1	2.10	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminium Industries	14 05cd	15 2xrt	10	40.00	18 00	10.25	65	104.06	56.26	21.56	...	75.18	61.96	1.12	...
Andhra Cement	11 38	11 38	100	5.43	5.43	7.79	20	46.65	83.25	44.19	11.80	27.98	26.16	1.74	...
B. Ordinary	11 95	14 2cd	10	39.80	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	106 00	108 0cd	100	2.49	...	...	...	...	...	...	...	...	...	...	...
Andhra Scientific Co.	3 70	3 11	10	8.00	...	...	-8.72	17.53	8.18	4.57	...	10.43	4.60	11	...
5% C. P.	5 12	5 2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Bangalore Printing	10 80	122 0	10	3.00	2.05	1.01	6	1.42	6.89	4.08	1.14	2.11	1.38	25	...
Secord Ordinary	...	...	10	16	...	...	...	...	...	...	...	...	...	...	...
Bisny & Co.	157 00	180 0	100	100.00	36.00	7.52	4.29	64.06	38.92	18.75	127.05	13.14	47.44	3.61	...
Centra Scientifics	5 52	6 6	5	1.50	1.30	53	2	1.64	96	40	...	2.81	2.56	55	...
6% C. P. P.	4 90	5 9	5	1.41	...	...	...	3.39	1.45	29	1	3.11	21	30	...
Coimbatore Chem & Fert	...	...	25	1.39	...	...	...	...	...	...	...	...	...	...	...
East Coast Food Products	...	...	10	14.54	...	...	-2.77	9.94	16.64	4.28	...	9.56	4.66	2	1.53
6% C. P.	...	...	100	3.94	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	2.49	...	...	...	...	...	...	...	...	...	...	...
Fertilisers & Chemicals	4 95	6 4½	10	345.58	...	...	-30.69	99.79	422.53	192.72	25.75	91.28	51.85	13.29	3.04
Forest Industries	3 00	2 1½	5	24.91	13.28	...	-14.85	7.13	14.11	4.70	...	3.50	10.78	6.78	...
General Papers Limited	8 20	8 6	10	5.00	1.85	33	...	7.57	87	53	1	8.81	5.04	55	...
Hyderabad Invst. Synd.	...	...	50	21.42	1.00	...	1	2.65	...	...	11.52	...	9.65	3.91	...
India Cements	27 00	28 8	25	62.19	...	19.00	2.97	76.11	148.33	54.03	7.89	33.33	34.18	14.75	13.09
5% Cum. preference	87 00	90 0	100	29.87	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 45	5 14	5	7.50	30	1.78	3	1.18	...	...	10.70	...	2.48	12	...
Invst. Trust of India	60 00	85 8	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Jeyapore Mining	...	...	100	4.00	2.40	31	46	10.94	6.35	1.63	36	8.83	4.10	4	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER SHARE		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second previous
SOUTHERN INDIA (Continued)												
Madras Indust. Invt. Corpn	Directors	...	...	6.37	...	...	6-54	5.43	5.29	3	3	3
Madras Safe Deposit	Kuthari & Sons	...	...	46	...	2	6-56	22	7	4 1/2	4 1/2	3 1/2
Madras Vanaspathi	Kubera Vanspati	...	...	...	...	...	4-55	1.52	2.01	nil	nil	nil
	Ordinary	...	...	...	...	...	...	...	...	nil	nil	nil
	5 1/2% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri.	1.82	...	55.77	8.87	25	3-56	1.21	86	10	9	9
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
McDowell & Co	Directors	...	...	...	...	...	12-55	51	1.03	nil	nil	6
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Mettur Chem & Indus. Corp.	Seshasayee Bros. Private Ltd.	10.59	58.11	96.89	9.38	1.67	3-57	19.18	16.12	7 1/2	7 1/2	6 1/2
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	Directors	...	...	...	...	...	6-56	18	1.12	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Mysore Chem & Fert	Directors	...	...	...	...	...	3-56	2.97	3.71	5	5	5
Mysore Chem. Manfra.	Directors	...	27.99	31.47	...	...	3-57	4.57	2.86	20	20	20
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Mysore Chrome	Directors	...	...	5.14	1.91	...	6-56	13	50	10	10	10
Mysore Coffee Curing	Directors	59	1.74	4.47	...	...	12-55	1.70	1.27	11	10	10
Mysore Indus. & Test	Directors	1.27	5.48	10.62	2.94	...	3-56	2.81	2.48	8 1/2	6 1/2	6 1/2
	Laboratory	...	...	...	...	...	...	...	...	8 1/2	6 1/2	6 1/2
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...
Mysore Lamp	Directors	45	56	...	...	...	3-55	1.23	1.49	7 1/2	10	10
	4% C. P.	...	...	...	...	...	...	...	...	4	4	4
Mysore Match	Directors	...	...	1.20	8	...	6-56	3	10	4	4	4
Mysore Paper	Directors	13.04	40.95	68.50	5.36	...	3-55	1.72	11.99	7 1/2	7 1/2	5
Mysore Stone Ware Pipes	Mysore Indust. Develop. Co.	...	5.65	9.21	71	35	3-56	2.24	1.77	10	7 1/2	10
Mysore Veg. Oil	Directors	1.13	6.41	30.75	2.10	...	6-56	1.19	2.1	nil	nil	nil
National Chemicals	Murthy & Co.	...	...	...	...	...	6-54	89	95	nil	nil	nil
	5% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil
Ogale Glass Works	S. P. Ogale & Co.	...	...	35.48	3.72	18	12-53	5	2.78	nil	nil	nil
Parry & Co.	Coromandal Invt. Trust	...	...	...	...	1.58	12-54	22.19	20.38	15	15	15
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Punalur Paper	A. & H. Harvey	11.92	50.34	78.07	7.50	47	6-56	8.49	4.58	5	5	5
Radio & Electricals	Directors	1.64	17.44	16.66	16.50	...	12-55	2.08	1.84	9	7 1/2	nil
Radio & Electricals Manfrs.	Directors	2.57	...	5.03	2.24	...	3-56	9.07	3.10	6	nil	nil
Rane (Madras)	Iyer & Co. Ltd.	1.84	68.89	75.48	13.86	58	3-56	2.80	1.97	15	20	15
	7% 'A' C. P.	...	...	...	...	...	...	...	...	7	7	7
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	Directors	...	...	...	...	...	5-56	49.12	70.46	6	6	6
Spencer & Co.	Directors	39.18	218.93	296.56	...	...	6-56	25.04	19.85	15	15	15
	6 1/2% 'A' C. P.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
	8 1/2% 'B' C. P.	...	...	...	...	...	...	...	...	8 1/2	8 1/2	8 1/2
Thomas & Co. A. V.	Directors	1.89	...	7.50	...	...	12-55	2.48	2.94	10	10	10
	"B" Ordinary	...	...	...	...	...	...	...	...	10	10	10
	6% Cum. Preference	...	...	...	...	...	...	...	...	6	6	6
A.V. Thomas & Co., (India) Ltd	Directors	32	...	3.10	1.69	...	6-56	54	1.23	nil	nil	nil
	5% Cum. Preference	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	Esael Ltd.	7.93	21.58	45.63	2.79	56	12-56	9.53	10.91	6	6 1/2	6 1/2
Trav. Chem. & Manfr. Co.	Directors	31	77	3.07	18	...	3-56	1.37	51	20	5	6 1/2
Travancore Ogale Glass	Ogale Bros. Private Ltd.	12	5.74	7.23	16	10	12-55	1.70	60	nil	5	nil
United Coffee Supply	T. Stanes & Co.	88	...	...	...	...	6-55	3.24	2.68	17 1/2	13 1/2	8 1/2
United Elec. Industries	Directors	...	...	12.35	30	59	12-54	45	...	6	5	8 1/2
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...
Vanjina! Matches	Directors	85	4.24	5.43	1.36	...	12-54	18	31	nil	nil	nil
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	Ramkrishna & Sons	...	...	1.40	20	6	12-55	26	28	nil	nil	nil
	5 1/2% C.P.	...	...	...	...	...	...	...	...	...	...	...

(a) After writing back Rs 171,052 being excess provision for Sales Tax and Rs 44,165 being excess depreciation.

(b) After transferring Rs 1,00,000 from Reserve for depreciation on investments.

(c) After transferring Rs 1,50,000 from Dividend Equalisation Fund.

(d) After transferring Rs 2,00,000 from General Reserve.

(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.

(f) After writing back Rs 50,00,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax, and Rs 10,850 being expenses and Rs 5,85,025 profit on realisation of Investments; Rs 8,45,930 surplus on revaluation of

stores, and Rs 31,390 surplus on sale of machinery.

(g) After transferring Rs 4,50,000 from Investment

Reserve and Rs 4,403,341 being excess provision.

(h) After writing back Rs 276,904 being over provision in previous years.

(i) Includes Rs 92,365 being surplus arising from Devaluation.

(j) After writing back Rs 4,00,000 being part of taxation and tax contingencies not required and Rs 2,70,000 being provision for depreciation on Investments.

(k) After writing back Rs 38,40,543 being excess provision for depreciation in previous years.

(n) After writing back Rs 3,60,000 being excess amount of provision for taxation.

(o) After transferring Rs 2,69,178 from General I.

(p) After writing back Rs 1,24,002 being provision for taxation and including Rs 23,889 being refund of Income-tax.

(q) Bonus shares in the ratio of one fully paid ordinary share for every five ordinary shares will be issued in lieu of Dividend.

(r) Includes Rs 17,99,170 being indemnity receivable from the Government of India.

(s) After transferring Rs 1,00,000 from General Reserve and Rs 50,000 from Dividend Equalisation.

March 8, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1958	February 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standings	Cash	Others
	Rs. np.	Rs. a.													
SOUTHERN INDIA (Continued)															
Madras Indust Invt. Corp.			1000	127.56	...	2.75	7	5.98	...	...	36.48	9	93.58	6.22	...
Madras Safe Deposit	50 00	52 12	80	1.58	...	...	2	73	...	84	...	...	...	38	...
Madras Vanaspathi (a.z.)	15 00	15 0	100	15.00	...	...	7.64	24.42	38.80	...	...	1.19	99	5	60
Ordinary	...	...	10	1.86	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P.	33 00	33 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...
Maikar (Motor)	40 10	50 0	50	4.00	4.00	...	6	12.83	1.79	8	76	8.90	7.62	2.89	...
6% C. P.	45 50	50 0	50	1.00	...	...	...	...	...	...	...	...	...	...	...
McDowell & Co.	...	...	100	3.24	3.24	...	...	6.08	8.17	2.17	70	5.57	3.19	39	...
6% C. P.	...	...	100	3.30	...	...	...	...	...	...	...	...	...	...	...
Mettur Chem. & Indl Corp	9 50	9 9 1/2	10	40.50	1.21	12.42	1.11	18.31	102.51	54.73	13.76	25.37	15.01	7.65	...
6% C. P.	87 10	94 8	100	20.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	83 00	95 0	100	20.00	...	...	...	1.42	5.53	2.35	2.48	2.17	7.33	2.11	2.21
Modern Housing	...	...	10	17.92	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	100	12.72	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem & Fert	5 85	8 2	10	24.81	6.23	89	5	19.53	53.84	31.60	2.80	16.47	9.55	1.47	...
Mysore Chem. Manfrs.	14 75	23 13	10	3.00	4.00	...	1.98	8.67	7.37	4.44	4	11.21	4.71	76	...
6% C. P.	8 78	9 4 1/2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Mysore Chrome	...	4 12	10	4.94	90	...	1.30	4.46	6.38	1.71	33	3.38	55	7	...
Mysore Coffee curing	10 80	12 4	10	4.00	52	66	...	5.87	5.97	3.32	40	2.89	4.65	46	...
Mysore Indus. & Test. Lab	6 57	6 4	10	3.75	1.50	1.25	3	5.79	4.92	3.85	5.15	4.26	3.6	3.76	...
Partly Paid	...	...	5	5.63	...	...	...	...	...	...	...	...	...	83	...
Mysore Lamp	15 00	15 0	10	6.56	5.35	3.97	1	3.45	10.95	4.99	...	10.11	5.68	11	...
4% C. P.	5 60	6 0	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Mysore Match Co.	...	...	10	4.99	...	...	1.30	...	3.65	84	16	97	20	30	2
Mysore Paper	15 20	16 4	10	25.00	9.00	9.13	35	92.91	133.70	56.32	8.24	26.63	16.10	4.91	3.19
Mysore Stoneware Pipes	11 80	11 10	10	6.00	2.70	20	1	4.27	9.09	5.44	2.42	1.55	4.22	1.37	...
Mysore Veg. Oil	5 75	5 8	10	13.50	2.12	74	2	3.78	14.10	8.72	2.70	5.19	1.97	4.92	...
National Chemicals	...	...	10	6.70	...	...	4.68	6.44	7.97	54	10	1.91	67	2	40
5% C. P.	...	...	10	2.08	...	...	...	...	...	...	...	...	...	...	...
Ogale Glass Works	1 90	2 8	5	14.87	3.60	3.05	2.95	37.10	45.10	12.92	2.81	9.75	9.21	1.74	...
Parry & Co.	...	...	2	40.00	30.00	20	1.91	241.35	44.17	20.92	21.39	161.22	134.14	6.43	...
5% C. P.	...	...	10	30.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	...	2.98	...	...	...	...	...	...	...	...	...	...	...
Funeral Paper	...	...	25	15.05	5.00	14.00	2	52.93	85.73	31.91	6	22.63	9.47	1.02	...
Radio & Electricals	5 15	6 6	5	13.99	1.00	...	10	14.05	6.18	1.15	1	16.50	7.15	47	...
Radio & Electricals Manfg.	13 00	...	10	24.45	...	...	21	22.17	24.12	8.56	...	7.31	22.14	90	86
Rane (Madras)	...	6 2 1/2	5	2.30	4.75	1.32	1.44	14.58	7.23	2.97	71	13.27	9.37	1.30	...
7 1/2% 'A' C. P.	5 35	5 0	5	1.75	...	...	...	...	...	...	...	...	...	...	...
6% 'A' C. P.	4 90	5 0	5	1.90	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	4 70	5 0	5	1.90	...	...	...	...	...	...	...	...	...	...	...
Debentures	1000 00	1000 0	1000	1.47	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	...	...	10	55.00	35.50	...	18.83	214.71	109.02	50.94	12.05	112.22	138.29	3.40	...
Spencer & Co.	...	...	10	40.00	56.09	40.19	6.32	52.77	118.97	70.39	24.08	71.57	50.44	60.69	...
6 1/2% 'A' C. P.	17 58cd	16 10	10	23.20	...	...	...	...	...	...	...	...	...	...	...
6 1/2% 'B' C. P.	7 70	9 0	10	36.80	...	...	...	...	...	...	...	...	...	...	...
...	10 12	10 5	10	...	...	...	...	...	...	...	...	...	...	...	...
Thomas & Co. A. V. (Allep.)	15 50	14 14	10	2.00	3.56	1.70	19	8.65	6.52	3.34	2.61	1.67	9.28	92	...
B. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
6% Cum Preference	...	...	100	1.21	...	...	...	...	...	...	...	...	...	...	...
A. V. Thomas & Co India	73 00	79 0	100	3.00	...	...	73	3.63	34	24	19	2.11	4.45	1.04	...
5% Cum pref.	3 62	3 10	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	6 30	6 2	10	50.00	...	...	7.08	33.94	104.40	43.92	...	19.96	7.35	3.23	...
Travancore Cements	8 30	10 1	10	3.00	...	3	2	1.28	4.39	2.25	25	70	13	1.11	...
Trav. Chem. & Manfg. Co.	14 12	15 10	10	9.98	...	...	80	4.07	14.96	3.85	...	81	99	33	...
Travancore Ogale Glass	2 40	3 10	10	...	...	...	...	...	...	...	...	...	...	...	...
United Coffee Supply	...	...	15	6.00	3.00	1.85	18	9.31	6.42	4.20	3.44	10.21	3.95	54	...
United Elec. Industries	9 50	...	10	4.22	...	...	7	4.18	1.54	34	...	2.77	4.46	10	...
5% C. P.	10 00	...	10	15	...	...	...	...	...	...	...	...	...	...	...
Vanjined Matches	0 94	1 0	6	2.70	...	...	14	2.43	7.72	3.94	9	3.66	1.63	23	...
6 1/2% Cum. preference	3 00	3 0	100	4.50	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	...	...	100	2.25	...	...	3.61	3.36	4.49	1.69	...	62	10	1	...
5 1/2% C. P.	...	...	100	1.21	...	...	...	...	...	...	...	...	...	...	...

COMPANIES—(All India)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1958	February 1957			Reserves	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. n.p.	Rs. A			Rs.	Rs. (Hd)	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amalgamated	15 50	18 10	10	25.50	11.00	12.80	31	43.51	99.36	69.86	1.13	20.15	40.12	1.71	49 28
Asso. K ranpura	3 00	1 0	10	9.00	...	...	-1.89	2.19	9.98	...	...	28	26	1	...
44% R. C. preference	24 50	24 8	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Asso. Laidkh	1 19	1 12	10	8.00	...	...	-59	1.90	10.30	1.49	...	72	1.42	5	1
1% Debenture	...	...	500	1.80	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujama	4 11	4 8	100	20.00	...	90	1	3.21	21.72	4.51	...	68	3.94	2.29	...
Bengal	201 00	231 8	100	100.00	100.00	60.29	9.45	180.55	610.17	419.74	13.10	115.65	136.98	14.31	...
44% C. P. T.	...	...	10	4.49	...	38	1	4.31	9.25	5.69	...	94	3.14	2.05	...
Bengal Bhatdeo	5 88	6 10	10	2.25	3.91	1.32	-1.09	57	24.88	22.43	3.49	...	56	1.58	...
Bengal Nagpur	15 00	15 0	100	1.12	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	68 00	83 8	10	15.97	1.00	3.73	-2.42	14.28	47.74	22.98	...	2.86	4.88	6	...
Bhalgora	6 50	6 4	10	4.000	2.75	...	2	5.185	14.483	7.759	2.063	1.646	4.972	57	...
Bharat	6 50	51 4	100	3.000	...	...	...	...	...	...	...	...	...	...	...
34% C. P. T.	49 50	940 0	1000	3.000	...	...	...	...	...	...	...	...	...	...	...
49% Debenture	900 00	14 6	10	7.15	6.61	7.68	-1.87	5.78	52.62	37.38	64	2.63	6.40	5	39
Bhulanbarree	13 25	14 6	10	10.00	...	...	-10.75	13.46	16.92	6.18	31	69	76	2	18
Bhuranga	2 00	2 0	10	16.00	4	16.84	-79	19.35	68.15	40.00	...	9.42	23.23	7	...
Bokaro & Ramgarh	13 00	12 4	1000	10.00	...	...	...	...	...	...	11.01	1.42	9.62	2.91	30
1% Debentures	...	...	10	7.50	6.34	7.83	20	7.68	45.38	27.11	...	...	...	...	...
Borras	18 05	20 3rd	10	4.00	...	...	...	...	...	...	...	...	...	...	...
68% C. P.	90 00	100 0nd	100	90.92	17.94	151.21	93	88.54	425.18	195.93	29.69	37.83	90.95	1.19	8.13
Burakur	22 60	21 0	10	23.00	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	100 25	113 8	100	4.50	...	...	...	...	...	...	...	...	...	...	...
2nd C. P. T.	7 47	8 2	10	20.00	...	...	...	...	...	...	...	...	...	...	...
43% Debentures	870 00	900 0	1000	49.97	...	...	8	10.86	46.39	12.80	1.67	7.28	14.68	3.69	...
Central India	6 59	6 6	10	8.00	45	12.85	69	9.89	49.12	33.03	7.28	5.69	9.65	24	21
Central Kurkand	12 00	12 8	4	6.00	1.44	...	4	15	...	...	...	...	25	10	...
Churulia	1 94	1 13	10	16.00	...	...	-3.37	26.34	54.02	30.95	...	2.69	13.12	...	...
Dhemo Main	7 18	5 12	10	2.40	1.00	2.80	59	2.11	7.31	7.31	2.17	105	1.81	1.38	...
East Indian (2)	20 00	26 6	10	29.64	34.00	53.22	4	171.73	417.92	300.76	15.76	61.89	145.60	3.58	...
Equitable	24 37	25 4	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	88 00	100 8	10	50.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	970 00	1000 0	10	10.00	2.00	16	11	13.03	10.77	3.74	3.00	8.17	11.52	22	...
Ghusick & Muslia	16 12	15 12	10	5.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	95 00	103 9	10	3.75	...	...	-1.63	2.55	6.71	60	...	2.31	41	6	...
Gourangdi	6 12	7 12	100	1.25	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	40 00	40 0N	10	3.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	6.50	17	...	-17	1.64	7.87	3.29	2	1.13	2.36	6	...
Guzdar Kajora	1 60	1 8	10	8.00	6.50	75	45	10.99	22.41	19.22	49	1.70	11.25	10.09	...
Hurriladish	20 75	22 2	24	2.42	...	...	-2.60	5.03	16.24	12.08	...	51	19	...	...
Joint Central	1 00	2 4	10	2.200	...	5.00	-5.48	3.80	3.029	1.053	19	...	6.29	3.27	80
Jorla	1 75	1 1	100	5.00	...	...	...	...	...	...	...	94	11	13	...
5% C.P.R	30 00	45 0N	10	3.50	4.31	1.36	-3.18	2.00	14.13	7.33	2	2.32	7.70	3.24	2.72
Kalapahari	20 00	20 0	100	20.00	...	2.22	2	9.02	31.26	5.71	...	...	...	...	...
Karampura	88 00	97 0	100	9.90	...	...	...	...	...	...	7.29	6.83	14.71	8.98	...
34% C. P. T.	44 50	59 0	10	5.00	17.60	...	1.38	22.37	47.66	6.93	...	2.35	3.55	1	...
Katrae Jhorraih	55 00	62 6	10	1.38	...	...	-1.83	11.03	15.53	...	...	...	...	...	...
Khas Kajora	3 75	3 12	10	1.93	...	...	...	...	...	...	...	...	...	...	...
8% Preference (q)	5 00	3 12	10	11.00	68	...	14	1.94	16.87	10.94	2.95	1.58	3.26	5	...
Kuardi	2 56	2 7	10	9.00	6.82	4.50	5	7.72	28.37	22.65	8.36	1.89	11.65	49	...
Lakurka	10 00	10 0	10	4.00	1.80	...	9	4.30	6.18	3.88	1.36	51	6.81	21	...
Mahabir	10 00	12 0	10	1.00	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P	1 50	2 4	10	5.66	85	...	-11.29	23.13	18.81	7.96	...	2.67	4.73	10	...
Mundulipour	6 37	6 13	10	7.48	1.75	...	31	5.49	13.13	9.66	7.70	98	1.21	2.11	...
Nazira	14 37	16 0	10	17.76	...	19.52	54	32.96	124.49	91.72	4	10.57	23.49	5.91	...
New Beerbhoom	10 37	12 0	10	2.00	...	...	-4.20	5.52	11.76	3.92	...	3.40	87	30	2
7% C. P.	1 09	1 13	10	7.10	...	...	...	...	...	...	...	...	...	...	...
New Churulia	1 56	1 13	10	2.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	2 50	2 8	100	2.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	10	4.00	...	...	-2.09	6.02	7.54	1.96	...	1.39	2.57	25	13
New Huntodip	2 06	2 7	100	2.00	...	...	...	...	...	...	...	...	...	...	...
5% Cum Preference	60 00	84 0	10	4.55	...	...	-2.47	21	4.66	2.70	...	3	29	2	...
New Joyrampore	3 50	3 8	10	6.00	...	75	...	11.25	30.01	22.04	37	2.92	4.95	23	...
New Manbhoom	10 56	9 8	24	2.50	1.00	76	-59	16.96	15.51	4.74	...	5.76	3.81	2	26
North Damuda	0 94	2 0	10	1.15	2.70	78	18	4.43	13.07	8.96	...	25	4.49	1.96	...
North West	18 37xd	17 6	74	1.58	...	...	...	...	...	...	22.60	...	2.59	37	...
Partly Paid Ord	13 37xd	15 12	10	7.50	6.22	6.02	37	5.05	3.98	2.78	...	...	...	...	...
Ondal	16 75	14 10	100	2.00	...	...	...	...	...	...	2	7.54	6.01	28	5.68
64% C. P.	95 00	108 0	10	10.00	1.10	1.04	25	24.82	41.24	19.79	...	...	...	...	...
Oriental	4 60	8 4	1000	5.00	...	...	...	...	...	...	75	91	10.03	4.72	...
5% Debentures	...	...	10	8.34	...	10	62	10.57	18.27	8.70	...	...	...	...	...
Parasara	13 37xd	13 14	100	8.00	...	...	...	...	...	...	4.07	11.32	29.81	3.99	...
54% R. C. P.	45 25xd	50 12	10	15.75	7.00	9.30	46	32.84	55.17	39.02	60	64	1.51	7	...
Punch Valley	18 00	17 0	10	2.50	10	10	2	2.00	7.80	2.80	...	...	...	...	...
Pure Situlpur	7 00	6 0	...	2.50	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	24.00	7.32	12.85	23	19.09	124.35	87.36	8	7.96	17.86	60	...
Raneungunge	10 62xd	11 6	10	13.50	3.30	5.28	23	31.97	30.09	30.49	2.68	10.43	19.34	13.20	...
Rawa	14 25	23 2	10	20.00	3.50	33.62	9	44.11	85.59	22.18	3.30	4.98	29.14	49	...
Samsa	12 60	12 5	24	2.50	...	...	11	3.92	13.93	12.37	...	86	4.70	11	...
Seelapore	4 88	5 2	7	2.80	6.75	7.61	49	8.63	29.99	19.07	1.03	1.24	4.24	6.84	...
5% Cam. preference	23 31	28 14	100	4.00	...	...	...	...	...	...	...	...	...	...	...
Sindia	8 00	9 0	10	8.00	4.88	19	5	3.56	52	29	7.19	...	7.10	2.14	...
Sree Mahakali	3 60	3 0	100	3.00	...	...	-2.89	1.21	8.31	3.49	...	63	1.71	26	...
Debentures	...	...	10	63.21	46.45	39.53	21	31.98	519.42	273.47	8.226	145.32	64.17	2.71	...
Singurani	9 00	9 8	10	17.50	4.00	5.87	10	10.74	37.96	16.16	6	1.85	14.33	19	1.0
South Karanpura	9 00	9 4	10	8.00	6.81	7.20	17	4.20	1.69	27	20.10	...	1.29	3.51	...
Standard	17 00	19 14	24	10.00	...	13	-3.70	8.34	31.30	15.44	1	1.60	2.25	4	...
Talcher	1 62	2 3	...	5.00	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	3.50	2.30	50	77	3.54	18.97	14.54	...	96	5.18	14	...
Union	13 87	13 14	10	27.58	...	75	39	11.63	55.42	22.01	...	4.32	4.50	9.73	9
United Collieries	10 00	10 0	100	12.56	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	88 00	85 8	10	8.00	...	...	...	...	...	...	...	...	...	...	...
West Ghusick	13 50	12 0	10	7.00	...	...	-3.20	36.10	57.46	25.79	...	69	7.43	11	...
West Jamuria	5 50	8 8	10	6.00	11	...	-58	4.13	9.86	2.05	...	27	1.56	2	...
West Laikidih	2 12	1 5	10	49.98	...	50	11	13.76	65.72	24.15	1.50	4.86	15.20	1.22	...
Western Bengal	5 12	5 9	10	...	...	...	...	...	...	...	...	...	...	...	...

(d) After writing back Rs 1,07,867 being provision for liabilities and Rs 15,000 from provision for taxation

(g) 8 per cent Preference shares carry a fixed cumulative preferential dividend of 5 per cent per annum with a right to participate in further dividend at 3 per cent per annum, rateably with the ordinary shares after they are paid dividend at 8 per cent per annum.

(r) Includes Rs 1,70,927 being provision for liabilities no longer required written back.

(s) After transferring Rs 2,20,000 from General Reserve and Rs 91,875 from provision for liabilities and after providing Rs 2,23,858 for Labour Annuity

Indian Finance COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre-vious	Second Pre-vious
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private	49,144	1,016	85.82	144.81	58.79	...	6-57	(a)33.94	23.97	5	12	7
Ahmed Mfg. & Calico	5% Cum. preference	139,120	2,372	290.40	852.56	266.99	14.87	3-57	151.25	125.47	5	5	5
	Karamchand Promchand Pri.										24	24	14
	44% 1st Cum. preference										44	44	44
	44% 2nd Cum. preference										44	44	44
	44% 3rd Cum. preference										44	44	44
Ajit Mills	Chinubhai Neranbhai	25,376	513	55.23	123.57	22.95	4.81	12-56	8.15	7.94	16	14	14
	44% 'B' R. C. preference										44	44	44
	5% 'C' R. C. preference										5	5	5
	44% 'D' R. C. preference										44	44	44
Apollo Mills	Rajputana Textiles Privt & Co.	56,468	898	97.14	226.67	30.51	1.62	12-55	11.83	1.07	9	6	12
Arvind Mills	Narottam Lalbahai	66,412	1,216	130.50	348.30	48.29	9.61	12-56	87.82	58.21	35	35	25
	5% Cum. preference T.										44	44	44
	44% Cum. preference T.										44	44	44
	44% R. C. preference T.										44	44	44
Asoka Mills	Lalbahai Dalpatbhai	37,368	914	94.39	207.19	...	7.06	12-55	30.51	13.38	30	22	22
	5% C. P. T.										5	5	5
	44% R. C. P. T.										44	44	44
Azam Jahi Mills	Government of Andhra	36,136	716	113.36	195.42	16.86	...	9-56	15.12	8.86	5	4	4
B. R. Cotton	Directors	50,596	1,021	70.59	160.31	23.61	...	3-56	4.98	-1.21	nil	nil	nil
	6% Cum. preference										nil	nil	nil
	44% Debentures										nil	nil	nil
Binod Mills	B. Ram. Balchand	60,640	1,338	141.15	203.58	28.53	6.69	12-55	24.54	6.30	10	6	6
Bombay Dyeing	Nowrojee Wadia & Sons Private	223,552	3,984	377.38	747.15	192.69	12.18	12-56	99.38	96.55	10	10	8
Central India	Tata Industries Private	115,188	2,062	...	248.66	66.67	...	6-57	-20.79	(x)6.38	nil	nil	3
	5% Cumulative preference										nil	5	5
Century Spg. & Mfg.	Darla Brothers Ltd.	126,752	2,752	339.45	655.73	182.22	6.45	12-56	(a) 114.26	80.10	22	22	22
Coorla Spg. & Wvg.	Cowanjee Jehangir & Co.	24,848	680	52.96	126.03	3.51	1.76	3-56	15.22	4.50	12	7	7
Dawn Mills	Ramnarain Soni Ltd.	40,962	...	90.98	134.77	10.42	1.65	12-55	14.70	6.01	30	12	12
Edward Textiles	P. Buhna Sons	48,718	928	130.97	228.63	68.52	71	12-56	10.24	12.99	7	9	7
Elphinstone Spg.	Director	41,300	886	90.51	179.73	55.50	...	12-56	12.78	15.73	10	10	6
	7% C. P.										7	7	7
Empire Dyeing & Mfg.	W. H. Bady & Co. Ltd.	...	...	9.10	34.54	29	39	12-56	3.32	3.48	20	20	26
Finlay	James Finlay & Co. Ltd.	49,528	784	88.93	171.14	35.79	2.35	12-55	21.72	15.23	20	16	16
Gokak Mills	F. F. Campbell & Co. pri.	74,286	...	161.4	246.67	56.37	2.16	12-56	18.84	21.72	13	15	13
Gold Mohur	James Finlay & Co.	45,268	1,108	95.78	174.59	41.32	2.04	12-55	16.48	15.63	15	12	12
Hind Mills	Hind Agents Private	71,596	1,387	165.72	324.27	115.33	2.80	6-56	22.77	15.63	6	4	4
	5% C. P.										5	5	5
Hindustan Spg.	Thackersey Mooljee	49,448	1,122	86.88	198.01	...	2.75	3-56	23.15	13.94	32	30	22
	44% R. C. P. T.										44	44	44
India United	Agarwal & Company	244,300	6,278	452.71	785.13	198.47	5.03	12-55	62.06	2.43	9	nil	6
	Deferred										11	9	6
Indore Malwa	Directors	51,180	1,420	124.13	257.26	78.89	...	12-56	22.68	25.48	11	9	6
Khatau Makanji	Khatau Makanji & Co.	92,852	1,489	238.08	426.54	73.51	4.33	6-56	46.22	30.91	10	12	8
Kohinoor Mills	4% Cum. Preference	120,504	1,846	378.76	594.90	91.09	5.99	12-56	52.50	36.04	18	18	18
Killick Industries Limited	Killick Industries Limited	...	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Cotton	Directors	48,996	1,219	122.01	229.56	66.82	...	12-56	27.35	21.46	17	17	13
	5% Cum. preference T.										5	5	5
Mafatlal Fine Spg.	N. C. Purshotamdas	51,996	896	70.69	210.30	20.35	4.49	12-56	43.17	28.08	1	15	15
	44% 1st R. C. P.										44	44	44
	44% 2nd R. C. P.										44	44	44
Marsden Spg. & Mfg.	Marsden Bros.	23,508	482	67.15	157.67	...	3.44	12-55	14.20	8.08	7	5	5
Minerva Mills	N. Sirur & Company Private	39,896	704	87.65	139.33	40.96	85	12-56	5.39	5.19	6	6	5
Model Mills	B. A. Dadabhai & Co.	52,408	952	89.83	141.66	36.34	54	6-55	4.85	-7.72	nil	nil	3
Modern Mills	N. Sirur & Company Private	49,000	644	93.26	186.31	52.36	1.40	10-56	10.97	12.61	16	16	10
Monogram Mills	5% Debentures										...	...	...
Morarjee Goualdas	M. Bakubhai & Sons. Private	27,469	528	92.11	171.70	44.74	...	12-56	13.46	14.58	7	7	5
	Piramal Sons Privt. Ltd.	70,416	1,652	159.08	323.53	106.32	1.48	6-57	(n)28.43	36.15	14	15	14
	44% Cum. preference										44	44	44
Mysore Spinning	N. Sirur & Company Private	50,480	500	129.66	167.59	60.87	1.38	2-57	9.05	8.43	18	18	12
	44% Cum. preference T.										44	44	44
New City of Bombay	W. H. Brady & Co. Ltd.	45,944	432	74.65	132.58	18.24	77	12-56	(m) 6.20	4.51	10	10	10
New Commercial	Tricunlal Bhogilal	45,836	866	89.91	201.16	...	7.56	12-55	21.03	8.94	8	7	9
	4% 2nd R. C. P.										4	4	4
New Great Eastern	W. H. Brady & Co. Ltd.	49,012	1,018	91.66	193.39	37.52	46	12-56	(p) 5.14	5.31	10	10	7
	54% Cum. preference T.										54	54	54
New Kaiser-I-Hind	Directors	54,052	12,67	136.28	217.08	85.26	...	3-56	19.54	(a) 34.44	8	8	8
	5% C. P.										5	5	5
New Shorrock Spg	Mafatlal Chandulal & Co.	51,106	907	100.29	223.53	12.50	6.48	12-55	32.57	28.35	28	28	28
Osmanshahi Mills	Government of Andhra	37,788	902	87.51	160.25	20.37	...	9-56	5.38	7.5	3	2	nil
Podar Mills	Podar Sons Private	32,600	930	93.70	143.31	18.75	1.12	12-56	11.25	10.99	12	12	1
	4% Cum. preference										4	4	4
Rohit Mills	L. Gordhandas	33,156	648	82.01	214.57	...	8.77	12-55	29.33	11.43	nil	9	9
	54% Cum. preference T.										54	54	54
	4% R. C. P. (2nd)										4	4	4
	4% R. C. P. (5th)										4	4	4
Sassoon & Alliance	David Sassoon	9,520	277	11.06	17.91	1	10	12-54	(*)-1.48	(k) 49	5	7	12
Sassoon Spinning	M. G. Invt. Corporation Pri.	94,884	2,127	252.67	488.68	30.71	3.29	12-56	39.91	17.71	20	17	12

March 8, 1958

MILLS

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	February 1958 Rs. np	February 1957 Rs. as.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA															
Ahmed Advance	118 00	180 0	100	40.00	19.00	12.32	11	133.17	173.26	68.65	8.18	107.78	17.61	4.35	2.06
5% Cum. Preference	98 00	107 8	100	10.00											
Ahmed Mfg. & Calico			125	137.50	132.27	217.38	1.18	290.19	514.70	256.08	3.65	268.26	95.10	30.55	61.66
44% 1st. cum. preference			125	2.00											
44% 2nd. cum. preference			50	8.00											
44% 3rd. cum. preference			50	19.33											
Ajit Mills			200	11.00	18.68	9.65	8	51.91	56.22	33.29	2.75	39.98	22.88	8.03	
44% 'B' R. C. P.			100	2.00											
5% 'C' R. cum. pref.			100	2.00											
44% 'D' R. cum. pref.			25	1.25											
Apollo Mills	1 74	2 9	2	50.00	38		97	46 63	90.11	43.05	9.32	36.35	4.08	1.17	
Arvind Mills			100	40.00	190.00	107.84	15	88 03	195.82	97.29	107.40	79.38	59.29	107.48	
5% cum. preference T.			100	5.25											
44% cum. preference T.			100	10.50											
44% R. cum. pref. T.			100	10.50											
Asoka Mills			100	12.00	57.00	61.39	70	39.54	84.57	69.65*	24.18	46.97	28.67	67.89	
5% Cum. preference T.			100	6.00											
44% R. C. P. T.			100	6.00											
Azam Jahi Mills	56 00	82 8	100	72.00	11.98	5.62	95	165.99	186 00	62 72	23 81	57.88	49.85	1.73	
B. R. Cotton	24 50	40 0	100	40.00	9.00	15	-1.59	45 96	139.15	72 26*	4.55	42.18	34.28	7	
6% C. P.	50 00	80 0	100	10.00											
44% Debenure			100	30.00											
Binod Mills			100	60.00	12.60	22 34	1.81	103.17	150 46	61.57	8.25	69.20	28.38	5 16	
Bombay Dyeing	50 20		50	250.98	50.01	262.56	2 41	181.72	598.23	351.01	73.06	207.58	90.89	128.95	
Central India	81 00	114 0	100	4.687	1.407	1.318		23.359	24.210	15.436	3.352	17.538	1.438	456	4.263
5% cum. preference	337 50	441 4	500	5.000											
Century Spg. & Mfg.	376 00	465 0	100	109.43	219.96	65.35	7 62	327.90	606.67	232 92	11 29	272.81	64.86	7.54	
Coorla Spg. & Wvg.	122 50	125 0	100	26.00	7.48	5.55	18	34.17	90.16	57.80*	74	30.79	9.10	39	
Dawn Mills.	79 00	178 12	50	16.00	12 63	13.31	2.17	37.92	69 11	52.46*	9	28.73	19.18	16.57	
Edward Textiles	220 00	310 0	200	34.00	40.06		2.28	83 58	113. 4	62 24*	13.66	79.30	20.29	42	10
Elphinstone Spg.	47 50	50 8	50	30.00	10.00	6 71	96	74 79	120.97	78.23	50	84.90	18.75	57	
7% C. P.	71 50	90 0	100	25.00											
Empire Dyeing & Mfg.			15	9.00	5.10	4.47	7	8.48	19.93	14.98	3.17	1.31	3.14	14.55	
Finlay	252 00	330 8	100	50.00	37.04	33 08	1.67	61 30	123 38	74.17	7.63	79.15	21.12	25.98	
Gokak Mills	148 00	222 0	100	48.81	7.79	29.80	8	31 69	106.45	75 45	2.00	59.93	12.56	42	
Gold Mohur	171 50	205 10	100	50.00	22.74	28.45	36	41 01	87.77	52 82	81	69.02	15.73	22.15	
Hind Mills			10	50.00	4.27	5 46	25	127.39	144.07	82.06*	10	124.26	20.36	65	
5% C. P.			100	20.10											
Hindustan Spg.	4590 00	5680 0	1000	12.00	16.33	60 31	1	49.45	152.35	121 07	4.86	68.49	36.08	9.39	
44% R. C. P. T.	992 50	992 8	1000	12.00											
India United	8 84	10 8	10	200.00	58.19	6 08	-1 93	196.03	469 16	339.00*	2.84	282.78	85.65	8.80	
Deferred	1 18	1 102	1	50.00											
Indore Malwa	104 03	135 0	100	50.00	1.16	9.98	7	151.52	148 10	116.80	25.66	98.25	54.42	3.88	
Khatav Maknaji	143 75	190 10	100	59.85	37.47	17.63	26	159 14	237.74	203.22	14.57	175.65	47.59	3.87	
4% Cum. preference	72 00	99 0	100	29.92											
Kabinoor Mills	258 50	328 4	100	100.00	22.25	114 7	1.63	198.19	359.04	278 94	7.20	310.40	38.29	82	
Lakshmi Cotton	415 00	700 0	250	32.00	31.17	34 27	20	114.42	169.61	126.19	7.71	113.96	61.18	34	1 48
5% cum. preference T.	187 50	210 0	250	16.00											
Mafatlal Fine Spg.	345 00	370 0	100	58.00	40.66	82 28	1.53	47.59	169.85	120.83	74.45	45.26	50.94	38.29	
44% 1st. R. C. P.	86 00	92 0	100	14.50											
44% 2nd. R. C. P.	92 00	92 0	100	14.50											
Maradon Spg. & Mfg.	200 00		200	27.31	14.91	1 70	31	54.72	67.47	42.91*	77	30.24	16.15	27.22	
Minerva Mills	71 31	87 0	100	29.60	17 90	1 68	20	86.44	92 42	53.18	10.99	71.45	13.98	56	
Model Mills	176 25	160 0	250	93 34	3.92	21 99	-2.59	84.32	169 26	78 82*	25	99 68	7 89	2.72	
Modern Mills			50	22 13	20.00	23.07	55	66.6	122.04	64 68	1.24	79.45	5.35	59	
5% Debenure				12.00											
Monogram. Mills			200	26.00	30.00	3.08	12	77.14	70 12	66 70	75	81.54	28.11	2.53	
Morarjee Gaudits	207 50	227 8	100	51.75	24.70	1.75	24	163.22	264 74	183.16	12	175.58	15.13	49	
44% cum. preference			100	17.25											
Mysore Spinning	99 50	104 12	50	24.84	40.00	8.52	36	102.87	113.48	71.02	25 86	95.37	18.75	1.60	
44% cum. preference	28 50	30 0	50	7.45											
New City of Bombay	125 00	149 6	100	24.00	18.00	11.22	53	28.51	78.06	49.70	8	32.05	1.28	19.51	
New Commercial			100	63.00	11.20	12.43	3	72.15	121.07	89.25*	10.16	56.73	47.48	17.87	
4% 2nd R. C. P.			100	5.25											
New Great	214 40	230 0	200	30.00	10.61	4 90		41.58	95.52	63.37	10	55.10	4.97	2.76	
5% C. P.	145 00	180 0	100	8.00											
New Kaiser-I-Hind	81 00	105 0	100	45.00	6.54	3.92	20	92.04	113.66	98.08*	11.64	92.11	39.69	2.36	
5% C. P.	80 00	90 0	125	15.00											
New Shorrock Spg.				39.00	33.15	39.38	19	57.32	132.09	98.35*	35.64	50.73	45.11	3.62	18
Osmanshahi Mills	46 50	62 0	100	87 70	47 02	48	13	80 94	171 25	67 91	7.18	62.74	41.01	1 54	
Podar Mills	145 00	165 0	100	40.00	35.00	10.65	4.72	47.20	48 70	24.25	32.60	28.60	22.77	39.16	
4% Cum. Preference	72 00	89 0	100	10.00											
Rohit Mills			100	32.50	10.23	4.55	17.35	86.27	107.01	71.43*	73	86.83	30.58	1.66	
5% C. P. T.			100	10.00											
4% R. C. P. [2nd.]			100	2.00											
44% R. C. P. [5th.]			100	2.50											
Sassoon & Alliance	6 52	9 13	10	5.00	3 95	3.68	-1.72	4.57	21 22	19.01		6.93	4.35	1.97	
Sassoon Spinning	30 00	40 0	10	37.0	66.37	52 27	1.66	57.24	158.86	120.29	1.89	92.48	24.35	17.19	

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Sholapur Spinning	Morarka & Co.	95,332	2,234	106.34	127.51	92.54	28	3-55	-23.04	-60.15	nil	nil	nil
	Half. Ord.										nil	nil	nil
	3% R. Cum. preference										nil	nil	nil
Shorrock Spinning	Malatal Chandulal Ahmed...	36,648	720	68.34	177.74	15.37	3.41	12-56	35.11	19.66	50	25	25
	Founders										14	12	12
Shree Niwas Cotton	Marwar Textiles (Agency)	69,070	1,640	194.59	338.12	123.56	3.59	12-53	29.32	17.34	14	12	12
	4% R. Cum. preference										4	4	4
Shree Saijan Mills	G. Liladhar & Co.	17,880	440	23.75	60.56	13.77	22	3-55	1.81	42	4	4	4
											nil	nil	nil
Shri Ambica	H. Kalidas & Company	94,128	1,733	704.31	435.05	88.22	9.39	12-56	95.42	79.42	30	54	40
	5% Cum. preference										5	5	5
	4% Cum. preference (2nd)										4	4	4
Simplex	F. F. Campbell & Co.	34,846	1,274	150.05	237.11	29.25	5.65	3-56	24.38	13.19	24	20	22
											20	20	20
Standard	Malatal Gajibhai & Sons	97,588	2,409	226.85	570.41	63.64	10.26	12-56	111.25	86.16	22	20	20
	4% 1st R. C. P.										4	4	4
	4% 2nd R. C. P.										4	4	4
Swadeshi Mills	Tata Industries Pri. Ltd.	72,236	2,000	152.02	299.42	84.91	3.52	12-56	45.76	34.13	14	12	8
	5% Cum. preference										5	5	5
Swan Mills	James Finlay & Co. Ltd.	39,328	551	188.77	266.61	39.03	3.32	12-55	28.46	23.34	25	20	20
											20	20	20
Tata Mills	Tata Industries Pri. Ltd.	65,448	1,800	128.55	265.50	67.70	1.69	12-56	28.80	27.40	14	16	10
	5% Debentures										10	10	10
Victoria Mills	Mangaldas Mehta	50,056	958	88.44	186.54	9.83	6.08	12-55	12.96	10.44	20	15	15
	4% R. Cum. preference										4	4	4
Vijaya Mills	H. Acharya & Co.	36,176	780	72.46	167.72			12-54	8.51	8.22	8	8	8
	4% 2nd Cum. Preference T.										4	4	4
	4% 3rd R. Cum. Pref. T.										4	4	4
Vishnu Cotton	Directors	47,240	1,331	115.69	224.48	64.25		12-56	(a) 19.10	(b) 18.16	4	4	4
	7% Cum. preference T.										7	7	7
NORTHERN INDIA													
Basanti Cotton	Calcutta Agency	13,044	356	24.23	66.42	7.34	1.35	12-55	2.15	3.47	5	5	2
	64% C. P.										6	6	6
	54% Debentures										10	10	10
Bengal Luxmi Cotton	Bengal Textile Agency Pri.	33,292	925	53.59	131.77	36.59	25	3-56	9.77	5.47	10	10	10
	Ordinary Partly P.d										10	10	10
	5% R. C. P.										10	10	10
Bengal Nagpur	Directors	29,936	810		87.97	17.96		12-55	(i) 8.82	(u) 4.59	nil	nil	nil
	7% C. P.										15	30	30
Birla Cotton	Birla Brothers Private	39,896	1,088	147.50	244.19	23.53	5.33	3-56	28.42	19.16	15	7	7
	Kettellwell Bullen & Co. Ltd.	42,960	841		149.03	60.84	44	12-56	q 23.48	19.16	15	30	30
	8% A. C. P.										15	30	30
	7% B. Pref.										15	30	30
Cawnpore Textiles	Begg Sutherland & Co. Private	27,016	591	92.24	125.4	5.29	62	3-57	10.07	9.47	5	5	5
	Bharat Ram Ch. Ram & Co. Pri.	141,180	2,352	1224.47	2361.13	778.94	15.34	6-56	226.49	247.41	10	9	9
	Ordinary										4	4	4
	44% 1st 2nd C. P.										4	4	4
	4% 1st C. P.										4	4	4
	54% 4th C. P.										4	4	4
	54% Debenture										4	4	4
Dunbar Mills	Kettellwell Bullen & Co.	42,944	518		171.04	68.19	1.61	12-56	7.54	13.13	6	2	2
											12	10	10
Elgin Mills	Begg Sutherland	48,452	1,198	164.97	319.42	36.56	4.63	9-56	54.32	at 44.70	12	8	8
	8% C. P.										5	5	5
	5% C. P.										5	5	5
Jagatjit Cotton	K. C. Thapar & Bros. Pri.	26,560	530		162.55	11.23	4.23	1-56	32.73	27.10	nil	nil	nil
	Debentures										nil	nil	nil
	5% C. P. P.										nil	nil	nil
Jay Shree Textiles	Birla Brothers Ltd.			36.57	62.30	20.74		12-56	10.37	3.07	3	3	3
	54% Debentures										3	3	3
Kesaram Cotton	Birla Brothers Ltd.	74,672	1,992	270.78	556.63	120.44	12.62	3-55	48.92	46.23	8	8	11
	7% C. P.										7	7	7
Mohini Mills	Chakravarti Sons & Co.	23,484	435	84.24	230.24	46.29	9.21	12-56	30.52	45.01	12	12	12
	Ordinary										12	12	12
	5% R. C. P.										5	5	5
Muir Mills	Indian Tex. Syndicate	88,640	1,834	145.19	218.04		60	12-55	-5.06	-10.24	nil	nil	nil
	6% C. P.										nil	nil	nil
New Victoria	J. P. Srivastava & Sons	70,072	1,333	127.27	224.66	41.04	67	12-55	(a) 37.64	-3.91	nil	nil	nil
	Deferred										nil	nil	nil
	6% C. P.										nil	nil	nil
Orissa Textiles	B. Patnaik & Co.	47,728	864	129.13	208.46	47.53	36	3-53	(a) 12.58	31.12	nil	nil	3
	5% R. C. P.										nil	nil	3
Raza Textiles	J. P. Srivastava & Sons.	34,532	600	78.45	95.15	41.24	12	12-53	-3.15	-7.13	nil	nil	5
	64% A. C. P.										nil	nil	5
	64% B. C. P.										nil	nil	5
Sutlej Cotton	Birla Brothers Private	27,340	992	120.18	302.89	62.55	6.59	3-57	72.63	105.28	60	60	60
	Jaipuria Brothers Ltd.	112,216	2,081	400.01	611.72	208.72	6.52	12-56	64.23	53.72	7	7	7
	Prefd. Ord.										11	11	11
	6% C. P.										6	6	6

(Includes Stock on hand)

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Reserves & Surplus including latest allocation				Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	February 1958 Rs. np.	February 1957 Rs. a.		Paid-up Capital	Carry Forward						Invest ments	Stocks and Stores	Out- standings	Cash	Others
					General	Others									
	Rs.	Rs. 000	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
WESTERN AND CENTRAL INDIA (Contd.)															
Sholapur Spinning	375 00	1400 0	1000	15.90	126.86	29.53	-1.70.07	253.16	293.66	204.66	19.76	118.88	55.09	1.72	...
Half Ordinay	...	...	500	10	...	...	...	...	...	...	...	...	...	...	...
3% R. C. P.	...	...	100	31.96	...	...	...	...	...	...	...	...	...	...	...
Shorrock Spinning	...	...	100	19.50	67.41	13.53	1.11	36.35	94.66	66.97	5.69	37.09	31.01	36.90	...
Founders	...	...	25	3	...	...	...	...	...	...	...	...	...	...	...
Shree Niwas Cotton	141 00	178 12	100	60.00	39.70	26.50	2.70	100.41	83.06	45.81	17.51	127.80	50.83	70	...
4% R. C. P.	69 00	81 0	100	4.80	...	...	...	...	...	...	...	...	...	...	...
Shree Saijan Mills	...	...	100	26.15	...	27	-66	34.83	36.43	17.73	94	38.81	1.85	27	...
Shri Ambica	...	...	100	57.96	218.28	63.96	2.61	106.68	192.48	105.24	48.18	177.90	92.54	56.27	...
... cum preference	...	...	100	5.60	...	...	...	...	...	...	...	...	...	...	...
4% cum. preference [2nd]	...	...	100	7.00	...	...	...	...	...	...	...	...	...	...	...
Simplex	155 00	176 0	50	42.00	1.14	35.44	96	49.26	98.78	73.64	1.10	51.99	26.47	24.09	...
Standard	390 00	413 12	100	87.80	57.97	192.85	2.93	117.97	277.89	162.09	5.57	123.93	62.71	159.60	...
4% 1st. R. C. P.	...	...	100	6.00	...	...	...	...	...	...	...	...	...	...	...
4% 2nd. R. C. pref.	...	...	100	6.00	...	...	...	...	...	...	...	...	...	...	...
Swadeshi Mills	161 00	217 0	100	100.00	98.00	8	29	87.61	251.02	133.03	6.78	128.67	29.65	4.39	...
5% Cum. preference	99 00	115 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Swan Mills	324 50	403 12	100	36.00	39.06	26.27	1.51	91.30	129.00	81.53	72	107.01	38.92	3	...
Tata Mills	37 00	50 0	25	65.58	41.50	15.25	18	55.75	201.67	80.31	3.43	100.85	20.41	9.01	...
5% Debentures	92 50	...	1000	39.51	...	...	...	...	...	...	...	...	...	...	...
Victoria Mills	227 50	370 0	100	16.00	19.90	9.68	57	50.93	67.57	46.04*	5.56	34.01	25.26	18.74	...
4% R. Cum. preference	...	...	25	8.00	...	...	...	...	...	...	...	...	...	...	...
Vijaya Mills	...	...	500	28.90	19.90	75.32	33	68.41	103.76	68.35*	7.59	53.94	30.74	1.68	59
4% 2nd C. P. T.	...	...	100	3.50	...	...	...	...	...	...	...	...	...	...	...
4% 3rd R. C. P. T.	...	...	100	2.80	...	...	...	...	...	...	...	...	...	...	...
Vishnu Cotton	97 40	141 4	100	32.00	13.96	15.26	17	111.23	174.27	117.95	7.66	107.08	39.02	23	7.98
7% Cum. preference T.	520 00	557 8	500	15.66	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 00%	...	...	50.00	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Basant Cotton	5 62	5 13	10	15.00	1.00	43	43	10.68	34.93	21.84	11.45	14.15	1.50	1.02	...
6 1/2% C. P.	7 56	7 6	10	5.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	425 0	425 0	500	8.50	...	...	...	...	...	...	...	...	...	...	...
Bengal Luxmi Cotton	32 00	40 0	40	7.11	9.11	...	59	44.55	73.14	52.70	25	40.88	5.50	38	...
Ord. partly paid	...	...	20	82	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	40	5.23	...	...	...	...	...	...	...	...	...	...	...
Bengal Nagpur	4 31	7 9	10	27.00	6.00	...	43	30.53	77.62	56.68	37	39.61	7.23	82	...
7% C. P.	75 00	85 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	89 00	95 0	...	4.00	...	...	...	...	...	...	...	...	...	...	...
Birla Cotton	34 50	35 0	10	35.00	87.72	8.26	2.77	59.69	125.01	96.70	14.69	86.93	46.98	16.54	...
Bowreah Cotton	112 00	123 0	100	24.00	1.50	...	1	114.05	108.25	51.28	53	78.85	14.20	1.01	...
8% 'A' C. P.	122 00	140 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...
7% 'B' Pref.	65 00	70 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...
Cawnpore Textiles	4 44	7 15	5	30.00	6.00	25.35	49	31.95	65.69	56.32	9.56	51.94	15.92	44	...
Delhi Cloth...	34 25	37 12	25	338.36	97.00	209.82	1.29	831.43	1116.22	581.67	36.56	888.98	155.73	36.37	...
Ordinary	...	...	24	1.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 1st & 2nd C. P	17 75	17 12N	25	20.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 3rd C. P.	17 75	17 12N	25	57.32	...	...	...	...	...	...	...	...	...	...	...
2 1/2% 4th C. P.	...	...	10	11.95	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	1000	...	...	...	...	...	...	...	...	...	...	...	...
Danbar Mills	116 00	190 0	100	19.00	26.17	...	3.50	101.28	115.17	74.68	56	82.66	25.37	89	...
Elgin Mills	13 12	26 4	10	63.00	5.00	83.47	79	84.09	154.58	135.58	69.00	100.35	66.06	2.14	...
8% C. P.	109 25	124 12	100	11.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	7 25	9 6	10	4.20	...	...	...	...	...	...	...	...	...	...	...
Jagatil Cotton	9 00	10 0	10	38.44	...	6.83	66	61.44	132.82	69.31	4.25	59.26	10.61	11.59	...
5% C. P. P	50 00	...	100	15.25	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	...	30.00	...	...	...	...	...	...	...	...	...	...	...
Jayshree Textiles	6 19	5 9	10	49.17	...	...	3	29.91	69.03	15.03	6	28.63	9.30	83	...
5 1/2% Debentures	...	...	1000	13.71	...	...	...	...	...	...	...	...	...	...	...
Kenoram Cotton	9 75	14 10	10	160.00	45.00	160.54	2.18	103.25	359.23	120.23	37.32	131.13	7.55	9.97	88
7% C. P.	91 00	113 8	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Mohini Mills	...	...	25	6.00	5.00	28.25	77	102.83	100.87	91.69	15.57	47.07	48.16	76.81	...
Ordinary	...	...	10	33.96	...	...	...	...	...	...	...	...	...	...	12.40
5% R. C. P.	...	...	10	19.96	...	...	...	...	...	...	...	...	...	...	...
Muir Mills	64 75	75 0	100	30.00	25.00	25.00	-51.31	105.33	164.51	115.59	1.05	105.64	7.36	1.05	...
6% C. P.	63 00	81 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...
New Victoria	1 28	1 13	2 1/2	22.90	...	46	-11.99	91.69	107.21	65.01	1.21	66.29	21.62	87	...
Deferred	...	...	1	3.07	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	3 25	4 14	5	26.05	...	...	...	...	...	...	...	...	...	...	...
Orissa Textiles	...	...	10	47.10	...	6.50	-3.45	210.47	188.56	50.00*	38	130.91	14.07	1.69	...
3% R. C. P.	...	...	100	24.99	...	...	...	...	...	...	...	...	...	...	...
Raza Textiles	...	...	10	60.00	...	62.66	-19.59	53.93	98.29	35.63	16.55	68.15	24.86	2.27	...
8 1/2% 'A' C. P.	...	...	100	7.50	...	...	...	...	...	...	...	...	...	...	24
6 1/2% 'B' C. P.	...	...	10	10.00	...	...	...	...	...	...	...	...	...	...	...
Sutlej Cotton	74 00	110 0	10	15.00	282.00	80.61	29.40	93.18	102.21	75.33	183.59	166.01	70.53	52.08	...
Swadeshi Cotton	11 94	12 8	10	17.50	60.00	175.23	8.36	440.81	513.52	181.84	182.31	258.04	107.33	14.65	...
Prefd. Ord.	10 31	11 14	10	157.50	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	86 00	90 4	100	35.00	...	...	...	...	...	...	...	...	...	...	...

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous Period	DIVIDEND PER CENT		
											Latest	Previous	Second previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA													
Alagappa Textiles	Ramal & Co Private. 74% C. P.	50,000	...	55.26	87.02	20.12	...	12-55	—1.09	—5.38	nil	nil	nil
Asher Textiles	Seena & Co.	20,000	...	...	58.73	20.84	...	6-56	6.87	5.04	15	12	11
Bangalore Woollen	Binny & Co. (Madras) Ltd. 6% C. P.	40,608	1,157	271.62	533.80	71.74	7.99	12-56	75.30	59.87	30	30	30
Buckingham & Carnatic	Binny & Co. 74% C. P.	120,288	2,762	372.65	936.68	114.48	10.47	12-56	91.31	110.63	10	10	10
Cannanore Spg.	K. Damodaran	20,000	...	...	63.808	...	51	3-56	9.11	6.69	15	12	20
Cambodia	Peirce Leslie & Co. Ltd. 7% C. P.	37,356	4	71.05	91.22	20.20	34	12-50	3.51	3.98	5	5	nil
Cauvery Spg.	Directors 64% C. P.	17,600	...	40.39	54.40	16.72	49	3-56	4.96	5.96	7	6	6
Coimbatore Cotton	R. Bheema Naidu & Co. 64% C. P.	28,864	...	...	78.148	...	1.67	12-54	11.17	12.72	25	20	9
Coimbatore Murugan	T. A. Ramalingam Chettiar 6% C. P.	23,660	100	...	57.56	15.07	1.30	12-55	6.91	7.52	20	17	9
Coimbatore Kamala	R. V. L. Naidu & Co. Partly Paid	17,264	24	...	29.658	...	35	12-52	—2.46	1.43	6	6	5
Coimbatore Pioneer	T. R. Narayanaswami Naidu 64% C. P.	28,194	...	...	71.74	6.16	2.00	12-55	16.38	15.17	20	20	15
Coimbatore Spinning	R. G. S. Naidu & Co. R. Hanumanthappa & Son	22,188	407	131.17	187.80	9.88	1.52	12-56	14.96	13.67	6	6	6
Davangere Cotton	M. Nanappa Chettiar & Sons V. C. V. Gounder & Bros.	25,216	300	...	79.81	29.61	2.46	3-56	13.90	8.59	9	12	12
Dhanalakshmi Mills	64% Cum. Pref.	38,052	201	...	92.57	45.4	2.61	12-55	22.53	20.46	30	0	20
Gnanambikai Mills	G. Venkataswami Naidu & Co. Umayambika & Co.	17,248	...	...	31.458	...	61	12-54	2.84	1.91	10	6	6
Janardana Mills	5% Debentures (1st) 5% Debentures (2nd)	23,784	...	...	65.11	6.19	...	12-56	5.47	4.93	20	20	10
Jawahar Mills	C. P. C. & Co. 6% C. P.	33,472	...	...	76.97	18.24	2.90	12-56	14.47	11.26	25	12	12
Kapila Textile Mills	74% R. C. P. Deferred	15,184	250	20.13	27.74	2.59	4	6-54	62	89	nil	nil	nil
Kasthuri Mills	C. N. V. Naidu & Co. Kothari & Sons	19,940	...	11.88	21.78	2.98	41	3-56	2.64	2.80	7	7	6
Kothari Textiles	6% C. P. 6% B. Preference	41,040	300	49.55	81.06	21.49	62	6-57	11.37	12.24	10	10	10
Lakshmi Mills	G. Kuppuswamy Naidu & Co. A. Class Ord.	93,160	201	137.81	272.22	...	8.27	3-56	58.40	45.51	25	25	20
Loyal Textile Mills	Thiagaraja Chetty & Sons Pri Ltd 5% Cum. Pref	24,242	2,24	57.06	86.64	24.57	1.02	6-56	10.31	6.28	7	25	20
Madura Mills	A. & F. Harvey Ltd. Directors	485,296	...	...	1527.71	41.71	12.07	12-56	114.50	96.59	17	20	20
Malebar Spinning	Beardell & Co. Private Directors	22,592	100	...	27.68	12.13	...	12-56	37.00	48.17	20	42	35
Mettur Industries	6% C. P.	25,656	603	73.26	151.27	40.38	3.91	3-57	3.30	—1.72	nil	nil	nil
Mysore Silk Filature	Directors	...	...	...	22.59	9.44	...	3-57	3.30	42	nil	nil	nil
Mysore Spun Silk	S. K. R. Naidu & Co. Partly Paid	10,016	...	...	34.97	...	18	3-56	(b) 4.22	99	6	6	nil
Palani Andavar Mills	Baghvalakshmi & Co. B' Ordinary	41,200	...	...	77.92	23.89	1.58	12-56	12.40	7.16	30	24	24
Pankaja Mills	C. S. R. Mudaliar & Sons A. G. Gurusamy Naidu & Co.	27,980	...	...	71.28	6.21	...	12-56	(y) 6.54	4.97	7	7	7
Radha Krishna Mills	B' Ordinary A' Ordinary	55,664	300	...	149.52	...	3.00	12-54	14.37	9.78	16	8	6
Rajapalayam Mills	Ramco Agencies Private Gudiyatham Textiles Pri	24,996	...	...	68.95	5.91	1.96	3-56	8.85	7.11	10	10	6
Rajawari Mills	Ordinary	8,400	...	...	23.50	...	48	12-55	5.47	4.51	12	7	7
Sri Ranga Vilas Ginning	P. S. G. Naidu & Sons Rajalacema Develop. Co.	3,128	88	50.80	65.45	...	1.76	12-55	6.22	(a) 5.14	16	12	7
Rajalacema Mills	Directors	14,800	...	...	52.13	7.08	73	12-55	8.62	8.69	10	10	9
Sri K. R. Rendra	V. S. Sengottiah & Bros. 7% C. P.	30,744	292	64.12	59.08	29.59	...	3-57	14.14	24.41	14	14	10
Sri Sarada Mills	Emette & Sons 5% Cum. preference	20,472	200	...	62.94	5.42	57	12-55	(a) 7.48	3.32	10	6	nil
Travancore Rayons	4% Debenture	...	...	95.01	193.60	61.21	3.57	12-56	66.79	52.48	7	7	7
Trichinopoly Mills	Mooljee Ramjee & Sons R. K. S. Chetty & Bros.	18,000	...	...	31.92	14.11	67	12-56	5.86	2.61	11	9	9
Vasanta Mills	61% Cum. preference 6% Cum. preference	44,424	...	112.87	161.06	18.97	2.22	12-56	21.86	19.92	20	20	15
Sri Venkatesa Mills	C. V. G. Naidu & Co. 6% Cum. preference	44,660	268	...	137.378	...	4.18	12-55	24.42	24.68	27	27	14
Vijayalakshmi Mills	Ba'krishna & Co. Thiagaraja Chetty & Sons Pri	26,536	2,00	28.48	43.25	...	71	12-56	3.50	3.17	10	10	6
Virudhunagar Textile	5% Cum. Pref. Deferred	...	...	...	23.328	...	...	12-55	1.19	...	10	10	10

[Includes stock on hand.

(a) After transferring Rs 4,45,718 from Depreciation, Renewal and Extension Fund and Rs 2,10,000 from Dividend Fund.

(b) After transferring Rs 2,49,697 from General Reserve.

(d) After transferring Rs 60,000 from General Reserve.

(g) After transferring Rs 24,07,416 from dividend Equalisation Reserve.

(h) After transferring Rs 3,27,000 from Dividend Fund.

(i) After transferring Rs 3,00,000 from Machinery Replacement Reserve and Rs 16,400 from Reserve Fund.

(k) After transferring Rs 70,000 from General Reserve and Rs 37,500 from Dividend Equalisation Reserve.

(m) After writing back Rs 2,89,446 being excess provision not required.

(n) After transferring Rs 8,02,125 from General Reserve.

MILLS—(Contd.)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	February 1958 Rs. np.	February 1957 Rs. as.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Other
			Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
SOUTH INDIA (Contd.)															
Alagappa Textiles	9 10	10 0	10	15.00	6.00	4.55	—11.13	40.00	60.86	29.09	3.30	22.19	21.88	28	...
74% C. P.	89 00	103 00	100	10.00	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	95 00	95 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Asher Textiles	...	217 0	100	11.99	5.00	...	4	25.72	31.37	15.64	1.08	23.45	3.38	13	...
Bangalore Woollen	172 00	543 12	100	40.50	116 00	134.16	2.83	82.67	339.77	260.70	29.74	222.13	36.67	2.45	12.09
6% C. P.	117 00	123 8	100	6.00	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	159 50	181 0	100	178.48	62.00	215.73	2.28	240.91	669.03	396.63	21.71	328.34	122.57	3.81	49.87
4% C. P.	135 25	142 12	100	21.30	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	990 00	1000 0	...	8.00	...	...	...	...	...	...	...	...	...	...	...
Cannanore Spg	156 00	177 0	100	15.00	5.11	...	9	15.73	47.31	23.63	6	10.08	1.83	29	...
Cambodia	...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	9 75	14 10	100	20.00	6.00	14.00	54	5.43	42.33	23.99	31	23.06	4.89	35	12
Cauvery Spg.	108 00	115 0	100	9.32	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	12 00	12 0	100	6.58	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	95 00	97 0	100	15.23	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	161 00	3 6 0	100	12.00	9.00	11.60	5	17.23	30.86	24.66	18.37	15.34	7.96	2.00	...
Coimbatore Murugan	125 00	...	100	12.10	4.15	3.07	...	24.30	33.96	20.61	2.49	17.31	10.89	31	...
5% C. P.	94 00	...	100	7.1	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Kamala	103 50	103 8	100	3.41	3.00	...	—2.46	30.32	21.29	8.85	...	16.48	6.04	3	...
Partly Paid	50 00	50 0	50	7.2	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer	230 00	275 0	100	20.00	...	19.40	14	24.97	36.59	24.26	12.73	15.51	11.89	59	...
64% C. P.	98 25	104 12	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	63 00	86 0	50	20.77	...	2.05	10	92.30	124.06	88.06	16	61.46	17.40	20	...
Davangere Cotton	...	...	100	24.40	12.00	33	18	44.09	67.23	34.91	13.16	34.68	13.81	20	...
Dhanalakshmi Mills	187 00	374 0	100	24.35	17.00	4.25	7	18.98	52.74	38.27	6.95	23.32	14.84	15.03	...
Gnanambikai Mills	130 00	160 0	100	9.27	2.76	...	...	11.70	16.99	8.06	...	11.49	3.04	48	...
54% Cum Preference	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills	78 50	108 8	50	8.90	8.56	2.10	...	10.75	31.40	19.97	1.20	8.21	4.12	5.35	...
Jawahar Mills	13 00	14 13	5	8.90	6.00	8.06	15	45.03	68.04	31.27	33	21.81	12.97	92	...
Ordinary	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures (2nd)	...	...	1000	4.16	...	...	...	...	...	...	...	...	...	...	...
Kapila Textile Mills	...	...	10	26.99	...	...	...	27.88	43.67	1.24	...	15.65	2.05	16	3.57
5% C. P.	...	...	100	6.99	...	...	...	...	...	...	...	...	...	...	...
74% R. C. P	...	...	10	1.05	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	2	2.00	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills	24 75	30 12	25	7.60	...	2.51	...	10.20	23.48	13.90	1.00	9.01	1.80	13	...
Kothari Textiles	10 35	15 12	10	42.00	8.00	11.25	92	61.62	105.81	38.28	3.56	57.69	79.1	1.17	3.93

TEA

NAME	Managing Agents/ Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. A. P.	Mds.	Rs. A. P.	Rs. 000		Rs. 000	Rs. 000			
Amiuckie	McLeod & Co. Ltd.	9,635	2 11 4	10,669	2 2 0	71	12-56	7,35	3,80	50	19	72
Ananda (Assam)	7% C. P. P.	5,868	1 10 4	5,077	2 15 0	52	12-55	2	5 72	106,044	44 64	149 62
Anandabag	Gill Arbuthnot & Co. Ltd.	7,333	3 0 0	6,260	2 7 11	53	12-56	5 11	1 51	124	10	80
Arcuttipore	Directors	3,788	1 11 1	3,613	2 7 11	4	12-55	60	1 83	nil	nil	nil
Atal	Gonka & Co.	4,512	...	3,165	1 11 2	30	12-53	2,50	-1 36	nil	nil	nil
	4 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Baghmari	McLeod & Co.	10,453	2 6 6	9,155	2 1 11	64	12-56	5,82	1 98	25	10	35
Baitakhal	Ramdudd Ramkisensass	4,715	1 12 7	...	...	13	12-55	67	2 51	5	15	10
Banarhat	Andrew Yule & Co. Ltd.	40,646	2 47	38,367	1 99	3,06	12-56	28,61	12 87	40	25	120
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Baradighi	Jardine Henderson Ltd.	18,263	2 0 1	17,728	2 11 7	1,05	12-55	4 53	15 30	30	65	30
Basmatia	Andrew Yule & Co. Ltd.	7,104	2 2 7	7,782	2 14 7	33	12-56	3 60	3 36	20	15	80
Batali	National Tea Corp.	9,862	2 4 11 1/2	9,097	1 12 7	74	12-56	6 98	4 25	20	50	80
Belgachi	National Tea Corp.	5,221	1 9 3	4,045	1 13 10	28	12-55	3 81	3 42	60	40	30
Beljan	Gill Arbuthnot & Co. Ltd.	9,543	3 1 11	8,758	2 9 3	69	12-56	7 14	2 82	100	20	100
Bhatkawa	McLeod & Co. Ltd.	15,778	2 2 3	17,728	1 13 8	84	12-56	6 37	5 12	25	25	65
Bijoynagar	D. C. Ghose & Co. (Private)	20,784	...	18,526	...	90	12-56	8 94	5 34	16	16	40
Birpara	Duncan Bros. & Co. Ltd.	15,537	2 2 8	13,808	2 0 3	...	12-56	(a) 5 79	2 23	5	20	...
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Bishnauth	Williamson Magor	48,494	2 11 11	47,073	2 7 1 1/2	1,88	12-56	18 58	7 70	8	8	...
Bloemfield	Gonka & Co.	1,658	3 1 0	1,491	2 0 7	9	12-53	24	-1 09	nil	nil	...
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Bokakhat	Octavius Steel & Co. Ltd.	44,50	2 8 1	4 55	2 2 0	12	12-56	68	-15	5	nil	10
Bormahjan	McLeod & Co. Ltd.	6,480	2 6 10	7,703	2 3 8	45	12-56	2 38	3 16	15	20	35
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Borpukhuri	Williamson Magor	7,854	2 7 7	7,597	2 3 5	19	12-56	2 22	50	15	10	35
Brooke Bond	Directors	42,966	2 12	45,093	1 94	...	6-57	18 52	16 70	17 1/2	12 1/2	47 1/2
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Carron	Duncan Bros. & Co. Ltd.	6,926	2 0 0	7 25	1 13 7	16	12-56	1 88	1 48	10	7 1/2	25
Central Cachar	Jardine Henderson Ltd.	8,738	2 0 4	9,239	2 8 10	9	12-55	(a) 1 00	6 74	nil	7 1/2	nil
Chamong	Williamson Magor	2,205	3 9 3	1,809	2 14 8	12	12-56	1 19	55	7 1/2	20	20
Chandypore	Jardine Henderson	8,466	...	8,755	...	9	12-55	50	66	1	nil	nil
Choonabutti	Andrew Yule & Co.	13,052	2 40	13,536	1 99	90	12-56	8 43	4 49	35	20	90
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Chundecherra	Octavius Steel & Co. Ltd.	8,623	2 0 0	8 251	2 1 0	57	12-56	5 36	6 64	6 1/2	6 1/2	6 1/2
Clevedon	Duncan Bros. & Co. Ltd.	6,065	2 1 4	6,347	1 14 9	18	12-56	3 89	6 61	30	55	10
Dauracherra	Duncan Bros. & Co. Ltd.	4,922	2 4 3	4,417	2 4 2	...	12-56	3 81	(y) 8 71	15	20	20
Dejo Valley	McLeod & Co. Ltd.	3,480	3 5 6	3,748	2 0 5	37	12-54	4 82	1 39	60	10	20
Desai & Purbuttia	Jardine Henderson Ltd.	14,610	2 8 10	13,887	2 13 10	78	12-55	(a) 2 17	10 04	10	40	20
Dhelakhat	James Warren & Co. Ltd.	9,018	...	7,864	...	47	12-55	10 43	12 32	25	25	15
Dhunerai	Directors	7,590	2 26	7,125	1 77	...	12-56	1 38	69	12 1/2	10	50
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	McLeod & Co. Ltd.	7,323	2 10 2	7,245	2 5 10 1/2	64	12-56	4 55	3 27	30	20	40
Dilaram	Directors	1,597	2 6 9	1,697	3 4 5	...	12-55	23	1 11	nil	21	nil
Dumakusi	Williamson Magor and Co.	8,527	2 88	8,688	2 24	48	12-56	4 77	1 86	30	20	60
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Dufflaghur	Williamson Magor and Co.	12,248	2 14 9	11,144	2 7 8	1,02	12-56	9 94	5 33	40	40	50
East India	Williamson Magor & Co.	13,074	2 11 5 1/2	14,424	2 13 4 1/2	33	12-56	3 25	1 98	10	10	35
Eastern Cachar	Octavius Steel and Co. Ltd.	5,009	2 1 0	4,894	1 12 6	17	12-56	-14	-29	nil	nil	nil
Ellenbarrie	Duncan Bros. and Co. Ltd.	5,611	1 15 10	4,803	1 14 7	10	12-55	64	(q) 2	5	nil	15
Engo	Andrew Yule and Co. Ltd.	2,454	1 96	2,659	1 67	5	12-56	15	-29	nil	110	...
Ethelbarrie	Directors	6,460	2 9 0	5,817	1 14 3	...	12-56	1 19	(r) 73	10	12 1/2	50
Gairkhat	Gill Arbuthnot and Co. Ltd.	12,938	2 5 6	10,941	1 14 1	82	12-56	3 14	(x) 49	10	nil	70
Gietle	Davenport and Co. Private Ltd.	2,852	3 01	2,947	2 11	...	12-56	52	-18	nil	nil	25
	6% F.	...	...	...	...	...	...	...	...	...	...	...
Gillapukhuri	Directors	8,247	3 0 9	7,494	2 7 2	...	12-56	4 94	(a) 3 38	30	35	80
Gobpur	Williamson Magor and Co. Ltd.	7,460	2 11 4	7,669	2 6 6	38	12-56	3 88	2 43	25	30	50
Gopalpur	Secretary	14,232	...	14,306	...	...	12-50	5 72	5 34	12	10	12
Grob	Octavius Steel and Co. Ltd.	24,712	2 6 4	24,359	2 0 0	1,45	12-56	12 67	8 03	32 1/2	25	50
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...
Gungaram	Duncan Bros. and Co. Ltd.	17,091	1 15 6	15,998	1 13 0	46	12-56	5 21	3 91	10	7 1/2	60
Hansqua	Duncan Bros. and Co. Ltd.	5,773	1 13 5	5,195	1 13 7	15	12-56	1 61	1 67	10	10	25
Hantapara	Duncan Bros. and Co. Ltd.	35,878	2 2 9	34,882	1 12 11	92	12-56	9 61	3 46	7 1/2	6	60
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Hasimara	Davenport and Co. Private	71,539	2 65	75,909	2 26	3,09	12-56	25 39	(d) 10 90	22 1/2	10	60
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
Hattikihra	Octavius Steel and Co. Ltd.	16,910	1 12 4	20,455	1 8 1	91	12-56	(o) 1 81	2 48	5	7 1/2	40
Hoograjuli	Andrew Yule and Co. Ltd.	5,730	2 34	5,878	1 71	16	12-56	1 76	-10	15	5	90
Hoolungoorie	Andrew Yule and Co. Ltd.	13,240	2 70	13,327	2 34	52	12-56	5 27	2 51	15	7 1/2	55
Huldibari	Davenport and Co. Ltd.	21,920	1 87	22,091	1 68	86	12-56	7 69	(w) 4 31	25	12 1/2	80
Jaybirpara	Andrew Yule and Co. Ltd.	6,826	2 11	5,780	1 78	20,14	12-56	2 02	-1 76	6	nil	65
Jayshree	Birla Bros Private Ltd.	...	...	...	...	...	12-56	(k) 31 50	22 93	10	10	10
	6% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Jeonktollie	Kettwell Bullen & Co.	9,970	2 5 5	10,400	1 15 2	59	12-56	6 25	3 76	115	86 1/2	120
Jutibari	Gill Arbuthnot and Co. Ltd.	10,594	2 12 10	8,952	2 3 1	74	12-56	4 84	-49	10	nil	35
Kalit	Octavius Steel and Co. Ltd.	3,274	1 9 9	3,483	2 0 3	14	12-56	-1	1 66	nil	nil	nil
Kalinugger and Khoree	Bullion Co. Ltd.	4,066	...	3,896	...	12	12-53	2 36	74	nil	nil	5
Kilcoot	Duncan Bros. and Co. Ltd.	14,691	2 2 0	12,835	1 14 10	71	12-56	6 35	3 87	20	10	41 1/2
Kingsley Golaghat	Directors	14,164	2 3 7	11,780	2 15 9	...	12-55	5 22	12 68	25	25	...
	6% preference	...	...	...	...	...	...	...	...	...	...	...
Kotamullai (m)	Duncan Bros. & Co. Ltd.	16,675	1 15 10	16,115	1 12 2	85	12-56	1 72	46	nil	nil	nil
	6% Pref.	...	...	...	...	...	...	...	...	...	...	...
Krishanbehari	Directors	3,929	1 12 10	34 69	2 15 0	...	12-55	87	2 8 1	10	25	9

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1958 Rs. n.p.	February 1957 Rs. A.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others
Amulckie	18 50	...	100	4.46	6.71	2.98	...	14.05	12.44	5.77	15	11.19	1.74	5.68	3.51
7% C. P.	53 00	...	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	27 00	44 14	10	2.77	3.00	2.70	3	6.37	8.64	3.48	3	6.32	1.72	1.64	...
Anandabag	20 50	24 8	10	7.00	2.25	4.15	50	14.95	12.23	3.34	...	9.67	3.66	6.66	...
Arcuttipore	9 00	12 0	10	3.00	1.75	...	—3.98	6.32	5.07	1.79	...	3.09	46	26	...
Atal	6 50	8 6	10	4.50	...	...	—2.30	5.68	12.63	2.59	...	2.42	1.49	1	...
4½% C. P.	6 12	4 0	10	3.00	...	...	...	...	...	...	...	...	...	...	...
6½% Debentures	...	...	1000	3.00	...	...	...	...	...	...	...	...	...	...	...
Baghmari	18 06	22 2	10	5.50	8.61	4.60	43	10.82	18.70	7.48	53	10.59	1.26	6.35	...
Baitakhal	8 75	7 12	10	4.00	2.25	...	56	2.58	7.48	2.52	50	1.94	1.14	2.35	...
6% Debentures	950 00	1000 0	1000	1.50	...	...	...	...	...	...	...	...	...	...	...
Banarhat	298 00	324 0	100	27.00	29.25	...	4.50	45.11	46.89	21.43	21.64	30.94	15.58	16.26	...
5½% C. P.	112 50	121 8	100	4.00	...	...	...	...	...	...	...	...	...	...	...
Baradighi	18 87	22 10	10	6.00	15.00	3.29	43	16.95	40.97	21.01	2	20.15	1.89	29	...
Basmatia	21 81	35 14	10	5.10	9.85	...	54	8.17	12.97	5.33	77	8.05	4.92	2.28	...
Bateli	18 62	26 12	5	3.30	3.25	1.85	1.30	9.89	12.64	7.97	...	6.59	4.80	3.52	...
Belgachi	59 50	62 8	10	2.50	2.00	1.40	38	10.91	3.17	1.43	124.3	2.32	1.38	39	...
Betjan	22 75	25 10	10	6.40	3.70	3.70	69	19.70	11.17	3.51	...	11.28	4.25	11.02	...
Bhatkawa	20 75	25 6	10	9.00	9.00	8.75	45	13.49	20.75	10.25	54	11.79	5.32	12.44	...
Bijonagar	...	...	25	8.69	14.25	7.45	2.22	17.89	25.87	7.17	6.18	17.51	5.98	2.15	...
Burpara	108 00	155 0	100	9.00	5.25	8.96	48	11.82	24.10	7.49	...	15.50	67	3.73	...
8% C. P.	112 10	129 0	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Bishnauth	19 00	21 4	10	93.00	7.00	6.00	3.16	49.16	63.88	28.40	3.22	52.53	5.76	1.33	...
Bloomfield	2 23	2 0	1000	4.00	...	...	—2.58	3.97	7.61	61	1	65	50	5	18
Debentures	...	...	1000	3.00	...	...	...	...	...	...	...	...	...	...	...
Bokakhat	15 00	25 4	10	6.00	2.00	50	39	7.57	11.47	2.51	1	5.55	23	27	1.44
Bormahian	17 00	18 7	10	7.50	4.53	2.75	36	6.68	10.50	3.35	...	7.78	2.47	4.84	...
6% C. P.	74 00	73 0	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Borpukhuri	15 25	18 8	10	4.50	1.50	33	68	9.53	12.06	4.84	1	7.78	1.52	1	...
Brooke Bond	17 37	21 6	10	35.00	5.35	6.61	5.45	41.87	81.81	29.08	40.73	18.91	7.86	8.99	...
6% C. P. T.	78 00	83 8	100	35.00	...	...	...	...	...	...	...	...	...	...	...
Carron	141 00	175 0	100	6.00	4.80	3.44	26	5.06	13.14	3.82	15	9.38	31	41	...
Central Cachar	72 00	64 0	100	10.00	3.75	2.14	5	15.02	25.56	8.74	3	8.78	2.50	1.40	1.40
Chamong	11 00	15 2	10	2.80	75	...	33	1.07	3.85	74	1	1.76	19	37	...
Chandypore	67 00	67 0	100	2.50	...	...	...	1.33	58	...	2	1.77	5	1.42	...
Choonabutti	263 59	301 0	100	9.00	12.00	43	1.51	13.55	17.04	7.99	8.98	12.51	2.31	5.63	...
6½% C. P.	114 00	125 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Chundeehera	27 50	27 2	10	3.00	4.50	3.45	1.18	22.74	10.31	3.98	2	11.71	3.41	12.26	1.14
Cleveland	...	...	10	4.00	3.50	2.93	42	8.31	7.89	2.24	1	7.29	1.69	6.65	...
Dauracherra	10 12	12 0	10	6.00	5.60	3.85	50	8.06	9.72	2.33	3.29	6.40	2.76	4.19	...
Dejoo Valley	50 00	50 8	10	1.20	2.00	...	6	4.11	5.56	1.86	1	4.77	58	31	1
Desai & Purbuttia	270 00	320 0	100	6.00	8.40	91	50	13.37	27.66	17.68	...	11.83	1.24	6.03	...
Dhelakhat	19 87	21 10	10	17.53	8.75	1.25	43	20.66	24.60	5.11	4.79	12.69	6.49	3.91	...
Dhunseri	11 37	19 8	10	4.69	2.70	...	1	5.42	8.00	4.33	3	6.00	94	68	3.95
7% C. P.	2 44	3 5	3	1.20	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	21 50	23 14	10	4.50	5.26	3.50	33	9.93	10.66	2.70	52	8.09	94	5.36	64
Dilaram	149 50	190 0	100	2.00	1.07	56	...	96	3.40	1.56	1	1.11	31	1.04	...
Dimakusi	20 25	26 14xd	10	4.73	4.50	60	1.17	7.99	13.24	6.20	1.48	8.22	1.87	1.06	...
8% C. P.	10 50	12 10	10	70	...	1.50	2.21	16.47	21.35	12.83	2.06	12.06	1.20	12.35	...
Dufflaghur	29 00	31 10	10	7.01	9.00	...	...	...	...	...	...	...	...	...	...
East India	17 62	25 4	10	10.00	5.00	1.00	1.13	18.58	27.72	10.70	1.15	13.16	4.35	2	...
Eastern Cachar	4 12	9 0	10	7.00	...	...	—1.34	7.01	8.82	4.33	1	4.33	40	56	...
Ellenbarrie	168 50	240 0	100	3.00	1.00	3.15	14	4.56	8.86	3.90	...	6.00	30	50	...
Engo	400 00	527 0	100	1.20	2.64	...	—31	1.51	4.63	2.63	2	2.22	54	27	...
Ethelbarrie	10 25	13 13	10	4.90	30	30	1	12.37	8.68	2.40	2.91	7.00	1.42	27	...
Gairkhat	150 00	268 0	100	7.50	2.70	3.50	42	19.36	17.69	9.56	2	19.03	5.13	1.18	...
Galle	9 06	25 0	10	2.00	1.76	1.24	—6	1.08	7.84	2.73	48	1.39	68	34	...
6% C. P.	75 00	87 8	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Gillapukri	27 00	31 12	10	5.04	4.05	41	18	14.04	11.82	4.90	8.18	4.65	3.88	15	...
Gopur	20 90	22 10xd	10	6.76	2.50	1.75	1.00	8.65	18.21	8.56	1.45	8.06	38	1.11	...
Gopalpur	19 75	40 10	25	10.50	5.00	4.98	1.32	7.66	17.66	7.49	3.12	8.26	3.94	3.96	...
Grob A'	21 62	32 8	10	7.42	9.00	10.83	93	31.01	35.86	8.64	5.00	27.74	4.33	1.53	...
Grob B'	11 50	16 12	5	3.61	...	...	...	...	...	...	...	...	...	...	...
Gungaram	120 00	192 0	100	13.44	8.60	13.53	1.04	12.10	25.00	8.55	5.57	22.07	2.23	2.29	...
Hansqua	23 75	25 0	10	5.00	5.10	5.34	17	5.25	12 48	3.34	2.71	8.17	77	26	...
Hantapara	111 00	187 8	100	36.00	15.25	23.58	1.83	23.64	59.25	18.38	5.08	44.83	5.01	5.00	...
8% C. P.	114 00	140 8	100	50	...	...	...	...	...	...	...	...	...	...	...
Hansmara	20 00	27 4	10	32.00	24.50	35.76	3.75	31.54	100.18	47.34	5.80	41.30	9.92	21.10	...
7½% C. P.	109 00	128 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Hatikihira	10 37	17 10	10	12.60	9.50	2.00	20	7.54	29.51	12.08	1	11.24	2.78	37	...
Hograjuli	28 00	30 0	10	5.00	5.75	...	39	4.61	9.28	3.55	52	5.75	1.31	2.44	...
Hoolungoonie	176 00	301 8	100	8.70	12.30	89	96	13.28	23.90	12.44	9	15.73	5.43	3.42	...
Huldibari	19 25	26 0	10	8.25	7.00	12.66	1.02	10.25	19.13	8.83	3.65	16.24	3.07	5.92	...
Jaypurpara	16 87	23 14	10	7.00	5.15	4.17	12	2.92	10.30	4.58	2	4.75	1.29	3.41	...
Jayshree	10 19	10 7	10	58.57	41.00	4.17	99	78.11	108.07	...	2.75	47.09	23.66	1.99	3
6½ R. C. P.	...	...	100	72	...	...	...	...	...	...	...	...	...	...	...
Joanktollee	...	...	10	1.20	12.21	4.00	1.56	12.60	12.33	7.53	2.23	7.79	1.35	14.82	...
6% C.P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
Jutlibari	15 50	25 10	10	9.80	4.25	2.60	24	14.61	15.61	3.88	...	14.78	2.57	1.61	...
Kalt.	6 37	8 0	10	2.46	...	...	25	9.81	3.03	24	2	2.93	3.18	3.11	49
Kallinagger & Khoreol	87 50	94 8	100	4.50	1.50	1.00	16	3.93	2.74	...	1.10	2.47	3.73	1.04	...
Killcott	12 75	21 8	10	9.00	7.00	8.24	66	14.30	19.24	6.07	3.07	15.46	1.64	5.85	...
Kingsley Golaghat	125 00	178 0	100	2.40	10.50	81	70	13.38	12.76	6.73	4.28	13.41	8.20	24	...
6% Preference	92 00	98 0	100	2.40	...	...	...	...	...	...	...	...	...	...	...
Kotamulai (m)	12 50	27 0	5	1.80	60	...	14	33.40	21.42	1.63	2	13.70	1.92	2.20	50
6% Pref.	16 50	25 8	25	2.18	...	...	...	...	...	...	...	...	...	...	...
Krishnabehari	11 00	16 12	10	3.00	2.1	25	3	7.85	9.31	1.53	25	2.81	2.61	5	...

TEA

NAME	Managing Agents/Secretaries	Total Crop in maunds	Average price per pound	Total Crop in maunds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PERCENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. a. p.	Mds.	Rs. a. p.	Rs. 000		Rs. '00	Rs. 000			
Kunchanpore	Duncan Bros and Co. Ltd.	3,810	2 0 9	4,356	1 11 6	10	12-56	8	...	nil	nil	27½
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	...	...	...	...	1	12-55	7	...	27	5	3
Lackatooah	Gill, Arbuthnot and Co. Ltd.	12,139	2 3 8	11,691	2 5 0	78	12-55	10,67	11,86	30	10	10
Ledo	Duncan Bros and Co. Ltd.	5,452	2 5 4	5,727	1 9 10	15	12-56	1,20	(v) 45	71	10	27½
Lingia	Williamson Magor & Co.	79,86	3 1 1	77,34	2 10 3	45	12-56	4,56	2,84	30	25	50
6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Longview	Daga & Co. Private Ltd.	9,536	...	6,581	...	7	12-55	1,22	8,93	5	20	10
Loobah	Octavius Steel and Co. Ltd.	38,30	1 9 5	4,615	1 4 9	20	12-56	...	...	...	...	...
Malhati	D. C. Ghose & Co. Private	13,306	2 0 4	13,581	1 9 2	65	12-56	6,56	5,51	20	20	60
Manabarie	Directors	6,572	1 14 0	6,287	1 12 7	...	12-56	1,42	...	...	...	...
Manipur	Gill, Arbuthnot and Co. Ltd.	4,958	1 13 5	4,238	1 0 0	25	12-53	2,06	...	...	...	...
Margaret's Hope	McLeod and Co. Ltd.	4,419	2 4 7	1,928	3 9 1	27	12-55	...	...	...	...	...
Marionbarrie	Lohia Bros Private Ltd.	2,016	...	5,558	...	19	12-55	2,15	4,52	25	40	25
Maud	Lohia Bros Private Ltd.	5,484	...	2,20	...	19	12-55	6,05	4,78	20	17½	45
Methoni	Octavius Steel and Co. Ltd.	10,570	2 10 7	11,215	2 5 5	70	12-56	32	75	10	15	40
Mim	Andrew Yule & Co. Ltd.	2,092	3 4 4	2,068	3 1 6	5	12-56	(b) 11	2,87	nil	nil	nil
Moheema	Duncan Bros Ltd.	4,560	1 11 7	4,507	2 9 1	24	12-55	3 29	2,87	60	50	65
Mothola	Kettlewell Bullen & Co.	7,042	2 52	6,996	2 27	33	12-56	4,43	2,75	20	12½	45
Murphulani (Assam)	Andrew Yule & Co. Ltd.	5,244	3 0 5	5,162	2 47	47	12-56	...	...	...	...	...
Preferred Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Naga Hills	Directors	8,344	1 11 0	7,310	2 13 9	...	12-55	1,27	8,04	20	100	30
Nagaur	Duncan Bros.	11,299	2 0 3	12,237	1 12 1	26	12-56	(a) 3 43	2,37	15	70	40
Nagri Farm	Williamson Magor	5,416	2 15 10	5,429	2 4 0	34	12-56	3,14	92	35	15	50
Namburnadi	Directors	5,767	1 14 4	4,801	3 0 0	...	12-55	67	4,66	10	30	nil
New Assam Valley	Macneil Barry	8,042	2 10 9	7,602	3 5 2	3,08	12-55	5,29	9,12	40	50	17½
New Chumta	Davenport & Co. Private Ltd.	7,036	1 8 6	5,792	1 6 5	22	12-56	2,97	1,25	25	15	55
New Chumta	Duncan Bros. & Co. Ltd.	5,930	2 4 9	4,701	2 0 1	10	12-56	46	(c) 32	nil	nil	10
New Cinnatollah	Andrew Yule & Co. Ltd.	19,225	2 3 6	20,444	1 9 5	1,23	12-56	11,75	7,54	35	25	110
New Doora	6½% C. P.	...	...	...	...	...	...	...	...	...	...	...
New Samanbagh	Shaw Wallace & Co. Ltd.	12,241	2 2 10	12,665	1 15 8	76	12-55	(a) 11,13	12,52	25	nil	6½
Nilpur Tea	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
N. W. Cachar	Williamson Magor & Co. Ltd.	3,035	2 3 8	2,499	1 15 9	17	12-56	1,59	...	8	8	67½
Okayti	Directors	9,837	1 10 7	9,165	2 15 6	...	12-55	3,88	9,11	15	20	nil
Odlabari	Duncan Bros. & Co. Ltd.	2,289	3 1 0	2,102	2 6 4	8	12-56	24	2	nil	nil	37½
Octavius Steel & Co. Ltd.	7% C. P.	...	...	...	...	...	...	1,29	8,38	12½	7	20
Pathemara	Octavius Steel & Co. Ltd.	5,100	1 7 5	6,078	1 4 9	19	12-54	...	...	...	...	...
Patrakola	Duncan Bros. & Co. Ltd.	47,759	...	50,254	...	1,59	12-54	29,97	(a) 65,01	25	65	30
Phaskowa	Duncan Bros. & Co. Ltd.	3,021	2 3 8	2,987	1 12 5	10	12-56	77	...	...	...	...
Poobang	Duncan Bros. & Co. Ltd.	1,948	2 5 7	2,060	2 5 11	10	12-56	(a) 15	...	...	...	...
Pussimbang	Davenport & Co. Private Ltd.	1,836	2 5 6	361	2 6 6	11	12-56	...	...	...	...	...
7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Putinbarre	Directors	1,690	3 10 5	2,573	0 12 0	36	12-54	...	...	...	...	...
Rajabhat	McLeod & Co. Ltd.	11,267	2 9 6	10,988	1 14 4	95	12-54	2,24	1,11	45	15	nil
Rajgarh	Andrew Yule & Co. Ltd.	6,013	2 6 5	5,532	2 17	37	12-56	11,00	4,25	60	15	nil
Ranicherra	Shaw Wallace & Co. Ltd.	5,127	1 12 4	4,760	1 14 8	18	12-55	3,66	1,41	40	25	75
Ranicherra	McLeod & Co. Ltd.	11,813	2 5 1	12,884	1 14 0	70	12-56	(n) 2,66	10	nil	nil	nil
Ranicherra	McLeod & Co. Ltd.	7,105	1 15 0	8,453	1 10 0	30	12-56	8,48	3,86	20	15	30
Rungacherra	Duncan Bros. & Co. Ltd.	8,414	2 1 6	9,075	1 13 3	33	12-56	3,43	1,51	5	15	10
Rungacherra	Duncan Bros. & Co. Ltd.	2,629	3 1 0	2,098	2 9 4	12	12-56	1,18	3,33	20	20	55
Rungacherra	Jardine Henderson Ltd.	25,846	...	23,875	...	1,97	12-55	11,38	28,29	50	100	50
Rydak	...	...	...	...	...	...	...	...	...	...	...	...
Sapoi	Directors	16,218	2 11 0	14,230	2 3 0	...	12-56	7,10	(a) 2,66	25	25	45
Saragaon	Directors	7,524	2 14 4	7,490	1 15 7	45	12-54	11,43	3,17	11½	12½	30
Seajuli	Williamson Magor & Co.	44,99	2 10 10	4,601	3 7 4	8	12-55	73	3,96	15	40	30
Seeyok	Directors	2,470	2 13 1	1,992	2 3 0	...	12-56	51	(u) 3	nil	nil	15
Selimong	Gill, Arbuthnot & Co. Ltd.	2,532	3 12 5	2,271	3 1 0	22	12-56	92	...	...	...	...
Singell	Hoare Miller & Co. Ltd.	2,717	2 6 8	2,985	2 5 3	6	12-56	74	...	...	...	...
Singora	Goenka & Co. Ltd.	3,300	3 2 4	2,796	2 6 2	38	12-54	3,13	1,57	5	nil	5
5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Sonai River	Directors	4,521	1 9 3	5,617	2 6 9	...	12-55	...	...	...	...	...
8% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Soom	Williamson Magor & Co.	3,723	3 6 7	3,633	2 9 11	38	12-56	3,60	1,57	40	37	50
Sungma	McLeod & Co. Ltd.	4,725	3 9 7	4,685	2 7 3	44	12-56	4,08	...	...	...	...
Taipoo	Gill, Arbuthnot & Co. Ltd.	5,205	2 2 10	4,594	1 12 2	26	12-56	1,07	...	...	...	...
Ten Ali	Octavius Steel & Co. Ltd.	7,735	2 9 8	7,548	2 2 6	50	12-56	4,72	1,79	30	25	40
Teesta Valley	Davenport & Co. Private Ltd.	4,828	3 17	4,506	2 6 2	10	12-56	3,23	1,48	25	15	45
Teliapara	Duncan Bros. & Co. Ltd.	13,726	2 1 0	11,016	2 3 8	41	12-56	9,24	(f) 17,27	15	25	50
Telojan	McLeod & Co. Ltd.	9,653	2 8 7	10,032	2 1 7	78	12-56	5,83	3,67	35	25	65
Tengpani	Gill, Arbuthnot & Co. Ltd.	7,619	3 1 1	7,465	2 6 10	57	12-56	4,43	1,42	10	71	50
Tezpor	Shaw Wallace & Co. Ltd.	31,709	2 4 7	32,034	1 13 3	1,83	12-56	9,71	(p) 8,99	12½	15	8
8% pref. cum as to 5	...	...	...	...	...	...	...	...	...	...	...	...
Tilak	Daga & Co. Private Ltd.	...	...	...	...	...	...	...	...	...	...	...
Tirrihannah	McLeod & Co. Ltd.	8,585	1 14 11	7,116	2 10 2	48	12-55	3,85	6,95	30	40	10
10% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Tongani	Daga & Co. Private Ltd.	7,394	1 11 10	4,911	2 10 3	30	12-55	1,73	...	...	...	...
Tukvar	Williamson Magor & Co.	9,186	2 9 2	8,867	2 2 4	10	12-56	...	...	...	...	...
Tycoon	McLeod & Co. Ltd.	15,118	2 14 5	15,493	2 6 3	64	12-56	12,39	...	...	...	...

(d) After transferring Rs. 3,50,000 from General Reserve.

(f) After transferring Rs. 11,50,000 from provision for taxation.

(g) After transferring Rs. 1,00,000 from Reserve and Rs. 42,000 Dividend Equalisation Reserve.

(i) After transferring Rs. 1,75,000 from Revenue Reserve; Rs. 49,000 from Building and Machinery Reserve and Rs. 20,000 from Taxation Reserve.

(k) After writing back Rs. 2,75,000 from provision for taxation and including the credit balance of the Profit and Loss Account of Rishchehat Tea Co. an amalgamation.

(m) The Indian Estates of The Patrakola Tea Co. Ltd were transferred to this company at book value as on 1-12-1954.

(n) After writing back Rs. 1,51,566 being provision for taxation in part provided in 1954.

(o) After writing back Rs. 20,000 from excess provision for taxation and Rs. 34,250 from excess provision for liabilities.

(p) After transferring Rs. 1,50,430 from General Reserve.

(q) After transferring Rs. 40,000 from Revenue Reserve.

(r) After transferring Rs. 98,000 from General Reserve.

(s) After transferring Rs. 1,65,000 from General Reserve.

(t) After transferring Rs. 1,00,000 from Revenue Reserve and Rs. 1,20,000 from Building and Machinery Reserve.

(u) After transferring Rs. 90,000 from Revenue Reserve.

(v) After transferring Rs. 1,75,000 from Revenue Reserve.

(w) After transferring Rs. 1,25,000 from General Reserve.

(x) After transferring Rs. 1,50,000 Revenue Reserve.

(y) After writing back Rs. 5,50,000 from Taxation Reserve.

(z) After writing back Rs. 45,25,000 being excess provision for taxation.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1958	February 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	
	Rs. np.	Rs. A.													
Kunchanpore	7 62	10 2	10	3.60	1.50	1.74	3	1.06	5.72	2.41	...	3.70	47	46	...
Kyung Tea Seeds	5 00	5 4	10	2.00	35	...	1	27	1.83	...	42	2	22	15	...
Lackatooah	20 00	19 8	10	4.00	5.50	2.06	1.95	25.88	10.78	3.50	3	7.43	2.65	22.00	...
Ledo	1 12	22 3	10	6.50	1.90	10.08	17	3.90	11.01	3.69	5.65	6.87	58	2.16	...
Lingia	16 75	25 0	10	7.00	2.00	61	54	9.06	14.03	6.33	3.58	7.26	1.54	4.13	...
6% C. P.	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Longview	9 25	11 9	10	10.32	6.00	5.68	20	8.75	25.77	5.19	2.09	7.01	1.13	14	...
Loobah	5 19	5 9	10	5.64	...	58	56	7.33	6.61	83	3	2.89	3.18	1.10	...
Malhati	21 00	15 14	10	9.00	13.80	4.77	2.94	12.65	23.97	7.20	5.19	14.68	3.36	2.26	...
Manabbarie	68 00	70 0	10	2.00	4.20	93	28	6.69	4.66	2.89	...	4.81	4.50	70	2.12
Manipur	...	...	100	4.20	2.10	40	-6.20	8.82	7.31	1.80	...	3.26	32	22	...
Margaret's Hope	11 12	16 8	10	4.00	2.00	2.00	-1.52	3.78	6.81	3.69	2	4.41	1.32	2.72	...
Marionbarrie	...	...	10	1.54	...	...	...	10.27	10.43	1.48	2	84	45	3	...
Maud	15 00	15 12	10	4.00	5.00	1.00	11	8.84	15.41	3.45	1.38	4.88	1.42	1.31	...
Methoni	14 47	19 0	10	10.00	7.00	3.80	38	11.62	20.34	5.74	2.10	12.96	2.01	1.05	10
Mim	201 00	255 0	100	1.59	3.35	15	17	1.26	4.35	1.84	1	1.93	55	1.51	...
Moheena	24 03	24 12	10	4.80	...	30	1	5.43	10.09	2.43	...	5.43	30	35	...
6% C. P.	8 31	9 3	10	3.20	...	...	...	...	...	...	...	...	...	...	...
Mothola	450 00	390 0	100	1.50	8.20	...	1.00	7.86	8.97	4.90	...	6.40	1.16	6.87	...
Murphulani (Assam)	30 00	35 2	10	1.75	6.55	...	39	8.13	10.14	5.76	1.02	7.31	2.32	3.80	...
Prof. Ord.	31 00	35 2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Naga Hills	34 00	33 4	10	4.00	3.36	52	6	7.15	6.68	3.90	3.93	5.95	1.26	1.14	...
Nagaisur	113 00	190 0	100	9.60	10.15	9.00	39	6.96	23.76	8.05	4.22	10.19	85	3.13	...
Nagri Farm	20 87	24 10	10	3.00	2.50	75	65	6.12	5.97	1.71	85	3.33	57	3.84	...
Namburnati	11 87	20 0	10	5.55	1.75	...	2	4.81	10.84	4.71	...	3.80	34	1.66	...
New Assam Valley	...	...	225	6.75	4.50	1.00	63	12.56	9.62	3.71	53	1.62	57	5.81	...
New Chumta	33 10	43 8	10	3.00	2.00	6.93	77	3.90	6.49	2.47	3.55	6.44	1.12	56	...
New Ginnatolia	112 00	105 0	100	5.00	25	1.36	5	5.29	6.65	2.81	...	7.01	29	81	...
New Dooars	255 00	309 0	100	14.00	20.00	55	1.98	21.91	21.31	9.41	20.84	14.96	4.98	7.56	...
6 1/2% C. P.	115 00	125 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
New Samnibagh	19 60	21 4	10	4.00	4.00	6.08	53	14.68	9.65	4.45	1	5.40	1.54	18.13	...
8% C. P.	100 00	100 0	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Nilpur Tea	...	...	100	1.49	60	...	41	2.88	2.31	1.16	1	2.40	15	1.68	...
North Western Cachar	90 00	210 0	100	7.00	5.00	1.50	1.22	7.49	8.25	...	...	76	12.36	84	...
Okayti	440 00	600 0	100	1.00	...	98	10	1.52	4.55	2.31	...	1.54	28	4	...
7% C. P.	93 00	100 0	100	50	...	...	...	...	...	...	...	...	...	...	...
Oodlabari	20 50	20 2	10	3.20	6.50	2.30	8	6.45	7.95	1.68	5.95	4.50	1.26	55	...
Pathemara	5 44	11 8	10	2.59	...	...	-93	8.28	4.38	54	1	5.48	31	30	...
Patrakla	111 00	162 0	100	36.00	38.00	17.35	1.88	90.23	59.89	23.58	3.85	54.42	36.16	52.71	...
Phaskowa	82 50	190 0	100	2.50	2.00	1.84	9	1.72	5.06	1.85	...	3.65	19	1.10	...
Pooabang	5 75	9 0	10	3.00	1.05	1.64	1	1.29	6.18	2.39	85	2.13	20	...	...
Pusnibang	9 87	10 0	10	2.05	1.13	93	-2	1.27	5.13	79	48	1.42	1.08	10	...
7% C. P.	95 00	85 0	100	2.05	...	...	...	...	...	...	...	...	...	...	...
Rainbarree	48 00	56 8	10	1.00	1.10	75	10	1.86	1.60	60	...	21	1.96	1.64	...
Rajabhat	14 87	21 8	10	6.00	7.01	4.50	34	11.38	10.23	4.37	2	8.93	1.58	12.85	...
Rajgarh	40 12	39 8	10	2.00	8.53	40	41	6.55	8.81	4.28	1.52	6.16	2.10	3.18	...
Rainagar	11 00	15 8	10	3.20	1.00	40	1.67	3.78	7.56	4.11	1	4.19	1.36	1.04	...
Raincherra	15 19	16 8	10	7.65	7.00	6.43	25	11.40	22.08	12.37	54	12.11	3.32	6.31	...
Roopacherra	14 00	20 8	10	2.60	2.81	1.15	14	6.95	6.63	2.41	1	7.41	1.07	8	84
Rungamattae	59 50	97 0	50	5.25	5.75	5.68	36	7.89	13.23	3.64	1.42	8.94	1.81	3.17	...
Runglee Rungliet	360 00	370 0	100	1.40	2.70	2.31	20	3.20	3.90	2.02	4.02	2.41	57	94	...
Rydale	27 25	34 8	10	7.46	23.50	7.80	1.01	23.28	50.34	27.94	4	30.69	2.33	8.13	47
Sapoi	23 75	30 2	10	9.00	1.54	2	53	23.68	23.97	9.35	6.04	8.46	5.58	7	...
Sarugaon	32 25	37 0	10	3.46	5.25	1.73	1.08	9.86	10.38	4.93	2	9.08	2.72	4.10	...
Sasuli	18 25	32 12	10	2.49	2.50	40	29	5.92	6.99	5.93	...	6.04	29	1.19	2
Saeyok	12 00	14 8	10	3.00	8.00	1.51	22	3.43	5.84	2.03	...	1.33	34	83	...
Salimbong	...	...	100	3.00	1.05	10	...	...	...	...	1	2.70	94	33	...
Singell	12 87	13 1	100	6.25	...	1	-7.35	9.04	6.91	99	...	1.35	1.54	17	...
Singlom	5 00	6 1	10	9.00	65	...	4	2.70	11.20	1.94	2.10	1.67	1.37	98	...
5% C. P.	7 12	7 4	10	3.00	...	...	...	...	...	...	...	...	...	...	...
Sonai River	12 00	15 6	100	4.00	2.00	3.39	-1.68	1.95	10.55	3.53	3	2.67	59	37	...
8% C. P.	93 00	100 0	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Soom	25 50	26 8	10	3.00	3.00	1.10	1.26	5.07	7.09	3.60	1.49	2.06	99	5.40	...
Sungma	10 50	9 13	10	6.25	3.50	3.49	23	4.66	16.29	3.89	3	4.74	69	2	...
Taipoo	...	...	10	5.00	2.05	50	12	9.02	9.89	3.60	1	9.07	1.30	3	...
Ten Ali	26 31	25 0	10	4.50	6.00	2.50	26	8.45	12.80	4.58	1.97	8.40	1.46	1.66	...
Tecta Valley	20 19	37 4	100	9.00	15.00	6.24	62	18.15	18.78	6.00	4.05	2.81	1.19	4.62	...
Teliapara	114 00	175 0	10	5.98	8.54	3.45	65	10.45	12.50	4.42	...	9.95	3.15	6.54	82
Telojani	27 87	24 1	10	8.00	2.00	2.85	43	15.03	11.51	3.30	...	10.84	3.12	6.15	...
Tengpani	39 00	119 4	10	19.82	12.75	...	72	28.56	41.80	17.71	80	29.96	5.70	3.36	...
Tezpore	15 12	20 6	10	2.05	...	...	...	...	...	...	...	...	...	...	...
8% Pref. Cum. as to 5	11 12	12 4	10	3.75	3.75	56	-30	...	...	1.94	...	...	...	...	...
Tikah	9 00	12 8	10	2.20	4.00	3.00	29	17.50	16.15	4.39	1	8.77	1.70	85	...
Tirrihannah	25 00	32 4	10	1.00	...	...	...	...	...	...	...	6.91	1.56	5.79	...
10% C. P.	14 00	12 12	10	6.00	3.90	...	15	6.30	13.86	2.34	...	...	...	...	...
Tongani	8 00	12 0	10	8.01	2.50	11	-2.94	11.91	16.71	4.43	2	5.44	48	17	...
Tukvar	7 75	11 8	10	5.20	10.00	11.00	87	25.79	28.41	12.46	53	16.80	1.60	16.26	1.72
Tycoon	41 75	45 8	10	...	...	...	...	...	...	...	...	...	...	...	...

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed Mds. 000	Sugar Produced Mds. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Balrampur	Begg Sutherland	45.92	4.40	95.26	47.59	62	6-55	4.15	8.95	14	15	nil
Basti	Narang Bros.	59.89	...	85.92	106.65	1.55	4-55	12.59	13.81	10	10	10
Belapur Co.	Ord. B. Class	...	...	...	...	...	...	...	...	10	10	10
Beland	W. H. Brady & Co.	...	...	147.07	47.68	7.44	9-57	70.43	52.24	36	32	32
Bharat	Bangur Bros. Ltd.	37.65	3.76	100.16	36.57	2.05	9-56	10.77	4.31	134	10	10
Bhopal	Cotton Agents Private	2,256	...	7,331	3,233	49	6-57	5.02	(13.14)	15	15	15
Buland	2% R. C. P. T.	12.29	1.11	24.98	12.13	...	9-55	4.40	(7.21)	10	10	64
Carew	Bhiwandiwala & Co.	36.39	3.48	131.65	25.27	1.70	10-53	22.84	6.97	10	74	10
Cawnpore	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Champan	Govan Bros. (Rampur)	...	...	...	...	...	...	...	...	...	...	...
Decan	Gladstone Lyall & Co. Ltd.	85.75	...	292.50	114.83	1.91	6-56	10.01	6.28	nil	24	74
Deoria	64% R. C. P.	...	...	...	...	...	...	...	...	64	64	64
Darbhang	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Dyer Meakin	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
East India	Begg Sutherland & Co. Private...	71.45	6.38	164.95	43.89	1.06	10-56	(a) 13.15	(b) 17.57	74	74	74
Ganesh	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ganga Sugar	Begg Sutherland & Co. Pri. Ltd.	56.22	5.43	102.31	107.87	1.33	6-56	(c) 10.75	(d) 12.85	10	15	10
Gwalior	Parry & Co. Ltd.	...	...	228.07	...	2.34	5-56	26.57	17.17	15	10	nil
Harinagar	7% preference	...	...	...	...	...	...	...	...	7	7	7
India	K. C. Thapar & Bros.	10.60	...	62.44	2.50	80	8-54	2.18	2.92	74	10	5
Jagatit Sugar	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Jeyore	Directors	28.65	2.99	70.36	18.31	...	8-54	9.94	16.78	15	15	74
K. C. P.	Dyer Meakin Breweries	...	...	93.27	...	...	3-55	7.71	5.90	114	10	10
Kirlampudi	East India Distill'ry (S)	...	...	...	...	...	9-56	5.79	3.60	15	10	10
Madura Sugar	7% R. C. P.	...	...	...	...	...	...	...	...	7	7	7
Modi Sugar	Jaipur & Sons Ltd.	27.02	2.80	72.64	15.88	...	10-56	4.10	4.59	10	124	15
Mohini	Directors	39.44	...	100.78	85.23	...	3-55	19.05	...	20	15	...
Murree Brewery	Sir J. P. Srivastava & Sons Pri.	26.91	...	43.70	38.46	1.01	6-56	9.71	...	6	nil	...
Mysore	7% R. C. P.	...	...	...	...	...	...	...	...	7	7	7
Nawabganj	Narayanlal Bansilal	...	...	126.91	38.01	1.07	9-53	9.36	7.28	74	74	74
New India	Ordinary	...	...	...	...	...	...	...	...	...	...	...
New Nizam	India Sugar Agencies	24.369	...	117.54	...	1.36	9-55	11.85	11.06	11	174	25
Phaltan Sugar	74% C. P. T.	...	...	...	...	...	...	...	...	74	74	74
Punjab Sugar	Narang Bros & Co.	28.18	...	31.28	54.99	60	4-55	4.28	4.25	10	10	10
Ramnagar	R. S. Indus. Corp.	...	...	...	...	21	6-55	3.06	4.98	10	10	10
Ratna Sugar	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Ravalgaon	V. Rymakrishna Sons Pri. Ltd.	2.15	20	...	...	...	6-56	29.01	14.73	74	74	74
Raza	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Ryam	Deferred	...	...	...	...	...	...	...	...	...	...	...
Samastipur	Kubera Sugar Managers Private	...	...	69.31	54.18	10	6-56	6.51	5.68	100	100	100
Shree Anand	54% C. P.	...	...	...	...	...	...	...	...	...	...	...
Shree Chanddeo	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna	Pandia Rajan & Co. Private	538	...	30.20	1,389	...	7-57	5.51	6.44	nil	nil	nil
Gyanoday	R. B. Multanilal & Sons	41.73	...	231.48	...	1.62	10-55	9.27	10.94	6	64	10
	Ord. Share	...	...	...	...	...	...	...	...	...	...	...
	K. C. Thapar & Bros.	...	...	21.43	6.83	6	11-54	-1.50	1	nil	nil	nil
	Founders	...	...	...	...	...	...	...	...	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Debenures	...	...	...	...	...	...	...	...	...	...	...
	Directors	...	...	...	...	...	...	...	...	...	...	...
	Mysore	...	...	291.76	60.84	...	6-56	14.79	15.27	20	20	20
	Directors	...	...	...	...	...	...	...	...	...	...	...
	Narang Bros.	14.92	...	58.93	86	45	10-54	1.84	4.20	6	10	6
	B' Class	...	...	...	...	...	...	...	...	6	10	6
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Cotton Agents Private	5.153	...	14,749	5,883	1.38	6-57	1.484	8.24	25	25	25
	54% R. C. P. T.	...	...	...	...	...	...	...	...	54	25	54
	7% C. R. P. P.	...	...	...	...	...	...	...	...	...	...	...
	K. C. Thapar & Bros.	23.69	3.31	...	...	6	5-55	2.47	96	21	24	24
	Hyd. Govt. Indus. Trust Fund	...	...	905.40	173.61	3.59	6-55	43.11	61.84	18	18	18
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	4% C. P.	...	...	...	...	...	...	...	...	4	4	4
	Mafatlal Apte & Kantilal	1.258	...	90.77	34.80	3.50	9-56	27.30	25.95	18	16	16
	Narang Bros	18.43	...	71.47	73	54	10-54	3.59	...	10	10	...
	Begg Sutherland & Co. Private	25.97	2.66	66.20	20.35	48	10-56	(b) 6.70	6.75	74	74	74
	10% C. P.	...	...	...	...	...	...	...	...	10	10	10
	Anderson Wright Ltd.	23.45	...	128.65	9.48	2.65	8-55	21.12	7.24	20	15	20
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Ratna Agents	...	...	43.29	27.18	52	6-55	3.12	1.17	3	nil	3
	9% C. P.	...	...	...	...	...	...	...	...	9	9	9
	Walchand & Co. Private	...	...	132.56	42.66	3.01	9-56	26.46	13.26	24	18	44
	54% Cum Pref.	...	...	...	...	...	...	...	...	54	54	54
	Deferred	...	...	...	...	...	...	...	...	7	7	7
	Debenures	...	...	...	...	...	...	...	...	...	...	...
	Govan Bros. (Rampur)	35.67	3.37	137.40	23.65	1.29	10-53	11.59	3.28	15	74	124
	Directors	25.77	2.69	43.82	52.31	...	6-56	6.74	...	174	74	5
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Begg Sutherland & Co Private...	28.15	2.64	43.08	46.95	26	6-56	(i) 2.15	(c) 1.30	nil	nil	5
	Directors	15.55	1.52	46.37	17.31	...	9-56	1.56	2.63	24	nil	5
	Debenures	...	...	...	...	...	...	...	...	...	...	...
	A. H. Bhiwandewalla & Co.	19.04	73	57.51	22.28	11	9-56	13.24	11.49	40	16	8
	Sahu Jain Ltd.	74.73	7.46	236.23	128.73	1.22	7-56	14.69	18.67	10	174	15
	6% A' Pref.	...	...	...	...	...	...	...	...	6	6	6
	5% B' Pref.	...	...	...	...	...	...	...	...	5	5	5
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1958	February 1957			General	Other	Carry Forward				Investments	Stocks & Stores	Outstand- ings	Cash	Other
	Rs. np.	Rs. A.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Balrampur	6 06	6 13	5	14.00	4.50	10.91	21	68.63	39.45	28.98		56.73	29.71	1.34	
Basti	120 50	120 8	100	12.00	9.50	19.47	25.30	105.69	52.26	34.74	21.85	117.42	15.36	2.43	
Ordinary 'B' Class			10	3.00											
Belapur	235 00	228 4	50	70.50	75.19	43.24	3.00	90 14	150.48	198.77	22.79	116.52	14.02	87.02	
Beland	9 94	10 12	74	19.49	6.75	1.00	73	45.99	33.76	25.31	36	45.02	19.06	1.08	
Bharat	12 00	17 0	10	15.00	6.50	7.01	8	3,146	1,929	1,341	1,285	3,608	9.57	67	
5% R. C. P. T.			100	5.00											
Bhopal	20 76	18 8	10	17.50	8.87	37	5	8.22	33.04	21.37	3.34	20.58	9.89	1.96	
5% C. P.	94 00	94 0	100	12.50											
Buland	13 56		10	33.57	36.00	5.36	3	28.08	41.33	19.37	34.22	3.19	8.85	47	
Carew	6 69	7 4	10	32.00	16.00	11.44	21	150.25	140.52	95.72	22	156.17	37.63	2.26	
64% R. C. P.	81 50	99 8	100	8.00											
5% Debentures	920 00	990 0	1000	19.50											
5% Debentures	900 00	940 0	100	400											
Cawnpore	12 37	17 14	10	30.00	20.50	45.14	92	120.22	163.31	86.27	4.70	80.76	59.53	4.76	
8% C. P.	109 50	119 8	100	10.00											
Champain	22 12	21 12xd	10	18.00	14.40	25.32	30	116.88	81.58	55.46	37	120.79	25.22	2.06	
Decan	8 08	10 4	5	19.92	15.00	10.48	1.23	130.78	112.48	57.89	1.34	108.14	12.90	6.36	1.09
7% Preference	5 67	6 2	5	7.00											
Deoria	9 25	10 2	10	5.99	5.04	1.15	48	15.77	24.59	15.34	10.23	9.08	2.94	18	1.75
5% Debentures			500	5.00											
Darbhang	18 50	20 14	10	26.00	31.00	2.36	1.12	19.18	57.53	37.24	2.58	36.93	12.89	6.97	
Dyer Meakin	9 51	6 1	5	16.20	13.47	4.73	8	19.43	27.27	14.69	1.24	27.49	7.15	5.09	34
E. I. D. (E)	29 40	28 2	£1	5.50	7.90	1.74	47	12.03	13.25	6.33	52	9.48	13.35	24	
7% C. P.	16 12	17 0	£1	2.00											
Ganesh Sugar	19 75	19 8	10	20.00	1.50	34.68	5	43.50	67.25	21.37*	25.73	22.57	8.38	16	
Ganga Sugar	10 00	30 0	19	10.00	16.00	38	23	125.48	29.43	16.81*	26.12	91.24	40.49	42	1.20
Gwalior	69 25	77 0	100	15.94	3.09		15	48.95	40.71	23.65	1.75	46.70	12.79	1.58	
7% R. C. P.	65 00	68 0	100	6.75											
Harinagar			100	5.00											
Ordinary			10	2.50	10.00	1.50	14	63.39	37.63	30.49*	4.86	44.81	27.49	74	
Ordinary			100	7.50											
India	13 00	16 0	10	31.48	14.00		5.22	59.74	30.55	18.71	23.27	25.03	50.21	1.31	
74% C. P. T.	98 00	106 12	100	1.23											
Jagatjit Sugar			100	11.09	11.54	5.37	9.81	50.08	16.18	15.41	13.75	59.97	2.81	58	
Jeyapore			10	10.63	10.79	1.35	6	28.27	30.05	9.80	5.35	15.56	10.68	1.27	
5% C. P.	13 00cd	13 4	100	2.00											
	99 00cd	106 0	100												
K. C. P.			100	10.52	57.50	23.00	27	195.11	179.05	35.20	25.90	95.18	24.95	2.70	
5% R. C. P.	120 00cd	126 8	100	3.29											
Deferred	100 00cd	90 0	100	2.87											
Kirlampudi	132 00cd	145 0	10												
54% C. P.	41 00	33 12	100	11.59		9.58	-19.96	76.56	58.82	19.08	6.02	57.89	13.21	74	
5% C. P.	87 50	82 0	100	5.90											
5% Debentures	101 50	101 8	100	34.00											
Madura Sugars			10	2.000			-5.16	1.280	2,769	1,649		1,567	56	19	
Modi Sugar			100	48.00	12.40	80	41	65.32	85.86	39.20	3.70	68.18	18.95	3.84	
Ord. Share			10	14.40											
Mohini	9 00 N	9 0 N	10	10.00			-3.87	65.57	42.61	8.39		36.66	7.09	21	77
Founders	3 37	4 0	1	25											
5% C. P.			100	2.00											
Debentures	70 00	111 0	100	5.00											
Murree Brewery			10	24.00	6.13	2.00	-7.88	5.52	7.56	39	4.84	6.87	4.28	4.56	2.05
Mysore			10	21.79	62.50	23.75	2.63	112.92	140.89	83.32	22.52	104.68	40.21	3.86	4.76
Nawabganj			100	12.00	6.50	6.00	4.65	22.66	51.02	27.68	15.63	13.97	8.40	5.30	17
'B' Class	60 00	108 0	1	5.00											
5% Debentures			50	10.00											
New India			10	7.89	16.50	6.00	80	78.60	48.70	2,691	1,684	6,539	1,300	3.26	
54% R. C. P. T.	22 25xd	39 0	10	10.00											
74% C. R. P. P.			100	49											
New Savan	101 00xd	140 0	10	11.00	2.50	1.70	25	4.06	43.92	25.89	1.07		36	5	
Nizam Sugar	4 62	5 12	25	109.88	25.02	42.42	4	334.54	258.10	138.88	32.83	211.46	109.71	5.80	68.67
5% C. P.			25	12.00											
4% C. P.			25	23.79											
Phaltan Sugar			50	50.00	40.51	16.00	94	76.01	109.71	63.85	2.03	78.99	40.62	15.50	52
Punjab Sugar	149 00	145 8	100	12.00	7.00	5.65	4.55	20.20	29.22	2.41	11.51	7.35	12.87	6.86	
Purabpore	80 00	100 0	10	9.00	2.00	17.65	21	22.22	43.99	31.54	150	30.15	13.85	13	
10% C. P.	10 19	17 10	10	6.00											
	13 62	14 14													
Ramnagar Cane			10	16.60	13.00	22.00	20	29.70	56.12	29.77		41.09	5.61	4.84	13.56
6% C. P.	22 94	25 1	100	4.00											
54% Debentures	94 50	100 8	500	5.95											
Ratna Sugar			10	11.75	4.08	9	-8.40	35.89	31.34	20.21	10	30.97	1.37	23	
9% C. P.	3 00	4 4	100	39											
Raviragon Sugar			50	20.00	11.60	25.27	68	41.30	95.61	56.01	14.35	84.38	2.71	1.21	
54% Cum Pref.	128 00		100	20.00											
Deferred	65 00 N		10	4.00											
Debenture	30 00 N		500	20.00											
Raza			10	20.00	39.50	5.52	3	25.49	45.46	19.83	21.72	34.37	8.30	43	
Ryam	20 00		10	8.00	1.50	4.61	13	49.17	28.73	22.67	3.54	58.25	2.80	24	
6% C. P.	21 75	22 0	10	8.00											
	9 40	8 2	10												
Samastipur			10	11.99	5.70	13.68	4	60.34	44.85	24.12	1	55.05	15.21	40	
Shree Anand	11 00	11 8	10	20.00			1	20.89	47.23	16.15	19.10	13.95	3.79	28	
Debentures	10 25	10 8		5.00											
Shree Chandoo			124	15 00	25.79	11.29	33	41.45	69.56	43.15	8.77	43.69	11.71	6	3.24
Shree Krishna Gyanodaya	28 45	30 0	10	39.71	19.00	3.68	16	163.86	140.85	68.55	7	149.05	31.63	1.05	5.11
6% A' Pref.	9 00	10 15	100	6.00											
5% B' Pref.	85 00	100 0	100	12.00											
54% Debentures	75 00	80 0		15.00											

SUGAR

NAME	Managing Agents' Agents/Secretaries	Cane Crushed Mds. 000	Sugar Produced Mds. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest %	Previous %	Second Previous %
Shree Sitaram	K. C. Thapar & Bros.	12.09	...	74.36	3.74	1.24	8-54	8.26	8.47	15	20	10
Sitalpur	5% Debentures	23.98	...	43.06	34.35	...	6-56	2.03	—72	nil	...	...
South Behar	Directors	...	...	27.45	1.00	12	10-54	—24	...	nil	...	...
	N. K. Jain & Co.	...	...	...	...	...	...	...	...	...	...	...
	9% pref. cum as to 7	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery & Distillery	K. C. Thapar & Bros.	8.15	...	65.83	7.13	18	12-54	1.54	3.39	5	10	10
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Travancore	Parry & Co Ltd.	87	8	58.76	26.70	77	4-56	9.78	8.68	10	7 1/2	...
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
United Breweries	Directors	...	...	23.94	91	...	3-57	(h)8.86	5.15	20	20	20
United Provinces	James Finlay & Co.	23.33	2.36	72.60	...	...	9-52	6.33	9.17	15	20	...
Upper Doab Sugar	R. Lal Debi Prasad & Bros.	...	...	168.22	37.97	1.50	9-55	14.86	22.22	12	15	1.2
Upper Ganges	Cotton Agents Private	10,833	...	35,910	13,190	3.84	6-57	41.42	2,349	50	30	25
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	5% C. P. T.	...	...	...	...	...	...	...	...	5	5	5
Upper India	Mitra Mandal	50.54	...	106.06	108.63	1.87	4-55	18.45	1,420	20	15	10
	'B' Class Ord.	...	...	...	...	...	...	...	...	20	15	10
Vizagapatam	Kantilal & Sheth	...	...	...	...	12	6-54	-2.06	-2.30	nil	nil	...
Walchandnagar Industries	Walchand & Co. Private	1,90 1/2	...	214.63	66.69	6.64	9-56	60.40	55.45	21	18	16
	7% C. P.	...	...	...	...	...	...	...	...	7	7	7
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...

*Tons.

(a) After writing back Rs 1,65,000 from Taxation; Rs 37,982 from Gratuity; Rs 17,423 from Equipment Depreciation Rs 15,000 from contingencies and including Rs 30,000 being profit on realisation of investments. (b) After writing back Rs 1,30,000 from taxation, Rs 50,000 from contingencies and Rs 36,539 from Gratuity. (c) After writing back Rs 1,48,000 from provision for liabilities no longer required. (d) After writing back Rs 2,80,018 being provision for liabilities no longer required. (e) Includes Rs 1,02,625 being profit on sale of machinery; Rs 1,25,000 being provision for taxation no longer required written back and Rs 49,520 being adjustment of stores in respect of previous years.

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000	Rs. 000		
Agra Electric Supply ...	Martin Burn Ltd. ... 4½% Debentures ...	315.13	38.76	29,067	35.46	1.35	3-57	(a)11.23	(b)10.55	10	10	10
Ahmedabad Electricity Co....	Killick Industries Ltd. ... 4½% Debentures ...	548.693	326.45	485,981	269.18	6.60	9-56	(b)113.46	77.54	6½	5	6½
Aligarh ...	Jain & Co. ...	...	...	...	...	31	3-54	1.70	1.68	9½	10	9½
Amalgamated Elec'ty Co. ...	N. C. Javeri & Co. ... 5½% C. P. ... 5% C. P. ...	404.81	64.35	332.16	57.07	2.40	3-57	15.48	14.88	8½	7½	7½
Andhra Valley Power ...	Tata Hydro Elec. Agencies Pri. ... 7% C. P. ... 4% Debentures ...	333,844	106.48	408,083	131.44	4.56	3-57	45.42	64.07	5.625	7½	7
Bareilly Elec'ty Supply ...	Martin Burn Ltd. ... 4½% Debentures ...	13,482	24.20	95.04	17.75	82	3-57	(d)5.90	4.21	12½	10	10
Benares Electric ...	Martin Burn Ltd. ... 4½% Debentures ...	386.48	49.12	279.34	35.84	1.87	3-57	12.34	11.37	12½	12½	12½
Bombay Electric Supply...	Directors ... 6% C. P. ... 5% Debentures ...	...	2.22	...	1.68	...	12-51	1.03	68	5	...	...
Bhagalpur Elec. Supply ...	Octavius Steel & Co. ...	52.77	13.17	39.72	9.45	25	3-57	2.69	1.76	8½	6½	6½
Bombay Suburban Elec. ...	Killick Industries Ltd. ...	60.471	70.65	50.381	61.40	...	3-56	25.96	23.90	7	7	7
Broach Elec. Supply ...	Rajputana Textiles Agencies ... 6% Debentures ...	16.69	4.85	14.72	4.84	28	12-55	1.62	1.80	7½	7½	7½
Calcutta Elec. Supply ...	Directors ... 5% C. P. ... 5% Debentures ...	1,099,400	5,292	13,027	4,996	...	12-54	19.00	16.17	6	6	6
Cochin State Power ...	Chandrie & Co. ...	45.12	5.71	44.20	5.49	21	3-54	1.83	1.99	10	10	5½
Cuttack Elec. Supply ...	Octavius Steel & Co. Ltd. ...	51.48	14.06	37.45	10.76	...	3-57	2.74	2.09	8	6½	3
Dharwar ...	Associated Electric Co. ... 5½ C. P. ...	3.58	...	...	3.25	16	3-55	86	80	6½	6½	6

March 8, 1958

MILLS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1958	February 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstand- ings	Cash	Others
	Rs. np.	Rs. A.													
Shree Sitaram	11 00	13 0	10	7.95	12.49	6 34	1.06	23.73	31.61	17.68	13.51	9.81	9.77	8.61	95
5% Debentures	...	...	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Sitalpur	4 37	4 6	10	10.00	...	27	—4.25	51.11	2.21	13.52	23	36.39	5.23	53	...
South Behar	1 37	1 0	10	6.50	46	...	—16.14	24.66	27.42	11.47	10	6.90	18.88	52	...
9% Pref. Cum. as to 7	20 50	20 8	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 25	0 4	2 1/2	1.75	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery	...	...	10	9.64	4.33	39	12	44.27	8.36	3.34	91	17.17	36.89	3.73	4
5% C. P.	...	...	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Travancore	10 10	11 4	10	30.00	2.56	12.70	45	23.87	59.87	22.11	10	34.54	10.61	68	82
5% C. P.	6 85	8 2	10	15.00	...	...	...	...	...	...	...	...	...	...	...
United Breweries	176 00	180 0	75	6.00	9.60	...	6	12.03	21.40	22.65	20.18	4.52	1.04	20	...
United Provinces	13 50	14 0	10	16.00	6.18	3.02	37	28.55	30.29	24.58	...	28.81	16.77	1.18	1.63
Upper Doab Sugar	...	...	100	20.00	13.50	...	1.26	65.91	66.6	40.07	5.36	48.93	21.59	41	...
Upper Ganges	55 00xd	91 0	10	8.00	18.00	1,674	10	171.46	127.46	80.58	7.08	147.50	39.58	2.26	...
5% C. P.	65 00xd	85 0	100	12.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	65 00xd	85 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Upper India	127 00	127 0	100	14.00	11.50	8.65	86	120.05	39.41	25.16*	10.20	118.47	18.66	48	4
'B' Class Ordinary	15 00	15 0	12 1/2	7.00	...	...	...	...	...	...	...	...	...	...	...
Vizagapatam	7 12	7 2	10	7.47	42	...	—4.83	39.40	29.22	8.99	25	14.44	7.00	55	...
Walchandnagar Indus.	267 00	277 8	10	101.00	40 00	68.46	1.76	93.54	228.81	99.18	9.01	166.80	13 12	15.44	...
7% C. P.	135 00	135 0	100	3.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	76	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	92 00	...	...	25.00	...	...	...	...	...	...	...	...	...	...	...

(f) After transferring Rs 50,000 from Dividend Equalisation Reserve.

(g) After transferring Rs 1,76,850 being provision for liabilities no longer required.

(h) After writing back Rs 61,519 being provision for taxation no longer required.

(i) After transferring Rs 1,00,000 from Renovation and Renewals Reserve.

(k) After transferring Rs 1,07,093 from provision for taxation.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1958	February 1957			General	Other	Carry Forward				Invest- ments	Stocks and Stores	Outstand- ings	Cash	Others
	Rs. np.	Rs. a.													
Agra Elec. Supply. ...	136 00	145 0	100	19.99	17.65	21.07	50	48.71	82.15	31.34	4.12	18.22	11.54	12.49	20.73
4 1/2% Debentures ...	90 00	94 0	100	10.00											
Ahmedabad Elec'ty Co. ...	95 00	100 00	100	874.72	9.39	65.65	...	94.83	1341.66	248.28	15.41	54.00	59.33	6.88	13.59
4 1/2% Debentures ...	100.00 N	...	1000	200.00											
Aligarh ...	10 00 N	10 00 N	10	4.59	53	72	1	6.7	11.50	5.68	68	2.13	3.39	21	...
Amalgamated Elec'ty Co. ...	10 16	10 9	10	72.50	56	13.51	15.48	43.12	185.72	38.73	1.74	16.80	13.70	6.09	4.34
5 1/2% C. P. ...	89 00	101 4	100	24.15											
5% C. P. ...	82 50	94 0	100	20.31											
Andhra Valley Power ...	1070 00	1203 12	1000	302.72	40.28	25.56	41	251.65	723.70	229.05	21.64	25.50	50.94	40.29	135.22
7% C. P. ...	1025 00	1092 8	1000	49.34	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	970 00	...	1000	98.28											
Bareilly Elec'ty Supply ...	12 75	15 1	10	8.00	5.30	7.66	17	22.32	44.92	17.32	1.62	4.84	1.68	8.93	3.79
4 1/2% Debentures ...	86 00	90 0	100	5.00											
Banaras Elec'ty ...	13 81	17 12	10	17.00	15.65	19.53	38	67.22	113.92	37.40	2.79	13.77	14.62	7.67	15.36
4 1/2% Debentures ...	90 00	94 0	100	12.00											
Barrampur Elec. Supply ...	6 20	7 12	10	7.38	...	25	43	2.33	11.83	2.88	1.98	64	1.74	9	...
5% C. P. ...	8 37	9 0	10	1.00											
5% Debentures ...			20,000	2.00											
Bhagalpur Elec. Supply ...	7 50	8 2	8	5.91	2.46	3.50	58	11.31	21.34	9.60	50	3.27	3.12	3.04	8
Bombay Suburban Elec'ty	103 00	110 0	100	175.00	3.00	36.32	...	49.50	262.21	58.57	4.44	24.03	17.12	1.32	13.25
Broach Elec. Supply ...	7 52	11 0	10	7.07	2	1.29	...	2.76	15.11	6.93	27	88	97	1.83	53
6% Debentures ...	...	...	...	1.51	...		...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply & ...	13 62	13 1	£ 1	42.62	19.00	47.32	1.53	32.91	279.88	91.58	2.43	7.03	5.25	33	2.50
5% Cum Preference ...	10 34	9 1	£ 1	19.00											
5% Debentures ...	97 00	97 4	...	41.45		12									
Cochin State Power ...	9 30	11 6	7 1/2	7.87	1.33	4.60	1.66	4.30	13.37	3.31	8	1.95	1.72	1.77	...
Cuttack Elec. Supply ...	8 00	8 8	10	6.60	2.78	1.99	68	12.59	25.58	7.48	34	2.92	2.52	2.04	71
Dharwar ...	51 00	50 00 N	50	4.94	3.56	3.15	47	3.04	12.77	2.57	9	1.47	1.00	1.08	...
5% C. P. ...	...	...	100	1.73	...	...	...	...	...	...	...	...	...	...	...

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1958	February 1957			General	Others	Carry- forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
	Ra. np.	Ra. s.													
Alageswar	2 45	3 5	2	6.00	5.25	...	26	5.90	13.39	3.25	51	2.59	3 03	95	...
Amalgamated Office	10 50	11 10	10	4.50	...	8	49	4.11	12.85	1.11	...	5.77	41	1	...
6% C. P.	7 40	9 0xd	10	4.00	...	...	...	...	...	...	...	...	...	...	...
14% Debentures	500 00	500 0	500	4.75	...	...	...	...	...	...	...	...	...	...	...
Anandam	14 25	21 0	10	2.50	...	35	28	1.36	6.31	26	72	1.18	1	24	...
7% C. P.	9 90	10 0xd	10	2.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	101 00	101 0	100	1.23	...	...	...	...	...	...	...	...	...	...	...
Anapari	4 83	4 6	2	9.06	5.30	...	29	12.60	15.81	1.26	2.59	9.99	3.70	27	...
6% Debentures	97 00	97 8	100	3.84	...	...	...	...	...	...	...	...	...	...	...
Arala	4 00	4 0	5	3.00	11	1.20	44	8.55	7.70	98	6 03	1.06	1.34	16	...
5% C. P.	9 20	9 3d	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Adimattam	1 05	1 3d	2	3.25	...	50	3	55	3.70	17	...	5	49	27	...
dababuddin	10 12	11 4	5	2.00	1.75	1.00	9	92	5.56	46	...	2.15	5	1.47	...
6% C. P.	8 56	9 2d	10	3.00	...	...	...	...	...	...	...	...	...	...	...
Badra	3 00	3 8	2	4.25	1.50	1.02	63	2.45	6.91	47	12	2.93	16	1.70	...
7d% C. P.	10 12	9 10	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Balanoor	14 75	18 8	10	10.99	3.76	1.60	10	5.35	14.97	2.28	21	4.07	1.98	5.35	...
7d% C. P.	11 00	11 0	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Balmadies	3 20	3 5	2	3.00	75	85	23	93	3.92	31	24	10	1.67	89	...
6% C. P.	9 00	9 12	10	75	...	...	...	...	...	...	...	...	...	...	...
Be Be	3 12	4 12	5	8.66	...	2.87	2	2.34	12.06	...	4.56	51	44	2	...
6d% C. P. T.	3 13	3 5	5	1.43	...	...	...	...	...	...	...	...	...	...	...
6d% R. C. P. T.	6 64	7 1	10	2.86	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	2 90	6 2	2	52.50	5.00	10.00	89	16.95	68.42	9.73	11	5.07	13.78	7.68	...
Chandramala	2 90	4 4	2	5.50	6.00	80	30	2.38	11.37	1.88	52	1.93	1.29	1.65	...
Chemba Peak	2 95	4 6	2	9.33	12.00	...	50	7.47	22.50	6.54	1	8.95	35	4.14	...
Cochin Malabar	4 35	10 6	3	17.94	24.50	...	72	16.00	52.61	5.60	...	11.09	1.26	93	...
7% C. P.	49 75	58 8	50	1.13	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	28 85	24 10	10	18.00	16.00	5.50	1.87	18.87	36.05	7.12	56	24.14	13.02	6.97	...
5% C. P.	82 50	87 8	100	10.41	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	3.00	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	22 05	22 4	...	7.55	36.25	9.63	1.12	41.96	116.23	25.14	13.11	53.79	15.20	15.81	...
6% C. P.	23 75	28 4	25	18.75	...	...	...	...	...	...	...	...	...	...	...
5d% Debentures	...	...	500	10.00	...	...	...	...	...	...	...	...	...	...	...
Coonoor Tea	18 60	24 4	10	3.78	3.10	1.35	7	4.71	20.59	91	3	2.06	50	20	...
6% C. P.	103 87	109 14	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	10 75	11 12	5	4.00	1.00	4.25	1.02	2.32	7.84	1.43	11	1.81	3.40	3.37	...
6d% R. P.	4 50	5 2	5	2.50	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	12 25	17 6	10	4.00	1.00	5.16	7	4.26	3.58	51	...	2.05	4.59	24	...
7d% C. P. P.	10 55	13 6d	10	1.00	...	...	...	...	...	...	...	...	...	...	...
Cow Coody	7 75	8 4	2	2.55	2.50	...	75	1.97	1.51	35	1.49	2.88	14	2.08	...
Devashola	19 50.3d	21 4xd	10	6.00	3.75	1.41	12	4.15	10.41	2.16	1 06	93	17	4.75	...
Devon	17 25	17 6	10	4.48	2.52	1.05	49	2.63	8.93	1.57	10	2.02	1.21	2.49	...
7d% C. P.	104 00	110 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	6 65	7 6	2d	1.75	1.75	1.65	62	92	3.35	49	1.00	78	19	1.87	...
Gokul Rubber	1 70	2 1d	2	4.50	20	...	1	1.04	3.23	11	1.30	25	15	92	...
Haileybura	16 20	23 12	10	12.50	8.50	9.00	37	14.40	31.56	4.96	4	14.81	1.65	6.46	...
5% C. P.	60 00	80 12	100	2.50	...	...	...	...	...	...	...	...	...	...	...
5d% Debentures	1000 00	1000 0	1000	2.30	...	...	...	...	...	...	...	...	...	...	...
Highland	12 10	15 0	10	18.00	4.81	5.15	47	8.45	25.80	4.94	2.61	4.25	1.85	10.30	...
6% C. P.	9 27	9 12	10	3.00	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 85	3 0	2	1.20	17	...	4	51	1.42	2	...	62	3	37	...
6d% C. P.	7 16	7 13	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalais	3 73	6 2dcd	2	6.00	6.00	...	30	3.24	12.44	46	...	2.08	10	1.38	...
Kalais	13 00	14 2	9	5.40	5.60	56	73	3.18	11.74	1.10	41	2.08	65	4.57	...
7d% Debentures	502 50	515 0	...	3.00	...	...	...	...	...	...	...	...	...	...	...
Kalpetta	20 25	24 14	10	4.00	9.53	1.41	5	4.65	18.32	2.21	23	2.57	46	25	...
Karikode Rubber	10 35	14 3	10	2.00	...	1.27	7	1.38	5.07	25	...	87	6	1.32	...
5% Cum Pref	8 30	9 3	10	1.50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	100 00	100 0	...	1.00	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	5 05	7 6cd	2	8.59	8.25	...	27	9.00	25.36	3.16	25	40.1	3.23	1.39	...
6% C. P.	9 57	10 3	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Kumergode	6 70od	6 9cd	2	2.00	1.50	60	37	1.35	5.69	64	...	98	4	93	...
7d% Debentures	502 50	500 0	500	2.40	...	...	...	...	...	...	...	...	...	...	...
Kurchimala	6 25	8 12	10	3.45	...	3.20	3	2.05	9.2d	59	1	...	1.01	26	...
6d% Cum Pref.	7 75	8 6	10	1.30	...	...	...	...	...	...	...	...	...	...	...
Malabar Agricultural Co.	8 75	11 10	20	5.00	1.80	1.00	1	5.20	16.8d	1.41	2	2.36	1.13	2	...
6% C. P.	16 56	16 9	100	1.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	4.50	61	1.96	4	4.84	6.05	17	56	73	1.80	2.98	...
Malabar Industrial	13 25	22 8	10	9.00	4.75	2.89	...	6.63	19.20	2.78	...	1.18	2	5.64	...
Malankara	15 25	30 8	2	3.50	40	37	41	1.42	3.27	12	...	1.03	95	97	...
Manar	2 70	3 0d	5	3.25	2.50	...	22	2.67	7.08	4	...	1.92	1.95	24	...
Mercara Rubber	7 15	9 8	10	2.50	...	...	...	...	...	...	...	...	...	...	...
6% Preference	8 91	9 8	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Midlands	14 43	18 4	10	27.00	16.60	14.51	1.07	15.47	77.71	8.84	5.47	7.18	2.81	9.52	...
6% C. P.	8 12	9 12	10	17.20	...	...	...	...	...	...	...	...	...	...	...

(a) Arrears of Preference dividend from 1-4-1947 to 31-3-1956 at the rate of Rs. 5.55 per preference shares amounting to Rs. 2,14,000, will be paid by the issue of one new preference share for every two preference shares already held, and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

SOUTH INDIAN

NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales	Stock	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Previous	2nd Previous
		000 lbs.	000 Cwts.	000 lbs.	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Latest	Previous	2nd Previous
Miamallay ...	Directors 7½% C. P.	4.02	...	...	7.36	89	...	3-57	2.26	2.38	18 7½	25 7½	75 7½
Mysore Coffee ...	Pavan & Co. 7% Debentures	...	...	...	3.58	...	12	6-55	42	1.20	...	...	...
Mysore Plantations ...	Mg. Director 6% C. P.	1.29	...	...	3.37	1.51	...	3-56	1.18	1.49	6 6	7½ 6	6 6
Neelamalai ...	A. V. Thomas & Co. 5% C. P.	12.65	...	...	28.55	9.23	89	6-55	13.30	19.58	17½ 5	17½ 5	12 5
Nelliampathy ...	A. V. Thomas & Co. Ltd. 6% C. P.	7.60	...	75	16.07	2.28	48	6-56	3.63	8.96	10 6	25 6	12½ 6
Nellithanam ...	Directors 7% C. P.	22½	5*	67	...	...	...	3-52	57	65	7½ 7	7½ 7	6½ 7
Neemany ...	A. V. George & Co. 7% C. P.	...	...	4.66	5.70	2.30	22	12-52	1.69	2.21	6½ 7	10 7	6½ 7
New Glen Morgan Nilambur ...	Ramu & Co. Private Associated Planters (Private) 6% C. P. Debentures	4.15	...	1.64	5.86 3.19	78 63	23 9	12-55 12-55	94 86	2.21 83	nil 15	nil 10	nil 10
Nilgiri Tea ...	A. V. George & Co. 6½% C. P.	3.45	...	...	7.87	1.29	12	3-53	1.49	2.58	12½ 6½	15 6½	15 6½
Nonsuch Tea ...	Harrisons & Crosfield	8.20	...	...	16.90	...	...	6-53	7.38	7.85	33 33	35 35	49½ 49½
Ouchterlony ...	Peirce Leslie & Co.	9.30	6	...	36.94	7.19	50	10-56	(b)3.62	10.07	10 20	20 30	30 30
Panchura ...	Directors Math. Bosanquet & Co.	2.05	6½	...	16.07	2.28	48	6-56	1.13	1.08	30 15	40 25	30 25
Peermade ...	Aspinwall & Co. (Trav.) Ltd. 6% C. P.	18.88	...	...	32.68	...	37	12-56	11.77	9.85	37½ 6	35 6	55 6
Periakaramala ...	Directors Peirce Leslie & Co. Ltd.	41.27	31*	2.26	5.66 94.65	2.97 8.55	2.68	2-56 3-57	3.55 33.42	2.16 40.11	30 35	15 20	20 45
Periyar & Parakkanni ...	E. I. Agencies Private Ltd. 7½% R. C. P.	...	...	3.23	5.11	1.46	15	12-56	1.64	...	12 7½	...	...
Pullangode ...	Aspinwall & Co. Ltd. 6% C. P.	...	...	6.12	9.53	1.32	16	3-57	3.23	3.49	5 6	15 6	17½ 10
Puthuthottam ...	Ruby & Co. Private	1.77	...	13*	15.35	...	72	3-56	6.86	7.62	10 15	6 10	10 10
Rajagiri ...	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	13.70	21.01	1.39	1.11	6-56	10.20	8.88	25 6	20 6	17½ 6
Rajendra Coffee ...	Associated Planters Private 6% Cum. Pref.	...	2	...	3.56	2.37	13	3-57	1.21	1.40	25 6	20 6	15 6
Savamalai ...	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd.	...	2	...	7.26 1.17	56 8.36	6 28	11-56 6-56	1.37 3.27	1.19 1.20	15 10	10 7½	25 7½
Stanes Amalgamated ...	T. Stanes & Co. Ltd. 5½% Debentures	5.05	...	...	8.64	1.29	57	6-56	4.99	3.98	13½ 18½	15 15	...
Talayar Tea ...	Parkins (Private) Ltd. 6% C. P.	8.08	...	...	14.48	4.67	48	3-56	4.56	7.36	12½ 6	16½ 9	12½ 9
Teakoy ...	East India Agencies Private 6% C. P.	...	...	...	5.32	97	16	3-57	1.72	2.30	6 6	6 6	6 6
Thamarapally ...	A. V. George & Co. 6½% C. P.	...	...	2.29	2.14	1.14	18	12-52	1.39	1.41	25 6½	15 6½	6 6
Thirumbadi ...	Peirce Leslie & Co. 7½% Debentures	...	...	8.14	11.10	1.86	11	9-56	3.63	1.79	12½ 6½	12½ 6½	10 6½
Travancore Rubber Trav. Rubber & Tea	Directors Aspinwall & Co. (Trav.) 6% C. P.	8.90	...	5.43 10.32	5.55 34.92	1.57 6.29	40	12-54 12-56	2.69 8.09	2.60 14.16	20 7	20 12½	20 15
Tropical Plantations Twyford ...	Directors Parkins Private Ltd.	4.57 9.70	...	6.42	17.93 14.44	2.40 6.59	36	12-56 12-55	5.48 2.90	5.46 9.83	12 20	16 25	20 15
Udayagiri ...	A. V. George & Co. 7% C. P.	...	...	1.56	2.87	62	3	12-52	—7	64	nil 7	nil 7	7 7
United Nilgiri ...	6½% Debentures T. Stanes & Co.	12.95	...	...	27.73	2.40	91	3-56	10.88	13.90	20 35	23 23	...
Vaikundam Vayitri ...	Harrisons & Crosfield Young India Agencies Private 5½% Debentures	63	...	4.14	5.07 1.60	1.32 9	11 10	12-52 3-56	2.87 53	2.89 1.05	20 9	20 9	12½ 6
Velmalai ...	Ooppottil Kurien & Co. (Pri.) 7% C. P.	48	...	4.55	6.80	1.12	29	2-57	2.41	2.62	12½ 7	15 7	10 7
Waterfall ...	Kothari Mehta & Co. Private 6% R. C. P.	9.60	...	...	49.01	2.01	20	6-57	21.46	10.09	12½ 6	15 6	20 6
Woodcote ...	Goodall & Co. 6½% C. P.	88	...	...	1.79	15	8	6-57	30	18	9 6½	6 6½	12 6½
Woodlands ...	Directors 6½% C. P.	48	...	2.89	7.69	1.54	...	3-57	2.73	66	10 6½	12½ 6½	20 6½

PLANTINGS—(Contd.)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	February 1958 Rs. np.	February 1957 Rs. a.			General	Other	Carry- forward				Invest- ments	Stocks & Stores	Out- standings	Cash	Others
Miamallay 7½% C. P.	30 00	45 0	25	3.00	...	1.44	4	2.32	6.77	2.05	77	1.06	73	2.52	...
Mysore Coffee	25 87	27 12	25	3.00	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	2 98	3 0	2	6.00	75	...	54	1.99	7.81	43	...	1.80	6	5	...
Mysore Plantations	1 43	1 13	2	5.00	95	40	3	2.44	9.26	1.15	...	1.70	1.42	8	...
6% C. P.	7 91	7 14½	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Neelamalai 5% C. P.	4 60	6 9	5	36.00	6.75	12.70	47	17.61	61.65	9.71	1.48	9.74	5.07	23.31	...
Nelliampathy	6 25	7 12	10	18.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	2 56	3 7	2	12.00	2.30	2.30	5	8.83	23.43	4.22	11	4.19	1.74	4.71	...
Nelliathanam	8 45	9 7½	10	4.50	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	13 00cd	13 0	10	1.90	...	...	19	4.42	4.40	11	1.03	24	50	54	...
Nemmeny	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	14 25	22 8	10	3.35	50	1.00	31	3.09	13.49	1.12	...	2.61	21	6	...
6% Debentures	9 60	10 1½cd	10	3.00	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	495 00	502 8	500	4.00	...	...	...	...	...	...	...	...	...	...	...
Nilambur	...	...	2	6.50	2.80	3.02	4	3.48	11.68	1.30	82	1.09	1.51	1.11	...
6% C. P.	12 50	16 0	10	2.00	1.20	1.49	5	1.50	5.24	51	...	80	49	62	2.59
Debentures	8 06	8 10½	10	2.00	...	...	...	...	...	...	...	...	...	...	...
...	98 00	100 0	...	1 00	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea 6½% C. P.	7 85	10 12	10	5.63	1.50	1.50	13	2.14	15.16	1.96	1	1.86	71	2.90	...
6% Debentures	4 25	5 4	5	2.80	...	...	...	...	...	...	...	...	...	...	...
Nonsuch Tea	495 00	500 0	500	5.00	...	...	...	...	...	...	...	...	...	...	...
...	19 75	24 0	10	16.50	...	10.90	19	6.35	24.18	3.64	4.68	5.05	55	3.12	...
Ouchterlony	4 78cd	5 4	2	19.46	17.05	5.00	-76	9.03	43.87	14.24	3.49	10.06	78	5.82	...
Panchura	3 20	4 8	1	1.50	1.50	...	23	1.12	2.09	12	1.03	84	11	40	...
Parkside	18 68	17 2	10	13.54	3.50	11.82	1.16	6.73	27.87	2.43	...	4.95	43	5.93	...
Peermade	19 75	29 8	10	17.00	...	9.79	1.55	13.45	32.68	10.68	10.56	11.91	2.50	1.33	...
6% C. P.	94 50	101 0	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Peninsular	19 25	28 8	10	6.00	2.40	...	4	61	3.93	7.41	29	3.10	21	1.28	...
Periakaramala	4 03	8 10	2	34.77	45.46	...	1.22	29.38	91.59	25.94	2.19	17.24	3.02	20.81	...
Periyar & Parakkanni	...	...	10	5.00	...	40	4	2.99	10.09	33	15	1.55	9	2.86	...
7½% R C P.	...	...	5	2.03	...	...	...	...	...	...	...	...	...	...	...
6½% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 65	2 15	2	16.50	2.00	27	89	3.85	18.91	3.80	2.02	2.08	35	5.47	...
6% C. P.	9 25	9 14	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 56	3 12	2	21.00	9.50	3.50	65	9.65	29.98	1.80	1.94	9.62	1.47	3.09	...
Rajagiri	14 30	21 12	10	13.50	3.00	6.90	8	9.93	42.16	3.72	10	2.12	1.17	14.18	...
6% C. P.	7 40	9 5	10	22.60	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	9 25	11 6	5	2.00	1.35	47	31	3.40	4.84	27	1.00	2.13	2.64	18	...
6% Cum. Prof.	8 46	9 1	10	1.00	...	...	...	...	...	...	...	...	...	...	...
5½% Redem. Cum. Prof.	7 32	7 14	10	1.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	1000 0	1000 0	1000	1.00	...	...	...	...	...	...	...	...	...	...	...
Savamalai	4 05	...	2	3.67	3.00	50	47	1.20	3.68	78	4	96	14	70	...
Shervaroy	1 92	2 4	10	13.50	1.70	2.00	5	3.63	9.80	75	3.22	5.11	1.65	1.84	4.09
Shanm Amalgamated	14 75	19 0	10	9.00	12.00	9.25	25	6.25	23.66	5.01	3.21	3.89	1.62	1.57	...
5½% Debentures	492 50	492 8	500	2.00	...	...	...	...	...	...	...	...	...	...	...
Talayur Tea	8 20	12 2	10	12.50	6.50	6.75	25	6.67	29.40	2.35	2	7.99	3.09	3.03	...
6% C. P.	8 50	9 14	10	7.50	...	...	...	...	...	...	...	...	...	...	...
Teddy	6 40	9 3	10	10.00	26	2.76	10	3.95	22.44	1.59	11	1.13	29	2.34	...
6% C. P.	8 25	9 6	10	6.00	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	100 00	100 0	100	1.74	...	...	...	...	...	...	...	...	...	...	...
Thamarapally	20 85	28 0	10	2.50	75	1.25	42	1.44	5.30	24	...	1.22	1	1.56	...
6½% C. P.	4 75	4 12cd	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Thirumbadi	1 31cd	2 2	1	9.15	4.00	...	27	5.17	14.40	96	...	2.57	1.11	86	6.59
7½% Debenture	495 00	500 0	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Travancore Rubber	13 50	22 4	10	6.00	...	46	4	3.29	6.38	...	...	1.99	23	1.18	...
T. R. T. & Co.	6 03	10 2	10	41.00	7.50	6.11	3.47	12.61	81.07	12.64	4.78	8.78	2.15	2.54	...
6% C. P.	7 65	9 8	10	16.00	...	...	...	...	...	...	...	...	...	...	...
Tropical Plantations	25 65	32 12	25	2.00	...	...	66	7.39	29.29	7.04	...	3.30	5	2.46	...
Twylford	12 40	19 0	10	9.00	15.50	1.00	21	6.96	21.34	1.76	1	7.87	1.45	3.77	...
Udayagiri	11 00	16 4	10	2.20	40	2.95	20	87	...	9	...	97	58	1.25	...
7% C. P.	11 00	11 3cd	10	80	...	...	...	...	7.71	...	...	...	...	...	...
6½% Debentures	...	...	500	3.00	...	...	...	...	...	...	...	...	...	...	...
United Nilgiri	14 90cd	19 2	10	13.71	11.18	6.00	1.13	13.46	38.09	10.40	5.10	4.03	3.52	5.14	...
Vaikundam	19 47½cd	31 12	10	6.29	1.52	1.19	33	2.40	23.46	11	...	1.42	9	3.25	...
Vayitri	1 40	1 14½	2	4.00	75	30	20	73	5.29	44	2	16	48	47	...
5½% Debentures	...	...	100	32	...	...	...	...	...	...	...	...	...	...	...
Velmalai	4 86	7 11	5	6.00	...	3.75	13	3.68	16.73	61	...	1.41	1.18	1.33	...
7% C. P.	9 10	10 9	10	2.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	515 90	515 0	500	4.00	...	...	...	...	...	...	...	...	...	...	...
Waterfalls	3 15	6 8	2	31.50	15.00	8 00	1.09	25.46	53.40	5.24	8.54	5.71	15.54	8.09	...
6% C. P.	8 75	9 12	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 56	1 13	1	1.00	...	53	17	58	3.51	82	5	15	21	2	...
6½% C. P.	3 79	4 2	5	60	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	500 00	500 0	100	50	...	...	...	...	...	...	...	...	...	...	...
Woodlands	6 88	9 12	10	6.95	42	1.05	10	3.09	13.88	40	...	2.03	1.09	1.67	...
6½% C. P.	8 80	9 7½	10	2.32	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	502 50	502 8	...	...	...	...	...	...	...	...	...	...	...	...	...

March 8, 1958

ENGINEERING COMPANIES

NAME	Managing Agents/ Agents/Securities	Year Ended	New Profit		Dividend %		Market Quotations as on Last Day of				Paid-up Capital	Reserves Including Later Allocation		Sundry Liabilities	Gross Block	Depreciation	Loans Assets					
			Latest	Previous Period	Latest	Previous	February 1958	February 1957		Other		Carry forward	Investments				Stocks and Sundry	Outstandings	Cash	Other		
								Rs. 000	Rs. 000												Rs. 000	Rs. 000
CALCUTTA																						
Arthur Butler	N. Bhat Trading Co., 7% C.P.	10-54	2-34.5	-1.71	nil	nil	4.85	8.0	10	6.00	4.00	15	-4.73	17.37	12.78	9.57	6	11.99	4.68	5	6.29	82
Banar Engineering	5% Debentures K. C. Thapar & Brothers Deferred	3-55	—	-15	nil	nil	7.25	10.0	9000	3.00	—	—	-2.61	9.15	3.68	2.61	—	1.74	1.49	10	1.58	1.86
Bharat Elec.	Bharat Co. Ltd.	12-56	28.27	19.07	12.1	10	15.00	15.0	50.00	15.00	1.00	98	64.08	109.43	66.33	36	58.30	27.63	1.66	107.34	1.66	
Braithwaite Bridge & Roof	Directors Bairner Lawrie & Co. Ltd.	12-56	42.63	(3)3.87	20	25.0	26.87	27.3	10	56.60	23.00	40.55	1.99	87.47	77.62	26.18	18.78	10.03	9.39	9.89	107.34	
Brit. Building	5% Debentures Holmes Wilson & Co., 31% Debentures	12-56	14.04	10.19	20	15	490.00	36.0	500	12.00	17.50	3.50	1.77	53.65	42.55	23.79	93	15.32	29.26	13.66	12.34	
Brit. Engrs.	5% Debentures McLeod & Co.	3-55	2.94	2.23	10	5	5.62	6.10	2000	5.00	5.00	2.75	17	55.98	32.72	8.02	2.20	13.63	19.91	15	18.32	
B.L. Elec. Coms. Bura & Co.	11% Debentures Bairner Lawrie & Co. Ltd. Marine Burn Ltd. 7% C.P. 6% C.P.	12-55	15.47	9.86	15	15	13.50	13.9	10	39.38	21.00	16.52	1.28	83.82	63.95	33.77	2	41.68	68.85	1.26	25.00	
		12-56	3.90	2.09	Nil	Nil	13.56	12.13	10	5.00	1.00	—	-2.16	33.24	16.34	10.09	2	16.78	8.85	4	6.13	
		4-57	137.76	107.43	20	7	109.00	127.0	100	84.00	17.00	149.18	1.10	714.73	411.60	259.04	32.09	512.03	265.29	8.02	23.82	
Hindustan Motors Hooghly Docking India Machinery	Birla Brothers Ltd. Marine Burn Ltd. Das Group Ltd. 7% C.P. 6% C.P.	3-55	35.64	28.80	12.1	12.1	8.00	192.0	50	496.13	100	5.19	247.77	356.35	94.53	14.48	268.78	192.11	12.97	97.71	—	
		12-56	6.18	1.01	12.1	12.1	2.08	3.8	100	12.50	10.50	14	135.11	52.88	37.80	—	7.42	44.74	97.71	—	—	
		6-54	95	—	12.1	12.1	23.00N	23.00N	100	3.13	—	21	12.01	12.86	88	—	7.15	11.34	29	—	—	
I. Calcuttizing	Debitures Bairner Lawrie & Co., 6% C.P.	12-56	(6)3.93	8.60	10	4	14.06	19.7	10	36.95	4.35	—	90	61.05	47.08	25.18	1	53.96	28.80	1.39	—	
Indian Iron	6% C.P.	3-57	967.04	974.23	10	10	19.14	25.1	100	918.37	165.00	1110.03	9.13	3300.09	2278.38	880.54	204.21	865.40	1563.74	213.29	152.27	
I. Mail. Casting	5% C.P.	3-55	1.38	57	Nil	Nil	4.07	3.7	1	3.85	40	—	6	13.18	14.22	5.70	76	7.16	5.45	14	—	
I. St. Wagon	4% Debentures Marine Burn & Co. Pvt. Ltd.	3-57	58.69	42.90	30	25	96.50	182.0	25	19.49	6.50	54.05	24	601.84	93.48	61.81	2.66	161.87	121.81	15.78	336.37	
I. Steel & Wire	7% C.P. Indra Singh & Sons, Pri Partly Paid	3-57	86.63	91.03	40	30	61.08	66.0	100	19.66	32.00	202.24	9.45	119.88	208.45	123.01	40.92	68.06	87.83	194.06	—	
Jay. Engrs. works Jasraj & Co.	M. M. Shrivastava & Co., 7% Debentures 5% C.P.	3-55	28.60	23.76	12	6	127.08	—	100	20.25	39.10	15.35	20	118.66	147.89	48.03*	—	79.53	51.50	4.67	—	
		10-56	(1)76.63	52.52	15	15	23.19	25.0	100	42.00	43.60	26.17	13.27	285.09	119.26	56.86	74.87	62.18	205.89	81	56.58	
Kamardhahi	Bird & Co. Private Ltd., 5% C.P.	11-56	18.55	8.83	20	16	7.81	9.12	3	18.43	2.75	49.57	25	56.45	68.94	24.23	2.28	42.54	40.16	48	16.95	
Marshall Sons	4% Debentures Marshall (Din) Pvt. Ltd.	6-56	5.06	4.79	20	15	5.00	4.12	2	100.00	18.50	6.38	1.81	148.63	17.12	12.98	2.07	102.24	73.78	2.78	—	
National Iron	4% Debentures Nursing & Co. Ltd.	3-56	16.80	10.81	6	2	6.75	6.15	10	49.96	4.90	—	5.29	59.70	94.81	57.29	5.84	35.57	46.53	1.39	—	
National Rolling Steel	4% Debentures Anand Indus. Develop.	6-55	(1)11.13	(m) 8.1	5	5	9.81	9.15	10	5.00	22.50	2.50	40	55.09	82.62	17.56	3	26.19	4.07	14	—	
National Screw & Wire	6% C.P.	12-56	90	2.31	15	15	92.00	101.0	100	10.00	—	—	—	—	—	—	—	—	—	—	—	
Richardson & Crutcher	Directors S. B. Indus. Dev. Co., 5% C.P.	6-55	33.02	31.91	10	10	8.19	17.15	10	60.00	10.00	17.81	10	118.52	50.38	13.59	84	11.27	34.57	34	—	
Saras	B. Sutherland & Private Co., Directors 5% C.P.	3-57	5.93	3.68	10	6	4.87	6.8	4	6.00	30	6.86	12	28.07	27.31	15.90	50	19.92	8.77	57	—	
Son Raleigh Indus.	Directors 5% C.P.	9-56	21.12	16.75	5	5	10.75	10.00	100	53.71	2.00	7.60	29	144.60	134.23	27.59	13.81	75.34	18.32	4.80	1.07	
Steel Products	D. Khanna & Sons 5% C.P.	4-52	49	17	Nil	Nil	1.22	0.14	3	2.80	—	1.00	-4.16	4.76	3.78	—	—	2.47	6.71	4	—	
Tat Mechy.	B. B. Private 5% C.P.	12-56	72.39	50.76	12	10	17.25	19.7	10	150.00	10.75	99	206.32	267.51	11.33	1.16	196.92	111.50	5.41	—	—	

B O M B A Y

B O M B A Y																				
Company Name	Managing Agent	Year	3.51	1.81	nil	nil	nil	210.00	253.12	100	2.40	18	-9.29	32.57	22.34	7.80	9	14.72	6.42	10
Walchand & Co. Private	6% C. P.	6-56	3.51	1.81	nil	nil	210.00	253.12	100	2.40	18	-9.29	32.57	22.34	7.80	9	14.72	6.42	10	
Walchand & Co. Private	4% C. P.	12-55	12.64	8.80	12	12	41.50	50.80	100	33.42	24.50	1.14	64.93	100.22	84.49	9.29	15.13	55.69	22.20	26.17
Walchand & Co. Private	5% R.C.P.T.	12-56	2.42	2.09	3	3	41.50	50.80	100	33.42	24.50	1.14	64.93	100.22	84.49	9.29	15.13	55.69	22.20	26.17
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00	143.12	100	30.18	6.62	8.14	39	63.03	86.39	59.25	22	66.71	23.56	5.41
Walchand & Co. Private	5% R.C.P.T.	12-55	18.82	13.81	10	8	117.00													

GILT-EDGED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 28-2-58	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 28-2-58
GOVERNMENT OF INDIA LOANS						GOVERNMENT OF INDIA LOANS					
Rupee Loans						Rupee Loans					
NON-TERMINABLE LOANS.						NON-TERMINABLE LOANS.					
8,93,34,000	3	1896-97	3 Months' notice	10-6/31-12	71-20	5,99,72,900	3	1936	1956-61	20-10/20-4	99-00
TERMINABLE LOANS.						TERMINABLE LOANS.					
57,00,69,000	2 1/2	1946	1961	1-2/1-8	94-60	2,95,85,200	4	1933	1953-63	1-6/1-12	101-75
45,63,07,000	2 1/2	1946	1960	15-1/15-7	97-35	3,31,47,200	4	1953	1963	15-1/15-7	98-00
75,86,72,000	2 1/2	1947-48	1962	15-5/15-11	94-86	3,25,00,000	4	1955	1967	1-3/1-9	97-50
14,77,48,000	2 1/2	1946	1976	16-3/16-9	99-72	4,00,00,000	4 1/2	1956	1968	3-3/3-3	97-25
50,35,65,000	3	1951	1958	16-2/16-8	99-14	GOVERNMENT OF INDIA LOANS					
113,65,64,000	3	1945	1959	15-2/15-8	94-13	Rupee Loans					
116,17,46,000	3	1932	1963-65	1-6/1-12	94-20	NON-TERMINABLE LOANS.					
30,33,10,000	3	1950	1964	15-6/15-12	91-72	8,93,34,000	3	1896-97	3 Months' notice	10-6/31-12	71-20
110,11,78,000	3	1943	1966-68	1-4/1-10	85-75	TERMINABLE LOANS.					
115,05,83,000	3	1945	1970-75	15-4/15-10	85-75	57,00,69,000	2 1/2	1946	1961	1-2/1-8	94-60
248,91,41,000	3	1946	1986	16-3/16	97-85	45,63,07,000	2 1/2	1946	1960	15-1/15-7	97-35
57,27,36,000	3 1/2	1956	1961	1-6/1-1	99-55	75,86,72,000	2 1/2	1947-48	1962	15-5/15-11	94-86
75,29,06,000	3 1/2	1953	1964	19-4/19-10	97-78	14,77,48,000	2 1/2	1946	1976	16-3/16-9	99-72
158,17,90,000	3 1/2	1954	1965	1-1/1-7	97-60	50,35,65,000	3	1951	1958	16-2/16-8	99-14
103,67,92,000	3 1/2	1955	1967	16-1/16-7	97-75	113,65,64,000	3	1945	1959	15-2/15-8	94-13
31,81,84,000	3 1/2	1956	1974	16-1/16-7	98-20	116,17,46,000	3	1932	1963-65	1-6/1-12	94-20
66,61,95,000	3 1/2	1957	1967	1-2/1-8	99-60	30,33,10,000	3	1950	1964	15-6/15-12	91-72
56,92,00,000	3 1/2	1957	1972	1-2/1-8	102-05	110,11,78,000	3	1943	1966-68	1-4/1-10	85-75
46,05,00,000	4	1957	1972	1-2/1-8	102-05	115,05,83,000	3	1945	1970-75	15-4/15-10	85-75
63,30,26,000	4	1956	1960-70	15-3/15-9	103-60	248,91,41,000	3	1946	1986	16-3/16	97-85
RUPES COUNTERPARTS.						57,27,36,000	3 1/2	1956	1961	1-6/1-1	99-55
5,85,73,000	4 1/2	1928	1958-68	1-6/1-12	100-55	75,29,06,000	3 1/2	1953	1964	19-4/19-10	97-78
STATE GOVERNMENT LOANS						158,17,90,000	3 1/2	1954	1965	1-1/1-7	97-60
WEST BENGAL						103,67,92,000	3 1/2	1955	1967	16-1/16-7	97-75
1,75,00,000	3 1/2	1951	1962	17-3/17-9	98-05	31,81,84,000	3 1/2	1956	1974	16-1/16-7	98-20
3,61,23,300	4	1953	1963	15-1/15-7	99-25	66,61,95,000	3 1/2	1957	1967	1-2/1-8	99-60
2,00,00,000	4	1952	1964	1-2/1-8	99-10	56,92,00,000	3 1/2	1957	1972	1-2/1-8	102-05
7,00,00,000	4	1955	1967	1-3/1-9	94-25	46,05,00,000	4	1957	1972	1-2/1-8	102-05
7,00,00,000	4	1956	1968	3-3/3-9	98-66	STATE GOVERNMENT LOANS					
BOMBAY						WEST BENGAL					
3,06,65,000	3	1944	1958	15-2/15-8	99-20	1,75,00,000	3 1/2	1951	1962	17-3/17-9	98-05
2,92,30,300	3	1950	1960	31-1/31-7	96-90	3,61,23,300	4	1953	1963	15-1/15-7	99-25
5,61,12,000	3	1949	1962	1-2/1-8	94-00	2,00,00,000	4	1952	1964	1-2/1-8	99-10
2,97,85,000	3 1/2	1951	1962	17-9/17-3	98-10	7,00,00,000	4	1955	1967	1-3/1-9	94-25
5,50,35,400	4	1953	1963	15-1/15-7	99-25	7,00,00,000	4	1956	1968	3-3/3-9	98-66
3,61,30,900	4	1952	1964	1-2/1-8	99-10	BOMBAY					
9,00,00,000	4	1955	1967	1-3/1-9	98-25	3,06,65,000	3	1944	1958	15-2/15-8	99-20
7,50,00,000	4	1956	1970	3-3/3-9	98-10	2,92,30,300	3	1950	1960	31-1/31-7	96-90
MADHYA PRADESH						5,61,12,000	3	1949	1962	1-2/1-8	94-00
5,32,69,800	3	1944	1958	15-2/15-8	99-15	2,97,85,000	3 1/2	1951	1962	17-9/17-3	98-10
1,01,44,700	3	1950	1960	31-1/31-7	96-25	5,50,35,400	4	1953	1963	15-1/15-7	99-25
2,01,28,800	3	1948	1964	1-3/1-9	91-00	3,61,30,900	4	1952	1964	1-2/1-8	99-10
1,02,18,100	3 1/2	1951	1962	17-3/17-9	97-45	9,00,00,000	4	1955	1967	1-3/1-9	98-25
1,02,18,100	4	1953	1963	15-1/15-7	94-20	7,50,00,000	4	1956	1970	3-3/3-9	98-10
1,50,00,000	4	1955	1967	1-3/1-9	97-00	MADHYA PRADESH					
1,50,00,000	4	1956	1970	3-3/3-9	98-10	5,32,69,800	3	1944	1958	15-2/15-8	99-15
UTTAR PRADESH						1,01,44,700	3	1950	1960	31-1/31-7	96-25
2,20,93,600	2 1/2	1946	1961-66	1-3/1-9	91-65	2,01,28,800	3	1948	1964	1-3/1-9	91-00
3,02,24,000	3	1944	1958	15-2/15-8	99-25	1,02,18,100	3 1/2	1951	1962	17-3/17-9	97-45
2,17,69,700	3	1945	1960	14-3/14-9	90-55	1,02,18,100	4	1953	1963	15-1/15-7	94-20
1,57,42,600	3	1936	1961-66	15-3/15-9	90-55	1,50,00,000	4	1955	1967	1-3/1-9	97-00
1,34,11,700	3 1/2	1951	1962	17-3/17-9	97-50	1,50,00,000	4	1956	1970	3-3/3-9	98-10
1,55,15,500	4	1953	1963	15-1/15-7	98-20	UTTAR PRADESH					
6,11,45,200	4	1952	1964	1-2/1-8	98-30	2,20,93,600	2 1/2	1946	1961-66	1-3/1-9	91-65
8,00,00,000	4	1956	1967	1-3/1-9	97-50	3,02,24,000	3	1944	1958	15-2/15-8	99-25
8,00,00,000	4	1956	1968	3-3/3-9	97-50	2,17,69,700	3	1945	1960	14-3/14-9	90-55
MADRAS						1,34,11,700	3 1/2	1951	1962	17-3/17-9	97-50
3,81,77,200	2 1/2	1946	1961	1-3/1-9	91-65	1,55,15,500	4	1953	1963	15-1/15-7	98-20
1,07,95,000	3	1944	1958	15-2/15-8	99-25	6,11,45,200	4	1952	1964	1-2/1-8	98-30
1,25,94,600	3	1939	1959	21-6/21-12	98-50	8,00,00,000	4	1956	1967	1-3/1-9	97-50
2,78,44,000	3	1945	1960	14-3/14-9	96-80	8,00,00,000	4	1956	1968	3-3/3-9	97-50
4,38,25,400	3	1950	1960	31-1/31-7	97-00	MADRAS					
3,01,49,000	3 1/2	1951	1962	17-3/17-9	97-40	3,81,77,200	2 1/2	1946	1961	1-3/1-9	91-65
1,03,30,100	4	1953	1963	15-1/15-7	98-40	1,07,95,000	3	1944	1958	15-2/15-8	99-25
5,24,81,200	4	1952	1964	1-2/1-8	98-45	1,25,94,600	3	1939	1959	21-6/21-12	98-50
7,00,00,000	4	1955	1967	1-3/1-9	97-70	2,78,44,000	3	1945	1960	14-3/14-9	96-80
12,50,00,000	4	1956	1968	3-3/3-9	97-80	4,38,25,400	3	1950	1960	31-1/31-7	97-00

Month-end Quotations of companies not included in Tabulated Balance-sheets

February 1958

CALCUTTA STOCK EXCHANGE

Preference.

BANKS:

Allahabad 6% ... 100 105.00

Behar 5% ... 50 22.25

COTTON:

Jyajeerao 5 1/4% ... 100 92.00

J. K. Cotton 6% ... 100 90.00

Pravati 6% ... 10 5.00

Shreenivas 4% ... 100 55.00

CEMENT:

Jaipur Udyog 3% ... 100 40.00

CHEMICALS:

Lister Antiseptics 6% ... 100 13.00

ELECTRICS:

Kurseong 6% ... 100 90.00*

MISCELLANEOUS:

Amalgam. Develop. 5% ... 100 49.25

Bharat Veg. 5% ... 100 30.00 N

Calcutta Cr. Corp. 6% ... 100 50.00

Calcutta Cr. Corp. 5 1/4% ... 100 40.00

Calcutta Silk 6% ... 100 40.00

Calcutta Tanneries 5% ... 100 40.00

Electric Consn. 5% ... 100 55.00

Greaves Cotton 5% ... 100 80.00

Greaves Cotton 6% ... 100 49.00

Hall & Anderson 4 1/4% ... 100 49.50

Hindustan National Glass 4% ... 100 80.00

Indian Plastics 5 1/4% ... 100 51.50

Osier Elec. Lamps 4 1/4% ... 100 38.00

R. B. Rodda 5 1/4% ... 100 54.50

Sodepore Glass 5% ... 100 38.00

Spencer 'A' 6 1/4% ... 10 6.51

Spencer 'B' 8 1/4% ... 10 8.88

Union Tobacco 6% ... 100 22.00

OIL:

N. I. Oil ... 100 40.00

REAL PROPERTY:

Humayan 6% ... 10 7.56

Regent 5% ... 100 34.00

BANKS:

Allahabad ... 100 367.00

Allahabad ... 50 180.00

Bikaner ... 25 24.00

Bikaner ... 100 30.00

Central ... 50 131.00

Central 'A' ... 25 50.00

Central 'A' ...

Kothari ...	10	14.75	Twyford ...	10	12.52	Br. Burma Petrol ...	3sh	1.70	Indian Copper ...	2sh	2.88
Kothari (new) ...	10	12.00 N	Waterfall ...	2	3.86	Br. India Corp'n. ...	5	3.84	Man. Indus't. Corp'n. ...	100	107.50
Madhusudan A ...	100	97.50	SUAAR: ...			Brunton Eng'n. ...	10	5.00	Motor & Gen'l. Pine ...	10	49.60
Madhusudan B ...	20	20.00 N	Cauvery ...	100	87.00 N	C. I. Coal ...	10	6.36	New Central Jute ...	10	12.3
Mahendra ...	100	100.00	Kesar ...	40	60.00	C. I. Machinery (old) ...	10	10.00 N	N. I. Fisheries ...	100	101.00
Phoenix ...	100	115.00	Krishna Gyanoddy ...	10	9.20	C. I. Machinery (new) ...	10	10.00 N	Orient Paper ...	10	23.80
Pulgaon ...	10	10.00	Maharashtra ...	250	830.00	C. P. Railway ...	100	57.50	Poly Chem. ...	50	46.40
Raja Motilal ...	100	63.00	New Swadeshi ...	100	200.00	Chemo. Pharma (old) ...	25	25.00 N	Rohtas Industries ...	10	16.36
Ruby ...	25	30.25	Oudh ...	100	127.00	Chemo. Pharma (new) ...	25	25.00 N	Sardar Carbonic ...	100	312.50
Shubhlaxmi ...	100	125.00 N	S. Behar ...	10	1.00 N	Commerce (1935) ...	10	25.00 N	Sen Raleigh ...	10	11.95
Swadeshi (Kanpur) ...	10	12.00 N	Vishnu ...	100	235.00	Dehri Rohtas ...	10	10.00	Sirpur Paper ...	10	8.80
Swadeshi (Kanpur) P.O. ...	10	11.90 N	CEMENT: ...			Dena Investment ...	25	11.52	Standard Batteries ...	100	106.00
Western India ...	1000	4525.00	A. C. C. (new) ...	100	138.75	Delhi Safe ...	10	10.00 N	Structural Eng. ...	100	200.00 N
ELECTRIC: ...			Andhra B ...	10	12.24	Dhrang. Chem. ...	100	95.86	Surat City Press ...	200	205.00
Bassein ...	10	8.50 N	Ashoka ...	10	8.12	Dhrang. Chem. (new) ...	100	91.00	Texmaco ...	10	17.24
South Madras ...	10	10.95	Bagalgot ...	10	8.32	Digvijay Tiles ...	100	60.00	Thacker ...	50	70.00 N
PLANTATIONS: ...			Da mia ...	10	10.00	Ferro Alloys ...	100	100.00	United Motors ...	20	19.00
Blue Mountain ...	2	3.00	Jaipur Udyog ...	10	11.32	Gujarat Investment ...	50	25.00	Volitas ...	100	115.50
Highland ...	10	11.72	Orissa ...	10	12.40	Gujarat Safe ...	75	120.00	Volitas (new) ...	100	110.00
Haileybury ...	10	16.12	MISCELLANEOUS: ...			Gwalior Rayon ...	10	11.80	W. Coast Paper ...	100	65.00
Kalpetta ...	10	19.76	Amar Dye ...	100	100.00	Harvey & Sabapathy ...	500	415.00	W. B. Coal ...	10	5.40
Midland ...	10	14.52	Bombay Cycle ...	20	20.00	Hindustan Motors ...	10	6.00	W. I. Veg. ...	100	90.00
Nellampathy ...	2	2.60	Bombay Silk ...	50	5.00	Hingir Rampur Coal ...	50	30.75	W. H. Brady ...	150	285.00
Rajagiri ...	10	15.60				Indian Dyestuff ...	100	93.00	Zandu Pharmacy ...	100	109.00

Calcutta Stock Exchange

		3rd	4th	5th	6th	7th	10th	11th	12th	13th	14th	17th	18th	19th	20th	21st	25th	26th	27th	27th
Elgin	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Coal	...	...	...	...	...	234.00	...	232.00	233.00	...	231.00	...	...	...	209.00	207.00	205.00	132.00	...	...
Burrakur	...	22.12	21.87	21.87	21.87	22.25	22.37	22.35	22.32	22.25	22.25	22.50	22.50	22.50	22.50	22.50	22.50	22.85	22.60	22.60
Howrah	...	...	...	...	...	...	...	...	...	13.12	13.19	...	13.10	13.12	...	...	13.25	...	...	...
National	...	...	23.00	23.00	23.00	23.00	23.25	23.50	24.00	23.90	23.90	...	23.20	23.10	23.10	23.10	22.75	23.75	22.75	22.75
Hasimara	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	20.69	20.75	20.75	...	20.00
Tezpur	...	...	...	...	...	...	...	9.00	...	9.00	9.00	9.00	9.25	15.56	...	15.31	...	...	...	15.12
S. K. G.	...	9.06	...	...	...	...	...	...	26.87	...	...	...	...	...	9.19	9.00	9.06	9.00	9.00	...
Braithwaite	...	...	...	...	...	...	...	...	...	22.68	22.62	22.56	...	...	...	...	...	...	...	...
Jessop	...	...	21.62	...	21.50	21.69	21.94	22.12	23.00	22.68	22.62	22.56	...	...	...	21.75	22.25	22.25	...	23.12
Indian Iron	...	20.03	19.69	19.42	19.57	19.62	19.51	19.70	19.74	19.84	19.66	19.68	19.68	19.32	19.24	19.32	19.55	19.52	19.56	19.84
Texmaco	...	17.30	16.95	16.85	17.19	17.10	17.00	17.05	17.15	17.30	17.15	17.15	17.10	...	16.90	17.20	17.15	17.15	17.08	17.25
Indian Copper	...	2.87	2.86	2.85	2.56	2.86	2.84	2.85	2.86	2.87	2.84	2.84	2.84	2.83	2.82	2.82	2.82	2.83	2.83	2.85
B. B. Petrol	...	...	1.80	1.80	...	...	1.82	1.80	...	...	1.75	...	...	...	...	...	1.70	1.77	1.70	...
Indian Pulp	...	19.37	...	...	...	...	...	...	...	...	...	...	...	19.44	...	...	...	19.37	...	...
Orient Paper	...	24.75	24.05	24.16	24.30	24.25	24.10	24.35	24.50	24.60	24.50	24.45	24.30	24.10	24.00	24.35	24.40	24.50	24.50	24.50
Titashur	...	34.00	33.75	...	33.50	33.62	...	...	...	...	...	...	...	...	...	33.50	33.58	...	...	33.75
B. I. C.	...	3.86	3.86	3.84	3.83	3.82	3.80	3.82	...	3.77	3.80	3.75	...	3.80	...	3.75	3.70	3.71	3.80	...
India Steamship	...	11.59	11.59	11.59	11.69	11.69	11.81	11.81	11.84	11.93	11.94	12.00	11.93	...	12.00	12.00	11.94	12.00	12.12	...
Indian Cable	...	28.06	28.25	28.25	28.06	29.00	28.81	29.00	28.94	...	28.62	28.75	28.50	...	...	...	28.81	28.75	28.69	28.62
Martin Burn	...	24.87	24.87	25.12	25.12	...	25.25	25.31	...	...	25.37	25.31	...	...	...	...	...	...	...	25.25
Metal Box	...	25.25	25.06	...	...	25.31	...	...	25.25	...	...	25.25	...	25.37	...	25.00	25.00	25.00	...	...
Dun'op Rubber	...	22.12	...	21.69	...	21.37	...	21.75	...	21.87	...	22.19	22.06	22.00	22.00	22.00	...	...	22.12	22.06
Rohas	...	...	16.06	16.19	16.25	16.06	15.94	...	...	...	16.06	16.00	16.00	15.87	...	16.00	16.00	16.00	16.00	16.00
Indian Aluminium	...	12.44	...	12.56	...	12.44	12.44	12.44	12.56	12.56	12.75	12.75	12.75	12.75	12.81	...	12.75	12.75	12.81	...
Hind Motors	...	6.19	5.95	6.00	6.06	6.09	5.87	6.00	6.02	6.12	6.06	6.06	...	6.03	5.94	...	5.87	6.00	6.00	6.00
Hind Lever	...	...	...	...	...	19.56	...	...	...	19.62	...	...	...	...	...	...	19.62	19.50	19.69	...
Philips	...	13.94	13.87	14.00	13.94	13.81	13.87	...	13.94	13.87	...	...	13.94	...	13.69	13.81	...	13.75	13.87	...
Sone Valley	..	5.12	5.19	5.15	...	5.18	5.25	5.25	5.12	...	5.25	5.28	5.31	5.25	...	...	5.25	...	5.22	5.25

Bombay Stock Exchange

	3rd	4th	5th	6th	7th	10th	11th	12th	13th	14th	17th	18th	20th	19th	21st	25th	29th	27th	28th	Post- Budget
Bombay Dyeing ..	51.20	50.90	50.80	50.40	50.40	50.20	50.50	50.50	50.60	50.40	50.40	50.40	50.00	50.10	50.20	50.70	50.60	50.50	50.80	50.20
Central India ..	84.00	83.00	84.00	84.00	83.00	83.00	82.00	82.00	82.00	82.50	82.50	82.50	81.00	82.00	81.00	80.00	81.00	81.00	81.50	81.00
Century ..	392.25	390.75	389.50	387.25	388.50	385.00	387.50	387.50	387.00	386.00	386.00	385.00	377.00	379.00	377.75	383.00	382.75	381.50	388.00	376.00
Pinay ..	264.00	262.50	262.00	262.50	261.00	259.00	260.00	..	..	..	..	254.00	..	..	..	252.00	..	..	..	..
Kohinoor ..	268.00	267.00	266.00	266.00	264.00	265.00	266.00	265.00	265.00	264.00	263.50	263.00	267.50	260.00	258.00	260.50	263.25	262.25	267.50	258.50
Simplex ..	160.50	160.00	160.00	159.50	158.50	158.00	158.50	158.00	158.50	159.00	157.00	157.00	156.00	157.00	156.00	155.75	158.00	..	157.00	155.00
Standard ..	403.00	401.50	402.00	402.00	403.00	400.50	402.00	402.00	399.00	398.00	397.00	396.00	390.00	391.00	390.00	392.50	396.00	395.00	398.00	390.00
Swadeshi ..	168.25	167.75	168.00	167.50	167.00	166.00	166.00	165.50	165.00	165.25	164.50	165.00	162.50	162.50	163.00	163.00	167.00	165.00	166.50	161.00
Tata Mills ..	40.25	40.00	39.50	39.00	39.00	38.50	38.75	38.75	38.50	38.50	38.50	37.50	37.50	37.50	36.00	36.50	37.00	36.75	37.75	37.00
Bank of Baroda ..	105.00	105.50	105.25	..	105.00	104.50	104.75	105.00	105.00	..	106.25	..	106.50	106.50	..	110.00	112.00	113.00	114.00	114.00
Central Bank ..	52.00	52.00	52.00	51.00	51.00	51.00	51.00	51.30	51.00	50.00	50.50	50.50	50.70	50.50	51.20	52.00	53.00	52.50	52.00	52.00
Ahmedabad Electric ..	94.90	94.80	94.90	94.70	94.80	95.00	95.00	95.40	95.00	94.90	95.00	95.10	95.20	95.20	95.30	95.20	95.00	95.00	95.00	95.00
Tata Hydro ..	113.25	..	113.25	113.50	113.50	..	114.00	114.00	..	113.75	114.50	115.00	114.75	114.75	114.00	113.25	113.00	113.00	112.75	112.75
New India ..	51.30	51.60	..	53.80	54.30	40.50	40.50	40.25	40.25	..	40.50	..	40.00	40.50	40.75	40.50	40.25	40.50	40.50	40.50
Scindia ..	17.28	17.28	17.32	17.32	17.28	17.28	17.32	17.32	17.32	17.32	17.44	17.48	17.32	17.24	17.40	17.40	17.44	17.40	17.56	17.60
Indian Iron ..	20.04	19.68	19.44	19.64	19.60	19.78	19.68	19.78	19.75	19.64	19.68	19.68	19.24	19.32	19.32	19.52	19.52	19.52	19.76	19.52
Tata Iron ..	172.50	170.50	169.50	170.50	176.25	174.25	172.25	171.50	171.00	170.50	171.50	171.75	167.50	169.00	168.00	169.00	169.25	169.25	171.50	168.50
Belapur ..	236.50	237.25	236.50	236.50	236.50	236.00	236.00	236.50	236.50	236.00	235.50	..	232.00	233.00	233.00	235.00	234.00	235.00	235.00	235.00
Phaltor ..	151.50	149.50	149.00	139.50	149.00	146.25	148.00	147.25	146.25	146.00	147.00	147.00	145.25	146.00	145.50	149.50	150.00	149.00	151.00	149.00
Alcock Ashdown ..	215.00	212.50	215.00	215.00	..	217.50	216.25	..	216.25	216.25	215.00	..	211.25	212.50	..	215.00	217.50	215.00	..	210.00
B. B. Petrol ..	1.84	1.80	1.80	1.78	1.78	1.73	1.76	1.76	1.74	1.72	1.74	1.72	1.70	1.68	1.68	..	1.72	1.68	1.68	1.70
A. C. C. ..	154.00	153.00	153.00	153.50	153.25	153.75	154.25	154.25	155.50	154.00	144.25	145.25	143.00	143.25	143.25	143.75	143.50	143.50	143.75	143.00
Indian Copper ..	2.90	2.88	2.86	2.88	2.88	2.84	2.84	2.84	2.84	2.84	2.84	2.84	2.80	2.84	2.82	2.84	2.82	2.82	2.84	2.88
Bombay Burma ..	537.50	538.00	541.00	540.50	539.50	537.00	538.50	537.50	537.50	534.50	534.50	533.50	523.00	525.00	524.00	522.50	523.00	523.00	525.00	521.00
Larsen and Toubro ..	..	..	12.68	12.68	12.68	..	12.60	..	..	..	12.68	..	12.68	12.68	..	..	12.64	..	..	..
National Rayon ..	219.75	217.60	215.60	214.50	215.00	215.00	215.00	216.75	217.00	216.25	218.25	218.75	215.50	216.25	216.00	216.00	216.00	216.00	12.68	12.68
Premier Construction ..	158.25	158.25	158.00	152.25	158.25	157.75	156.60	159.50	156.00	158.00	157.50	155.75	156.50	..	156.00	156.50	156.00	155.50	156.00	155.00
Shivrajpur ..	92.70	92.20	92.00	92.00	92.00	91.00	91.00	91.50	91.50	91.00	91.50	91.00	90.00	91.00	90.00	90.00	90.50	90.50	92.00	90.00
Tata Chemical ..	12.68	12.64	12.72	12.84	12.72	12.68	12.60	12.76	12.68	12.60	12.56	12.52	12.40	12.40	12.64	12.64	12.64	12.60	12.72	12.70
Telco ..	140.00	139.50	139.50	139.50	139.00	139.00	139.00	139.00	140.00	140.00	140.00	139.75	137.50	138.00	138.00	139.50	139.75	139.50	142.00	140.00
Tomco ..	37.00	36.00	36.50	36.50	36.50	36.50	36.50	36.50	36.25	36.00	35.75	35.75	35.75	35.75	36.00	35.50	36.00	35.75	36.50	36.50
Wimco ..	170.00	..	..	..	..	170.25	..	..	..	..	170.50	..	..	170.50	170.50	170.50	..	..	170.50	170.50

Indian Finance

Indian Finance

Saturday
March 8, 1958

Volume LXI No 10
=
Price: Rs 1.50

**The Budget
continues
to be the
news of the
day.**

There is, first, the Centre's Budget for 1958-59.

Then, we have the Budgets of the many States.

This issue
of Indian
Finance
covers
all.

HIGHLIGHTS OF THIS ISSUE

Budget articles may be read—and studied—in these sections:

For the Investor

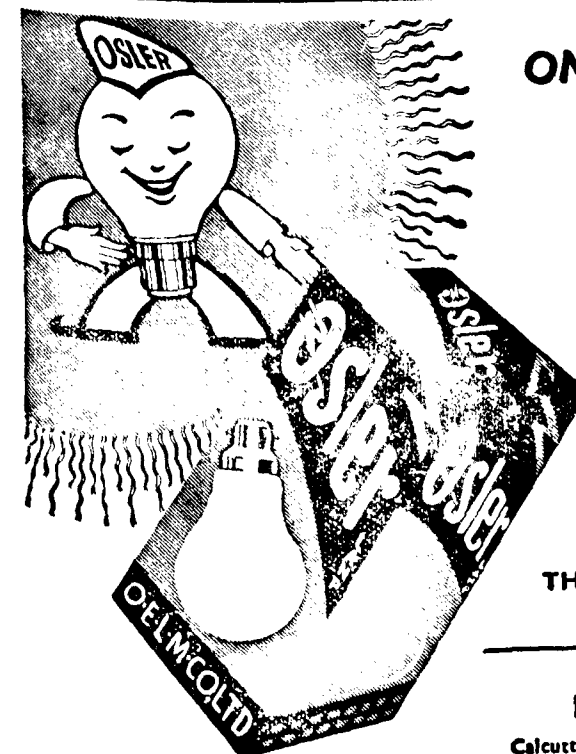
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General Manager.



*"He is free from danger
who, even when he is
safe, is on his guard."*

Pubilius Syrus

★

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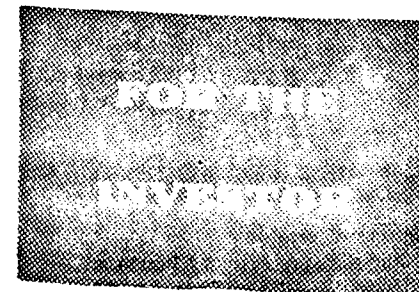
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MAIN BRANCH, CALCUTTA AT 19, NETAJI SUBHAS ROAD
J. W. YOUNG, MANAGER

March 8, 1958



Brisk Rise in Indian Irons

Investment Gossip:

BRISKLY, prices were taken up during the course of the last week, though the volume of activity was still not as large as could be desired. But, definitely, the feeling is one of a change for the better, with the worst left behind—at least, for another three years. This is on the presumption, which is in the form of a strong and confident belief, that the rest of the Plan period will not witness any new attempts at fresh taxation. So, it is this negative favourable factor that has been welcomed by the markets, and made much of. Moreover, in the last week, second thoughts have begun to be entertained about the king-pin of the Calcutta Stock Exchange, Indian Irons; and no longer is this scrip low in the estimation of the market.

The reasoning on which there has been this change in the assessment of the worth of Indian Irons may now be analysed. Firstly, the yield on Indian Irons till recently exceeded 5 per cent; and so, from the point of view of rate of return, it affords every satisfaction to the investor.

Secondly, the growth prospects are more unambiguous in respect of Indian Irons than with regard to any other scrip. There is already available the hint that the company may be called upon to proceed with further expansion in terms of the Third Plan.

Thirdly, the current expansion programmes are practically completed; and so, the trend in production should be consistently upward, which means that earnings, too, will be headed upward.

Fourthly, it is considered that there is no danger, as in some other industries like sugar or cement or cotton textiles, of production exceeding demand. Even if supplies run ahead of the indigenous market, it is felt that the surplus could quite easily be exported.

Fifthly, it is hoped that, as and when internal production catches up with the demand, Government will recognise that an anachronism will have come into being: this would be the system of retention price and selling price for steel. It is not altogether unreasonable to expect that, in such conditions, the internal producers will be permitted to be paid an amount that nearer approximates the present selling price.

In such a contingency, sixthly, logic suggests that the margin of

profit available to the steel manufacturers will go up.

It is recognised that the increased profits thus enabled will not all be available for dividends; but they will surely be permitted for meeting the liabilities that the companies have undertaken in order to put through their expansion programmes. So, seventhly, it is felt that there is reasonable prospect of steel companies earning a higher margin of profit, so that they become able more quickly to repay the loans that they have secured.

Then, eighthly, it would mean automatically that the break-up value of steel shares would also, automatically, go up sharply.

The fee 1/3 in Calcutta's that, applying these criteria, it is Indian Irons that is much the better off, as compared with Tata Ordinaries.

This perhaps explains why the current rise in prices owes its motivating force to Lyons Range, which has signified itself as a fairly strident purchaser of Indian Irons. There are some circles which have already started talking up Indian Irons to a level of Rs 25 a share.

Whether this materialises or not, the fact remains that, already, the rise from the pre-Budget level is of satisfactory proportions; and some further rise seems almost certain.

£ R\$

Investment Briefs:

Braithwaite & Company Limited has maintained the dividend at Rs 2 per share for 1957.

Tractors (India) Limited has recommended a dividend of Rs 2 per share on the enhanced capital for the year ended 30th Jun., 1957 as against Rs 5 on the original capital in the previous year.

£ R\$

Investment Notes:

The shares of the Bank of Baroda have firmed up to Rs 115.50 from Rs 112.00 on expectation of a bonus issue of one share for every five shares. This is the golden jubilee year for the bank, being established in 1908.

The business of the Union Bank of India Limited has shown good progress during last year. The directors have considered the desirability of a suitable increase in the paid-up capital and resolved to increase the same from Rs 40 lakhs to Rs 60 lakhs by the issue of 4 lakhs new shares of Rs 5 each. To be fully paid, at par, to the shareholders in the ratio of one new share against two old shares. The necessary application, in this behalf, has already been made to the Government of India.

Calico Mills have decided to issue half ordinary share as bonus for every existing ordinary share (i.e. one share for every two shares). This was expected for some days past. An extraordinary general meeting is being convened on the 28th March, as the Government's sanction has already been obtained to the bonus share scheme.

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The shares have moved up to Rs 645 c.d. (Rs 11 interim).

It is learnt that negotiations with a leading American firm, Cabbots, have now reached an advanced stage in connection with a proposal to manufacture Carbon Black on a commercial scale in India. The plant is likely to cost Rs 1.5 crores. A leading Indian industrialist is expected to sponsor a company in collaboration with the American firm. Details are yet to be worked out. Carbon black is an important constituent in the manufacture of tyres.

A scheme for the amalgamation of the Oriental Government Security Life Assurance Company Limited with the Investment Corporation of India Limited has now been evolved as a sequel to protracted negotiations between the directors of both the companies. The scheme, to be effective, will have to be approved by the requisite majority of the shareholders of each company, and the sanction of Bombay High Court will also have to be obtained. In consideration, the Investment Corporation will allot to every shareholder of Oriental in respect of every share of Rs 200 each held by him, 40 shares of the Corporation of Rs 100 each fully paid or Rs 4,000 in cash. The meeting of the shareholders has been convened on the 31st March.

It is understood that the Kerala Financial Corporation will shortly issue Debentures to the tune of Rs 50 lakhs. The Debentures will carry interest at 4½ per cent and

are repayable over a period of 10 years. The issue price is Rs 98.50, which gives a redemption yield of 4.94 per cent. The Kerala Government has guaranteed both principal and interest. It is expected that the list will be open some time in the third week of this month.

£ R\$

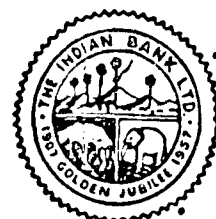
Hindustan Lever Steps up Dividend

Balance-Sheet Reviews:

THE shares of Hindustan Lever Limited had been ruling very firm at Rs 19.69, during the past few days, on expectation of an increase in dividend. It is now confirmed that the company has raised the dividend from Rs 1.25 to Rs 1.40 per share for last year.

The company, during the year under review, has maintained the results. The net profit amounts to Rs 100 lakhs after providing Rs 123 lakhs for Taxation at current rates. After allowing for the additional taxation consequent upon the 1957 budget, the net profit in 1956 was Rs 61 lakhs after charging taxation of Rs 162 lakhs. Included the 1956 taxation charge of Rs 162 lakhs was Rs 47 lakhs on account of the bonus issue made in October, 1956.

The annual general meeting of the company will be held on the 7th April 1958 and the payment of dividend will be made on or after the 8th April.



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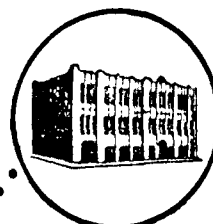
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Indian Finance

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London and Overseas Representatives: Baptist Smith, Keith & Slater Ltd, Napier House, 24/7 High Holborn, London W.C. 1. Telephone: Holborn 5022.

Walchandnagar Industries

The directors of the Walchandnagar Industries Limited have proposed to maintain the dividend at Rs 21 per share for the year ended 30th September, 1957. The company has earned a higher profit of Rs 38.97 lakhs as against Rs 33 lakhs in the previous year after raising the provision for Taxation from Rs 17 lakhs to Rs 18.75 lakhs and providing Rs 8 lakhs against Rs 10.40 lakhs for Depreciation. Special depreciation, development reserve, etc., have claimed Rs 11.80 lakhs against Rs 4 lakhs and the allocation to the General Reserve has been maintained at Rs 5.00 lakhs.

ER\$

Volta

The Volta Limited has earned a higher profit of Rs 25.51 lakhs for the year ended 31st August 1957 as against only Rs 19.74 lakhs in the previous year after raising the provision for Taxation from Rs 20.10 lakhs to Rs 50 lakhs and for Depreciation from Rs 3.56 lakhs to Rs 4.69 lakhs.

Proceeds of sales and services, etc., have gone up substantially from Rs 14.52 crores to Rs 20.60 crores. The allocation to General Reserve has been maintained at Rs 3.25 lakhs. The provision for Retiring Gratuity is also maintained at Rs 2.00 lakhs. The proposed dividend absorbs Rs 19.80 lakhs against Rs 13.50 lakhs.

The company's achievement reflects its continued expansion in spite of import restrictions. Arrangements have been made with foreign principals for local production of diesel engines, water meters and tool-holder bits, tipped tools, etc. Agreements for the manufacture of a number of other items have been finalised or are under discussion.

ER\$

Rallis India

Rallis India Limited has reported a substantial decline in profits for the year ended 31st August 1957, reflecting the disturbed trading conditions generally experienced by the company. Although trading in gunnies, oils and oilseeds resulted in a loss, profits are reported to have been made in all other articles. However, there is a further reduction in turnover of about Rs 1 crore as compared with the previous year. The depart-

ments, mainly affected, are oil, oilseeds and cotton, owing to the smaller licensing of imports of foreign cotton, while there are substantial increases in the business done in fertilizers and steel.

The accounts, before providing for Depreciation, reveal a net profit of only Rs 1.91 lakhs as against as much as Rs 20.82 lakhs in the previous year. After transferring Rs 14.04 lakhs from Property Reserve Account and Rs 5.25 lakhs from provision for taxation no longer required, there is an available sum of Rs 22.93 lakhs. Out of this amount, a sum of Rs 7.55 lakhs (Rs 7.65 lakhs) is provided for Depreciation; Rs 12.41 lakhs (nil) for arrears of depreciation for two years and Rs 1.25 lakhs (nil) for Wealth tax, leaving a debit balance of Rs 44.13 lakhs to be carried forward to next year.

ER\$

Calcutta Steam

Despite a substantial decline in profits, the Calcutta Steam Navigation Company Limited has maintained the dividend at 65 p per share for the half-year ended 30th June, 1957. Freight income is higher at Rs 12.18 lakhs against Rs 10.54 lakhs; but the net profit, after providing for Depreciation and Taxation, is substantially lower at Rs 44,919 against 1.00 lakh in the previous year. This is mainly due to the fact that the Depreciation amount is raised to Rs 1.33 lakhs from Rs 1.27 lakhs and the Taxation provision to as much as Rs 1.78 lakhs from Rs 70,000.

ER\$

Kelvin Jute

The Kelvin Jute Company Limited has presented accounts for the eleven months ended 31st March 1957. The accounts are not strictly comparable with those for the half-year ended 30th June, 1956. Sales are shown at Rs 1.58 crores against Rs 73.31 lakhs, while the net profit, after providing for Depreciation and Taxation, amounts to Rs 2,48,578 as against Rs 1,20,482. A sum of Rs 3.58 lakhs (Rs 2.69 lakhs) is set aside for Depreciation and Rs 2.40 lakhs (Rs 90,000) for Taxation. A dividend of Rs 9 per share has been recommended on the Ordinary shares as against Rs 5 for the half-year ended 30th June, 1956.

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The Budget: Second Thoughts

CRITICISM of the 1958-59 Budget tends, not strangely, to be in muted tones. There is nothing tangible that can be taken umbrage at, and even the one major levy introduced by Mr Nehru, the Gifts Tax, has been expected. So, if criticism at all there is, it is not because the Budget contains provisions which are onerous, but rather because it does not contain reliefs that had been expected, or at least hoped for. While we gave our first views on the Budget in the last week's leading article, and while it is proposed to bring out a Special Supplement to be issued together with next week's Indian Finance, we here briefly take account of what may be called the disappointments that the Budget presented.

A list of disappointments—or tabulation of measures which many in this country would like to see disappear from the statute book—would be unconscionably long, but legitimately at the head of such grievances is the plaintive grouse of the cotton textile industry. The industry's record as a whole has been satisfactory, even if there were elements in it, during the war, which took unfair advantage of the scarcity conditions to mult higher prices. Whether from the point of view of expanding production or increased exports, the industry has done its bit. But, for all the higher production, a stage was reached in the middle of 1956 when supplies threatened to be inadequate vis-à-vis the demand generated by the improved purchasing power of the Indian masses. At that time, Mr T. T. Krishnamachari raised the excise duties on cotton textiles rather sharply, but it appeared to be implicit in his action that the marking up of the excise duty had merely two short-term objectives in view. The first aim was to divert a moiety of the higher level of profit that the industry was earning. The second aim was to discourage consumption by means of inducing consumer resistance to the higher prices which the excise duties would bring into being. As reflected in the Centre's receipts from excise duties on cotton textiles, both these aims were achieved.

In the Budget for 1956-57, receipts from excise duties on cotton textiles were placed at Rs 29.50 crores. Sir Chintaman Deshmukh's proposals for 1956-57 raised the revenues from cotton cloth to Rs 45.08 crores. Then, later in the year, Mr Krishnamachari further raised the excise duties, so that, in the Revised Estimates for 1956-57, realisations from cotton cloth were put down Rs 15.50 crores higher at Rs 59.58 crores; and, at the same time, the Finance Minister estimated the receipts from cotton cloth at Rs 72 crores for 1957-58. In the Budget presented for 1958-59, the actuals for cotton cloth for 1956-57 are placed at Rs 51.86 crores. Thus, with the higher excise duties in effect from September 1956, production already began to be affected. The short fall of nearly Rs 8 crores cannot easily be ascribed to any other reason. Again, the Revised Estimates for 1957-58 showed a short fall of Rs 11½ crores from the Budget figure of Rs 72 crores. While this decline in expectation might be due partly to the fact that, late last year, some relief was given in respect of

medium varieties of cotton cloth, the feeling still persists that the point of diminishing returns has been touched in the case of excise duties on cotton cloth. In the Budget for 1958-59, curiously, credit is taken for Rs 58.56 crores. This would seem to indicate that Government themselves have been compelled to recognise that the revenues from cotton textiles are on the down trend.

It is scarcely to be denied that the textile industry is in sore straits. Stocks, which had risen rapidly after September 1956, do not show as healthy a decline as could have been wished for. Secondly, at the current rates of excise duty, the experience of most units is an inability to earn profits. Indeed, the argument has been advanced that the improved revenues to Government from the excise duty on cotton cloth have at least been partly offset by a decline in the income-tax collections from the industry. The facts, it would seem to us, clearly point to the need and desirability of some relief being given to the cotton textile industry.

The second head under which relief had been expected was in respect of the reserve deposit. As against the Budget estimate of Rs 14.58 crores for 1957-58, the Revised Estimate discloses that realisations are likely to be very much lower at an almost negligible figure of Rs 3.48 crores. Consequently, it was hoped that, having regard to the paucity of resources available under this head, and also having regard to the fact that the impost is not central to the integrated tax structure that Mr Krishnamachari created, it might be repealed. This hope was further strengthened by the fact that Mr Krishnamachari had himself hinted that it was by no means to be a permanent entry in the statute books. If only because there apparently is quite needless loss of time and energy, not to speak of the possibility of harassment, it might have been a good thing if Mr Nehru had seen his way to eliminating the deposits requirement.

The third relief that has failed to materialise is in regard to the export duties on common teas. The export duty realised from tea, according to the actuals for 1956-57, is Rs 20.47 crores; but the revised for 1957-58 is Rs 17 crores, or Rs 2 crores lower than the Budget figure of Rs 19 crores. The credit taken for 1958-59 is Rs 18 crores. While nothing definite can emerge as a conclusion from these figures, prices on the tea market are replete with evidence of sluggish conditions for common teas. Not only are exports sluggish, but prices are tending to be depressed. It was hoped that Government would consider the earning of foreign exchange to be as equally important as the vouchsafing of tax revenues; and it had been anticipated, in this light, that a cut in the export duty would have been effected, in order that exports of common teas might be fostered.

These are three concessions that this journal supports. There are some other aspects of the Budget for 1958-59 in particular, and the tax system generally, which need a detailed examination. For instance, the tightening up of conditions under which a company can claim Development Rebate may create unexpected hardships. All these are matters

Indian Finance

Established 1928

March 8, 1958

"The Wise Man in His Attitude towards the World has neither Predilections nor Partialities. He is on the side of what is Right"—The Analects of Confucius.

which will be dealt with fully in the study of the 1958-59 Budget, to be published next week.

Rice Supply: Fiasco in Andhra Pradesh

By S. KESAVA IYENGAR

WE are at the end of the second year in the Second Plan, but experience has not made us wiser, particularly with regard to food supply. Rice is the staple food in the Southern States as also in Orissa and Bengal, and in spite of all the claims by the Grow More Food campaign and sweeping resolutions at Mussoorie and New Delhi, the economics of rice supply have definitely taken a turn for the worse. The following figures show the drifting way in which import of rice from abroad has behaved during the last few years:

Year	Import of rice from abroad ('000 tons)
1951	749
1952	722
1953	175
1954	603
1955	265
1956	325
1957 (provisional)	770

Equally fluctuating have been the reserves maintained by the Central and State Governments as is clear from the following figures:

Year	Opening Stock of Rice in '000 Tons	
	State Govts.	Central Govt.
1951	729	—
1952	1,309	—
1953	1,507	110
1954	924	518
1955	784	856
1956	168	738
1957 (provisional)	79	208

Later, the Central Government have been more active in stockpiling. What about domestic production of rice? The situation has been no less disturbing: figures stand thus:

Year	Southern Region (a)		Eastern Region (b)	
	Region (a)	Region (b)	Region (a)	Region (b)
1953-54	6,927	11,316		
1954-55	7,075	9,951		
1955-56	7,060	11,298		
1956-57	7,392	12,063		

Note: (a) Southern Region includes the States of Andhra Pradesh, Madras and Mysore.

(b) Eastern Region includes the States of Assam, Bihar, Orissa and West Bengal.

All India wholesale price index numbers for cereals show uncomfortable ups and downs, exerting a profound influence on the working class cost of living. The index numbers are:

Year	Highest Index number & Month
Base: Year ended August 1939=100	
1949-50	474—August
1950-51	387—March
1951-52	494—September
1952-53	464—August

Base: 1952-53=100

1953-54	108—July
1954-55	89—April
1955-56	87—March
1956-57	100—November
1957-58	106—February
	106—August

The change of the base from the year ended August 1939 to 1952-53 is nothing short of a contrivance to hoodwink the lay public into a psychology of complacency: a rise of six points between 1956-57 and 1957-58 really means a rise of $6 \times \frac{100}{100} = 27.8$ points. Putting together rice production, rice imports, rice stocks of Government and rice prices, the over-all picture is definitely displeasing and discouraging: not even a neutral price policy was pursued, and vicissitudes in Government price policy were spasmodic and irresponsible, to put it mildly.

ANDHRA PRADESH "SURPLUS"

The Table given below shows production of rice in Andhra and Telangana separately and in Andhra Pradesh as a whole:

Region.	PRODUCTION OF RICE.			
	(In '000 Tons).			
	1953-54	1954-55	1955-56	1956-57
Andhra ..	2463	2559	2503	2668
Telangana ..	612	548	543	636
Andhra Pradesh ..	3075	3107	3046	3304

The relative position of Telangana as a deficit area, of Andhra as a surplus area, and of Andhra Pradesh as a surplus area with regard to rice and millets put together, is shown in figures noted hereinunder:

Region and year.	Population (in 1000s.)	(In '000 Tons).			
		Production (rice and millets).	Consumption at 14 oz. per capita per day.	Seed.	Surplus or deficit.
1955-56:					
Andhra ..	21,768	3,907	3,104	74	+729
Telangana ..	11,413	1,244	1,628	40	-424
Andhra Pradesh ..	33,181	5,151	4,731	114	+305
1956-57:					
Andhra ..	22,029	4,165	3,141	76	+948
Telangana ..	11,550	1,261	1,647	41	-427
Andhra Pradesh ..	33,579	5,426	4,788	117	+621

Normally, Andhra Pradesh is believed to have an annual surplus of 600,000 tons of rice. Rice prices in Andhra Pradesh also fluctuated widely. In the Andhra region, when it was a part of the Madras State, rice was decontrolled in June 1952 and there was a rise in the average wholesale price of second sort of rice from Rs 14.94 per maund of 40 railway seers to Rs 16.27. After continuing more or less around these levels till January 1955, the price declined to Rs 13.37 and further to Rs 12.44 in February 1955—the lowest level after de-control. From June 1955, prices started rising and they stood at about Rs 15.44 in December 1955. From then, except for a very slight seasonal fall to Rs 15.31 in January 1956, the price continued to rise, and in December 1956, it was Rs 21.19. In January 1957, there was a slight reduction, but in subsequent months, they again moved upwards and in May 1957, the level stood at Rs 20.94. The level reached its peak in June at Rs 21.52 and began receding from July consequent upon the announcement of the Southern Zone for Rice. In October, the price went down to Rs 19.84, though it was followed by a slight rise of ten naye paise in November. In the Telangana region (formerly part of the Hyderabad State), the withdrawal of the food subsidies in 1951 and the upward revision of controlled prices resulted in a rise in prices commencing during the last quarter of 1951

and continuing throughout 1952. Following the bumper harvest of 1953-54, rice in Telangana was de-controlled by February 1954. The price then declined to Rs 14-14-0 by June 1954, and except for a slight rise between July and October 1954, continued to fall rapidly till May 1955, when it stood at Rs 11-15-0. The fall in the early half of 1955 was accelerated due to the good harvest of 1954-55. From June 1955, the prices recovered and except for a slight fall between September 1955 and January 1956, continued to rise to Rs 19-12-0 in November 1956. In December 1956, there was a reduction by Rs 2.00 but in the first quarter of 1957, the prices were in the vicinity of those of November 1956.

PARADOX OF THE "SOUTHERN ZONE"

On July 10, 1957, "The Southern Zone" was announced by the Union Food Minister at Madras. Like the GTE (neither Grand nor Trunk nor Express), this proved to be neither Southern nor Zone. Highlights following the announcement on July 10 may be summarised thus:

- In the beginning, rice could not move to the South on account of shortage of wagons.
- When wagons were in plenty, rice could not move to Madras or Kerala because quotations were high, and the Southern States wanted cheaper rice.
- Observing that the "Southern Zone" was not functioning, the Union Food Minister ordered unilateral procurement of rice in Andhra area. Between August 1 and February 21, 1958, 153,000 tons of rice were procured in Andhra by the Union Government. The procurement price was lower than the average cost of production per maund of rice, namely, Rs 11.60.
- In Madras and Kerala, the Union Government sold rice at subsidised prices with the result that rice sold higher in Andhra Pradesh (a surplus State) than in Madras and Kerala.
- The Andhra Pradesh Government have done nothing either to procure rice or sell within the State at subsidised prices.
- Export of fine rice to Bombay and Bengal was prohibited when the Southern Zone was created, but under a system of permits, 8,090 tons of fine rice have been exported outside the Southern Zone while surplus stocks were about 50,000 tons. It is impossible to understand a system of permits when the supply is larger than the demand.
- Cheap grain shops in Madras were the victims of quick-changing policy. Soon after the Southern Zone was created, supply of rice to such shops was stopped. A few weeks later, it was resumed. A few days ago, the supply was again stopped. Reasons for these quicksilver changes were neither given nor asked for.
- Within Andhra Pradesh, profiteering in rice has been rampant. As among the village level, the rice mill level, the regulated market level, the **mandi** level and the urban retail level, there has been a difference of almost Rs 20/- a panna of 120 standard seers. The latest quotation given by the Hyderabad Broadcasting Station was Rs 77/- per panna of fine rice, while the wholesale market rate was Rs 85! The only step taken by the Andhra Pradesh Government has been to levy a tax on stocks of rice handled by rice mills, but this has injured the consumer further, not benefited him.

VITAL ISSUES INVOLVED

Obviously, there is "something rotten in the State of Denmark". It is not clear why the Union Government took to procurement unilaterally, without the free consent and co-operation of the Andhra Pradesh Government. Another mystery is that the Andhra Pradesh Government did not stir a finger for bringing down the steeply rising prices of rice, either through procurement or through subsidisation. It looks as though there has been a small quarrel, and the Union Government's procurement of rice in Andhra reminds one of President Eisenhower despatching Federal Troops to Maryland for safeguarding coloured pupils in the Little Rock High School. Have the Andhra Pradesh Government no responsibility for checking runaway prices of rice in deficit pockets within the State? Is it not high time that quotations of market prices by the Bureau of Economics and Statistics and the Broadcasting Stations showed little deviation from facts? The latest is a "rice deal" between the Governments of Andhra Pradesh and Kerala, but details are not available.

"COST STOP: WAGE STOP: PRICE STOP"

Administration in India, it is admitted on all hands, is still theoretical to a large extent, and sensational developments in Bhakra-Nangal and the Life Insurance Corporation are symbolic of the great dangers that are sure to follow in the wake of a re-imposition of food control. Steps taken by the Union Government with a view to controlling prices of rice, have proved a miserable failure. The right end to begin with would be to prevent costs of production from rising, through a liberal policy of supplies of agricultural requisites at subsidised rates. This would inevitably persuade the primary producer of rice to sell in the competitive market at lower rates. The dictum of Dr Schacht "cost stop: wage stop: price stop" should prove of great practical value to policy makers in India with regard to foodgrains. Fertilizers, pig iron, cattle and fodder, and industrial consumer goods required by the cultivators should be made available at lower prices through subsidisation, in better quality and larger quantities, more extensively and efficiently, and if necessary, sufficient imports should be ensured through bilateral agreements with foreign countries where the required material is available with good quality and at low cost. Net burden to Government on account of this should prove much less than for importing grain. The time unit in agriculture being one year, such net burden on Government should prove a more efficient insurance against scarcity than uncertain imports and buffer stocks maintained by the Government. Supplies of agricultural requisites should be made to bona fide cultivators at subsidised rates. Departmental supplies have been far from efficient. The Rs 100 crores spent by the Government in reducing the cost of production of foodgrains should augment their supply in a much more effective manner than Rs 300 crores worth of foreign imports, with much higher self-respect. What is most urgently required is a continuous and thorough study of cultivation costs and consumption standards periodically: a brain spark from a Minister or a hasty annual or half-yearly conference assembling for a few hours, is more likely to mis-judge and mis-lead. Unfortunately, the Research Programmes Committee of the Planning Commission and the Indian Council of Agricultural Research appear to think that they have reached the climax with the appointment of innumerable Panels and Committees which are provided neither with funds nor with facilities for high-level research. And the powers that be are blessing this atmosphere of supreme indifference with slogans like "change food habits", "austerity drive" and "miss a meal!"

March 8, 1958

Trade Union or Labour Front?

By N. CEEM

THE suspicion is widespread, though not as yet so widely expressed, that Trade Unionism in India has been a cause more of disorder than of industrial peace. The present industrial landscape abundantly bears it out, but, apart from that, the suspicion deepens, as one looks back at the circumstances in which this Trade Union movement originated and developed. It not only did not arise, as in other countries, out of 'bonafide' industrial or economic reasons, but was just one more front opened up in the political struggle against an alien power—with a direct political emphasis, complexion and outlook, which determined every other part of its character. Its leaders were not drawn from the people, like Keir Hardie, nor were its aims and methods, either in form or in substance, anything but political. Those crowded out of the front rank of political leadership used the industrial arena as just a stepping stone or for the dress-rehearsal for their spectacular political performances; and if they succeeded in securing the Mahatma's blessings for the industrial labour movement, starting from Ahmedabad and ending in his now famous "Trusteeship Theory", that hardly mitigated the overall position. Economic Nationalism might have been stimulated in consequence, but Trade Unionism, in the economic sense, gained very little. And this explains why the 'corpus' of Labour legislation, since the Trade Union Act of 1926, is not only fairly complete, but in some cases stream-lined, almost futuristic, but social and industrial realities hardly correspond to it.

This early entanglement with politics and integration into the nationalist movement have not only been retained, but accentuated since 1947, even though in that year, the nationalist movement achieved its objective and disappeared; and this unnatural state of things has been entirely due to Trade Union politicians. There is now no foreign rule to fight, but there is much more power and prestige to enjoy; and all the fight the Trade Union politicians had in them, they now employ against one another, with the Trade Unions as mere pawns. Those who have risen to leadership after 1947 are imitating their seniors in power-politics, though without their experience or ability; and disunity has helped Communism and other subversive forces to thrive and held up normal industrial production in the State.

It is time it was recognised that factionalism in Trade Union leadership is responsible for too many man-days lost. Not too long ago, one of the most important industrial organisations in West Bengal, the Iron and Steel Works at Burnpur, had to close down for a fairly long period because of inter-Union disputes. Though the story of the great amalgamations in British Trade Unionism since 1920 has been steadily before its eyes, the history of Indian Trade Unions does not show that that example was followed.

The law does not make recognition of any particular Union compulsory; and this increases rather than diminishes factionalism, though, in some cases, of course, the law, as it is, may be of advantage to the employer and, in some others, to the employees and Government. Since factionalism, more than anything else, is responsible for reactionary strikes and slow-downs and all their unhappy consequences, the prime urge, if industry is to be saved, should be to reduce the number of power-hunting Trade Unions to a minimum. Trade Unions, somebody said, are "the very

foundation of true democracy". One need not disagree with this trite observation, but the present rampant factionalism in Trade Union leadership is no less obviously the very foundation of 'ochlocracy' (Aristotle's perverted form of 'democracy') or of anarchy, if, of course, anarchy needs any foundation. Into no other pattern than anarchy perhaps would so many competing factions fit, bullying the Government with impunity.

It is not enough to point out that something is undemocratic, as if democracy was the last word in political wisdom; the deeper and more permanent problem is how to reconcile democracy to planning and whether, in achieving this reconciliation, a good point or two from 'totalitarianism', so called, may not be suitably adopted.

It would be desirable at this juncture to have the Trade Unions run by another set of leaders, but the present leaders cannot be dislodged, for they have too much political pull. One may ask, without echoing platitudes, what "bonafide" purposes Trade Unions now really fulfil in this country, since nearly all the required social, economic and other laws are there already and the Government enforces them against the employer and employee to protect the rights of each. If enforcement is defective, or more good laws are needed, there is the Legislature to mend matters. In any case, a common Labour Front is the next progressive step, Trade Unions having outlived their usefulness.

There would be no intermediate organisation between the State and the workmen; there would be only a common Labour Front consisting of workers of all classes and categories, of all trades and all industries. A strike would be impossible for the reason that no employer would dare pay less than the standardised minimum wage. The State would immediately take up workers' grievances, if any employer violated the law. On the other hand, were the workers to demand more than their due, they themselves would bring about the collapse of the organisation for which they work. The Trade Union funds would be pooled together and diverted by direct State agency to workers' welfare-work like housing, slum-clearance et cetera.

Industrial Tribunals would be even more useful than they already are, if the touts were eliminated. Constructive details can be worked out easily enough, but a thorough re-adjustment of policy would be a prerequisite. The German Labour Front—the most significant part of Hitler's experiment—constituted in 1933 and given legal form in 1934 may serve as the model. Like the "curate's egg", it may be found to be good in parts.

The abolition of Trade Unions would not leave the workman uncared for. In addition to the Labour Welfare Officers appointed by or on behalf of the management, there would be Government Labour Welfare Officers and there would be more comfort, more amenities and more welfare for the workman than the employers would compulsorily or voluntarily provide; and everything now there would of course remain. Only the middleman would go.

Perspective

By COGNOSCENE

NEW YORK.—The Soviet economic offensive continues to pose significant questions.

The targets of the Soviet efforts—nations of the Middle East and Asia—generally concede that Moscow's moves in the economic field are not motivated solely or even primarily by economic realities. Any number of factors testify to this. For one thing, Soviet bloc countries are not natural markets for some of

the products imported from less-developed nations.

For instance, while importing cotton from Egypt, the Soviet Union itself already is one of the greatest cotton producers. Communist China and the Soviet Union now rank second and third in world cotton production. Aggregate production for communist countries, mainly the Soviet Union and Red China, is estimated at 11.8 million bales for 1957-58.

Soviet communist Party Chief Khrushchev, in a lengthy speech last week to the all-union conference of cotton growers, broadcast by Moscow Radio, devoted a great part of his 10,000 or so words to cotton production. As evidence of the "great successes" achieved by the Soviet Union in the production of cotton, he cited the following figures:

"Growth in 1957 as compared with 1913: Uzbek SSR, 5.5 times; Turkmen SSR, 5.5 times; Tadzhik SSR, 13.7 times; Azerbaijan SSR, 5.4 times; Kazakh SSR, 10.7 times; Kirgiz SSR, 5.1 times; and Armenian SSR, 2.2 times."

This was no cursory speech, noting achievements and exhorting greater things for the future. Khrushchev went into meticulous detail concerning means of stepping up cotton production—methods of sowing, of cultivation and of harvesting.

In addition, thus far in the Soviet Union there can be no great market for the type of cotton produced by Egypt which is quality cotton and not the kind used for cheap goods.

The natural question that arises: what are Soviet bloc countries doing with imports of cotton beyond the quantities they can use in their own economies?

And what happens to Egypt's traditional customers for cotton, the natural markets of Western Europe? With an increased share going to the Soviet bloc, the countries of Western Europe are faced with the problem of finding non-Egyptian sources for their cotton imports or finding substitute products.

A recent study of the Soviet bloc's economic offensive in the Middle East, prepared by the Woodrow Wilson Department of Foreign Affairs of the University of Virginia, notes: "In 1953 Western Europe took more than half of Egyptian cotton. In 1956 this area took less than 30 per cent."

These statistics indicate the trend.

Trade with the Soviet bloc thus can mean not an addition to markets but a substitution of new markets for old ones. And the reliability of Soviet bloc countries as customers and suppliers, as shown by the record, leaves much to be desired.

These are some of the facts that explain why Middle Eastern nations are much more careful today in working out trade and aid agreements with the Soviet bloc, and why they are trying to keep within limits the portion of trade given the bloc.

In this connection it is interesting to note a statement on Egyptian foreign trade policy broadcast earlier this month by Cairo Radio. Egypt's Finance and Economy Minister outlined government plans to maintain Egyptian cotton prices on the level of world prices and to encourage the normal flow of this cotton in all world markets. The official said the government plans would help "to safeguard these markets and enable Egypt to obtain its imports from various areas for reasonable prices, and would insure a balance in Egypt's foreign trade."

With the recognition that political aims play a big role in Soviet economic relations, it is probable that Middle Eastern leaders will give increasing attention to the most crucial question of all:

What happens when the short-run Soviet political objectives now being pursued in the Middle East have been realised? What then?



Report on Sanskrit

In making a long list of recommendations for ensuring an important place for Sanskrit in the scheme of things, the Sanskrit Commission have laid themselves open to the charge of biting off more than the country can be expected to chew with facility. The recommendations cover a wide field and include suggestions for setting up half a dozen central organisations dealing with various aspects of Sanskrit studies, including Ayurveda. But the crucial and controversial recommendation is in respect of the place of Sanskrit in Secondary Education. The Commission have recommended remodelling of the syllabus of Secondary Education so as to find a place for Sanskrit in the list of subjects for compulsory study. The Commission's views about the importance of Sanskrit to Indian culture and the development of modern Indian languages will command ready assent. But recognition that Sanskrit provides the backdrop to cultural progress in India does not mean that the prescription of compulsory Sanskrit will be equally acceptable.

The Commission have suggested three alternative formulae for compulsory teaching of Sanskrit in all the schools in the country. Two of these are modifications of the Union Education Ministry's Three Language Formula, and will have Sanskrit replace Hindi or

English, and in either case will meet with opposition. To pit Sanskrit against English is the surest way to prejudice a dispassionate consideration of the claims of the classical language. When the Commission's scheme for revitalisation of the Pathasala system includes introduction of courses in English and General Science, it is difficult to see how they expect English to be dropped in favour of Sanskrit in the general system of education. And so long as the Constitutional provision regarding Hindi is not repealed or suspended, no one even in regions where anti-Hindi agitation is strongest will be prepared to prefer Sanskrit to Hindi.

There is the third alternative suggested by the Commission, a four-language formula which adds Sanskrit to the mother tongue, English and Hindi. The overloading of the curriculum which will be the result is a problem for educational experts in which the general public have a vital interest. It may be that students with the linguistic faculty may be able to learn four languages or more, if instruction is imparted at a sufficiently early age when the brain is still receptive to new linguistic patterns. But, in estimating the burden that will be imposed by the four language formula, not only the languages but also other requirements of modern education, especially a basic grounding in science subjects for which Sanskrit is not of much help, should be taken into account.

The question whether Sanskrit should be taught to every child entering secondary schools will continue to be debated in spite of the authoritative conclusions of the Sanskrit Commission. When, according to the Commission's own recommendations, the highest University Course is expected to provide for no more than the attainment by students of ability to write and speak Sanskrit freely and to read further Sanskrit texts by themselves, one begins to wonder whether, after all, it is necessary to make Sanskrit a compulsory subject of study in Secondary Schools. The doubt is strengthened by the fact that a considerable number of persons wielding power and influence are allergic to Sanskrit, which they equate with social reaction. Historically, Sanskrit was the language of the elite and its study had been fostered by classes which face liquidation in the socialist pattern. The objective of preserving a high level of Sanskrit scholarship may be more easily reached by making Sanskrit an optional subject and confining instruction to those who have the feeling and aptitude for classical studies.

Chaturmasya for Legislators

The West Bengal Chief Minister's proposal for a change in the Finan-

cial Year is not the first in the field, and is not likely to meet with a different fate from its predecessors. This is so in spite of the fact that the main argument for continuing with the present arrangement is that it has been in force for a long time and that there is a limit to changes which the public can be expected to digest within a Five Year Plan period, on the top of the Wealth Tax, Expenditure tax and now the Gifts Tax. Earlier arguments for changing the first day of the Financial Year from the first of April to a more dignified date were based on the determining influence of the monsoon on Indian economic prospects. It is argued that there will be greater correspondence between estimates and actuals if the Budget is presented at the conclusion of the monsoon. November 1 and January 1 were the preferred dates in the recommendations made by the Welby Commission and the Chamberlain Commission. To the earlier arguments based on the March of the Seasons, Dr B. C. Roy has added another derived from democratic exigencies. He has pointed out that the present arrangement prevents legislators from maintaining contact with their constituencies, as the legislature sessions are held during the months November to May when cross-country travel is feasible. He also stated that monsoon months are the most suitable for holding the sessions of the legislature. Apart from other advantages, it may be mentioned that the rainy season is not particularly suitable for holding processions and demonstrations, and this fact may be depended upon to ensure opposition to Dr Roy's proposal from the leftist parties. Members of ascetic orders in India, who are obliged by their vows not to stay in any fixed abode, are, however, permitted to camp in one locality for the duration of the rainy season. Dr Roy could not have mistaken legislators for sanyasins when he prescribed chaturmasya for their benefit.

Accent on Arms

In spite of the fact that Pakistan's Budget estimates for the year 1958-59 show a small surplus at existing rates of taxation, the Finance Minister has raised taxes and duties all round, thus placing himself on the wrong side of the press and the public. Total revenue at current rates of taxes is estimated at Rs 143.76 crores. This is an increase of Rs 4.38 crores over the current year. Expenditure is estimated at Rs 143.54 crores. The new taxes are expected to yield Rs 11.40 crores out of which the provinces will get Rs 1.40 crores. A sum of Rs 145 crores is allocated for development in the capital Budget, which provides for a total capital expenditure of Rs 188.83 crores. Pakistan like India is faced by a deficit in the balance of payments, though

of smaller dimensions. The need to close the gap explains the comprehensive array of customs duties. Apart from increased duties on specified items, the existing rate of duty on residual items is stepped up to 75 per cent. The rates of entertainments tax, bonus tax, business profits tax and so on have also been raised. The announcement of new duties has been followed by a rise in the prices of imported articles. A public, accustomed to cheap and plentiful imports of a wide variety of consumers goods, naturally finds this very irksome and the feeling is reflected in the uncompromising references to the Budget in the Pakistani press. The increase in taxation has drawn attention to the main feature of the Budget, namely, the heavy allotment for defence. Out of the total budgeted expenditure of Rs 143.54 crores, defence accounts for Rs 80.85 crores. In addition, money will have to be found for inducing US military aid. While the Budget provides for Rs 12.29 crores under this head, to be met out of counterpart funds established under the US aid programme, it is estimated that total military expenditure during the year will run to Rs 115 crores. The Chairman of the State Bank of Pakistan has drawn attention to the fact that defence expenditure has been mounting since the country entered into pacts. From 1953-54 through 1956-57, it has grown from Rs 75 crores to Rs 100 crores. The impact of new taxes has raised doubts, even in quarters which in the past were enthusiastic about pacts, as to whether the defence pacts and mutual aid agreements had been really worthwhile. But, there is no prospect, now or in the immediate future, of any reduction in Pakistan's heavy outlay on defence.

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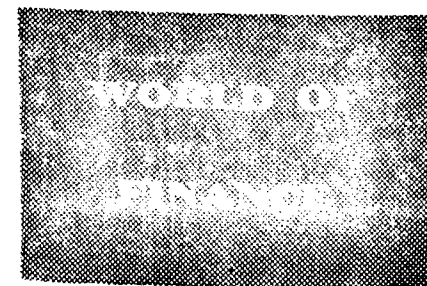
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Loans, Ad Hoc and Small Savings

WE propose to make a brief study this week of three aspects of the Central Budget, namely, market loans, small savings and deficit financing. For, it is these three heads of resources which may be said to have a direct bearing on the World of Finance, though we must have regard for the fact that foreign loans are also germane to the issue. For, although the immediate impact of foreign assistance is felt in the sphere of balance of payments, the accrual of counterpart funds and the utilisation in development plans have an ultimate significance for the money market. The only qualification is that there is generally a divergence between the volume of foreign assistance and the quantum of counterpart funds. To a corresponding extent, naturally, figures in this regard tend to be vague. Since our purpose here is to confine ourselves to a study of the Budget from the money market point of view, we shall omit from the purview of this essay the transactions or figures involving foreign loans.

In order to understand the trends correctly, it would be useful if an analysis were made as from the Budget for 1956-57, that is, from the beginning of the Second Plan. We shall, in proper sequence, review the estimates that were made, the extent of revision there has been, as well as the actual figures achieved.

In his Budget for 1956-57, Sir Chintaman Deshmukh assumed a receipt of Rs 100 crores from market loan. There was no provision for discharge of debt, since no loan was due for redemption during the year. In the Budget presented in February 1957 by Mr T. T. Krishnamachari, it was noteworthy that the revised estimates placed the receipts from market loans at Rs 158 crores. However, this included Rs 79 crores representing subscriptions in the form of the 3 per cent Victory 1957 Loan, for which conversion facilities in advance were offered. So, the net receipts were in the environs of Rs 79 crores, and show a shortfall of Rs 21 crores as far as concerns new cash for which credit had been taken in the 1956-57 Budget.

Secondly, in respect of small savings, Sir Chintaman had put down receipts during the Budget year at Rs 70 crores. By February 1957, Mr Krishnamachari felt that realisations would be lower, and the revised estimates placed small

savings during 1956-57 at Rs 64 crores. Now that the accounts for that year are available, the information is vouchsafed that the actuals amounted to Rs 58 crores. Thus, the actuals for small savings for 1956-57 fall short of the Budget figure by Rs 11 crores.

Thirdly, leaving aside for the moment improvement in other heads of resources or shortfalls in expenditure, it would be expected that deficit financing would have been rendered higher. In the result, however, the obverse is true. The expansion in Treasury bills was expected by Sir Chintaman to amount to Rs 390 crores; but, after his tax proposals, deficit financing was put down Rs 34 crores lower at Rs 356 crores. Mr Krishnamachari's February Budget witnessed a revision of this figure to Rs 270 crores. It is now known that the actuals for 1956-57 place deficit financing during that year at Rs 240 crores. In other words, there was a shortfall of Rs 116 crores in deficit financing.

Turning, now, to 1957-58 we may note that Mr Krishnamachari took credit for Rs 100 crores from market loans in presenting his February Budget. Provision was also made for discharge of debt amounting to Rs 31.5 crores. Small savings were expected to net Rs 80 crores. The overall deficit to be met by the expansion of Treasury bills was placed at Rs 365 crores. Except for an increase in the last figure to Rs 368 crores, the May Budget presented no change in these respects. This figure of Rs 368 crores was, however, before taking credit for the new taxes that were levied by the Finance Minister. With the new taxes, it was expected that deficit financing for the year would be reduced by Rs 93 crores to Rs 275 crores. The Revised Estimates for 1957-58 indicate that the realisations from market loans were placed at Rs 136.16 crores; but, meantime, discharge of debt was also placed higher at Rs 67 crores. Secondly, small savings collections were now estimated at Rs 62 crores. The deficit to be met by sales of Treasury bills in favour of the Reserve Bank rose very sharply from the budgeted Rs 275 crores to Rs 380 crores.

We may, lastly, study the figures for 1958-59. For the first time in some years, credit taken for market loans has been raised to a figure of Rs 145 crores. Provision for discharge of debt amounts only to Rs 20 crores, including provision for expired loans, and, thus, the net budgeted target for the new loan in 1958 is placed at Rs 125 crores. While this is an improvement in the target over previous years, we are of the view that it should have been higher still. Then, the target for small savings is put at roughly Rs 100 crores. Lastly, the deficit to be met by Treasury bills is sharply lower at Rs 205 crores.

Looking at the three sets of figures, some interesting points emerge. In the first year of the Plan, Government failed to borrow

from the market the target that they had set for themselves in the Budget; but, in the second year, they just about managed to do so. For the third year of the Plan, Government have raised their sights slightly higher, and hope to secure Rs 125 crores net from the market. If it is possible to say, merely from the experience over a two year period, that a definite trend has been formed, the conclusion would be that realisations for market loans are headed upward. But, apart from the Budget figures, it is abundantly clear that the market for gilt-edged has expanded considerably in recent months, and the very vast accretions to Deposit resources of Scheduled Banks, not to speak of the accruals to the funds of the Life Insurance Corporation and Provident Fund Societies and other investing institutions, presage the possibility of the capacity for the market to absorb during the Budget year much more than the Rs 125 crores net that has been envisaged by the Budget. At this stage, we shall content ourselves with suggesting, and it is not too early to do so, a higher target from market loans during the Budget year—a figure, say, around Rs 200 crores.

If the experience in respect of market loans is encouraging, the obverse is true in respect of small savings. Realisations have consistently fallen far short of Budget estimates or even Revised Estimates. In the light of such trends, it appears excessively ambitious further to raise the target for small savings to a figure of Rs 100 crores. This does not, however, mean that we think that the target is impracticable. But there has to be much more of concerted effort than we have witnessed in the past. Hope for the future lies primarily in such success as may attend the small savings drive in respect of the 12 Year National Plan Savings Certificates issued in June last year. This Certificate replaces the 7 Year National Certificates, the 12 Year National Savings Certificates and the 10 Year Treasury Savings Deposit Certificates. The credit that was taken under these three heads in the Budget for 1957-58 amounted to Rs 39 crores. Although, in the case of the Treasury Savings Deposit Certificates, fresh sales were simultaneously commenced at a higher interest rate of 4 per cent, it is interesting to note that the bulk of small savings, even for the current year, is expected to result from the 12 Year National Savings Certificates, whose sale commenced only in June 1957. In the first six months of sale of this Certificate, the total net receipts have amounted to Rs 32.82 crores. In the last three months particularly—that is, between September and November—the monthly rate of accruals has exceeded Rs 6 crores. On such a basis, the Revised Estimates very correctly placed receipts under this head at Rs 62 crores; and, surely, an expectation of Rs 29 crores in the last four months is not being

too ambitious. For the Budget year, the bulk of the receipts from small savings is also credited to the 12 Year National Savings Certificates, which is expected to bring in Rs 86 crores during 1958-59. This involves a monthly accrual of only Rs 7 crores. As we have seen, such a figure has already been very nearly touched. So, the second point that we wish to urge is that, although in past years the performance of small savings has been disappointing, there is every reason to expect that 1958-59 will prove to be a turning point, that realisations will, in the event, even exceed the Budget estimates.

Lastly, we come to deficit financing. Here, the experience is not too happy. In the first year of the Second Plan, deficit financing turned out to be much less than had been budgeted for. In the second year of the Plan, it sharply exceeded the Budget estimate. (As against the Revised Estimates of Rs 380 crores for 1957-58, deficit financing, by the week ended February 21, amounted to Rs 326 crores). However, there is still some chance that the actuals for 1957-58 may turn out to be smaller than the Revised Estimates. For, it may be recalled that, in March 1957, deficit financing amounted to almost Rs 100 crores. This was by reason of the fact that payments, particularly to State Governments, were concentrated in the last month of the fiscal year. During the current year, it is known that payments have been made from time to time to State Governments, and there is reasonable evidence to show that there will not be, in March this year, as there was in earlier years, a concentration of such payments by the Central Government. If, in this background, there continues to be, as there has been in past years, an accelerated tempo of revenue collections, particularly from taxes, it is not wholly improbable that there will be some element of reverse ad hoc during March. Purely as a hypothesis, we would suggest at this stage that deficit financing during 1957-58 is unlikely to exceed Rs 350 crores, and may conceivably be somewhat lower. For the Budget year, we will not attempt to think aloud of the extent of deficit financing. But, in examining the three major heads of resources, we have shown that the realisations from market loans ought to be much higher; we have indicated that the realisations from small savings should not fall short of the target; and, ostensibly, our conclusion is that deficit financing should, in the event, turn out to be for smaller proportions. However, we have thus far taken account only of the resources side of the ledger. Our view is that disbursements, particularly outlay on the Plan, must not be allowed to fall short of targets and must, if possible, even exceed the target, so that the target for the Second Plan as a whole may be accomplished. For

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this reason, on account of an increase in disbursements, we should anticipate deficit financing as conceivably exceeding the Rs 205 crores that the Finance Minister has placed it at.

Foreign Balances Rise

In the two years that have elapsed since the commencement of the Second Plan, a feature of the Reserve Bank returns has been the almost unremitting decline, week by week, in the Foreign Balances held in the Issue and Banking Departments. Only on six previous occasions have the Foreign Balances shown a rise; and, of these six occasions, one was in the very first week of the Second Plan, that is, in the first week of April, 1956. Then, soon after Mr T. T. Krishnamachari assumed office as Finance Minister—and around the time when he introduced his mid-year Budget, in the week ended December 7, 1956, Foreign Balances in the two departments showed a small rise of Rs 1.78 crores. Two weeks later, they again showed small rise. After that, the three occasions when Foreign Balances showed any increase were due to extra-ordinary receipts. It may be recalled that, when the reserves were being fast depleted, the Government of India negotiated with the International Monetary Fund for the purchase of foreign currencies to the tune of \$ 127.5 million, and also arranged for a standby credit of \$ 72.5 million. The first withdrawal was made in the week ended February 8, 1957, when, apparently, foreign currency for the value of roughly Rs 22 crores was secured. But, exactly five weeks later, in the week ended March 15, it again became necessary to avail of the balance of roughly Rs 32 crores for which arrangement had been made with the International Monetary Fund. Even this did not suffice for long, and about three months later, in the week ended June 14, 1957, the standby credit was also availed of. Thus, it may be noted that three of the six occasions when foreign balances showed a rise were all due to extraordinary receipts. Also, the very first rise, occurring in the week ended April 6, 1956, could perhaps have been due to the receipt from the UK Government of Rs 5 crores odd representing the annual payment made by UK Government in terms of the agreement in regard to sterling pensions. So, there have, till the present time, been only two former occasions when a rise in Foreign Balances could be attributed to an excess of exports over imports. After over a year from that date, we have had again that fortunate experience, with the returns of the Reserve Bank for the week ended February 28, disclosing a heartening increase of Rs 2.75 crores. This is the noteworthy feature of the latest banking returns.

In the week ended February 28, notes in circulation have, contra-

seasonally, shown a decline of Rs 0.75 crores to Rs 1545.26 crores. Rupee Coin has returned from circulation for Rs 0.21 crores. In the result, Notes Held show an improvement of Rs 0.95 crores to Rs 25.06 crores.

The Centre's Balances are marked higher by Rs 5.59 crores at Rs 58.60 crores. Since there does not appear to have been any deficit financing, nor any receipts from State Governments, it is possible that this reflects the acceleration of revenues receivable by Government, mainly on account of taxes, toward the close of the fiscal year. Balances of State Governments are slightly lower, by Rs 1.06 crores, at Rs 15.67 crores. However, indebtedness of State Governments has shown a more than corresponding decline of Rs 1.46 crores to Rs 38.26 crores. On the other hand, the Reserve Balances of member banks have been marked down by Rs 1.83 crores at Rs 75.46 crores, with no improvement in indebtedness to the Reserve Bank. Indeed, the Other Loans and Advances of the Reserve Bank are nearly Rs 2 crores higher at Rs 66.60 crores against Rs 64.67 crores. However, advances against usance bills are nearly Rs 2 crores lower at Rs 22.17 crores. Investments are slightly lower at Rs 239.75 crores against Rs 240.58 crores.

Lastly, as already noted, Balances Held Abroad have been marked up by Rs 2.75 crores at Rs 34.25 crores. The fact that this improvement in foreign balances has followed a period during which, week by week, the size of the import surplus has declined, would lend plausibility to the view that, at long last, the import restrictions imposed toward the end of 1956 have started to bear fruit and that, consequently, the balance of payments will henceforth be a much more manageable affair, especially since foreign assistance seems also to be vouchsafed.

The return of the State Bank for February 28 shows little or no change in Deposits, which are placed at Rs 407.87 crores. Borrowings have gone below the Rs 1 crore mark, to be placed at Rs 0.57 crores. Advances have again expanded by Rs 3.64 crores to Rs 205.21 crores. Cash Balances are Rs 1.92 crores lower at Rs 33.48 crores.

The return of the Scheduled Banks for the week ended February 21 reveals a sharp rise of Rs 15.97 crores to Rs 1454.59 crores in Deposits; and Rs 6.84 crores of this rise is attributable to the State Bank. Borrowings both from the Reserve Bank and from the State Bank have been reduced, the former by Rs 0.73 crores and the latter by Rs 4.41 crores. The total of Advances continues its busy season rise with an increase of Rs 3.86 crores to Rs 927.03 crores. But the increase in Deposits has proved sufficient to enable a rise of Rs 3.72 crores to Rs 158.33 crores in Cash Balances.

British Disinflation

Paul Einzig

CONTRARY to widespread anticipations, Britain is not going to follow the American example of giving up the resistance to inflation for fear of a depression. Even though there are some moderate symptoms of a recession in Britain, too, the Government is determined to continue the credit squeeze and the other measures adopted to resist inflation. This was made quite clear, during a debate in the House of Commons on unemployment, by Mr Macleod, the Minister of Labour. "Half a dozen times since the war," he said, "we had lost the full benefits of courageous action because we went into reverse too soon. Now we have a better chance of achieving price stability than at any time since the war. It would be folly, and indeed worse than folly, to throw the chance away." Considering that Mr Macleod is reputed to be in favour of the appeasement of labour, these firm words may be taken as conclusive evidence that the Government has no intention this time to call off the disinflationary measures unless and until they have produced their desired effects.

The Government's unexpected firmness has taken the markets by surprise. It had been expected for some time that, in view of the firmness of sterling, the reduction of interest rates in the United States and elsewhere, the increase of the gold reserve, and the steadiness of the price level during the past two months, the Government might yield to the temptation of lowering the Bank rate. When it was raised to 7 per cent in September very few people expected it to be still at that level in March. The continuation of the abnormally high interest rates is causing much discontent and is partly responsible for the unfavourable results of by-elections.

The statement made by Mr Macleod has made it quite clear, however, that a Bank rate reduction is not imminent. As a result, there was a marked setback on the Stock Exchange. Paradoxically enough, even sterling was affected, although the continuation of dear money and tight credit should have been interpreted as a bull point rather than a bear point for sterling. For several days during the last week of February the tendency on the Stock Exchange and on the foreign exchange market was anything but favourable. Before the close of the week, however, dealers came to realise that, taking a long view, the Government's firm attitude is bound to produce a favourable effect on securities and on sterling. There was a sharp recovery, fully as inexplicable as the previous fall, on any ground other than on psychological grounds.

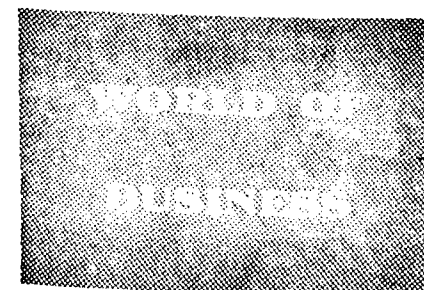
The business recession in Britain would have to go much further than it has gone so far before the

Government would be willing even to relax the disinflationary measures, let alone abandon them altogether. On the other hand, nor are there any indications of any willingness on the part of the trade unions to abandon their pressure for higher wages. The fight is assuming an increasingly political character. The Government is aware that the only thing that would restore its popularity among those who normally vote Conservative would be a victory over inflation through the achievement of a prolonged stability of prices before the general election.

Indeed the Government is not even prepared to facilitate retreat by the trade unions by making a few face-saving concessions. If the trade unions intended to give way their retreat would be greatly facilitated if the Government were prepared to agree to restoring some degree of physical controls, to meet the favourite trade unionist argument that if there is a "free for all" for capital there must be also a "free for all" for labour. Instead, the Government has just taken a step to relax further the remaining exchange restrictions. The Treasury has now removed the limit for the import of pound notes. This means that pound notes formerly exported, legitimately or otherwise, can now be returned to the United Kingdom and used in the same way as sterling balances. It also means that the illicit export of pound notes as a means for evading exchange control will derive encouragement from the improved quotation of the notes in foreign markets and from the broadening of these markets.

This important step was allowed to pass without immediate protest by the Socialist Opposition. Yet it is arguable that the import of pound notes constitutes an additional item of invisible imports, and tends to weaken the balance of payments position. It also helps towards the transfer of British capital abroad in anticipation of a Socialist victory in 1960. There is a strong likelihood of a flight of British capital as the date of the general election will draw nearer, owing to the prospects of a change of Government. The conception is gaining ground that it is no longer unpatriotic to salvage one's capital to the dollar area while the going is good. Those who feel this way argue that so long as the attitude of the trade unions is devoid of any public spirit and patriotism, it would be too much to expect capitalists to submit to the gradual erosion of their capital through non-stop inflation and the depreciation of Government loans. It is argued that capital exported out of the Socialists' reach is salvaged for the national economy. Although this attitude is far from being general, it is likely to gain in popularity as and when it becomes obvious that the trade unions and the political wing of the Labour movement are determined to pursue their policy of ruthless plunder.

—(Copyright)



Who can Raise an Industrial Dispute?

Can an industrial dispute be raised about a person who is not a workman according to the definition of the Industrial Disputes Act? One would have thought that obviously the answer was 'no', but even the Supreme Court in a recent case held divided views on this point, though the majority decision was in the negative.

Various High Courts and finally the Supreme Court have held that an individual dispute cannot be an industrial dispute unless it is backed by a body of workmen or their union. The case in question before the Supreme Court was a claim by an assistant medical officer attached to the hospital of the Dimakuchi Tea Estate that he had been wrongfully dismissed, and his case was supported by the union. The Labour Appellate Tribunal had upheld the Industrial Tribunal's ruling that an assistant medical officer was not a workman as defined in the Industrial Disputes Act and therefore no dispute could be raised about his dismissal.

However the doctor took his case to the Supreme Court and argued that under Section 2(k) of the Act, which defines an industrial dispute as any dispute between employer and workman "which is connected with the employment or non-employment or the terms of employment or with the conditions of labour of any person," the term "any person" would cover him. The majority judgment held that the words "any person" could not include anybody and everybody. "In our opinion," said the Lordships, "the expression 'any person' under the definition clause means a person in whose employment, non-employment or terms of employment or conditions of labour the workmen as a class have a direct or substantial interest—with whom they

have, under the scheme of the Act, a community of interest." This test could not hold good in the case of a member of the medical or technical staff who were in a different category altogether from workmen. The union of workmen of the tea estate could not, therefore, have any direct or substantial interest in the employment or non-employment of a doctor.

Mr Justice Sarkar in a dissenting judgment, however, held that a dispute concerning a person who was not a workman could be an industrial dispute and he did not agree that substantial interest of the workmen should be made a condition for the existence of an industrial dispute.

Actually in the tea gardens there are quite a number of low-paid assistant medical officers, who are usually referred to as "doctor babu," and whose status is therefore little above that of the clerks, despite their medical training. A number of these doctors have joined the tea garden unions, so that in fact the unions do consider that they have an interest in their employment, although they belong to a different category from the clerks and workers. The definition of workman in the amended Industrial Disputes Act includes supervisory and technical staff unless they are mainly employed in a managerial capacity or are supervisory staff drawing more than Rs 500 per month. Many of these garden doctors do not earn more than Rs 500 per month, so there still remains some doubt as to whether these men can raise a dispute if they have the backing of the union. Awards given before the amendment ruled that they were not workmen, but can't they be considered as technical staff?

Repairs and Maintenance

The appointment of a committee headed by Mr O. V. Alagesan, to investigate and report on existing ship repair facilities in India, raises the question, why the need for fact-finding was realised so late in the day. The Second Five-Year Plan had provided a sum of Rs 100 crores for development of Shipping, Harbours and water transport. The target for handling capacity was raised from 26 million tons in 1955-56 to 33.8 million tons in the last year of the Plan. Increase in handling capacity should presuppose provision of adequate repair facilities. The same point is emphasised by the increase in tonnage on the Indian register. The original allotment for acquisition of new ships has already been exhausted though on account of rising costs, the new tonnage acquired is below the targeted figure. The increased cost of acquiring new ships underlines the importance of prolonging the effective lives of those we have by proper maintenance. This committee will enquire into and report on the existing ship repair facilities in Calcutta, Bombay, Madras, Vishakhapatnam, Cochin, Kandla and other places, and recommend measures for improvement and expansion. The committee has also been asked to look

into the question of the supply of stores required for ship repairs and suggest how India can be made self-sufficient in this respect as soon as possible. The committee, which will report in six months, will also recommend what steps should be taken by the Government and by the private sector for securing the requisite expansion and improvement of ship repair facilities.

Watch on Manholes

THE current shortage of pig iron and steel and the consequent need for economy in utilisation have been highlighted at numerous industrial conferences. The point was dealt with authoritatively in speeches made at the Small Scale Industries Conference, the Conference of Engineering Trade and Industry organised by FICCI, and more recently at the Conference of Engineering Trades. The shortage which has become chronic is not only troubling the engineering industries, but it has also created a problem of law and order in Calcutta. On the top of the innumerable problems it is not able to cope with, the Corporation of Calcutta has also to deal with the problem of disappearing man-hole covers. It has been estimated that over seventy-five per cent of man-hole covers in certain sections of Strand Road and in some other localities are missing, adding to the hazards of the streets in Calcutta. At a recent meeting of the Corporation, the Councillors expressed grave concern at this state of affairs, and decided that the police should be called in. A conference was held with the police authorities to draw up a plan of operations and it was decided to detail plain clothesmen to keep watch on manholes. The problem of catching the culprits is complicated by the fact that the Corporation also sells old or unserviceable manhole covers and other municipal hardware to dealers in scrap iron. And there is no means of identifying the stolen goods on the scrap heap. It has been suggested that, for the time being, the Corporation should suspend disposal of old scrap iron, and that it should also issue identity cards to those of its employees, who meddle with manholes. In the meantime, the public will watch with interest the result of the watch on manholes.

A Plea for Bad English

Having done everything practicable to bring down the standards of written as well as spoken English throughout the country nearly to vanishing point, we are now apparently in a mood for repentance. Of this, the latest symptom is the creation of a "sop the rot" board under the chairmanship of the Union Education Secretary. It is, of course, not yet known how this admirable body with an admirable object will proceed, but meanwhile a few points may be considered.

Large numbers of Indians have learnt English for well over a century and a half, some extremely well. A few names stand out as

producers of original verse in this foreign tongue, e.g., Michael Dutt, the sisters Toru and Aru Dutt and the late Mrs Naidu. Considerably more are responsible for prose works in various literary genres. All this is easy to see. But it's less easy to see that the average English-educated Indian's performance in English is less than delectable! He is the father of "Baboo English", at least as well-recognised a variety of degraded English as Pidgin. For every single Mrs Naidu, there are hundreds of cranks who spawn trash without rhyme, rhythm or reason. Every English-language newspaper or magazine is constantly threatened by this type of "literature", which would perhaps have never been produced without anti-Indian for making a reputation as a versifier in English. And it is perhaps partly true that if editors of such papers were not afflicted with this voluminous rubbish, they themselves would have had more time to revise their own writing. It is a noteworthy fact that, during the long period of our linguistic apprenticeship, we have not produced a Joseph Conrad who was a Pole spinning off masterpieces in English, or a Lu Xun who does so even now. Meanwhile, our leaders go on merrily speaking President's English in the legislatures, at academic meetings and, despite the increasing vogue of Hindi, not unoften on public platforms.

Let us, therefore, take it for a fact that good English will never be learnt here, not at least on an extensive scale. But better English, better than we at present have, may not be impossible. The first requisite for this seems to be a large-scale employment of British teachers in the school stage, as in some of the few missionary schools still functioning. And if it is difficult to re-introduce them in colleges, it is imperative to import them as Heads of English departments in the universities. Another equally imperative need is the almost wholesale scrapping of the Indian-written school textbooks on grammar, translation and composition which, with a few honourable exceptions, are sheer reckless pot-boilers, made by the ill-educated for the prevention of a good knowledge of English. The linguaphone—another point—is probably completely ignored in our educational institutions as a language teacher.

THE UNITED COMMERCIAL BANK LIMITED

NOTICE

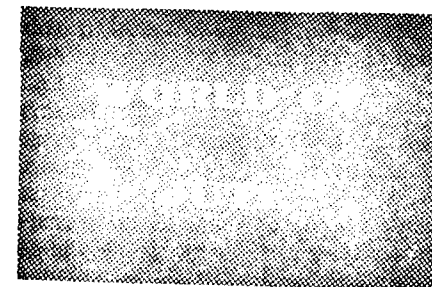
CLOSING OF SHARE REGISTER & TRANSFER BOOKS

Notice is hereby given that Register of Members and Transfer Books of The United Commercial Bank Limited will be closed from Monday, the 24th day of March to Wednesday, the 9th day of April 1958, both days inclusive.

By Order of the Board

S. T. SADASIVAN
General Manager.

Calcutta,
March 6, 1958.



Fatka Rules Supreme!

WHEN prices in the jute markets were falling steeply early last week there were persistent rumours about fixation of floor prices in order to arrest the disastrous downturn. One naturally took it for granted that such steps would issue from Government. At the same time the rumours were not given any serious consideration because Government were never noted for quickness in an emergency. But all doubts were set at rest when it was known that the initiative has been taken by the IJMA mills, who had come to an agreement between themselves not to sell below certain specified prices (Rs 39.50 for Hessian 40"x10 oz and Rs 100 for B Twills).

Subsequently on the 28th February the IJMA have explained in a press note the impelling reasons which have led to their decision. It is made clear in the note that the recent decline in prices has been brought about solely by speculative activity. The statistical position of the industry as well as prevailing market conditions cannot be said to have generated any sudden despair in the prospects for jute goods. The IJMA have found it necessary to take some remedial measure to restore stability in the markets because a continuance of such depressed conditions will have serious repercussions in a number of directions some of which are vital to the development of the country. In the first place the sharp decline in the prices of jute manufactures is inducing easier conditions in the raw jute market where prices are pushed down to very low levels. It is a generally accepted theory that with raw jute prices at an uneconomical level for the cultivator the drive toward raw jute self-sufficiency will receive a setback. And so long as there is no 100 per cent raw jute self-sufficiency the jute goods industry cannot be rid of its main worry.

Continued depression in the market will also discourage foreign customers. It may be recalled that in the course of his speech at the recent meeting of the Export Advisory Council Mr Morarji Desai has disclosed that one of the reasons for the slowing tempo in foreign offtake of jute goods from India has been a tendency to buy for immediate requirements—a tendency which has derived considerable encouragement from the frequent wide fluctuations in the Calcutta market.

The press note points out that apart from these adverse effects on the national economy, the sharp fall in prices has caused great difficulties to genuine traders who hold considerable stocks of both manufactures and raw jute purchased at higher prices. In conclusion the note says that the decision "not to sell below the prices specified was taken by the Association in the knowledge that its anxiety over the situation was fully shared by the Government of India." Many in the world of jute will not be, however, so sure about Government's vigilance.

Perhaps the most important part of the IJMA press note is that which refers to the cause of the sudden depression in the jute markets. The IJMA are firmly convinced that the decline in prices is "a direct result of the activities of speculators in the fatka market". Now one may naturally want to know what is this fatka market which has evidently such tremendous influence over the entire jute industry which occupies a central place in the affairs of the nation especially in the present context of stringency of foreign exchange, on the adequate availability of which depends the future progress of the nation as a whole. The Fatka or the katni is a group of individuals without any specified meeting place or registered office or legal sanction. In short it is a form of gambling using the rates in the official market. But the forces at work are so powerful that it is the Fatka that often determines the course of the official market. All this is an open secret to those who have anything to do with the jute markets in our country. From time to time there have been fervent appeals to put an end to the Fatka and occasionally also one hears about police raids and arrests. But if anything the Fatka has continued to flourish.

It cannot be said that Government are not unaware of the depredations of the fatka. For, the Jute Enquiry Commission 1954 have noted the harmful effects of the existence of the katni and expressed their opinion in unmistakable terms as follows: "We are strongly of opinion that every step should be taken by Government to stamp out altogether Katni and other irregular markets". It may be argued on behalf of Government that they have been trying their best to stamp out this evil. Then the verdict should be that they have not taken sufficient pains to get at the root of the matter. If they reread the Commission's report they may perhaps be able to find a way out. Meantime we may commend the following sentence occurring in the report to their special attention. The Commission have observed inter alia "Some business is purported to be done on the basis of prevailing market rates, the artificial ups and downs in these Katni rates can have a harmful effect on price stabilisation in the regular market, where the possibility of

some sections of the industry also operating through Katni cannot be ruled out."

In this connection it is also to be noted that even though more than a year has elapsed since the Forward Markets Commission have recommended the establishment of Forward trading in jute and jute goods under the auspices of the East India Hessian Exchange Association, nothing seems to have been done in the matter. It is agreed on all hands that one of the main benefits in the establishment of forward trading in jute and jute goods will be the elimination of the Fatka. It is said that the delay is due to the lack of understanding between the Commission and the trade on certain technical details. It is high time both the Government and the trade realised that while they are higgling over details, the nation's interests and particularly the interests of a large number of people who are depending on the industry for their livelihood are gravely jeopardised by unsocial elements which go to make markets like the Fatka.

The jute goods market opened the week on a steady note following the fixation of floor prices for Hessian 40"x10 oz and B Twills. As the Press Note issued by the IJMA had made it clear that the sudden depression had been the outcome of intensive speculative activity in the Fatka it was generally believed that active steps would be taken by Authority to curb katni and other irregular markets. All these reports and expectations resulted in further bearing covering and rates steadily improved. Toward close, however, prices developed a sagging tendency presumably due to paucity of business due to Holi holidays.

Steady conditions prevailed on the opening day as the news that the IJMA mills had agreed not to sell jute goods below certain specified rates. These rates are Rs 39.50 in the case of Hessian 40"x10 oz and Rs 100 for B Twills. There was bear covering and Hessian 40"x10 oz Ready at the close of the day was placed at Rs 39.45 with B Twills done at Rs 98.70. Elsewhere April-June Hessian 40"x10 oz was placed at Rs 39.32 and B Twills at Rs 99.85.

Conditions were unchanged on Friday as marketmen were awaiting the Budget proposals. Prices were quoted nominally as follows: Hessian 40"x10 oz Ready Rs 39.45 and B Twills Rs 98.75. April-June Hessian 40"x10 oz Rs 39.25 and B Twills Rs 99.15. No business was reported done on Saturday also. The undertone was quite steady and the closing quotations were as under: Hessian 40"x10 oz Ready Rs 39.40 and B Twills Rs 98.90. April-June Hessian 40"x10 oz Rs 39.45 and B Twills Rs 100.

With renewed rumours about curbing of Fatka dealings there was further bear covering on Monday and as a consequence price levels recorded marked improve-

Indian Finance

March 8, 1958

ment. Hessian 40"x10 oz Ready closed the day slightly above the floor level at Rs 39.56 while B Twills advanced to Rs 100. April-June Hessian 40"x10 oz was also higher on balance at Rs 39.69 while B Twills was finally placed at Rs 100.70.

Due to Holi no business was reported done on Tuesday and the undertone was quiet with the nominal quotations marked down. Hessian 40"x10 oz Ready was at Rs 39.40 while B Twills declined by 70 nP to Rs 99.30. April-June Hessian 40"x10 oz was placed at Rs 39.50 and B Twills at Rs 99.30.

With the improvement of the jute goods section, the raw jute market also recovered and Assam Bottoms at one time was done up to Rs 24.50 from the opening level of Rs 24. Toward close the market ruled subdued in sympathy with the goods section and Assam Bottoms closed at Rs 24.25 per maund. During the week the following mill business was reported done. Dalsee Mes'a at Rs 22.50 basis bottoms and Binli A.Q. at Rs 18.50 all per maund for March-April shipment. Some mill business had also been reported in Deshal Mesta at Rs 22.75 and Jungli at Rs 20.50.

PRICE TRENDS.

Hessian:	Opening	Closing
40"x10 oz. Ready ...	39.45	39.40
40"x10 oz. April-June ...	39.32	39.50
Sacking:		
B Twills Ready ...	98.70	99.30
" April-June ...	99.85	99.30
Hy Cess Green ...	99.00	99.50
Corn Sacks ...	101.00	101.00
Cubans ...	127.00	124.00
A Twills ...	122.00	122.50
L Twills ...	114.00	115.75
DW Flour ...	117.50	118.50
Sugar Bags ...	115.00	114.50

Raw Jute:		
Assam Bottoms ...	24.00	24.25

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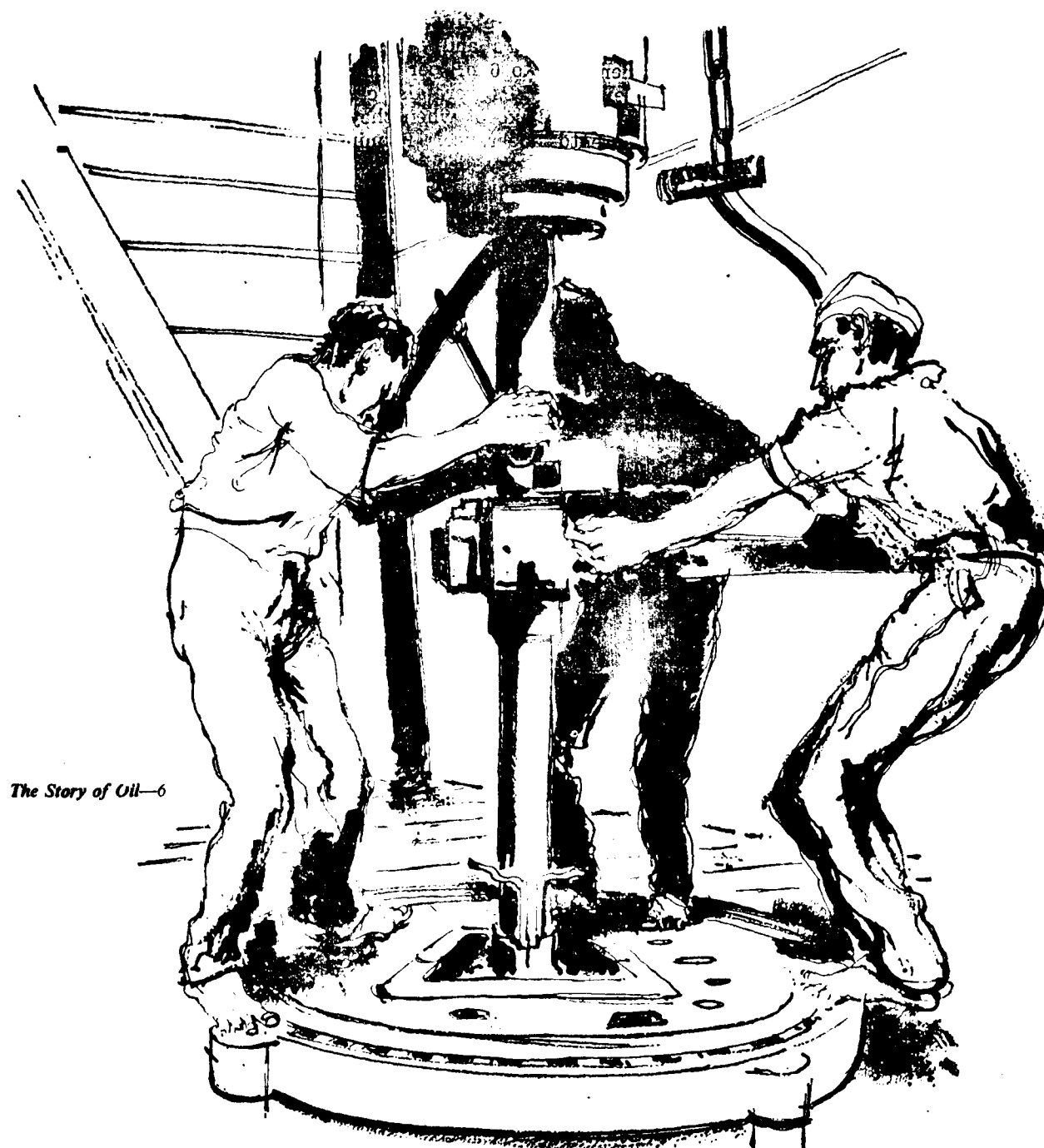
URUGUAY REDUCES DEPENDENCE ON INDIAN JUTE GOODS

To reduce dependence on Indian supply of jute products and conserve foreign exchange, Uruguay has commenced internal manufacturing of jute, reports the Jute Bulletin of the Indian Central Jute Committee.

The first plant to produce hessian for bags, containers and general packing purposes was opened in Montevideo in November. It has 200 looms with a daily capacity of 82,020 yds of hessian.

Uruguay is a leading wheat producing country, its other main commercial crops are cotton and oilseeds. Requirements of hessian to handle these crops are at present obtained entirely from India at an annual cost of around \$4 million.

The new plant, when working at full capacity, is expected to produce hessian valued at \$2 million, thus enabling Uruguay to reduce imports to half and conserve valuable exchange. It is proposed to operate the plant in three shifts by 470 workers and also to grow the required raw material locally.



The Story of Oil—6

A major operation

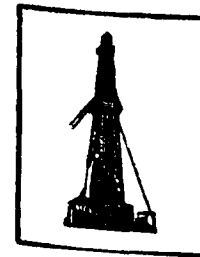
Geological and geophysical surveys provide clues to the whereabouts of underground traps which might contain mineral oil. But there is only one way of proving whether or not oil is actually present. And that is by drilling a test well.

With all the skill and knowledge of modern science, the odds are still 20 to 1 against striking an oil-trap which justifies the heavy costs of exploration. For example, it may cost over a crore of rupees and take years of research before success is achieved. Yet only by taking these risks will new oilfields be discovered.

Drilling a test well is a tremendous undertaking in itself, involving great quantities of machinery, equipment and supplies. A typical well (10,000 or more feet

deep) would probably need: a complete drilling rig, weighing about 200 tons, 15,000 to 17,000 feet of drill pipe, 14,000 to 16,000 feet of steel casing, 60 to 100 drilling bits, 500 to 1,000 tons of drilling-mud chemicals, 2,000 to 5,000 sacks of cement, 48,000 barrels of water, and 3,000 barrels of fuel oil. In addition, at least 125 skilled personnel comprising drillers, drilling crews, geologists, engineers, cementers, electricians and other technicians would be required for drilling the well.

It can take as long as a year to drill a deep test, and the result may be that the well strikes water, not oil; or it finds only a little oil, or even turns out to be dry. Then the mass of machinery and equipment is moved to another location and drilling begins all over again.

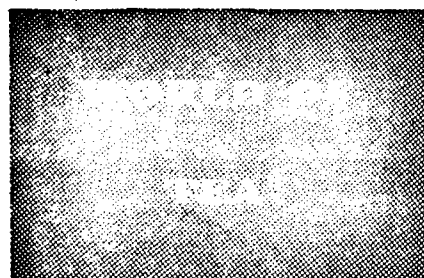


Assam Oil

A full-scale petroleum industry

This is one of a series of informative advertisements about the petroleum industry.





Limited But Fair Demand

THERE is a growing belief that the working of quality Tea producers will be reasonably satisfactory during the current season. It is also felt that there will be a near balance in the demand and supply position and the coming season will get a good start as there will be little carry-over.

The output of principal tea producers in the world, during last year, was about 20 million pounds above that of 1956. There are,

however, indications that there will be increased consumption, especially in the UK and India.

The Indian Tea Planters' Association, Jalpaiguri, has made a suggestion that the Government of India should withdraw the export duty on tea, for at least three months, as a tentative measure to put the Common teas of India in a competitive position in the world markets. The Association says that the existing slab system of export duty on tea, which does not differentiate between quality and quality but imposes a flat rate of duty on types of teas, is causing hardship to producers of Common teas as a result of which India is losing her hold on the foreign markets for such teas. But, according to the latest Government notification, there is no change in the existing rate of duty of 38 nP per pound.

Meanwhile, in the Export Sale held in Calcutta this week, offerings amounted to 59,287 packages. There was a better general demand

than last week, especially for bright liquoring sorts except for clean black leaf grades, which were fully firm to dearer. Plain BPs and Fannings declined by 4 to 6 nP per pound, while Medium BPs were also easier to the extent except when they had a leafy appearance. Fannings, in this category, declined by 2 to 4 nP. Bright liquoring teas were again strong and sometimes dearer.

The best CTC sorts were about steady and there was better enquiry for poorer types although these were generally sold below valuations. Brown Dooars were disposed of at a discount of 4 to 8 nP although some of the better sorts have been sold above Rs 2.00 per pound. Whole Leaf grades were about steady with any change in buyer's favour although some stylish sorts were frequently dearer. There was fair demand for Darjeelings which, however, tended easier. Following rates were quoted:—Clean Black Pekoe Rs 2.20 to Rs 2.25; Plain BP Rs 1.44 to Rs 1.48;

Plain Fannings Rs 1.52 to Rs 1.56; Medium BP Rs 1.52 to Rs 1.56; Medium Fannings Rs 1.72 to Rs 1.76; Best CTC Assam BP Rs 2.70 to Rs 2.90 and Best CTC Fannings Rs 2.80 to Rs 3.00.

In the Internal Sale, offerings consisted of 18,942 packages of Dusts. There was a good general demand but prices were again easier for most descriptions. Middle Eas. buyers showed very little interest, orthodox descriptions from all districts being up to 10 nP per pound easier. Plain liquoring and medium CTC Assams were again easier and sold at a discount of 10 nP and sometimes more. The best liquoring CTC sorts were irregular and, although a few lines were sold above valuations, they were generally up to 20 nP per pound easier towards the close.

Demand for Darjeeling teas was restricted to a few flavory lines, which were sold well. Following rates were quoted:—Medium Dooars Dust Rs 1.54; Medium Assam Grainy Ds. Rs 1.56; Medium Assam CTC Dust Rs 1.75 to Rs 1.95 and best; Assam CTC Dust Rs 2.80 to Rs 3.10.

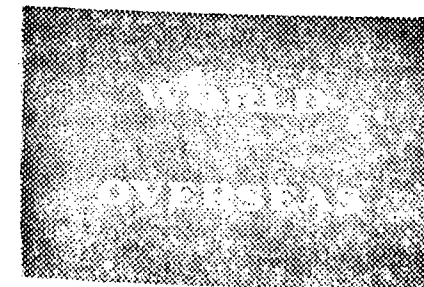
Also, a total of 3,753 packages of Leaf grades was offered for internal consumption. There was a good general demand, especially for CTC Assams; but the orthodox descriptions were irregular and occasionally easier.

In the Export Quota section, business was reported done at 4 nP and 4½ nP per pound. At the close of the week, there were sellers at only 4½ nP with buyers at 4 nP.

In the Colombo market, a fair general demand prevailed at this week's auction when all centres operated quietly; but no Russian buyers appeared on the market. As the sale progressed, prices were generally lower except for best flavory Broken Orange Pekoes and Fannings grades, which were firm to dearer. Low-grown teas were easier, particularly Persian Gulf types. At the core of the sale, Broken and liquoring Fannings met with strong competition, while good Mediums and good Broken declined. All other teas were rather irregular.

In London auction, offerings were 26,960 packages including 21,577 packages of Northern India teas. The quality of the offerings showed some improvement and met with a strong demand. Cold-weather teas were well supported and realised prices in excess of brokers' valuations. The market for Medium and Low Medium descriptions remained fully steady, although the orthodox Dooars manufacture were sometimes easier to buy. Very little good Plain tea was available and the rate remained unchanged.

Stocks, as on the 21st February 1958, were 123.06 million pounds as compared to 123.58 million pounds in the previous week and 98.03 million pounds a year ago. Landed between the 15th and 21st February were 10.18 million pounds, while deliveries were 10.70 million pounds.



US Notes

THE WORLD TODAY

By Paul L. Ford

Leaders of both major American political parties, in and out of public office, have joined in unprecedented endorsement of the United States' Mutual Security Programme—unprecedented not in declaration of principle but in manner and means of delivery.

These men, representing the top names in the American political "Who's Who", gathered in Washington Tuesday to make clear that whatever their differences on other issues they regard the Mutual Security Programme as vital both to the United States and to co-operating nations.

Never before has such an array of notables from both sides of the political fence been assembled in support of a governmental programme. They included—to name only a few—President Eisenhower, former President Truman, Vice-President Nixon, Secretary of State Dulles, former Secretary of State Dean Acheson, and Adlai Stevenson, titular head of the Democratic Party.

They spoke to some 1,200 persons influential in business, industry, civic affairs, religion, the press and other fields. The audience came from 42 states and the territories of Alaska and Hawaii.

The occasion was "conference on foreign aspects of United States national security," arranged at the request of President Eisenhower. It was designed, quite candidly, to stimulate public interest in—and, more succinctly, public support for—the \$3,942 million mutual security programme.

That programme faces considerable opposition in Congress—what with national elections coming and demands being issued for spending at home rather than abroad to meet a decline in business activity.

The conference, therefore, was intended to impress both the public at large and doubting members of Congress with the continued need for broad economic and defence co-operation between the United States and other nations.

The immediate result has been wide press, radio and television coverage of key speeches emphasizing the benefits of mutual assistance. But it is the final result—the impact on Congress—that will really count. And Congress will not vote on the President's programme recommendations until after many weeks of debate.

The key members of both parties who took part in the Washington conference are confident, however,

that their efforts will bear fruit. Their attitude is perhaps best summarized in the words of Eric Johnston, who has served in diplomatic capacities under both Mr. Eisenhower and Mr. Truman and who organized the conference at the President's behest.

"This unmistakable display of bipartisan agreement," said Johnston, "in effect removes the question of foreign economic aid from the context of politics and establishes it as a major imperative of our present position in the world."

Actually, of course, foreign economic assistance has figured prominently in US planning since the end of World War II. It served originally aid to nations recuperating from the devastation of war; it has served more recently to help allied nations bolster their defences and their economies against the encroachments of international communism.

Taking into account all forms of assistance since World War II, the United States has provided something like \$60,000 million for what Mr. Eisenhower has termed "community" progress.

In this connection, it should be noted that an important anniversary is coming up. On April 3 it will be ten years since the U.S. Economic Co-operation Act, embodying the earlier aid programmes and the famed Marshall Plan, became law. Since that time the programme has changed names and its emphasis has switched from Europe, as that continent regained its economic health, to areas such as the Far East and the Middle East, but its basic concept has remained the same.

That it is in the "enlightened self-interest" of the United States to aid other nations in remaining strong, economically and defensively.

A large volume of international trade is necessary to help developing countries expand their economies, raise living standards, and achieve stability, according to the National Foreign Trade Council.

This conviction was strongly expressed by the Council, America's largest organization in the foreign trade field, in a statement to the House of Representatives Ways and Means Committee.

The Council thus became another influential group which is vigorously supporting legislation to extend the trade agreements programme now being debated in Congress.

President Eisenhower and Secretary of State Dulles both favour extending the Reciprocal Agreements Act for five years. It is to expire on June 30, unless extended by Congress.

"A large volume of international trade enlarges opportunities for the less-developed countries to sell increased quantities of the raw materials, foodstuffs and other goods which they can currently produce," the Foreign Trade Council statement said.

"It thus makes it impossible for these countries to obtain from the industrial more advanced nations the capital goods and other products needed to further develop their economies, raise living standards, and achieve the diversification essential to economic stability and growing prosperity."

"International trade is a proven means for the fulfilment of the aspirations of free peoples for economic and social advancement and so contributes to the peace and security of all the free world including the United States."

The Council emphasized that it considers the trade agreements programme to be the "best mechanism, thus far devised for maintaining a high and rising level of international trade and for preservation and enhancement of the world trading relationships."

Failure of the United States to support the trade agreements programme, the Council added, "would have a bad psychological effect and would be serious blow to world confidence and to the trade relationships between free nations upon which rests, to a very great extent, the ability of free peoples to advance their well-being and at the same time remain free."

"It would be extremely unfortunate," the Council pointed out, "for the United States to discontinue a programme for expanded international trade relations which means so much, both to the industrially-advanced and less-developed nations of the free world—a programme in which this country has played such an active and leading part for nearly a quarter of a century."

Price of consumer commodities in the United States continued to climb in January, according to the US Department of Labour.

The consumer price index, measured monthly, rose 0.6 per cent in the price index at 12.3, placing January per cent of the 1947-49 average, an all-time high for January prices, the Labour Department reported.

Adverse weather conditions in January affecting fruit and vegetable production in the southern states are the primary cause for price rises. Substantial advances in meat prices, largely because of a reduced volume of livestock marketing, also affected commodity prices.

*

Britain

THOUGH the present capital cost of building a nuclear power station is three times that of building the most advanced conventional steam station, the "progressive lowering of nuclear generation cost to below that of steam plant can be confidently expected". This is stated by Lord Ciltine, who was the chairman of the British Central Electricity Authority till the end of 1957, when it was split into two bodies.

Discussing future electricity charges for industrial and domestic use in the United Kingdom, Lord Ciltine says that already the capital cost per kilowatt of nuclear plant is on the downgrade.

Even before the reduction of generating costs to below that of steam plant is achieved, the use of nuclear power generation should not result in making electricity dearer despite the present higher capital costs. The operating cost of the nuclear system is low, and the higher capital cost "is not of such significance that it cannot be spread over and offset by economies in the supply system as a whole without itself affecting the price of electricity to consumers".

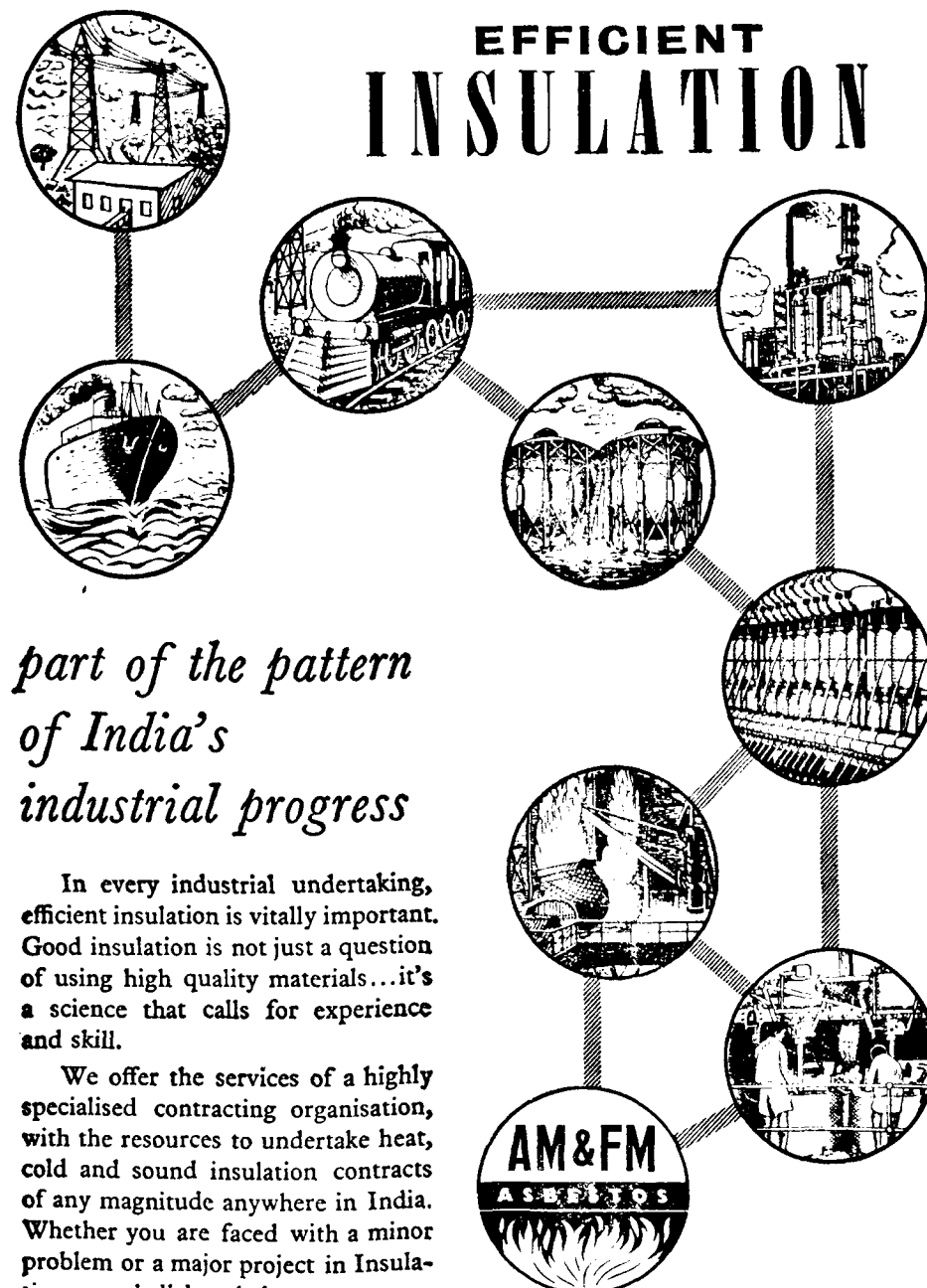
Lord Ciltine, writing on the Central Electricity Authority's programme for nuclear power, states in the Fuel Economic Review just published: "Britain leads the world in the practical application of nuclear power to electricity generation, and has good prospects of a healthy export market in this field."

Lord Ciltine tells of speedy implementation of the British Government's 10-year nuclear power programme. "In only one year and nine months," he says, "four groups of manufacturers were organized for the construction of nuclear power stations, personnel were trained in the know-how of reactor design and operation, initiating specifications were issued, tenders invited, received, examined and adjudicated upon, and firm contracts placed for the first two commercial-size nuclear power stations to be built in any country in the world."

The British Government's total net estimates of expenditure for the coming financial year will amount to £4,280 million, according to a statement circulated by the Chancellor of the Exchequer, Mr. Derick Heathcoat Amory, on February 18 in answer to a parliamentary question. The figure excludes the Post Office estimate, which covers self-balancing expenditure.

Mr. Heathcoat Amory has emphasized in his written answer that the total net estimates give effect to the Government's determination to insist on the greatest practicable economy in public expenditure, and, in fact, some cuts appear to have been made since the resignation of Mr. Peter Thorneycroft, from the post of Chancellor of the Exchequer. They have, however, only marginally affected the grand total.

The two largest elements in Government expenditure are defence and social services, and it is in the latter field that the estimates for the coming year show material increases—in particular for education, health services, and National Insurance. The National Health Service contribution will be increased with effect from the beginning of July. In this way it is hoped to begin placing the National Insurance Scheme on a sounder financial footing, and this will, clearly, be a long-term governmental preoccupation.



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March 8, 1958

The question of having powers similar to those in the Industries Act, for regulating the plantation industries was under consideration, added Mr KANUNGO.

Cement

Mr MORARJI DESAI, Minister for Commerce and Industry, stated in a written reply to a question by Mr N. S. CHAUHAN, in the Rajya Sabha, that the State Governments had been advised to increase the public quota of cement to the extent possible and to abolish the permit system for sale of cement by stockists. This had been done in view of the comparatively easier supply position as a result of increase in indigenous production.

Abolition of control on prices and distribution of cement was not contemplated, Mr DESAI said. Only in respect of sales by stockists, the State Governments had been requested to do away with the permit system.

The Minister said, the present estimate of monthly production of cement available for sale was 590,000 tons as against 470,000 tons last year.

Productivity Councils

Fifteen Productivity Councils are proposed to be set up during 1958-59 on regional, State and local basis.

This was stated in the Rajya Sabha by the Minister for Industry, Mr MANUBHAI SHAH, in reply to a question by Mr MAHABIR PRASAD. Mr SHAH said that the National Productivity Council had already been registered as a society under the Societies Registration Act. The Union Ministries concerned and organisations or employers and workers had been requested to nominate their representatives on the Council. These representatives would collectively co-opt in the Council representatives of other interests.

Mr SHAH said that organisations of industries, employers and workers in the industrial centres were being approached to initiate efforts to organise Productivity Councils. State Governments had been requested to give their support in the formation of such councils. Meetings of representatives of employers, workers, Government and institutions and organisations interested in productivity were being promoted at certain places for preparing draft constitutions of the Councils.

The Productivity Council of Mysore State, with the Minister of Industries of the State as President, had recently been constituted as a result of such joint consultations, Mr SHAH added.

Foreign Indebtedness

Replying to a question by Mr RAGHUNATH SINGH and two others, in the Lok Sabha, the Deputy Minister for Finance, Mr B. R. BHAGAT laid a Statement on

the Table of the House, showing the extent of India's present foreign indebtedness and the rates of interest on various categories of loans.

According to the Statement, the amount of indebtedness payable to various countries and the World Bank are as follows:—

Name of Project.	(Rs in Crores). Rate Amount of of in- indebted- terest. ness.*	
World Bank:		
Railways (1st Loan)	4 %	8.65
Railways (2nd Loan)	5½ %	14.63
DVC (1st Loan)	4 %	6.75
DVC (2nd Loan)	4½ %	4.38
Air India International		
IISCO (1st Loan)	5½ %	0.81
IISCO (2nd Loan)	4½ %	9.44
TISCO (1st Loan)	5 %	2.54
TISCO (2nd Loan)	4½ %	28.10
Trombay (1st Loan)	4½ %	5.88
Trombay (2nd Loan)	5½ %	0.90
Total		82.04

United Kingdom:		
ISCON credit for Durgapur Steel Project	1½ %	0.67
Sterling Loans		1.29
Total		1.96

USSR:		
Russian Credit for Bhilai Steel Plant	2½ %	12.85

Germany:		
Interim Credit in respect of Rourkela Steel Plant	6 %	13.16

USA:		
US Wheat Loan 1951	2½ %	89.21
US Loan 1955	3 or 4½ %	15.33
US Loan 1956	3 or 4½ %	3.33
US Loan 1957	3 or 4½ %	3.44
Total		111.31
GRAND TOTAL		221.32

* (Amount so far received less repayments).
† (1% above UK Bank rate).
‡ (3% if repaid in dollars and 4% if repaid in rupees).

DEFERRED PAYMENT COMMITMENT—COUNTRYWISE†

	(Rs in Crores)
USA	2.60
Japan	3.37
Italy	6.54
West Germany	1.64
France	6.67
UK	1.17
Norway	0.36
Czechoslovakia	0.23
Total	22.61

Note:—The figures given are approximate.

† The Statement relates to deferred payment commitments of the public sector only.

Brokerage

The Deputy Minister for Finance, Mr B. R. BHAGAT, told Mr MORARJI DESAI and Mr NATHWANI in the Lok Sabha that the prices at which shares and debentures of companies were purchased by the Life Insurance Corporation through brokers were inclusive of brokerage. It was not possible to indicate the amount of brokerage paid, as the brokers did not show this separately, he added.

West Germany

The Deputy Minister of Finance, Mr B. R. BHAGAT, said in the Rajya Sabha that an Indian delegation was a ready in West Germany in connection with the settlement of certain outstanding matters connected with the Rourkela Steel Plant.

Replying to a question by Mr MAHESHWAR NAIK, he said, by an interim agreement signed in December 1957, the West German Government had agreed to defer certain payment relating to the Plant which fell due to German firms upto February 15, 1958. The present delegation was negotiating a final agreement for postponement of payments due to German firms under contracts for the delivery and erection of a Steel Plant and rolling mill and related construction work at Rourkela.

Bhakra-Nangal

Mr S. K. PATIL, Minister of Irrigation and Power, in reply to a question by Mr HARISH CHANDRA MATHUR said the following statement on the table of the Lok Sabha on the cost-outlay of the power statics of the Bhakra-Nangal Project and how it would be shared by the participants in the scheme:—

Rs 5,590.27 lakhs for (1) the three power houses at (i) Bhakra Dam (left bank), (ii) Gangwal and (iii) Kotla; (2) transmission lines and (3) grid substations. This figure also includes the cost of residential and non-residential buildings chargeable to power sub-structure and super-structure for the Left Bank Power House concretising of the Right Bank Power House up to tail-race level and hydraulic works etc. The electricity portion will pay for the use of water at Bhakra Nangal power houses.

The cost will be shared by the States of Punjab and Rajasthan as follows:

(i) for the generating stations and step-up sub-stations of both Bhakra and Nangal in proportion to the share of stored water supply (Punjab 84.73% and Rajasthan 15.22%); (ii) for transmission lines of 132 kv. and above, including the cost of Grid Sub-stations connected thereto, which serve the common interests of the two partners, in the same proportion as (i) above. If any such line and/or sub-station serves the needs exclusively of any individual partner, the whole cost of such line and/or sub-station is borne by that partner; (iii) for transmission lines and/or grid sub-stations below 132 kv. serving exclusively any individual partner the whole cost is borne by that partner. If such line and/or sub-station serves both the partners, the cost is borne by the partners concerned in proportion to the estimated load of each partner to be fed from the line and/or sub-station; and (iv) for local distribution schemes, the cost is borne by the individual partner concerned.

Electrification

In a written reply to a question by Mr MOHAN SWARUP in the Lok Sabha, the Deputy Minister of Railways, Mr SHAH NAWAZ KHAN, placed the following statement on the table of the House:

The work pertaining to electrification of Howrah-Bandel-Burdwan and Sheoraphuli-Tarakeshwar branch on 3,000 V DC system is on hand. The section Howrah-Bandel has already been brought into commission.

Electrification of section Howrah-Burdwan (via Chord) Moghalsari is also being progressed on 25 kv single phase 50 cycle system but no commitments except for purchase of 110 locomotives have been entered into so far. However, tenders for supply and erection of structures and overhead equipment for these sections have been invited and are due to be opened on March 4, 1958.

Contract for the supply and erection of about 6,000 tons of steel structure for the main line section between Howrah-Bandel and Burdwan has been given to Messrs SAE (India) Ltd. Contract for 568 prestressed structures for section Sheoraphuli-Tarakeshwar has been given to Messrs Chanda Engineering Ltd. Contract for the supply and erection of overhead equipment comprising contact wire, catenary, insulators and associated fitting for the entire section Howrah-Bandel-Burdwan and Tarakeswar branch on 277 route miles has been given to SAE.

The rate for erection of steel structures by SAE (India) Private Ltd is Rs 250 per ton. The cost of erection of prestressed concrete structures by Messrs Chanda Engineering Private Ltd is included in the cost of the structures, which varies from Rs 1,000 to Rs 2,558 for portal structures. The rate for supply and erection of a cantilever structure is Rs 380 each. The cost of installation of the entire overhead equipment varies from Rs 3,000 to Rs 3,800 per single track mile.

Hirakud Dam

Mr S. K. PATIL, Minister of Irrigation and Power, in a written reply to a question by Mr SANGANNA, laid on the table of the Lok Sabha the following statement on the earthen portion of the Hirakud Dam Project:

Settlement in earth dams is expected even where the embankment is laid on an unyielding foundation. For an embankment such as at the Hirakud Dam, rolled in 6" to 9" layers generally of both the previous and impervious materials, and laid generally on an unyielding foundation as under the 3-mile main dam, no appreciable settlement after the completion of embankment is expected. During the construction itself as the embankment comes up, much of the settlement in the bank takes place. Some settlement can be expected even after the completion of the dam and in the course of years, depending on the height of the dam above the foundation. The foundation material itself, not

being granite rock, may yield in course of time though to an inconsequential extent. Government is aware of all these eventualities. There need be no apprehension regarding the safety or stability of the dam.

The readings taken at a number of 'observation points' on both the left and right earth dams have revealed that settlement has ranged between 0.2 per cent to 1 per cent only and is much below the normal settlement which goes up to 3 per cent.

Flood Control

In reply to a question by Mr BALI REDDI, Mr S. K. PATIL, Minister of Irrigation and Power, laid the following statement on the table of the Lok Sabha on the master plans for flood control:

The outline plan for a river within a State is prepared by the State Government concerned. Where the river traverses more than one State, the outline plans of the

States concerned have to be integrated by the River Commissions which have been set up for that purpose. These outline plans form the basis for the preparation of a master plan for each river basin. After the master plans for the different river basins have been finalised, they will be considered by the Central Flood Control Board for preparation of an integrated flood control programme for the country.

The present position is that the master plans for individual river basins can be prepared only after the High Level Committee on Floods has indicated the lines which future flood control works, particularly the long-term ones, have to be undertaken, taking into consideration the outline plans submitted by the States.

So far only six States have furnished information in this regard. Assam has forwarded an outline plan. Bihar has sent a master plan for flood control in North Bihar which covers the Ganga, Ghagra

and other rivers. Orissa has sent a brief note entitled "Long range flood control plan programming for the next 15 years beyond the Second Five-Year Plan." Uttar Pradesh has sent an outline of the master plan which covers the Ghagra, Ganga, Rapti and other rivers. The Chief Engineer, Punjab, has furnished the engineering side of the State plan for flood control measures. West Bengal State has sent a plan for the rivers Bhagirathi, Teesta, Torsa and Mahananda.

All these plans are under study by the High Level Committee on Floods. After the committee has given its directions, the draftmaster plans will be prepared and finalised by the States for approval by the State Flood Control Boards, the River Commissions (Floods) concerned and the Central Flood Control Board, and any assistance necessary for the technical examination of these plans will be rendered to the Central Flood Control Board by the Central Water and Power Commission.

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The Spirit of Adventure



"Tatas represent the spirit of adventure."

—Mahatma Gandhi

"Jamshedji Tata laid the foundations of heavy industry in India by starting Steel and Iron Works in, what came to be known as, Jamshedpur... It had a precarious childhood but the war of 1914-18 came to its help. Again it languished and was in danger... but nationalist pressure saved it."

—Jawaharlal Nehru
from *The Discovery of India*

"Be sure to lay wide streets planted with shady trees, every other of a quick growing variety. Be sure that there is plenty of space for lawns and gardens. Reserve large areas for football, hockey and parks. Earmark areas for Hindu temples, Mohammedan mosques and Christian churches."

—Jamsetji Tata to his son Dorabji,
in 1902, six years before work
started at Jamshedpur

"We are constantly accused by people... of wasting money on the Town at Jamshedpur. We are asked why it should be necessary to spend so much on housing, on sanitation and water-works, on roads... on hospitals and on welfare. People who ask these questions are sadly lacking in imagination. We are not putting up a row of workmen's huts at Jamshedpur; we are building a city..."

—R. D. Tata addressing Tata Steel
shareholders on October 25, 1923

The Indian Steel Industry celebrates its 50th Anniversary

THE TATA IRON AND STEEL COMPANY LIMITED

Architects of India's steel industry:
(from L to R) Jamsetji Tata, R.D. Tata,
Ratan Tata and Dorabji Tata.

"So far we have but scratched the surface of this great land. Vast resources still remain unexploited and unused in the service of man. To think that hundreds of thousands of people should ever fall at the touch of famine, or die from disease aggravated by insufficient nourishment, while there is so much latent food and wealth in the country! ... Is it not time to stir ourselves; to wake up to the great opportunity and the stern duty before us, the task of India's industrial regeneration?"

—Dorabji Tata addressing Tata Steel
shareholders in 1918

"We are like men building a wall against the sea. It would be the height of folly on our part to give away any part of the cement that is required to make the wall secure for all time. That is why we and you have to use this money... to build up this great industry... And we should not think of dividends until we have done that..."

"... Make no mistake about this point. We hold this money in trust for you. But you yourselves hold it in trust for the Indian Nation..."

—R. D. Tata addressing Tata Steel
shareholders on June 4, 1925

March 8, 1958

INDIA

Oberoi Imperial, New Delhi - Oberoi Maidans
Delhi - Oberoi Swiss Delhi - Oberoi Cecil,
Simla - Oberoi Clarkes, Simla - Oberoi Palace,
Srinagar - Oberoi Grand, Calcutta - Oberoi
Palm Beach, Gopalpur-on-sea - Oberoi Mount
Everest, Darjeeling - Oberoi Mount View
Chandigarh

PAKISTAN

Oberoi Cecil, Murree - Oberoi Flashmans,
Rawalpindi - Oberoi Deans, Peshawar - Oberoi
Falestis, Lahore

**OBEROI HOTELS
INDIA & PAKISTAN**

ONE of the austere reproaches of the academic historian is that the average Indian lacks a historical sense. This is said with scarcely concealed exasperation when he is trying to piece out the chronology and sequence of events of early Indian history from such exiguous material as fugitive artifacts, epigraphic and numismatic evidence. But it is open to us to reply, purely as a debating score, that, in lacking a historical sense, we are, at any rate at the present moment, in the excellent company of the average citizen of any country. Indeed, in so far as our lives are still rooted in tradition and in a culture that is oral and mnemonic, we possess a sense of continuity, which, after all, is the essence of the historical sense. Compared to us, the West, which has burnt its pre-Caxton cultural boats and allowed its folk traditions to wither away, is really the worse off. Of course, its factual history can be told with greater or lesser accuracy because of the fact that they had greater secretarial and filing efficiency.

But, as I said, this would only be a debating point, legitimately available solely when your opponent is stupidly and stridently assertive of his case. For the rest, my point in bringing up the question now is really to agree dolefully with the historian, but in a context that does not get mentioned often by him. You would have noticed that the historian brings his charge, mostly in the context of dating the Vedas and the "circa" of Kalidasa and so forth. But, what about more recent times, times which have been meticulously documented? How many of us have, even with the advantage of hindsight, seen the design and continuity in our history of the last hundred and fifty years in terms that will make a meaningful whole? Most of the history that is being taught is purely political and in so far as any set pattern is discernible in it, it is usually in terms of political destiny. Depending upon your point of view, it is either "Rise and Fulfilment of the British Rule in India", or "Decline and Fall of the British Empire". And, even here, it would be true to say that most people have but the haziest notion of the pre-Candian phase of this political history, for, such was Gandhi's impact on his

people. There are aspects of the last hundred and fifty years of which many do not even seem to be aware. What, for instance, is the relationship between our present economic hopes and fears and the often heart-breaking pioneering endeavours in industrial enterprise in the last quarter of the last century? What was their relationship then and later to the political impulses of the time? How and in what diverse directions did Indian nationalism and Indian enterprise interpenetrate each other? Were their aims identical or were they at cross purposes?

The average citizen does not seem to be bothered by the questions at all. But these are important questions nevertheless, both as a matter of history and as giving meaning to our present endeavours. And if one wanted to think about them for either purpose, the moment is propitious, for, this week saw in Jamshedpur the commemoration of a Jubilee of a great endeavour of the early days of Indian national enterprise. My thoughts of the preceding paragraphs were inspired by some of the things that Mr J. R. D. Tata and Mr Nehru said on the occasion of the formal celebration of the fiftieth anniversary of the founding of TISCO. The history of TISCO, and indeed of the House of Tatas, is an essential strand of Indian history of the last seventy five years. Its vicissitudes were in a very important sense the agonies of Indian nationalism. In order to measure the true stature of a man like Jamshedji Tata no less than to understand a great deal of modern Indian history, it is necessary to go back a little and in the process learn more about our notorious unhistoricity.

At the time Jamshedji Tata came on the scene, India had reached the nadir of its destiny. 1857 was a bitter memory. The somewhat informal Indo-British relations of the early years of the century, when the British still felt that they were the guests and not conquerors of the country, had definitely yielded place to one of cold hostility between the rulers and the ruled. And yet, the transformation was not merely political but economic. It is something of a shock to realise that, when the British came to India, it

was as to a country at an equal, if not higher, stage of economic development. And though it is dangerous to talk without qualifications and reservations of cause and effect in history, it was the accident of industrial revolution in England that completely changed the nature of Indo-British relations. And—this is the important thing to note—the very emergence of the industrial revolution was, in its turn, made possible by the unconscionable "plundering of India" by the British. The rather harsh words are not mine, but that of a well-known authority, Brooke Adams. This is what he has to say: "The influx of the Indian treasure, by adding considerably to the nation's cash capital not only increased its stock of energy, but added much to its flexibility and rapidity of movement. Very soon after Plassey, the Bengal plunder began to arrive in London and the effect appears to have been instantaneous, for all authorities agree that the industrial revolution began with the year 1773... and Plassey was fought in 1757, and probably nothing has equalled the rapidity of the changes that followed. In themselves inventions are passive... waiting for sufficient store of force to have accumulated to set them working. That store must always take the shape of money. Possibly since the world began, no investment has yielded the profit reaped from the Indian plunder, because for nearly fifty years Great Britain stood without a competitor".

In 1958, it is possible to take a detached view of the sequence of events that is summarised in the above passage. And in 1800, it is unlikely that this pattern would have been clear even to those who benefited by the plunder. But, for those in 1875, neither of these stances was possible. For, by then, the pattern of events must have become clear to those like Jamshedji, and it must have been a galling thought that their economic degradation was made possible, ironically enough, by the plunder of their own country. It is sometimes not realised that, before the industrial revolution, India was, relative to the times, a manufacturing country of great complexity and had already developed the rudiments of modern banking and finance. All these were set at naught, not only by

deliberate policy but also by the forces of history, which, let me repeat, were given the necessary momentum by Indian wealth. In the political humiliation of the post mutiny era and in the economic degradation of the post industrial era, must be sought the seeds of Indian nationalism and Indian enterprise as we see it today.

But a sense of grievance without the necessary greatness to combat it is merely corrosive of character. The founders of the Indian National Congress, no less than the pioneers of industrialisation in the last quarter of the nineteenth century, were men who had the necessary strength of character to deal with the situation. It is difficult to decide which of the two was the more formidable task. But there can hardly be any doubt that, to have conceived of a modern steel industry at all at a time when, in Mr J. R. D. Tata's words, "the passive despair engendered by colonial rule had reached its peak", and to have converted it into a reality, is an achievement of the highest order. It is one of the first reassertions of Indian character, perhaps the first of a new series of triumphs of human will over circumstance. None of the subsequent successes in the field, however nominally more ambitious, can touch its lonely magnificence.

Even as an idea, it was of such proportions as to daunt a lesser man. Mr Nehru was gently ironic about the latter day planners, and said that Jamshedji constituted himself into a one-man Planning Commission and thought out the entire scheme. It is the barest truth, and is a true measure of the man and times. The passing bureaucrat of today would have thrown in the towel, had he been in Jamshedji's place. The story of the slow unfolding of the idea has been told often before and has all the elements of not so much a success story as a fairy tale. The search for the site, for instance. The stumbling upon Sakchi was almost accidental. It is all very well today to talk of the Jamshedpur area as the Ruhr of India, but before Dorabji and Weld chanced on it, it had no particular industrial antecedents, except, of course, scrappy geological data thereon. Indeed, the earlier scenes of steel production were, curiously,

ATLAS
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&
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**THE INDIA MACHINERY
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Dassanagar, Howrah.

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

Madras, an area that is now rather despised as a possible producer of steel. The choice of Jamshedpur has thus an element of miracle about it.

As for securing the necessary capital, that again is a story that does honour to the promoters and the country. When the London money market was rather lukewarm about the idea, Jamshedji took the unfashionable step of asking for Indian subscribers for his capital issue. And his faith in his own enterprise was magnificently rewarded by the capital of Rs 2 crores (a colossal sum for those days) being subscribed within three weeks. It took four years more before the first ingot of steel was poured out. The modest capacity of a hundred thousand tons of 1912 was raised to five hundred thousand tons during the war years to meet the exigencies of war. Things began to get into a bad way after the war when the slump interfered with the half completed plans for expansion. Fresh capital had been raised, and before the installation of the machinery, the slump had got into its stride and competition from Britain and the Continent almost killed the enterprise. It was then that Indian nationalism lent its helping hand to Indian enterprise and the protection for the indigenous industry extorted from an unwilling Government. Once the storm was weathered, the company made steady progress, and now it completes its two million tons programme in its jubilee year.

Since independence, and the era of plans, TISCO has ceased to be the concern of merely its shareholders but is instead a valuable national asset. Indeed, it is nonsense to talk of the sectors, at least as far as steel is concerned.

Jamshedpur, around which has grown a whole industrial complex, is, in the literal sense of the over-worked cliché, the heart of India, and if, for some reason, it does stop beating, then, quite literally, the whole industrial life will come to an end. And, therefore, the heirs of Jamshedji are quite truly the nation.

That the House of Tatas shares this view of its heritage, has been abundantly clear throughout its distinguished record of service. The vision of its founder has comprehended more than mere success in industrial enterprise. It was inspired not only by the highest patriotism, but by a sense of values that transcended even love of one's own countrymen. The township of Jamshedpur is a constant reminder to us of the fact that the Tatas have learnt the first lesson of European industrial revolution, that is, the need to avoid the appalling human degradation that machine-minding and mass production gave birth to. The bitter fruits of this initial mistake are still being harvested in the West, despite subsequent atonement. It was the same fundamental concern for the men under them that has made them commemorate the jubilee of TISCO by the presentation of a Park to the citizens of Jamshedpur.

The social responsibility, this sense of trusteeship of which Gandhiji used to speak, is a hall mark of the House of Tatas. I have spoken of it often in these columns, but it is worth recalling on this occasion, that the bulk of the Tata earnings goes to Trusts that are promoting humane and liberal endeavours like education, research and medical aid. Even among these, the Tatas have concerned themselves with the funda-

mentals that others leave well alone. There is scarcely any doubt that, in this, as in everything they do, the pervasive and beneficent influence of the founder of this house is to be discerned.

I was an interested visitor to the Baluchar Sari Exhibition, a little way off the "Hoodoo" corner on Chowringhee. Its facade is much better, very much so indeed than was that of the Leather Industry Exhibition on which I commented a fortnight ago. In attractive motifs, mostly from old Indian sari border designs, it tempts one in. And once there, one need never feel bored for a moment, for, wherever the eyes rest, there is something to fascinate them, something to intrigue the enquiring mind; and when one leaves, one does so with regret. Regret for the fact that, for all our fanfare-nade about reviving the decaying folk handicrafts, we have little to reawaken interest in this unique product of Murshidabad's once-famous handloom product. The peculiarity of the Baluchar sari is that it was a sort of running commentary on contemporary events, much as hair styles were in the Paris of Marie Antoinette. It shows how alive was the mind of the village craftsman to the happenings of the day, big or small. And this precisely was a source of never-ending novelty of design. I congratulate Subho Tagore, who has organised this excellent exhibition to focus attention on an extinct variety of Bengal's textile craft. There is an extensive collection of various designs of this sari, and I deeply miss not having been present at the fashion parade. The large number of stalls set up by commercial organisations and those of the West Bengal Government have turned out well. The exhibition will run for a few days more, and I would urge all who are interested in India's textile arts not to miss it.

Pakistan's pathological state of mind is revealed even in its budget which, on the admission of that country's Finance Minister, Mr Amjad Ali, has a distinctly anti-Indian slant. In allocating Rs 90 crores to Defence expenditure, he said that this large sum could well have been utilised for Pakistan's development, but... And here comes in India. India that has always been a thorn in Pakistan's side. India, he pointed out, has a Defence budget of Rs 302 crores, to find which enormous sum. Mr T. Krishnamachari, the former Finance Minister, had to go, according to Mr Amjad Ali, "with the beggar's bowl all round the world". Of Mr Krishnamachari's "beggar's bowl" mission, the whole world is, of course, aware. Put as to its object, Mr Amjad Ali has certainly given a very original explanation, so much so indeed that he is in the minority of one, a position in which he has been landed by the anti-Indian majority in his brain. He, however, said a very sensible thing, namely, that "money spent on defence is money

thrown away". If this counsel of perfection were reduced to practice, all would be well. There are, however, a few "buts" which trouble Mr Amjad Ali, and these are Pakistan's unresolved disputes with India over the canal waters and Kashmir for which he squarely puts the blame on Pakistan's bete noire, Prime Minister Nehru. Over the canal waters dispute, Pakistan has shown a notorious intransigence, having repeatedly turned down the arbitrators' suggestions, and still India continues the supply; and, as regards Kashmir, it has always insisted on all or nothing, making compromise impossible. Ever since the partition of the country, Pakistan's one unremitting preoccupation has been running India down, which reminds one of the Romans' famous invective against Carthage, "Delenda est Carthago". And this explains its military pacts.

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GANDHIAN CROSSING

STATE Budgets have been awaited this year with more than local interest. For, it has been reported that the Central Government have asked the States to raise a considerable sum by way of taxation. In this context, the suggestion of the Second Finance Commission that States should not leave uncovered deficits has also been recalled. The two States of West Bengal and Uttar Pradesh have belied these expectations by presenting deficit Budgets without any accompanying taxation measures.

Bombay, however, has chosen to face its problems squarely. Dr Jivraj Mehta, State Finance Minister, has been confronted with a revenue deficit of Rs 201 lakhs and he has announced taxation measures which will yield Rs 300 lakhs. Out of this amount, Rs 75 lakhs are likely to be earmarked for credit to the State Road Fund leaving a surplus of Rs 24 lakhs. Considering that Bombay is already a highly taxed State—almost all the probable avenues open to the State Government have been tapped—this further effort is indeed laudable. The additional revenue is sought to be obtained under two main heads. A tax on all passengers and luggage carried by State carriages is expected to yield Rs 180 lakhs. The unification of taxes throughout the State is expected to bring in another sum of Rs 120 lakhs.

Though the regions affected may feel aggrieved, the reasons adduced by Dr Mehta for unification of taxes are unassailable. In the first instance, the State as a whole has passed the transitional stage in integration after States Re-organisation. Services, pay-scales and dearness allowances have already been unified. It is only meet and proper that the tax laws are also unified. At the same time, Government have not hesitated to abolish or modify tax-laws which may place certain regions in a disadvantageous position. In this list are the sales tax on cereals, pulses, fresh fruits, ata, maida, suji and gram and the agricultural income tax in Marathwada area, and the tax on trade, professions, callings and employment in Vidarbha. All these have been abolished. The unification scheme covers taxes on motor vehicles, taxes on motor spirit including highspeed diesel oil used as fuel, taxes on consumption of electric energy, duty on entertainment and stamp duty on non-judicial instruments.

The new tax on all passengers and luggage carried by stage carriages, excepting those which are levied within a municipal area, is to be levied at such rates as would yield an amount equal to 10 per cent of the inclusive amount of fares payable to the operator of a stage carriage. The justification

The Bombay Budget

for this tax has presumably been derived from the fact that the railways have imposed a surcharge of 10 per cent on railway fares.

Dr Mehta has indicated in his Budget speech that the State's financial position would have been much stronger than it is now, had the Second Finance Commission given a square deal to the State. His verdict on the Report of the Commission is that, so far as the Bombay State is concerned, the Commission have failed to give due recognition to the fact that the new Bombay State needs additional resources by way of Central devolution of shared taxes and grants-in-aid to tackle the tremendous transitional financial difficulties arising out of integration.

The fact that greater weightage than before has been given to population as compared to collection has been mainly responsible for the reduction in the State's share of Central taxes. As against 21 per cent under the Deshmukh Award of 1949, Bombay State's share of the divisible pool of taxes on income other than the corporation tax had been reduced by the First Finance Commission in 1952 to 17.5 per cent, though the population had increased from 21 million to 35.9 million. The Second Finance Commission in 1957 have further reduced it to 15.97 per cent. The present population is higher at 48.2 million. The collections of income tax within Bombay in 1957-58 has been Rs 66 crores, whereas they were only Rs 3.5 crores in 1937-38 and Rs 50 crores in 1952-53.

The population basis, however, seems to have been ignored when apportioning the net proceeds of Union Excise duties on matches, tobacco and vegetable products. The Second Finance Commission have extended the divisible Union Excise duties to five more commodities but have reduced the State's share from 40 per cent to 25 per cent. The share of 12.17 per cent given to Bombay does not conform to the population basis on which the State's share should be 13.5 per cent. It is in regard to the distribution of Sales Tax Revenue from mill made textiles, sugar and tobacco that Bombay has had to entail serious loss. By introducing an element of population apart from consumption, the Commission have drastically reduced the State's erstwhile income from Sales tax on these commodities.

The principle that a State's record in raising additional revenue should be given due recognition when distributing Central assistance also seems to have been forgotten in the case of Bombay. In the First Plan period, Bombay had raised over Rs 28 crores by additional taxation though the target set for it in this regard was only Rs 23.5 crores. During the

same period, all other States put together had raised only Rs 56.4 crores. It is not as though Bombay does not stand in need of help. In the first place, as a result of reorganisation, the State Government have to meet the budgetary deficit of Rs 325 lakhs of Kutch, Saurashtra and Marathwada. Further, the integration of services alone is expected to involve an additional expenditure of Rs 3 crores annually.

In view of the Finance Commission's recommendation that, in future, the distribution of the divisible pool of taxes should be entirely on population basis, Bombay will have to be prepared for a further reduction in its share of Central Taxes. That is to say, the share will be reduced to 13.5 per cent from the present 15.97 per cent.

The Budget for 1958-59 shows a revenue deficit of Rs 201 lakhs under existing taxation. Revenue receipts are placed at Rs 120 crores while Revenue Expenditure is estimated at Rs 122.01 crores. Compared to the revised estimates for 1957-58, receipts are higher by Rs 2.68 crores while expenditure shows an increase of Rs 10.25 crores.

The revised estimates for 1957-58 show, on the basis of the first eight months actual, a revenue surplus of Rs 5.57 crores as against the estimated deficit of Rs 2.37 crores and Rs 3.17 crores in March and June 1957 respectively. This is because of an increase in receipts to the tune of Rs 7.90 crores and a decline in expenditure of the order of Rs 84 lakhs compared to the modified estimates of June 1957. The State is yet to attain the target of capital expenditure. Against the total estimated expenditure of Rs 46.51 crores last June, the revised for 1957-58 has come to only Rs 40.56 crores. In the Budget for 1958-59, Capital expenditure is estimated at Rs 48.23 crores. This is to be met from loans from Central Government, State's share in small savings, withdrawals from the fund for development schemes and other earmarked funds, and from open market borrowing possibly amounting to Rs 10 crores.

The aggregate State share expected to be received in 1957-58 from small savings is estimated at Rs 13 crores. The Central Government have changed the basis of sharing net collections in favour of the States to two-thirds of the net collections. Small Savings have assumed vital importance to the success of the State Plans because they are going to be the main source of funds for the Plan. Accordingly Bombay is intensifying the campaign for Small Savings and it is confidently anticipated that collections will come up to expectations.

The State's Second Plan places the emphasis on Agriculture as

Bombay, even in normal years, has a deficit of over one million tons. Moreover, as the Asoka Mehta Foodgrains Enquiry Committee has pointed out, self-sufficiency in foodgrains is an important prerequisite to the success of the country's development programme as a whole. Bombay has made a provision of about Rs 191 crores or 55 per cent of the total Second Plan outlay for schemes of agriculture and Community Development as well as for multipurpose, major, medium and minor irrigation schemes as would directly benefit agricultural output. The target of additional production has been fixed at 1.5 million tons. In the budget for 1958-59 the State has made a provision of Rs 35.8 crores consisting of Rs 22.1 crores for schemes of Agriculture and Community Development and of Rs 13.7 crores for schemes of major and medium irrigation.

The next year's budget has also paid special attention to the establishment of effective local self-government. Dr Mehta has pointed out that "it is the intention of Government to make every village a self-contained unit able to cater to the essential civic needs of its people". It is gratifying to note that Government have realised that so long as the panchayats are not provided with an assured source of income, the desired results will not follow. An extra provision of Rs 62.70 lakhs has been made in the next year's budget in order to enable panchayats to get grants from 25 per cent to 30 per cent of land revenue realised in their respective areas.

That the State has strenuous work ahead in the next three years if it wants to fulfil the targets of the Second Plan is evident from the fact that, so far, Plan expenditure has been at a disappointing level. The State's target of expenditure under the Second Plan is placed at Rs 350.28 crores. Of this, in the first two years only Rs 109.45 have been spent. In the second year, the revised figure has been well below target (Rs 65 crores against Rs 73.5 crores). A target of Rs 76.8 crores has been set for 1958-59. Thus, over Rs 240 crores remain to be spent and there are only three years left. Dr Mehta has pointed out that larger provisions will be made in the last two years of the Plan period. He has further made it clear that "it is indispensable that we develop our spending capacity to the fullest extent of the task before us". The State Government are taking active measures to eliminate administrative delays by delegating financial powers to heads of departments. It is to be hoped that these and other steps already initiated will quicken Plan expenditure to the requisite level in the next three years.

THE COMMISSIONERS FOR THE PORT OF CALCUTTA

NOTICE

Repayment on the 15th September 1958 of 5% Calcutta Port Trust Debenture. Loan 1928-58-88 issued on the 15th September 1928.

The Commissioners for the Port of Calcutta, in pursuance of the right reserved by them at the time of issue to repay the 5% Calcutta Port Trust Debenture Loan 1928-58-88 for Rs. 1,50,00,000/- issued on the 15th September 1928 at any time after the expiration of thirty years from the date of issue, on six months previous notice, hereby give notice of their intention to repay the said Loan on the 15th September 1958.

The holders of debentures of this loan should tender their debentures at the Local Authorities Loan Section, State Bank of India, Calcutta, at least three weeks before the due date of repayment with the following endorsement on the back of each debenture:—

"Received payment in full of all demand for Principal and interest thereon."

(Signature of holder)

Interest on the Loan will cease from the 15th September 1958.

P. C. MITTER,
Secretary.

15, Strand Road,
Calcutta—1.
The 3rd March 1958.

BOMBAY
REVIEW

Inaugurating the conference on Savings and Investment in Bombay last week Mr Y. B. Chavan, Chief Minister of Bombay, asserted that the complaint that the investment climate in the country in the past one or two years had deteriorated, had no basis on facts. For the real state of affairs was that any "enlightened" entrepreneur could go ahead with his plans in the confidence that all his legitimate needs would be met. There were many State sponsored organisations to render him all necessary help so long as he did not swerve from the path of service to the nation. Mr Chavan also quoted figures to prove that even after the so called heavy taxation of last year the rate of investment had not slowed down as had been claimed by Mr Babubhai Chinal. It would appear that the Bombay Chief Minister traced the difficulties of the private sector to a fundamental defect in the outlook of some businessmen. He called it the get-rich quick trading complex.

It is, however, to be admitted that there are many people who do not consider the investment climate in the country encouraging. In this regard there is the fact of heavy losses sustained by investors during the past one or two years. As pointed out by Mr Chinal the index for variable dividend securities which was 126.19 in September 1956 and 114.5 on 29th December 1956 came down to 98.1 on 7th December 1957. The flow of foreign investments also seems to have been retarded during this period. As against an

Savings and Investment

average investment of Rs 25 crores annually in the 5½ years period ending December 1953 the average for the two years period ending December 1955 is only Rs 20 crores. This would indicate that foreign investors are not very enthusiastic about employing their funds in enterprises in our country. It is not as though there are no other avenues open to them for there is keen demand for capital in many countries.

It is agreed on all hands that savings have an important part to play in economic development. In a country which wants to take rapid strides in this regard, therefore, it is doubly important that the community realises the need for restricting current consumption in order to have more savings. The problem is rendered difficult by the fact that the size of the accumulated capital in the country as a whole is not large. In this regard it is also to be noted that savings will become effective only when they go to add up to capital. In our country where the State plays a dominant role in the life of the community, savings and capital formation are largely influenced by Government policies.

Development of Shipping

With the acute shortage of foreign exchange in the country it has been apprehended that Second Plan target for shipping of 9 lakh tons will not be attained. For it has been found that even after the spending in full of the funds provided, there is a gap of over 2 lakh

tons between target and achievement. It has been estimated that an additional Rs 50 crores worth of foreign exchange will be needed to make up this deficit. The shipping companies are also unable to continue their modernisation programme due to paucity of foreign exchange even though they have the requisite internal resources.

It is gratifying to find that Government are taking active steps to reach the target by the end of the Second Plan period. Speaking at the annual day of the Nautical Engineering College in Bombay this week Mr Raj Bahadur, Minister for Shipping, said that the chances of acquiring additional tonnage had improved in recent months and that most probably the target might be exceeded by over 1 lakh tons. This welcome prospect seems to have been brought about by the success of the recent negotiations for loan assistance with countries like USA, Japan and West Germany.

Mr Lal Bahadur Shastri, Union Minister for Communication and Transport, had disclosed in a recent speech in the Lok Sabha that far from allowing the target to be unfulfilled, it might be upgraded to one million tons. A good part of the yen credit from Japan is to be used to get about six ships from that country. A programme to acquire 20 to 24 ships during the next three years would appear to have been drawn up.

Strangely enough the present shortage of foreign exchange has itself given a fillip to Government's efforts in increasing shipping tonnage notwithstanding the fact that purchase of ships also requires foreign exchange. The loan accommodation from foreign countries has solved the problem of immediate payment. There is no difficulty in meeting the loan commitments in this regard because by having more ships a considerable portion of the country's annual freight bill of about Rs 180 crores worth of foreign exchange can be saved and set apart against the payments toward these loans.

Import Policy

With the progressive reduction of import quotas in the past few years, the import trade of our country has also undergone a corresponding diminution. The drastic cuts in import quotas and the total banning of several items in recent months have further aggravated the difficulties of the trading concerns which depend on imported goods.

Speaking at the annual general meeting of the All India Importers' Association, Mr Shanilal M. Shah, president, pointed out that the serious situation that had arisen in the trade could be considerably improved if the indigenous industries

who were the main beneficiaries of the import cuts, utilised the services of the import trade for distributing their products within the country. As a similar appeal made some time ago by Mr Morarji Desai seems to have been completely ignored, it is to be hoped that Government will take suitable measures to absorb existing channels of trade in the distribution of indigenous goods.

While recognising the need for drastic cut in imports in the prevailing circumstances in the country, Mr Shah appealed to Government to take note of the fact that import cuts carried too far would militate against the growth of indigenous industries. Moreover complete ban of imports is neither practicable nor desirable. Government should give their sympathetic consideration to the import of commodities for the indigenous manufacture of which there are no plans at present in the country. It is also to be noted that severe import restrictions may adversely affect our export drive because countries which import commodities from India may try to cut down their offtake when they find the commodities which they want to export are not finding any access in our country. Imports have also a vital role to play in the development of indigenous industry. For without competition there will be no incentive for our industry to improve its products.

The Madhya Pradesh Budget

The Budget of Madhya Pradesh for 1958-59 reveals a revenue surplus of Rs 110.03 lakhs. Total revenue for the year is estimated at Rs 5616.79 lakhs and expenditure at Rs 5506.76 lakhs. The improvement in the finances of the State has been brought about mainly by the award of the Finance Commission which has given a grant of Rs 4 crores. Though no new taxation is proposed, additional receipts to the tune of Rs 130 lakhs are anticipated as the result of a betterment levy introduced in the budget and rationalisation of sales tax.

In his budget speech Mr M'shr Lal Gangwal, State Finance Minister, announced that Government had decided to introduce new pay scales for primary school teachers all over the State with effect from April 1. The entire additional expenditure which will have to be incurred on the implementation of this decision will be met by the State Government.

Capital expenditure for the next year is placed at Rs 1812.17 lakhs. Apart from a sum of Rs 130 lakhs that is expected to accrue from betterment levy and rationalisation of sales tax, credit has also been taken in the budget for Central Grants for Plan schemes to the tune of Rs 417.49 lakhs and encashment of securities of Rs 350 lakhs.

GATEWAY
NOTESWORLD OF
COTTON

ONCE again, the Cotton market presented an uneasy front. The market reacted bearishly to the Central Budget with a fall of about Rs 10 per candy. Heavy liquidation brought down the Jharilla March contract at one time to Rs 658 per candy—a new low in recent weeks—while May contract also shared the nervousness although it escaped with a comparatively light punishment.

Shippers were disappointed over the absence of any reduction in export duty on Bengal or any announcement with regard to the export quota for other Deshi varieties. However, on second thoughts, the market recorded a slight recovery on Saturday last, which was extended further during the current week, mainly due to the absence of any tenders on the second notice day. Traders were also optimistic about a more sympathetic attitude of the Government towards the textile industry.

Also, technical considerations induced some short-covering, while option dealers were busy adjusting their commitments in view of the settlement on Monday. On top of these, there were no tenders issued against the maturing contract which acted as a bolstering factor. Turnover was 20,000 bales. ICC Jharilla May delivery concluded at Rs 672, while March closed at Rs 675.25.

The Spot market, ruled steady. There was mill enquiry, notably for Luxmi, Vijay and other staple varieties.

On the export front, shippers showed little interest and the only transactions reported were in small lots of Bengals.

In the foreign cotton section, there was hardly any enquiry for foreign growths.

The Government of India have announced an import quota of 70,000 bales of East African cotton of 1 1/16" and above. The trade is now concerned over its impact on the present price structure of this cotton. It has been estimated that the quantity of East African cotton, sold subject to the availability of import licences, is around 1.10 lakh bales. The present quota of 70,000 bales has, therefore, failed to cover up this entire quantity. It is feared that this might lead to the cancellation of the excess quantity sold to this country by East African shippers.

The recent protest by the Karachi cotton trade against an indifferent attitude of their Government in the current cotton crisis induced shippers in Bombay to study conditions at home. As prices of Deshi varieties (excepting Bengal) declined by about Rs 50 per candy during the past six weeks, shippers suggested that a small export quota of about 2 lakh bales could be easily earmarked for Kala Ghn, Wagad, CP/1 and CP/2 and other Deshi varieties and the duty could be doubled to Rs 100 per bale.

STATISTICS

Exports by rail, from 1st September 1957 to 27th February, 1958, were 107,815 bales. Estimated mill consumption in Bombay, during the same period, was 647,932 bales as compared to 652,079 bales in the corresponding period of last year. Estimated stock of raw cotton, held by exporters, dealers and mills in Bombay, on the 27th February, was 638,897 bales as against 564,399 bales on the corresponding date of last year.

Following are the mills' cotton consumption for the period from 1st September to 31st December (figures in bales of 392 bales):—

Description:	1957	1956
Indian	1,554,180	1,525,011
Pakistani	Nil	Nil
American	95,943	25,510
Egyptian	25,537	43,908
Sudan	24,831	34,633
East African	51,823	93,658
Others	2,480	3,548

Total ... 1,754,794 1,726,288

NEW YORK COTTON MARKET:

Trading on the New York cotton futures market developed strength on more active dealings with covering in the near March and more active buying in July. New crop deliveries reached new seasonal high levels on the assumption that the Soil Bank allotment would be increased to cover the surplus applications. The higher prices were not, however, fully maintained and some reaction set in when buying power dried up on the appearance of some hedge selling. Middling Spot closed at 36 cents per pound.

According to the Census Bureau of the US Department of Agriculture, cotton mills consumed 800,000 bales of raw cotton during the period 20-12-1957 to 31.1.1958. Total consumption, during the season till the close of last month, was 4,174,000 bales.

LIVERPOOL COTTON MARKET:

Trading on the Liverpool cotton futures market was at a standstill. No encouragement was derived from New York, while interest was mainly in some short-covering in the near position of the mixed contract. The Sudan contract remained idle and closed quiet.

The continued inactivity and the offtake in the yarn and cloth sections gave little encouragement to sustain the improvement in the spot section where prices eased off on light offerings. A clarification of American policy is needed to enable the Liverpool market to operate on a sounder basis.

ALEXANDRIA COTTON MARKET

Quiet conditions were witnessed in the Alexandria cotton futures market where prices moved downward on account of interior and professional selling.

BOMBAY
REVIEW

The cotton supply position in Egypt is as follows (figures in bales of about 730 lbs):— Carry-over as on the 31st August 1957—128,082 bales. Estimate of the 1957-58 crop—1,182,876 bales. Total visible supply—1,310,958 bales. Export sales upto 31st January 1958—405,684 bales. Estimate of annual local consumption—273,971 bales. Total disappearance—724,655 bales. Free stocks—586,303 bales of all varieties.

KARACHI COTTON MARKET

The Karachi cotton futures market ruled bearish. Absence of export enquiries, slackness of domestic spinner demand and increasing new crop pressure touched off a large volume of selling, which depressed prices. Following rates were quoted:—Sind Deshi Rs 64; Punjab Deshi Rs 62; 4F Punjab Rolling Rs 71-12; LSS Rolling Rs 74-15 and NT Rolling Rs 76-3.

CLOTH AND PIECEGOODS:

Steady conditions were noticed in the Bombay Piecegoods market. The offtake was reported to be

better in respect of fine and superfine varieties, while satisfactory demand was also reported for coarse and medium varieties. There was a general feeling that the up-country demand would broaden further after the "Holi" festival.

Trade circles were, however, disappointed that the anticipated relief in the excise duty on cloth had not materialised. It remains to be seen whether the cut in the duty on medium varieties will be made available beyond March 31. The quantity of unsold stocks with the mill is reported to be still heavy. It is pointed out that, unless the excise duty on cloth is reduced, the offtake of cloth will not be brisk.

Output of cotton textiles, during last year, totalled 5,317.41 million yards as compared to 5,306 million yards in 1956. Production in recent months has, however, tended to decline on account of the unsatisfactory trading conditions for cloth. For instance, output in January 1958 is lower at 433.23 million yards as against 483.70 million yards in the corresponding month of last year.

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BOMBAY
REVIEW

PRICES in the Bombay Oils and Oilseeds markets have shown a mixed trend during the week under review. Although these markets received the Budget with a feeling of disappointment in the context of strong hopes entertained by traders that the Government would offer some relief in export duties, the continued uncertainty about the cut in export duty on Castor Oil gave a free hand to speculators of Calcutta to influence the sentiment in the manner they liked. With the result, Castorseed registered a spectacular rise—the season's high so far.

In view of the option settlement, option dealers were busy adjusting and applying "teji" options. Shorts, who sold earlier in the absence of any relief in the budget, hurriedly covered their commitments, which added the recovery. Talks, that Brazil was not willing to sell its castor oil first pressure to the US at below 12.50 cents per pound, also acted as a contributory factor. With the result, Castor May delivery was taken up to Rs 143.50 from Rs 141.37. In the ready section, the rate was quoted at Rs 23.75 for the Madras quality, while Castor Oil, commercial quality, was done at Rs 14.75.

Trading in Linseed was devoid of fresh interest. The marketing of the new crop has already started in Hyderabad and the inflow is expected to pick up in the coming weeks. In Uttar Pradesh

Mixed Trend in Oils and Oilseeds

and Madhya Pradesh, arrivals will commence after about a fortnight. In these circumstances, operators in the futures section have been inclined to press sales at higher levels in the new crop contract. May delivery started at Rs 29.31 and finished at Rs 29.25. Ready bold was quoted at Rs 18.62 and Linseed Oil at Rs 15.69.

After a break of nearly two months, Australia is reported to have shown an active interest in Indian Linseed oil. It is stated that shippers have been able to conclude business for about 450 tons for early shipment. Although the Australian purchases have ended the quiet spell, prices have lacked parity by £2 to £4 per ton on the basis of current domestic rates. It is pointed out, that the business has been done on the presumption that the internal rates will move down in the near future on account of the arrivals of the new crop. In spite of the present disparity, a section of the exporters believes that the long-term outlook for linseed oil exports is favourable in view of the changed supply position in world markets.

The 1957-58 crop has been substantially smaller, both in Canada and the USA, the estimates being 567,000 tons and 625,000 tons as against 862,000 tons and 1,218,000 tons respectively in the last season. Overseas buyers will, therefore, have to depend more on India this year.

Trading in the Groundnut section was dull in the absence of any fresh developments. The receipt is just large enough to take care of the demand from crushers and vanaspati interests. However, hopes of some relief in excise duty on vegetable oils have provided a mildly bullish factor. May delivery changed hands at Rs 159.62 to Rs 159.87. In the ready section, the rate is quoted at Rs 32.00 for the bold quality and Groundnut Oil at Rs 17.50 for Railway Receipt.

In the Cottonseed section, May delivery started at Rs 106.25 to finish lower at Rs 105.00.

Arrivals of Oilseeds in Bombay during the past two months were as follows (figures in Tons):—

	January	February
Groundnut	13,193	9,830
Cas or	1,007	1,885
Linseed	752	3,379
Rape & Mustard	79	121
Seasame	685	383
Mouru	22	29
Cottonseed	3,789	2,576

There were no arrivals of Kardi and Niger seeds during the two months mentioned above.

Gold & Silver

Sentiment in the Silver section, on the Bombay Bullion Exchange, remained generally depressed under the influence of lower Calcutta advices. The talk of possibility of increased Tibetan arrivals evoked offerings although profit-covering minimised losses. Arrivals and offtake were estimated at 6 and 10 bars respectively. Chaitra delivery moved between Rs 189.75 and Rs 190.19, while Fagun delivery hovered around Rs 191.94. The spot rate was mentioned at Rs 192.19.

Gold was steady in slow professional dealings, but the undertone was steady. Arrivals and offtake were estimated at 3,000 and 5,000 tolas respectively. Chaitra delivery moved between Rs 111.94 and Rs 112.19, while the spot rate was quoted at Rs 112.37. Sovereign remained firm at Rs 71.75.

Yarn

The Yarn market greeted with relief the Central Budget, which did not contain any proposal to raise import and excise duties on rayon as well as staple-fibre yarns. Higher import duty on nylon and perlon yarn failed to impress the market, while a section of the trade pointed out that the Government had not done anything to promote exports of cotton yarn.

However, trading continued to be restricted. There was hardly any change in the prices of Art Silk yarns. Listless conditions prevailed in the Rayon yarn section. Reports were current that a scheme for an equitable distribution of

indigenous yarn among weaving mills at a fair price was being evolved at the instance of the Government.

Trading in the Cotton yarn section was uninteresting in the absence of export as well as indigenous demand. The easy trend continued as many stockists were eager sellers. It is very likely that prices may decline further and the decline may be extenuated by the levy of excise duty on the production of cloth on power-looms and also due to the decline in raw cotton prices after the announcement of the budget proposals. On the whole, the future course of the market remains uncertain.

Non-Ferrous Metals

Steadiness in Copper continued to be main feature of trading in the local Non-Ferrous Metal market. Although there was a shortage of stocks, prices reacted moderately from Rs 175 to Rs 173 per cwt in view of the forthcoming shipments. Copper, which was due to be unloaded from s.s. "Kampala", was quoted at Rs 165 per cwt. After ruling steady for some time, Zinc developed signs of weakness due to usual arrivals, the rate being quoted around Rs 51 per cwt. However, it was felt that any further recession in price was unlikely as most of the expected arrivals were purchased at higher foreign prices ruling today. Trading in the Lead section was dull and featureless with the rate quoted at Rs 63 per cwt. The hectic price movements in Singapore had their repercussions on the Tin market, the rate being quoted at Rs 129 per quarter.

On the London Metal Exchange, the rate for Copper is quoted around £161 per ton. The overall position of this metal is reported to be unchanged and the weakness in evidence is attributed purely to local factors. It is also reported that Russia is negotiating with wire industries in the UK, and orders for considerable tonnage are likely to be placed by the Soviet if and when the deal is concluded.

Zinc was quoted around £62 per ton. The consumption of this metal is reported to be not as bright as expected, mainly due to dull conditions in the zinc sheet industry.

Lead is quoted around £73½ per ton. The level of consumption is reported to be on the same scale as in the past two months. The US Tariff Commission's recommendations are expected during the current month.

Tin was quoted at £731 per ton. It is reported that the Thai Government is seeking a higher quota for their country. Although Thailand is not a big tin-producing country, an upward revision in their quota, it is feared, will certainly have serious repercussions on the sentiment of the tin market.

GATEWAY
MARKETSBOMBAY
REVIEW

"To Tax and to Please . . ."

DELHI
REVIEW

A COMBINATION of circumstances has conspired to cheat the public of its pre-Budgetary thrills this year. To begin with a remote reason, Mr T. T. Krishnamachari had made, last year, such large drafts on the unexpected and the unpleasant that not even the confirmed pessimist could prognosticate this year anything more drastic than a Gift tax. As for the optimist, he confined himself to hoping, rather forlornly, that some of the demonstrably cumbersome and inequitable levies would be quietly dropped. For the rest, resistance and hope had been so completely broken that one sensed a feeling of "we couldn't care less" in circles delighting in anticipatory hopes and fears.

More immediately, events of the last few days had left the country rather low and emptied of vitality. The prolonged debauching of public feeling over the Mundhra deal, culminating in the resignation of TTK, had left the public limp and saggy. Since pre-Budget astrology is largely a matter of mood, this circumstance was particularly unpropitious to any real effort at prediction. What little insouciance was left after the catharsis of l'Affaire Mundhra was dissipated in the sorrow at the passing away of Maulana Azad. Indeed, the

PM's Budget speech began with what was, for him, a rather curious note of superstition. He referred to the unpropitious times, and made a feeling mention of the death of the Maulana and the resignation of his "distinguished predecessor" in office. In what was surely an uncharacteristic mood, he referred to his feeling of "desolation and unfitness for the task that fate and circumstances have thrust on me". It was clear that something of the emotional exhaustion of the last few days had infected even Mr Nehru's amazing elan.

As for the contents of the Budget, it accorded well with the somewhat limply anticipation thereof. Mr Nehru himself described it as "pedestrian". Many will be disposed to think that is what every Budget ought to be. Drawing their analogy from domestic felicity, they may quote the example of the ideal family as one in which, at least to the onlooker, there is scarce a ripple. Despite the somewhat obviously interested comments that have referred to the Budget as imposing intolerable fresh burdens, there is hardly any one who believes that the Budget for 1958-59 is likely to upset the economy one way or the other. Even those who say otherwise do so with no real conviction, but almost as a point of professional etiquette, and for the reason that such a point of view should not go by default. A new tax, however rightly anticipated and secretly acquiesced in, should, for appearance's sake, be formally opposed. "To tax and to please, no more than to love and be wise, is not," as Burke pointed out long ago, "given to men." While, as I shall show in a moment, the Budget's disappointments are not wholly imaginary, it can scarcely be argued that such disappointments stem from its positive proposals. In so far as the Budget is unsatisfactory, it is so in its not doing away with certain things that are already there, rather than in the new burdens it implies.

If therefore, the Budget is to be criticised at all, it should be, not on the grounds that it will unsettle things again, but, with greater justification, for not making any significant impact on the current economic conditions either positively or negatively. Indeed, one may notice a certain apathy on the part of authority about the Budget's possible impact. Such apathy is not unlike, and perhaps not unrelated to, the feeling of "I couldn't care less" of the taxed public, to which I referred earlier. One hopes that such an unconcern is really a temporary phenomenon induced by the events of the last few weeks or months. For, otherwise, it may lead to a chasm between financial policies

and economic reality, with disastrous consequences to the future of planning and the economy itself.

The point can be illustrated by an example. Certain inequitable features about current corporate taxation, that we have been repeatedly drawing attention to in these columns, would surely have been removed by a Budget with a greater concern for the shape of the economy. The vexatious profits deposit scheme (on the removal of which some hopes were entertained, on the basis of certain reported utterances in the US by TTK) could have been dropped. Again, the rather half-hearted remedying of the anomaly of taxing Section 23A Companies both for distributing and not distributing dividends shows an uneasy and uncomfortable compromise with reality. Nothing has been done to meet the unanimous (except for those in authority) demand for the abolition of the tax on bonus shares. Every one, from Professor Kaldor to the Taxation Enquiry Commission, is agreed that the levy is unsound. But nothing has been done about it. Lastly, the continuation of the high excise duty on cloth is, as pointed out in our last week's issue, another example of a self defeating impost. Its continuance at the

present level is clearly demonstrative of a certain lack of touch with reality.

It must, however, be admitted that, along with these somewhat discouraging features, there were significant directions in which recognition of the present needs of particular industries was demonstrated. The substantial beneficiary of this realism is the shipping industry which has been allowed a development rebate of 40 per cent. For people who have only the haziest notion of what this means, it needs to be pointed out that, in effect, Government are making a gift of roughly 20 per cent of the cost of a ship (on the rough assumption that the rate of tax is 50 p p in the rupee) to a company on every new ship put in use. Of the new imposts, the Gift tax is the most significant. As this was something that has been in the offing for quite some time, it has not created much of a furore. The provisions of this act are comparatively simple and, on the whole, its impact is not likely to be too onerous. It only *raison d'être* is that it was essential to complete the circuit of an integrated tax structure. The idea, as has been repeatedly argued, is to have as complete a picture of a man's financial activity, so

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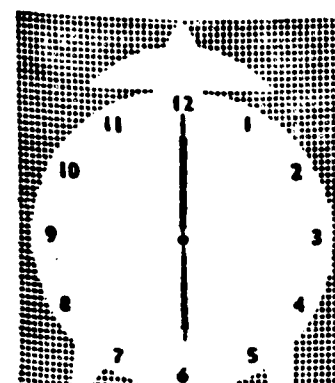
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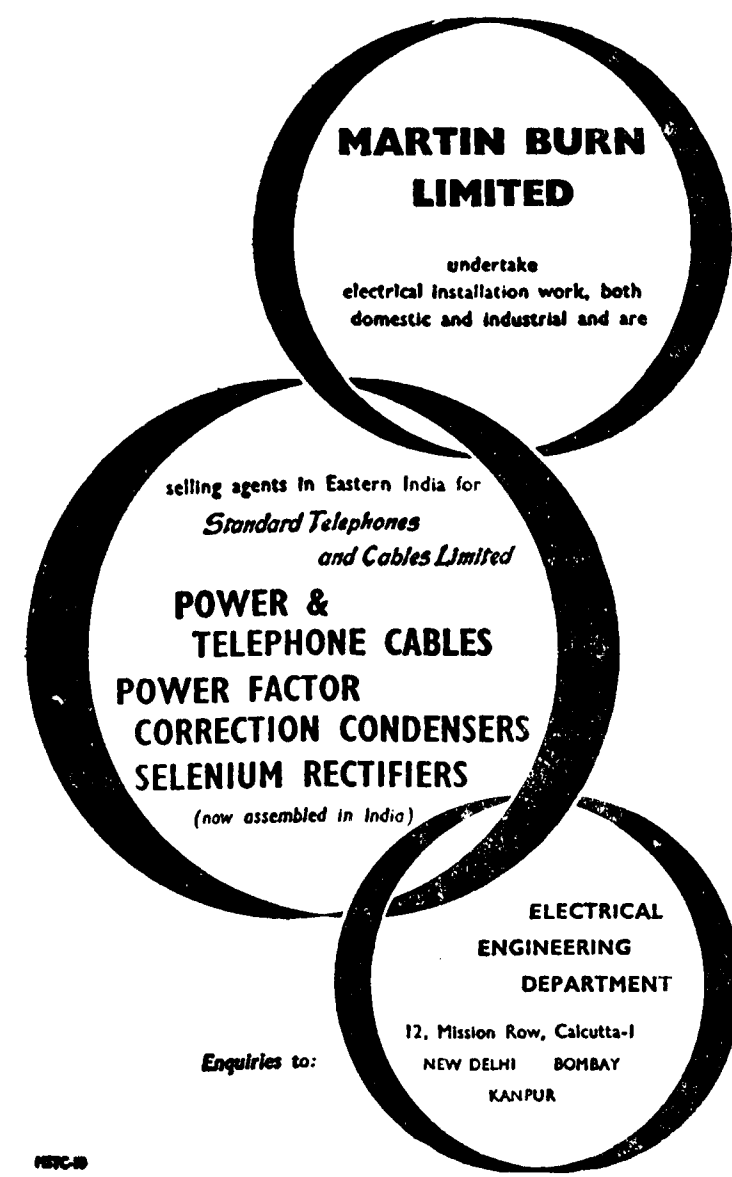
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that an automatic check of his various statements is readily available. It is quite simply an operation in arithmetic involving only addition and subtraction. In checking the correctness of your income and wealth (which alone are substantial and legitimate targets for revenue), gifts made have necessarily to enter besides regular expenditure. With the data supplied for the Income, Expenditure, Wealth and Capital Gains taxes and Estate Duty (which last has had a series of amendments made to it this time), the

tax official will have his tab fairly completely on the tax payer. It would then be not possible to lie glibly about any one of these particular items without exposing yourself elsewhere.

With the enactment of the Gifts tax, we shall have seen the end of major structural alteration in direct taxation. With that, we shall also have come to the end, I believe, of any further increases in the rates of these particular levies. As Mr Krishnamachari said last year, at least for the

Second Plan period, it is unlikely that we shall have any major increases in the quantum of these taxes. Therefore, it is legitimate to infer that the worst of these proposals is already behind us. This should come, if not as a piece of joyous tidings, at least as a matter of relief to the tax payer. Of course, we have not yet achieved even the beginning of a tidy tax system. The jungle that is income tax law is a constant nightmare to even the expert. As regards the newer taxes, they are but rough hewn rocks. There can hardly be

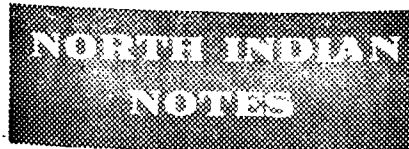
any doubt that, with experience and accumulation of data, refinements will be effected. Such refinements need not necessarily be subtler forms of fiscal torture. Indeed, it is reasonable to hope that, with the sewing up of the substantial rents in the tax nets, the haul of the big fish should be more satisfactory. To that extent, smaller and honest fry may get a much needed respite. Of course, the appetite for tax of Governments grows with what they feed on, but there is in economics, as in physics, such a thing as the limit of elasticity, and the consequence of stretching beyond this limit is disaster. The most attractive thing about the Kaldor proposals was its promise of substantially lower total taxation. I have no doubt that, in the years to come, the twin tasks of tidying the tax laws and evolving as near a scientific tax system as is compatible with human nature will inevitably lead to less astronomical rates of taxation.

Rather curiously, the much publicised core of the Plan did not get announced by the Prime Minister during his Budget speech. It made its rather unobtrusive appearance as a reply to a question. (One wonders at this somewhat odd procedure adopted for announcing so important a matter). The list placed on the table of the House by Mr Bhagat, the Deputy Minister for Finance, follows more or less closely earlier anticipations on the subject. It includes the three steel plants in the public sector, coal mining schemes of the National Development Corporation, the mining part of Neivell project and the development of the Calcutta, Bombay, Madras and Vishakapatnam Ports. The Railways, of course, are in the core. Among power projects, the more important ones are included in the core. As regards the private sector, the expansion programmes of TISCO and IISCO and of the coal industry are accorded core status. For the coming year, the Plan expenditure will inevitably be principally pumped into the projects in the core.

One post-Budget reflection: it is plain that Mr Nehru cannot and should not be asked to carry on the responsibility of the Finance portfolio, in addition to his own heavy duties as the PM. It is fair neither to him nor to the country. He is already cruelly overworked, and Finance is not a portfolio that one can casually add to one's other duties. If the PM gave the time and thought that Finance requires at this juncture in the country's development, he will have neither left for other things which he is now attending to. If he attends to other things and takes the Finance portfolio in his stride, he cannot do justice to the complex tasks of the controller of the country's economic destiny. It is, therefore, of the utmost importance that a new Finance Minister is appointed without further delay.

Indian Finance

March 8, 1958



Punjab's Budget for 1958-59 has disclosed a deficit of Rs 208 lakhs which, the State Finance Minister, Mr Mohan Lal expects, may increase to Rs 234 lakhs because of the formation of the Electricity Board there will be a loss in net revenue to the tune of Rs 18 lakhs and Government are assuming an additional liability in the matter of concession to Government Employees involving an expenditure of Rs 8 lakhs. The deficit however, is not to be left uncovered. The Finance Minister has announced additional taxation proposals which will not only wipe out the deficit but leave a surplus of Rs 10 lakhs.

The additional revenue is sought to be obtained largely from sales tax. The Government have decided to remove cotton, cotton seed, oil-cakes, raw hides raw skins and raw wool from the schedule of exemptions in the Punjab General Sales Tax Act. Along with it sales tax will be levied on raw materials purchased by manufacturers. Sales tax at the rate of 75 paise per Rs 100 will be levied on all food grains, including pulses. Other taxes to be levied are an education cess which will take the form of an electricity duty. The sales tax on food grains is also part of this education cess. Electricity duty will be levied at the rate of ten per cent on the existing tariffs of the first slab of domestic and commercial categories of consumers and 25 per cent of the existing tariffs on the remaining categories of consumers.

The revised estimate for the current year show a surplus of Rs 258 lakhs, revenue receipts being Rs 4223 lakhs and revenue expenditure Rs 3665 lakhs. As against Rs 4383 crores proposed for the year 1958-59, the plan outlay has been finalised to be only Rs 3319 crores largely because of the stringent financial position in the country. This is to be financed to the extent of Rs 16 crores by way of loans and grants from the Centre and the balance of Rs 1779 crores from State resources. The Finance Minister has pointed out in his speech that the State will find it difficult to produce such a large amount. Accordingly it has been decided with the approval of the Planning Commission to liquidate some of the State's securities to finance a part of its share of the development expenditure.

From an analysis of the figures for Plan expenditure in the past two years it will be evident that the progress last year has been more satisfactory than in the first year when only 76 per cent of the outlay was spent. For the year 1957-58 a plan of Rs 318 crores was approved. It is expected that almost the entire amount, practically under the Bhakra Project, irrigation, power and roads would be utilised.

An important step taken by Government during the current year has been the provincialisation of local body schools in the State. Government have also decided to extend the free concession of education in all Government schools from the primary standard to the sixth standard throughout the State from the next year. The Finance Minister has also announced a number of concessions to Government employees in the low-paid categories.

Kashmir Budget

The budget for 1958-59 presented to the State Legislative Assembly by the Kashmir Premier Mr Bakshi Ghulam Mohammed reveals a surplus of Rs 286.54 lakhs on the revenue and non-plan ordinary expenditure, revenue receipts and expenditure charged to revenue being placed at Rs 1046.99 lakhs and Rs 760.36 lakhs respectively. The financial position seems to have improved so much that even after making allowance for all transactions a net surplus of Rs 3.04 lakhs is estimated.

The surplus does not seem to be so much a reflection of any reduction in expenditure as that of an increase in the revenue consequent on the financial integration of the State with Centre as well as the increase from the State's own sources. In this connection Mr Bakshi Ghulam Mohammed stated that the Government would receive an amount of Rs 283.43 lakhs more than the ad hoc grant of Rs 250 lakhs which the State was receiving upto 1956-57. The receipts from the State's own sources are also expected to increase from Rs 426.45 lakhs in the current year to Rs 538.47 lakhs. The total increase in estimated revenue receipts consequent on improvement in these two heads is about Rs 355.22 lakhs. This seems to have obviated the necessity for any new taxation and excepting for the exemptions in respect of some existing heads of revenue no new taxes have been proposed.

The important heads of expenditure for the Plan are food production and development of large scale industries. Renovation of the silk weaving factory in Srinagar, and the Government woolen mill, establishment of a ceramics factory in Jammu and veneer plant in Kashmir besides a cement factory and bricks and tiles factory are some of the schemes which have been included in the plan for the development of large scale industries. Implementation of various irrigation schemes and investigation and survey for the development of some multi-purpose projects are also envisaged. The State Government's contribution towards plan expenditure, the

Punjab Budget

first of its kind to be made, is Rs 2 crores.

The capital expenditure not charged to the revenue for the coming financial revenue year is Rs 417.88 lakhs and this includes Rs 69.86 lakhs on account of schemes of State trading. The Debt Head Budget makes provision for financial assistance to petty traders, artisans and craftsmen as also for such purpose as house building and education. The main items of expenditure on beneficiary departments are: Roads and Buildings (Rs 202 lakhs); Irrigation (Rs 160 lakhs); Education (Rs 139 lakhs); Electricity (Rs 91 lakhs); and Medical and Public Health (Rs 66 lakhs).

Cotton Textiles Industry

Speaking at the recent annual general meeting of the Upper India Chamber of Commerce, Kanpur, Mr J. K. Srivastava, president, dealt with the various economic developments in the country during the past year and concluded that despite the difficulties facing the national economy there was no need for anyone to lose faith in the future of the country. Referring to the cotton textile industry he pointed out that quick remedial measures were urgently needed to put the industry on an even keel. He entered a strong plea for a further and substantial reduction in the excise duty on cloth in order to relieve the most acute depression in the history of the textile industry.

The depression has stemmed mainly from the disappointing level of demand. Cloth production in the past six or seven years has substantially increased. From 3660 million yards in 1950 output in the organised sector has gone up by 180 to 2000 million yards. Simultaneously there has been an increase in production in the handloom sector. With exports showing a decline, the internal availability of cloth has gone up by 75 to 80 per cent. The recent changes in the excise duties on medium counts have resulted in the concentration of production of coarse varieties leading to a glut in the market.

On the export front the industry is encountering serious difficulties. Exports in 1957 have been below expectations and it is apprehended that even the reduced target of 800 million yards will become difficult of attainment. Due to acute competition in world markets, Indian mills have already been obliged to sell export goods at an uneconomical price. It would appear that unless Government come to the rescue of the industry our cotton textiles may not be able to maintain their position even in existing overseas markets. Mr Srivastava has suggested a scheme of rebate of excise



duty in the internal market correlated to the additional export efforts of individual mills together with concessional freight rates for mills situated away from port towns and top priority for the movement of goods for export.

The heavy financial burden involved in the lay-off compensation has put the ready remedy of curtailing production according to demand, as is being done in the case of the jute industry, beyond the reach of the cotton textile industry. There remains, therefore, only one other alternative of encouraging offtake both internal and external. While it is true that concerted measures have been initiated to promote exports, it is to be realised that a "buoyant home market is after all a condition precedent to the export drive". Moreover, it is not as though internal consumption of cloth in our country is excessive. Per capita consumption is still small and conditions that will result in encouraging consumption are to be welcomed.

Higher Education

The difficulties facing the country in the sphere of higher education are clearly brought out in the first report of the University Grants Commission. The number of students seeking higher education has enormously increased in recent years but the educational facilities in the country have not recorded a corresponding expansion. The result has been fall in the standards of education. It is estimated that in the past ten years the number of students in the colleges has more than trebled. From 240,000 in 1947, the number has increased to 400,000 in 1951-52 and is currently placed at 750,000. As against this rise in the number of college students, the number of university institutions and colleges has been 532 in 1946-47, 625 in 1951-52 and 746 in 1956.

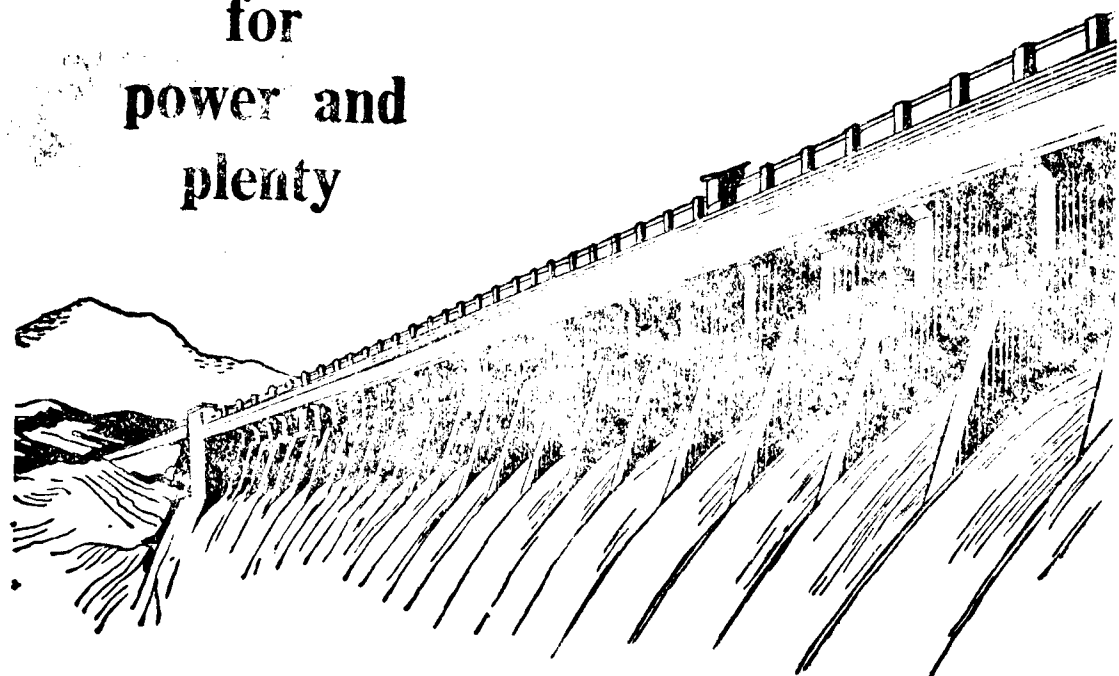
The remedy suggested by the Commission is control on students' admission in university institutions imparting education in arts, science and commerce. For only then it will be possible to improve standards within the limited resources likely to be available for the advancement of university education. The provision in this regard under the Second Five Year Plan is Rs 27 crores. The Commission have pointed out that any reduction of this amount will hamper the progress of the development programme undertaken in universities. It is evident that they have found it necessary to make this observation because the Government of India have already cut down the sum of Rs 5.24 asked for by the Commission to Rs 4.17 crores.

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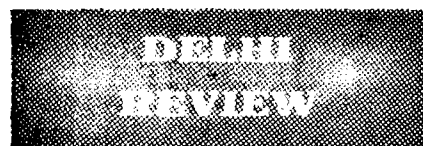
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Outlook for Sugar

THE production and despatches of indigenous Sugar have amounted to 11.45 and 5.33 lakh tons, upto February 15, 1958 in the current season, as against 10.02 and 5.48 lakh tons respectively in the corresponding period of last year. Stocks with the factories, as on the 15th February, stood at 10.42 lakh tons as compared to 9.81 lakh tons on the corresponding date of last year.

Output in the new season is expected to be around 21 lakh tons and, with the carry-over stock of 5.43 lakh tons, the total available for consumption will be 26.43 lakh tons. The consumption is estimated at 19.5 lakh tons, leaving a surplus of 6.93 lakh tons. If the present trend in the offtake from factories is any indication, it is feared that there will be a crisis in the industry. While the offtake

is unsatisfactory, the production of sugar, as indicated above, has been quite encouraging. The supply position of cane remaining comfortable, the chances of the industry achieving the target of 21 lakh tons is quite on the cards.

But, what is distressing is, that the outlook for export has become bleak with the growing competition from abroad and the industry having failed to export any substantial quantity during this season so far, when generally exports are possible. World sugar prices have declined from £70 per ton in April last to £31½ and exports are possible only if a loss of about £25 per ton can be incurred. Since there is no likelihood of a reduction in the prices of cane in the near future, the industry has suggested that it should be allowed to raise the internal price of sugar

in the interests of promoting exports.

It is understood that the Government of India are studying the possibilities of compelling the industry to export sugar through the State Trading Corporation. But the industry is opposed to the policy of Government bodies undertaking the export of sugar. Instead, it has suggested that export quotas should be distributed among the five State zones. The crux of the problem is how to avoid losses on exports; but no proper solution has yet been found.

Meanwhile, quiet conditions are witnessed in the sugar markets at various centres. The last quota, released by the Government for free sale, is reported to have been exhausted by most of the mills. Following ex-mill delivery rates (per maund) are quoted in the

NORTH INDIAN MARKETS

Hapur market: Mansoorpur (B-29) Rs 38.00; (C-29) Rs 26.87; Daurala (B-29) Rs 37.75; Mowana (B-29) Rs 37.50; Amroha (D-29) Rs 35 and Bijore (E-29) Rs 34.75.

Gur

In the Hapur market, ready gur prices have advanced following a fall in arrivals due to cloudy weather. Sellers of Fagun delivery are reported to be building up stocks as purchasers are anxious to take the delivery. Stocks have swelled to 1.25 lakh maunds, the corresponding figure for last year being 91,000 maunds. Total arrivals, from the beginning of the season, are estimated at 3.5 lakh maunds. Gur Pansera quality is quoted at Rs 13.62 to Rs 14.00 per maund.

In the Muzaffarnagar market, prices have also advanced, Chakku Minja quoting Rs 16 to Rs 16.12 and Khurpa Rusket Rs 9.50 to Rs 10.75 per maund.

Foodgrains

Steadier conditions are noticed in the Hapur Foodgrains market, thanks to reports of dwindling stocks. Wheat is quoted at Rs 15.87 per maund for the average quality and Rs 17.25 for the farm variety. Rice has recorded further slight gains on reports of overall shortage of the commodity in the country, Basmati quoting Rs 28 to Rs 31 per maund, according to quality. Gram prices have also improved modestly on the Punjab advices and reports of shortage of stocks. The markets for Barley and Bajra rule rather quiet, while Maize and Bajra prices have improved slightly.

The Bombay grains market has presented a steadier appearance. Prices of seasonal Rice have advanced by Rs 5 to Rs 7 per candy, while Burma rice is indicated at Rs 215 to Rs 220 per candy. The improvement in this commodity is attributed to the reduced arrivals from the upcountry centres. With the closer watch over smuggling of rice from Andhra and Madhya Pradesh, the inflow into the City has declined significantly. In the Coarse grains section, Bajra has improved by about Rs 5 per candy.

Shellac

The Shellac market in Calcutta continues to rule quiet with the rate for the Pure TN quality hovering idly around Rs 76 per maund despite the fact that shipment have shown a substantial rise to 38,758 packages in February from only 28,486 packages in January. This is mainly due to the absence of any fresh enquiry from overseas buyers.

Trading in the London market is also dull as buyers are found to be rather cautious. April delivery shellac is quoted at 175sh with sellers at 178sh per cwt.



The Madras Budget

CONVERSION of an original deficit of Rs 135 lakhs which was subsequently reduced to Rs 105 lakhs consequent on the announcement of Central aid to the extent of Rs 30 lakhs, into a surplus of Rs 15 lakhs by means of new taxation measures is what the Finance Minister of Madras, Mr C. Subramaniam has done in the budget for 1958-59 which he presented to the State Legislative Assembly last week. The undertaking to balance the State's Revenue Budget which he gave to the Planning Commission at the discussions with the latter on the size of the State Plan for the third year would seem to have forced the decision in favour of the new taxes announced in the Budget. The revenue receipts for the budget year is estimated at Rs 62.40 lakhs and expenditure charged to revenue at Rs 63.75 lakhs.

The new taxes that have been announced are (1) enhancement of the levy of sales tax on motor spirit other than on petrol, i.e. on diesel oil from 10 nP per gallon to 35 nP per gallon, (2) enhancement of the rate of entertainment tax from 20 per cent on the first slab to 25 per cent, from 25 per cent on the second slab to 33 1/3 per cent and from 33 1/3 per cent on the third slab to 40 per cent, (3) levy of agricultural income-tax on all landholdings with an exemption limit of Rs 3000 and at rates and slabs now in force on plantation holdings. These three levies are estimated to bring in a total revenue of Rs 170 lakhs in a full year. But in view of the delays in bringing the necessary legislation, account is taken for only Rs 120 lakhs for the coming financial year.

The justification for the increase of sales-tax on diesel oil is the preferential treatment which it has been enjoying as compared with petrol which is considered unwarranted in view of the capacity of diesel oil to give the same mileage per gallon as petrol while the price per gallon for diesel oil is lower than that of petrol by one rupee. The enhancement of the entertainment tax will affect only cinemas and horse-racing, since the abolition of the tax on other entertainments have been announced in the budget. While no doubt this would give encouragement to other fine arts like dance, drama and music, the measure carries a strong presumption that the entertainment value of cinemas is of a lower grade than that of others. The local bodies are the main beneficiaries of this measure since 90 per cent of the collection from this source is earmarked for distribution among them. The justification for the tax on agricultural holdings is its supposed mildness compared to the confiscation of their excess holdings which is postponed to a more convenient date in future.

Relief is provided to the non-gazetted officers by extending the full fee concession to their children which has so far been limited to III form, to the complete High School course. Considering that these classes form one of the most aggrieved sections of the State's population, this generous gesture should be warmly appreciated by them. Agricultural demonstrators are the only other section to whom relief has been extended by the upward revision of their scale of pay from Rs 100.5-140-10-220 to Rs 135.5-200-10-270. For the common man the benefits are only those that might accrue from the various schemes for increasing agricultural production for which provision has been made in the budget.

Apart from the new taxes that have been proposed Mr Subramaniam has also referred to some improvement in the financial position of the State and points to the larger anticipated receipts under land revenue from the assessment of Inam lands and the betterment levy as also to increased yield from taxes on Motor Vehicles that would result from the increasing number of vehicles on road. The recommendations of the Finance Commission has benefited the State to a greater extent, the increase in revenue on this account being Rs 202 lakhs for the coming year. The Finance Commission award has also turned an anticipated deficit in the original budget estimates for the current year into a surplus of Rs 4.83 lakhs. But part of the benefits that has thus accrued to the State has been lost consequent on the withdrawal of the Central assistance in connection with the enhancement of the emoluments of Government servants, at the recommendation of the Finance Commission.

The surplus on the revenue account is only slightly affected by the financial transactions of the Government outside the revenue account. The deficit on these transactions being only Rs 0.35 lakhs the net surplus in the budget is of the order of Rs 14.39 lakhs. As a result there is a proportionate increase in the closing cash balance for the budget year which is estimated at Rs 64.89 lakhs. The ways and means position is also expected to improve with the realisation of the target for small savings at Rs 10 crores which would entitle the government to a share of Rs 6½ crores.

Notwithstanding the improved financial position it is still not recognised as sufficiently adequate to the needs of developing the industrial resources of the State. Mr Subramaniam has in this connection referred to the need for incurring more expenditure in electricity development, but has not provided increased allocations, the provision being about Rs 11.94 crores. This figure is not only lower than the allocation for the current year which is Rs 13.02 crores, but would also seem to be inadequate to meet the growing needs of industries for power. The present demand for power in the State is far in excess of even the increased supply that might be available with the commissioning of new plant in Madras and the Periyar hydro electric project. And the new schemes for the starting of an aluminium plant and an iron melting plant in and around Salem would only add to the pressure of demand.

However, the Government would seem to have concentrated on schemes for increasing agricultural production, to make the State self-sufficient. This would require an addition of at least 2 lakh tons of foodgrains to the existing production. Though the encouraging trend in the per acre yield in the last few years which is considered to be the best for any State in the country, would lend feasibility to the target of 3 lakh tons which is fixed for the coming year, shortages of fertilisers and improved seeds to which Mr Subramaniam has referred in the course of his budget speech and the new levy on land holding would present real difficulties to the Government in attaining the target.

The one field in which considerable headway has been made has been in regard to major irrigation schemes most of which according to Mr Subramaniam are at the final stage of completion. Outlay for this has therefore been reduced by Rs 1.17 lakhs for the budget year. With the reduced scope for expenditure on major irrigation schemes and the advance procurement of the essential materials for the much restricted development of power the foreign exchange content of the Plan for the third year is of a comparatively lower order than for most of the other States.

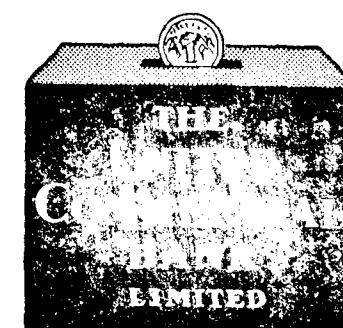
Under such circumstances the implementation of the various schemes during the third year of the Plan should present less difficulties. The Plan outlay for the third year for the Madras State is Rs 30.47 crores which is lower than the revised estimates for the second year by about Rs 1.84 crores. Since Central assistance to the extent of Rs 18 crores has been promised, the State Government's efforts at securing the balance of Rs 12.47 crores would necessarily determine the pace of progress of the Plan during the third year. The Government have plans to raise a public loan in the open market and the limit has been

tentatively fixed at Rs 587.19 crores. The ways and means position is further sought to be improved by intensifying the small savings drive so as to realise a net yield to the State of Rs 6½ crores.

While these are matters which are by their very nature rather unpredictable, there would seem to be no excuse for the short falls in implementation of certain schemes, which even on Mr Subramaniam's own showing are appreciable. Such short falls are particularly glaring in agriculture, soil conservation, medical housing, village industries and handicrafts. Mr Subramaniam attributes this to delay in sanctioning schemes, and in acquisition of land and scarcity of building materials such as cement and steel. But beyond expressing pious hopes about better performance for the coming year he has not outlined any tangible measure for eliminating such delay.

**Whatever
the
amount
you
save**

**PUT IT IN ACCOUNT
WITH**



Head Office : CALCUTTA

CAPITAL :
SUBSCRIBED Rs. 4,00,00,000
PAID-UP ... Rs. 2,00,00,000
RESERVE FUND... Rs. 1,34,00,000

Chairman
G. D. BIRLA

General Manager
S. T. SADASIVAN

★ Branches all over
India and Abroad.
★ Agents throughout
the world.
★ Provides every
banking facility.

UCO-4/58

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MADRAS REVIEW

With the increased revenue that has accrued to the State consequent on the recommendations of the Finance Commission what was until recently feared to be a very critical financial situation for Andhra Pradesh has turned out to be short lived as is revealed by the surplus budget presented to the State Legislative Assembly by Mr B. Gopala Reddi, the finance Minister, for the coming financial year. The budget for 1958-59 estimates the revenue at Rs 63.66 crores while expenditure is estimated at Rs 62.87 crores, the surplus being Rs 79 lakhs. Even the anticipated deficit in the 1957-58 budget to the tune of Rs 5.48 crores has been on the basis of revised estimates which take into account the increased allocations from the divisible pool of income taxes and Union Excise duties has been turned into a surplus of Rs 3.12 crores. The net addition to the revenue of the State under the Finance Commission award is estimated at Rs 6.27 crores for the current year and at Rs 7.05 crores for the coming financial year.

The revenue estimates for the budget year show an increase of Rs 2.58 crores compared with that for the current year while revenue expenditure shows a greater increase of Rs 4.91 crores. The increase in revenue expenditure is more marked in the non-Plan sector being to the tune of Rs 3.52 crores while the increase in the Plan sector is only Rs 1.32 crores. The increased liability of the State Government consequent on the increase in the pay scales of primary and secondary school teachers and that of certain classes of State Government employees together with the need to provide relief to the famine affected areas in the State would seem to explain for the increase in the expenditure in the non-Plan sector.

The capital expenditure in the budget for 1958-59 is estimated at Rs 21.29 crores against the revised figures for the current year at Rs 24.75 crores. Multi-purpose river valley projects, civil works and electricity schemes claiming Rs 715.00 lakhs, 365.71 lakhs and 356.70 lakhs respectively are the major heads of expenditure in this field. The Nagarjunasagar Irrigation Project alone accounts for a provision of Rs 700.00 lakhs.

Notwithstanding the difference made to the finances of the State by the Finance Commission award, the ways and means position is far from sound. The ways and means position which revealed an excess liability of the State to the Reserve Bank of India to the tune of Rs 3.71 crores at the beginning of the current year has been aggravated by the net deficit of Rs 7.62 crores in the budget for the current year. The closing balance for the current year after making allowance for lapse in the

Andhra Budget

Plan outlay to the tune of Rs 2.11 crores is therefore expected to amount to minus Rs 9.06 crores. But the 1958-59 financial year is expected to close with a Cash Balance of Rs 11.75 crores.

The budget provides for an outlay of Rs 30.02 crores for the third year of the Second Plan, the Central Government being committed to provide the State Government finances to the extent of Rs 18 crores. Mr Gopala Reddi referred to the possibility of the State Government raising a public loan, to meet part of the State's share in the outlay on the Plan for the third year. The public debt of the State Government is estimated to increase from Rs 144.46 crores at the end of March 1958 to Rs 162.07 crores at the end of March 1959.

The decision to raise public loans seems to have been the result of the poor performance of the small savings campaigns launched by the State in the last year. Against a target of Rs 9.25 crores for small savings which if it had been realised would have entitled the State Government to a share of Rs 6 crores, the actual share of the State in view of the meagre collections has been reduced to Rs 4 crores.

For the budget year small savings together with the open market loans is expected to realise a sum of Rs 6 crores. Mr Gopala Reddi also referred to the various administrative steps taken by the Government to promote the expansion and intensification of the small savings movement within the State.

The reorganisation of the Secretariat on the lines recommended by the Economy Committee set up by the Government, according to Mr Gopala Reddi would result in a saving to the tune of Rs 10 lakhs per annum. The arrears of outstanding agricultural and revenue taxes, land revenue and excise, in the estimate of the Mr Gopala Reddi, stand at Rs 19 crores. But the difficulties experienced by the cultivators consequent on failure of crops in large areas of the State would seem to have precluded the possibility of realising this in full. And in the budget provision under this has been made only for Rs 4.55 crores.

While Mr Gopala Reddi seems to be satisfied with the present position of the State's finances, the future does not appear to be free from difficulties. Apart from the need to rectify the ways and means position the demands in connection with the implementation of the second plan for the last two years are expected to be of a higher order than for the early period, if the ceiling of Rs 175 crores for the entire period is to be attained.

Land Reforms

The sway of ideological considerations in the economic policy of

Government of India is nowhere so strongly in evidence as in the field of land reforms and there is nothing at present more injurious to the needs of increased food and agricultural production than this preoccupation of the various State Governments with the redistribution of land among landless tenants in small bits. This could only be the result of a one-sided approach to the problem which precluded considerations of the impact on total production which such reforms would have.

The effects such policy would have on the food and agricultural production, were analysed by Mr K. Santanam former Chairman of the Finance Commission, in the course of the second of the four series of lectures on "Dilemmas of Indian Economy". The food problem according to Mr Santanam is essentially one of assuring adequate supplies of rice and wheat to the urban population in the country which is estimated at about 60 million, the rural population being in a position to meet all its requirements of food grains. These requirements of the urban sector which is estimated at about 20 million tons or half the production of rice and wheat, could only be met from the surplus production from medium and large farms, production in the small farms being only adequate to the needs of the cultivators. Since the many land reforms which the various State Governments have in view would entail the cutting up of these big farms into smaller pieces, and their distribution among sections with little resources to effect improvements in cultivation, the total production of food grains would inevitably be reduced.

In this connection Mr Santanam cited as an instance the recent legislation passed by the Madras Government to increase the share of the tenant from 40 per cent to 60 per cent of the gross produce of the land. This according to Mr Santanam would only result in reducing the sources of capital that might otherwise flow to agriculture since in view of the extreme poverty of the tenants they could not be expected to set apart any amount even from their increased share of the total produce. Investments in improvements of land have also been prevented by the uncertainty generated in the minds of the big land owners by the new and projected land reforms. Therefore Mr Santanam feels that there is at least a case for a speedy completion of the land reforms since this would result in removing the uncertainty for those left in the possession of land.

Mr Santanam is in favour of fixing the ceiling on land for an individual at a level of 16 acres. Though this would aggravate the problem of rehabilitating the landless, the solution to this problem according to him must be

found not in the redistribution of land which would have adverse effects on total production, but in their absorption in industrial development.

Rice Zone

Proposals for the constitution of a separate rice zone for Andhra Pradesh made by some of the members in the course of the debate in the legislative Assembly have been strongly opposed by Mr N. Sanjiva Reddi, Chief Minister of the State. The argument for the creation of a separate rice zone, has as its basis, what its sponsors consider to be a higher level of price for rice in the State which they attribute to the arrangement of the South Food Zone under which movement of foodgrains is free within the zone. A separate rice zone in their view would exert a moderating influence on the price since movement under such a setup would be less free than what it is now. The Chief Minister's opposition springs from his desire to protect the interests of the cultivators which he fears would be adversely affected by a decline in prices.

The controversy thus reflects a difference in view between the Chief Minister and the sponsors of the separate zone scheme in regard to the propriety of the present level of prices for rice in the State. The latter would seem to dispute what Mr Sanjiva Reddi holds as the reasonableness of the present level and they are able to point to a lower level of prices in the neighbouring State of Madras which is not self-sufficient in the production of foodgrains. This Mr Sanjiva Reddi attributes to the Madras Government's scheme of subsidised supply of foodgrains.

To decide between these two different points of view would be rather difficult. The South Food Zone was constituted with the object of making the region self-sufficient, by making available the surplus production of rice in Andhra Pradesh to the other States which were always dependent on imports to fill the gaps in their requirements of foodgrains, the deficit being greater in Kerala than in the other two States of Madras and Mysore. There have been reports of the Kerala Government trying to divert supplies from Andhra Pradesh by offering higher prices. How far this has reacted on the internal price for rice in Andhra is not known. Though the complaints about high price of rice in the State would not warrant the scrapping of the present arrangement in regard to the movement of foodgrains within the South Food Zone, they would at least point to the need for keeping a vigilant eye on price with a view to keeping it at a level which while assuring a fair return to the cultivator would at the same time protect the interests of the consumer.

SOUTH INDIAN NOTES

SOUTH INDIAN MARKETS

ACCORDING to the official figures released from Cochin, shipments of black Pepper from India, in the first 11 months of last year, have totalled as much as 12,903 tons as compared to only 10,750 tons in the corresponding period of the previous year. The increase is regarded as very significant, because shipments from Singapore have shown a marked fall during the period under review. During the period January to November 1957, 15,000 tons of black pepper and 7,900 tons of white pepper were exported from Singapore against 16,850 tons and 11,100 tons respectively in the corresponding period of 1956.

Russia has made a notable contribution towards raising the shipments of Indian pepper with an offtake of 3,300 tons during the period under review as compared to only 2,000 tons in the corresponding period of 1956. Significant increase in exports of Indian pepper, during the period under review, were noted in respect of Poland (330 tons); West Germany (320 tons); France (230 tons); Rumania (200 tons) and Egypt and Suez (200 tons). A disappointing feature, however, was that shipments to the USA—the main buyer of pepper in the world—were lower at 4,800 tons as compared to 5,510 tons in January-November 1956.

JARDINE HENDERSON, LIMITED

NOTICE is hereby given that an Interim Dividend at the rate of 2½ per cent less Indian Income-tax thereon, will be paid to the Registered holders as on the 7th April, 1958, of the 50,000 Cumulative Preference Shares of Rs. 100 each in the Company in respect of the year ending 31st March, 1958.

The Share Transfer Books of the Preference Shares will be closed from 31st March to 7th April, 1958, both days inclusive.

By Order of the Board,
D. FORDWOOD,
Secretary.

4, Clive Row,
Calcutta 1, 27th February, 1958.

THE ALKALI & CHEMICAL CORPORATION OF INDIA LTD.

NOTICE

The Preference Share Registers of the Company will be closed from the 2nd April 1958 to the 10th April 1958 both days inclusive.

By Order of the Board,
Imperial Chemical Industries
(India) Private Ltd.,
Secretaries.
Calcutta,
19th March, 1958.

Rise in Pepper Exports

Meanwhile, prices in pepper markets have continued to rule steady. In the Alleppey market, the rate is quoted around Rs 550 per candy. The Singapore market is barely steady at \$0.64. Sellers there are reserved, since holders are watching keenly the day-to-day political developments in Sumatra. General feelings are, that the present firm attitude of the Central Government at Djakarta in dealing with the rebel governments will most likely restore law and order soon in the disturbed areas, provided there is no outside interference.

However, the future of the market is uncertain. Prices are likely to move narrowly both sides, pending the clear picture of the Indonesian situation. Everything will depend upon the attitude of the USA buyers as Malabar is usually lacking strength of its own.

Brazil appears to be a new producer of pepper, according to two million pounds last year. Provided the market holds up to make production profitable, Brazil will probably find the US market more accessible than other producers in the East. Domestic consumption in Brazil is of the order of about two million pounds.

In New York, the pepper market is virtually at a standstill as buyers are disposed to hold off on the belief that further concessions may be obtained because of the continued lack of any aggressive demand and the evidence that the market is unable to hold its recent rise. Prices are unchanged from previous levels. Original market advices are quiet and unchanged and this is an additional cautionary influence. Black Sarawak is quoted at 16½d per pound in the London market.

Rubber

According to the Rubber Board, during 1956, 15,969 acres were newly brought under Rubber. Of this, 6,021 acres were planted with clonal rubber; 1,639 acres under budded rubber and 8,279 acres under ordinary seedlings.

The expansion of planting by estates, holding over 50 acres, accounted for only a third of the total new planting, the rest being carried out by small holdings. The small holdings, however, went in for large-scale planting of unselected ordinary rubber, which accounts for over 60 per cent of the total planting.

The year 1955 was another year of extensive new planting. There is a possibility that the large acreage sown in these two years may quite considerably be influenced by fresh registration which the Board undertook.

Cardamom

In the Cochin market, offerings of Cardamom totalled 15,614 pounds

which met with a very poor demand. Prices were irregular and appreciably lower. Withdrawals were, therefore, heavy. Best descriptions were virtually neglected, while the lesser sorts found some buyers at a drop of 25 to 75 nP per pound. Sale No. 10 will be held on the 10th March.

Groundnut

Conditions in the Madras Groundnut market remained generally steady with the rates moving between Rs 143 and Rs 145 per candy. Local small crushers were the main supporters of the market, while big crushers were not operating for any sizable quantity.

In the Groundnut Oil section, the rate for the ready position is quoted at Rs 293 to Rs 298 per candy.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides were rather restricted last week and the small arrivals were readily cleared by shippers at firm prices. There was no change in the Buff hides section. Arrivals of Calf hides were poor and these were taken up by the shippers at firm levels.

On the export front, trading did not show much change. With

the limited supplies at the disposal of the exporters at Madras, sellers in London were finding it difficult to work on buyers' ideas. In the Calf section, business was difficult, not only on account of smaller offerings but also lower price ideas of buyers. Small sales were, however, reported in inferior selections of Buff Calf and Cow Calf at steady prices.

In the Tanned Skins section, arrivals were on the same level as in the previous week. It was reported that there was a good clearance of sheep skins at prices 12 to 13 nP per pound lower as compared to the previous week. According to market anticipations, arrivals of adulterated sheep skins may improve in the coming weeks.

In the export section, a few sales were reported at workable prices. There was a steady enquiry for light weight fifties and inferior fifties and business was reported to be improving, depending on the quality and marks. Fair enquiry was reported in primes and semi-primes at 6d to 1sh per pound down as compared to pre-auction level.

Reports from London indicate that, for the coming auction, about 4 lakhs Goat skins and 8 to 10 lakhs Sheep skins may be offered. Exact figures are not yet available.

BRAITHWAITE & CO (INDIA) LIMITED

Notice is hereby given that the twenty-eighth Ordinary General Meeting of Braithwaite & Co (India) Limited will be held at the Registered Office, 4, Clive Row, Calcutta-1, on Saturday, the twenty-ninth day of March, 1958 at 10.00 a.m. to transact the following business:—

1. To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1957.
2. To declare a Dividend.
3. To elect Directors.
4. To re-appoint Auditors and fix their remuneration.

The Transfer Books of the Company will be closed from the 17th March, 1958 to the 29th March, 1958, both days inclusive.

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member. Payment of Dividend as may be declared will be made to those members whose names are on the Company's Register on the 29th March, 1958.

By Order of the Board,
Y. S. TAYAL,
Secretary.

CAREW & COMPANY, LIMITED

NOTICE is hereby given that the Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company at 4, Fairlie Place, Calcutta, on Monday, the 31st day of March, 1958, at 10-30 a.m. for the purpose of:—

1. Receiving the Directors' Report and passing the Accounts for the year ended 30th June, 1957.
2. Electing Auditors for the current year and fixing their remuneration.
3. Electing Directors.
4. Transacting such other business as may be brought before the Meeting.

The Transfer Books of the Company will be closed from the 21st March, 1958 to the 31st March, 1958, both days inclusive.

GLADSTONE LYALL & CO., LTD.,
S. DATTA,
Secretary,
Managing Agents.

4, Fairlie Place,
Calcutta.
4th March, 1958.

Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him and a proxy need not be a member of the Company.

THE BANK OF INDIA LIMITED

(ESTABLISHED 7th SEPTEMBER, 1906)

ANNUAL REPORT

To be submitted to the Shareholders at the Fifty-Second Annual General Meeting to be held at the Registered Office of the Company at Mahatma Gandhi Road, Fort, Bombay, on Wednesday, the 12th day of March, 1958, at 4 O'clock in the afternoon.

Directors' Report for the year ended 31st December, 1957

The Directors submit to the Shareholders the BALANCE-SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1957. The Auditors' Report is also annexed.

The transactions for the past year, including the balance brought forward from the previous year, Rs. 15,44,924.45, have resulted in a profit of ... Rs. 1,09,02,381 34

An interim dividend was paid for the half-year ended 30th June, 1957, at the rate of 6 per cent free of Income-tax on the Paid-up Capital of Rs. 3,00,00,000, which absorbed ... Rs. 18,00,000 00
Provision made for Income-tax and Super-tax for the year ... Rs. 30,00,000 00
Bonus to Staff ... Rs. 18,00,000 00

The Directors now propose:—

To pay a final dividend for the half-year ended 31st December, 1957, at the rate of 10 per cent free of Income-tax, making 16 per cent for the year, on the Paid-up Capital of Rs. 3,00,00,000, which will absorb ... Rs. 30,00,000 00
To carry forward to the next account ... Rs. 16,02,381 34
Total Rs. ... 1,09,02,381 34

The Bank's business continued to function satisfactorily.

The official Bank Rate was raised from 3½% to 4% on 16th May, 1957. The Rate of 4% continued to the end of the year.

Mr. Dinsha K. Daji, who had been a Director of the Company for nearly 23 years, died on 8th July, 1957. Mr. Daji rendered great service to the Company. His mature counsel was greatly esteemed by the other members of the Board. The Directors deeply regret the loss of a valued colleague.

Under the provisions of Section 256 of the Companies Act, 1956, the following Directors of the Company retire by rotation, but are eligible and offer themselves for re-election:—

Mr. Joseph Kay, K.B.E.,

Mr. Ramnivas Ramnarain,

Mr. Krishnaraj M. D. Thackersey.

The Shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

COWAJEE JEHANGIR,

Chairman.

AMBALAL SARABHAI,

JOSEPH KAY,

RAMNIVAS RAMNARAIN,

BHAGVANDAS C. MEHTA,

K. M. D. THACKERSEY,

A. D. SHROFF,

MADANMOHAN MANGALDAS,

N. K. PETIGARA,

V. N. CHANDAVARKAR,

Directors.

H. A. CURRIMBHOY,

Chief Accountant.

T. R. LALWANI,

General Manager.

Bombay, 6th February, 1958.

BALANCE-SHEET AS AT 31st DECEMBER, 1957

CAPITAL AND LIABILITIES	Rs.	pP.	PROPERTY AND ASSETS	Rs.	pP.
1. CAPITAL:			1. CASH:		
Authorised Capital:			In hand and with Reserve Bank of India and State Bank of India (including foreign currency notes) ...	9,32,60,793	09
(a) 5,00,000 shares of Rs. 100 each ...	5,00,00,000	00			
(b) 1,00,000 "A" shares of Rs. 50 each ...	50,00,000	00	2. BALANCES WITH OTHER BANKS ON CURRENT ACCOUNT:		
	5,50,00,000	00	(i) in India ...	8,37,485	17
Issued and Subscribed Capital:			(ii) outside India ...	2,53,89,990	03
(a) 5,00,000 shares of Rs. 100 each paid for in cash ...	5,00,00,000	00		2,62,27,484	20
(b) 1,00,000 "A" shares of Rs. 50 each credited as fully paid bonus shares ...	50,00,000	00	3. MONEY AT CALL AND SHORT NOTICE ...		
	5,50,00,000	00			
Amount called up on 5,00,000 shares of Rs. 100 each at Rs. 50 per share ...	2,50,00,000	00	4. INVESTMENTS AT BELOW MARKET VALUE:		
Amount fully paid up on 1,00,000 "A" shares of Rs. 50 each ...	50,00,000	00	(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments ...	18,00,38,038	48
	3,00,00,000	00	(ii) Shares:		
Less: Calls unpaid ...			(a) Fully paid Preference Shares ...	9,48,494	50
	3,00,00,000	00	(b) Fully paid Ordinary Shares ...	74,45,351	00
Add: Forfeited shares ...			(c) Partly paid Preference Shares ...		
			(d) Partly paid Ordinary Shares ...	27,020	00
			(iii) Debentures or Bonds ...	61,34,763	75
			(iv) Other Investments:		
			Pakistan Government and Trustee Securities ...	20,25,003	25
			(v) Gold ...		
2. RESERVE FUND AND OTHER RESERVES:					
Reserve Fund ...	8,10,00,000	00	5. ADVANCES:		
(Includes Rs. 1,50,00,000 received as Premiums on issues of Shares in past years).			(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors):		
3. DEPOSITS AND OTHER ACCOUNTS:			(i) Loans, Cash Credits, Overdrafts, etc.:		
Fixed Deposits ...	30,93,99,316	87	(i) in India ...	Rs. 47,15,31,330	33
Savings Bank Deposits ...	10,18,33,010	01	(ii) outside India ...	Rs. 2,47,62,408	50
Current Accounts, Contingency Accounts, etc. ...	41,47,99,891	32		49,62,93,738	83
	82,50,32,218	20	(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments):		
4. BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC.:			(i) payable in India Rs. 5,93,98,220	48	
(i) in India ...	1,50,00,000	00	(ii) payable outside India ...	Rs. 3,87,92,594	06
(ii) outside India ...				9,74,90,814	54
	1,50,00,000	00		59,37,84,543	57
PARTICULARS:			PARTICULARS OF ADVANCES:		
(i) (a) Secured by part of the Bank's Investments ...			(i) Debts considered good in respect of which the banking company is fully secured ...	49,54,05,577	83
(b) Secured by Bills Discounted ...	1,50,00,000	00	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security ...	1,38,61,483	47
(ii) Unsecured ...			(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	8,45,17,482	09
			(iv) Debts considered doubtful or bad, not provided for ...		
5. BILLS PAYABLE ...					
6. BILLS FOR COLLECTION BEING RECEIVABLE as per contra:					
(i) payable in India ...	67,10,566	81			
(ii) payable outside India ...	1,07,82,793	03			
	1,74,93,359	84			
7. OTHER LIABILITIES:					
(i) Unexpired Discounts ...	1,78,426	21			
(ii) Branch Adjustments ...	65,11,898	08			
(iii) Unclaimed Dividends ...	3,41,509	19			
	70,31,831	55			
Carried forward ...			Carried forward ...		
	93,02,41,709	18		90,99,12,394	68

March 8, 1958

THE BANK OF INDIA LIMITED, BALANCE-SHEET—(Contd.)

CAPITAL AND LIABILITIES—Contd.	Rs.	pP.	PROPERTY AND ASSETS—Contd.	Rs.	pP.
Brought forward ...			Brought forward ...	90,99,12,394	68
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra ...			(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons ...	20,96,515	16
			(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...	13,84,35,463	64
9. PROFIT AND LOSS:			(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons ...	62,95,097	31
Balance as per Balance-Sheet as at 31st December, 1956 ...	46,54,924	45	(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...	14,64,23,466	39
Less: Final Dividend at 10 per cent, making 16% for the year 1956, free of Income-tax ...	25,00,000	00	(ix) Due from banking companies ...	10,17,907	58
Placed to the Bank's Landed Property Account ...					
Placed to the Bank's Reserve Fund ...	8,00,000	00	6. BILLS RECEIVABLE BEING BILLS FOR COLLECTION as per contra:		
	33,00,000	00	(i) payable in India ...	67,10,566	81
	15,54,924	45	(ii) payable outside India ...	1,07,82,793	03
Add: Profit for the year ended 31st December, 1957 ...				1,74,93,359	84
			7. CONSTITUENTS' LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra ...		
Less: Provision for Income-tax and Super-tax for the year ...	30,00,000	00			
Interim Dividend at 6 per cent for the half-year ended 30th June, 1957 ...	18,00,000	00	8. PREMISES, LESS DEPRECIATION:		
Provision for Bonus to Staff for the year 1957 ...	15,00,000	00	At cost as at 31st December, 1956 ...	1,02,33,372	29
	63,00,000	00	Additions during this year ...	1,84,163	71
	46,02,281	34		1,04,17,536	00
10. CONTINGENT LIABILITIES:			Less: Written off to 31st December, 1956 ...	75,84,301	64
(i) On partly paid Shares Rs. ...	1,87,020	00		28,33,234	96
(ii) Claims against the banking company not acknowledged as debts Rs. ...	85,236	00	9. FURNITURE AND FIXTURES, LESS DEPRECIATION ...		
(iii) Guarantees given on behalf of customers Rs. ...	5,50,80,425	77			
(Includes Rs. 26,000 in respect of a guarantee given on behalf of a Director).			10. OTHER ASSETS:		
(iv) Bills of Exchange Re-discounted: U.S. Dollar Bills Re-discounted \$92,397.58, of which \$9,730.79 have run off as at 6th February, 1958. Sterling Bills Re-discounted Nil.			(i) Shares of The Bank of India (U.K.) Nominees Limited, at cost ...	1,335	65
(v) Outstanding Forward Exchange Contracts Rs. ...	21,43,38,701	75	(ii) Advance Payments of Tax ...	81,23,714	00
			(iii) Stamps ...	20,519	60
Note:— Provision to the full extent for future gratuities to Staff has not been made, the liability for which has not been ascertained. The Profit and Loss Account includes expenses of The Bank of India (U.K.) Nominees Limited, a subsidiary Company of this Bank.			(iv) Interest accrued on Investments to 31st December, 1957 ...	14,59,532	41
			(v) Silver ...		
				46,05,101	68
Total Rupees ...			Total Rupees ...		
				98,47,62,300	75

REPORT OF THE AUDITORS TO THE SHAREHOLDERS.

We have audited the foregoing Balance-Sheet of The Bank of India Limited, as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated unaudited returns from all the Branches in India not visited by us for the purposes of this Report and the audited returns of all Branches outside India audited by other Auditors.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-sections (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance-Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:—

- we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
- the Bank's Balance-Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts and the returns.
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance-Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

Bombay, 6th February, 1958.

COWAJEE JEHANGIR,
AMBALAL SARABHAI,
JOSEPH KAY,
RAMNIVAS RAMNARAIN,
BHAGVANDAS C. MEHTA,
K. M. D. THACKERSEY,

Chairman.

Directors.

A. D. SHROFF,
MADANMOHAN MANGALDAS,
N. K. PETIGARA,
V. N. CHANDAVARKAR.

H. A. CURRIMBHOY,
Chief Accountant.

T. R. LALWANI,
General Manager.

A. F. FERGUSON & Co.,
Chartered Accountants.

S. B. BILLIMORIA & Co.,
Chartered Accountants.

THE BANK OF INDIA LIMITED, BALANCE-SHEET—(Contd.)

Profit and Loss Account for the year ended 31st December, 1957

EXPENDITURE.

	Rs.	pP.
1. Interest paid on deposits, borrowings, etc.	1,65,51,410	74
2. Salaries and Allowances and Provident Fund	1,10,50,874	79
3. Directors' and Local Committee Members' Fees and Allowances	1,11,875	00
4. Rent, Taxes, Insurance, Lighting, etc.	15,71,388	58
5. Law Charges	19,758	11
6. Postage, Telegrams and Stamps	3,24,361	53
7. Auditors' Fees	40,000	00
8. Depreciation on and repairs to the banking company's property	64,673	45
9. Stationery, Printing, Advertisement, etc.	7,94,484	88
10. Loss from sale of or dealing with non-banking assets	Nil	
11. Other Expenditure	11,68,628	62
12. Balance of Profit (Subject to Taxation)	93,47,456	89
Total Rupees ..	4,10,94,912	59

INCOME (less provision made during the year for bad and doubtful debts and other usual or necessary provisions).

	Rs.	pP.
1. Interest and Discount	3,35,31,823	92
2. Commission, Exchange and Brokerage	67,39,731	53
3. Rents	3,10,795	77
4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil	
5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil	
6. Income from non-banking assets and profit from sale of or dealing with such assets	Nil	
7. Other Receipts	5,12,561	08
Total Rupees ..	4,10,94,912	59

Statement Pursuant to Section 212 of the Companies Act, 1956

The Profit and Loss Account of The Bank of India Limited for the year ended 31st December, 1957, does not include any profit or loss of its subsidiary. The Bank of India (U. K.) Nominees Limited (a nominee company incorporated and operating in the United Kingdom), as no profit was made no loss was sustained by that subsidiary. All expenses incurred were borne and paid by The Bank of India Limited. The shares of the subsidiary are wholly owned by the Bank.

Having regard to the fact that no Profit and Loss Account of the said subsidiary is prepared in the circumstances aforesaid and that its Balance-Sheet and the Reports of its Board of Directors and Auditors are drawn up in accordance with the law in force in the United Kingdom, an application was made to the Central Government under sub-section (8) of Section 212 of the Companies Act, 1956, and, in exercise of the powers conferred by the said sub-section (8) of Section 212 of the Companies Act, 1956, the Central Government, being satisfied that it is necessary so to do, have directed that, in relation to The Bank of India (U. K.) Nominees Limited, a subsidiary of the Bank, the provisions of Section 212 of the said Act shall apply only to the extent that The Bank of India Limited, shall be required to attach to its Balance-Sheets copies of the Balance-Sheets and of the Reports of the Board of Directors and of the Auditors of the said subsidiary made out in accordance with the provisions of the English Companies Act for the time being in force in the United Kingdom and that The Bank of India Limited, is exempted from attaching to its Balance-Sheets a copy of the Profit and Loss Account of the said subsidiary.

COWARJEE JEHANGIR.

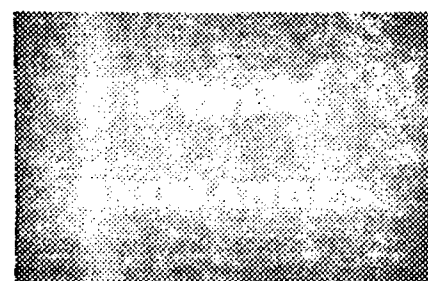
Chairman.

AMBALAL SARABHAI,
JOSEPH KAY,
RAMNIVAS RAMNARAIN,
BHAGVANDAS C. MEHTA,
K. M. D. THACKERSEY,
A. D. SHROFF,
MADANMOHAN MANGALDAS,
N. K. PETIGARA,
V. N. CHANDAVARKAR.

Directors.

H. A. CURRIMBOY,
Chief Accountant.T. R. LALWANI,
General Manager.

Bombay, 6th February, 1958.



Markets Turn the Corner

Watch-Dog Writes:

STOCK market's appear to have turned the corner on second thoughts about the Budget proposals. The main factor, which has provided a driving force to the market, is the well-liquidated position before and after the budget. Markets may be expected to stabilise in view of the prevailing low levels.

The steadier trend in prices, noticed in the post-Budget session, gathered momentum on the Calcutta Stock Exchange during the short week under review.

Equities on the Bombay Stock Exchange tended to rally on higher Calcutta advices.

On the Madras Stock Exchange, Plantings remained steady, while textiles noted better enquiry. Selected issues in other counters came in for small attention.

Firm conditions prevailed on the Ahmedabad Stock Exchange.

The London Stock Exchange had one of its best weeks, the advance in prices being widespread.

Wall Street closed barely steady.

Calcutta

Calcutta, Friday Evening.

EQUITIES on the local Stock Exchange, which developed a steadier trend in the post-Budget session on Saturday, gathered momentum during the week under review, which was short of two working days due to "Holi" festival. In the absence of any fresh taxation proposals and after a closer study of minor alterations proposed in rates of excise duties, increase in the development rebate allowed to shipping companies and the fixation of two slabs instead of the exist-

ing three for calculation of super-tax on dividends to be declared by Section 22A companies, operators preferred to lend gradual support to the market, resulting in a marked recovery in prices. Although higher levels attracted some profit-taking, a steady firm undertone prevailed till the close.

The fledged market maintained a steady front being geared up to the needs of the borrowing programme of the Central Government, which is placed at Rs 145 crores for the new financial year. Demand for short-dated and some other loans was, therefore, well maintained. State Loans also met with good enquiry following approach of interest-payment dates. Against the week-end closing of Rs 71.05, 3 per cent 1986 Conversion Loan was taken at one time upto Rs 71.50, to recede again towards the close to Rs 71.00.

In sympathy, Bank shares were in demand and prices looked up. Punjab National were taken upto Rs 52.00, while United Commercial were quoted around Rs 59.

Despite the decision recently made by the mills not to sell jute goods below the specified minimum

prices, sentiment in the jute section continued to remain depressed in the absence of any definite improvement in the raw jute market. The only exception to this general trend were Arg-o-India having persistent support upto Rs 130 from Rs 128; New Central upto Rs 13.00 from Rs 12.62 and Union upto Rs 108 from Rs 106. National, after touching a high of Rs 22.50 and a low of Rs 21.00, finished better at Rs 22.60. Nuddea closed a shade quieter at Rs 28.50 against Rs 29.50, while Belvedere and Fort Gloster were nearly maintained at Rs 63.50 and Rs 275 respectively.

Coal shares turned a shade quieter due to revival of nationalisation talk following the recent mine disaster at Chinakuri. However, a few selected scrips firmed up from the recent low levels in sympathy with the general trend of the market. Prominent amongst these were Bengal having improved to Rs 210 from a low of Rs 201; Central India to Rs 6.83 from Rs 6.59 and Burrakur to Rs 22.75 from Rs 22.60. Western Bengal changed hands at Rs 5.12 to Rs 5.22.

Despite the absence of any relief in the excise duty on cloth, Textile

THE BANK OF INDIA (U. K.) NOMINEES LIMITED

Directors' Report for the year ended 31st December, 1957

The Directors submit the Balance-Sheet for the year ended 31st December, 1957. The Auditors' Report is also annexed.

No Profit and Loss Account is submitted as none has been prepared. No profit was made and no loss was sustained. The expenses of the Company have been paid by The Bank of India Limited, of which the Company is a wholly-owned subsidiary.

J. DONALDSON,
S. H. BRADFORD, } Directors.

London, 1st January, 1958.

THE BANK OF INDIA (U. K.) NOMINEES LIMITED
BALANCE-SHEET 31st DECEMBER, 1957

Capital Authorised and Fully Paid-up:	Cash at Bankers	£ 100
100 Ordinary Shares of £1 each		£ 100
		£ 100

Signed on behalf of the Board,
J. DONALDSON,
S. H. BRADFORD, } Directors.

We have obtained all the information and explanations which we have required and which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Company. We have examined the above Balance-Sheet which is in agreement with the books of account. In our opinion such Balance-Sheet gives the information required by the Companies Act, 1948, in the manner so required and is properly drawn up so as to exhibit a true, correct and fair view of the state of the Company's affairs at 31st December, 1957, according to the best of our information and the explanations given to us and as shown by the books of the Company.

No Profit and Loss Account has been prepared as the Company has no income and the expenses are paid by the Holding Company.

27, Old Broad Street,
LONDON, E.C. 2.
1st January, 1958.FERGUSON, ROWLAND & DAVIES,
Chartered Accountants, Auditors.

March 8, 1958

scrips behaved better. Textile interests expected an end to the unhealthy competition in some varieties of cloth as a result of the withdrawal of concessions as well as additional duty on power-looms. Kesoram were enquired upto Rs 9.75 from Rs 9.65.

Sugar shares continued to meet with selective support in the absence of any increase in the excise duty as was originally feared. Carrew had buyers at Rs 6.69 to Rs 6.75; Darbhanga at Rs 18.50 to Rs 19.06; Ramnugger at Rs 22.94 to Rs 23.87 and Dyer Meakin at Rs 9.31 to Rs 9.43. SKG was a steady feature at Rs 9.00.

Despite the disappointment over the absence of any relief in the export duty especially on Common Teas, selected Tea shares came in for good attention at improved levels. This was attributed to hopes, entertained by some operators, that the dividends for last year were likely to be maintained by quality producers. Another contributory factor was the belief that the prospects for the coming season would be bright in view of the near balance in the demand and supply position. Most active scrips were Banarhat changing hands at Rs 294 to Rs 297; Brahmapootra at Rs 3.00 to Rs 3.12; Bharkawa at Rs 19.37 to Rs 19.75; Brooke Boid at

Rs 16.25 to Rs 16.31; Bishnauth at Rs 19.12 to Rs 19.62; Gungaram at Rs 10.7 to Rs 11.0; Hasimara at Rs 20.12 to Rs 20.37 and Jayshree to Rs 10.25 to Rs 10.44.

Price movements in the Engineering section were mostly influenced by the speculative activity in Indian Irons. Against the week-end closing of Rs 19.53, Indian Irons opened higher at Rs 19.93 and after advancing further to Rs 20.85 finished the week at Rs 20.80 on profit-taking. In sympathy, TEXMACO were taken upto Rs 17.90 from Rs 17.25 and Braithwaite upto Rs 27.12 from Rs 26.87, to finish at Rs 17.85 and Rs 27.00 respectively. Jessop came in for good demand upto Rs 24.75 from a low of Rs 22.75, while Britannia received support upto Rs 13.50.

The Miscellaneous section provided many firm spots. The absence of any fresh increase in the excise duty on paper, as was originally feared, caused Orient Paper to firm upto Rs 26.60 from Rs 25.00 and Titagur to Rs 34.00 from Rs 33.75. Better advices from the metal market caused a hardening tendency in Indian Copper to Rs 2.91 from Rs 2.83. The announcement of the increase in the development rebate to shipping companies made India Steamship to spurt to Rs 12.25 from Rs 12.00. Indian Cable had buyers

upto Rs 28.50 from Rs 28.31; National Carbon upto Rs 25.25 from Rs 25.12; NICCO upto Rs 24.25 from Rs 24.06 and Rohas upto Rs 16.19 from Rs 15.79, on investment considerations. BIC were better at Rs 3.80 against Rs 3.70, while Hindustan Motor changed hands at Rs 5.97 to Rs 6.06; Philips India at Rs 13.87 to Rs 14.12; Indian Oxygen at Rs 16.37; Dunlop Rubber at Rs 22.06 to Rs 22.25 and Indian Aluminium at Rs 12.75 to Rs 13.00. Alkali Chemical new shares were a steady feature at Rs 12.50 and so also Gillanders at Rs 12.19.

*
Bombay

The easier undertone which prevailed on the stock market during the special Budget session last Friday yielded place to steadier conditions before long and in the short session of the market on Saturday prices had begun to show marked recovery. It would appear the initial setback was largely due to the disappointment caused by the absence of some confidently expected concessions such as the aboition of the regulation pertaining to Compulsory Deposit by companies and a reduction in the excise duty on cotton textiles. Of the two some relief for the

THE IMPERIAL TOBACCO
COMPANY OF INDIA LIMITED

NOTICE IS HEREBY GIVEN that the Directors have decided to declare a second Interim Dividend on 24th March 1958 (additional to the Interim Dividend of 2%, free of income tax, declared on 13th August 1957) in respect of the Company's financial year ending 31st March 1958, of 2%, free of income tax, payable on or after 8th April 1958 to registered shareholders whose names appear in the Register on 24th March 1958 or to their mandatees.

Transfers received at the Company's Registered Office before 12.30 p.m. on 22nd March 1958, will, if in order, be registered in time for the transferees to receive the Dividend.

By Order of the Board
J. R. BLAIKIE
SecretaryVirginia House,
37 Chowringhee,
Calcutta.
8th March 1958.

N.B. Shareholders should inform the Registrar of any changes in their registered addresses.

THE SHAHDARA
(DELHI)-SAHARANPUR LIGHT
RAILWAY CO., LTD.

NOTICE is hereby given that the One hundredth and third Ordinary General Meeting of the abovenamed Company (being an annual general meeting within the meaning of the Companies Act, 1956) will be held at the Registered Office, No. 12, Mission Row, Calcutta, on Monday, the 31st March, 1958, at 11-5 a.m. for the following purposes:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1957, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on the ordinary shares.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 21st to the 31st March 1958 both days inclusive.

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

By Order of the Board,
MARTIN BURN LTD.,
S. Gupta,
Director,
Managing Agents.12, Mission Row,
Calcutta-1.
The 7th March, 1958.THE ARRAH-SASARAM LIGHT
RAILWAY COMPANY, LTD.

NOTICE is hereby given that the Ninety-fifth Ordinary General Meeting of the abovenamed Company (being an annual general meeting within the meaning of the Companies Act, 1956) will be held at the Registered Office, No. 12, Mission Row, Calcutta, on Monday, the 31st March, 1958, at 11-5 a.m. for the following purposes:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1957, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on the ordinary shares.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 21st to the 31st March 1958 both days inclusive.

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

By Order of the Board,
MARTIN BURN LTD.,
S. Gupta,
Director,
Managing Agents.12, Mission Row,
Calcutta-1.
The 7th March, 1958.THE FUTWAH-ISLAMPUR LIGHT
RAILWAY COMPANY LTD.

NOTICE is hereby given that the Eighty-second Ordinary General Meeting of the abovenamed Company (being an annual general meeting within the meaning of the Companies Act, 1956) will be held at the Registered Office, No. 12, Mission Row, Calcutta 1, on Monday, the 31st March, 1958, at 11-10 a.m. for the following purposes:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1957, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on the ordinary shares.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 21st to the 31st March 1958 both days inclusive.

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

By Order of the Board,
MARTIN BURN LTD.,
S. Gupta,
Director,
Managing Agents.12, Mission Row,
Calcutta-1.
The 7th March, 1958.THE CHAPARMUKH SILGHAT
RAILWAY COMPANY, LTD.

NOTICE is hereby given that the One Hundred and Twenty Third Ordinary General Meeting of the abovenamed Company (being an annual general meeting within the meaning of the Companies Act, 1956) will be held at the Registered Office, No. 12, Mission Row, Calcutta, on Monday, the 31st March, 1958 at 11-15 a.m. for the following purposes:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1957, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on the ordinary shares.
3. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 21st to the 31st March 1958 both days inclusive.

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

By Order of the Board,
MARTIN BURN LTD.,
S. Gupta,
Director,
Managing Agents.12, Mission Row,
Calcutta-1.
The 7th March, 1958.

Cotton textile industry had been considered as almost a certainty as would be evidenced from the sizable advance in textile shares in pre-budget trading. The only bright feature in the post-Budget ment in Scindia as the budget was especially favourable to shipping companies. Textile shares were naturally quite depressed and steep decline was noticed all along the line in this section.

A closer scrutiny of the budget seemed to have dispelled the initial gloom and when trading commenced on Monday, a distinct

SIJUA (JHERRIAH) ELECTRIC SUPPLY CO. LD.

At a meeting of the Board of Directors held on 27th February, 1958, it was decided to recommend the payment of a Dividend on the Ordinary Shares at the 7½% per annum without any deduction for Income Tax payable by the Company for the period of 15 months ended 31st March, 1957.

By Order of the Board,
Bird & Co. (Private) Ltd.
Secretaries.
Chartered Bank Buildings,
Calcutta, 27th February, 1958.

THE HOWRAH-AMTA LIGHT RAILWAY COMPANY LTD.

NOTICE is hereby given that the One Hundred and Twenty Third Ordinary General Meeting of the abovenamed Company (being an annual general meeting within the meaning of the Companies Act, 1956) will be held at the Registered Office, No. 12, Mission Row, Calcutta, on Monday, the 31st March, 1958, at 11-20 a.m. for the following purposes:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1957, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on the ordinary shares.
3. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 21st to the 31st March 1958 both days inclusive.

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

By Order of the Board,
MARTIN BURN LTD.,
S. Gupta,
Director,
Managing Agents.

12, Mission Row,
Calcutta-1.
The 7th March, 1958.

improvement was discernible as the budget was on the whole favourable. The absence of fresh taxation and concessions to shipping industry and Sec. 23A companies were considered significant gains. It was also believed that Government might grant further small concessions in the course of the year.

It would appear that the lead had been given by Indian Irons which was in good request from early in the week from Calcutta interests. With textiles also recovering the rest also rallied and by Wednesday the undertone had become firm. Indications at the close were that conditions had become conducive to further substantial improvement.

STEELS:

In the Steel section Indian Irons which had declined to Rs 19.52 in the post-Budget session closed on Tuesday at Rs 20.32. Tata Iron after having been hammered down to Rs 167.50 closed at Rs 174.50.

TEXTILES:

In the post-Budget session textile shares encountered heavy selling pressure but in later dealings recovered following revival of interest. From Rs 49.70 Bombay

THE HOWRAH-SHEAKHALLA LIGHT RAILWAY CO., LTD.

NOTICE is hereby given that the One Hundred and Twenty Third Ordinary General Meeting of the abovenamed Company (being an annual general meeting within the meaning of the Companies Act, 1956) will be held at the Registered Office, No. 12, Mission Row, Calcutta, on Monday, the 31st March, 1958, at 11-25 a.m. for the following purposes:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1957, the Balance Sheet as at that date, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on the ordinary shares.
3. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 21st to the 31st March 1958 both days inclusive.

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

By Order of the Board,
MARTIN BURN LTD.,
S. Gupta,
Director,
Managing Agents.

12, Mission Row,
Calcutta-1.
The 7th March, 1958.

Dyeing moved up to Rs 52.50. Century advanced from Rs 373 to be finally placed at Rs 389.25.

MISCELLANEOUS:

In the Miscellaneous section ACC after initial setback recovered to close at Rs 145.75. Scindia was a very prominent spot and closed at Rs 17.08 xd. Tata chemical came in for a lot of attention to be finally quoted at Rs 12.96. Teeco was also in good request around Rs 145.50.

THE CENTRAL BANK OF INDIA, LIMITED

NOTICE

NOTICE is hereby given that the Forty-seventh Annual General Meeting of the Shareholders of The Central Bank of India, Limited, will be held at the Registered Office of the Company, in the Central Bank Building, Mahatma Gandhi Road, Fort, Bombay, on Friday, the 28th day of March, 1958 at 4 P.M. (S.T.) to transact the following business:—

1. To receive and consider and adopt the Report of the Directors and the Audited accounts for the period ended 31st December 1957.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Cooverji H. Bhabha who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and who is eligible and offers himself for re-appointment.
4. To appoint a Director in place of Mr. Dharamsey M. Khatau who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and who is eligible and offers himself for re-appointment.
5. To appoint a Director in place of Mr. Manmohandas M. Amersey who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and is eligible for re-appointment and to consider, and if thought fit, to pass the following resolution of which a special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which is annexed hereto as required by Section 173 of the said Act:—

"RESOLVED that pursuant to the provisions of Section 281 and other applicable provisions (if any) of the Companies Act, 1956, Mr. Manmohandas M. Amersey who has attained the age of 67 years and who retires by rotation under Article 92 of the said Articles of Association read with Section 256 of the Companies Act, 1956, be and

is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him".

6. To appoint Auditors and to fix their remuneration.

By Order of the Board,
N. K. KARANJIA,
General Manager.

Bombay, 3rd March, 1958.

Note:—

A MEMBER ENTITLED TO ATTEND AND VOTE [IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

- (a) The Transfer Books of the Bank will be closed from Friday, the 7th day of March 1958, to Friday, the 28th day of March 1958 (both days inclusive).
- (b) Dividend Warrants for the half-year ended 31st December 1957 will be posted to the Shareholders at their registered address on and after the 31st day of March 1958. Shareholders are requested to intimate the Bank their change of address, if any, immediately.

ANNEXURE TO THE NOTICE.

Explanatory Statement as required by Section 173 of the Companies Act, 1956.

To,
The Shareholders of
The Central Bank of India,
Limited.

Dear Sir/Madam,

In conformity with the Companies Act, 1956, which came into force on 1st April, 1956, the following Explanatory Statement, as required by Section 173 of the aforesaid Act, sets out all material facts relating to item 5 mentioned in the accompanying Notice dated the 3rd March 1958.

2. In respect of item No. 5, it is notified that Mr. Manmohandas M. Amersey who retires by rotation and is eligible for re-appointment, has attained the age of 67 years and hence he cannot be re-appointed a Director of the Company except by a resolution in respect of which special notice has been given in accordance with the requirements of Sections 190 and 281 of the Companies Act, 1956. The Company has received such a special notice from some members notifying their intention to move the resolution as set out in the said Item No. 5. Mr. Amersey has been a Director on the Board of this Company since 1947. As a businessman of wide experience, he has proved himself very useful on the Board and it is in the interest of the Company that the Board should continue to receive the benefit of his services.

By Order of the Board,
N. K. KARANJIA,
General Manager.
Bombay, 3rd March, 1958.

March 8, 1958



MADURA MILLS COMPANY, LIMITED.				
Managers:—A. & F. Harvey Ltd.				
Year ended Decr.	1957	1956	1955	
	Rs.	Rs.	Rs.	
Sales	126,750,164	152,773,095	144,091,014	
Stocks	21,541,608	4,171,532	3,593,969	
Net profit	6,255,445	11,449,597	9,659,142	
Taxation	4,215,000	5,150,000	3,366,000	
Depreciation	1,968,835	1,879,346	1,872,633	
Div. Amount Ord.	2,625,372	3,062,934	3,500,496	
Carry Forward	692,368	3,244,130	1,886,813	
Div. % Ord.	15	17½	20	

(Annual General Meeting on 24-3-58 at 4 p.m.
Books closed from 4-3-58 to 24-3-58).

Capital:—Authorised and Subscribed Rs 17,502,480 in 1,166,838 ordinary shares of Rs 15 each.

Synopsis of balance sheet as on the last day of Dec.			
Liabilities	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up	17,502,480	17,502,480	17,502,480
Capital Reserve	24,381,878	24,381,878	24,381,878
Reserve Fund	17,000,000	17,000,000	17,000,000
Taxation Provision	607,742	1,173,276	1,571,238
Loans Secured	21,043,887	...	5,243,224
Debits	11,572,260	12,309,096	10,723,084
Carry Forward	692,368	3,244,130	1,886,813
Total	92,700,595	75,610,670	78,308,717

Assets			
G. Block	1957	1956	1955
Depreciation	Rs.	Rs.	Rs.
Block (net)	59,089,121	58,351,924	57,376,126
Stores	39,610,817	37,747,982	35,874,019
Raw Materials	19,478,304	20,601,942	21,502,107
Stocks	7,955,287	6,991,347	7,208,698
Outstandings	29,963,467	24,391,533	29,097,976
Mis. Deposits and Advances	21,541,608	4,171,532	3,593,969
Loans Unsecured	4,760,792	5,306,539	3,963,990
Investments	3,461,895	2,597,030	5,055,668
Deposits in Banks	5,116,506	4,839,603	4,839,603
Cash	672,739	6,719,334	2,045,006
Total	92,700,595	75,610,670	78,308,717

Liabilities			
G. Block	1957	1956	1955
Depreciation	Rs.	Rs.	Rs.
Block (net)	59,089,121	58,351,924	57,376,126
Vendo's Suspense Exp.	381,239	710,236	...
Cap. Exp. in Progress	145,183	82,047	...
Works in Progress	89,294	2,421,056	...
Goods in Transit	14,047,275	17,679,039	...
Raw Materials	3,346,586	4,145,765	...
Stocks	44,124,077	38,440,916	...
Outstandings	22,877,373	27,272,330	...
Do More than 3 months	17,596,839	10,413,319	...
Mis. Deposits and Advances	9,626,245	7,917,394	...
Investments	171,778	128,995	...
Cash	2,628,538	1,845,421	...
Total	120,347,432	116,225,580	...

*After transferring Rs 1,404,391 from Property Reserve; and Rs 528,000 from provision for taxation and taxation contingencies.
†After transferring Rs 400,000 from provision for taxation and taxation contingencies and Rs 270,000 from Reserve for depreciation on Investments.
‡After transferring Rs 100,000 from Reserve for depreciation.

(Annual General Meeting on 28-3-58 at 3 p.m.
Books closed from 15-3-58 to 28-3-58)

Capital:—Authorised Rs 50,000,000. Subscribed Rs 30,000,000 in 75,000—5 per cent taxable cum. pref. shares and 225,000 ordy. shares both of Rs 100 each.

Synopsis of balance sheet as on the last day of Aug			
Liabilities	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	7,500,000	7,500,000	7,500,000
(ii) Ord.	22,500,000	22,500,000	22,500,000
Other Funds	483,478	871,244	725,183
Taxation Provision	136,675	591,198	1,070,748
Loans Secured	18,667,952	20,075,486	14,839,852
Debits	10,745,975	10,052,197	11,728,121
Total	67,034,120	61,540,129	59,373,909

(Annual General Meeting on 31-3-58 at 3 p.m.
Books closed from 17-3-58 to 31-3-58).

Assets			
G. Block	1957	1956	1955
Depreciation	Rs.	Rs.	Rs.
Block (net)	12,226,543	14,528,415	15,349,091
Works in Progress	6,008,534	4,423,274	4,014,109
Stores	6,218,009	10,105,141	11,334,982
Stocks	25,744	7,731	...
Outstandings	1,232,351	1,179,475	1,216,372
Do More than 3 months	26,184,541	28,238,896	24,806,286
Mis. Deposits and Advances	12,038,703	7,056,326	10,142,777
Investments	2,033,983	2,020,967	...
Cash	5,345,569	4,835,242	1,585,801
Debit Balance	1,126,528	1,103,316	604,628
Total	1,356,754	2,580,187	2,273,903
Liq. Assets	4,412,938	4,412,938	6,393,179
Total	60,034,120	61,540,129	58,383,906
Liq. Assets	49,403,173	47,022,050	40,629,745

VOLTAS LIMITED.

Mg. Director:—Mr. R. H. Schuepp.

Year ended August.			
	1957	1956	
	Rs.	Rs.	
Sales and Service	205,039,780	145,286,432	
Net profit	7,821,107	4,141,015	
Taxation	5,000,000	2,010,000	
Depreciation	490,819	358,584	
Reserve Fund	325,000	325,000	
Other Funds	17,000	7,400	
Div. Amount Ord.	1,980,070	1,370,000	
Carry Forward	138,920	109,632	
Div. % Ord.	9	9	

(Annual General Meeting on 24-3-58 at 4 p.m.
Books closed from 3-3-58 to 24-3-58)

Capital:—Authorised Rs 50,000,000. Subscribed Rs 25,500,000 in 255,000 ordy. shares of Rs 100 each.

Synopsis of balance sheet as on the last day of Aug			
Liabilities	1957	1956	
	Rs.	Rs.	
Capital Paid-up	25,500,000	15,000,000	
Capital Reserve	133,031	126,409	
Reserve Fund	925,000	600,000	
Other Funds	41,000	24,000	
Taxation Provision	8,151,000	3,151,000	
Loans Secured	37,885,089	39,013,916	
Loans Unsecured	...	9,000,000	
Debits	47,473,392	49,200,989	
Carry Forward	138,920	109,632	
Total	120,347,432	116,225,580	

Assets			
G. Block	1957	1956	1955
Depreciation	Rs.	Rs.	Rs.
Block (net)	6,654,803	5,877,669	...
Vendo's Suspense Exp.	1,076,031	638,164	...
Cap. Exp. in Progress	5,558,775	5,199,302	...
Works in Progress	331,239	710,236	...
Goods in Transit	145,183	82,047	...
Raw Materials	89,294	2,421,056	...
Stocks	14,047,275	17,679,039	...
Outstandings	3,346,586	4,145,765	...
Do More than 3 months	44,124,077	38,440,916	...
Mis. Deposits and Advances	22,877,373	27,272,330	...
Investments	17,596,839	10,413,319	...
Cash	9,626,245	7,917,394	...
Total	120,347,432	116,225,580	...

*After transferring Rs 1,404,391 from Property Reserve; and Rs 528,000 from provision for taxation and taxation contingencies.
†After transferring Rs 400,000 from provision for taxation and taxation contingencies and Rs 270,000 from Reserve for depreciation on Investments.
‡After transferring Rs 100,000 from Reserve for depreciation.

(Annual General Meeting on 28-3-58 at 3 p.m.
Books closed from 15-3-58 to 28-3-58)

Capital:—Authorised Rs 50,000,000. Subscribed Rs 30,000,000 in 75,000—5 per cent taxable cum. pref. shares and 225,000 ordy. shares both of Rs 100 each.

Synopsis of balance sheet as on the last day of Aug			
Liabilities	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	7,500,000	7,500,000	7,500,000
(ii) Ord.	22,500,000	22,500,000	22,500,000
Other Funds	483,478	871,244	725,183
Taxation Provision	136,675	591,198	1,070,748
Loans Secured	18,667,952	20,075,486	14,839,852
Debits	10,745,975	10,052,197	11,728,121
Total	67,034,120	61,540,129	59,373,909

(Annual General Meeting on 31-3-58 at 3 p.m.
Books closed from 17-3-58 to 31-3-58).

Capital:—Authorised Rs 3,400,000. Subscribed Rs 3,100,000 in 10,000

FACTS AND FIGURES

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	22-2-57	14-2-58	21-2-58
Forward Contracts—			
Purchases	£ 1,515	1,545	£ 515
£ ('0,000)	2.02	2.06	3.35
Sales	550	...	...
£ ('00,600)	73	...	...
Deiveries —			
Spot Transactions—			

Sales	Rs. ('00)	4 015	150
..	Rs. ('00,000)	5 36	20
Against forward contracts -			
Purchases	£ ('00)	1,135	370
..	Rs. ('00,000)	1 51	73
Sales	£ ('000)	..	113
..	Rs. ('00,000)	..	15

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES						
	1.3.57		21.2.58		28.2.58	
	Price Rs nP	Yield %	Price Rs. nP	Yield %	Price Rs nP	Yield %
3% 1958	99 59	3·29	99 80	3·41	99 80	3·41
3½% 1962	97 81	3·70	97 85	3·78	97 85	3·78

3½ N.P. 1960	98 49	3·67	97 58	3·81	97 60	3·81
3½ Dev. 1970-75	87 31	4·23	85 75	4·49	85 88	4·44
3½ 1974	98 50	3·87	98 20	3·90	98 20	3·90
3% (Con.) 1986 or later*	74 37	4·03	71 05	4·23	71 05	4·23

*Running yield

**INDEX NUMBERS OF WHOLESALE PRICES
BY GROUPS AND SUB-GROUPS**
(Base: 1952-53=100).

Group and Sub-Group	WEEK ENDED		
	15-2-55	8-2-58	18-1-58
Food Articles	100.6	100.0	102.4
Cereals	94	9	97
Pulses	74	74	79
Fruits & Vegetables	93	91	94
Milk & Cheese	100	101	99
Edible oils	117	116	119
Fish, Eggs & Meat	98	96	98
Sugar & Gur	110	102	109
Others	128	12	133
Liquor and Tobacco	96.7	96.7	96.1
Tobacco	95	95	95
Fuel, Power, Light & Lubricants	114.5	114.5	114.6
Industrial Raw Materials	112	110.5	113.3
Fibres	113	113	116
Wool	12	109	113.7
Minerals	99	107	107
Others	116	110	110
Manufactures	107.5	107.1	107.7
Intermediate Products	105.8	105.5	106.8
Finished Products	107.8	107.4	107.8
Textiles	106	106	106
Cotton	117	115	116
Jute	88	89	90
Woolen	103	80	103
Silk & Rayon	90	90	89
Metal Products	142	142	142
Chemicals	99	99	99
Oil cake	111	111	117
M. hy. & Transport Equipment	102	102	102
Others	111	112	112
All Commodities	104.7	104.1	105.9

* = Estimated; t = Revised.

Canada	...	96	186 25	486.00	22.2
99	...	99	186.00	486.50	24.2
99	...	99	486.50	486.75	25.2
99	...	99	486.75	487.00	26.2
99	...	99	487.50	488.00	27.2
99	...	99	488.00	487.50	28.2

STATE BANK OF PAKISTAN
ISSUE DEPARTMENT:
(In 000's of Rupees).

	Week Ended		
LIABILITIES:	21.2.58	14-2 58	22-2-58
Notes in Banking Dept. .	13,84,14	11,15,09	13,84,99
Notes in circulation ...	344,68,07	347,25,57	330,71,88
	358,52,21	358,40,66	344,56,88
ASSETS:			
(A) Gold Coin & Bullion	11,36,60	11,36,60	11,33,41
Approved Foreign Exchange }	79,16,55	78,96,04	{ 83,60,21 23,63,47
India Notes receivable from Reserve Bank ...	43,02,30	43,02,30	43,02,36
(B) Rupee Coin ...	4,26,04	4,14,48	5,33,88
Govt. of Pak. Securities Held with Reserve Bank of India pending transfer Gold-coin & Bullion	214,80,66	215,01,18	171,73,55
	19,02	19,02	19,05

Government Securities ...	4,40.63	4,40.63	4,40.63
Stor. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin ...	29.51	29.51	29.51
Total ...	358,52.21	358,40.66	344,56.83
BANKING DEPARTMENT:			
LIABILITIES :-			
Capital Paid-up ...	3,00.00	3,00.00	3,00.00
Reserve Fund ...	3,00.00	3,00.00	3,00.00
DEPOSITS :-			
(a) Central Govt. ...	72,38.34	77,23.28	46,08.91
(b) Provincial Govts. ...	2,15.37		1,43.87
(c) Banks ...	13,84.85	13,78.09	13,54.81
(d) Others ...	4,81.03	4,86.94	8,34.43

Bill payable ...	42.12	28.49	14.24
Other Liabilities ...	10,04.83	9,83.06	13,13.21
	109,66.54	111,99.86	88,69.47
ASSETS:			
Notes ...	13,84.14	11,15.09	13,84.95
Rupee Coin ...	34	37	14
Subsidiary Coin ...	22	23	19
Bills purchased & discotd.			
(a) Internal ...	...	...	...
(b) External ...	...	...	...
(c) Govt. Treasury Bills	11.09	12.44	11.17
Loans & Adv. to Govts.	26.00	3,16.00	26.00
Provincial Governments			
Debtor Balances ...	10,84.28	12,82.09	8,33.33
Other Loans & Advances	22,59.75	22,49.90	19,64.30

71 11 28:4 February 1958

Provincial Governments			
Debtor Balances	10,84,28	12,82,09	5,33,38
Other Loans & Advances	22,59,75	22,49,90	19,64,30
Investments	51,67,58	51,63,53	40,49,97
Other Assets	10,33,14	10,60,21	10,99,38
Total	109,66,54	111,99,86	88,69,47
Ratio of Gold Coin and an Bullion, Silver Bullion and Sterling securities and approved Foreign Exchange			

SCHEDULED BANKS IN PAKISTAN
(In 000's of Rupees).

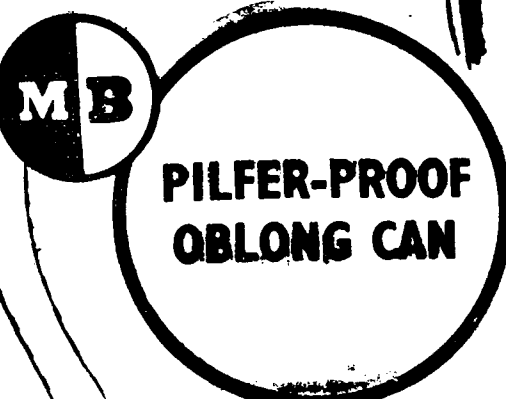
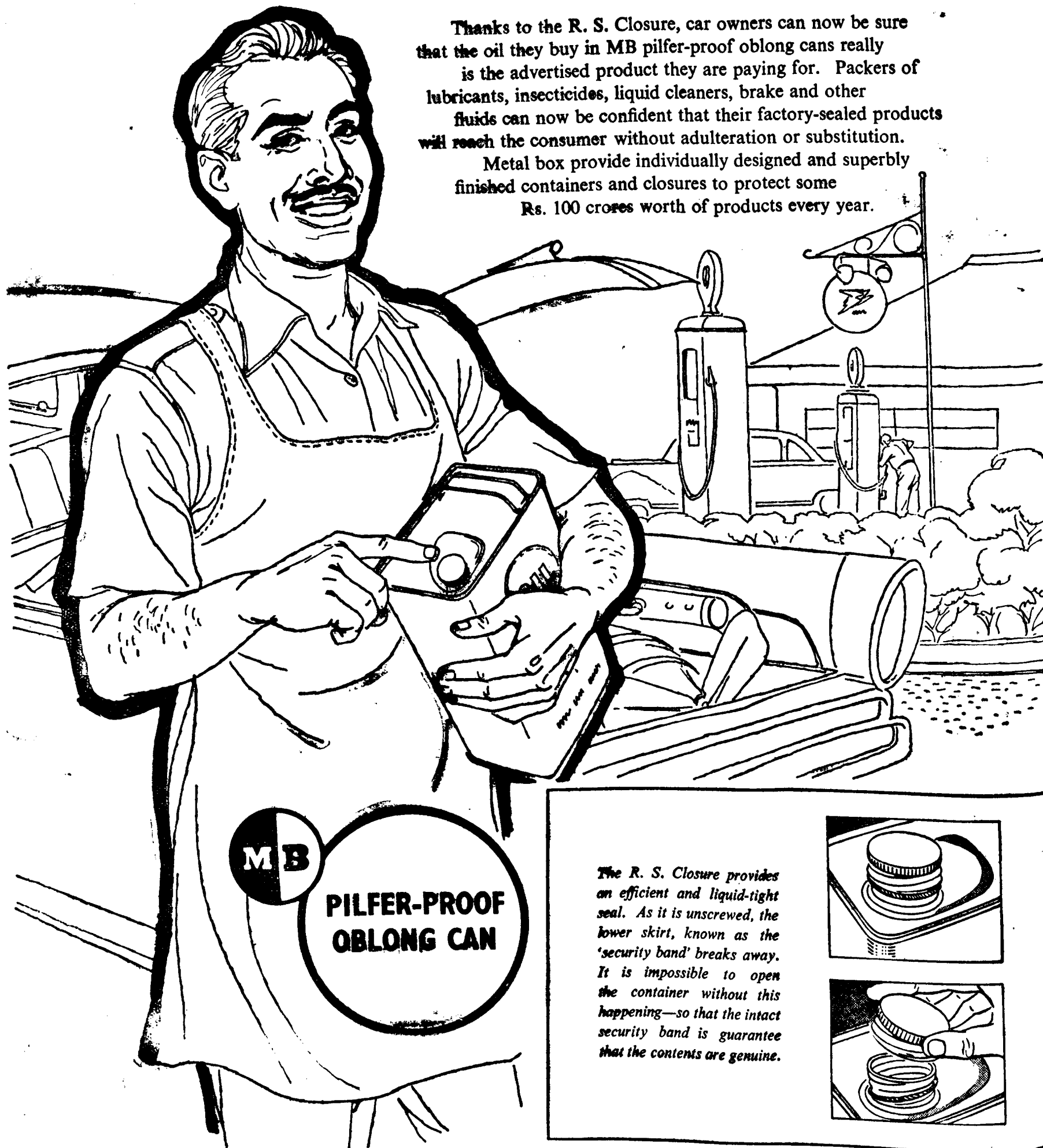
	Week Ended		
	21-2-58	14-2-58	22-2-57
DEMAND LIABILITIES :			
(a) General ...	157,70.8	156,89.32	141,54.25
(b) (i) Deposits from Banks	8,01.72	8,19.06	5,80.22
(ii) Borrowings from Banks ...	7,94.65	6,49.21	6,96.84
TIME LIABILITIES :			
(a) General ...	64,68.31	64,40.87	54,95.17
(b) (i) Deposits from Banks	4,44.41	4,43.91	3,75.14
(ii) Borrowings from Banks ...	...	...	1,65.00
Borrowings from the state Bk	22,17.40	22,13.61	19,07.24
CASH IN PAKISTAN :			
(a) Pakistan Notes ...	4,63.72	4,55.40	4,14.21
(b) Pakistan Rupee Coins	21.17	20.72	20.37
(c) Pak. Subsidiary Coins	6.86	6.50	3.31
BALANCE WITH THE STATE :			
BANK :			
(a) Principal Office ...	7,87.36	7,87.20	8,52.21
(b) Other Offices and Branches ...	5,31.92	5,13.82	4,51.60
Balances with other banks in Current Account in Paktn.	4,37.62	4,30.17	4,80.26
Money at call & short notice in Pakistan ...	12,24.62	11,31.10	10,28.56
INVESTMENT (AT BOOK VALUE) :			
(a) In Central Govt. Securities including Treasury Bills ...	80,72.03	80,73.86	69,04.61
(b) In Provincial Govt. Securities including Treasury Bills ...	11,00.51	11,01.49	11,61.21
(c) In Others ...	2,64.97	2,64.97	1,66.55
ADVANCES IN PAKISTAN ...	122,04.75	120,53.11	110,24.11
BILLS DISCOUNTED IN PAK.	14,45.97	14,36.31	12,80.88

*Figures are Provisional since complete returns have not been received Banks.
A—Excluding borrowings from R.B.I. also-

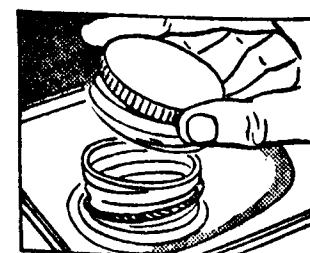
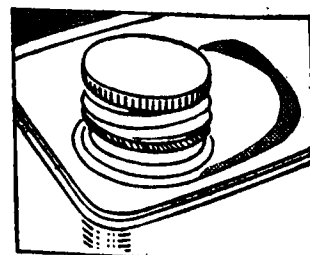
a pilfer-proof package for every product !

Thanks to the R. S. Closure, car owners can now be sure that the oil they buy in MB pilfer-proof oblong cans really is the advertised product they are paying for. Packers of lubricants, insecticides, liquid cleaners, brake and other fluids can now be confident that their factory-sealed products will reach the consumer without adulteration or substitution.

Metal box provide individually designed and superbly finished containers and closures to protect some Rs. 100 crores worth of products every year.



The R. S. Closure provides an efficient and liquid-tight seal. As it is unscrewed, the lower skirt, known as the 'security band' breaks away. It is impossible to open the container without this happening—so that the intact security band is guarantee that the contents are genuine.



The Metal Box Company of India Ltd

MB 1441 CALCUTTA • BOMBAY • MADRAS • DELHI • MANGALORE

Indian Finance

Indian Finance

Saturday

March 15, 1958

Volume LXI No 11

Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

".....I think it is perhaps more India's way than that of most other countries, the way of toleration of opinion, and finding a common path."

Read

The words are Mr Nehru's, and he was speaking at the annual session of the Federation of Indian Chambers of Commerce and Industry. There are many who think that Mr Nehru's speech marks the beginning of a bright new era of cooperation between Government and the private sector.

The Leading Article and Olympus



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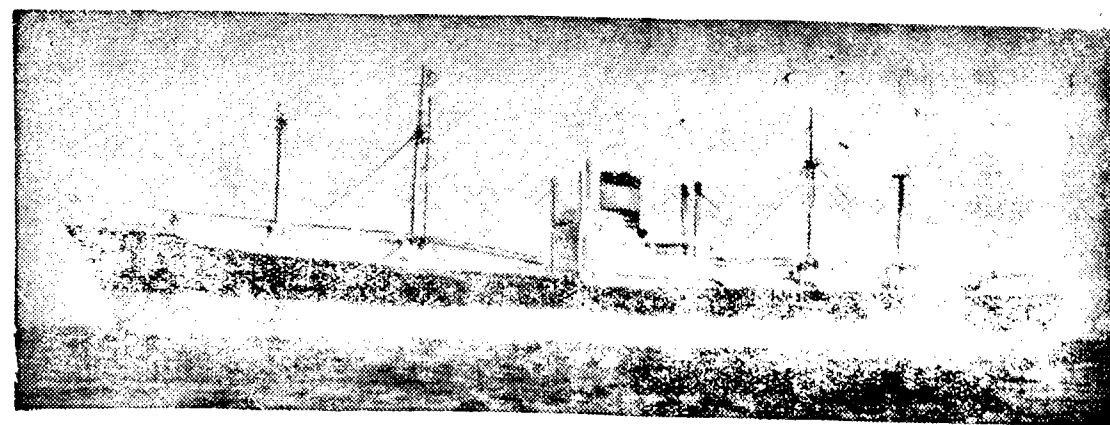
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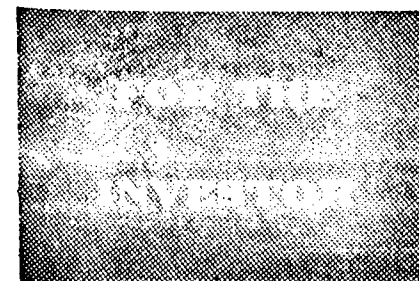
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March 15, 1958



Suiting Action to the Word—Nehru

Investment Gossip:

STOCK Exchanges have brightened up considerably, and, at the end of the week, in official dealings, Indian Irons were momentarily taken past the Rs 21 mark.

Cheer for the markets was drawn from certain reported utterances of Prime Minister Nehru, which seemed to hold out hope of a revision of the export duties on common teas and of the excise duties on some varieties of cotton cloth.

This, taken together with the improved labour situation in Burnpur, was sufficient cause for a healthy revival of confidence.

Moreover, the markets have interpreted Mr Nehru's speech at the FICC as being favourable to the investment climate generally.

It is not that, in the realm of taxation, any concessions or reliefs are expected, beyond those in respect of tea and cotton cloth; indeed, Mr Chinai's tabulation of the taxes he would like to see repealed is in the nature of wishful thinking; and nobody really believed that the Prime Minister would recant the integrated structure of taxes that has been built up.

But, then, for the market, what counts for far more than any specific reliefs is the hawa, or atmosphere. And it is this hawa that has improved immeasurably in the course of the weeks since the Budget, and particularly in recent days.

For, the general feeling is that, firstly, in the important sphere of external resources, all is well. The aid already promised from various countries—particularly mention needs to be made of the USA—and the prospect of further assistance is likely to prove of such proportions as will ensure that the core of the Second Plan will be carried through without difficulty.

What is more, it seems also possible that the availability of foreign assistance will even exceed the requirements postulated by the core, and there seems a reasonable chance of our final achievements approximating more to the original targets envisaged by the Second Plan.

Then, Mr Nehru is thought to have every intention of suiting action to the word, in respect of the encouragement to be given to

the private sector for enabling to see through its developments programmes. His insistence, at the FICC session, on cooperation appears to presage such joint endeavour between Government and the private sector.

Look at it which way you will, and the future for the Stock Exchanges appears to be one of ascending prices.

ER3

Investment Notes:

It is learnt that CEAT Tyres of India Limited—a joint venture of Tatas and the Italian Industrial firm, CEAT—will shortly enter the market to raise the necessary capital. According to present indications, the company will market 40,000 shares of Rs 100 each—Rs 25 being payable on application; Rs 25 on allotment and the balance to be paid in the course of three to six months thereafter.

Polson Limited has decided to issue bonus shares in the ratio of one share for every four shares held. Meanwhile, the dividend on the Ordinary shares is reduced from Rs 12.50 to Rs 10 for 1957.

In Madras, Halleyburia Tea Company has received the Government sanction for the issue for bonus shares in the ratio of 1:5.

Kalasa Tea & Produce Company has received permission from the Government of India for the issue of bonus shares for Rs 60,000.

ER3

Cotton Mills in the South

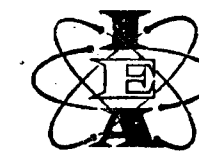
WITH the depression in the yarn market and the accumulation of heavy stocks of handloom goods, there is great anxiety over the difficulties experienced by many of the cotton mills in the South. With a considerable increase in the spinning capacity, it has not been possible to market remuneratively the higher production, especially as the efforts to step up exports have not been attended with that measure of success expected earlier.

ER3

Madura Mills

In the case of Madura Mills Co. Ltd., the earnings would have been adversely affected to a great extent, especially as there was serious disturbances to working in the latter half of 1957 on account of the implementation of an award by a Special Industrial Tribunal which revised work loads and wages. The disturbances were such that the Tuticorin Mill had to be closed for forty-six days and the mills at Madurai for twenty days. Certain shifts in the Pandyan Mill also, at Madurai, were stopped for periods of five days. It is also stated that, prior and subsequent to these stoppages all the company's mills ran at efficiencies considerably below

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normal. It is only recently that the labour position has returned almost to normal as a result of prolonged negotiations in which the State Government also took part. It is hoped by the Directors that "as efficiency and co-operation of the workers improve, the company will be in a better position to face the future".

The decline in sales to Rs 14.83 crores in 1957 from Rs 15.69 crores in 1956 may be in part due to lower prices fetched. But, production was also appreciably affected. With the result, the margin of profit was considerably reduced. Even so, the results for the last accounting period should be considered satisfactory especially as salaries, wages and bonus were higher by about Rs 13 lakhs at Rs 2.92 crores.

The net profit, before providing for Taxation and Depreciation, was Rs 62,55,445 as against Rs 1,14,49,537 for 1956. The amount set aside to depreciation is slightly higher at Rs 19,66,835 against Rs 18,79,346. But the provision on account of Taxation is relatively very higher as the incidence of dividend taxation has been heavy and, since the presentation of the last account, the Wealth Tax Act 1957 and the Finance Act 1957 have introduced further major imposts. Thus, it is explained that provision for tax on current profits is only Rs 28,18,732, while the additional super-tax on dividend paid in 1957 accounted for Rs 3,32,547 and the wealth Tax Rs 3 lakhs. The under-provision in the accounts for 1956, mainly arising

out of the Finance Act 1957, was Rs 8,26,252. Including the tax deducted at source on income from investments and securities of Rs 1,37,470, the total provision under this head amounts to Rs 42,15,000 as against Rs 51.5 lakhs on the former occasion. These large unexpected allocations have thus left only a disposable profit of Rs 73,610 against Rs 44,20,251 on the former occasion. Even the reduced dividend of 15 per cent against 17½ per cent for 1956 has, therefore, to be paid more or less fully out of the undistributed profit carried over from previous year. Thus, the amount carried forward is considerably lower at Rs 6,92,368 as against Rs 32,44,130.

ER3

Loyal Textile

Because the accounts of Loyal Textile Mills Limited for the year ended July 30, 1957, did not feel the full impact of the decline in prices in 1957, the earnings have not been very much adversely affected. But, the Directors point out that the impact of the higher excise duties and Sales Tax has been heavy and that it has been necessary to reduce the dividend.

Sales were actually higher at Rs 92,42,257 as against Rs 86,62,963 for 1956-57; but the net profit, before providing for Taxation and Depreciation, has declined to Rs 8,57,163 from Rs 10,31,019. The amount set aside towards normal and special Depreciation and Development Reserve is higher at Rs 4,72,710 (Rs

Indian Finance

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2,29,592). The provision for Taxation is lower at Rs 2,22,500 (Rs 4 lakhs). Even the reduced Ordinary dividend of 5 per cent against 7½ per cent previously can be paid only by utilising the sum of Rs 75,053 brought in from last year, in part. The amount carried forward is very much lower at Rs 3,662. The Directors state that 6,000 spindles out of 12,000 spindles have been installed and commissioned during the year and the balance of 6,000 spindles are expected to be installed during the current year.

£ R S

Enfield India

Enfield India Limited has been progressing fast in the last two years. But, it has been experiencing the difficulties of under-capitalising to a great extent even though the company has completed arrangements for credit facilities with the principals and bankers. Larger sums had to be invested in fixed assets. At the present moment, against a total capital expenditure of Rs 23 lakhs, the paid-up capital is only Rs 10 lakhs. Relatively to the volume of investments, the value of sales is rather high, the total for 1957 being placed at Rs 40 lakhs.

In view of the continuing expansion and the increasing demand for the company's products on account of the total ban on the import of motor cycles, it has been considered advisable to raise additional capital for a large sum. In view of the fact that the company has not paid any dividend so far, and as conditions in the capital market are not quite favourable, a cautious policy has been adopted by the directors.

Permission had been received from the Controller of Capital Issues for the issue of additional capital to the extent of Rs 15 lakhs, consisting of Rs 7 lakhs in Ordinary shares of Rs 10 each and Rs 8 lakhs in Preference shares of Rs 100 each. But, the present issue will be only for Rs 6 lakhs, Rs 2 lakhs in preference shares and Rs 4 lakhs in ordinary shares. The ordinary shareholders are offered the new shares for subscription in the first instance. It is understood that the company has made reasonable profits in the past year and that there is every likelihood of a dividend being declared shortly. The new ordinary shares do not rank for dividend in respect of the profits for 1957.

Carew & Company

Carew & Company Limited has presented disappointing results for the year ended 30th June, 1957. Despite an increase in sales from Rs 2.93 crores to Rs 3.34 crores, the accounts reveal a loss after providing for Depreciation, of Rs 19,928 as against a net profit of Rs 6.67 lakhs in the previous year. The Depreciation amount is reduced to Rs 3.38 lakhs from Rs 3.52 lakhs and the Taxation provision from Rs 5.89 lakhs to Rs 2.24 lakhs. The Ordinary dividend is passed over again. Even the dividend, recommended on the Preference shares in 1956, has been passed over. The debt balance carried forward to next accounts is as much as Rs 2.23 lakhs.

According to the directors' report, distillery operations in India have produced good results due to import restrictions on foreign liquor and these will be maintained during the current year. The working, both at the Rosa and Darana sugar factories have been up-to-date satisfactory. The quality of the cane and factory efficiency resulting in fair recoveries.

BANK DIVIDENDS

MERCANTILE BANK

The Mercantile Bank Limited, Calcutta, has received the following telegram from their London Office:—

"Final dividend recommended 6½ per cent, less income-tax, on increased capital".

★

CHARTERED BANK

The Chartered Bank, Calcutta, has received the following cable information from their London Office:—

"At the Annual General Meeting of Stockholders 2nd April Directors will recommend final dividend 7½ per cent actual subject Income Tax making 15 per cent for year 1957. In the consolidated accounts of The Chartered Bank and its subsidiaries the following appropriations have been made:—

£ 125,000—Pension Fund
£ 20,000—Widows and Orphans Fund
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Net profit £ 1,070,890—compared with £ 804,641—in 1956."

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Helpful Affirmation

Indian Finance

Established 1928

March 15, 1958

"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

MR NERU was in rare form when he addressed the annual session of the Federation of Indian Chambers of Commerce and Industry. His achievement is that, while in no way resiling from the integrated tax structure which has been created, he has succeeded in eliciting the impression that Government will, within the confines of that structure, be amenable to adjustments here and there. To say that Mr Nehru's assurances are a far cry from the "demands" made by FICC President, Mr Chinai, does not in any way detract from the merit of either's utterances. For, each had a different function to perform, with Mr Chinai's perhaps the more difficult chore. By virtue of the fact that he is a member of the Congress party, Mr Chinai might, after due heart-searching, have decided that he was best fitted to present the extreme point of view in the matter of taxation policy. But, certainly, he would never have expected that the concessions he asked for would readily be acceded to. And, for Mr Nehru's part, he had patiently to listen to the list of "grievances", before reiterating his determination to make no alteration in the tax structure as such.

The gain, then, is in the assurances that Mr Nehru has been able, both implicitly and explicitly, to impart. It must certainly have been flattering for the Federation to be addressed as "a very important section of opinion" to which it would be desirable for any "Government to pay the greatest attention". Then, Mr Nehru set about lulling the Federation with a feeling of confidence. Government's is not a doctrinaire approach, nor one which considers the Federation to be "in some way the opposite party". Stress was laid on India's particular attribute of the way of toleration of opinion and finding a common path; and what counted, even if differences existed, was "the mental approach towards cooperation", because it is that approach "that really governs the atmosphere in a country". While acknowledging the generous foreign assistance that India has received, Mr Nehru pointedly mentioned that foreign aid is a "catalyst", and that, in the ultimate analysis, what matters is "the stature of men and women in the country, the temper, the capacity for hard work, the ability, the psychology behind them". In other words, for all the foreign aid which we may secure, Indian industrialisation and prosperity are dependent upon our own effort to better our conditions. As for taxation, Mr Nehru stated that the broad approach is inevitable, but it should be examined carefully to see whether "it can be improved, if it can be tempered here and there".

This is neither less nor more than one had a right to expect from the Prime Minister. We may now see what Mr Chinai had to say on the occasion.

An affirmation of support to the basic objectives of the Government's economic policy is the most striking feature of Mr Babubhai M. Chinai's address to this year's Annual Conference of the Federation of Indian Chambers of Commerce and Industry. These objectives are comprehended in the term "Socialist Pattern." Government's policy, which commands the support of the vast majority of the electorate not only of those

who had voted the Congress ticket, but even those who opposed it—is directed, as Mr Chinai has pointed out, to the creation of "a new social order which will assure to the people a better standard of living, increased employment opportunities, a larger national income and a better distribution of that income". The business community, Mr Chinai said, "is one with the objectives".

One of the most significant features of the last general election is the almost total elimination of the parties of the Right. Only those parties whose programmes included a broad socialist content could approach the electorate with any hope of success. While the elections have shown that the country as a whole is solidly behind the economic policy of the Government in spite of the burdens that have been imposed on the common people, natural and legitimate criticism of Government's particular policies by the leaders of industry, or rather the manner in which it was voiced, raised doubts whether the country could depend upon the business community to cooperate in the great tasks of economic development. Nothing could be more unfortunate, for, under a mixed economy, the best results could be achieved only if there is fullest understanding and cooperation between the private and public sectors. And it is always preferable that coordination of economic activities should be achieved by directions rather than by directives. The President of the Federation, in emphasising the desire of the people to play a positive role in the affairs of the nation, has given an assurance of positive cooperation in the tasks of development. He has also taken particular care to state most unequivocally that no one in the Federation is anxious to make capital out of the troubles of the Life Insurance Corporation.

In endorsing the objectives of the national economic policy for the achievement of a socialist pattern, Mr Chinai has only reiterated what his senior colleagues have stated on numerous occasions. Mr G. D. Birla's address on the occasion of the opening of the Marwari Relief Society's hospital was a call for unreserved acceptance by the Indian business community of its social obligations. A few days earlier, in Bombay, Mr J. R. D. Tata, while giving friendly advice to Government to resist the "fatal fascination for steel", also left no room for misunderstanding about the private sector's attitude to the tasks of planning. No one in the private sector, he said, wanted or advocated unrestricted free enterprise. There was unanimity, he added, among businessmen and industrialists on the one hand and the Government on the other in regard to the objectives of creating a just democratic society in which all would have equal opportunities, inequalities would be reduced to the minimum and the aged, distressed and underprivileged would be cared for. Formal endorsement of the objectives by the President of the FICC, on behalf of the leading organisations of Indian Commerce and Industry, endows the acceptance with added force and authority and should leave no room for entertaining doubts about the aims of the business community.

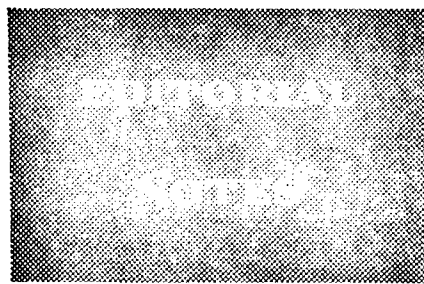
Acceptance of the objectives of the socialist pattern also strengthens the claim of the business community to be heard with respect

and attention when they point to the risks inherent in a rigid approach to the problem of industrial growth, and suggest modifications in regard to details which will help to reach the objective at less cost. While the principle of mixed economy holds the field, there is always room for debate regarding the proportions of the mixture. The utility of nationalisation as an instrument for the achievement of socialism is being increasingly questioned as a result of actual experience of the working of nationalised institutions. Sweden, for instance, has shown that all the objectives which socialists of an earlier generation had in view, when they plumped for nationalisation, could be achieved without disturbing the pattern of ownership and the responsibility for management of large industrial undertakings.

That production should have priority in any purposive programme for economic betterment is now conceded on all hands. How far it is feasible and desirable to divert resources from the field of private enterprise to the region of the public sector should be decided on the basis of facts gathered in our country and others, and not on the basis of ideological considerations. The only relevant criterion should be the resulting addition to the total output. And when policies pursued in the fiscal sphere tend to inhibit production and investment in productive enterprises, it is surely not unreasonable to demand that the policies be revised in time.

Apart from the timely affirmation of faith in objectives, the FICC President's address is remarkable for its objective survey of the economic situation in the country and the constructive suggestions advanced in order to relieve the strains that are being increasingly felt at strategic points. While indicating the difficulties that the country had to face during the last year, Mr Chinai has also viewed them in the perspective of economic development. In spite of the inter-related problems of food shortages, rising prices, shortage of foreign exchange, and growing pressure of taxation on internal resources, industry rendered a good account of itself during last year, maintaining and bettering its record of previous years. More significant than the increase in production is the diversification of the range of production. An impressive range of new articles, as Mr Chinai pointed out, were made for the first time in 1957. While the development of new productive facilities has been to some extent responsible for the foreign exchange crisis which threatened the country this time last year, it also holds the promise of increased earnings as well as savings of foreign exchange in the coming years. The Industrial Delegation sponsored by the Federation, which visited Europe and United States last year, has also contributed greatly to the resolution of the crisis by creating favourable climate for the flow of foreign assistance. And within the country, industry, under the lead of the Federation, has made a magnificent effort to hold the price line, despite the upward pressures on costs brought about by a combination of factors, including Government's tax policy. In this connection, Mr Chinai has also drawn attention to the cramping effects of prolongation of import controls beyond their period of utility.

11.7.58



West Bengal's Cabinet Loses a Minister

West Bengal has taken Judicial Minister Siddhartha Sankar Ray's decision to resign with almost universal regret. Almost, because a few Congressmen on the Right may have reacted differently; to them the incident may have even brought relief. It has been public knowledge, for quite some time, that Mr Ray started to have trouble with the conservative among his colleagues shortly after joining the Cabinet and that, later on, he had similar experience with some of the principal Congress leaders outside. His present decision is the upshot of it all. At the moment of writing, Mr Ray's resignation has not been officially accepted and he has not made any statement in the Assembly or outside, except to the effect to say to stray members of the Press, that his decision remains and that he will also resign from the Assembly to seek re-election with Leftist backing.

The situation will be clearer if not obscure, when he speaks in the Assembly as a Minister for the last time. But, meanwhile, a few questions can be discussed. Mr Ray made an excellent impression on the public immediately he was appointed a Minister. His stock in the public eye is very high, so high indeed that few doubt that he will be re-elected, if he so desires, as an

independent, with leftist support. He has been known throughout his brief Ministerial career as a keen reformer and progressive. His speeches or replies in the legislature have proved him a man of outstanding qualities and the public regards him as one of the ablest members of the West Bengal Cabinet. Why, then, does such a man find it impossible not only to stay in the Government, but also in the Congress? Have we not heard it repeated ad nauseam by the senior members of the Congress that the organisation needs and welcomes new blood? Then, why does Mr Ray have to go? Perhaps, his blood group does not agree with the Congress's? The fact, unwelcome though, must be told and it is that the old "establishment" in the Congress is too strongly entrenched for new blood to have much say. Mr Ray's resignation will mean discredit for the old guards who, it seems, are bent on monopolising the organisation while losing the public, almost as wise a thing as to keep an auditorium with the audience out.

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Crawl to the Summit

The exchange of communications between Moscow and Washington regarding the summit talks, which has been going on since Mr Bulganin's first letter to the Western powers last December, is capable of leaving the unhappy impression that the West is less eager than the Soviets in finding a way out of the nuclear impasse. It would seem to superficial observers that, as soon as the Russians have cleared one road block barring the way to the summit, Mr Dulles is ready with two new ones. Till the end of last month, progress was held up by differing views on the utility of a preparatory foreign ministers' conference. The Russian note of March 1, handed over to M. Pineau, marked a major step forward. And it will be idle to deny that the summary rejection of the proposals by Mr Dulles was received with disappointment which was keen and widespread, and was not particularly helpful toward a correct appreciation of the US stand. The US Government's reply to the Soviet note has, however, softened the initial impression created by the statement of the Secretary of State. The dominant impression left is that the door is still open for further negotiations. And it is certainly encouraging that the Russians consider that the differences have been further narrowed down.

The point at issue now concerns the topics that the leaders meeting at the summit should discuss to save the meeting from ending in a fiasco. Is it possible to isolate the question of suspension of nuclear tests from that of a ban on production of nuclear weapons? Again, is any agreement likely over the ultimate weapon, so long as major East-West disputes remain unresolved? The Russian proposal for a non-nuclear zone in Central Europe is bound up with the question of the German peace treaty

and the thorny issue of unification. And Asian nations may well ask why a non-nuclear zone should be confined to Europe. Clear understanding on these questions is essential, if the hope roused by the summit talks proposal is not to be followed by a wave of disillusionment which can only lead to a cynical scramble for possession of nuclear arms. And while the issues are being clarified, the crawl to the summit will not be accelerated by propagandist diversions.

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Slimming for Standards

The University Grants Commission have prescribed a course of slimming for the Indian Universities as the only means of preserving their fitness for the job of imparting education at the highest level. The Commission have found that the pressure of numbers has made serious inroads on teaching standards. The 33 Universities in the country cater to an estimated 750,000 students, and every one of them looks to the University Grants Commission for assistance. The Second Plan allocation of Rs 27 crores, most of it earmarked for the four Central Universities, has naturally to be spread too thin to be really effective. The position is not improved by the absence of machinery for coordination among the authorities concerned, namely, the Central and State Governments, the Universities themselves and the Commission, in dealing with development needs. The Commission have reached the conclusion that it will not be possible to raise standards to a desirable level, unless the Universities are more selective in admitting aspirants to higher learning.

But slimming is a difficult and painful process, and weight once put on is not easily dislodged. Another condition for improvement of standards is the upgrading of the status and emoluments of teachers. Universities may not find it possible to limit admissions and at the same time increase the emoluments of the teachers. Moreover, it is not possible to consider University education in isolation or to devise measures to lift it to higher levels, without complementary action at the lower levels of secondary and primary education.

The universities, after all, have to deal with the material already shaped or misshaped by the primary and the secondary schools. Both, in recent years have suffered grievously as a result of amateurish experiments in educational reform. Improvement in standards of education has been unhappily confused with the adoption of a stiff curriculum which is beyond the capacity alike of the teachers and the taught. The result is all-round frustration, which is not exactly conducive to any purpose effort toward higher standards.

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Student Indiscipline

The endless discussion on student indiscipline continues and many diagnoses have been made, ever

since it was realised that the malady could blight all prospects of a bright future for this country. The University Grants Commission have done well to place the finger on the principal focus of infection. Among other causes analysed by them, the Commission have indicated the use of students by politicians of all persuasions in their election campaigns. This cannot be dismissed as the hang-over of the days of the struggle for freedom. It is different in kind and consequences. The educational authorities cannot be expected to maintain discipline, when those who systematically defy rules of academic behaviour, are in the protection of powerful political personages. An amendment of the electoral law which would automatically disqualify any candidate using services of students for election campaigns will be the surest means of putting an end to the evil.

But one cannot be sure whether the political parties will be able to achieve the necessary detachment which will enable them to place the future of the nation above party interest. Apart from pinpointing the main reason for the prevalence of indiscipline, the Commission have also given a comprehensive list of other causes. The report refers to the unsatisfactory living conditions in some university centres, financial anxiety, insufficiently qualified and poorly paid teachers "who are indifferent to their work and not seldom a source of evil influence among the students", lack of proper counselling and poor prospects of employment after graduation. To this might now be added the frustration bred by an impossible course of studies at the secondary stage, which the teachers are not competent to teach and students are not able to learn.

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Bank of India

AS the first of the bigger banks to publish their results for 1957, the Bank of India's balance sheet will ordinarily command more than the usual interest, in the sense that it would give an indication of trends in banking in general. Besides this, the accounts are of particular interest to the money market since the Bank of India figures offer us a striking lesson as to the manner in which the banking system is being discomfited by, on the one hand, the accentuation of new Deposits in the form of time liabilities and, on the other, the resultant impact on the interest paid on deposits.

As at the end of 1957, the Bank of India has reported quite a substantial increase of Rs 13.05 crores to Rs 82.60 crores in Deposits. The increase in Deposits in 1957 works out to 18.8 per cent, as against 3.0 per cent in 1956. While this is in itself a splendid achievement, it is noteworthy that Fixed Deposits and Savings Bank Deposits have been the only gainers and that, in fact, current and contingency accounts actually show a decline. Fixed Deposits have risen by Rs 13.94 crores, while Savings Bank Deposits have been marked up by Rs 0.36 crores. Current accounts show a decline of Rs 1.25 crores.

Of the increase in deposit resources of Rs 13.05 crores, rather more than 25 per cent—or Rs 3.95 crores—went to augment the cash balances, which are placed at Rs 11.95 crores. Investments, which in the previous year had shown a fall of Rs 2.12 crores, have improved by Rs 1.20 crores, to be placed at Rs 18.01 crores. The other major head under which an increase has occurred on the asset side of the ledger is Advances, which are higher by Rs 2.16 crores at Rs 59.38 crores. Here, too, it is noteworthy that the expansion in Advances is very small as compared to that registered during 1956 of Rs 11.12 crores. Again, whereas, last year, a moiety of the increase in Advances took place under the head of Bills Discounted and Purchased, in the current year, loans, cash credits and overdrafts have expanded by Rs 7.52 crores, with bills discounted showing a decline of Rs 5.36 crores. In the 1957 balance sheet, the advances—deposits ratio is placed at 71.9 per cent, whereas in the 1956 accounts, the ratio was sharply higher at 82.3 per cent. The last point that we may take note of in the balance sheet is that the substantial accretions to Deposits have enabled the Bank of India to reduce its borrowings from Rs 7.85 crores to Rs 1.50

crores. While the higher volume of business is responsible for an increase in the total income from Rs 3.51 crores to Rs 4.11 crores, this is mainly on account of income by interest and discount, which is higher by Rs 63 lakhs at Rs 3.35 crores. Commission, Exchange and Brokerage shows a small fall of Rs 4 lakhs to Rs 67 lakhs.

It is on the other side of the ledger that the import of a larger volume of interest-bearing Deposits is to be discerned. Interest paid has gone up sharply, by more than 50 per cent, to Rs 1.66 crores from 1.10 crores. On the other hand, it is encouraging to find that the other major item of expenditure, which in earlier years had made the position difficult for the banking system, has been kept within control. Salaries and allowances are higher by merely Rs 3 lakhs at Rs 1.11 crores. But, with a very much higher charge of interest paid, the balance of profit has not gone up as sharply as it might have, the rise during 1957 working out to Rs 1.44 lakhs as against the increase last year of Rs 7.12 lakhs.

Of the balance of profit of Rs 93.47 lakhs, Rs 30 lakhs have been set aside for taxation, an amount that is higher than in the previous year by Rs 2 lakhs. Bonus to staff also absorbs more, with a rise of Rs 1.25 lakhs to Rs 15 lakhs. The dividend distribution, which is maintained at 16 per cent, but on a capital which has increased by Rs 50 lakhs, absorbs Rs 48 lakhs against Rs 40 lakhs last year. Finally, the carry forward at Rs 16.02 lakhs is slightly higher than the amount brought in of Rs 15.55 lakhs.

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Sharp rise in active notes

Month early disbursements, acceleration in the tempo of busy season demand for finance and the transactions that have to be completed by the end of the fiscal year have combined to involve a measure of strain for the money market which, it lately appeared possible, the World of Finance might be able to avoid during the 1957-58 busy season. The intensification of demand for funds under these three heads is seen reflected particularly in the returns of the Reserve Bank for the week ended March 7, although the statement of the State Bank for the corresponding week does not throw much light.

Notes in circulation have risen very steeply, by what appears to be the largest increase in any single week, with a rise of Rs 33.41 crores to Rs 1578.67 crores. Currency has been expanded for Rs 19.94 crores against Rupee Securities, Rupee Coin went out of circulation for Rs 2.61 crores, and the Reserve Bank's cash in the till was drawn upon to the tune of Rs 16.09 crores.

The Centre's balances are placed lower by Rs 3.14 crores at Rs 53.46 crores, in spite of deficit financing for an amount around Rs 10 crores. For the return of the Banking Department discloses that the transfer from Investments to Rupee

Securities in the Issue Department involves an amount of Rs 10 crores, whereas the rise under Rupee Securities is one of Rs 20 crores. Thus, it may be said that deficit financing during the week would have been for an amount around Rs 10 crores; and we may also add that, since the Centre's balances have declined by Rs 3 crores odd, the Central Government's net disbursements have exceeded Rs 13 crores. Net disbursements of this order have presumably taken place despite what should be normally heavy collections; and this would reflect the pressure felt by the Government to meet month early commitments, on the one hand, and the end of the fiscal year liabilities, on the other.

The State Governments have also had to make heavy payments. Their balances with the Reserve Bank have fallen by Rs 5.92 crores to Rs 9.85 crores; secondly, their borrowings from the Reserve Bank are marked higher by Rs 5.66 crores at Rs 43.91 crores; and, lastly, it would also appear that they have had to divest themselves of some of their holdings of Treasury Bills in order to replenish their cash balances, since Government Treasury Bills purchased and discounted, shown in the return of the banking department, are marked up by nearly Rs 5 crores at Rs 8.39 crores against Rs 3.48 crores. In broad terms, it may be suggested that the net disbursements of the State Governments have been for an amount aggregating Rs 15 crores; and this also would be indicative of month early disbursements and end of fiscal year payments.

As we have seen, the net disbursements by the Central and State Governments would have been in the environs of Rs 28 crores. This is reflected in the rise of Rs 33 crores in Active Note circulation. But it is also clear that the expansion in currency circulation must have received a further impetus from the month early demand, as well as the busy season demand, of trade and industry. For, of the Rs 33 crores of expansion in currency—and this does not take into account the outflow

of Rupee Coin—Rs 10 crores is accounted for by deficit financing and a total of Rs 18 crores by drawing down of Government balances or increase in indebtedness of State Governments. There is an indication that "private sector" demand for funds also increased during the week. Although the Reserve Balances of member banks have risen by Rs 1.94 crores to Rs 77.40 crores, this is almost wholly attributable to the State Bank; and, meantime, Scheduled Banks would appear to have increased their borrowings from the Reserve Bank, since the latter's Other Loans and Advances are marked up by Rs 7.70 crores at Rs 74.30 crores. However, it is noteworthy that Advances of the Reserve Bank against usance bills are practically unchanged at Rs 22.52 crores.

Lastly, the decline in foreign balances is nominal, with Balances Held Abroad showing a drop during the week of Rs 0.77 crores.

According to the return of the State Bank for March 7, Deposits have staged a further rise of Rs 4.75 crores to Rs 412.62 crores. Borrowings stand reduced at a nominal figure of Rs 0.13 crores. Investments are unchanged; Advances show a small rise of Rs 2.30 crores to Rs 207.51 crores. Cash Balances are higher by Rs 14 crores at Rs 34.98 crores.

The return of Scheduled Banks for February 28 discloses a small decline of Rs 2.18 crores to Rs 1452.41 crores in Deposits. The total of Advances is higher by Rs 4.48 crores at Rs 931.56 crores. Borrowings both from the Reserve Bank and the State Bank are higher, the former by Rs 1.76 crores and the latter by Rs 1.04 crores. Nevertheless, Cash Balances are higher by Rs 8.26 crores at Rs 163.65 crores.

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The Gold Scare

Paul Einzig

IT might be interesting to recall the strange memory of the "gold scare" in 1937. During that year a large number of people over the five continents—economists, Stock Exchange operators, bankers, jour-

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nalists, investors—got it into their heads that the United States Government intended to lower the official buying price of gold from the figure of \$35 fixed three years earlier. By 1937 there appeared to be indications of boom-like developments, and the Washington authorities were credited with the intention of checking them by

means of lowering the gold price. Although the Washington authorities themselves did not initiate these rumours, they abstained for a long time from discouraging them effectively. Indeed they welcomed them, because they hoped that the damping effect of the rumours would obviate the need for taking active steps to check an

unwanted boom. They must have been misguided by Bernard Shaw's character, Captain Shotover, who sought to enforce discipline on his ship without resorting to flogging, by spreading about himself the rumour that he had sold his soul to the devil, thereby inspiring the required degree of terror among his crew.

Brokers and speculators were the initiators of the "gold scare." But, after the flight from gold and from gold mining, as made some progress, economists and bankers, too, discovered that there was theoretical justification for a cut in the dollar price of gold. Instead of guiding public opinion, they were guided by it. Nor did the scare confine itself to gold and mining equities. After a while it began to affect Stock Exchanges in general, and business activity took a downward course. Thereupon the long-overdue official denials of any intention to tamper with the price of gold brought about a recovery. The United States authorities succeeded in their intention of influencing the business cycle by allowing the development of a "gold scare" and then stopping it at the right moment.

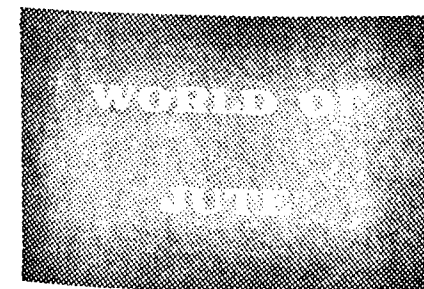
The question is, is his cry now repeating itself in an inverted sense? Since the beginning of 1958 there has been a great deal of speculation about the possibility of an increase in the official American selling price of gold. So far its effect has been confined to a revival of demand for gold and gold mining shares. But it is widely assumed that should the movement gather momentum it would affect Stock Exchanges in general and might lead to a revival of business activity. Possibly the United States authorities, with the experience of 1937 in mind, welcome rumours and forecasts for which they are not responsible, in the hope that the inverted "gold scare" would obviate the need for drastic action to bring the recession to an end.

An increase in the dollar price of gold would produce inflationary effects. And it is probable that these effects would go considerably further than merely arresting the present recession. There might not be an immediate expansion of credit as a result of increasing the gold reserves through their revaluation. But the psychological effect of making such an expansion possible would be considerable. Such effects would be world-wide. The revaluation of gold reserves in terms of dollars would increase the safety margins of these reserves over maximum requirements. The result would be a relaxation of disinflationary measures which were taken under the influence of the decline of the gold and foreign exchange reserves.

There would be an increase in the gold output, as it would become profitable to work seams which are at present unprofitable. There would be an increase in the export of Soviet gold, attracted by the higher dollar price. Private hoarders, too, would be tempted to take their profits by de-hoarding, as they did during the 'thirties as a result of the increase in the price of gold. There would be a substantial increase in the physical stocks of monetary gold, in addition to the bookkeeping increase resulting from the revaluation of gold. All this would be inflationary.

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March 15, 1958



"Pakistan Jute is much Too Dear"

TWO weeks ago, I had reason, in this column, to dispute the accuracy of certain estimates made by the Pakistani jute authorities. I find that, at the recently held annual meeting of the Jute Industries Limited at Dundee, the company's Chairman, Mr W. G. N. Walker, has said much the same thing. The difference is that he makes no charge that Pakistani figures are unreliable, but instead states matter of factly that the carry forward of raw jute in Pakistan into the next year may be "rather larger". Other points made by Mr Walker deserve a study by the World of Jute.

There is clear indication as to the extent to which the European jute goods industry has been affected by the intransigence of Pakistan as far as concerns the price at which it is ready to make available the raw material to the producing countries of the world. Mr Walker remarks that the price paid for Pakistani jute is "out of line with the price levels at which finished manufactured goods from India made from Indian raw jute are being sold." He goes on to say that the Pakistani raw jute "is too dear if she is to continue to sell it in overseas markets at anything like the volume previously achieved".

The anxiety being entertained about the future is very real. The dissatisfaction with Pakistan as the source of the raw material is hinted at by Mr Walker, when he says that the future of the jute industry, both in Britain and in other countries, is uncertain; and he also charges that these countries "are all at the end of the day at the mercy of international politics".

Indeed, Pakistan, while able to distinguish, shall we say, friend from foe, appears to have no idea of how it should set about helping the so-called friend. Mr Walker's complaint is that, although Pakistan's interests are closely allied to those of the jute manufacturers outside India, "she is not helping them at the moment as her raw jute prices in export markets are higher than equivalent qualities available to manufacturers in India". He is apparently at a loss to understand why Pakistan has failed to appreciate that the making available of its raw material more cheaply to the Continental mills would be the worst blow to the Indian jute goods industry. His summation in this regard concludes by asserting that the survi-

val of the Continental jute goods industry "depends primarily on Pakistan's ability to supply raw material at a price which will enable the manufacturers to compete not only with goods exported by India but also with alternative materials and methods".

This, of course, reflects the attitude of the typical Continental jute goods industry. But...Gone for ever are the days when the Continental mills could hope to compete with India in the standard varieties of jute goods. Secondly, Continental mills can never hope to secure raw jute from Pakistan at a price that bears any relation to the raw material being utilised by Indian mills. For, the Indian mills, with necessity as the mother of invention, have succeeded in producing quality hessian from mixtures of the inferior quality Indian raw jute, on the one hand, and bimli and mesta, on the other. So, the first point that the Continental mills have to recognise, if they are to survive at all, is that the market for them will comprise manufactures of constructions which may be called specialties. In this view, it is even wrong to consider India as a competitor at all, at least at the present stage, since, although we have made a beginning, Indian mills have not yet embarked on large scale manufacture of special constructions. If it is conceded that the Continental mills must resign themselves to a virtual stoppage of manufacture of standard varieties, it follows that they must be prepared to pay a little extra for the quality jute—which Pakistan purports to export—that is needed for special constructions. I will add a word of warning, and that is, if the Continental mills are deluding themselves into thinking that they will ever be in a position to outbid India, the industry's days are numbered.

So, we come back to the problem of Pakistan. Is it logical for that country to ensure the supply of raw jute to the Continental mills at, as it were, favourable prices vis-a-vis the price at which Indian mills obtain their raw material? I don't think so, and I will explain why I do not think so.

When we talk of expanding economic conditions in the world, and of the resulting increase in demand for jute goods, we should be clear in our mind as to the extent of the demand that will arise for standard varieties, on the one hand, and specialties, on the other. The standard varieties may be said to fulfil the agricultural demand for jute goods. Although, in this sphere, world production is tending upward, there is a limit to the expansion in output; and, moreover, each year, some agricultural products which use jute goods, switch to bulk handling methods, which obviate the need for jute goods. In a sense, thus, the market for the standard varieties is not very elastic, although, over a medium term of years—say, 10 years—there may be prospect of consumption going up by 30 to 50 per cent. Inevit-

ably, it is my view that the bulk of this agricultural demand for jute goods will be, as in the past, met from India. Not even Pakistan is likely to be able to under- quote us; nor is there much chance of the Pakistani jute goods industry expanding itself, over the next 10 years, either to meet the major portion of this demand or even merely the expansion in the demand. It is my view, therefore, that the Indian jute goods industry's future is assured.

In such a light, why should Pakistan make available to Continental mills raw jute at a cheaper price, which would merely enable the Continental mills to entrench themselves in markets, wherein, at a later stage, Pakistan itself might hope to gain ground? Besides, if the prospect of selling raw jute to Continental mills appears to be limited, over the medium term future, why should Pakistan forego higher exchange earnings at the present time? It is all very well to talk of Pakistan's long term interests being linked up with a continuity of supply of raw jute to Continental mills at cheaper prices at the present time. But, in fact, is this so? Pakistan cannot be sure, and hence, I suppose, this decision to earn what foreign exchange it can, while the going is good. While I sympathise, therefore, with Mr Walker, when he bitterly complains of the Continental mills being outbid by the Indian jute mills merely because Pakistan will not supply raw jute at cheaper prices, I must conclude with drawing attention to one unfortunate word that Mr Walker has used two or three times. Mr Walker is doubtless aware of the fact that the Asian does not like to be referred to as an Asiatic, but why then does he refer to "Asiatic goods" and "Asiatic imports"?

After early listlessness the jute goods market steadied up somewhat especially around the sacking section on reports of a Government order for 12,000 bales B Twills. Later in the week, when it was reported that Government purchases would be larger there was a further recovery in prices. Thursday's closing rates were as follows: Hessian 40"x10 oz Ready Rs 39.15; July-September Rs 39.25; B Twills Ready Rs 99.00; July-September Rs 100.15.

Stocks of jute goods at the end of February at 95,100 tons were only 1500 tons lower than they were at the end of January. Stocks were 97,400 tons at the end of February 1957. Hessian stocks at 27,300 tons were 2,400 tons lower compared with January while those of sackings at 53,400 tons were only 300 tons lower. Other varieties at 14,400 tons were 1,200 tons higher.

Production of jute goods in February amounted to 85,300 tons. During the month mills had worked 192 hours. Output in January was 98,300 tons for 217.5 hours worked. Of February production, hessian accounted for 30,100 tons, Sacking 49,300 tons and others 5,900 tons.

The raw jute market ruled quiet during most of the time with sellers anxious for business. Mills however took little interest and as a consequence price levels developed a sagging tendency. Toward close some improvement in the undertone was noticeable largely in sympathy with the goods section, but prices remained unchanged. Assam Bottoms which was quoted at Rs 24.50 at the close of last week was finally placed this week at Rs 23.75.

PRICE TRENDS.

	Week's Opening Rs.	Week's Closing Rs.
Hessian:		
40" x 10 oz.		
Ready	39.35	39.15
July-Sept.	39.40	39.25
Sacking:		
B Twills:		
Ready	98.85	99.00
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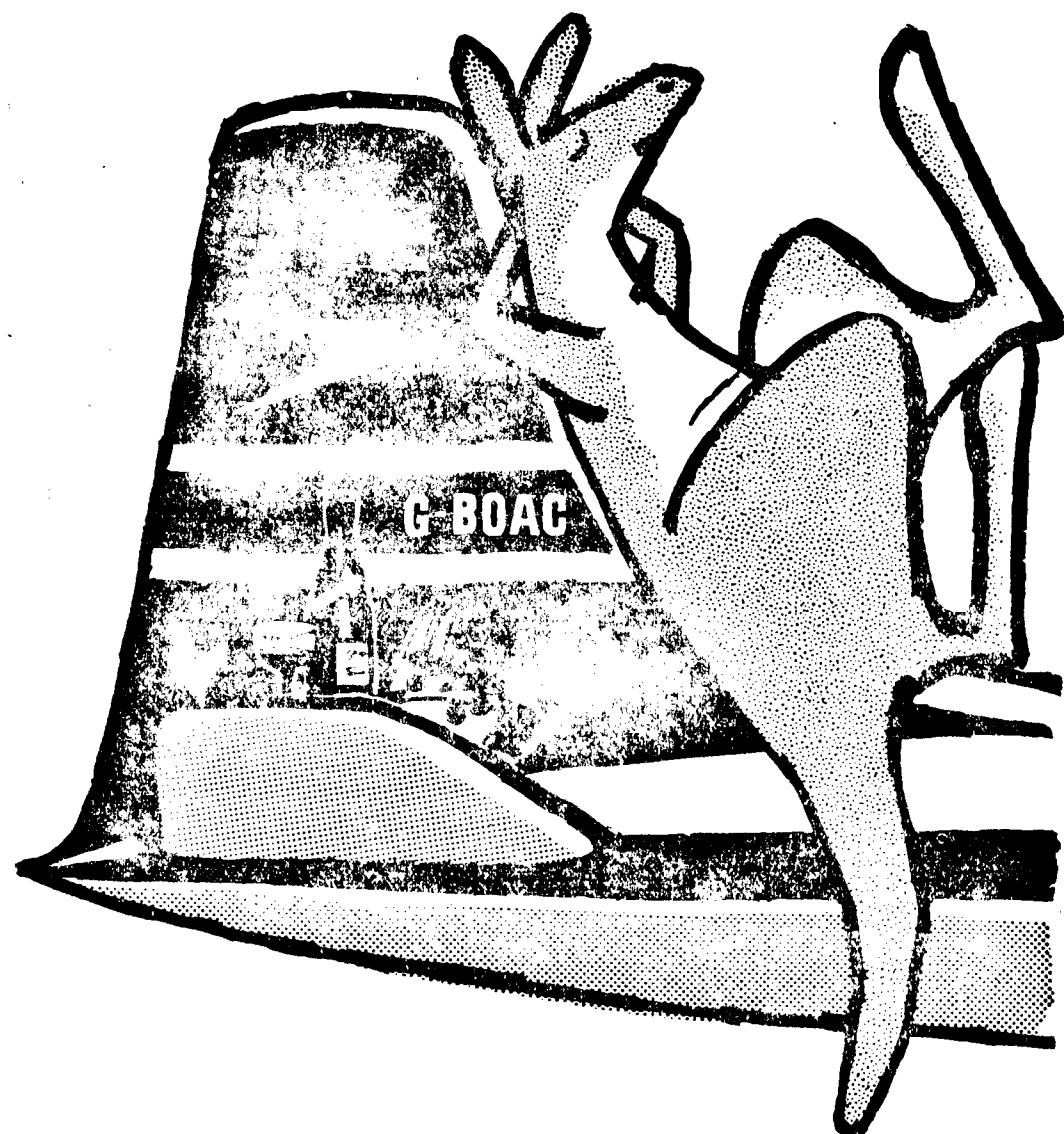
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WORLD OF TEA

Outlook for Common Teas

DUE to the improved standard of manufacture this season, there was a comparative shortage of Common teas in the market and as a consequence "teas for price" were always keenly competed for generally by the bazar buyers. Taking into account the price of quota, the internal price level of these teas has remained comparatively steady.

Since the output of competitive producers, especially East Africa, is steadily increasing, it is difficult to foresee an improvement in

Common grades. There is a general feeling that, if India's Common tea is to be sold at an economic price, costs of production will have to be reduced by cutting fiscal and labour burdens.

In this connection, the monthly report, issued by Messrs J. Thomas & Company, states that "the position regarding the plainer offerings are rather more uncertain. It is quite possible that the UK will continue to lend strong support to the market during the current month. This must be the hope of the Common tea producer as the only alternative outlet for these teas in the market where extremely unremunerative prices are being paid at present".

A noteworthy feature is, however, that a substantial portion of the North Indian crop is likely to be sold before the beginning of the 1958-59 season, leaving a negligible carry-over, if any at all. The coming marketing season will, therefore, start with an improved statistical position.

Meanwhile, in the Export Sale

held in Calcutta this week, offerings were 59,525 packages. There was a fair general demand and bright liquoring teas of all descriptions were firm to dearer. Clean black Common Broken and Fannings were steady and often dearer; but the plain liquoring ones and those with poor leaf appearance were 4 to 6 nP per pound easier. There was fair support for medium CTC Fannings at about last rates; but the Broken were often sold below valuations. Any medium CTC sorts with autumnal character, were however sold at dearer rates. The best types were a little irregular and declined by about 10 nP and sometimes more per pound.

Bright liquoring non-wither Doors were strong and often dearer; but the more ordinary types were often sold at 4 to 8 nP per pound below valuations. Clean and stylish Whole Leaf grades were fully firm to dearer; but those of inferior leaf appearance were barely steady. Darjeeling teas were sold well, particularly those with autumnal flavour. Following

rates were quoted:—Clean Black Pekoe Rs 2.20; Plain Broken Pekoe Rs 1.42 to Rs 1.46; Plain Fannings Rs 1.56 to Rs 1.60; Medium BP Rs 1.52 to Rs 1.56; Medium Fannings Rs 1.72 to Rs 1.76; Best Assam CTC BP Rs 2.60 to Rs 2.80 and Best Assam CTC Fannings Rs 2.70 to Rs 2.90.

In the Internal Sale, offerings were 20,282 packages of Dusts. These met with a good general demand at easier rates. Middle East buyers again showed interest; but orthodox descriptions were generally upto 6 nP per pound easier. CTC teas met with an irregular demand; but bright liquoring powdery types were firm and often dearer. The few best liquoring kinds, on offer, were easier; and the plainer liquoring types were also easier despite better enquiry. Following rates were quoted:—Medium Doors Dust Rs 1.52 to Rs 1.54 Medium Assam Grainy Dust Rs 1.54 to Rs 1.56; Medium Assam CTC Dust Rs 1.75 to Rs 1.95 and Best Assam CTC Dust Rs 2.80 to Rs 3.10 (nominal).

Also, 5,042 packages of Leaf grades were offered for internal consumption. There was a good general demand for the increased number of chests offered. Orthodox teas were irregular; but generally easier. The brighter liquoring CTC Assams were often dearer although the plainer ones in this category met with less demand at easier rates.

In the Export Quota section, rates moved narrowly between 4 and 4½ nP per pound and business was reported done at these levels.

The last day for the acceptance of "bought and sold" forms by the Controller of Licensing, Tea Board, in respect of season 1957-58 Export Quota, is the 20th March, 1958.

In the Colombo market, offerings were 6,929,246 pounds, which met with a strong general demand. As the sale progressed, prices for all teas improved, particularly for best Dimbula/Dickoya teas which registered an appreciable advance in prices. Persian Gulf types met with strong demand and closed at firm to dearer rates. All centres operated freely, particularly the USA buyers. The Soviet Union was, however, absent.

In Mincing Lane, a decidedly better tone prevailed. Competition was keen and well-distributed and prices were generally dearer, sometimes by several pence per pound for the quality invoices. Buyers' recognition, that the amount of tea available in London would be smaller for the time being, had undoubtedly been responsible for the stronger tone. Next week's offerings will be around 57,500 packages and for the week after around 56,000 packages.

Tea stocks in London, as on the 28th February, were 119.47 million pounds as compared to 123.06 million pounds a year ago. Landed between 22nd and 28th February were 6.67 million pounds, while deliveries were 10.26 million pounds.

Indian Finance

March 15, 1958

INDIA

Oberoi Imperial, New Delhi - Oberoi Maident
Delhi - Oberoi Swiss Delhi - Oberoi Cecil
Simla - Oberoi Clarkes Simla - Oberoi Palace,
Srinagar - Oberoi Grand Calcutta - Oberoi
Palm Beach, Gopipur-on-Sea - Oberoi Mount
Everest, Darjeeling - Oberoi Mount View
Chandigarh

PAKISTAN

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IT sometimes happens, as is the case this week, that I find myself faced with the problem of a topic for a gossip. And yet, I do not have any reasonable grounds for complaining, because the past week has thrown up a good deal that has been provocative and which, normally, I would have liked to discuss in this section. For one thing, for all that Mr Nehru conceived his Budget to be pedestrian, it is nevertheless a topic that I should have with profit approached again. But my commitment to write about it in the study of the 1958-59 Budget—whose publication, I may mention here, is unavoidably delayed to next Tuesday—has robbed me of this particular choice. Then, there was the annual session of the FICC, and I had early in the week made up my mind that, to the comments of Mr Chinai and Mr Nehru on the national economy, I would add my own. Unfortunately, I find that the scribe in Delhi has anticipated me, and I would indeed be put to some strain either in excelling his despatch or in avoiding duplication. So, on a Thursday morning I find myself in a most unenviable position, blank sheets of paper in front of me, and nothing particular as subject to write about. I trust, therefore, that the reader will pardon me if I indulge in thinking aloud on random subjects.

I wonder how many of my readers have been struck by the remarkable change that has occurred in what I might call the public American attitude to India. By public I here mean statements that are uttered by people who count and in public. For, an important reservation in all assessment of the American attitude to India must be that, all along, at the official level, the US Administration has not been unappreciative of either India's need for assistance at the present moment or the imperative-ness of the success of India's Second Plan. But, in the past, whether by design or accident, the top officials in the US Government have avoided any direct reference to us. I had suggested to some friends of mine that this silence, this refusal to commit themselves on the significance of India's Second Plan, seemingly presaged a disinterest on their part; and on those occasions, my American acquaintances have invariably replied that

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

the periodical disagreement between India and US on international attitudes and policies so affected the estimation of India by the Americans generally and by US Congressmen in particular, that it seemed advisable to keep silent and thus provide no opportunity for inviting criticism of India. I suppose this explanation is as good as any, though I am by no means convinced that the rift, if at all there was one, between America and India ever extended to the citizens of the two countries. The last major development in world politics was the imbroglio in Suez, on the one hand, and Hungary, on the other. In refreshing contrast to other previous occasions when there was a world development of this nature, America and India found themselves talking and thinking on similar lines. So, perhaps, the atmosphere was made conducive to a more open avowal of friendship toward and interest in the Indian Second Plan. But, even then, when Mr T. T. Krishnamachari went to America in September last year, and when first the idea began to be mooted of US assistance on any large and worthwhile scale, the old bogey, of a not too friendly Congress, was found still to be present, and we were given to understand that, as far as possible, the US Administration would try and extend the assistance we needed without approaching Congress. Scarcely six months have passed, but we now have both the US Vice President, Mr Nixon, and the Secretary of State, Mr Dulles, testifying before Congress of the basic identity between India and America. What is more, the evidence is directly in connection with aid for India. At that stage, I thought to myself that Mr Nixon and Mr Dulles were able to speak as they did for two reasons. One was that international "skirmishes" had not occurred for some many months. The other was that Mr Krishnamachari did a very good piece of public relations work while he was there. But there must be more to it than merely this, for, it is extremely heartening to read of a development which could not have been dreamt of six months ago. I refer to the move, in the US Congress, for the introduction of a bill which would specifically offer massive assistance to this country. Though reports that I have seen are quite vague, the figure that, apparently,

is being talked about is \$900 million. The question that we have to set ourselves is: how is it that, within the space of six months, a Congress that was thought to be not too friendly disposed to this country, is today entertaining the idea of a special bill for assistance to India?

I suppose this is the juncture when we should have a word or two to say about the unparalleled record of America as a donor country. Let me make it clear, however, that America will not be making grants; the aid that we expect, and the aid that we will surely get, will be in the form of loans. But, if you concede that, in the background of such attitudes and predilections which, mistakenly or otherwise, the American is possessed of, the American could with some justice come to the conclusion that there was a basic difference between the policy of his country and that of ours, you must come to the inescapable conclusion that he is an even more generous individual than we might formerly have thought. I do not want, at the present stage, to express my gratitude for the ready assistance that America is tendering to us; and, in this, I am not motivated by any caution, in the matter of counting the chickens before the eggs are hatched. But I do think that it is necessary for us to sit up and take notice of an attribute that the American possesses in abundance, the ability to give freely. For, it is the attribute of the individual which is transformed into the policy of a country, and if Kudos were deserved for any reason, certainly the most eligible quality for praise is philanthropy.

There is another reason why the American attitude is particularly noteworthy. This is an even year, and hence Congressional elections are in the offing. Generally speaking, in a Congressional year, the duly elected representatives of the American people tend to shirk issues that might be controversial. It is indeed this fact of elections ensuing in November this year which influenced the US authorities to announce the first tranche of their assistance from such sources as the Special Development Fund and the Export Import Bank, the utilisation of resources from which is not subject to approval

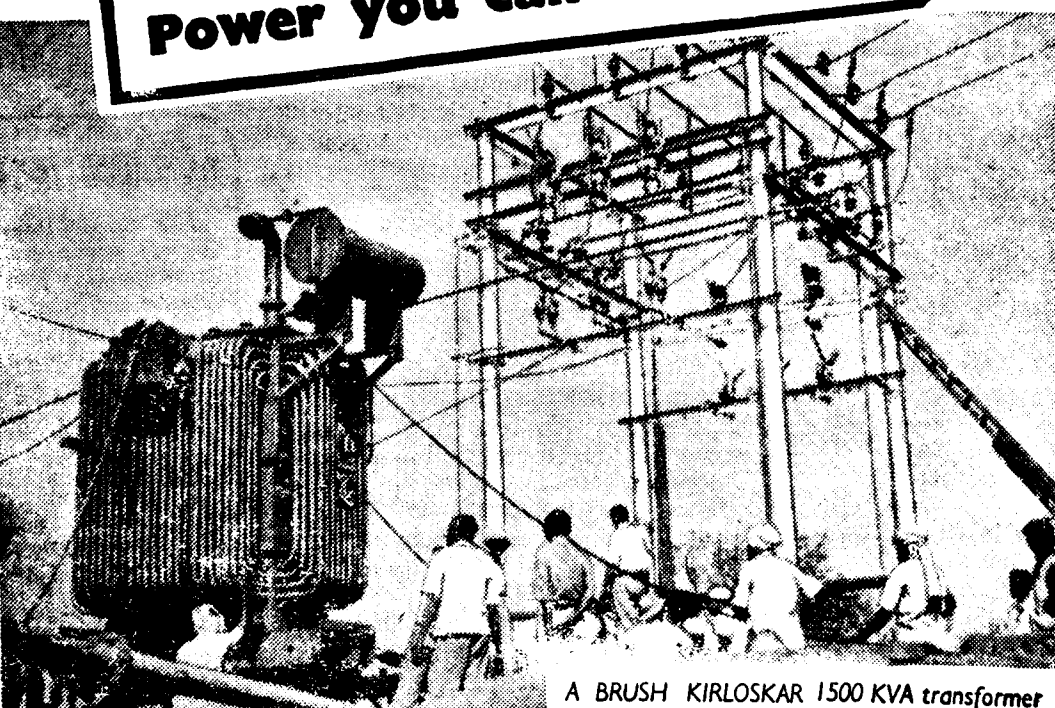
of Congress. But now, it seems to me, responsible men in the US Congress have come to a finding that aid to India is a subject that will brook no postponement; otherwise, quite simply, the consideration of such a matter in the US Congress would have been postponed to some time next year, with the elections left behind. I hope I shall not be thought uncharitable if I suggest that a question of aid to India can be turned to advantage in the elections. To understand why this could be so, you have to appreciate that the bete noire of Americans is Communism, not merely in their own country, but anywhere else in the free world. A Congress that could claim—or a Congressman who can make such a claim—that it has taken a major step in building up and strengthening a bulwark of democracy in Asia can be expected to receive approbation from the electors. No longer is India thought of as a country which frequently rubs America the wrong way, but it is instead a country which is engaged in a strenuous competition with a neighbour belonging to a different ideology and, certainly, American politicians have become alive to the central position which India's Plan occupies in the fight for safeguarding democracy. I am not sure whether it will be subtle or blatant, but I have the feeling that aid to India might conceivably become an issue in the American elections: India as an example of a democracy which is being strengthened to resist Communism by means of appropriate assistance.

In the last paragraph I have said that the assistance from America is, or should be, appropriate. While on the whole, US foreign assistance has not gone to waste in the rehabilitation programmes for Western Europe, I am afraid that quite a few million dollars have gone down the drain in other parts of the world. I shall not attempt to give any examples, but this brings to the forefront of attention a prime qualification of a recipient as far as the foreign aid is concerned. This requisite was postulated some months ago by Dr Leon H. Keyserling, and referred to the political and economic conditions of the country concerned as well as to the efficiency of its administration and the absence of corruption in it. After some disastrous experiences, America has in recent



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years tried to have a greater check on foreign assistance, with a view to ensuring that it is properly utilised; and hence the operational terms and agreements under which US assistance has lately been provided, on a basis of specific and particular projects. It is interesting to note that this country so far enjoys the confidence of the US Government as to have received, for the first time in recent years, a blanket offer of aid. It is perhaps immodest to say this, but I think on the whole we deserve to be the repository of such trust and confidence.

These random thoughts must be extended to an assessment of our

present foreign exchange position. Very rightly, a few days ago, Mr Nehru decried those who criticised the Plan on the score that it is over ambitious. The developments in the matter of external resources are such that we can now proceed with the confidence that the core of the Plan is not in danger of non-fulfilment. I am not, I assure the reader, indulging in wishful thinking, but the quantum of assistance that has been assured to us is of proportions that should even enable us to think actively of restoring some of the cuts in the Plan. For the present, of course, consolidation is the watchword, and since the next 12 months to March 1959 are expected to be the hump period of the Plan, we should perhaps

restrain ourselves and concentrate on the core of the Plan. But I fancy that, by next February, the Finance Minister in office should be able to present a much more hopeful picture both of internal and external resources, and that, consequently, he should be in a position to announce acceleration of outlay on the Plan such that the targets originally aimed at are made to be within the realms of attainment and accomplishment.

Sir B. P. Singh Roy's election to the Presidency of the Federation of Indian Chambers of Commerce and Industry will bring universal satisfaction to the business community throughout India. Not

only has he had a distinguished record of political work in the pre-Independence era, when he was Bengal's Minister for Local Self-Government and President of the Bengal Legislative Council, but he has over a couple of decades been a pillar of industry, being the directing brain behind several eminent commercial and financial institutions. To have held important political offices in those days, served as a passport to oblivion for many under the new regime, and that Sir Bejoy has steadily risen in stature and public esteem must be considered a signal triumph for his personality, of which, as is well known, the chief ingredients are sheer unremitting hard work and an undeviating sincerity of purpose. His long public career has been marked by exemplary integrity and a constructive ability of the highest calibre. Formerly President of the Indian Chamber of Commerce, Sir Bejoy quite rightly finds himself at the head of the FICC. West Bengal, I am sure, has special reasons for gratification in his election, especially because no Bengali has held the Presidency of this all India body since 1934, when the late Mr N. R. Sarker was at its helm. Many will recall that Mr Sarker was the first to utilise the platform of the FICC to propagate the idea of national planning. Sir Bejoy, I am sure, will be able to provide a new lead to this body, like his illustrious compatriot. Over the past few years, a sharp cleavage of opinion has existed between the Government and the private sector of industry over the taxation policy, and it showed itself once again at the FICC's annual session, where Prime Minister Nehru spoke in firm tones in favour of the retention of the present tax structure, while industry insisted on drastic concessions. If the new President of the FICC can bring the two sides closer through his moderating influence on both, that will indeed be a major achievement on his part, which the country will not easily forget.

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GATEWAY TO PROSPERITY

Intervening in the debate on the Chagla Commission Report in Parliament, Mr Nehru has observed that, since the concept of mixed economy has been accepted, it is only proper that private enterprise is enabled to function efficiently within the framework set for it. From this statement, it is evident that Government are satisfied that conditions are quite conducive to the growth of private sector industries. In recent weeks, prominent industrialists in the country have, however, averred that the monetary and fiscal policies initiated by Government in the past two, three years have placed private enterprise in an unenviable position. In a forthright speech at the Commerce Graduates Association in this city some time ago, Mr J. R. D. Tata declared that the high level of taxation has "dried up the springs of private enterprise". In short, all spokesmen of the private sector are unanimous in their verdict that if the present level of taxation is continued, non-Government enterprises will not be able to fulfil their targets under the Second Five Year Plan. The Budget for 1958-59 has shown that the appeals and arguments of private enterprise have made little impression on Authority.

In a statement circulated to the shareholders of the ICIC with the Directors' Report and Accounts for the year ended December 31, 1957, Sir A. Ramaswami Mudaliar, the Chairman, has declared in unambiguous terms that the investment climate in the country is not favourable. It is to be noted that the bases of his remarks have stemmed directly from his intimate knowledge of the working of the ICIC during the last three years in general and last year in particular. By virtue of its position as a financial institution which also provides permanent capital for industrial development, the ICIC is in a position to feel the pulse of private enterprise much more scientifically than most people. Sir Ramaswami Mudaliar's findings in this regard are far from reassuring.

The ICIC has had to contend with abnormal conditions ever since its inception three years ago; for, during this period, the economy has been geared up to the needs of the Second Plan with its almost insatiable demand for finance. Even so, it has so far managed to make strident progress. The answer to the question whether it can continue to record progressively satisfactory results is not quite encouraging.

By the end of 1957, ICIC has agreed to give financial assistance for a total of Rs 116.5 million. Of this, rupee assistance has amounted to Rs 94.4 million while loans in foreign currencies has totalled Rs 22.1 million. A significant development in the Corporation's working during 1957 is the receipt of a large number of applications for assistance in the form of foreign cur-

rency loans. But as the ICIC has only a line of credit of the equivalent in various currencies of US \$10 million available from the International Bank for Reconstruction and Development, it has not been able to entertain such of those applications which were for very large amounts. During the year, 5 loans in various foreign currencies for a total of the equivalent of Rs 22.1 million (\$4.63 million) have been sanctioned. Sir Ramaswami Mudaliar has pointed out in his statement that it may not be long before the entire amount is used up. The ICIC hopes to approach the World Bank in due course for an additional line of credit.

During 1957, five underwriting operations amounting in all to approximately Rs 9.3 million have been completed, but the ICIC had to take up as much as Rs 5.8 million worth of shares as other investors had taken only Rs 3.5 million. The Directors point out that underwriting operations of public issues of capital became more difficult during the year due to the fall in stock exchange prices and the reluctance of investors to take on new commitments, particularly investments in newly-established companies. In the case of some issues underwritten during the year, public response was negligible. In this connection, the directors observe: "The revival of confidence in stock markets must be regarded as of vital importance to the economy of the country and also to the continuance of operations of your company in this field. Without the support of the investing public, no underwriter, however strong financially, can continue indefinitely in business".

So far, the ICIC has sanctioned 16 underwriting operations involving a total commitment of Rs 53.5 million. Out of these, nine have been completed by the end of 1957. In the current year, another 2 have been completed. In granting assistance, the company has given due consideration to regional development as well as to types of industries covered.

The prospects for the current year seem to be far from rosy. For, after paying taxes at existing rates, the ICIC may not find much left to distribute to the shareholders. Already, there has been a substantial reduction in the balance which stands to the credit of the Revenue Account. In the accounting year taxation has taken away Rs 2.5 million out of an operating profit of Rs 4.8 million, excluding a sum of Rs 282,916 additional taxation for the year 1956, which has been paid from the balance brought forward. Being an industrial financing company, the ICIC does not get any benefit such as development rebate, additional depreciation, etc., which are available to industrial enterprises. Nevertheless, it has to pay all the taxes. Sir Ramaswami Mudaliar

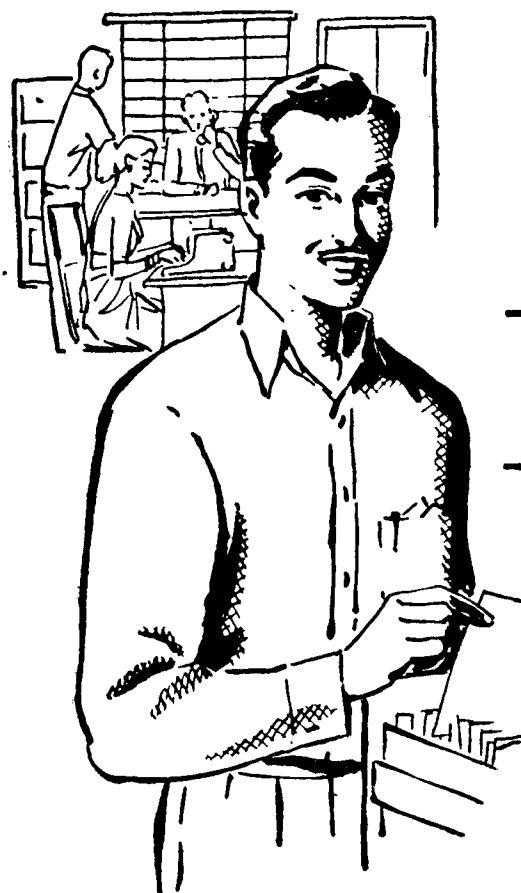
Investment Climate

has illustrated the heavy incidence of taxation on the company by two examples. In the case of its investments in new ventures, the dividends which are received after many years' waiting are also subject to Corporation Tax "despite the fact that the same earnings will already have suffered Corporation tax in the hands of the companies concerned". Again, when the ICIC realises investments, they will attract capital gains tax. Now, the ICIC is a financing institution which also takes care of providing permanent share capital for industrial development. Its main role is to provide risk capital to new as well as existing enterprises. Unless it is enabled to retain enough of its earnings to build up substantial reserves against the risks inherent in its operations as well as to pay a reasonable return to its shareholders, its usefulness will be considerably diminished. It is to be hoped that the representation made to Government by the directors that consideration be given to the grant of tax conces-

sions to the company will bear fruit. In this regard, it is to be noted that the ICIC's present resources are likely to be fully utilised in the near future. The problem of raising additional funds is engaging the attention of the Directors, but it is to be admitted that the task that faces them is by no means easy, considering the present state of the capital market in our country. The ICIC Chairman points out that his "plea for tax relief has considerable bearing on our ability to do (to raise additional funds) so".

It is evident, therefore, that, without a suitable investment climate, the working of financial institutions such as the ICIC will be greatly hampered. When these institutions begin to languish, there will be a reduction in economic activity in the country. And a reduction of economic activity is a thing that is to be avoided at all costs, if the nation is to continue in its path of progress as embodied in the Second Plan.

BOMBAY REVIEW



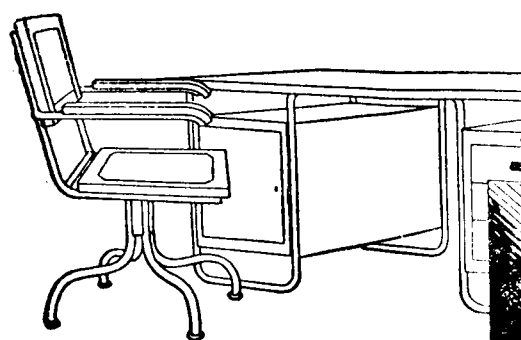
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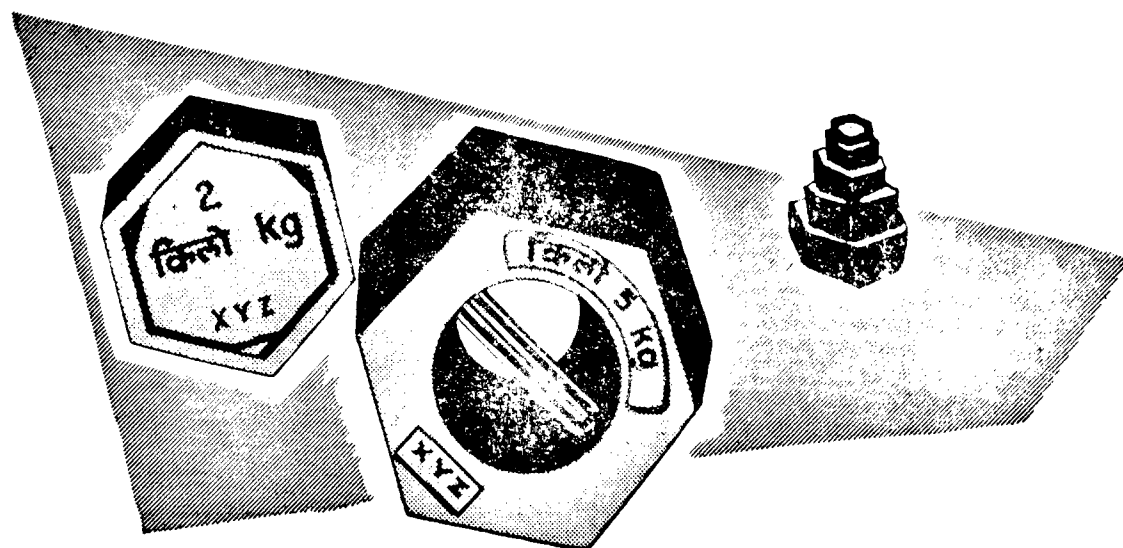
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CHANGING OVER TO THE METRIC SYSTEM



India has at present no common system of weights and measures. There are not less than 143 systems in use. This multiplicity gives room for malpractices. The introduction of a uniform system throughout the country based on Metric Weights and Measures will be very convenient and make calculations extremely easy, especially because the country has already adopted the decimal coinage. The Standards of Weights and Measures Act, 1956 has laid down the basic units under the metric system. The reform will be gradual so as to cause minimum inconvenience to the people.

Even after its introduction in an area or a trade, the traditional weights and measures will be permitted to be used for a period of three years.

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10 decigrams = 1 gram
10 grams = 1 hectogram
10 hectograms = 1 kilogram

MULTIPLES

100 kilograms = 1 quintal
10 quintals or
1000 kilograms = 1 metric tonne

ISSUED BY THE GOVERNMENT OF INDIA

WORLD OF COTTON

ACCORDING to the latest reports, production of Cotton Textiles has declined for the third month in succession. It is placed at 392 million yards in February as against 433 million yards in January and 438 million yards in December 1957. Production in February 1957 totalled 435 million yards. These figures reflect the unsatisfactory trading conditions witnessed during the past many months. It is generally feared that the overall output, during the current year, will reveal a sharp setback unless the Government provide the necessary relief to the industry without delay.

Also, the pace of shipment in the first two months of the current year, has not been encouraging. The quantity of cotton goods, passed for shipment in January, amounted to 63.35 million yards as against 95.14 million yards in the corresponding month of January, 1957. The figure for February 1958 is placed at 47.72 million yards against 76.16 million yards in February, 1957. Unless exports of cotton textiles pick up in the following months, it is feared that the overall exports, during the current year, may not reach the last year's level of 850 million yards.

For obvious reasons, trading conditions in the cloth market have been slack; and there were only scattered enquiries from the consuming centres. It is, however, satisfactory to note that the demand for superfine qualities has continued to be better, while fair demand is also reported in the case of medium qualities.

On the export front, conditions have not been satisfactory. Fresh enquiry from Singapore has been subdued, while demand from Burma has been negligible. Business with West Africa has been on a subdued scale. Fresh advices from Sudan have also been quiet and business with Ethiopia has been negligible.

FUTURES MARKET

Wild and erratic fluctuations were seen in the Cotton futures market due to alternate bouts of buying and selling. While the distant delivery was relatively steady, the maturing contract eased moderately under long liquidation.

Initial buying was partly influenced by the strength of the maturing contract. The upturn in this contract was attributed to strict survey results where, out of 400 bales surveyed, 350 bales were reported to have been rejected. The distant delivery followed a similar trading pattern. In mid-week, however, rates spurred on heavy covering by a leading bear from Calcutta and buying by speculative bull interests. Again, towards the close, there was tired liquidation following hints that the authorities would not, at present, either lower the excise duty or grant any export quota of cotton. ICC Jharkhand

Successive Decline in Cloth Output and Exports

May delivery opened at Rs 680 and, after touching a low of Rs 673.50, finished at Rs 679.50. March delivery moved between Rs 680.50 and Rs 685.50.

SPOT MARKET:

The Spot section continued to rule steady with demand for all varieties. Although a section of the trade has been complaining of accumulation of stocks, prices of good staple varieties have remained mostly unchanged.

In the export section, superfine Bengal continued to be in moderate demand. Rumours of a possible reduction in the export duty on Bengal Deshi have induced some shippers to buy Bengal for April-May delivery, while some of them are buying ready lots against their previous commitments.

In the foreign section, enquiries were few. Spot lots of East African and American cotton were in demand. Traders are generally marking time, presumably awaiting the allocation of quotas for the East African cotton, particularly for mills. Spinners are engaged in obtaining quota as against the permission to import 70,000 bales of East African cotton stapling 1 1/16" and above. The date for submitting applications to the Textile Commissioner, for the issue of quota letters, has been extended up to March 15, 1958.

There are rumours that the Government of India will soon announce import of one lakh bales of cotton from Sudan and Egypt, as the latter has shown willingness to sell her produce at parity with that of the former country. Cotton import houses hope that Egypt will offer cotton at a discount of about 10 per cent. Also, reports from Sudan indicate that the overseas demand for that country's cotton has been restricted. The new crop selling programme has not yet been announced by the Gezira Board. There is also anxiety as to what the level of export duty will be after April 18.

STATISTICS

Exports by rail, from 1st September 1957 to 6th March 1958, were 108,573 bales. Estimated mill consumption, during the same period, was 669,232 bales as against 673,504 bales in the corresponding period of the previous year. Estimated stock of raw cotton, held by exporters, dealers and mills in Bombay, on the 6th March 1958, was 650,650 bales as compared to 581,134 bales on the corresponding date of last year.

Cotton receipts in Bombay, from 1st September 1957 to 27th February 1958, were as follows as compared to the corresponding period of last year (figures in bales):—

Growth:	1957-58	1956-57
Khardesh	117,754	310,857
Vijay	125,503	24,359
Surat	21,081	6,139
Kalyan	9,636	4,360

Growth:	1957-58	1956-57
Dholera	3,884	5,669
Gaorani	19,223	20,318
M. Pradesh	60,385	34,439
Punjab	87,979	108,974
Rajas. & U.P.	60,285	49,890
Andhra	4,452	1,846
Madras	660	449
Mysore	2,448	3,060
American	66,946	136,779
Sudan	28,450	29,148
Egyptian	23,191	22,623
E. African	42,186	66,018
Burma & other sorts	...	765
Coast Ports	11,600	10,703

Total ... 686,363 836,393

Of the total estimated AR/Uganda crop of 320,000 bales, 178,500 bales were reported to have been sold, leaving an unsold balance of 141,500 bales.

CROP OUTLOOK

A severe deterioration in new crop cotton in Surat area is reported. It is learnt that the growers in this area have been persuading the State Government to apply the Bombay Agricultural Pests and Diseases Act 1947 to the whole of Surat district in view of the damage to the crop. The crop in that area was first estimated at

BOMBAY REVIEW

about 2.6 lakh bales; but it is now expected to be only 1.3 lakh bales.

The Gezira Cotton Board, the largest in the Sudan, has released figures showing that the cotton harvest this year will probably produce less than a third of the quantity produced last year. The cotton crop, which is a stable source of revenue of the Sudan, has been adversely affected by disease and bad weather conditions.

NEW YORK COTTON MARKET

Prices on the New York cotton futures market failed to sustain the upward movement of last week. Following a mixed start, prices rallied early with some buying of the new crop postcides, apparently based on the idea that the Senate would approve additional funds for the Soil Bank programme, but would oppose attempts to get an increase in the acreage. Activity was, however, limited, partly reflecting the quiet conditions in the Worth Street textile market where trading was said to be virtually at a standstill due to the garment workers' strike. At the close of the week, new crops slipped from the recovery levels under small offerings.

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BOMBAY
REVIEW

THE market for Non-Ferrous Metals ruled generally quiet last week. Copper prices developed a slightly easier tendency on actual receipts from abroad. The rate, which was quoted upto Rs 182 per cwt, declined to Rs 174. With the arrival of 2,200 tons per s.s. "Kampala", the tight supply position of the market had considerably eased. Moreover, a couple of hundred tons was also expected per s.s. "City of Chicago". On the whole, nearly a thousand tons is expected in Bombay during the current month. With consumption which is likely to go down after April and with anticipated sizable arrival, the supply position may ease further in the coming weeks.

The market for Zinc continued to rule quiet with the rate quoted around Rs 51.25 per cwt. Trading in the Lead section was featureless, the rate being quoted at Rs 63. As the stock position was comfortable and the demand was moderate, Tin remained quiet at Rs 130 per quarter.

On the London Metal Exchange, Copper was quoted at £166½ per ton as against £165 in the previous week. The former trend was due to consumer buying and expectations in the market that Soviet Union would place orders for copper wires with the UK manufacturers.

Zinc remained almost unchanged at £62½ per ton. The general impression is, that the present price level is low although trade confidence in the metal is still lacking.

Lead ruled firm at £74½ per ton. This was due to shipment of consi-

Non-Ferrous Metal Markets Quiet

derable quantities of the metal to the USA.

Tin was quoted lower at the close at £730½ against the opening rate of £736 per ton. The initial firmness was mainly due to American and Continental demand; but the easiness at the close was attributed to lower Singapore advices.

Oils & Oilseeds

Prices of Oils and Oilseeds developed a reactionary tendency on reports of improved arrivals. Castorseed May delivery opened at Rs 145.75 and receded further to Rs 143.87 as conditions on the export front for castor oil were not encouraging. The ready rate was quoted at Rs 30 and Castor Oil, commercial quality, at Rs 15.12.

The market for Groundnuts remained depressed on lower spot and upcountry advices. May delivery opened at Rs 162.75 and, after improving at one time to Rs 162.87, receded gradually to Rs 161.37, to finish better at Rs 161.62. In the ready section, bold quality was quoted at Rs 32.62 and Groundnut Oil at Rs 17.87.

Price movements in the Linseed section were rather irregular although the overall trend was steady. Reports of fresh enquiry for linseed oil from Australia and of a rise in the UK prices aided the sentiment. May delivery changed hands at Rs 29.94 to Rs 30.37. Ready was quoted at Rs 29.62 and Linseed Oil at Rs 16.06.

In the Cottonseed section, May delivery changed hands at Rs 108.00 to Rs 106.50.

Gold & Silver

The bullion market in Bombay revealed fresh strength during the week under review. The sharp rise in the prices of both the metals signified the end of the pre-Holi spell of dullness and signalled the resumption of a busy period. Buyers were also encouraged by the bullish implications of the Gift Tax proposed in the Union Budget.

A section of the trade felt that an improvement in the market was overdue considering the recent strength in cotton, oilseeds and other commodities. It was believed that the improvement in the commodity markets in the midst of the marketing season, should place more cash in the hands of the farmers, who continue to prefer investment in precious metals. The overall performance of the market, during the current season, is, therefore, expected to be encouraging.

In the circumstances, bulls had been adopting an aggressive attitude and this was already reflected in the backwardation charges. Gold receded early on fears of Government action against bullion hoarders; but profit-covering finally minimised losses. Arrivals and off-take were estimated at 2,000 and 3,000 tolas respectively. Chaitra delivery moved between Rs 112.51 and Rs 112.87, to close finally at Rs 112.56. Ready changed hands at Rs 112.31 to Rs 112.69, while Sovereign was quoted firm at Rs 72.00.

Following a subdued beginning, Silver made an effort to go ahead; but interim gains could not be

consolidated for lack of follow-through support, though the underlying trend remained fully steady. Arrivals and off-take were estimated at 9 and 15 bars respectively. Chaitra delivery started at Rs 193.12 and advanced gradually to Rs 193.87, to close finally at Rs 193.69. Ready changed hands at Rs 193.00 to Rs 193.75.

Yarn

Conditions in the Yarn remained generally firm and active throughout last week. Turnover, both in Art Silk and Staple-Fibre yarns, improved further as a result of increased enquiries from almost all important consuming centres.

In the case of Art Silk Yarns, the improvement has been particularly noted in sympathy with the improvement in Nylon yarns where prices have advanced to the extent of Rs 2 per pound after the Budget proposals were announced. It is also stated that the market is now facing the full impact of the drastic reduction in import quotas to actual users and established importers. The Government have recently granted ad hoc import quotas of a modest value to the manufacturers; but it will take some time to secure supplies from abroad.

Latest reports from almost all important consuming centres go to show that confidence has now been revived in Staple-Fibre Yarns and there has been an improvement all round to the extent of 7 h/p per pound in several counts and qualities. It may be noted that stocks of imported staple-fibre have now been declining and the cotton mills, which are producing staple-fibre yarns, have now been compelled to use indigenous raw material in which prices have further advanced. Looking to this situation, it appears that the prices of staple-fibre yarns are likely to remain steady and, if demand shows further improvement, prices may improve further.

With the yarn market exhibiting a consistently firmer tendency, manufacturers of Rayon cloth have found themselves in a difficult situation. Besides, the improvement in cloth prices has not been commensurate with the fresh rise in yarn prices. The only redeeming feature of the present situation is, that most of the units have been able to clear 60 to 80 per cent of the accumulated stocks. It is feared, however, that several mills, especially in the small units, will be faced with the prospect of closure if the situation does not improve in the near future.

In the case of Cotton Yarns, the overall position remains unchanged except that the undertone is rather weak. This has been accentuated by further increase in the excise duty on power-looms. As a result of this, it is feared that the consumption of Indian cotton is likely to decline further.

GATEWAY
MARKETS

OLYMPUS

I REFERRED last week to the well worn dictum of Burke of the difficulty of taxing and pleasing at once and of the formal acts of protest by the taxed against new levies even when the taxes are accepted gloomily as more or less inevitable. Close on the heels of the presentation of the Budget has come one such influential protest: I am referring, of course, to the address of Mr Babubhai Chinai at the 31st annual session of the Federation of Indian Chambers of Commerce and Industry. Mr Chinai, who incidentally has been recently elected to the Rajya Sabha on a Congress ticket, was vigorous in his attack on the heavy incidence of taxation and asked for specific reliefs like the withdrawal of the Expenditure Tax and Wealth Tax on companies. The Federation has also since passed a formal resolution asking for a number of specific reliefs in taxation measures: If the Federation did seriously believe that all the reliefs asked for in the list are likely of acceptance by Government, it must indeed be very optimistic.

The list includes, among other just and reasonable demands somewhat remotely acceptable to Government the treatment of dividend as earned income, the abolition of Expenditure Tax, and Wealth Tax on companies, and further reduction of personal taxation. It is not that there is not a case to be made for at least some of these demands—for instance, that on personal taxation more or less on the Kaldor pattern—but, considering that all these changes have been introduced only last year, and Government have not shown themselves particularly anxious to revise their notions on their justice or inevitability, it is very unlikely that the Federation seriously believes that the request for relief is likely to fall on receptive ears. And yet, the formal act should not go by default. That would appear to be one of the reasons for the reference to the heavy incidence of taxation both by the President and the formal resolution.

Not that there was not a case for readjustments in the tax structure or that certain specific reliefs asked for were not legitimate. In the list I cited earlier, there were included the compulsory deposit and taxes on bonus shares both of which are instances of bad fiscal measures. And, as a general proposition, Mr Chinai's plea for a recognition of a limit for taxability was something exceptionable. I myself had referred to the limit of elasticity in these matters. But the surest way to keep well within these limits of elasticity would be to see that the existing taxes are collected efficiently and no evasion is allowed to occur. Once this is achieved, then there would be such a powerful popular feeling in

FICC Meets

favour of the inequity of such heavy taxation that the Government will be obliged to yield. As it is, evasion of taxation is pointed out both by the common man and the Government as an argument against the plea of heavy taxation and as a convenient escape from the charge of thoughtless stifling of enterprise. Of course, this kind of argument is not entirely logical and contains several non sequiturs, but, as long as there is extensive tax evasion, there is no possibility of obtaining popular approbation, and, therefore, Government acquiescence to significant tax reliefs.

Indeed, the new levies like wealth tax, expenditure tax and gift tax are justified more often on the ground that they act not so much as straight fiscal measures in their right but as mere check-points of evasion of the more conventional. Many among the business community merely feel that this is also a piece with other specious arguments that deny legitimate tax reliefs, but the theoretical attractiveness and the abstract validity of the argument cannot be denied.

Mr Nehru's reply to the Federation President's request for tax reliefs was brief. Indeed, some of those present felt that the President had turned an innocuous occasion into a rather controversial one and were actually apprehensive that Mr Nehru might "break loose". In this, they were doing less than justice both to Mr Chinai's courage and Mr Nehru's reasonableness. In the event, Mr Nehru conceded that there may be points at which fiscal acts of the Government may impinge adversely on the private sector, but he said that tax relief on any extensive scale or changes in the structure of the existing taxes cannot be expected for the present. That must have seemed inevitable enough even before the President rose to speak, since the same questions have been discussed at contexts other than Chamber meetings.

For the rest, Mr Nehru showed himself both reasonable and willing to listen to suggestions. He was anxious to convince that Government did not consider the private sector to be an "enemy" of the Government. Having afforded the private sector a well defined role to play, Government were determined to help them play it worthily. In this context, he referred to the help rendered by Government in a variety of ways. He was having in mind the large scale loans given under Government auspices and with Government guarantees and so forth.

On points of details, too, he showed himself receptive to ideas, though, here again, he showed basic adherence to Government policies. On the LIC, he said that there was no question of "denationalisation", but he would con-

sider suggestions made for decentralisation and creation of several units competing with one another. On the question of investment by LIC, he agreed that there should be no "backdoor" nationalisation of companies, but he felt that the LIC cannot be said to have no functions in consciously shaping the economic trends in the country. Mr Nehru's words were significant in that they give some indication that his mind is working along lines suggested in this journal from time to time. It will be recalled that, even when it became suddenly fashionable (following the furore over Mundhra shares) to believe that the LIC should invest only in "safe" companies, we have been urging a wider and more significant function than that of mere investor. Indeed, we said that the LIC had a duty to see that stock market health was properly maintained. Mr Nehru's mind, too, seems to be working along these lines. For, he says, that he "could not accept the proposition that the Government should not invest in certain companies essential to the economy of the country and prevent the collapse through the activity of speculators. If there were dangerous symptoms in the stock market and if the future of some important and vital undertakings was jeopardised, then the Government had every intention of seeing that these undertakings did not fail".

This categorical statement from the Government is most welcome since it represents a return to a sense of proportion over LIC investments. Even now, it cannot be said that Government have understood the larger possibilities of the function of open market operations by the LIC. But, after the panicky retreat from the market that has been recommended as proper conduct for the LIC, we are now seeing the beginnings of a new strategy, which in the fullness of time may become a full blooded open market operations policy for the LIC.

I have reserved for my final consideration what indeed was, in some respects, the most refreshing thing that happened during the annual session of the Federation. I refer to the speech of Mr G. D. Birla, at a luncheon meeting of the Federation. The most interesting thing about Mr Birla is that he cuts clear through the soporific clichés that businessmen are only too prone to substitute for hard thinking. For instance, the word "Socialism" is something to which business reacts in the same unthinking way in which a doctrinaire socialist does. Their reflexes are preconditioned: only that of the former is violently against it, while the "professional socialist" is uncritically enthusiastic about it. To Mr Birla, the word socialism has no terrors. He says: "Industry

must welcome in its own interest the country's goal of socialist pattern of society. Socialism must depend upon production of more wealth. Our interests are entirely with the interests of the people. Unless there is prosperity in the country, you cannot sell".

In saying this, Mr Birla clears quite a lot of mental cobwebs. The first among these, of relevance to the theoretical socialist, is that socialism as such can produce more wealth. It cannot. The producer of more wealth is neither socialism nor capitalism, but technics. Both socialism and capitalism are primarily concerned more with distribution, an operation that follows production. So, if nothing is produced, then there is nothing to distribute. This is the "socialist" error. The error of the "capitalist" with which Mr Birla was more immediately concerned, was that they imagined that given freedom of enterprise, they can make more profits. But you can make more profits only when you sell, and how can you sell to a people who have nothing to buy things with? The sine qua non of the businessman's prosperity is the existence of a prosperous buying public. The most important, almost the single, purpose of the present efforts of the country is to bring into being the prosperous buying public.

Another instance of Mr Birla's freedom from clichés was seen in his discussion of the "sectors". Steering clear of the familiar—all too familiar—private and public sectors, he postulated the "agricultural and industrial sectors". He said that "the greatest disappointment was not in respect of industrial targets either in the public or private sector, but in the agricultural sector. In this direction we have miserably failed". The failure, which is only too depressingly true, is as much a failure on the part of the Government (i.e., the public sector) as on the part of the people (i.e., the private sector). The moral, of course, is that unless these two sectors combine to increase agricultural production, the Plan must collapse.

On the question of foreign exchange, he expressed the view that it is really a long range problem and temporary expedients like the deferred credits, etc., are likely to prove embarrassing later. Here again, promotion of exchange earning exports is the only real solution. Indeed, look at the problem whichever way you like, in abstract terms of prosperity or in more palpable terms of agricultural production or foreign exchange, and the only real answer is more real effort at primary tasks. You cannot produce two sheaves of corn where there was only one before, by merely talking about sectors. And this is a counsel that both the public and private sectors will do well to take to heart.

DELHI
REVIEW

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DELHI
REVIEW

Mixed Trend in Foodgrains Prices

QUIETLY easy conditions have been noticed in the Foodgrains markets during the week under review. Harvesting of Coarse grains has begun and new grainings have begun to arrive in the markets.

In the Hapur market, Wheat prices have recorded a fall of about 50 nP per maund, to quote Rs 15.37 for the average quality and Rs 17.00 for the farm variety. Arrivals from the producing areas are nominal. The market for Rice continues to rule steady although the supply position is reported to be satisfactory. Gram prices have recorded a slight fall, while those of Jowar remain unchanged. The market for Maize and Bajra remain depressed. Peas rule quiet due to slack outside demand. The market for other pulses remaining steady.

In the Bombay grains market, the upward tendency in Rice has

gathered fresh momentum with the old crop registering a rise of Rs 7 to Rs 10 per candy. Traders have reported a growing shortage of seasoned rice with the continued absence of arrivals in the City. Fears are general that the supply position will deteriorate after some time if the Government's policy remains unchanged. In the Coarse grains section, Jowar prices have moved down, by about Rs 5 per candy, while arrivals range from 600 to 1,000 bags per day. It is believed that the quantity will increase in the next few days. The market for Bajra, too, has reflected an easy sentiment with prices moving down by about Rs 5 per candy.

Sugar

The market for Sugar continues to rule depressed. Hopes of additional levy of excise duty on the

sweet commodity have been belied. At the same time, the Government of India have announced the usual monthly release of 1.72 lakh tons out of the current season's production for free sale. As a result, stocks, which had been cornered by a few speculators, have come out in the form of distress sales. Consequently, prices of both spot and ex-mill prices have come down.

Export policy is eagerly awaited. It seems that the export of sugar has become problematical as the foreign markets are reported to be declining. In an effort to earn foreign exchange to the tune of about Rs 8.80 crores on estimated export of 2 lakh tons, the Government of India shall have to pay a very high price of losing about Rs 11.24 crores by way of actual loss of profit and rebate on excise and cess.

NORTH INDIAN
MARKETS

State-wise sugar production, up to 15th February, is as follows (figures in tons):—Uttar Pradesh 561,647; Bihar 176,458; West Bengal 5,479; Punjab 42,863; Rajasthan 7,017; Madhya Pradesh 20,074; Orissa 1,301; Madras 20,949; Kerala 8,039; Bombay 167,927; Mysore 56,902 and Andhra 76,135. Total—1,145,391 tons.

Crushing in West Uttar Pradesh is still in full swing; but cane supplies to factories are likely to go down shortly.

Gur

The market for Gur continues to rule steady. In the Hapur market, the rate for the Panseera quality is quoted at Rs 13.50 to Rs 14 and Balti at Rs 13.62 per maund. Arrivals average 1,200 to 1,500 maunds per day, while stocks have swelled to 135,000 maunds, the corresponding figure for last year being 95,000 maunds. Total arrivals, from the beginning of the season, are estimated at 3.6 lakh maunds as against 4.2 lakh maunds in the corresponding period of last year.

Crushing is almost coming to a close and may last hardly for another fortnight. Sowing of cane for the next season is in full swing. As gur prices have been fairly high this season, it is expected that acreage of sowings for the next season will increase.

Khandsari

So long, it was felt that a countervailing excise duty would be imposed on Khandsari, which has lately thriven on the artificial advantage given to it by the heavy fiscal burdens on crystal sugar; but this has not been done. But the successive increases in the excise duty on crystal sugar has stimulated the output of Khandsari by more than five times. This expansion has, so far, been marked mostly in Uttar Pradesh. There is a growing belief that the Khandsari industry will expand to other cane-growing areas also. In fact, it is believed that the rate of output may soon reach 600,000 tons a year.

In general, the basis for preferential tax treatment of Khandsari in comparison with crystal sugar has disappeared. It has also to be noted that the Khandsari manufacturer is free from the obligation to pay the statutory price for cane and the dues of the Co-operative Societies of the cane cess.

Shellac

The Shellac market in Calcutta continues to rule quiet, with Pure TN quality easing off further to Rs 73 from Rs 75 per maund. This drop in price brought out a moderate amount of business. The USA took part in this better off-take though not on a wide-enough scale to affect prices.

THE
PENINSULA

WHEN alone among all the States, the Kerala Finance Minister provided for a surplus budget last year, it attracted unusual interest among the people in general and even evoked appreciative comments from the Finance Commission. Though Mr C. Achuta Menon has provided for a surplus budget for the second year in succession, the achievement of a surplus even without resort to new tax measures in Andhra Pradesh and the conversion of an original deficit into a surplus by means of new taxes in Madras have tended to obscure the importance which the surplus budget which he has presented would otherwise have had.

Notwithstanding the provision for a surplus, the budget for 1958-59 which Mr Achuta Menon presented last week is disappointing. The chronic deficit in the rice requirements of the State could only have been met by providing for substantial increases in internal production. But the provision of Rs 50 lakhs in the budget to serve as subsidy on food distribution, would seem to belie hopes of an immediate prospect of the food position getting eased. The Finance Minister's statement about the need to popularise the consumption of other foodgrains such as wheat and tapioca confirms this. Self-sufficiency in the production of rice is envisaged only at the end of the Second Plan and this is sought to be achieved by the extension of the Japanese method of cultivation to an area of 13 lakhs acres. To popularise the Japanese method of cultivation, the organisation of about 500 demonstration farms is also envisaged. The establishment of a co-operative farming society in each of the block area is conceived with the same purpose of increasing food production in the State.

The working of the Community Development Programme has also been behind schedule. For the budget year a sum of Rs 14 crores has been provided. The completion of 142 blocks originally fixed for 1961 has been postponed to 1963. Mr Achuta Menon points to financial difficulties, as having necessitated such a decision.

The gap between target and fulfilment is even greater in the sphere of industrial development. While Mr Achuta Menon regrets the failure of the scheme for starting several industries provided for in the budget for the current year, his explanation for this is curious and superficial. He attributes this to lack of co-operation between capital and technical skill. But he could not indicate how these two could be brought together.

It is also not sufficiently clear from the speech of Mr Achuta Menon whether the scheme for the starting of new industries which had not fructified as originally expected would be taken up during

The Kerala Budget

the budget year. The extreme pressure on land in the Kerala State which is noted for a high density of population would have warranted a more dynamic approach in regard to industrial development. But the problem does not seem to have been viewed in its proper perspective. While legislation has been passed for safeguarding the interests of labour by means of minimum wages the interests of the industrialists do not seem to have been adequately recognised. The speech of the Finance Minister is lacking in assurances to private capital.

The nationalisation of the transport services in the State has been announced in the Budget. But when scarcity of capital is recognised as the main limiting factor in industrial development, why the Government should choose to forego Central assistance for transport development by turning down the latter's suggestion for the constitution of a corporation to be in charge of the nationalised service is incomprehensible. It is all the more strange since a corporation is generally credited with qualities of enterprise and efficiency of administration which Government departments do not possess. But the Government would seem to have preferred ideological victories to economic assistance from the centre.

The decision of the Government to bring under State ownership some private forests in the Malabar area does not seem to be well-timed in view of the fact that this would involve diversion of the extremely limited resources of the Government from purposes which are comparatively more important and which could have absorbed any increase in expenditure with greater profit. A sum of Rs 19.96 lakhs has been provided for this purpose. But the provision of a sum of Rs 7.5 lakhs for research in forest conservation and the decision to extend cashew cultivation over a wider area would be welcomed.

The need to balance the budget would seem to have precluded relief to any particular section of the population and consequently no such relief has been announced in the budget. Though he has promised sympathetic consideration of the demands of the low paid Government servants for increased pay the reference to the increased expenditure already incurred by the recent enhancement of the pay of certain categories of such employees, could bely hopes of any further concession.

The accretion of revenue under the recommendations of the Finance Commission and the new taxes that have been announced in the budget have considerably improved the budgetary position. And though anticipated increase in gross revenue in the current

year has revealed a shortfall of Rs 55 lakhs, consequent on the non-fulfilment of expectations in regard to agricultural income tax which was first announced in the budget for the current year, he expects improvement of revenue from other sources, such as land revenue and forest revenue.

The new taxes that have been announced in the budget are, increase in the rate of tax on urban immovable property, stamp duty on forward transactions in pepper and coconut oil, sales tax on timber surcharge on passenger fares in the State Transport Services, electricity duty at a higher level, and its extension to consumers other than licensees, and increase in sales tax on diesel oil from 8 nP per rupee to 20 nP. These tax measures are expected to fetch an additional revenue of Rs 66.78 lakhs, and convert the original deficit of Rs 32.77 lakhs to a surplus of Rs 34.01 lakhs. The revenue and expenditure for the coming financial year have been estimated at Rs 33.62 crores and Rs 34.17 crores respectively. Though the statement of the Finance Minister that the taxes have been carefully chosen so that the burden would not fall heavily on any particular section of the population, could not be disputed,

the stamp duty on forward transactions on pepper and coconut oil which is credited with a revenue potential of Rs 50,000 only has little justification.

Mr Achuta Menon is optimistic about the prospects for the Second Plan and the budget is largely oriented to facilitate successful implementation of the various programmes under the Second Plan. Since there are few schemes in the State's Second Plan which depend for their implementation on the availability of foreign exchange, the success of the Plan would depend solely on the efforts of the Government to raise the resources internally. In this connection Mr Achuta Menon has referred to the need for pruning unnecessary expenditure on non-plan items. This problem has been referred to the Administrative Reforms Committee which is also expected to make recommendations to eliminate delay in the implementation of the schemes that have been sanctioned. The arrears of expenditure in connection with various schemes under the State's Plan are of a huge order and more than anything else, it is on this task of eliminating delay in implementation of schemes that the State Government have to concentrate its energy.

MADRAS
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REACTION

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The Industrial Credit and Investment Corporation of India Ltd.

Discharge of Function Rendered More Difficult

Substantial Underwriting Carried out

Sir Ramaswami Mudaliar, the Chairman, Reviews Prospects

The Annual General Meeting of the Shareholders of the Company will be held in the Board Room of the Associated Cement Companies, at Cement House, Queen's Road, Bombay 1, on 7th April 1958 at 4 P.M. The following is the Statement by the Chairman Sir Ramaswami Mudaliar circulated to the Shareholders with the Directors' Report and Accounts for the year ended December 31, 1957.

It will be seen from the Directors' Report that by the end of 1957 your Company had agreed to give financial assistance in Rupees for a total of Rs. 944 lacs in respect of 31 projects. In addition 5 loans in various foreign currencies had been sanctioned for a total of the equivalent of Rs. 221 lacs.

With the Directors' Report and Annual Accounts for 1957 your Company completes the third year of operation and I take this opportunity to review the activities of this Company and to make a few observations of a general character. After allowance is made for the slow rate of progress inevitable in the initial stages of a new enterprise it may be stated that from the figures given above your Company's operations will not be regarded as unimpressive. In my previous remarks at General Meetings I have referred to a number of measures in the field of taxation and elsewhere which have operated during the three years since this Corporation commenced business; collectively these measures have produced what is conveniently described as an unfavourable investment climate in which investors have been reluctant to take on new commitments and in which their ability to do so has been curtailed by high taxation. It is against the background of these conditions that the operations of this Corporation must be viewed.

From the information given in the Directors' Report for 1957 it will be apparent that total assistance sanctioned by your Company can be divided more or less equally between loan operations in Rupees and Foreign Exchange on the one hand and underwriting operations in respect of shares or debentures on the other. In the provision of loans while your Company is not the only source of Rupee finance in India it has come to occupy a special position by reason of its ability to grant loans in foreign currencies of moderate amounts in present times when the shortage

of foreign exchange is holding up the development of many enterprises. Out of a line of credit of the equivalent in various currencies of U.S. \$ 10 million available to your Company from the International Bank for Reconstruction and Development, loans have so far been sanctioned of an equivalent of \$ 4.63 millions for five projects, and it may not be long before the entire amount is used up. It was hoped at the time when this Company was floated that further foreign exchange resources would be made available when the first line of credit became exhausted and I trust that your Company may be enabled to continue to render assistance in the form of foreign exchange loans in suitable cases and for suitable amounts through the grant of additional credit from the World Bank when this becomes necessary.

As a financing institution which also takes care of providing permanent share capital for industrial development your Company is the only one of its kind in this country and it is a matter of no small significance that within the short period of its existence it has been able to carry through substantial underwriting operations in spite of the unfavourable investment climate. Out of 16 underwriting operations sanctioned involving a total commitment of Rs. 535 lacs, 9 operations had been completed by the end of 1957 and two more have been completed so far in this year. Of equal importance with the actual underwriting operations effected is the laying of the sound foundation for our future activities in this field. I am hopeful that with the traditions that are being established it should be possible in the future to organise underwriting activities on a larger scale. It has been our endeavour to interest institutions and firms of good standing to join us as underwriters or sub-underwriters so as to be able to organise underwriting operations which are too large for your Company to carry through alone. I have emphasised before that success in this field depends upon a suitable investment climate and I trust that Government will give due regard to the necessity for doing their share to bring about the right sentiment among potential investors without whose support we cannot do fully what we set out to achieve.

Generally our approach is based on the idea of interesting other parties or agencies in our opera-

tions so as to broaden their base. In this way we hope, as experience of our operations becomes more widely known, potential investors will learn to rely on the detailed examination of every project which we insist upon before providing financial assistance of any kind. It is to be noted that the World Bank in its operations is always looking for, and has achieved a substantial measure of success in obtaining, the support of other financial institutions and investors.

I should like to mention one significant feature of the assistance so far sanctioned. Out of the 36 projects which we have agreed to help 16 are new enterprises. It may also be noted that both in the matter of industries covered and their distribution over the country the assistance is broad-based. Special attention has been given to the needs of underdeveloped areas.

It has become a matter of concern that while your Company has been trying to fulfill the role for which it was set up by providing risk capital to new as well as existing enterprises, the discharge of that function has been rendered more difficult as a result of new factors which have come into operation during the last 3 years. On account of a considerable increase in income tax and corporation tax rates and the levy of capital gains tax the earnings of your Company after tax are so reduced that the sums remaining are insufficient to permit adequate allocation to reserves as well as a reasonable return to the shareholders. I need not repeat all the arguments which show the need for building up substantial reserves against the risks inherent in our operations—particularly in the financing of new ventures. In the case of new ventures your Company may have to wait several years before it can receive any Dividends on its investment and, when received, such Dividends in common with all Dividends received on investments in shares by your Company, will suffer Corporation tax in the hands of your Company despite the fact that the same earnings will already have suffered Corporation tax in the hands of the Company concerned. Investors in new projects who look to an appreciation in the value of their investments as some compensation for foregoing Dividends in the earlier years now find that the capital gains will be taxed, admittedly at a lower rate than

normal income tax. This means that your Company will be taxed on capital gains when it realises investments with the view to taking on new commitments. It will be recalled that it is the policy of this Company to revolve its investments in order to make its funds available for further industrial financing. Your Directors have represented to Government that consideration be given to the grant of tax concessions to Companies such as yours which are engaged in industrial financing and do not have the benefits available to industrial enterprises in the way of development rebate, additional depreciation allowances and the like. Without some such concession your Directors feel that it will be difficult for them to recommend the setting aside of adequate amounts to Reserve for possible capital losses on their operations and at the same time give a reasonable Dividend to the Shareholders.

It will be evident from the results of 1957 that against operating profits of Rs. 48 lacs taxation takes Rs. 25 lacs leaving only Rs. 23 lacs for allocation to Reserves and for Dividends to the Shareholders.

You will see from the accounts that the meeting of the additional tax imposed in respect of 1956 and the allocation of Rs. 5 lacs to Reserve this year together with the payment of a modest Dividend of 4% tax free on the paid-up Capital have involved a substantial reduction in the balance which stood to the credit of the Revenue Account after payment of the Dividend last year. Unless we are able to step up our income during the current year and obtain some tax concessions the payment of a Dividend to Shareholders at a reasonable rate commensurate with the risks which this business involves will be no easy matter. Your Company's present resources are likely to be fully utilised in the near future. How best additional funds can be raised is engaging our attention and my plea for tax relief has considerable bearing on our ability to do so.

Turning now to the state of India's economy during 1957 I should like to refer to certain aspects of major importance. Early in the Second Plan both the Private and the Public Sectors have met a severe shortage of internal and external capital for fulfilment of the production targets laid down. While I am far from

Pepper Steady

DESPITE quieter advices from New York and Singapore, Pepper markets in India have continued to rule steady, thanks to continuous support from bulls and covering by shorts. In the Alleppey market, the rate is quoted around Rs 562.50 per candy. Calcutt, which was until recently soft seller at round about Rs 550, has become reserved at Rs 575, as holders and growers have the feeling that New York should sooner or later must come in for Malabar black if the present uncertainty in Indonesian situation continues and as soon as the present heavy stock of Lampong at Singapore is liquidated.

In the New York market, prices remain unchanged. Despite continued improvement in prices reported from India and Singapore, sellers here say that they are unable to raise current rates, because of the lack of consumer demand.

In the London market, black Sarawak is quoted at 16½d per pound seller. The rate for Malabar pepper has developed a slightly hardening tendency on higher advices and reported covering against Russian demand at origin. In the Singapore market, Sarawak special is quoted at Str. \$63 per picul of 133.3 pounds.

Groundnut

The Madras Groundnut market has continued to rule steady with business reported done at Rs 145 per candy. Arrivals are reported at about 200 tons per day. Calcutta interest and local small crushers are taking up this quantity.

In the Groundnut Oil section, the rate for the ready position is maintained at Rs 298 per candy. Operators felt great relief on the news that there would be no fresh levy on vegetable oils in the Union Budget; but the continuance of the exemption limit of 75 tons and clearance at the reduced rate of Rs 70 per ton were disappointing to the market since it would handicap the working of the bigger mills.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides did not show any improvement; but prices ruled firm with a steady clearance. Arrivals of Buff hides were normal with no change in prices, while those of Cow Calf and Buff Calf were rather restricted.

In the export section, trading was not brisk and business suffered from price difficulties. It is re-

ported that there is enough stock on spot in London to keep the demand well satisfied and, with larger Government releases in the UK, the market in London has not felt any scarcity of supplies.

In the Tanned Skin section, arrivals of both Goat and Sheep skins were moderate and there was a steady clearance. Prices were 6 to 12 nP per pound lower in the case of sheep, and unchanged to 6 nP per pound lower in goat skins.

On the export front, trading was limited. Only a few sales were reported done in 5½/6 lbs goats run selections at prices varying from 14sh 3d to 14sh 9d. There was, however, improved enquiry for 8/9 lbs, which were sold upto 15sh 3d. In Sheep skins, primes and semi-primes were quiet. Some sales in common quality sheep were reported at last November levels.

In the London auction, to be held on the 17th March, offerings are expected to be 480,000 goat skins and 940,000 sheep skins.

Coconut Oil

Near-panic conditions were witnessed on the Coconut Oil market in Alleppey during the week under

SOUTH INDIAN MARKETS

review following continued good spot enquiries from Calcutta and consequent pick-up in values. As a result, bear operators, in the futures section, rushed to cover their pending commitments, while bull's secured full control of the market.

These sudden developments reflected miller's reserve caused by higher advices from overseas markets and slight drop in corn inflow. In the spot section, the rate, after opening at Rs 590 per candy, was pushed up to Rs 605 at the close. March and April deliveries spurted to Rs 612 and Rs 607 from Rs 602 and Rs 599 respectively.

Bangalore Silk

Prices in the Bangalore Silk market maintained a generally firm trend last month particularly in the case of Filature varieties. Kollegal ranged between Rs 31 Rs 38.50 with T. Narsipur quoted between Rs 37 and Rs 38.50. Kanakapura, on the other hand, tended to rule at still higher levels, touching Rs 40.

The general rising trend in the prices of Filatures, which is not a healthy sign, is attributable to paucity of cocoons following certain unfavourable seasonal factors.

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Paid-up Capital Rs. 10,00,000
Reserve Fund Rs. 10,25,000
Working Funds as on 31-12-1957 Rs. 3,27,81,916
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S. N. K. SUNDARAM, M.A. Director

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happy at the apparent slowing down of the rate of progress as a result of such shortage it looks to me that the country is now entering a more realistic phase of planning. I see in the country welcome signs of awareness of difficulties which lie in our path and a determination to grapple with those difficulties in a serious fashion.

While special attention appears to have been given recently to the need for increasing exports it does not appear to me very probable that substantial and early relief to our balance of overseas payments can come from this source. The unsatisfactory feature of our overseas payment situation is the dependence on imports of food grains. It appears that favourable harvests during the First Plan Period have resulted in insufficient effort being directed towards the expansion of food production during the Second Plan Period with the result that the partial failure of crops in some parts of the country have increased the dependence on imports at a time when this can ill be afforded. I am glad to note that this problem is now engaging the attention of Government. However, I believe it should be given a central place in all our planning both present and future because, with the population growing at a faster rate than ever before as the result of improved standards of living and health, our efforts in the direction of industrial or other development will remain at risk until we have built up a continuing overall surplus of food grains for domestic consumption.

I referred briefly to the need and the efforts which are being made to encourage exports and said that this was not likely to be an easy task. I feel bound to observe that

in my opinion the channelling of exports through State Trading is not the only or the best way in which the most satisfactory results are likely to be achieved. The efforts of Government could, I believe, be even more profitably directed towards the support of export promotion groups comprising those in the exporting industries to whom in any event Government must look for the major efforts.

Any survey such as I have attempted of the problems confronting our country at this important stage of the Second Five Year Plan would be incomplete if I do not pay a tribute to all those overseas Governments, International Agencies and other friends of India who have during this period of exchange shortage come forward with help in various forms. We must also remember the many overseas Companies who have made new investments or increased existing ones in India thereby showing their confidence in our country. On the other hand we must ourselves recognise that help from such sources can, at best, be only marginal in meeting our large-scale requirements. It is to our own efforts that we must look in the main for finding the resources to carry through our ambitious plan of social and industrial development whether they require finance in the form of Rupees or foreign currencies. To this end it is necessary to recognise that it is the actions of individual persons which will determine whether we are able to find the resources we need or not and the task falling on Government is primarily to bring about the conditions under which individuals will be able and willing to do their share.

In the present and the immediate future I believe that the utmost

attention should be given to the completion of those projects included within the Second Five Year Plan which are already substantially advanced. This applies particularly to those which when in operation, will achieve early savings of foreign exchange. Concentration in this direction at this moment even at the cost of deferring the commencement of other attractive projects which may also eventually achieve exchange savings by avoidance of imports is the only way in which quick results can be counted upon. Coupled with a review designed to take advantage of progress already made there should be, in my opinion, an early objective examination and rephrasing of the remainder of the Second Five Year Plan with due regard to the resources now available to us. The time for proceeding on the assumption that windfalls will come from some direction or another so as to enable us to avoid a crisis is, in my opinion, passed. At all costs we must endeavour to avoid a reduction in economic activity as the result of a shortage of imported raw materials or semi-finished goods necessary to sustain the industries already started or far advanced in construction.

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PANDYAN BANK LIMITED

Central Office: MADURAI

Madras Office: 121, ARMENIAN STREET

Statement of Condition as at 31st December, 1957.

LIABILITIES		Rs.	ASSETS		Rs.
Capital	..	10,00,000	Cash and Banks	..	53,08,112
Reserves	..	10,25,000	Investments	..	69,55,910
Deposits	..	2,73,91,160	Advances	..	1,72,24,099
Bills, Acceptances etc.	..	19,14,466	Bills, Acceptances etc.	..	19,14,466
Other Liabilities	..	13,42,788	Furniture and Fixtures	..	3,15,200
			Other Assets	..	10,64,129
PROFIT:					
	1957 Rs.	3,50,118			
	B/F 1956 Rs.	23,384			
		Rs. 3,73,502			
Less Appropriations for tax and contingency account		Rs. 2,65,000			
		1,08,502			
Total	Rs.	3,27,81,916	Total	Rs.	3,27,81,916

S. N. K. SUNDARAM
Managing Director.

S. E. RLY TENDERS

Sealed Tenders (Tender No. PD/44-CS/GB11 of 58) for Printing and Binding of ten volumes of Stores Price List—800 copies each of 9 volumes and 400 copies of one volume (Pages varying from 12 to 80) are invited.

Tender forms are obtainable from the Controller of Stores (P.D. Section) S. E. Rly., Garden Reach, Calcutta-23 on remittance of Rs. 2/- (not refundable) per copy by money order to him direct in the case of outside firms and on production of cash receipt from this Rly's Chief Cashier, by local firms.

Earnest money is Rs. 200/- which should be deposited with this Railway's Chief Cashier and the receipt thereof should accompany the tender without which the tender is liable to be rejected. Approved contractors who have already made a permanent deposit of Rs. 1,000/- are exempted.

Tenders will be opened at 12 noon on 8th April '58 in the Office of the undermentioned.

S131 CONTROLLER OF STORES

S. E. RLY TENDER

Sealed tenders are invited for tender No. PD/3560. R/F1 of 56 for supply of (1) B.R.C. Fabric No. 6-8 Rolls (2) B.R.C. Fabric No. 7-8 Rolls (3) B.R.C. Fabric No. 8-8 Rolls or similar. To be manufactured from Hard drawn steel wire as per B.S.S. Specn: 1221-45.

Tender Forms are obtainable from the undermentioned at Garden Reach, Calcutta-23 on remittance of Rs. 2/- per copy (not refundable) by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, Garden Reach by local firms. Closing date is 2-4-58 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid Income Tax Clearance Certificate with the tender. Earnest Money is Rs. 250/-.

S129 CONTROLLER OF STORES

March 15, 1958

THE UNITED COMMERCIAL BANK LIMITED

Registered Office:

2, INDIA EXCHANGE PLACE, CALCUTTA-1

NOTICE

NOTICE IS HEREBY GIVEN that the FIFTEENTH ANNUAL GENERAL MEETING of the Shareholders of THE UNITED COMMERCIAL BANK LIMITED, will be held at the Registered Office of the Bank at 2, India Exchange Place, Calcutta, on Wednesday, the 9th day of April 1958, at 4 P.M. to transact the following business:—

1. To receive and adopt the Report of the Directors and the Audited Balance Sheet as on 31st December, 1957, and Profit & Loss Account for the year ended 31st December, 1957.

2. To declare a dividend.
3. To elect four Directors in the place of

Shri M. L. Tapuriah
Shri I. P. Goenka
Shri A. C. Law
Shri R. L. Nopany

who retire under Article 92 of the Articles of Association of the Bank, and, being eligible, offer themselves for re-election.

4. To appoint Auditors for the current year and to fix their remuneration.

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as a SPECIAL RESOLUTION:

"That Articles of Association of the Company be altered in manner following:

- (a) In Article 22—lines 8, 9 and 10 the words 'or the Directors may agree with such member that the member may participate in profits upon the amount so paid or satisfied in advance' appearing after the word 'upon' in the eighth line of the said Article 22 and ending before the word 'And' in the tenth line thereof be deleted.

- (b) That the first paragraph of Article 87 be deleted and the following be substituted in place thereof: '87. Each Director shall be paid out of the funds of the Company by way of remuneration a sum of Rs. 500/- every calendar month.'

Note: 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

2. (a) The transfer books of the Bank will be closed from Monday, the 24th day of March 1958 to Wednesday, the 9th day of April 1958, both days inclusive.

- (b) The dividend, if sanctioned, will be payable on and after the 10th April, 1958, to those Shareholders whose names appear in the Register of Members on Wednesday, the 9th day of April, 1958.

- (c) Dividend Warrants will be posted to Shareholders at their registered addresses or in accordance with their mandates. Shareholders are requested to advise change in their addresses, if any.

EXPLANATORY STATEMENT REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956.

The item of Special Business to be transacted at the Annual General Meeting to be held on the 9th day of April 1958 is to consider and pass a Special Resolution seeking to alter articles 22 and 87 of the Articles of Association of the Company.

Item 5 (a): The words "or the Directors may agree with such member that the member may participate in profits upon the amount so paid or satisfied in advance" appearing in the 8th, 9th and 10th line of the existing Article 22 are likely to be construed to contravene or violate the provisions of Securities Contracts (Regulation) Act 1956 and the Securities Contracts (Regulation) Rules 1957, which have come into force since 20th February 1957 and which, inter alia, provide that any amount paid in advance of calls on any share may carry interest but shall not entitle the holder of the shares to participate in respect thereof, in a dividend subsequently declared. To remove all doubts the Company has been advised to alter the said Article 22 by deleting the above words. The Directors have no interest in the above amended Article 22.

Item 5 (b): This refers to the remuneration by way of sitting fee payable to the Directors which, in accordance with first paragraph of the Article 87 of the existing Articles of Association, is a sum not exceeding Rs. 100/- for each meeting of the Directors or any Committee of the Directors attended by him.

It is now proposed that a remuneration of Rs. 500/- per month be given to every Director instead of sitting fees of Rs. 100/- per meeting.

The responsibility of the Directors has considerably increased under the new

Companies Act and their work has also increased by reason of the increased volume of business that the Bank has to handle compared to what was being done in the first few years. The Directors have to devote a good deal of time for attending to the affairs of the Bank at its meetings or otherwise. In view thereof, it has been proposed that the remuneration of Direc-

tors be increased as stated above.

The Directors are interested in the amended Article 87 which seeks to increase their remuneration as aforesaid.

By Order of the Board,
S. T. SADASIVAN
General Manager.

Calcutta,
4th March, 1958.

THE JAY SHREE TEA GARDENS LIMITED

NOTICE is hereby given that the twelfth Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at India Exchange (2nd floor), India Exchange Place, Calcutta-1 on Wednesday the 23rd April, 1958 at 3.00 P.M.

Directors and in such manner as may from time to time be thought fit by them."

The share transfer Registers will remain closed from 25th March 1958 to 23rd April 1958 both days inclusive.

By Order of the Board,
BIRLA BROTHERS PRIVATE LIMITED,
Managing Agents.

8, India Exchange Place,
Calcutta, the 4th March, 1958.

- (1) To receive and consider the Directors' Report and pass the Audited Accounts for the year ended 31st December, 1957.

- (2) To declare dividend on Preference and Ordinary Shares.

- (3) To elect a Director in place of Shri N. C. Mehta who retires by rotation and in respect of whose reappointment, to consider and if thought fit to pass the following resolution of which a special notice has been received by the Company.

"RESOLVED that Shri N. C. Mehta, who has attained the age of 65 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit prescribed under Section 280 of the Companies Act 1956 shall not apply to him."

- (4) To appoint Auditors for the current year and to fix their remuneration.

- (5) To transact any other business that may be transacted at such meeting.

- (6) As a special business to consider and if thought fit to pass the following special resolution with or without modification:

"RESOLVED that for a period of five years from 1st January, 1957, payment of commission to the Directors upto a maximum of one per cent, to be decided by the Directors from year to year, on the net profits of the Company in respect of each financial year, as determined in accordance with and subject to the provisions of the Companies Act 1956 be and is hereby sanctioned to all the Directors of the Company and that the same be distributed amongst such

Note.—1. A member entitled to attend and vote at the meeting may appoint a proxy in place of himself and that the proxy need not be a member.

The explanatory statement as required in pursuance of sub-section 2 of Section 173 of the Companies Act 1956 in respect of item Nos. 3 & 6 is given below.

ORDINARY RESOLUTION NO. 3.

Shri N. C. Mehta, I.C.S. (Retd.), Bar-at-Law, Director of the Company retires by rotation. As he has attained the age of 65 years his reappointment as a Director of the Company requires the resolution of shareholders specifically declaring that the age limit prescribed in Section 280 of the Companies Act 1956 shall not apply to him. The Company has received special notice from a member notifying his intention to move the resolution set out in the item. Shri N. C. Mehta has been a member of the Board of Directors of the Company since long and it is in the interest of the Company that he should continue to be a Director of the Company.

SPECIAL RESOLUTION NO. 6.

Under Section 309 (4) of the Companies Act 1956, Special Resolution is required for the payment of Directors' commission not exceeding one per cent of the net profits of the Company. The said resolution is to be for the period beginning from 1st January 1957 onwards and subject to its being passed the Directors' commission @1% of the net profits of the Company for the year 1957 and subsequent years will become payable to the Directors.

THE NATIONAL BANK OF INDIA LIMITED AND TWO SUBSIDIARY COMPANIES

CONSOLIDATED Balance Sheet as at 31st December, 1957 (See Note 1)

	1957 £		1957 £
Capital—Authorised and Subscribed—4,562,500 Shares of £1 each	4,562,500	Current Assets—	
Paid-up 12/6d. per Share	2,851,563	Cash on Hand, at Call and Short Notice and at Bankers	20,682,713
Reserve Funds—Including Share Premium Account £1,128,750 (1956—£1,128,750)	3,168,579	Investments at under Market Value:—	
Profit and Loss Account—		British Government and other Securities quoted on the London Stock Exchange	10,843,202
Profit unappropriated	355,589	Indian, Pakistan, Ceylon, East African and Rhodesian Government and other Securities quoted on Overseas Stock Exchanges	17,399,118
	6,375,731	Unquoted Investments	435,603
Current Liabilities, Provisions and Other Accounts—		Bills of Exchange, including Treasury Bills	23,636,430
Current and other Accounts, including provision for diminution in value of assets, taxation on profits to date and reserves for contingencies	111,055,188	Advances, Loans Receivable and other sums due to the Bank	84,984,901
Fixed and Short Deposits	41,465,650	Customers for Acceptances per Contra	899,245
Bills Payable	2,186,432	Total Current Assets	158,791,212
Acceptances for Customers	899,245	Fixed Assets—	
Second Interim Dividend less Income Tax for the year ended 31st December, 1957	122,974	Bank Premises, Property and Furniture at cost, less amounts written off	3,354,006
	155,729,469		£162,105,220
	£162,105,220		

NOTES:

- Consequent upon the transfer to the National Bank of India, Limited of all the assets and liabilities of Grindlays Bank Limited as at the close of business on 31st December, 1957, by virtue of the Scheme of Arrangement, dated 8th July, 1957, and by the Order of Court, dated 7th November, 1957, under Section 208 of the Companies Act, 1948, the name of the Bank was changed as from 1st January, 1958, to National Overseas and Grindlays Bank Limited.
- There are commitments in respect of confirmed Credits, Forward Exchange Contracts and Guarantees, including Guarantees to Government Departments in India. Securities to the nominal value of £591,320 (1956—£602,613) have been deposited as security for Government and other accounts. There are contingent liabilities on Bills re-discounted amounting to £4,081,253 (1956—£234,630), of which £2,515,299, has run off at 1st March, 1958.
- Liabilities have been incurred in respect of building contracts for new premises amounting to approximately £627,000 (1956—£272,850).
- The rupee in India, Pakistan and Ceylon and the kyat in Burma have been converted into sterling at 1/6d. and the East African shilling at par. Other currencies have been converted at the rates of exchange ruling on 31st December, 1957.

G. T. GILLESPIE, Deputy General Manager.
D. A. DEELEY, Chief Accountant.

J. K. MICHIE
E. J. MACKENZIE HAY
COLGRAIN } Directors

CONSOLIDATED Profit and Loss Account for the Year Ended 31st December, 1957

	1957 £		1957 £
Premises Account	100,000	Balance brought forward from previous year	854,046
Contingencies Reserve Account	80,000	Net Profit for year ended 31st December, 1957, after providing for Taxation and Transfers to Staff Pension Funds and to Contingencies Reserves, out of which Reserves provision has been made for diminution in value of assets	427,490
Dividends, after deduction of Income Tax—			
First Interim Dividend paid at the rate of 7½ per cent for the year ended 31st December, 1957	122,973		
Second Interim Dividend payable at the rate of 7½ per cent for the year ended 31st December, 1957	122,974		
	245,947		
Balance of Profit unappropriated—			
National Bank of India, Limited	272,534		
Retained in Subsidiary Companies' Accounts	83,055		
	355,589		
	£781,536		£781,536

NOTE. The aggregate amount paid in respect of Directors' fees was £21,374 of which £3,470 was borne by a subsidiary (1956—£19,746 and £3,000 respectively).

REPORT OF THE AUDITORS TO THE MEMBERS.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from Branches not visited by us. We have examined the above Balance Sheet which is in agreement with the books of account and returns. In our opinion and to the best of our information and according to the explanations given to us the said Balance Sheet gives the information required by the Companies Act, 1948, in the manner thereby authorised for Banking Companies and, on such basis, the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December, 1957.

We have also examined the annexed Consolidated Balance Sheet and Consolidated Profit and Loss Account of the Bank and its Subsidiaries dealt with thereby, with the audited accounts of those Companies. In our opinion such Consolidated Balance Sheet and Consolidated Profit and Loss Account have been properly prepared from such view of the state of affairs and of the profit ascertained in the manner therein indicated of the Bank and its Subsidiaries so far as concerns members of the National Overseas and Grindlays Bank Limited.

London,
3rd March, 1958.

COOPER BROTHERS & CO.,
W. A. BROWNE & CO., } Chartered Accountants

March 15, 1958

National Overseas and Grindlays Bank Limited

Difficult Year for India in 1957

The Effect of High British Bank Rate

Statement by the Chairman, Mr J. K. Michie

The following is the statement by the Chairman, Mr J. K. Michie, relating to the Accounts to be submitted to the Annual General Meeting to be held on the 1st April 1958:—

The physical amalgamation of the National Bank of India Ltd. and Grindlays Bank Ltd. into the National Overseas and Grindlays Bank Ltd, took effect from the 1st January, 1958, so while this is the first report to the shareholders under the new name, the Accounts for 1957 perforce are presented in the previous form.

Despite the enormous amount of detailed work involved, thanks to the organising ability of those specially seconded to the task and to the co-operation of the staffs of both Banks, the fusion was accomplished with remarkable smoothness and I hope without inconvenience to our customers. In a complex operation of this kind to foresee and anticipate every difficulty would be superhuman but I am satisfied that any outstanding problems will be disposed of with the sympathy and understanding which were the keystones of the whole operation.

We have established a 54 Parliament Street Committee of five members, all of whom were on the Board of Grindlays Bank Ltd. This Committee will assist the Management to deal expeditiously with the large number of accounts which they hold and so maintain the very high standard of service associated with the name Grindlays.

I have to report a change in your Board since our last meeting. Sir Robert Reid, who had been a member since 1943, retired on 31st December last. Sir Robert had a distinguished career in the Indian Civil Service, finally as Governor of Assam, and his intimate knowledge of the sub-Continent was of great value to us. Incidentally his father was a member of the Board for 31 years, from 1878 until 1909.

To fill the vacancy we invited Mr. E. H. Owen to join us, which he did early in January. Mr. Owen had been a member of the Board of Grindlays Bank Ltd. since October, 1955, so already had knowledge of our business. He also has wide interests in the City and I recommend him to you with every confidence.

I also have an impending loss to report. Mr. W. H. Miles, who has very special knowledge of Ceylon and who has been on the Board since April, 1946, has intimated that he wishes to reduce his busi-

ness commitments and his resignation will take effect after the Annual General Meeting. We accept his decision with much regret and shall miss his wise advice not only on matters concerning Ceylon but on the wider aspects of our business.

Before leaving the subject of the Board I am sure you would wish to join in congratulating Sir Toby Low, K.C.M.G., C.B.E., D.S.O., M.P., on the honour of Knighthood conferred on him by Her Majesty the Queen in the 1957 Birthday Honours List for his distinguished services as a Minister of the Crown over a period of six years.

Turning to figures, the total of our Consolidated Balance Sheet at £162,105,220 shows a small reduction and our net profit is £5,345 lower at £427,490. As usual this figure is arrived at after full provisions for taxation, for bad and doubtful debts and other necessary reservations. Two interim dividends each of 7½% have been declared, making a total unchanged distribution of 15%.

During 1957 Government securities again fell considerably in value—a process which fortunately has recently been reversed—but I am glad to be able to report that these temporary reductions in value as in the past have been provided against internally.

INDIA

1957 was a difficult year and at the moment prospects for 1958 promise little, if any, alleviation of her financial problems; in fact, due to a poor monsoon, the food situation is less favourable than in recent years and that means more imports and a greater drain on monetary reserves.

When a country is in process of an industrial expansion at a rate far in excess of its own savings, this, combined with a fall in the values of its basic exports, i.e., jute products, tea and cotton goods, is doubly hurtful. The new investments absorb sterling balances which previously yielded interest; alternatively they are being built with the help of borrowed money on which in some form or another and at some time or other interest will have to be paid. There is, temporarily there is a large element of inflation in the phase through which India is passing.

Internally money is tight and too cheap and Government have asked Banks to reduce their lendings. This process would be easier if Government itself paid its dues

somewhat more promptly and recognised that money, too, is a commodity which should only be cheap if it is plentiful.

Another major aggravation of India's difficulties has been the lack of public confidence as evidenced by a continued fall in Stock Exchange values, accentuated, of course, by the Mundhra incident. In view of the wide publicity being given to this affair you will be glad to know that our Bank is involved only to a limited extent and full provision has been made in these accounts for any possible loss. It is most regrettable that the involvement of the Life Insurance Corporation in the Mundhra affair has led to the resignation of India's able Finance Minister Mr. T. T. Krishnamachari.

At this stage it is impossible to avoid comment on India's immediate economic difficulties, but on the other side of the picture there is no question of the energy and realism with which she is now facing them. Imports are being cut, long credit is to some extent being arranged and a certain success is being achieved in raising further loans and aid. Equally there is no doubt of the goodwill towards India of the countries and organisations from which the funds and other assistance may be secured and I am certain they will strain themselves to help India over her difficulties.

PAKISTAN

The economy of Pakistan is also under strain. The year 1957 ended with a deficit of over £19,000,000 in the balance of payments as compared with £675,000 in 1956.

There have been falls in both prices and production of tea and jute, the cotton crop yield was about the same as the previous one, but exports are running at a much lower level.

The food situation in East Pakistan has recently improved considerably and prices have fallen to reasonable levels. In October Mr. Suhrawady resigned the Premiership and after a short period under Mr. Chundrigar was replaced by Malik Feroz Khan Noon, who has previously held office in a variety of capacities.

Internally, money is in fair supply in Pakistan, but as is now much more generally realised it is trade balances and external reserves that really matter and Pakistan has a stern fight ahead of her. Nevertheless prospects for 1958 are more favourable, but much depends on food production

and the slowing down of purchases of capital goods from overseas. The Sui Gas Scheme is also increasingly helpful by saving imports of fuel.

CEYLON

Last year I was able to report a buoyant economy; good prices for tea and an increased balance of trade, the only clouds being labour relations, particularly in the port of Colombo, and the continued talk of nationalisation of tea estates.

Since then tea prices have been volatile and generally lower and rubber prices also are lower, while recently conditions in the port of Colombo have been chaotic and have caused a severe and crippling hold-up of exports.

It has been stated officially that tea estates in Ceylon would be nationalised only when it became necessary in the interests of the country's economy and that time has not yet arrived.

To add to the troubles there was a disastrous flood up-country in December which has disrupted communications and slowed down exports even further. The country's most immediate problem is port labour and how it is to be handled. At the moment it seems to be largely out of hand. Other labour is also restless and widespread strikes are threatened. Whatever the causes of this unrest the results are certainly embarrassing and extremely damaging to the economy of the country.

BURMA

Last year rice exports reached a post-war record of over 2,000,000 tons, timber exports were maintained and with the coming into operation of the new oil refinery, imports of oil were reduced. There was, too, an encouraging improvement in what is called "law and order". In fact, portents were distinctly encouraging.

Unfortunately 1957 brought the poorest monsoon since 1920 and Burma's rice crop will thrash out 30% short of the previous year, which means the exportable surplus of around 1,000,000 tons only and a loss of foreign exchange of nearly £30,000,000. Foreign exchange reserves are already falling and economies will have to be the order of the year. There is a regrettable movement afoot to restrict and even ban internal overdraft facilities to foreign or foreign-controlled companies and firms and this will affect many of our constituents. It is also very doubtful if it will benefit Burma's trade. The difficulties over remit-

tances, both personal and of accumulated profits, I regret, continue.

EAST AFRICA

During the past year Branches were opened at River Road, Nairobi, and at Gulu in Uganda.

In Kenya Fort Hall, which had formerly been a sub-Branch to Thika, became a full-time Branch on 1st July, 1957, and on that date a Sub-Branch to Fort Hall was opened at Embu. In the same month a sub-Branch to Nyeri was opened at Karatina.

KENYA

Grain crops were reasonably good, while the coffee crop reached an unexpectedly high figure of 22,000 tons and fetched quite good prices. Tea production continues to expand, although prices were not as good as in 1956.

The resettlement of Kikuyu and Meru tribesmen involved in "Mau Mau" continues and during a brief visit to Kenya in November I was able to see a part of what is being done.

From my observations the building boom in Nairobi and elsewhere is over, and particularly as the flow of capital into East Africa is declining it would be a good thing if less money were now to be put into bricks and mortar and more devoted to increasing liquidity.

The Government and other public bodies are finding it increasingly difficult to raise loans either in London or locally and this both has an effect on and is a reflection of the availability of money generally.

UGANDA

The two main cash crops, cotton and coffee, gave average to good yields last year, although neither reached the figures hoped for. Due to a prolonged drought in August/November prospects for this year are far from good and will mean a great deal less spending power in the Protectorate. The cotton crop, which partly because of better agricultural methods was at one time expected to reach a record yield of 450,000 bales, is now estimated at 310,000, the one satisfactory feature being that but for the improved methods adopted the yield would have been even lower. There is therefore a good hope for future years. The yield of clean coffee is now estimated to be 45,000 tons against 67,000 tons last year. Uganda suffers less variation in her rainfall than do her immediate neighbours and given reasonably peaceful political conditions her economy will undoubtedly continue to expand.

TANGANYIKA

Sisal prices continue depressed and during 1957 went as low as £69 per ton. A satisfactory feature of the industry and a proof of its vitality is that yield is being maintained in spite of the low price. Tanganyika's cotton crop in the Mwanza area is steadily growing in importance and value and in 1957 150,000 bales were marketed against 120,000 bales in 1956. In 1951 the crop was 41,000 bales only.

Coffee yields in the Kilimanjaro area continue good and acreage is expanding.

ZANZIBAR

Zanzibar and cloves are automatically associated in one's mind and last year's crop of 21,500 tons was an all-time record. Coinciding with the troubles in Indonesia, which is one of the major markets, this vast crop is proving something of an embarrassment as the carrying of a large part of it is falling on the Clove Growers' Association, a quasi-Government body created to assist in the financing, storing and orderly marketing of Cloves. Madagascar also has a large crop and is marketing actively with a naturally depressing effect on prices. It is most unlikely that there can be two exceptional crops in succession, so it is hoped the situation will be adjusted.

THE FEDERATION OF RHODESIA & NYASALAND

The Federation of Rhodesia & Nyasaland features in our survey for the first time. We now have six Branches in Southern and Northern Rhodesia and one agency in Bulawayo. Two further offices, one in Salisbury, and one in Belmont, Bulawayo, are in train.

During 1957 we were well pleased with our progress despite the fact that certain credit restrictions were placed upon Banks when it was seen that copper prices were still on the way down. Since the close of the year, because of a large reduction in the sterling balances of the Federation and the continued depression in the price of copper—the price has fallen by over £100 per ton since 1st January, 1957—further restrictions on lending have been imposed on the Banks and generally we must expect a period of relative stagnation.

Tobacco did well in 1957, but because of unseasonable rains prospects for this crop are not so good.

Last October, accompanied by Sir Toby Low, I made a fairly extensive tour of Southern and Northern Rhodesia to inform ourselves at first-hand about these, to us, new territories and about our business there. In spite of the difficulties I have already mentioned we brought away an impression of a young and virile country which is determined to develop a part of the world in which there is not only plenty of room but also great possibilities of agricultural and industrial expansion.

At time of writing, the Deputy Chairman, Mr. Stuart, and Mr. Kerr, our General Manager, are visiting our Rhodesian Branches and this additional first-hand experience will be of undoubted benefit to our local Management and to the Board.

On the assumption, which I think is a reasonable one, that the present recession in copper and other prices, is temporary and that a somewhat higher plane can be expected, there is no reason to be pessimistic of the economic future of the Federation.

ADEN

The re-opening of the Suez Canal gave the trade of Aden a very definite fillip and it has remained on a fairly high level of activity, although there are now signs of overstocking.

SOMALILAND PROTECTORATE

Rainfall has been plentiful this season and exports of livestock, which is the territory's chief product, have been running at a high level.

A considerable expansion of the harbour facilities at the port of Berbera is now under way.

GRINDLAYS BANK LTD

The last year of the Bank as a separate unit was a successful one and the volume of deposits again showed an increase.

OUR FINANCE & DEVELOPMENT CORPORATION

The year's operations again showed a profit, which is being retained in the business.

GENERAL

The reduction of the Bank of England rate to 5% in February, 1957, proved to be an over-optimistic step and on 19th September last circumstances demanded that it be again raised, this time drastically to 7%. This unpalatable medicine seems to be working, although the Governor of the Bank of England has just warned us against being too complacent about our progress. There is indeed no panacea in monetary policies by themselves. If they have the desired effects of making us as a country not only tighten our belts but also gird up our loins then all will be well—otherwise no.

I have commented in each of my last two Statements on the disparity between money rates in countries where it is certainly as scarce as it is here and those prevailing in London.

One result of this disparity is a very natural one—for industries and businesses to endeavour to borrow as largely as possible where money is "cheap" and as little as possible when it is not only considerably more expensive but much harder to come by. This fact is not making our role as overseas bankers any easier, particularly as competition for deposits is growing in every sphere of our activities. It is therefore with interested sincerity that I hope for an easier money market in this country and its re-opening on a larger scale to overseas borrowers.

It is impossible to foresee other than a difficult year for commerce, industry and their handmaiden, banking, but that is no justification for pessimism and I look forward albeit not immediately to a resumption of progress.

STAFF

As always, we are beholden to our Staff, and I wish to thank an enthusiastic and able body of men and women for their loyal service.

S. E. RLY TENDERS

Sealed tenders are invited for supply of the following materials:

Tender No. CON/COS/4/87/WP/CEC/F1/58 for supply of 2 Nos. of each of (1) standard type of Foot over Bridge B. G. as per details of unit 'A' as per C.E's No. 15924 Sheet No. 3 Head of Central Column should be made 18'0" instead of 16'6" and (2) standard type of Foot over Bridge B.G. as per details of unit 'D' as per C.E's No. 15924 Sheet No. 4 Head of Trestle column should be made 9'11½" instead of 8'5½". Tender will be opened at 12 noon on 10-4-58.

Tender forms (not transferable) are obtainable from the office of the undermentioned (Construction Section), Garden Reach, Calcutta-23 at Rs. 2/- (not refundable) per set of form by Money Order to him direct in the case of outsider firms and on production of cash receipt from this Rly's Chief Cashier by local firms.

Tender forms should accompany the receipt for depositing earnest money Rs. 400/ from this Rly's Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs. 1000/- with the undermentioned are exempted.

S128 CONTROLLER OF STORES

MARTIN BURN LIMITED

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of the Dividend on the Preference Share Capital of the Company at the rate of 5% per annum for the half-year ending 31st. March, 1958. The Preference Share Registers will be closed from the 1st April to the 16th April, 1958, both days inclusive. Payment will be made on or after 16th April, 1958, to those Preference Shareholders whose names appear on the Company's Registers on the 31st March, 1958, or in accordance with their instructions.

By Order of the Board,
A. G. GIDLEY,
Secretary.
12, Mission Row,
Calcutta-1,
10th March, 1958.

MARTIN BURN LIMITED CONVERTIBLE NOTES

NOTICE is hereby given that interest for the half-year ending 31st March, 1958, will be paid on or after that date to those holders of Convertible Notes whose names appear on the Company's Register on the 31st March, 1958, or in accordance with their instructions.

A. G. GIDLEY
Secretary.
12, Mission Row,
Calcutta,
10th March, 1958.

THE CHARTERED BANK

Improvement in Earnings Acquisition of Eastern Bank Ltd.

Confidence in the Future

Mr V. A. Grantham's Survey of Activities

The one hundred and fourth annual general meeting of The Chartered Bank will be held on April 2 at 38, Bishopsgate, London, E.C.2.

The following is an extract from the statement by the Chairman, Mr V. A. Grantham, which has been circulated with the report and accounts for the year 1957:—

THE BANK'S BALANCE SHEET

During the year we acquired by an exchange of shares the entire share capital of The Eastern Bank Ltd., and for cash, the business which the Ionian Bank Ltd., conducted in Cyprus and there are consequential changes both in our Balance Sheet and in the Consolidated Balance Sheet.

Our own Balance Sheet indicates the continued expansion of the Bank's business and reveals a high degree of liquidity. The total at £231,622,655 is the highest we have ever recorded, being some £8,600,000 up on last year's figure.

Current and other accounts and Fixed Deposits show increases of £2,958,494 and £4,499,423 respectively. Our Acceptances are again in excess of £10 millions.

On the assets side Cash in Hand at Call and at Bankers shows the substantial increase of £10,501,948 the ratio to our demand and time liabilities, excluding the notes in circulation against which security has been lodged, being 22.9% against 18.5% last year. Our investments in Government and Other Securities are slightly lower and, you will note, have again been brought in at market value. Advances and Other accounts show a contraction of £6,165,632 which is partially offset by our increased holdings of Bills of Exchange amounting to £4,496,736. Our programme of expansion and modernisation of offices and houses in the East has given rise to an increase in the net figure for Bank Premises and Furniture.

The Consolidated Balance Sheet includes the figures of all our wholly owned subsidiaries and the inclusion of The Eastern Bank Ltd.'s figures brings the total to £271,898,015.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

I am glad to say that our earnings have improved. The results of The Eastern Bank Ltd., and of

our new acquisitions in Cyprus and Pakistan, are included for the first time in our figures.

The Bank paid an interim dividend in September last of 7½% less Income Tax, absorbing £189,750, and it is now proposed that out of the balance available a final dividend of 7½% be paid, costing £189,750, making a total distribution of 15%.

The dividends cost more because of the new issue of capital we made last year but are more than compensated for by the increase in profits.

We have allocated £250,000 to Bank Premises and Furniture and £125,000 and £20,000 respectively to the Pension Fund and Widow's and Orphans' Fund. We have transferred £220,000 to Reserves for Contingencies and the balance carried forward is £438,458.

Transfers to Bank Premises and Contingencies include this year those made in connection with The Eastern Bank Ltd.

For us, this year is one of consolidation and in view of the unsettled condition of the world in general it is wise that we should continue to build up the strength of the Bank.

THE COURT OF DIRECTORS

Since my last statement was made there have been a number of changes in the Court of Directors.

With great sorrow I have to record the death in July last of Mr. Archibald Orr Lang, our senior director, who joined the Court in 1939 when the P. & O. Banking Corporation was absorbed.

Early in September we were deeply grieved to learn of the sudden death of Sir William Cockburn, who joined the Court in 1955 on his retirement from the post of Chief General Manager. I have already recorded the gratitude and admiration felt by the Court for the highly distinguished and professionally competent services rendered by Sir William during his tenure of the chief executive office over a period which extended to fifteen years.

In July last Mr. Clifford Waite, Chairman of Consolidated Tin Smelters Ltd., accepted our invitation to join the Court. His wide knowledge of the tin industry will be of great help to us.

During 1957 The Borneo Company Ltd., with which the Bank

has always had the happiest of business relations, commemorated the centenary of its incorporation and in September last I had the pleasure of moving the election to the Court of Mr. Ian Lilburn MacEwen, a Director of the Company.

As part of our plans to co-ordinate the operations of The Chartered Bank and The Eastern Bank Ltd. we invited Sir Evan Jenkins, G.C.I.E., K.C.S.I., the Chairman of The Eastern Bank Ltd., to join the Court.

Towards the end of the year Sir Kenneth Harper relinquished his directorship upon retiring from business in the City and to fill the vacancy in the Court we elected Mr. W. E. Eadie, C.A., who has succeeded Sir Kenneth as Chairman of The Burmah Oil Company Ltd. The Bank's new interest in the commerce and industry of the Middle East is reflected in the election to the Court of Sir Stephen Gibson, C.B.E., who was, until last year, Managing Director of the Iraq Petroleum Company Ltd.

On 1st January 1958 Mr. E. J. Pakes, C.B.E., a Managing Director of British India Steam Navigation Company Ltd., joined the Court.

At the approaching annual general meeting I shall invite the stockholders to confirm the election to the Court of Mr. Clifford Waite, Mr. I. L. MacEwen, Sir Evan Jenkins, Mr. W. E. Eadie, Sir Stephen Gibson and Mr. E. J. Pakes.

For some time past it has been clear that the expansion of the Bank's activities and the growing complexity of its affairs have necessitated an enlargement of the Court. There are now fourteen Directors, three more than a year ago, and it is consequently easier to organise the work delegated by the Court to its committees.

THE GENERAL MANAGEMENT AND STAFF

In June last Mr. L. J. Blanchard, the senior General Manager, retired and Mr. David Beath and Mr. Stafford Northcote were promoted to be Joint General Managers. At the same time Mr. John Shewan, who has served the Bank with distinction in the Far East, was appointed an Assistant General Manager.

The continued prosperity of the Bank reflects the highest credit upon the General Management at

Head Office, the branch managers and the staff at home and abroad.

I take this opportunity of acknowledging with gratitude not only the professional skill displayed by the staff in preserving and extending the prosperity of the Bank but those personal qualities of toleration, forbearance and helpfulness which contribute so much to the survival of the historic links, forged under conditions very different from those which now exist, between Asia and the West.

THE EASTERN BANK LTD.

On 12th July last I communicated to the stockholders the terms and conditions of an offer made by The Chartered Bank to acquire the whole of the issued share capital of The Eastern Bank Ltd.

The response to the offer was highly satisfactory and the holders of approximately 96% of the share capital of The Eastern Bank Ltd. accepted our proposals. Early in December we invoked the provisions of Section 209 of the Companies Act 1948 to acquire the unassented shares and we now own the whole of the issued capital of The Eastern Bank Ltd. To complete the operation we issued, as fully paid, new stock in The Chartered Bank to the extent of £900,000 and thereby increased our paid-up capital to £4,400,000. Since the offer closed on 21st August last the operations of the two banks have been progressively co-ordinated.

NEW BRANCHES

A year ago I stated that The Chartered Bank had acquired by purchase the banking business transacted in Pakistan by the Allahabad Bank Ltd. The former offices of the Allahabad Bank Ltd. at Lahore and Lyallpur have now been fully incorporated within our branch establishment and The Chartered Bank has been enabled thereby to participate to a much fuller extent than was possible previously in financing the up country trade and industry of Western Pakistan.

To our expanding branch organisation in Borneo there was added in April last an office at Sarikei and we are planning to open in the near future branches at Brunei Town and Kuala Belait. In order to enlarge further the services we extend to our numerous customers in Singapore a new branch has

been opened at Bukit Timah, a thriving industrial suburb of the city, and we have lately leased premises for a new branch in the residential suburb of Tanglin.

CYPRUS

Stockholders will have learned from the Press that on 1st November 1957 The Chartered Bank acquired the goodwill of the banking business conducted by the Ionian Bank Ltd. at Nicosia, Famagusta, Kyrenia, Larnaca, Limassol and Paphos in the Colony of Cyprus. The customers of the Ionian Bank Ltd. readily agreed to entrust their business to us and the transfer was conducted very smoothly indeed. We are grateful for the co-operation and assistance received from the former staff of the Ionian Bank Ltd., all of whom seem to have been happy to join our service.

We have succeeded to an excellent business with the merchant community of Cyprus, a form of banking activity with which we have been familiar throughout our history.

A foothold in the Eastern Mediterranean should ultimately prove to be of great value and this move may be regarded as part of the policy which prompted us to widen our sphere by interesting ourselves in the Middle East.

OVERSEA SURVEY

During 1957 there was no important change in what may be called the strategic disposition of the countries served by the Bank. Pakistan and Iraq continued to adhere to the Baghdad Pact while India remained the leader of the neutralist powers. The Peoples' Republic of China pursued a policy of non-intervention in the Far East and its leaders appeared to be pre-occupied with domestic affairs, notably in the fields of industrial development and social reform. All the uncommitted Asian countries are clearly anxious to avoid embroilment with either of the two major power blocs based upon Washington and Moscow and it is evident that throughout the continent nationalism remains the most powerful political force.

LEBANON

A five-year development plan has been adopted, including projects for the improvement of agriculture, industry, communications and town planning.

Inflationary conditions persist, with a fairly sharp rise in the cost-of-living and bank credit running at a high level. The Eastern Bank branch at Beirut is making satisfactory progress in a highly competitive market.

IRAQ

Iraq surmounted the economic difficulties arising from the Suez crisis with great determination. The severance of the pipe-line in Syrian territory halted the pumping of oil from Kirkuk on 2nd November 1956. Repairs enabled pumping to be resumed on 11th

March 1957, at the reduced flow of 7½ million tons per annum, since increased progressively to about 17½ million tons, against the pre-Suez rate of about 25 million tons. The pre-Suez rate is expected to be restored by April, 1958 and thereafter Kirkuk production will be gradually increased to 34 million tons per annum. Apart from the loss of production in 1956-57 and 1957-58, the stoppage involved a deficit of about I.D. 10 million in the budget for 1956-57 and a total loss to Iraq which has been officially estimated at as much as I.D. 56 million. The Iraq government were determined not to interrupt their development programme. The temporary shortfall in oil revenue was made good by an arrangement with the Iraq Petroleum Company.

PERSIAN GULF

Bahrain

Bahrain had a quiet year, with no repetition of the disturbances of 1956. The Suez crisis had little effect on business, though the stoppage of Arabian crude oil reduced the output of the refinery. Import restrictions in Saudi Arabia, designed to conserve foreign exchange, caused some overstocking in the bazaar, but business was on the whole quite good.

Doha

Doha had a peaceful year. Revenue seems buoyant and development continues. Merchant business continues to grow, though more slowly than could be wished. The bazaar recovered quickly from the Suez crisis, but appeared to be somewhat overstocked in the middle of the year. Towards the end of the year there were signs of renewed activity and business on the whole was satisfactory.

Sharjah

During the year a new office of The Eastern Bank was under construction at Sharjah. This office was opened on the 15th January 1958.

ADEN

Our new building at Crater was opened for business in November and during the course of the year we occupied new premises at Steamer Point.

The temporary closing of the Suez Canal subjected the colony to fewer stresses than might have been expected but during the first four months of 1957 foreign trade was drastically curtailed. Later in the year an improvement in trade with the countries surrounding the Red Sea and the running down of stocks restored commercial conditions to a more normal and sounder basis.

INDIA

The Indian exchange reserves fell from Rs. 529 crores at the end of 1956 to Rs. 297 crores a year later. The latter figure includes a drawing during the year of U.S. \$200 million (Rs. 95 crores)

from the International Monetary Fund, to be repaid within three to five years. When it is remembered that India initiated the second five-year plan in April 1956, with exchange reserves equivalent to some Rs. 750 crores and that under the plan it was intended to run these balances down by some Rs. 200 crores over a period of five years, it is possible to gauge the extent to which the position has got out of hand.

There is now an awareness of the immediate dangers of the situation. A series of measures designed to arrest the progressive reduction of the exchange reserves have consequently been introduced.

Nevertheless, after reducing the plan to more manageable proportions and allowing for the country's normal export earnings of foreign exchange and for promised foreign aid and World Bank loans, the official estimate is that additional external assistance amounting to some Rs. 700 crores will be required before 1961 and mostly in 1958-59.

Certainly the completion of the most essential part of the plan will in time effect a saving in the import bill, but despite the assistance which in response to the Indian request for help has been promised by the American and West German governments, India clearly has a difficult road to travel.

PAKISTAN

The past year has been one of difficulty for the Pakistan economy. Unfortunately the balance of payments, which must be regarded as the most reliable indicator of a country's external economic situation, has again been under pressure. This has disappointed the hope that the devaluation of the Pakistan rupee to parity with the Indian rupee in August 1955 followed by an increased payments surplus for the year 1955-56 would have restored a large measure of economic stability enabling Pakistan to begin to enjoy the benefit of the industrial development which had for some years imposed a heavy strain on the country's exchange reserves.

The severe food crisis which developed towards the end of 1956 owing to deficiencies in both the rice and wheat crops necessitated the importation of about 1½ million tons of food grains into East and West Pakistan. Although part of these supplies was financed by assistance from abroad, the balance had to be purchased out of Pakistan's own exchange resources and this unexpected expenditure was a major cause of the payments deficit during the year ended in June 1957, the largest since 1952-53.

BURMA

In the economic sphere 1957 was a disappointing year for Burma. Rice exports according to the latest figures available have been running at much the same level as in 1956 and it seemed reasonable to assume that overseas sales would be sufficient to maintain the exchange re-

serves at much the same level as a year ago. The reserves have in fact declined substantially despite a loan from the government of India and assistance from the United States and the World Bank. The payments deficit and the loss of reserves appear to have been due to a partial relaxation of import restrictions, for imports, although partly financed under Japanese reparations and United States Public Law 480, have still been substantially higher than in 1956.

CEYLON

The recent disastrous floods have caused widespread distress among the people of Ceylon and have evoked world-wide sympathy and many offers of assistance from within the Commonwealth and elsewhere. It is tragic that in the country's hour of need the landing of food and other essential supplies required in the inundated areas has been seriously impeded by labour disputes in the port of Colombo. Indeed strikes and go-slow movements in recent months have so deranged the normal working of the port that Ceylon's overseas trade has been badly affected and labour unrest has been by no means confined to the docks.

Under these circumstances and in view of the fall in the prices paid for tea at the local auctions and of the rise in imports, particularly of rice and manufactured goods, it was inevitable that the country's balance of trade would be unfavourable.

SINGAPORE

Singapore is to become a self-governing state within the Commonwealth and a new constitution will come into effect after the beginning of 1958 as soon as new electoral rolls have been prepared. The Citizenship Bill which was passed by the Legislative Assembly during the latter part of the year has conferred voting rights on probably as many as 300,000 additional electors. The choice of representatives made by this enlarged body of voters at the General Election to be held next September may well prove crucial for Singapore's future and it is to be hoped that party controversy will not obscure from the electorate the hard facts of Singapore's unique economic situation. Only by virtue of the prosperity which its international status as an entrepot and a commercial and financial centre has brought to it, has Singapore been able to develop in recent years an impressive range of services and amenities for the benefit of its population, who enjoy standards of housing, medical services and education that compare favourably with any to be found in South-East Asia to-day.

FEDERATION OF MALAYA

The outstanding event during the past year, and one which has been widely welcomed, was the achievement by the Federation of Malaya of its independence within the Commonwealth on the 31st August.

Before the formal granting of independence, the Prime Minister and his government had shown a statesman-like approach to the country's problems and a wise comprehension of their new responsibilities. The Federation is now joining such international organisations as G.A.T.T., the World Bank, the International Monetary Fund and the International Finance Corporation.

The Federation embarks on its career as an independent state with substantial external assets and an economy which though mainly dependent on the rubber and tin industries, is sound and progressive. As the Finance Minister pointed out in his budget speech in December, the general level of wages and the standard of living in the Federation is probably the highest in South-East Asia. On the other hand the emergency which still continues remains a drain on the country's resources. The government is doing all that it prudently can to end the emergency and it is to be hoped that efforts in this direction will prove successful and so enable the country to finance larger expenditure on economic and social development.

NORTH BORNEO

The latest figures available show that North Borneo's overseas trade last year may well have reached a record level, although the trade surplus for the year as a whole is likely to be less than in 1956. The expansion of imports is again to be attributed partly to the purchase abroad of capital equipment required in connexion with the colony's development schemes. It is encouraging that on the other side of the account a wider range of export commodities is making a significantly increased contribution to North Borneo's earnings of foreign currency.

SARAWAK

Sarawak is progressing slowly but steadily towards self-government and last May there took place the first meeting of the Council Negri since the introduction of a new constitution providing for an unofficial majority. Following successful municipal elections in Kuching and Sibiu, it is the government's intention to hold similar elections at Miri during the course of the coming year.

Again last year two of the colony's principal exports, rubber and pepper, fetched lower prices in the international market, with a consequent fall in export earnings.

Although total imports are estimated to have been slightly lower, the reduction in export earnings has increased the trade deficit of the previous year.

INDONESIA

It is difficult to discover in the political crisis which threatens the unity of the country whether the opposing factions are contending for different forms of government

or defending incompatible economic interests. Manifestly the situation is one of grave danger to the young republic but it can be resolved only by the Indonesian people and their leaders without interference, however well-meaning or gratuitous advice, from abroad.

The constructive work in which the Indonesian branches of the Bank engage has necessarily been hindered by the political ferment which has now issued in a conjuncture the outcome of which cannot be foreseen. The situation and its uncertainties are causing us a good deal of anxiety but we can do no more than join with other friends of Indonesia in hoping that a peaceful way out of the present impasse may soon be found and that the Indonesian people may attain the higher standards of living that would accrue to all of them from the restoration of political stability, administrative probity and labour responsibility; a state of affairs which is indispensable to the effective development and economic deployment of the enormous natural riches with which the country is endowed.

THAILAND

Although the unsettled political situation has had a disturbing effect on trade, particularly since September, Thailand has again enjoyed a relatively prosperous year. The country enjoys a measure of economic stability, which is denied to many of its neighbours in South-East Asia, because of its self-sufficiency in rice, and of the consequent well-being and contentment of its peasantry. Rice normally accounts for approximately one-half of the country's export earnings; shipments which last year showed a substantial increase over those in 1956 and reached their highest level since 1952, contributed to the rise which took place in the exchange reserves.

VIETNAM

There have been no major political developments in Vietnam during the past year and the country has therefore been able to consolidate to some extent the economic progress which has been made since President Ngo Dinh Diem succeeded in restoring law and order in territory which had been ravaged by many years of war.

The country continues to be largely dependent on American aid to pay for the bulk of its imports. Although there was a modest, but nevertheless welcome, revival of the export trade in rice last year and a higher tonnage of rubber was shipped abroad, export earnings amounted to only 28% of the value of imports.

CAMBODIA

Cambodia is almost unique among the countries of South-East Asia in having a surplus of agricultural land and thus an abundance of staple food-stuffs for the whole population. A good harvest last

year allowed of greatly increased exports of rice and other cereals, and since rice accounts for some 42% of the country's total exports, the trade balance, which had been substantially in deficit in 1956, yielded a surplus last year. Most of the country's imports continue to be financed by American Aid and in consequence of an increase in the value of exports and a reduction in imports exchange reserves have risen during the course of the year.

THE PHILIPPINES

The past year has seen a serious reduction of the foreign exchange reserves and an increase in the money supply accompanied by the all too familiar and disturbing symptoms of inflation.

There can be little doubt that the natural resources of the Philippines if efficiently developed and administered could within a relatively short period strengthen the national economy and assure the population of a reasonable standard of living. Although the bulk of the external trade of the Philippines is still conducted with the United States, trade with the United Kingdom and with Western Europe is increasing. Negotiations have been taking place during the course of the year with a view to facilitating the use of sterling by the Philippines, which, if accomplished would facilitate a further expansion of trade with the United Kingdom and the sterling area.

HONG KONG

Hong Kong's total trade increased last year with imports expanding and exports falling in aggregate value. Rather more than a quarter of Hong Kong's exports are locally manufactured and the local industries in general have had a fairly good year, their sales overseas having been stimulated as a result of the colony's participation in trade fairs abroad. It is clear, however, in view of trade restrictions and shortage of foreign exchange in South-East Asia particularly, that the future success of Hong Kong's industries will depend to an increasing extent on their ability to sell their products in more distant markets, such as Europe and North America, where competition will be more severe. Efforts in this direction should be assisted by the trend which is apparent in many branches of local industry, towards producing and shipping finished goods, rather than semi-manufactured products.

CHINA

Last year I mentioned that the authorities in Peking evidently considered it useful to have banking connexions throughout the world to supplement those afforded by the Bank of China and that with official encouragement. The Chartered Bank was again participating, if only to a small extent, in the financing of China's overseas trade. The business suits us very well and there are good prospects of its continuing.

JAPAN

The economic expansion which made 1956 Japan's most successful post-war year, continued unabated well into last year, but subsequently increased imports began to impose a serious strain on the country's balance of payments. Industrial and mining production continued to rise, but to sustain their expansion it was necessary to purchase increased quantities of raw materials from abroad. The monthly deficit on the country's balance of payments reached its peak in the middle of the year and was on such a scale that it was necessary for the Government to seek assistance from the International Monetary Fund and to introduce measures designed to restrict imports and to curtail domestic credit. By the end of the year it became apparent that equilibrium had been largely restored and in October Japan's balance of payments showed a surplus. The remedies applied have inevitably caused an increase in unemployment, and the problem of expanding exports sufficiently to ensure reasonable living standards for an expanding population persists. Nevertheless Japan is fortunate in possessing an industrious population and in remaining relatively free from labour unrest despite the growing strength of the trades unions.

NEW YORK

Our New York agency is an important link in our interregional organisation since many of the principal exports of the Asian countries in which we have branches find remunerative markets in the United States. We have many business connexions of long standing among exporters and importers in the United States and our relations with the American banks have always been cordial.

THE STERLING AREA AND THE UNITED KINGDOM ECONOMY

The appointment of a committee under the chairmanship of Lord Radcliffe to enquire into the working of the monetary system has evoked a good deal of discussion among economists concerning the merits of the sterling area system and the position of this country as its banker.

Widely divergent estimates have been made of the extent to which foreign currency accrues to the United Kingdom Control from the operations of overseas banks based upon or represented in London and it has been argued that the advantages of those operations to the United Kingdom economy are more apparent than real. The effectiveness of organisations like The Chartered Bank in sustaining the external economic defences of the United Kingdom cannot be in doubt. The Bank finances a very large proportion of the trade in primary products between the eastern countries and the rest of the world and it is a considerable earner of US dollars and other scarce currencies in its own right;

moreover the Bank is enabled by means of its already extensive and growing overseas establishment to play an important part in the promotion of the export trade of the United Kingdom.

To impose restraint upon the activities of the British overseas banks would be the last resort of the destitute and it is reassuring to know that changes in currency management and exchange control which might prejudice the unique position of the City of London in international commerce will not be made without the most searching enquiry.

CONCLUSION

The superficial observer of the contemporary international scene might suppose that few, if any, of the Asian countries hold opportunities for the British banks. There have been reactions against what is loosely and often mistakenly termed 'financial imperialism' but most Asian countries realise that an efficient international banking

service can play a powerful part in sustaining the economic defences of an undeveloped country struggling to be free and prosperous and that foreigners practising banking in their territories can be trusted by their hosts.

While our primary function is that of an exchange bank we have, during the past twenty years, operated to an increasing extent within the domestic economies of the countries to which our organisation extends. These credit operations are financed by local deposits and, where they exist, local money market facilities. In proportion to the extent to which the Bank is permitted to attract deposits it can, of course, engage in the financing of sound business activities but there are signs in many countries of a disposition to restrict deposit banking to the indigenous banks.

One of the most striking features that has emerged during the year has been the extent to which the holdings of foreign exchange of so

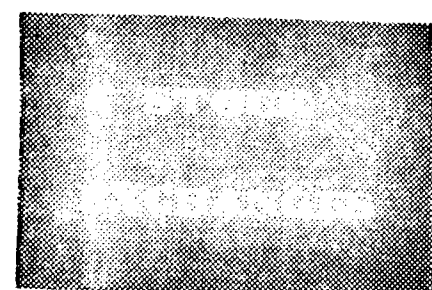
many of the Eastern countries have seriously deteriorated. Attention has been focussed on India's position because of the extent to which she has drawn on her sterling balances but it is clear that her problem is common to other Asian countries. In nearly all of them there has been the urge towards rapid industrialisation which has caused excessive imports of capital goods and imposed further strain upon dwindling resources of foreign exchange.

It is too soon to anticipate what may be the consequences to the Bank of the impending liberalisation of trade within the Western European community but the pursuit of such a policy would widen markets for the agricultural produce and raw materials which are still of vital importance to most of the Asian national economies. The Bank has a thriving agency in Hamburg and it enjoys mutually satisfactory correspondent relations with an extensive range of banks established on the European con-

tinental. Our international organisation is well equipped to take advantage of changes in the direction of trade which are likely to result from tariff revision in the United Kingdom and Western Europe.

When addressing the stockholders in past years I have remarked more than once that The Chartered Bank has given many hostages to fortune but the success with which the affairs of the Bank have been conducted since the end of the war and the way in which the technique of management has been adapted to meet revolutionised economic situations resulting from changes of sovereignty and other political upheavals encourage me to continue to view with confidence the future of British banking in the East.

Copies of the full text of the statement will be sent on application to the Secretary of the Bank at 38, Bishopsgate, London, E. C. 2.



General sentiment Remains friendlier

Watch-Dog Writes:

GENERAL sentiment on stock markets has remained friendlier during the week under review, although price movements have been rather irregular due to alternate bouts of buying and selling. Most of the operators have a general feeling that, with the budget uncertainty now over the outlook is considerably better.

Although there was slight profit-taking in the speculative issue, the recent gains were fairly well maintained on the Calcutta Stock Exchange.

The Bombay Stock Exchange ruled steady despite erratic movements in prices.

There was moderate activity on the Madras Stock Exchange.

Conditions on the London Stock Exchange ruled generally firm.

Wall Street closed barely steady.

Calcutta

Calcutta, Friday Evening.

CONDITIONS on the local Stock Exchange remained generally steady during the past week, although price movements were punctuated by recurrent bouts of profit-taking. After starting on a steady note, prices developed a slightly reactionary tendency due to some selling pressure. Being influenced by the reports of the Prime Minister's address at the annual session of the FICCI and the news of labour unrest at Bampur, settlement considerations were another contributory factor. Thanks to the subsequent reports that the strike at the Bampur Works had been called off, the market staged a gradual recovery towards the close, although operators were found to be rather cautious in following the rise in prices. The gilt-edged market was in good shape. Sentiment was aided by the

decision of the authorities to raise the selling rates of some of the short-dated securities for the second week in succession. Operators were inclined to the view that the authorities had started rigging the market for a new Central Loan. 3 per cent 1956 Conversion Loan, after opening steady at Rs 71.00 and improving at one time to Rs 71.30, receded again at the close to Rs 71.03.

In sympathy with gilt-edged securities, Bank shares ruled better. Punjab National changed hands at Rs 52.50 to Rs 54.00 and United Commercial at Rs 59.75 to Rs 60.00. Hind remained steady at Rs 47.50.

With the exception of a few scrips which met with some special support, the Jute section remained generally neglected. Operators were reluctant to enter into commitments in the absence of any improvement in foreign demand despite the LJMA Committee's decision not to sell jute goods below the specified minimum prices. Howrah were on offer at Rs 13.69, while National, after being taken up to Rs 23 on speculative support, receded to Rs 22.00. However, New Central met with persistent support upto Rs 13.00 from Rs 12.94, while Kankannarh eased off to Rs 43.00 from Rs 51.00; Lawrence to Rs 72.50 from Rs 76.50 and India to Rs 90.50 from Rs 94.00. Alliance, Barnagore, Dalhousie and Champdany were all nearly maintained around last levels.

The reluctance on the part of operators to enter into fresh commitments, pending the release of the Price Revision Committee's report, was fully reflected in the Coal section where turn-over remained restricted. Benga were marked back to Rs 213 from Rs 216 and Western Benga, to Rs 5.22 from Rs 5.31. Burrakur remained almost steady at Rs 22.10 while Equitable after a long time came in for some enquiry upto Rs 25.25 from Rs 24.37 and East India upto Rs 20.19 from Rs 19.75. Central India changed hands at Rs 6.75 to Rs 6.87. South Karanpura were quoted at Rs 9.9.

Although trading in the Tea section was restricted, a few selected scrips continued to receive good support at improved levels. Operators were enthused over the reports that the Government would give serious consideration to the high export duty on inferior quality tea. Another contributory factor would be the belief that the new season would get on a good start in view of the improvement in the statistical position of the industry. Most prominent scrips were Brooke Bond changing hands at Rs 17.25 to Rs 17.44; Bishnauth at Rs 20.37 to Rs 20.63; Grob 'A' at Rs 22.06 to Rs 22.25; Hantapara at Rs 103 to Rs 104; Jayshree at Rs 10.31 to Rs 10.44; Methoni at Rs 15.75 to Rs 16.12.

New Doors at Rs 269 to Rs 272 and Sapal at Rs 22.00 to Rs 24.47.

Textiles scrips ruled fairly steady on the hope that the reduced excise duty on medium cloth might be extended beyond 31st March. The Prime Minister's assurance to the Congress Parliamentary Party that the Government would give serious consideration to the high excise duty on textiles was also a contributory factor to a better sentiment in the section. The only two bright spots were Jayshree and Kesoram having changed hands upto Rs 6.31 and Rs 10.00 respectively.

Sugar shares recorded a good turn-over at enhanced levels although slight profit-taking erased some of the gains at the close. Most active scrips were Darbhanga and Raza-Buland having persistent support upto Rs 21.06 and Rs 14.00 from Rs 19.75 and Rs 13.87 respectively. Dyer Meakin developed a hardening tendency to Rs 10.41 from Rs 9.53, while B.K.G. moved narrowly between Rs 9.12 and Rs 9.19. Carew were marked down to Rs 5.44 from Rs 6.62 on reports of the passing over of the dividend again for last year. Bolund recovered to Rs 10.12 from Rs 9.94.

In the Engineering section, price movements were rather erratic on alternate bouts of buying and selling under the influence of the speculative activity in Indian Irons which, in turn, were subjected to settlement considerations till mid-week. Against the week-end closing of Rs 20.85, Indian Irons opened lower at Rs 20.66 and, after improving at one time to Rs 20.83, receded gradually to Rs 20.33 on reports of labour unrest at the company's Works, to improve again to Rs 20.86 following the news of the strike being called off. The closing rate for the week was Rs 20.78. The settlement rate was fixed at Rs 20.35 as against last settlement of Rs 19.52. The carry-over charge for the next settlement was fixed at 61 NP.

In sympathy, TEXMACO was marked down to Rs 17.00 from Rs 17.75, to recover partially towards the close to Rs 17.60. Jessop turned a shade quieter at Rs 22.62 against Rs 23.00, while Britannia were marked down to Rs 12.81 from Rs 13.62 following the reduction in dividend. Braithwaite changed hands at Rs 26.81 to Rs 27 c.d. (Rs 2); Kumardhul at Rs 7.60 to Rs 7.94 and Marathi at Rs 5.06 to Rs 5.19. Indian Standard Wagon were enquired upto Rs 101.50 from Rs 96.50 with Indian Galvanizing well maintained at Rs 14.06.

Miscellaneous issues shared the general trend of the market. An outstanding feature of the week's trading

was Orient Paper which was pushed up at one time to Rs 27.35 from a low of Rs 26.10 on reports of a substantial increase in production, to close finally at Rs 27.25. Titaghur had buyers at Rs 34.12 to Rs 34.50, Sango Coal at Rs 14.25 to Rs 14.37 and India Pulp at Rs 19.37 to Rs 19.42. India Steamship, after touching a high of Rs 12.25 and a low of Rs 11.94, finished at Rs 12.06. Indian Aluminium, after being taken up to Rs 13.00, eased off at the close to Rs 12.94 following a reduction in dividend from 10 to 6 per cent. NICCO touched at one time a high of Rs 24.25; Alkali Chemical new shares Rs 12.94 and Dunlop Rubber Rs 22.69, to finish the week slightly lower at Rs 24.00; Rs 12.81 and Rs 22.44 respectively on modest profit-taking. Indian Cable were a firm feature, having forged ahead to Rs 29.00 from Rs 28.87, while Indian Oxygen had buyers at Rs 16.19 to Rs 16.37; Hindustan Motors at Rs 6.06 to Rs 6.31; Martin Burn at Rs 23.37 to Rs 23.63; Metal Box at Rs 25.75 to Rs 26.12 and Phillips India at Rs 13.75 to 13.94. Indian Copper were a narrow market, moving between Rs 2.85 and Rs 2.91. Rohtas were nearly maintained at Rs 16.00 and so also BIC at Rs 3.85.

Bombay

THE stock market opened on a steady note but in subsequent dealings developed a slightly reactionary tendency. Mr Nehru's speeches at the annual meeting of the FICCI and subsequently in the Lok Sabha indicating firstly that the taxation policy of Government was inevitable and secondly that no change could be expected imparted a setback to sentiment. Textile shares led the decline and prices were marked down over a wide front. The downtrend was further accentuated on news of labour unrest in Bampur. Steels also joined the downward course. Though reports of settlement in Bampur checked the reactionary trend in earlier dealings on Thursday, closing prices were below the day's best in the absence of fresh support.

Steels: Tata Iron opened steady at Rs 175 and after fluctuating within narrow limits closed quietly steady at Rs 174. Indian Irons began around Rs 20.60 and improved further only to be marked down by close to Rs 20.44.

Textiles: Textiles were steady at the beginning but soon came under pressure. Around midweek they were steadier but by close were lower on balance. Bombay Dyeing was finally

placed at Rs 51.80 against its opening rate of Rs 52.00. Century was in good request at one time in the week but was quietly steady at Rs 393.25 at close. Swadeshi was a bright spot at Rs 171.50 on dividend expectations.

Miscellaneous: In the Miscellaneous section Telco eased to Rs 145.70 from Rs 147.00 on reports of lower prices for locomotives. Scindia Steam reacted Rs 16.76 from Rs 17.04 on liquidation. Bombay Burmah was easier at close at Rs 505.50. ACC was marked down to 143 from its opening level of Rs 144.75. National Rayon was steady at Rs 222.50. Belapur Sugar was lower on balance at Rs 235.50.

Madras

SMALL and selective buying was noticed on the Madras Stock Exchange.

Textiles: This section gave a mixed performance. Metturs, after being lifted upto Rs 410 from Rs 363.50 following the news of the special dividend, receded at the close to Rs 400 on profit-taking. Buckingham's noted support upto Rs 161, while there was enquiry for Cauverys at the market rate. However, Radhakrishnas had sellers at Rs 124 and Adonis at Rs 8.10.

Plantings: Prices in this section ruled generally steady though profit-taking was noticed in a few shares. Rubber and Coffee shares were in good favour. Cochin Malabar were in lime-light, improving to Rs 4.80 on good buying. Among Coffee shares, Consolidated Coffees changed hands at Rs 22.78 to Rs 22.95. There was some steady buying of Shevroys and Sangameshwars upto Rs 2.10 and Rs 2.63 respectively.

In the Tea section, a few scrips encountered speculative support. Most prominent were Peermades and Nonsuch, which were keenly sought after upto Rs 20.25 and Rs 20.62 respectively. Highlands were enquired at Rs 12.40, while Halleyburys were done at Rs 17.25 and Twyford at Rs 12.50.

Miscellaneous: In this section, there was some demand for Mysore Stone-wares at the market rate. FACT's hovered narrowly around Rs 5.37, while Aluminium Industries were marked at Rs 14.10 c.d. Indian Steel Rolling Mills were done at Rs 10.60; Andhra Cements

at Rs 11.90 and Ashok Leylands at Rs 4.25.

London

THE London Stock Exchange started the new account on a generally firm note following the advance on Wall Street and the possibility of further anti-recession moves in America. Industrials were finally below the best in prices. Oil shares advanced under American influence. Rubber shares were firm, while Tea shares ruled quiet.

New York

WALL STREET closed barely steady with the main body of stocks showing a fair representation of mostly fractional losses. Most operators moved cautiously, awaiting a final decision by the administration—possibly next week—on tax-cut proposals.

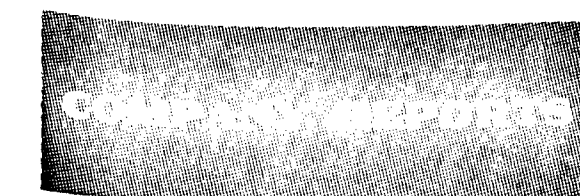
In Brief

National Carbon has announced a final dividend of 65 mP per share, making a total of 14 per cent for 1957 as against 15 per cent in the previous year.

Indian Aluminium Company has recommended a dividend of 6 per cent on the increased capital for 1957 as against 10 per cent on the old capitals.

In the Bombay Textile group, Kohinoor has maintained the dividend at Rs 18 per share and Bombay Dyeing at Rs 2.50 per share for 1957 (the final dividend of Rs 1.75 being payable on or after 17th April). Vishnu Cotton has passed over the dividend as against 8 per cent, while Lakshmi has reduced the dividend from Rs 17 to Rs 15 per share.

In Madras, Mercara Rubber has reduced the dividend from 22½ to 15 per cent for the year ended 30-6-1957, while Anapara Estates have announced a total distribution of 40 per cent against 25 per cent.



ROOPACHERRA TEA COMPANY, LIMITED.

Mg. Agents:—M/s. McLeod & Co., Ltd.

Year ended Dec.	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
Outturn (mnds.)	7,105	8,453	6,309
Av. Price per lb.	1-15-0	1-10-0	2-4-7
Net profit	88,282	1,49,991	4,61,510
Taxation	10,700	45,968	14,000
Depreciation	25,337	33,001	27,730
Other Funds	40,000	40,000	...
Div. A'mt Ord.	13,000	39,000	26,000
Carry Forward	13,880	14,625	22,603
Div. % Ord.	5	15	10

(Annual General Meeting on 20-2-58 at 3-30 p.m. Books closed from 8-2-58 to 20-2-58).

Capital:—Authorised Rs 4,00,000. Subscribed Rs 2,60,000 in 26,000 ordinary shares of Rs 10 each, fully paid.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
Capital Paid-up	2,60,000	2,60,000	2,60,000
Reserve Fund	2,81,592	2,81,592	2,81,592
Other Funds	1,15,000	75,000	35,000
Taxation Provision	64,972	99,968	14,000
Loans Secured	4,01,536	99,872	9,44,398
Debts	2,28,273	2,30,494	1,69,354
Carry Forward	13,880	14,625	22,603
Total	13,65,253	10,21,351	11,26,839

Assets.	1956	1955	1954
G. Block	6,65,589	6,52,546	5,89,110
Depreciation	2,41,291	2,28,031	1,98,756
Block (net)	4,24,298	4,24,515	3,90,357
Cap. Exp. in Progress	84,167	...	...
Stores	3,48,517	1,50,333	1,62,521
Stocks	3,92,743	3,93,524	3,71,242
Outstandings	265	9,141	1,34,712
Mis. Deposits and Advances	1,06,316	40,854	...
Investments	1,099	1,099	1,099
Cash	7,848	1,885	66,907
Total	13,65,253	10,21,351	11,26,839
Liq. Assets	8,56,788	5,98,836	7,36,481

CENTRAL INDIA SPINNING, WEAVING AND MANUFACTURING (PRIVATE), CO., LTD.

Mg. Agents:—M/s. Tata Industries (Private), Ltd.

Year ended June.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Sales	24,865,790	22,755,729	22,900,649
Stocks	6,686,900	3,462,707	8,449,921
Net profit	2,079,433	637,631	239,632
Depreciation	...	600,000	200,000
Reserve Fund	...	28,119	...
Other Funds	...	...	50,000
Div. A'mt Ord.	...	...	140,000
Div. A'mt Pref.	...	250,000	250,000
Carry Forward	Nil†	13,215	3,703
Div. % Ord.	Nil	Nil	3
Div. % Pref.	Nil	5	5

*The debit balance of Rs 2,066,218 after deducting the amount brought forward from the last account, has been wiped off by a transfer from General Reserve.

†After transferring Rs 5,00,000 from Rehabilitation of Building and Machinery Fund.

(Annual General Meeting on 14-3-58 at 4-30 p.m. Books closed from 7-3-58 to 14-3-59).

Capital:—Authorised and Subscribed Rs 9,687,500 in 10,000—5 per cent cum. pref. shares of Rs 500 each and 46,875 ordinary shares of Rs 100 each.

Synopsis of balance sheet as on the last day of June.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	5,000,000	5,000,000	5,000,000
(ii) Ord.	4,687,500	4,687,500	4,687,500
Reserve Fund	1,406,728	3,472,946	3,444,827
Other Funds	1,318,007	1,139,676	1,837,622
Taxation Provision	...	35,511	53,593
Loans Secured	10,655,671	4,921,774	8,609,999
Loans Unsecured	7,255,200	5,836,500	6,523,000
Debts	5,448,233	1,946,335	3,165,332
Carry Forward	...	13,215	3,703
Total	35,771,339	27,063,457	33,385,581

Assets.	1957	1956	1955
G. Block	24,210,703	25,083,371	24,818,409
Depreciation	15,486,354	16,261,854	15,809,833
Block (net)	8,724,349	8,821,517	9,008,576
Cap. Exp. in Progress	4,263,518	443,103	145,290
Stores	2,542,877	2,811,099	2,896,990
Stocks	14,995,564	10,487,350	16,409,402
Outstandings	945,055	561,816	799,409
Do. More than 3 months	9,074	...	...
Mis. Deposits and Advances	483,627	319,953	516,525
Investments	3,351,671	3,375,783	3,324,229
Cash	455,004	212,626	296,160
Total	35,771,339	27,063,457	33,385,581
Liq. Assets	22,783,472	17,788,887	24,231,715

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Indian Finance

1958-59

Budget: A Study

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BRITANNIA ENGINEERING COMPANY, LIMITED.

Mg. Agents:—M/s. McLeod & Co., Ltd.			
Year ended Dec.	1956	1955	1954
Sales & Workdone	Rs. 14,359,052	Rs. 10,346,798	Rs. 6,135,408
Stocks	483,298	1,131,227	409,931
Works in Progress	4,806,296	4,642,385	3,756,774
Net profit	988,439	1,451,826	986,009
Taxation	38,350	400,000	323,000
Depreciation	453,419	342,301	244,486
Other Funds	300,000	567,365	250,000
Div. A'mt Ord.	240,000	150,000	150,000
Carry Forward	84,849	128,279	136,319
Div. % Ord.	6	15	15

Capital:—Authorised Rs 10,000,000. Subscribed Rs 4,000,000 in 400,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
Capital Paid-up	4,000,000	3,937,520	1,000,000
Debentures	500,000	500,000	500,000
Share Premium	125,000	125,000	125,000
Reserve Fund	2,100,000	2,100,000	2,100,000
Other Funds	1,717,365	1,417,365	850,000
Taxation Provision	772,269	986,836	589,836
Loans Secured	5,548,305	3,892,859	1,837,045
Loans Unsecured	1,150,796	603	1,244
Debts	5,932,876	3,501,311	2,063,387
Carry Forward	84,849	128,179	136,319
Total	21,931,260	16,589,672	9,199,832

Assets	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
G. Block	7,711,561	5,859,455	4,848,855
Depreciation	3,293,390	2,852,602	3,058,410
Block (net)	4,418,171	3,006,853	1,790,445
Mis. Exp. & Losses	253,774	...	...
Works in Progress	3,812,777	2,499,828	2,745,559
Stores	4,515,603	3,033,020	1,448,808
Raw Materials	3,582	9,596	...
Stocks	518,290	1,136,897	428,898
Outstandings	3,195,469	3,558,417	1,919,717
Do More than 3 months	2,290,829	1,712,235	...
Mis. Deposits and Advances	2,729,202	1,503,928	846,433
Investments	2,300	2,300	2,300
Cash	191,283	128,598	17,672
Total	21,931,260	16,589,672	9,199,832
Liq. Assets	17,259,315	13,582,819	7,409,387

AZAM JAH MILLS LIMITED.

Agents & Secretaries:—Industries (I.F.) Department, Govt. of Andhra Pradesh.			
Year ended Sept.	1957	1956	1955
Sales	Rs. 15,013,318	Rs. 19,541,529	Rs. 18,197,974
Stocks	6,726,945	1,686,115	1,164,658
Net profit	807,275	1,512,492	886,043
Taxation	47,000	...	...
Depreciation	582,000	1,193,100	750,000
Other Funds	15,000	...	...
Div. A'mt Ord.	252,000	360,000	252,000*
Carry Forward	6,710	95,435	136,043
Div. % Ord.	3½	5	4-2/5

*Dividend paid out of Dividend Equalisation Fund.
(Annual General Meeting on 27-3-58 at 3 p.m.
Books closed from 14-3-58 to 28-3-58).

Capital:—Authorised and Subscribed Rs 7,200,000 in 72,000 ordinary (Equity) shares of Rs 100 each.

Synopsis of balance sheet as on the last day of Sept.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up	7,200,000	7,200,000	6,171,428
Reserve Fund	1,205,268	1,198,395	3,276,966
Other Funds	577,286	562,286	262,286
Taxation Provision	797,000	750,000	...
Loans Secured	10,996,093	9,902,069	8,777,275
Loans Unsecured	3,038,822	3,208,058	4,470,930
Debts	2,265,472	2,739,112	1,993,313
Carry Forward	6,710	95,435	136,043
Total	26,086,661	25,655,356	25,088,241

Assets.

G. Block	18,765,112	18,589,828	18,491,530
Depreciation	6,845,582	6,271,682	5,078,582
Block (net)	11,919,530	12,328,246	13,412,948
Stores	1,711,147	1,424,204	1,315,304
Stocks	8,902,978	4,263,376	3,495,580
Outstandings	263,070	3,720,318	3,537,594
Mis. Deposits and Advances	822,884	1,264,517	875,494
Investments	2,378,627	2,381,227	2,381,227
Cash	88,415	173,467	70,294
Total	26,086,661	25,655,356	25,088,241
Liq. Assets	14,167,121	13,327,109	11,675,293

OSMANSHAH MILLS LIMITED.

Chairman:—Khan Bahadur C. B. Taraporvala.			
Year ended Sept.	1957	1956	1955
Sales	Rs. 11,069,837	Rs. 16,024,962	Rs. 15,596,693
Stocks	5,900,985	2,036,639	1,419,693
Net profit	—12,593*	537,871	74,722
Depreciation	...	600,000	...
Div. A'mt Ord.	...	262,500	218,750†
Carry Forward ?	Nil	12,593	74,722
Div. % Ord.	Nil	3	2½

*After transferring Rs 842,193 from General Reserve.
†Dividend paid out of Dividend Equalisation Fund.

Capital:—Authorised Rs 10,000,000. Subscribed Rs 8,723,200 in 87,232 ordinary (Equity) shares of Rs 100 each.

Synopsis of balance sheet as on the last day of Sept.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up	8,723,200	8,720,400	8,719,600
Reserve Fund	3,884,431	4,701,896	5,201,896
Other Funds	45,550	48,350	311,650
Taxation Provision	500,000	500,000	...
Loans Secured	7,741,572	5,398,844	5,272,340
Debts	1,391,970	2,199,628	1,639,342
Carry Forward	...	12,593	74,722
Total	22,286,723	21,581,711	21,209,550

Assets.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
G. Block	17,383,244	17,125,376	16,999,989
Depreciation	6,786,683	6,791,363	6,191,861
Block (net)	10,596,561	10,334,013	10,808,128
Stores	1,674,420	1,392,043	1,304,318
Raw Materials	2,377,952	2,827,891	...
Stocks	5,907,253	2,054,351	4,702,547
Outstandings	348,699	3,304,046	2,285,679
Do More than 3 months	46,419	118,460	...
Mis. Deposits and Advances	539,302	678,861	784,771
Investments	717,945	717,945	1,215,445
Cash	78,172	154,101	108,662
Total	22,286,723	21,581,711	21,209,550
Liq. Assets	11,690,162	11,247,698	10,401,422

TIRRIHANNAH COMPANY, LIMITED.

Mg. Agents:—M/s. McLeod & Co., Ltd.			
Year ended Dec.	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
Outturn (mtds.)	8,084	8,585	7,116
Av. Price per lb.	2-3-7	1-14-11	2-10-2
Net profit	512,477	384,807	695,154
Taxation	150,000	163,064	233,830
Depreciation	62,352	41,258	44,208
Other Funds	250,000	100,000	150,000
Div. A'mt Ord.	55,000	66,000	88,000
Div. A'mt Pref.	10,000	10,000	10,000
Carry Forward	14,644	29,519	25,024
Div. % Ord.	25	30	40
Div. % Pref.	10	10	10

(Annual General Meeting on 31-3-58 at 3-30 p.m.
Books closed from 17-3-58 to 31-3-58).

Capital:—Authorised and Subscribed Rs 320,000 in 32,000 ordinary shares of Rs 10 each, fully paid.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	100,000	100,000	100,000
(ii) Ord.	220,000	220,000	220,000
Reserve Fund	400,250	400,250	400,150
Other Funds	550,000	300,000	200,000
Taxation Provision	479,618	441,759	286,830
Debts	334,092	363,360	346,797
Carry Forward	14,644	29,519	25,024
Total	2,008,604	1,854,888	1,578,801

Assets.	1956	1955	1954
Rs.	Rs.	Rs.	Rs.
G. Block	1,081,518	940,979	828,762
Depreciation	501,557	439,205	397,947
Block (net)	589,961	501,774	430,815
Cap. Exp. in Progress	43,191	15,818	...
Stores	254,228	180,106	102,915
Stocks	753,269	511,093	502,166
Outstandings	48,768	46,069	32,612
Do More than 3 months	1,211	1,047	...
Mis. Deposits and Advances	82,777	108,508	57,382
Investments	1,399	1,399	1,399
Deposits in Banks	250,000	450,000	350,000
Cash	73,802	39,074	101,512
Total	2,008,604	1,854,888	1,578,801
Liq. Assets	1,465,452	1,337,296	1,147,966

CAREW & COMPANY, LIMITED.

Mg. Agents:—M/s. Gladstone Lyall & Co., Ltd.			
Year ended June.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Cane Crushed (mtds.)	6,832,919	8,575,667	5,991,189
Sales	33,368,758	29,250,348	20,216,291
Stocks	8,551,145	11,483,409	9,471,336
Net profit	318,146	1,001,539	628,427
Taxation	223,802	588,990	130,828
Depreciation	338,064	352,278	364,879
Other Funds	...	...	50,000
Div. A'mt Ord.	...	...	80,000
Div. A'mt Pref.	...	52,000	52,000
Carry Forward	—223,014	20,716	12,445
Div. % Ord.	Nil	Nil	2½
Div. % Pref.	Nil	6½	6½

(Annual General Meeting on 31-3-58 at 10-30 a.m.
Books closed from 21-3-58 to 31-3-58).

Capital:—Authorised Rs 5,000,000. Subscribed Rs 4,000,000 in 8,000—6½ per cent Redeem. Cum. Pref. shares of Rs 100 each and 320,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of June

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	800,000	800,000	800,000
(ii) Ord.	3,200,000	3,200,000	3,200,000
Debentures	2,350,000	2,350,000	2,350,000
Capital Reserve	71,529	70,458	63,030
Reserve Fund	1,600,000	1,600,000	1,600,000
Other Funds	1,074,000	1,074,000	1,074,000
Taxation Provision	398,460	866,742	1,174,000
Loans Secured	9,087,105	8,395,033	9,039,336
Loans Unsecured	109,265	260,083	...
Debts	4,056,912	5,503,382	2,207,424
Carry Forward	...	20,716	12,445
Total	22,747,271	24,140,414	21,463,751

Assets.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
G. Block	14,522,324	14,062,330	13,690,775
Depreciation	9,894,338	9,571,756	9,227,301
Block (net)	4,627,986	4,490,574	4,463,474
Cap. Exp. in Progress	54,333	32,252	...
Works in Progress	45,822	23,663	...
Stores	5,153,577	4,119,606	3,498,902
Raw Materials	115,335	137,232	...
Stocks	8,406,602	11,336,963	9,428,926
Outstandings	1,889,154	1,716,665	1,957,719
Do More than 3 months	514,454	657,487	...
Mis. Deposits and Advances	1,445,219	1,388,511	1,755,668
Investments	45,325	21,898	14,118
Cash	226,450	225,563	344,944
Debit Balance	223,014	...	...
Total	22,747,271	24,140,414	21,463,751
Liq. Assets	17,841,938	19,627,588	17,000,277

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 7-3-58	7-3-57
Rs nP	Rs nP	Rs nP	Rs nP
S. Ambica 7½%	100	75.00	81.25
Soorah 7%	100	84.50	107.00
Standard 6%	100	74.50	86.00
Union 7%	100	93.00	102.00
Waverley 5%	50	29.50	40.00

BANKS

Allahabad 6%	100	105.00	114.75
Behar 5%	50	22.25	22.25

ELECTRICS

Calcutta 5% ...	£1	10.50	9.12
Dishergarh 5%	100	74.50	98.00
Dishergarh 4½%	100	84.00	88.50
Jorhat 6% ...	100	90.00	90.00
Kurseong 6%	100	90.00	90.00

PAID-UP PER SHARE				QUOTATION AS ON				PAID-UP PER SHARE				QUOTATION AS ON				PAID-UP PER SHARE				QUOTATION AS ON			
NAME		PAID-UP PER SHARE	QUOTATION AS ON 7-3-58	QUOTATION AS ON 7-3-57	NAME		PAID-UP PER SHARE	QUOTATION AS ON 7-3-58	QUOTATION AS ON 7-3-57	NAME		PAID-UP PER SHARE	QUOTATION AS ON 7-3-58	QUOTATION AS ON 7-3-57	NAME		PAID-UP PER SHARE	QUOTATION AS ON 7-3-58	QUOTATION AS ON 7-3-57				
		Rs NP	Rs NP	Rs NP			Rs NP	Rs NP	Rs NP			Rs NP	Rs NP	Rs NP			Rs NP	Rs NP	Rs NP				
Baza	10	20.00	...	...	Comm'l. Prop.	5	0.31	0.50	...	Martin-Burn	10	23.81	25.87	...	3½% Loan (1962)	...	97.85	97.94					
Gyan	10	21.75	22.00	...	Darjeeling Prop.	10	1.00	5.00	...	Marwar Trading	100	200.00	208.00	...	3½% Loan (1961)	...	98.68	99.44					
Samastipur	10	11.00	11.50	...	Hindusthan Bldg.	10	3.69	6.75	...	Metal Box	10	25.37	26.25	...	3½% Loan (1964)	...	97.83	98.44					
Shree Anand	10	10.25	10.50	...	Industrial Properties	10	10.75	13.00	...	Moradabad Water	10	4.50	5.58	...	3½% Loan (1965)	...	97.60	98.25					
Sitalpur	10	4.37	4.37	...	New India Bldg.	5	0.50	1.00	...	Nat. Carbon	10	25.12	26.75	...	3½% Loan (1967)	...	97.75	98.37					
South Behar	10	1.37	1.00	...	Midnapore Zamin-dary	100	20.25	23.25	...	N. I. Cables	10	24.25	20.50	...	3½% Loan (1967)	...	99.65	...					
Sri Hanuman	10	15.25	16.00	...	Regent Estate	10	1.00	2.00	...	Nat. Rolling	10	9.81	9.94	...	3½% Loan (1974)	...	98.20	98.37					
S. K. Gyan.	10	9.19	11.06	...	SAW MILLS AND TIMBER				...	Nat. Rubber Mfg.	10	8.77	...	...	4% Loan (1960-70)	100.60	100.87						
Shree Sitaram	10	11.00	13.00	...	Assam Saws	5	1.56	3.19	...	Nat. Tanneries	10	2.40	2.50*	...	4% Loan (1972)	100.10	...	...					
Upper India 'A'	100	127.00	127.00	...	Bengal Timber	100	22.00	41.00	...	Nat. Tobacco	10	9.19	10.19	...	(Rupee Counterparts).								
Upper India 'B'	25	15.00	15.00	...	SHIPPING				...	Nat. Safe	5	2.65	2.37	...	4½% Loan (1958-68)	100.55	102.62	...					
Upper Ganges	10	56.00†	91.00	...	Bengal-Assam	...	...	...	...	New I. Invest.	75	32.00	53.00	...	Preference Shares								
Unl. Province	10	13.50	14.00	...	Steam	100	107.00	139.00	...	Osier Elec. Lamp	5	2.30	3.62	...	MADRAS								
MININGS AND MINERALS				...	Cal. Landing	10	13.87	14.25	...	Pearl Invest.	10	1.25	1.25	...	BANKS								
Assam Silitamite	10	10.18	...	...	Cal. Steam	10	14.06	...	...	Phillips India ?	10	13.94	...	...	NAME	PAID-UP PER SHARE	QUOTATION AS ON 7-3-58	QUOTATION AS ON 7-3-57					
Assoc. Minings	10	8.44	10.06	...	Fraser & Co.	10	15.56	14.00	...	Phosphate Co.	100	165.00	...	...	...	...	Rs NP	Rs NP					
Bisra Stone Lime	10	25.62†	31.25	...	India General	...	...	...	...	Publicity Society	4	10.00	10.00	...	Canara B'ldg. 5%	50	50.00†	50.00†					
Burma Mines	4s	1.33	3.00	...	Navigation	£10	57.00	71.50	...	Prem. Trans.	10	1.50	1.50	...	Canara B'ing 4½%	50	44.00†	45.00†					
Consoll. Tin	5a	0.81	1.69	...	India Steam	10	12.22	10.44	...	Rails	100	28.00	36.00	...	Canara I. & B. 5%	100	108.00†	115.00†					
Chr. Mica	10	10.50	14.06	...	Port Shipping	10	15.75	15.75	...	R. B. Rodda & Co.	10	4.83	8.31	...	Canara I. & B. 5%	100	9.50†	10.00†					
Indian Copper	2s.	2.90	3.25	...	Scindia Steam	20	17.25	18.87	...	Rohtas	10	16.31	18.50	...	ELECTRICS								
Kangra Valley	100	85.00	120.00	...	MISCELLANEOUS				...	Sen Raleigh	10	10.75	12.10	...	Berhampur 6%	10	8.37	9.00					
Karanpura Devel.	10	7.56	14.12	...	Airways (India)	10	4.90	5.75	...	Sodepur Glass	10	1.56	2.12	...	Guntur 6½%	100	98.00	92.50					
Metal Corp.	10	6.50	8.75	...	Alum. Corp.	10	9.66	10.62	...	Shaw Wallace	10	10.03	11.50	...	Kumbakonam 6%	10	9.20	0.20					
Orissa Minerals	10	22.37	21.10†	...	Amalgam. Devel.	100	50.00	19.50†	...	Spence's Hotel	2	1.06	1.00	...	Nagapattinam 6%	10	8.65	9.56					
Sutna Stone Lime	10	20.75	18.00	...	Angelo Bros.	10	16.56†	10.75	...	Spencer & Co.	10	16.00†	16.25	...	Salem Erode 6½%	10	10.28	10.25					
Tavoy Tin	2s½	0.46	0.62	...	Asso. Hotel	10	5.31	20.37	...	Star Co.	100	81.00	81.50	...	S. Madras 5½% 1st	10	9.37	10.60					
CEMENT, POTTERY & FIRECLAY				...	Assam Match	10	15.31	20.37	...	Star Trading	25	8.00	8.00	...	S. Madras 5½%	10	9.47	10.12					
A-B. Cement	10	4.12	6.44	...	Balmer Lawrie	100	141.00†	164.50	...	Straw Products	10	14.50	20.12	...	S. Madras 5½%	10	9.88	20.25					
Ashoka Cement	10	8.31	10.50	...	Bararee Coke	10	10.75	3.57	...	Union Co.	100	75.00	107.50	...	Tin. Tuticorin 6½%	10	7.55	8.08					
Bengal Potteries	2½	3.75	3.44	...	Bharat Commerce	10	2.81	5.25	...	Union Tobacco	10	0.25	0.25	...	Vellore 6%	10	7.69†	7.62					
Dalmia Bharat	10	10.19	12.06	...	Bharat Vegetable	10	5.25	51.00	...	Walfords	1	1.69	2.00	...	W. Coast 5½%	10	...	...					
Dalmia Bharat	2½	2.62	2.94	...	Bharta Sons	10	2.37	14.00	...	Walford (Po)	1	1.34	1.75	...	PLANTINGS								
Jaypur Udyog	10	11.75	12.12	...	Bhirda Invest.	10	12.50†	1.75	...	W. Stockholder	1	0.76	0.87	...	(S. India)	...	...	...					
Kalyanpur Lime	100	102.00	100.00	...	Bihar Rice	10	1.50	13.87	...	Concord of India	5	12.31	10.75	...	Amalgamated 6%	10	7.40	8.50					
K'dhubi Fireclay	10	24.00	25.00	...	Brl. Biscuits	10	10.91	9.56	...	General	25	15.00	23.87	...	Anandham 7%	10	9.90	10.12					
Reliance Firebrick	10	19.00	20.00	...	Brl. Ceylon Corp.	10	3.90	8.00	...	Hercules	10	10.21	26.00	...	Aruthala 6%	10	9.20	9.20					
Orissa Cement	10	12.44	13.00	...	B. I. Corp.	5	4.12	5.44	...	India Trade	40	24.00	25.00	...	Bababuddin 6%	10	8.56	9.16					
Sone Valley	5	5.25	7.25	...	Cal. Credit Corp.	10	4.12	5.44	...	National Insur.	100	344.00	344.00	...	Badra Coffee 7½%	10	10.12	9.62					
CHEMICALS				...	Cal. Calcutta Gas	10	6.00	8.81	...	New Asiatic	5	3.25	4.19	...	Balanor 7½%	10	11.00	11.00					
Alkali	10	13.50	13.61	...	Cal. Invest.	100	50.00	50.00*	...	Ruby General	5	6.31	5.87	...	Balmadras 6%	10	9.00	9.75					
Bathgate	10	1.00	1.25	...	Cal. Safe	10	7.69†	8.50	...	Standard	10	3.50	3.94	...	Be Be 6½%	5	3.13	3.31					
Bengal Cheml.	100	98.00	100.00	...	Cal. Silk	10	4.05	4.12	...	Triton	25	130.00	154.00	...	Be Be 6½% R.	10	6.64	7.06					
Bharat Starch	10	8.00	3.06	...	Cal. Tanneries	10	0.50	0.50	...	Ahmedpur-Kutwa	100	50.00	60.00	...	Cochin Malabar 7%	50	49.75	59.50					
Burma Lime	10	8.00	8.50	...	Cal. Trams	£1	16.50	10.00†	...	Arrah-Sasaram	100	60.00	67.50	...	Coffee Lands 5%	10	82.50	88.00					
Dharangdhara	100	112.00	137.00	...	Calcutta Trams	£1	16.50	10.00†	...	Bankura-Damodar	100	40.00	58.50	...	Cons. Coffee 6%	25	23.75	27.75					
Frank Rose	5	2.19	2.19	...	Cambay Invest.	100	101.00	82.00	...	Baraset-Basrhat	100	8.00	10.00	...	Coomoor Tea 5%	10	103.87	109.87					
Indian Starch	10	5.81*	5.81*	...	Corp.	100	101.00	82.00	...	Burdwan-Cuttwa	100	50.00	58.00	...	Coorg Tea 6½%	5	4.40	5.12					
Lister Antiseptic	100	4.87	4.87	...	Cherra Chhatak	5	4.50	4.75	...	Bukh-Bihar	100	10.00	8.87	...	Cottanad 7½%	10	10.55	13.38					
Smith Stanistreet	5	12.75	10.00	...	Clive Row Invt.	10	8.94	10.00	...	Chapar-Slighat	100	10.00	52.87	...	Devon 7½%	100	104.00	110.00					
FLOUR MILLS				...	Darjeeling Rope	10	5.75	7.37	...	Dehri-Rohtas	100	40.00	13.00	...	Hedleybury 5%	100	68.00	80.75					
Bengal	10	27.62	34.00	...	Duncan Bros.	100	120.00	115.00	...	Putwakh-Islampur	100	10.00	53.00	...	Highland 6%	10	9.27	9.75					
Dahli	10	16.00	11.00	...	Dunlop	10	22.50	25.50	...	Howrah-Amta	100	60.00	62.00	...	Kadur Coffee 6½%	10	7.16	7.81					
Hooghly	10	24.50	21.75	...	Eastern Invest.	100	99.00†	130.50	...	Howrah-Sankar	100	55.00	65.00	...	Karikode 6%	10	8.30	9.19					
United	10	20.00	39.00	...	Elec. Const.	10	10.25	10.25	...	Kata-Lalsabzar	100	65.00	72.00	...	Kil Kotagiri 6%	10	9.57	10.19					
OILS				...	F. & C. Osler	10	2.37	7.50	...	Saharanpur	100	120.00	129.50	...	Kurchemala 6½%	10	7.75	8.37					
B. B. Petrol	5s.	1.70	2.62	...	French Motor	10	22.00	21.50	...	Deferred Shares	...	...	...	Malabar Agrl. 6%	20	16.56	16.66						
Cooch Behar Oil	10	8.00	...	...	Ganges Rope	100	123.00	182.00	...	Aluminium Cor.	2½	4.00	6.06	...	Manimala 5%	10	9.50	10.00					
I. B. Petrol	10	23.00	34.00	...	Gilanders	10	12.25	12.69	...	A. B. Cement	1	0.95	1.31	...	Mer. Rubber 6%	10	8.91	9.50					
Northern India Oil	10	2.31	1.62	...	Goffrey Phillips	10	24.50	21.62	...	Asso. Mining	5	5.19	5.25	...	Midlands 6%	10	8.12	9.75					
Tide Water Oil	10	12.25	12.00	...	G. E. Hotel	250	255.00	250.00	...	Christien Mica	5	6.63	7.06	...	Miamallay 7½%	25	25.87	27.12					
PAPER MILLS				...	Graeves Cotton	100	116.50	124.00	...	Dalmia Cement	1	2.50	5.37	...	Mysore Amal. 6%	10	6.30	...					
Bengal Paper	25	58.00	92.00	...	Hall & Anderson	10	7.75	9.00	...	Humayun Proper	1	2.15	1.94	...	Mysore Plan. 6%	10	7.91	7.90					
India Paper	10	19.37	22.75	...	Hindusthan Gas	7	8.31	10.37	...	Indian Mail. Cast	1	3.00	3.44	...	Neelamalai 5%	10	6.25	7.75					
Mysore	10	16.50	16.50	...	Hindusthan Ice	5	0.94	1.25	...	James Wright	1	0.50	0.62	...	Nellampathy 6%	10	8.85	9.45					
Orlent Paper	10	26.60	32.12	...	Hindusthan Lever	10	20.75	...	...	Macfarlane	1	0.47	0.56	...	Nemmeny 6%	10	9.60	10.08					
Shree Gopal Paper	10	14.25	16.31	...	Hindus. Motors	10	6.25	...	...	Metal Corp.	1	2.00	3.00	...	Nilambur 6%	10	8.06	8.85					
Star Paper	10	11.25	10.12	...	Hindusthan Nat.	10	3.00	3.00	...	Rampoora Cotton	1	4.60	3.00	...	Nilgiri Tea 6½%	5	4.25	5.31					
Titaghur	10	34.00	37.12	...	Hindus. Pilkington	10	10.00	10.00	...	S. Behar Sugar	2½	0.25	0.31	...	Peermade 6%	100	94.50	101.00					
Titaghur P.O.	2½	3.90	4.12	...	Glass	10	6.50	8.50	...	Union Tobacco	5	2.00	2.00	...	Ponnudi 6½%	10	10.00	10.00					
Upper India	...	...	...	...	Hoare Miller	10	7.25	7.25	...	Government of India Loans	...	...	...	Pullanode 6%	10	9.25	9.87						
Couper	100	60.00	60.00	...	Impl. Tobacco	10	11.37	14.37	...	(Non-Terminal Loans.)	...	...	...	Rajadri 6½%	10	7.40	9.19						
PRESSING				...	Indian Oxygen	10	16.25	...	...	3% Govt. Paper	...	71.20	73.19	...	Rajendra 6½%	10	8.45	9.03					
Kharwati	10	7.00	4.06	...	Indian Alum.	10	13.03	14.31	...	(Terminal Loans.)	...	...	...	Rajendra 6½%	10	7.32	7.87						
Cal. Hydraulic	100	45.00	81.00	...	Indian Cable	10	28.87†	28.75	...	3% Loan (1986)	...	71.02	74.62	...	Sangameswar 7%	10	9.75	...					
Camperdown	100	118.30†	121.00	...	Indian Plastic	10	5.25	5.62	...	2½% Loan (1961)	...	94.80	98.31	...	Talawa Tea 6%	10	8.50	9.87					
Central Hydraulic	100	119.00	129.00	...	Indian Rubber	10	14.75	24.62	...	2½% Loan (1962)	...	97.35	96.37	...	T. R. & T. Co. 6%	10	8.25	9.31					
Hooghly Ganges	10	5.40	5.06	...	Indian Wood	10	46.50	42.00	...	2½% Loan (1976)	...	94.85											

March 15, 1958

NAME	Paid-up per share.	Quotation as on 7-3-58	7-3-57
B'lore Wool 6%	100	117.00	123.50
Buckingham 7 1/2%	100	135.25	143.50
Cambodia 7%	100	108.00	115.00
Cauvery Spg. 6 1/2%	100	95.00	97.00
Colm. Muru. 6%	100	94.00	...
Co. Pioneer 6 1/2%	100	98.25	104.75
Hemalatha 5%	100	80.00	...
Kothari Tex. 6%	10	8.40	10.06
Loyal 5%	100	65.00	73.50
Palani Andavar 7%	50	58.50	63.00
Rajalakshmi 6 1/2%	50	53.00	56.00
Sarada 7%	100	100.50	101.00
Tirupati 6 1/2%	10	10.00	10.00
Trav. Rayon 5%	10	7.05	8.75
Vasanta 6 1/2%	100	104.00	111.25
Vasanta 6%	100	92.00	98.00
Venkatasa 1 1/2%	50	53.00	53.50
Vijayakumar 6%	100	95.00	103.00
Vijayamohini 6%	100	95.00	93.50
Virudunagar 5%	100	65.00	60.00

SUGAR

Cauvery 6%	100	100.00	50.00
Deccan 7%	5	5.67	6.12
E.L.D. 7%	200	16.12	16.87
India 7 1/2%	100	98.00	106.75
Jeypore 6%	100	99.00	100.00
K.C.P. 5%	100	100.00	90.00
Kirumpudi 5 1/2%	100	87.50	82.00
Travancore 5%	10	6.85	8.12

MISCELLANEOUS

Amrutnjan 7 1/2%	100	135.00	114.50
A. Cement 6%	100	106.00	108.00
A. Scientific 5%	10	5.12	5.12
Aspinwall 6%	10	9.40	10.06
A.V. Thomas 6 1/2%	100	73.00	79.00
India 5%	10	6.50	6.12
Brunton 6%	10	6.75	8.00
Can. Scientific 6%	5	4.90	5.56
Dal. Cement 6%	100	81.00	92.00
Dal. Cement 6 1/2%	40	30.75	38.00
Dal. Cement 6%	10	10.00	10.00
Enfield 6%	100	100.00	...
India Cement 5%	100	85.00	89.00
Indian Steel			
Rolling 5 1/2%	10	8.48	9.25
Mad Vana 5 1/2%	100	33.00	33.00
Marikar 6%	50	45.50	50.00
Mettur Chem. 6%	100	87.00	94.50
Mys. Chem. Mfg. 6%	10	8.78	9.28
Mys. Lamp 4%	10	5.60	6.00
Orissa Cement			
4 1/2%	100	95.50	100.00
Parry 5%	10	8.00	9.12
Rallis 6%	100	50.00	71.00
Rane 6%	5	4.70	5.00
Rafie 7%	5	4.90	5.25
Ruby 6 1/2%	10	9.75	10.00
Sen. Raleigh 5%	100	71.00	92.00
Spencer A. 6 1/2%	10	7.73	9.00
Spencer B. 8 1/2%	10	10.25	10.31
Stand. Motor 6 1/2%	100	88.75	98.00
Tra. Chem. Mfg.			
6 1/2%	10	9.37	10.00
T. Stanes 7%	100	100.00	100.00
United Elec. 5 1/2%	10	10.00	...
Vanguard Fire 5 1/2%	10	9.28	9.83
W. I. Plywoods			
6%	100	94.00	...

Ordinary Shares

MADRAS

NAME	Paid-up per share.	Quotation as on 7-3-58	7-3-57
Andhra	100	111.00	120.00
Andhra	85	87.00	...
Bank of Mysore	100	251.00	255.50
Canara Banking	50	80.00	80.50
Canara I. & B. A.	100	185.00	192.50
Canara I. & B. C.	1	1.86	2.00
Indian Bank	100	212.00	197.50
Indian Bank	80	182.00	...
Indian Overseas	100	148.50	154.00
Indo-Comm. A	100	42.50	42.50
Indo-Comm. B	25	11.00	10.50
Indo-Comm. C	80	25.00	19.50
Pandyan	25	37.50	40.00
Pdjab National	25	51.50	52.50
Travancore	25	19.10	17.12
Trav. Forward	10	4.35	4.94

BANKS

Andhra	100	111.00	120.00
Andhra	85	87.00	...
Bank of Mysore	100	251.00	255.50
Canara Banking	50	80.00	80.50
Canara I. & B. A.	100	185.00	192.50
Canara I. & B. C.	1	1.86	2.00
Indian Bank	100	212.00	197.50
Indian Bank	80	182.00	...
Indian Overseas	100	148.50	154.00
Indo-Comm. A	100	42.50	42.50
Indo-Comm. B	25	11.00	10.50
Indo-Comm. C	80	25.00	19.50
Pandyan	25	37.50	40.00
Pdjab National	25	51.50	52.50
Travancore	25	19.10	17.12
Trav. Forward	10	4.35	4.94

NAME	Paid-up per share.	Quotation as on 7-3-58	7-3-57
Berhampore	10	6.20	7.81
Cochin	10	9.30	11.25
Ellore	10	10.85	12.00
Guntur	100	205.00	180.00
Karalkkal	10	9.30	9.50
Kumbakonam	10	10.95	11.75
Negapatam	10	10.00	11.00
Salem-Erode	10	12.75	13.12
South Madras	10	12.40	11.50
Tin-Tuticorin	10	12.75	13.00
Vellore	10	13.50	13.76
West Coast	10	17.75	13.75

SUGAR

Andhra	10	17.75	17.75
Cauvery	100	89.50	...
Deccan	5	8.15	10.81
E. I. Distil.	200	29.25	28.25
India	10	13.00	16.25
Jeypore	10	13.00	13.25
K. C. P.	100	120.00	120.00
Kirumpudi	100	41.00	29.00
Mysore	10	37.00	41.00
Travancore	10	10.10	11.50
United Brew	75	179.00	180.00
Vizag.	10	7.12	7.12

PLANTATION

Alageswar	2	2.45	3.31
Amalgamated	10	10.50	12.25
Anandam	10	14.50	21.50
Anapara	2	4.83	4.82
Arthala	8	4.00	4.00
Arthimattam	2	1.05	1.25
Bababudin	5	10.25	11.25
Bada	2	3.00	3.56
Balanor	10	14.75	18.50
Belmadies	2	3.20	3.50
Be Be	5	3.12	4.81
Blue Mountain	2	2.85	6.19
Chandramalai	2	3.00	4.44
Chembra	2	3.05	4.25
Cochin Malabar	3	4.75	9.94
Coffee Lands	10	30.00	26.25
Cons. Coffee	10	22.55	22.87
Coonoor	10	18.75	24.25
Coorg	5	10.75	12.25
Coitanad	10	12.25	17.37
Cowwoody	2	7.87	8.25
Devashola	10	19.75	21.75
Devon	10	17.25	17.37
Emerald Valley	5	6.65	7.50
Gokul	2	1.65	2.10
Halleyburia	20	16.50	25.50
Highland	10	12.20	15.00
Kadur	2	2.85	3.00
Kalag	2	3.79	5.94
Kalasa	9	14.50	14.75
Kalpetta	10	20.25	25.87
Karikode	10	10.35	14.19
Kilkotagiri	2	5.12	6.94
Kumergode	2	7.20	6.82
Kurchemala	10	6.25	8.75
Lucky Valley	10	10.75	12.50
Malabar Agr.	10	8.75	11.62
Maabar Indust.	10	13.75	22.50
Malankara	10	15.25	30.50
Manar	2	2.70	3.15
Manimala	10	8.75	10.00
Mercara	5	7.06	9.81
Midland	10	14.62	18.37
Mama'lay	25	30.00	45.00
Mys. Amalgam	5	5.00	...
Mysore Coffee	2	2.98	3.12
Mys. Plantations	2	1.43	1.87
Neelama'al	5	4.58	6.62
Neillampathy	2	2.70	3.44
Neilthanam	10	13.00	18.00
Nemmeny	10	14.50	22.87
Nilambur	10	12.50	16.25
Nilgiri	10	7.85	10.75
Nonsuch	10	20.50	24.50
Ouchterlong	2	4.80	5.25
Panchura	1	3.20	4.37
Parkside	10	18.25	17.62
Peernade	10	19.80	29.50
Peninsular	10	19.00	28.50
Periakaramalai	2	4.07	8.81
Ponmudi	2	1.55	2.12
Pullangode	2	1.65	2.94
Puthuthottam	2	2.58	3.81
Rajathi	10	14.30	21.87
Rajendra	5	9.25	11.37
Sancameshwar	2	2.62	...
Savamalal	2	4.90	...
Shevaroy	2	2.08	2.31
Stanes Amalgam	10	14.75	19.87

NAME	Paid-up per share.	Quotation as on 7-3-58	7-3-57
Swinton	2	2.50	...
Talayar	10	8.20	12.12
Teekoy	10	6.40	9.19
Thamarapally	10	20.85	28.00
Thirumbadi	1	1.45	2.12
Thirumalai	10	13.50	22.25
T. R. & T. Co.	10	6.25	10.25
Tropical	25	25.65	33.00
Twyford	10	12.40	19.50
Udayagiri	10	11.25	16.25
Unl. Nilgiris	10	14.75	18.87
Vaikundam	10	19.47	32.25
Vayitri	2	1.42	1.94
Velimalai	5	4.86	7.69
Waterfall	2	3.27	6.75
Woodcote	1	1.56	1.81
Woodland	10	6.88	9.75

TEXTILES

Adoni	10	8.25	10.37
Alagappa	10	9.10	10.12
Anglo-French	100	90.00	95.00
Balasubramania	40	57.00	71.00
Balasubramania B	70	103.00	130.00
Bengal Woolen	100	170.00	587.50
Buckingham	100	160.00	184.00
Cambodia	10	9.60	14.62
Cannanore	100	156.00	177.00
Cauvery	11	12.00	12.00
Colm. Kamala	100	162.50	386.00
Colm. Kamala	50	50.00	50.00
Colm. Murugan	100	125.00	...
Colm. Pioneer	100	227.50	278.00
Colm. Spg.	50	59.00	91.50
Dhanalakshmi	100	185.00	374.00
Gnanambikai	100	130.00	160.00
Hemalatha	10	8.60	...
Janardana	50	78.50	112.00
Jawahar	5	13.00	14.81
Kaddi	100	171.00	175.00
Kadri	10	16.00	17.50
Kaleeswarar	100	325.00	335.00
Kannapiran	10	10.40	...
Kasthuri	25	24.75	30.75
Kothari	10	10.35	15.75
Kr. Rajendra	50	90.00	110.00
Lakshmi	50	112.50	142.00
Lakshmi A	25	56.00	74.50
Loyal	50	37.00	51.75
Madura	18	35.25	48.50
Malabar	200	98.00	109.00
Mettur	100	407.50	442.50
Mysore Silk	10	1.30	2.44
Palamalai Rangas	100	103.00	109.00
Palani Andavar A	50	135.00	147.00
Palani Andavar B	75	197.50	215.00
Pankaja	100	45.50	77.00
Premier	100	141.00	194.00
Pullicar	100	129.00	...
Radhakrishna	100	130.00	282.50
Radhakrishna B	50	65.00	142.50
Rajalakshmi	50	72.00	174.00
Rajalayaam	100	133.50	149.00
Ramakrishna	100	190.00	...
R. O. Ambikai	100	153.00	262.00
Rangavillas	50	65.00	90.00
Rayalseema	100	111.25	150.00
Sarada	100	76.00	113.50
Sivananda	10	14.00	...
Tirupati	10	9.75	10.00
Trav. Rayon	10	12.45	14.06
Trichinopoly	10	12.55	13.12
Vasanta	100	250.00	312.50
Venkatasa	80	130.00	164.00
Vijayakumar	100	110.00	143.50
Vijayalakshmi	100	105.00	151.50
Vijayamohini	100	81.00	82.50
Vijayewari	100	98.00	...
Virudhunagar	50	27.00	35.00

MISCELLANEOUS

Alum. Indus. ...	10	14.05†	15.25
A. Cement B ...	10	12.00	14.12
Andra Insee. ...	50	80.00	100.00
Andra Scientific	10	3.70	3.00
Ashok Leyland	5	4.25	5.25
Aspinwall ...	10	9.50	10.12
Aspinwall Trav.	10	8.75	10.12
A. V. Thomas	10	16.00	14.87
A. V. Thomas			
India ..	10	3.62	3.62
Bang. Pritg. ...	10	10.80	10.80
Bluny ...	100	157.00	180.00
Brunton ...	10	4.60	5.50
Central Scientific	5	5.75	6.37
Dalmia Cement	10	10.20	12.21
Enfield ...	10	10.00	10.00

Indian Finance

FACTS AND FIGURES

INDEX NUMBERS OF SECURITY PRICES
(1948-50 = 100)

Week ended	2.3-57	22.2-58	1.3-58
Government and semi-Government securities—All-India			
TOTAL	89.9	89.2	89.2
Government of India	89.7	88.9	89.0
State Governments	96.6	96.5	96.5
Municipal, Port Trust, etc.	90.6	90.0	90.0

Debentures of industrial securities—All-India			
TOTAL	98.9	97.2	97.2
Electricity	98.7	98.5	98.5
Textile	97.2	94.4	94.4
Plantations	98.4	97.8	97.8
Sugar	98.5	96.4	96.4
Coal	90.6	84.8	84.8
General Engineering	100.9	98.2	98.0
Shipping	101.8	98.6	98.6
Others	100.3	94.1	94.1

Preference shares—All-India			
TOTAL	79.8	71.2	71.2
Electricity	88.2	84.9	84.8
Cotton	79.7	67.3	67.1
Jute	74.0	61.1	61.0
Coal	82.1	72.8	72.8
Iron & Steel	82.8	78.0	78.2
Sugar	80.5	70.8	69.7
Paper	79.7	74.2	74.2
Plantations	99.3	87.1	87.0
Miscellaneous	74.0	66.6	66.7

Variable dividend industrial securities—All-India			
TOTAL	110.9	95.7	95.4
Financial: Total	93.4	96.1	97.2
Banks	95.5	99.3	100.6
Insurance	84.3	87.2	87.2
Investment Trust	80.1	64.5	64.2
Public Utilities: Total	109.1	104.3	101.3
Electricity	109.7	101.6	101.3
Shipping & other Transport	116.5	121.2	121.9
Railways	77.9	65.9	66.1
Manufacturing Industries: Total	116.4	97.5	97.0
Cotton, Woollen & Silk	123.4	93.9	92.8
Jute	60.7	48.3	48.1
Iron & Steel	118.7	119.9	120.1
Paper	247.8	187.2	186.5
Cement	155.2	132.7	132.1
General Engineering	164.5	144.2	144.5
Sugar & Breweries	99.0	97.0	97.4
Chemicals	135.4	126.3	126.4
Non-Manufacturing Industries: Total	137.5	108.0	107.2
Coal	74.0	66.2	65.9
Mining & Oil	185.5	147.3	146.2
Plantations	155.7	116.8	115.7
Miscellaneous	89.1	69.7	68.6

Government and semi-Government securities—Regional			
Bombay	89.4	88.6	88.7
Calcutta	89.8	89.0	89.1
Madras	90.1	89.4	89.4

Debentures of industrial concerns—Regional			
Bombay	99.4	96.3	96.3
Calcutta	98.4	97.4	97.4
Madras	99.6	97.4	97.4

Preference shares—Regional			
Bombay	84.7	79.4	79.5
Calcutta	73.4	63.6	63.4
Madras	94.5	83.8	83.7

Variable dividend industrial securities—Regional			
Bombay	120.2	109.6	110.0
Calcutta	78.8	82.9	82.4
Madras	125.3	109.7	109.3
Delhi	111.6	113.2	113.6

BULLION PRICES

Week Ended	8.3-57	28.2-58	7.3-58
GOLD—Spot—Highest	105 56	112 59	113 19
Lowest	104 87	111 12	111 69
Average	105 84	111 9	112 43
1st Settlement—Highest	105 56	112 47	113 03
Lowest	104 94	111 00	111 50
Average	105 36	111 74	112 22
SOVEREIGN—Average	69 27	71 28	71 68
SILVER—Spot—Highest	177 87	192 81	193 50
Lowest	175 81	190 87	191 37
Average	176 92	191 65	192 41
1st Settlement—Highest	177 81	192 75	193 62
Lowest	175 56	190 87	191 44
Average	176 97	191 75	192 49

SHORT-TERM MONEY RATES
(Per cent per annum)

	1.3-57	21.2-58	28.2-58
Call Money—From Banks—Bombay	3 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	3 1/2	3 1/2
From Public—Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
Fixed Deposits—3 Months—Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
6 Months—Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fcs. to Rs. 100	1039	1040
France	Fcs. to Rs. 100	8780	8785
		8785	8790
		8790	8795
Italy	Lire to Rs. 100	13030	13025
		13025	13015
Denmark	Kroner to Rs. 100	144 1/2	144 1/2
U. S. A.	Ra. to \$ 100	476.00	475.50
		475.50	475.00
		475.00	474.50
Canada		487.50	487.00
		487.00	486.50
		486.50	486.00
Philippines	Rs. to pesos 100	238.50	238.25
		238.25	238.00
		238.00	237.75

STERLING TRANSACTIONS OF THE
RESERVE BANK OF INDIA

Week Ended	1.3-57	21.2-58	28.2-58
Forward Contracts—Purchases	£ ('000) 1,605	2,515	1,985
Sales	£ ('000) 214	3,35	2,65
De'vices—Spot Transactions—Purchases	£ ('000) 40	5	15
Sales	£ ('000) 3,600	150	2
Against forward contracts—Purchases	£ ('000) 1,840	730	1,255
Sales	£ ('000) 2,45	97	1,67
	Rs. ('00,000) 4.80	20	7

PRICES AND YIELDS OF SELECTED
CENTRAL GOVERNMENT SECURITIES

	8.3-57	28.2-58	7.3-58
3% 1958	99 58	3.30	99 80
3 1/2% 1962	97 79	3.71	97 85
3 1/2% N.P.B. 1967	98 49	3.67	97 60
3% Dev. 1970-75	87 37	4.23	85 88
3 1/2% 1974	98 50	3.87	98 20
3% (Con.) 1986 or later*	74 62	4.02	71 05

INDEX NUMBERS OF WHOLESALE PRICES
BY GROUPS AND SUB-GROUPS
(Base: 1952-53 = 100)

Group and Sub-Group	28.2-58	21.2-58	1.3-57
Food Articles	101.3	100.9	102.2
Cereals	94	94	96
Pulses	76	76 1/2	79
Fruits & Vegetables	97	95 1/2	95 1/2
Milk & Cheese	102	100	101
Edible oils	117	117	116
Fish, Eggs & Meat	104	99 1/2	100
Sugar & Gur	108 1/2	110	109
Others	129	124	133
Liquor and Tobacco	96.7	96.7	96.0
Tobacco	95	95	94
Fuel, Power, Light & Lubricants	114.8	114.8	114.4
Industrial Raw Materials	110.8	111.9	112.8
Fibres	110	113	115
Oilseeds	112	112	112
Minerals	108	109	107
Others	110 1/2	110	110 1/2
Manufactures	107.5	107.5	107.5
Intermediate Products	106.3	105.4	106.6
Finished Products	107.7	107.9	107.6
Textiles	106	106	106
Cotton	117	117	115
Jute	86	88	90
Woollen	103	103	103
Silk & Rayon	90 1/2	90 1/2	89 1/2
Metal Products	142	142	142
Chemicals	99	99	99
Oil & Gas	111	111	116
Machinery & Transport Equipment	102	102	102
Others	112	112 1/2	111
All Commodities	104.9	104.8	105.6

* = Estimated.

† = Revised.

March 15, 1958

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	7.3-58	28.2-58	8.3-57
LIABILITIES:			
Notes in Banking Dept.	8,97.54	25,06.23	9,55.04
Notes in Circulation	15,78,66.99	15,45,26.06	15,25,91.08
	15,87,64.53	15,70,32.29	15,35,46.12
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	245,53.81	245,53.81	412,51.91
Total of A	363,29.84	363,29.84	530,27.94
(B) Rupee Coin	127,58.66	130,20.17	120,20.99
Rupee Securities	10,96,76.03	10,76,82.28	884,97.19
	15,87,64.53	15,70,32.29	15,35,46.12

BANKING DEPARTMENT:

	7.3-58	28.2-58	8.3-57
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	5,00.00
National Agricultural Credit (Long-term Operations) Fund	20,00.00	20,00.00	15,00.00
National Agricultural Credit (Stabilisation) Fund	2,00.00	2,00.00	1,00.00
Deposits:			
(a) Central Govt.	53,45.90	56,60.15	51,87.61
(b) Other Govt.	9,85.30	15,66.93	2,75.15
(c) Banks	77,40.13	75,45.85	52,24.30
(d) Others	113,27.82	112,84.42	41,84.14
Bills Payable	14,48.90	16,54.60	14,01.70
Other Liabilities	36,54.90	36,75.61	112,63.01
	412,02.95	420,86.96	301,35.97
ASSETS:			
Notes	8,97.54	25,06.23	9,55.04
Rupee Coin	4.17	9.82	4.87
Subsidiary Coin	2.68	2.70	15.29
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	8,38.93	3,48.41	5,31.62
Balances held abroad*	33,48.33	34,24.62	98,88.80
Loans & adv. to Govt.	43,91.30	38,25.58	11,39.70
Other Loans & Adv.	74,30.29	66,59.82	106,58.19
Investments	229,37.92	239,74.90	56,21.66
Other Assets	13,51.79	13,34.88	13,20.80
	412,02.95	420,86.96	301,35.97

(1) The item "Other Loans and Advances" includes Rs. 28,68,16,000 ad-
vanced to scheduled banks against security bills under section 17 (4) (c) of
the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	28.2-58*	21.2-58*	1.3-57
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	13,15.93	14,00.97	9,21.43
(ii) Other demand liabilities	714,62.81	715,61.20	691,54.07
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	16,65.00	15,85.00	1,62.00
(ii) Other time liabilities...	707,97.47	709,11.84	460,94.98
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	8,77.38	7,78.70	10,15.38
(ii) Time Liabilities	85.00	80.00	...
Borrowings in India from the R. B. I.	28,86.41	27,09.89	81,30.75
Cash in India	38,48.00	37,49.23	38,02.52
Balances with the Reserve Bank of India	73,12.93	69,27.75	50,15.42
Balances with other banks in current account in India	11,64.09	11,73.31	9,45.92
Money at call and short notice in India	40,39.71	39,39.04	12,67.99
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	433,44.52	433,37.32	350,32.46
Advances in India	778,81.42	774,35.38	698,83.69
Inland Bills Purchased and Discounted in India	111,65.46	110,58.22	106,08.86
Foreign Bills Purchased and Discounted in India	41,05.27	42,14.01	57,55.23

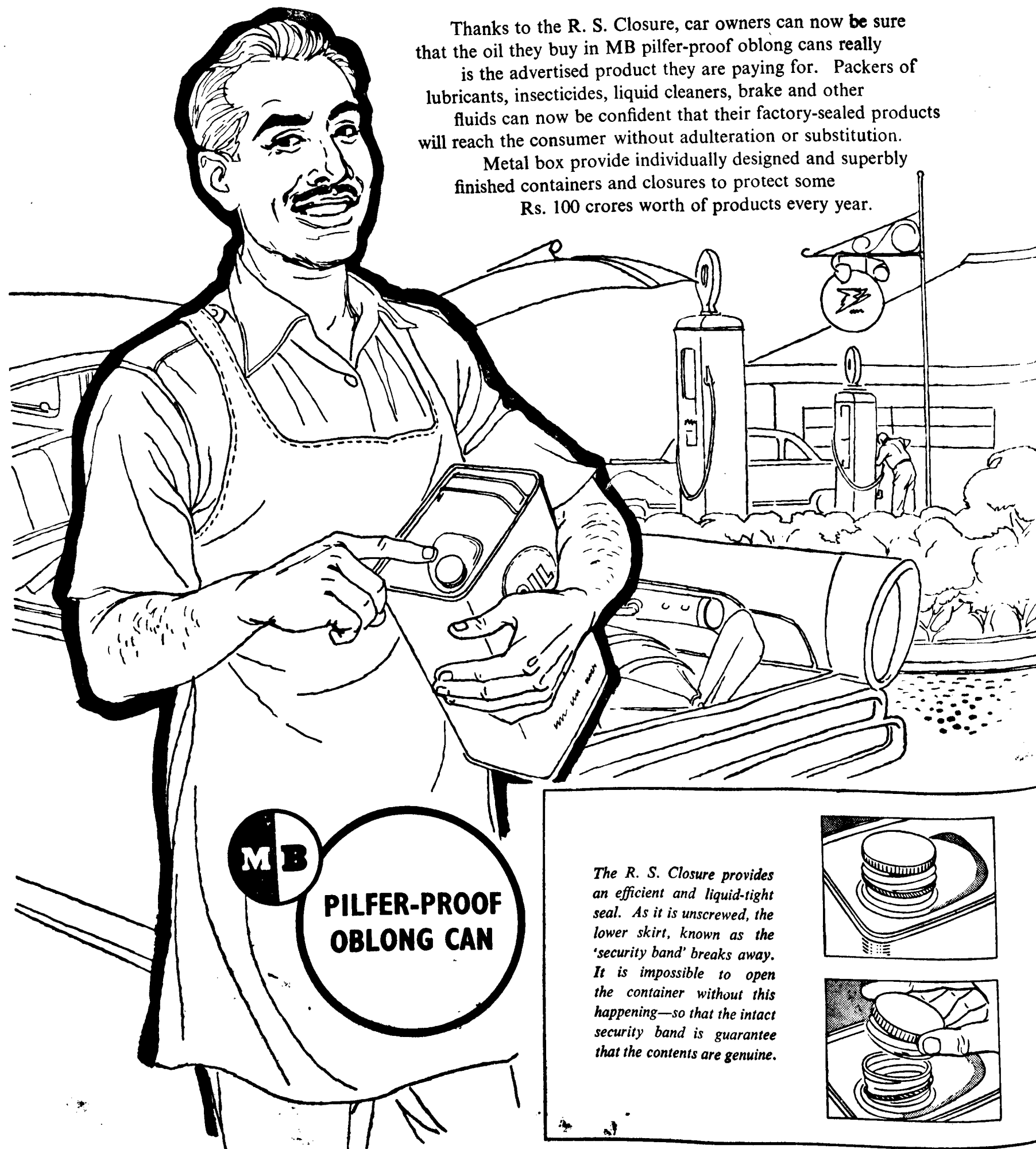
* Figures are provisional since complete returns have not been received from all banks.
* Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees)

	Week Ended		
	7-3-58	28-2-58	8-3-57
LIABILITIES:			
Capital Paid-up ...	5,62.50	5,62.50	5,62.50
Reserve Funds ...	6,62.50	6,62.50	6,37.50
Deposits and other Accounts ...	412,61.76	407,86.90	275,66.17
Borrowings from other Banks, Agents, etc....	13 00	57.50	9,50.00
Bills Payable ...	5,76.48	5,20 83	4,26 03
Bills for Collection as per contra ...	1,16 28	1,15 32	68,11
Acceptances etc. for constituents as per contra ...	20,28	19,05	5,12
Other Liabilities Including Inter-office Adjustments. ...	1 85.65	1,81.03	2,51.56
Total ...	433,98.55	429,05.63	305,66.99
ASSETS:			
Cash in hand and with R. B. I. ...	31,15.84	29,61.58	14,11.57
Balances with other Banks ...	2,61 99	2,72.68	4,08.57
Money at call and short Notice ...	1,20.00	1,13.33	86.67
Government and other Trustee Securities... ..	173,44.70	173,44.84	95,00.73
Other Authorised Investments ...	10,33.09	10,23.07	11,54.78
Loans, Advances cash credits & Over Drafts ...	186 11.75	184,13.85	149,51.66
Bills Discounted and Purchased ...	21,39.53	21,07.55	25,47.67
Bills for collection as per contra ...	1,16.28	1,15.32	68.11
Constituents' Liabilities etc. as per contra ...	20,88	19.05	5,12
Dead Stock ...	1,96.60	1,96.91	1,82.58
Other Assets ...	4,38.29	3,37.45	2,43.54
Total ...	433,98.55	429 05.63	305,66.99

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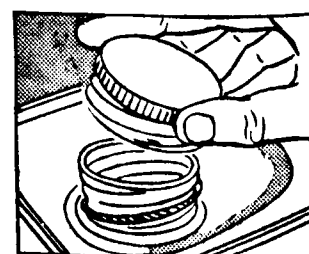
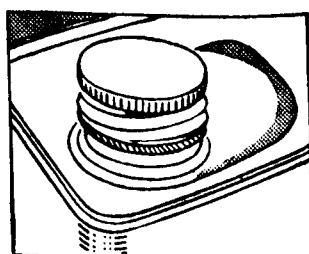


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Indian Finance

Indian Finance

Saturday

March 22, 1958

Volume LXI No 12

Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

We need have no roseate dreams of a saving in imports, once we achieve our Plan targets.

For, except for Russia, it has been the world's experience that trade expands with the economy.

Indeed, expansion in foreign trade may be said to be an indicator of a country's economic development.

Dr D. Bright Singh has contributed an erudite article on foreign trade's link with economic development.

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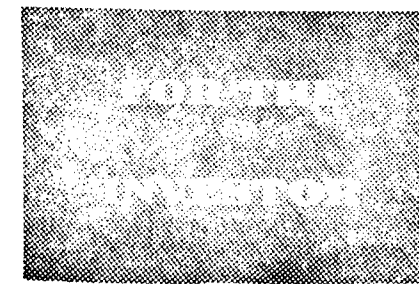
I'm nobody's fool. As smart as they come, I could teach anything in feathers a thing or two—and even teach you when it comes to flying.

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March 22, 1958



Activity Broadens: Bullish Undertone

Investment Gossip:

INDIAN Irons touched a new high during the week; activity has broadened; the undertone is bullish.

Mr Nehru's announcement of relief to the cotton textile industry and the repeal of the compulsory deposit scheme for 1958-59 was dramatic enough, but there are some who say: What's so good about it, it was expected, wasn't it? And the reliefs are just, aren't they?

I am, quite definitely not in sympathy with those who argue thus. And I have a creeping doubt, about the bona fides of these detractors. For, the fact is clear that concessions have been granted, concessions that were merited, reliefs that were necessary. But, just because they were necessary, does not mean that we have no reason to welcome them.

Then, the gain for the Stock Exchanges is not merely that a relief or two has come their way. Mind you, the reliefs themselves are considerable. But what is more important, this reflects a Government attitude that, from whatever viewpoint you look at it, is heartening.

For, we can now have the confidence that revenue is not the sole determinant of Government tax policy: if this were so, we would not have had reliefs aggregating more than Rs 15 crores.

It means that tax rates—and especially excise duties—are not to be rigid; as and when necessary, as and when consumption-inhibiting excises become so successful as to pile up stocks with industry, so soon may we expect Government to reverse their policy, and instead seek to encourage consumption and offtake by the public.

It is significant that a Minister had something definite to say on another depressed industry. Common teas are having a hard time of it, but, to judge by what Mr Morarji Desai said on the floor of Parliament, Government are aware of the tribulations being undergone by these varieties.

Mr Desai stated that Government were examining the question, and were anxious to do something to help common teas. The present snag is that all teas are lumped together for purposes of export duties. The solution, apparently, will be to distinguish common teas, and then to reduce the export duties on them, if not altogether repeal them.

So, the optimism in me is finally having a firm basis on which it can build itself up. There are soft spots in the economy, but it is precisely their presence which has moved Government into granting reliefs. Thus, we need not be apprehensive—unduly, that is—of further such soft spots. Government will implement the necessary measures.

How are we to reconcile the fact that, following the relief announcement, the market has not spurred? Well, there has been an element of profit-taking, and that has erased some of the gains. I much prefer that this is so, for, it means that the rise in prices is not wholly due to speculative activities. The consolidation that occurs at each stage is a guarantee of a longer life for the current bull phase.

How long will the bull phase last? Well, it has just started—barely so. And unless something really dreadful happens, the bull phase—by which I mean a period during which prices may be stationary, or improve somewhat, but will not go down—should last through the remaining years of the Second Plan.

Investment Notes:

It is understood that the scheme for the reorganisation of the capital structure of the Premier Construction Company Limited has been shelved, at least for the time being.

National Rayon Corporation has obtained the sanction from the Controller of Capital Issues for the issue of new shares in the ratio of one for every two shares held, at a premium of Rs 25. The company has also obtained the sanction for the establishment of a tire-chord plant at an estimated cost of Rs 3 crores.

Killick Industries have decided to issue 25,000 equity shares of Rs 100 each at a premium of Rs 20, subject to the approval of the Controller of Capital Issues. The shares will be issued in the ratio of 1:4.

Arvind Mills have decided to issue bonus shares in the ratio of 1:2. The overall dividend for 1957 is proposed to be maintained at Rs 35 per share.

Kalasa Tea & Produce Company has decided to issue bonus shares for Rs 60,000. The present shares of the face value of Rs 9 will be sub-divided into shares of Re 1 each. A bonus issue of one Re 1 share for every nine shares of Re 1 held will then be made; and the one-rupee shares will then be consolidated into Rs 2 each.

£ R S

More Textile Results

Balance-Sheet Reviews:

SOME more textile mills have presented their reports and accounts for 1957. Judged from the depression in the textile trade, the Mafatlal group of mills has,

on the whole, achieved satisfactory results. The decline in profits of the various mills range from: about 10 to 33 per cent as compared to previous year. The Standard Mills Limited has maintained the dividend at Rs 22.50 per share, while announcing also a bonus issue of one share for four shares following the Government's sanction. Sassoon Cotton has also repeated the dividend at Rs 2 per share. Mafatlal Fine has, however, reduced the dividend from Rs 18 to Rs 15 per share. In the case of New Shorrock as well as Shorrock Mills, dividends have been reduced on the increased capital; but, on the basis of old capital, they have been maintained. Particulars of results are given below.

Standard Mills

The Standard Mills Company Limited has earned a profit of Rs 82.37 lakhs as against Rs 1.11 crores in the previous year. After transferring a sum of Rs 6 lakhs from Rehabilitation and Development Reserve, the directors have set aside Rs 27.01 lakhs (Rs 28.10 lakhs) for Depreciation; Rs 31.75 lakhs (Rs 35.15 lakhs) for Taxation; Rs 6.00 lakhs (nil) for additional taxation and Rs 4.75 lakhs (Rs 7.10 lakhs) for Development Rebate Reserve.

£ R S

Sassoon Mills

The Sassoon Spinning & Weaving Company Limited has shown a profit of Rs 35.72 lakhs as against Rs 39.90 lakhs. After transferring a sum of Rs 3.25 lakhs from General Reserve, the following appropriations have been made:—Depreciation Rs 18.44 lakhs (Rs 15.09 lakhs); Taxation Rs 9.97 lakhs (6.15 lakhs); additional taxation Rs 1.31 lakhs (nil); and Development Rebate Reserve Rs 3.24 lakhs (Rs 9.57 lakhs).

£ R S

Mafatlal Fine

The Mafatlal Fine Spinning & Weaving Company, Limited has reported a decline in the net profit to Rs 27.99 lakhs from Rs 43.17 lakhs. After transferring a sum of Rs 4.25 lakhs from General Reserve, the directors have provided Rs 10.82 lakhs (Rs 9.49 lakhs) for Depreciation; Rs 7.63 lakhs (Rs 14.75 lakhs) for Taxation and Rs 5.05 lakhs (Rs 2.88 lakhs) for Development Rebate Reserve.

£ R S

New Shorrock

The net profit of the New Shorrock Spinning & Manufacturing Company Limited amounts to only Rs 50.89 lakhs as against Rs 62.30 lakhs in the previous year. A sum of Rs 10.02 lakhs (Rs 9.46 lakhs) has been provided for Depreciation; Rs 23.75 lakhs (Rs 23.80 lakhs) for Taxation; and Rs 5.02 lakhs (Rs 1.43 lakhs) for Development Rebate Reserve. No provisions have, however, been possible for General Reserve and

Dividend Equalisation Fund against Rs 10.00 lakhs and Rs 4.00 lakhs respectively in the previous year. A shortfall of Rs 4.60 lakhs in taxation provision for 1956 has been provided from General Reserve.

Shorrock Mills

The Shorrock Spinning & Manufacturing Company Limited has earned a net profit of Rs 27.59 lakhs as against Rs 35.11 lakhs in the previous year. The directors have transferred a sum of Rs 1.25 lakhs from General Reserve and made the following allocations:—Rs 8.25 lakhs (Rs 8.16 lakhs) to Depreciation; 13.80 lakhs (Rs 11.30 lakhs) to Taxation and Rs 1.87 lakhs (Rs 3.84 lakhs) to Development Rebate Reserve. A shortfall of Rs 2.30 lakhs in taxation provision for 1956 has been provided from General Reserve.

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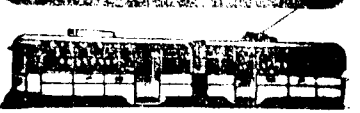
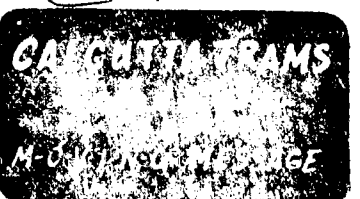
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Kohinoor Mills

In common with other mills, the working of the Kohinoor Mills Limited discloses a sharp decline of Rs 14.14 lakhs in the net profit at Rs 6.64 lakhs for 1957 as against Rs 11.21 lakhs in the previous year. The directors have, however, decided to maintain the dividend at Rs 18 per share. Even to maintain this dividend, they have to draw upon the Dividend Equalisation Reserve to the tune of Rs 5 lakhs. Sales of cloth, yarn and waste have dropped by Rs 52 lakhs to Rs 6.35 crores.

The assessment of the company's profits for 1956 has not yet been completed. Provision for Taxation, amounting to Rs 9.5 lakhs in the profits of the year and for any liability of uncompleted assignments including Wealth Tax for 1956 and 1957, has been made. To meet this extra liability, the directors have to draw upon the General Reserves to the extent of Rs 5.25 lakhs.

Coimbatore Cotton

In view of the difficult conditions in the yarn trade, the net profit of the Coimbatore Cotton Mills Limited, for the year 1957, should be considered rather satisfactory. Earlier profitable sales have probably been responsible for the absence of any steep drop in earnings. Sales are Rs 78.83 lakhs as against Rs 83.67 lakhs, while the net profit, before providing for Depreciation and Taxation, amounts to Rs 11.13 lakhs as against Rs 14.17 lakhs. The amount set aside to Depreciation is Rs 1.35 lakhs (Rs 3.07 lakhs) and Taxation Rs 4.00 lakhs (Rs 5.5 lakhs). Transfer to the Machinery Replacement Reserve is Rs 3.09 lakhs. The dividend of 9 per cent is payable on an increased capital, while a dividend of 25 per cent was paid in 1956.

Anil Starch

Thanks to the substantial increase in the gross profit from Rs 9.03 lakhs to Rs 16.58 lakhs, Anil Starch Products Limited has proposed a dividend of Rs 10 and a bonus of Rs 10 per share for 1957 as against only a dividend of Rs 10 in the preceding year. A sum of Rs 8.61 lakhs (Rs 4.32 lakhs) is provided for Depreciation and Rs 7.89 lakhs (Rs 4.77 lakhs) for

Development and Rehabilitation Reserve. The company has fared well with sales rising from Rs 1.45 crores to Rs 1.91 crores.

Industrial Investment Trust

The Industrial Investment Trust Limited has reported a net profit of Rs 5.92 lakhs for 1957 as against Rs 5.19 lakhs in the previous year. After adding a sum of Rs 15,921 being the amount transferred from Capital Reserve; Re 4,912 being tax-assessed on capital gains for 1956 and transferred from Capital Reserve; Rs 23,116 being refund of income-tax and Rs 3.23 lakhs being the amount brought in from the previous year, the total available for distribution is Rs 9.80 lakhs.

From the above amount, the directors have set aside a sum of Rs 2.30 lakhs towards tax assessed for 1957-58. A higher dividend of Rs 5.50 per share has been declared. The company has earned, by way of dividend and interest, as much as Rs 7.37 lakhs as against only Rs 6.72 lakhs. The approximate valuation of the company's investments at the market rate, as at the close of the year, is lower than the total book value by 2.9 per cent.

Jayshree Tea

In the context of adverse market conditions that prevailed in the tea market during last year, the working results of the Jayshree Tea Gardens Limited should be considered as satisfactory. The net profit, after providing for Depreciation and Taxation, is only slightly lower at Rs 10.56 lakhs as against Rs 14.62 lakhs in the previous year. The directors have, after setting aside a sum of Rs 8.73 lakhs (Rs 7.88 lakhs) for Depreciation; Rs 9.00 lakhs (same) for Taxation; Rs 1.70 lakhs (nil) for Development Reserve and Rs 3.00 lakhs (Rs 8.50 lakhs) for General Reserve, maintained the dividend on the equity shares at Re 1 per share.

According to the directors' report, permission has been received by the company to its application for the issue of bonus shares. In view of very high incidence of taxation on bonus issues, it is proposed that, for the present, the same may be kept in abeyance.

More Company Results
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Indian Finance

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Jute Goods Need Help

IF the jute goods industry finds itself today in an unenviable position, it is largely because some of the major outlets for its products have been firmly closed or are in the process of being closed. Bulk handling methods and changes in packaging techniques have sizably reduced the consumption of jute goods in the world in recent years and, for all practical purposes, the loss sustained in this regard is to be considered irretrievable. The future of prosperity of the industry, therefore, seems to depend to a large extent on its ability to find new uses for jute goods. As a major constituent of world industry, the Indian jute mills industry has perforce to bestow the maximum possible attention toward diversifying production to suit the changed packaging needs of its overseas customers as well as find new uses for its products.

It is, therefore, not surprising to hear Mr D. P. Goenka, the outgoing chairman of the Indian Jute Mills Association, say emphatically that trading conditions are not going to be easy in the coming years. In his opinion, any sizable improvement can be expected only through the development of new uses for jute fabrics. It is gratifying to find that the IJMA chairman has not minced words in assessing the prospects of the industry. In this regard, Mr Goenka has pointed out that the pattern of offtake during 1957 has differed from that of the previous year. Almost all our traditional markets have taken less, the percentage of decline being 5 in the case of US and 50 in the case of the UK. If the level of exports during the year has been maintained, it is because the loss has been somewhat compensated by the increased offtake by Egypt, East Africa and Argentina.

Why has there been a fall in the offtake by our traditional customers? In the UK, some peculiar factors which militate against entry of jute goods of Indian origin in large quantities are in operation. Most of these have stemmed directly from the extremely difficult position in which the Dundee industry has been placed by its virtual dependence for its raw material on Pakistan. In trying to save the domestic industry, the UK Government have not hesitated to take measures which will ultimately defeat the very purpose for which they have been implemented and which are clearly unjust to India.

In the US, there has, no doubt, been a rise in the consumption of burlap for industrial purposes, but offtake has been lower from bag manufacturers. One of the reasons for the setback is said to be the success of the return bag programme. More bags have been sold and some ground has even been regained from paper, but the programme has adversely affected purchases for replacement. The second reason is the growing trend toward smaller packages, for which burlap is unsuitable but paper is. Mr Goenka thinks that the third reason, namely, bulk handling, is the largest single inhibiting factor to the burlap trade in US.

In the final analysis, the real state of an industry is to be gauged from the financial condition of the individual units comprising it. Applying this criterion, one finds that the Indian jute goods industry is still deep in the woods. Whereas, in 1955, it made a net profit

of about Rs 2.5 million, it has had to bear a huge loss of more than Rs 25 million in the next year. Though it is expected that, in 1957, the position would have somewhat improved—in other words, the loss would be less—it is pointed that the cumulative effect of the unsatisfactory working in the past three years is being severely felt by the industry.

It is to be admitted that there is no lack of recognition on the part of Government of the serious position of the jute goods industry. Concerted efforts are being made in our country to put the industry on an even keel. The programme of raw jute self sufficiency is being pursued with vigour with the emphasis placed on higher acreage yield. The modernisation and rehabilitation programme of mills have made commendable progress, and mills are

much more efficient today than they were last year.

While the measures already initiated are bound to result in increasing the competitiveness of our mills in the long run, the present financial condition calls for ameliorative measures that can bring immediate succour to the industry. The recent decision to allow drawback of import duty on batching oil indicates Government's recognition of the urgent need for relief to the industry. Though this concession in its actual application has not reached the mills, it is a welcome gain to the trade as a whole. The additional burden to the tune of Rs 45 lakhs imposed by the Bengal Electricity (Amendment) Act on Calcutta mills does not quite fit in the picture. It is incumbent on Government to give all possible help to the industry at this juncture.

Exchange Bankers' Survey

THOSE who are accustomed to look to the annual meetings of the British Exchange Banks for objective estimates of the economic conditions and prospects of the newly enfranchised countries of South Asia will not be disappointed with the current crop of chairman's speeches. The range of operations of these Banks, the Chartered, the National Overseas and Grindlays and the Mercantile, covers almost all the countries bordering the Indian Ocean in South Asia and down the coast of Africa, and extends from the East Mediterranean to the Pacific and further north to Japan. This region has been the scene of revolutionary changes of political status during and after the war, and these have been followed in the economic field by a race to catch up with the industrialised West. The Exchange Banks operating in this area have adapted themselves to the exigencies of the changed situation by amalgamations and otherwise. The amalgamation of the National with Grindlays came into effect with the New Year. The Chartered Bank acquired the entire issued capital of the Eastern Bank last July and a year earlier had acquired by purchase the banking business of the Allahabad Bank Bank in Pakistan. While the Mercantile Bank has not reported any acquisitions, its capital structure has been streamlined, and the Bank transacts business behind a new name plate.

Though countries in the region covered by the Bank surveys show a wide range of patterns of government and levels of economic and political stability, they nevertheless share some common features. Most of them have only recently attained national status and suffer from the hang-over of the old colonial era. In the economic field, this is reflected in the dependence on a few primary export commodities, like tea, rubber, rice or sugar, and export earnings have been naturally affected by the decline of world commodity prices. And Mr V. A. Grantham of The Chartered Bank has drawn attention to the dominant feature of the political scene in the following words: "All the uncommitted Asian countries are clearly anxious to avoid embroilment with either of the two major power blocs based upon Washington and Moscow, and it is evident that throughout the continent,

nationalism remains the most powerful political force." An unbiased understanding of this basic factor will help to counteract any misapprehensions in the West about the position of India and the countries which stand with India in world affairs. But, as far as the Exchange Banks themselves are concerned, their policies are firmly grounded on recognition of this cardinal principle of Asian politics. It is a measure of the mental resilience of the managements that, within ten years of the end of the war, they have been able to adapt their techniques of management to suit "the revolutionary economic situation resulting from changes of sovereignty and other political upheavals" and are now able to face the future with guarded optimism. This process of adaptation is mutual. As Mr Grantham has acknowledged, "most Asian countries realise that an efficient international banking service can play a powerful part in sustaining the economic defences of an undeveloped country struggling to be free and prosperous, and that foreigners practising banking in their territories can be trusted by their hosts." In the result, the Exchange Banks have been operating to an increasing extent in the domestic economies of the countries to which their organisations extend.

Most of the countries in the region are in the throes of forced economic development and a number of them in the past year have experienced severe balance of payment difficulties. The chairman of the Mercantile Bank, Sir Kemeth Mealing, has drawn attention to the foreign exchange shortages, restrictions on imports and exports, which, in some countries, have tended to restrict business and made trading conditions difficult. Among the countries facing adverse balances, of India in world affairs. But, as far as the though for different reasons, are India and its immediate neighbours, Pakistan, Burma and Ceylon, and further afield, Hongkong and Japan. India's difficulties have attracted the maximum attention, both on account of the magnitude of foreign exchange shortage as well as of the efforts made to meet it. India's crisis, it is recognised, is a crisis of development which already shows signs of

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providing its own cure. In Pakistan, the balance of payment deficit is the result of food shortage of an earlier season aggravated by fall in the price of major export commodities. Burma, after setting up a post-war record with export of over two million tons of rice in 1956, has been hit by a parsimonious monsoon which has cut the rice crop by thirty per cent. The shortage of foreign exchange, partly caused by relaxation of import restrictions, has added to the troubles of foreign firms and foreign nationals, in respect of facilities of remittance and internal financial accommodation. The economy of Ceylon has suffered from natural and man-made disasters. While the floods of last December have destroyed crops and disrupted communications, the loss in terms of exports has been aggravated by trouble in the ports. Fall in tea prices has also contributed to the adverse balance in trade. Hongkong's exports have suffered as a result of the shortage of foreign exchange and trade restrictions in neighbouring areas and the Colony will have to look to more distant markets to pay for its growing imports. Japan, which has run into an import surplus, has been obliged to slow down the pace of development and to impose restrictions on domestic credit. The countries on the Persian Gulf are in the process of recovery from the aftermath of the Suez crisis. In South East Asia, a number of countries have been able to maintain their export earnings, and in some of them, American aid has been a significant factor contributing to economic stability. The crisis in Indonesia renders any assessment of the economic situation

Foreign Trade & Economic Development

By Dr D. BRIGHT SINGH

IN the matter of foreign trade underdeveloped countries as compared with economically advanced countries are in an unenviable position. In the course of their development they are frequently confronted with balance of payments difficulties which seriously affect their rate of growth and the stability of their economy. Such difficulties spring mainly from the nature of the articles which they export and import. To some extent they are also due to the fact that many of the underdeveloped countries are economically dependent on developed ones.

But though the difficulties of the underdeveloped countries in the sphere of foreign trade are quite real, the fact remains that their external trade actually increases with economic growth. The expansion of foreign trade is in fact an indicator of economic development. The economic history of nearly all advanced countries of the world, UK, Germany, France and Japan shows that increase in the national product has been attended with increase in the volume of foreign trade. The one great exception to this general rule is the Soviet Union. The peculiarity in this country is to be explained partly by the economic policy of the government and partly by the vastness of the country and the abundance and variety of its resources which have helped her to bring about a self-contained development. The normal trend however is for both foreign trade and national income increasing together. Economic development means production of more and better goods. Export capacity is thus increased. At the same time the rise in national income helps greater imports.

There is then this paradoxical situation. On the one hand, the terms of trade of developing economies turn adverse to them in the process of their growth and thus land them

largely irrelevant. The most important development in this region has been the emergence last year of Singapore and Malaya as self-governing members of the Commonwealth. Both, it is gratifying to note, have fairly prosperous economies. In spite of the continuing emergency, Malaya has a general level of wages and standard of living, probably the highest in South East Asia. And Singapore is embarking on a programme for expansion of franchise, which, it is hoped, will not affect the Island's unique status as an entrepot, which has been responsible in no small measure for its prosperity. All the three Bank chiefs have drawn attention to the adverse effects of the restrictive monetary policies adopted in the United Kingdom last September. As Mr J. K. Michie of National Overseas and Grindlays has stated, this has not made the role of the overseas bankers any easier, particularly as competition for deposits is growing in every sphere.

The Exchange Banks, which followed the flag in the regions where they now operate, were pioneers in providing international banking facilities, a field in which they still remain the leaders. In spite of the current economic difficulties through which the region is passing, it represents a vast potential of economic development. The British Exchange Banks can contribute to that development by strengthening the life line of trade both internal and international. They can render this service to greater effect, if their resources are not dried up at the source, as a result of divergent estimates of the accrual of foreign currency to the UK from overseas banking operations.

into balance of payments difficulties. On the other hand, expansion of foreign trade is not only necessary for growth, but also registers the rate of growth. In other words in order to ensure a high rate of economic growth, expansion of external trade is necessary.

It is possible to explain this paradox. In the first place, from the long term point of view, the conditions of foreign trade of economically backward countries are not so bad as they are often represented to be. Even when the terms of trade are unfavourable it is quite likely that there would be other factors such as increase in the total volume of trade, larger production of particular commodities of decline in the real cost of production of articles of export which more than offset the loss from the adverse movement of the terms of trade. It should also be remembered that if the countries exporting primary commodities are squeezed in a period of depression, they get correspondingly large gains in periods of boom. Thus during the Korean boom in the first half of 1951 favourable price and quantum movement in export trade of underdeveloped countries resulted in a large increase in the foreign exchange earnings of these countries. In such a situation it is possible for governments—as was done in New Zealand and some other countries—to divert by means of proper monetary and fiscal management the profits of the fat years for purposes of investment. Further, the terms of trade of the primary producing countries are unfavourable mostly because of the nature of their exports and imports. But if the country's economy is progressing, it will not be exporting raw materials and importing manufactured goods at the same relative rates. The very fact that the economy is growing implies that the composition of foreign trade will change.

Normally with economic development, the relative importance of manufactures in imports, and agricultural commodities in exports declines. It is wrong to presume that import of manufactures will decline in absolute terms with economic growth. In fact the reverse has happened in the course of development in many countries. Progress in industrialization has been attended with an increase in the exports as well as imports of manufactured goods. Lastly, it should be noted that while in general the terms of trade may be unfavourable to underdeveloped countries, it is very likely that in respect of particular commodities that are exported conditions are very favourable to the exporting countries. These are the commodities in the production and exporting of which the less developed countries have special advantages like favourable climatic conditions, availability of natural resources, cheap but efficient and skilled labour supply etc. A few commodities which enjoy such natural facilities may account for the bulk of the export earnings of these countries. The gains from such exports may not always be quite obvious and may be offset by the general unfavourable terms of trade.

EXPORT TRADE AS A MEANS OF ECONOMIC DEVELOPMENT

Herein lies hope for the underdeveloped economies. If it is a fact, that a country has certain special advantages in the production and exporting of particular commodities and that the foreign trade in such goods accounts for a large part of the total export earnings of the country, it is obvious that by concentrating on the expansion of such export oriented industries, the country can realise large earnings which can be profitably used for capital formation. In order to understand the significance of this means, it is necessary to look more carefully into the true nature of the problem of capital formation in underdeveloped countries.

The rate of capital formation in a country is a sure measure of its standard of development and the rate of its growth. Normally in underdeveloped countries this is about 3 to 5 per cent of the national income; in developed countries it is more than 10 per cent. In fact the transition from 5 per cent to 10 per cent investment represents change from an underdeveloped to a developed economy. This increment of about 5 per cent in the rate of capital formation is crucial in the development of an economy but it involves considerable strain. When, however, the higher level is reached further growth is self-sustained. In other words, in the process of this all important transition, per capita productivity would have increased sufficiently as to ensure a high rate of automatic investment of savings. For it is a fact that the higher the level of per capita income, the lesser is the strain involved in maintaining a high rate of investment.

Higher rate of investment is possible only if savings are larger. There are three ways in which larger resources, necessary for increasing the rate of investment, can be found: (a) Increased production (b) Lower consumption and (c) Foreign assistance. While the importance of the role of foreign capital in promoting economic growth cannot be questioned, it has been shown by experience that by far the larger proportion of the means of increasing investments has to be found from domestic resources.

It, therefore, follows that if the savings margin which is vital for economic development is to be widened, either production with the help of existing techniques, equipment and resources is to be increased or consumption level is to be lowered or what

March 22, 1958

is better, both means are to be resorted to simultaneously. Given the level of consumption, savings can increase if production in any line increases, because of better utilisation of resources or when there is an improvement in productivity which manifests itself in an increase in output per unit of input. If there is expansion in total output, while consumption remains constant or is forced down, the additional output can be exported and exchanged for capital goods. On the other hand, if output increases per unit of input, it would be possible to release part of the resources employed in the production of food and other agricultural commodities for producing capital goods. Both the methods promote growth. If the country is not altogether agricultural, but has already developed some of the light industries and is producing some manufactured consumption goods, then it is possible for such a country to export not only raw materials but also some manufactured goods. However, in so far as the spread between cost of production and marketable value of the finished product is greater in the case of manufactured goods than raw materials, it follows that by exporting manufactured goods rather than agricultural commodities there is the possibility of larger gain through export trade. This makes it relatively easier to step up the level of investment.

It is in fact possible that the transition to self-sustained growth, or to use Professor Rostow's expressive term "the take off" may be brought about through the expansion of exports. Normally in the absence of any innovation by means of which a "new" commodity is produced, expansion of one industry has to be at the expense of another industry. And innovation is difficult and rare in an underdeveloped country. This problem can be solved, if increased output resulting from the expansion of one or more industries is exported and disposed of in external markets. Since the export sector can be readily controlled, the larger earnings arising out of increased exports can be profitably diverted for investment purposes. The development and expansion of export oriented industries help growth not only through the earning of much needed foreign exchange but also by indirectly helping other industries in the country. Higher money incomes raise the level of effective demand and ensure larger internal offtake of goods produced at home. Also the overhead facilities which have to be provided to promote particular industries, the products of which have large external markets, would help other industries also, that cater to the needs of domestic consumers. Apart from all these advantages, export promotion has, of late, become of vital importance to all underdeveloped countries of the world in so far as the international flow of capital to primary producing countries has tended to decline markedly in recent years.

But export promotion, if it is to be really effective as a means of facilitating economic growth, should be of the selective type. Quite often the development of particular industries provides the necessary impetus and the means to ensure rapid growth of the economy as a whole. The yield of one or a few industries in a country may increase more than in proportion to the yield of the other industries. This brings about larger earnings through exports and thus facilitate import of capital goods. At the same time the expansion of the domestic market and higher levels of consumption provide an incentive for increased investment and production. It is stated that in Britain in the late 18th century the invention of the cotton gin and the cheapened and enlarged supply of raw materials for the cotton textile industry stimulated inventive talent on the engineering side of the industry. Economic

history provides ample illustrations showing how the expansion of particular industries in different countries has helped in their "take off" into self-sustained growth. Thus, in Britain it was cotton textiles; in Sweden it was the timber industry, in Denmark meat and dairy industry, in Japan the silk thread industry.

This points to the need for finding out those industries in an underdeveloped country which are not merely capable of expansion but the expansion of which would accelerate general growth of the economy. These should be industries, the products of which would bring in large export earnings. Apart from this, it is possible to lay down four conditions which should be satisfied if the industry is to be regarded as one, which can help growth in the manner indicated. In the first place, the expansion of such industries and the increased exports of their products should not seriously affect the pattern or level of domestic consumption. Secondly, the expansion should be easy in the sense that it should not involve very much strain on the economy or violent transfer of resources from other industries in the country. Since underdeveloped countries are handicapped by capital shortage it is obviously preferable to choose those industries which can be made to yield larger output without any great addition to capital equipment. This would mean that wherever possible production should be increased by better use and maintenance of existing capital stock. Thirdly, it is necessary that the exports should have an expanding foreign market. The demand for these commodities should preferably be income elastic, the assumption being that other countries with which the exporting country has trade relations are also developing and would therefore require more and more of the exports of the latter. Lastly, the prices of the commodities exported should, on the whole, be free from violent fluctuations.

EXPORT PROMOTION IN INDIA

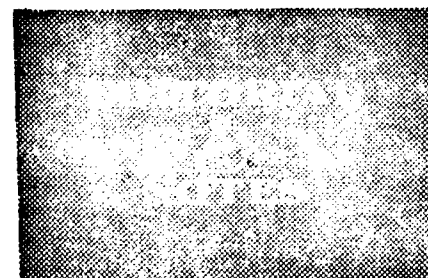
In the light of what has been mentioned above, it is possible to examine the extent to which expansion of particular industries in India can help in raising the level of domestic investment. In the last seven years since 1950-51 our imports have been running at an annual average of Rs 722 crores and exports at Rs 607 crores. It has been estimated that over the five years of the Second Plan 1956-57 to 1960-61 exports would be of the order of Rs 2965 crores and imports Rs 4340 crores giving an average per year of Rs 593 crores and Rs 868 crores respectively. The overall deficit in trade balance is estimated at Rs 1375 crores and the current account balance making an allowance for invisibles, is Rs 1120 crores. The last mentioned figure represents the aggregate deficit on current account over the Second Five Year Plan. Exports are expected to rise moderately from an estimated level of Rs 573 crores in 1956-57 to Rs 615 crores in 1960-61. The recent Export Promotion Committee has recommended the fixing of an export target of Rs 700 to Rs 750 crores a year.

The imperative need to step up our exports has been well realised by the government and they have taken steps already in that direction. But the measures that have been adopted so far, such as the setting up of the Export Promotion Councils, the organisation of Market Surveys, the institution of the Foreign Trade Board by the Ministry of Commerce and Industry and the establishment of the Exports Risks Insurance Corporation are all of the general type without reference to any special industry or group of industries. Similarly many of the recommendations of the recent Export Promotion Committee in the nature of tax policy, overseas publicity, provision of credit facilities etc. are also of the same

general nature. But what is required in the present context is concentrated effort to push up the export of those articles which can bring in the maximum of benefit to the country.

Among the export commodities of India there are a few which conform to the requirements indicated above. Of the total value of India's exports three commodities—Tea, Jute yarn and manufactures and Cotton yarn and manufactures—account for a little more than a half. It is not likely that increased production of tea would affect output in any other industry including production of food crops. What is required in the matter of tea is expansion of markets. Tea exports were running at slightly more than 400 million pounds. It is estimated that the exports would reach a level of 470 million pounds by 1960-61. Jute exports have been modestly estimated at 875,000 tons per year in view of growing competition from other jute manufacturing countries. Exports of cotton yarn and manufactures are expected to increase from about 850 million yards to a level of 1000 million yards in 1960-61. As regards jute and other manufactures, methods of increasing output substantially without much adding to the capital stock are to be found. Recently the Union Minister of Industry pointed out that this can be achieved by working more shifts where possible, by adding balancing and marginal equipments to the existing machinery so as to get the maximum out of the existing capacities, by modernising the existing equipment and by insisting on substituting indigenous and swadeshi raw materials, equipment and capital goods, even if they be somewhat inferior to the imported goods. The present output of cotton in India meets only 89 per cent of the total requirements of our textile industry, leaving a gap which is covered by imports involving an expenditure of foreign exchange of Rs 50 crores annually. There is considerable scope for increasing the output of raw cotton in our country without any great increase in the area under cultivation. Among the cotton growing countries of the world, India occupies the lowest place in the matter of yield per acre, with 100 lbs of lint per acre as compared with about 400 lbs obtained in the United States, Egypt and Peru. The production per acre can be increased by reduction in crop duration, and by adopting better methods of cultivation. It is also possible to find an expanding market for the textile manufactures of India in many of the underdeveloped regions of Asia and the Far East which are industrially less advanced than India. The main objective should, therefore, be to increase production to the maximum extent possible. To give to any other objective, such as additional employment, precedence over this vital need on non-economic or sentimental grounds, is then unmistakably a bad policy. In a stunted economy like ours, growth is difficult because of various adverse factors. Nevertheless it is possible to find opportunities for growth and expansion in particular sectors of the economy or in individual industries. In ignoring these opportunities, or what is worse by deliberately restricting expansion in those few lines of enterprise where circumstances favour such expansion we are actually scorching out the very source and fountain head of economic growth.

Promotion of these export industries results in increased production and increased incomes. This, however, is the first step. It is important to follow this up with measures to canalize the additional income into profitable investment. For, in a planned economy, it is necessary not only to seek out better ways of using available resources and increasing the national income but also to see that increased earnings help in economic growth by raising the level of investment.



Towards Mutual Understanding

The improvement in Indo-U.S. understanding and co-operation, of which there are several welcome indications, will be further consolidated by Dr. Radhakrishnan's present visit to the U.S.A. The Vice-President, who occupies a unique place in India's public life, owes it to a combination of talents rarely found to coexist in the same person. He is an unmistakable and even aggressive intellectual, but an intellectual who has no use for the defensive mechanism of the ivory tower. He is equally attached to the Hindu Way of Life, of which he is the most gifted exponent, along with the new values brought to prominence by the French and Russian revolutions. With an integrated philosophy of life which comprehends the values which have stood the test of time along with modern knowledge, he stands for the authentic tradition of Indian philosophy exposition which always related ancient saws to modern instances. A distinguished philosopher, he is no recluse. We shall not be wrong if we characterize him, borrowing the words which Anthony Lewis has used to describe Mr. Justice Frankfurter, "as a passionate ascetic, a libertarian traditionalist, a worldly intellectual." His passionate interest in the welfare of the world around him has drawn out of the

of the cloistered life of the university into the hurly-burly of public affairs. At the same time he has brought rare distinction to the political life in our country and his influence is the greater for being exercised above the level of party politics. It is not without significance that he was the first name suggested by prophets of Cabinet changes to fill the vacancy caused by the passing away of Maulana Azad. While regretting that he could not accept the offer when it was made, one must acknowledge the validity of the reasons which prompted the refusal. His inclusion in the Cabinet would have added to its dignity and prestige, but would have limited his usefulness in spheres where he could be of the greatest service to his country and to the world. His present visit to the United States belongs to this category of larger and more fruitful area of service.

In a sense Sir Sarvapalli Radhakrishnan will be completing the work which was begun last year by Mr. T. T. Krishnamachari, but without the overtones of controversy inseparable from so controversial a personality as the late Finance Minister. Mr. T. T. Krishnamachari was able to create, among the hard-headed businessmen he met in the United States, a helpful understanding of the economic problems facing this country in its efforts to reach a socialist pattern of society without jettisoning democratic values. We may be sure that Sir Sarvapalli Radhakrishnan will be able to make it clear to the distinguished audiences of American intellectuals, whom he is scheduled to address at Harvard, Princeton, Columbia as well as at the Academy of Arts and Sciences and elsewhere, that the Indian brand of socialism is not only not inconsistent with the freedom of the individual, but is in fact the fulfilment of rights of the individual which are guaranteed by the Constitution.

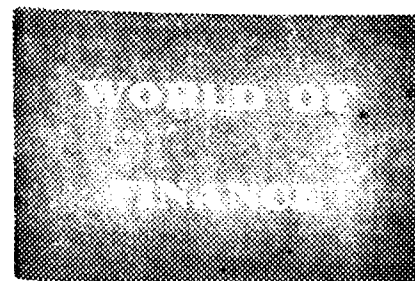
Tea for Taxes

Not many who savour a cup of tea stop to reflect how much of what they pay goes for taxes and how much for the flavour. It is perhaps as well that they do not, for the knowledge will kill the flavour and only the bitter taste will remain. These thoughts are prompted by the telling figures quoted by Mr. C. D. Wilson in his address from the Chair at the annual meeting of the Indian Tea Association. During the last four years, according to his calculations, the income-tax, agricultural income-tax, and excise and export duties paid by tea companies had averaged Rs 522 per acre. This staggering estimate does not include the recent impositions like the Carriage Tax and the General Octroi. The end of writing under the burden, the tea companies appear to have made a good business of it, so that the Tea Industry today is a gold mine, and not merely of the collector of taxes. During the same four-year period, apart from paying

Rs 200 crores in direct and indirect taxes, the industry has earned for the country Rs 499 crores worth of foreign exchange, pushing far ahead of its nearest rivals, Jute and Cotton Textiles. The industry has also provided work and welfare for about a million workers and their families. The industry has no reason to regret the enlightened measures of labour welfare it has undertaken in recent years. These have paid dividends in the shape of better labour relations. The man-days lost through industrial disputes, as Mr. Wilson acknowledged, had been reduced to the record low of one hour per worker for the whole year 1957. The industry has also paid bonuses to workers in the last two years amounting to Rs 15 crores. These remarkable achievements may stand in the way of an understanding by the public of the heavy burden the industry has to bear in the share of taxes and which is likely to handicap its future. Mr. Wilson has served notice that the Tea Industry cannot be expected to repeat a miracle every year, by selling good tea at reasonable prices, after paying for taxes and workers' amenities and subsidised food grains. Taxation is the recurring theme in his comprehensive survey of the problems facing the industry. While it is no doubt true that no estate has been closed down, the number of estates which have changed hands is significant enough to cause concern. For the capital and know-how have been transferred to other regions, to rear formidable competitors to Indian tea. The Present Finance Minister, while he was in charge of Commerce and Industry, firmly turned down Kerala Government's request for nationalisation of foreign estates, and for perfectly valid reasons. He should be able to appreciate that taxes can on occasion be as inhibiting as a direct threat of nationalisation. Heavy taxation not only impairs competitive position abroad, but it also stands in the way of the development of the internal market for the common teas which account for a substantial percentage of the total output. The demand for reduction of taxes gains added relevance, when there is apprehension that the producing countries are turning out more tea than the world is prepared to buy. And there are many new entrants to the ranks of tea exporters, the latest in the field being People's China. There is now a satisfactory growth of export consciousness among all ranks of the administration, and especially when it is a matter of granting import licences. But the taxing authorities, it seems, are an exception. A slight relaxation of the tax burden will enable the Export Promotion Committee to report more satisfactory results. The case for reduction of excise duties on cotton textiles has at last been conceded after a number of mills had closed down. The tea industry, which is the country's largest earner of foreign exchange, deserves similar assistance which should be extended before some estates are allowed to revert to jungle.

Defence Requirements

At a time when the defence budget has come under strong attack in Lok Sabha from the sand point of non-violent absolutism, those who take a more realistic view of national interests can draw satisfaction from the increase in defence production capacity within the country. This is reflected in the larger proportion of defence stores purchased in India during successive years. These show a steady rise from Rs 35 crores in 1956-57 to Rs 45 crores in the current year and to Rs 56 crores in the budget for the coming year. Correspondingly the foreign exchange component of the defence budget has been reduced from Rs 98 crores in the revised estimates to Rs 92 crores in the budget for 1958-59. Further developments in this direction will help to strengthen the national economy quite as much as national defence. Critics who complain against the growth of defence expenditure in recent years, overlook the principal factors responsible for the rising bill. The increase in the cost of materials, railway rates and the rapid obsolescence of defence equipment are some of the main reasons. And though the defence budget has increased from Rs 186 crores in revenue account and Rs 10 crores capital outlay in 1953-54 to Rs 278 crores revenue expenditure and Rs 27 crores capital outlay in budget for 1953-59, the proportion of defence expenditure to total revenue and expenditure has been falling. From 44.79 per cent of total revenue in 1953-54 it has come down to 36.70 per cent in 1957-58 and 36.17 per cent in the budget estimates for 1953-59. The figures are even smaller when expressed as a percentage of total expenditure.



UK Bank Rate cut to 6 per cent

THE inevitable has happened, and all that is surprising is that action on the part of the Bank of England should be so late and that the reduction is no more than 1 per cent. For, the trend toward easier money rates has been quite pronounced in the U.S. where, for the third time since the autumn months, the Federal Reserve rate was reduced. Both the Netherlands and Germany have also, in recent weeks, effected reduction in the Bank Rate. The Bank of England, therefore, may be said merely to fall in step with the measures being taken by the central banking institutions of other countries.

There is, however, one distinct difference between conditions in the U.S. and the U.K. In America, it is frankly conceded that recession is the problem of the day, and that it is futile and wasteful to expand energies on inflation. On the other hand, the communique announcing the cut in the British Bank Rate makes it a point to stress that the measure does not mean that the deflationary policy will be relaxed.

It remains to be seen how long the UK will be able to persist with a 6 per cent Bank Rate.

Deficit Finance for Rs 15 Crores?

WITH two weeks to go in the current financial year, the Central Government last week were compelled to have recourse for central banking credit. However, in the returns of the Reserve Bank for the week ended March 14, the quantum of deficit financing has been concealed. In the first place, although sales of ad-hocs in favour of the Reserve Bank should be reflected in the Issue Department, Rupee Securities are unchanged. It is, thus, clear that, after sales of ad-hocs in favour of the Reserve Bank, there has been a transfer, for a corresponding amount, of marketable securities from the Issue Department to Investments in the Banking Department.

Notes in circulation are practically unchanged at Rs 1578.67 crores, and Rupee Coin also is more or less at the same level at Rs 127.39 crores. Cash in the till marks a small rise of Rs 0.37 crores to Rs 9.98 crores.

In the Banking Department, it is to be noted: (a) that the Cen-

tre's balances are lower by Rs 3.15 crores; (b) that the Deposits of State Governments are sharply higher by Rs 11.82 crores; (c) that the Reserve Balances of member banks have fallen quite substantially by Rs 9.47 crores to Rs 67.93 crores; and (d) that investments are marked higher by Rs 6.44 crores at Rs 235.82 crores. All these changes are interconnected, and we have besides to note that, in the relevant week, the State Bank's Investments in gilt-edged show a rise of nearly Rs 7 crores. If the Reserve Bank's Investment Portfolio is marked up by Rs 7.44 crores, after sales have been presumably effected to the State Bank for another Rs 7 crores, it may be inferred that the gross rise in Investments during the week would have been of the order of Rs 15 crores. This would appear to be the quantum of deficit financing during the week, and, we repeat, there has been a transfer of marketable securities for Rs 15 crores from the Issue Department to conceal the rise that would have occurred under that head in respect of sales of ad-hocs in favour of the Reserve Bank. The deficit financing for Rs 15 crores has enabled the Central Government to make some payment to the State Governments, as is suggested by the steep rise in the balances of the State Government. If the Central Government's balances were replenished in this way, we have now to see how the sale of securities to the State Bank has had its impact upon the position of the Reserve Bank. Briefly, the securities were paid for by the State Bank by running down its balances with the Reserve Bank. This would explain the sizable decline in the Reserve Balances of member banks.

Thus, it is to be noted that the fall in the Reserve Balances of Scheduled Banks is not derived from any pressure felt in respect of the busy season. Indeed, the Other Loans and Advances of the Reserve Bank actually show a decline of Rs 1.91 crores to Rs 73.11 crores. Moreover, Advances against usance bills are practically unchanged at Rs 21.75 crores. Lastly, Active Note circulation has also been stationary, and all this suggests that, the decline in the Reserve Balances notwithstanding, there is the barest hint of a deceleration in the pace of 1957-58 busy season.

We should not make too much of it, but Foreign Balances have, for the first time since the beginning of the Second Plan, registered a rise of some dimensions, a rise which is attributable to an export surplus. The increase in the week under review amounts to Rs 3.14 crores. Once again, it is worth emphasising that some semblance of balance has been achieved in the payments position.

The return of the State Bank for March 14 discloses another rise of Rs 3.52 crores to Rs 416.14 crores in Deposits. Borrowings are placed at Rs 0.18 crores. The total of

Advances is slightly higher at Rs 208.32 crores against Rs 207.51 crores. Cash Balances have been drawn upon to the tune of Rs 8.61 crores, mainly for the purpose of purchase of gilt-edged from the Reserve Bank. The State Bank's Investments in gilt-edged mark a rise during the week of Rs 6.81 crores to Rs 180.36 crores. This means that, since the beginning of the current busy season, the State Bank has experienced an increase of Rs 49.14 crores in Deposits. The expansion in Advances has amounted to nearly Rs 43 crores. Nevertheless, Investments in Government securities have risen by Rs 36.43 crores, and this entailed a drawing down of Cash Balances, which have been marked down from Rs 63.65 crores to Rs 26.37 crores. In broad terms, the accretions to Deposits have been adequate to meet the expansion in Advances, while the additions to the gilt-edged portfolio have been met from the Cash Balances.

The return of Scheduled Banks for March 7 bears some impress of the month early demand for funds. The total of Advances marks a rise of Rs 4.88 crores to Rs 936.44 crores, and is now in sight of the peak touched during the 1956-57 busy season of Rs 939.87 crores. Nevertheless, the member banks report a small increase of Rs 2.04 crores in Deposits, but this was solely on account of the State Bank which, in the corresponding week, had reported a rise of Rs 4.75 crores in Deposits. Thus, the other Scheduled Banks actually suffered a drain on their Deposits. In order to meet the expansion in Advances, and also to improve their cash position, the Scheduled Banks have increased their borrowings from the Reserve Bank by Rs 8.06 crores to Rs 36.92 crores. Nevertheless, the level of borrowings this year is much lower than in the corresponding week of last year, when indebtedness to the Reserve Bank amounted to Rs 79.08 crores. Cash Balances have improved from Rs 163.65 crores to Rs 165.44 crores. As far as the Scheduled Banks are concerned, the position is that, since the commencement of the current busy season, Deposits have risen by Rs 58.51 crores. The expansion in Advances has been for more than this amount, the relevant head showing a rise of Rs 68.51 crores. Moreover, Investments have increased by a little under Rs 40 crores. In the result, on the one hand, borrowings from the Reserve Bank are marked up by roughly Rs 7 crores, and Cash Balances are lower by Rs 39 crores, on the other.

Pandyan Bank

THE Pandyan Bank Limited continues to make good progress, and, in the accounts for 1957, an increase of Rs 0.30 crores to Rs 2.74 crores in Deposits is revealed. While cash balances are practically unchanged, the additional resources thus postulated have gone to satisfy the expanded demand for

accommodation from constituents. Besides, Investments are also shown to have declined by Rs 3.34 lakhs to Rs 69.56 lakhs. Advances are sharply higher by Rs 37 lakhs at Rs 1.72 crores.

The higher volume of advances accounts for an increase in the income by interest and discount to Rs 15.83 lakhs from Rs 12.85 lakhs. Moreover, the income by commission, exchange and brokerage also shows a rise of half a lakh to Rs 3.48 lakhs. However, the dearer rates in the money market have been responsible for an increase of Rs 1.51 lakhs to Rs 7.81 lakhs in the interest paid. Again, salaries and allowances are also marked up by Rs 1.34 lakhs at Rs 5.84 lakhs. In the result, the balance of profit marks but a small rise from Rs 3.47 lakhs to Rs 3.50 lakhs.

Taxation absorbs Rs 1.88 lakhs against Rs 1.35 lakhs last year; provision has been made besides for additional tax payable for 1956 to the tune of Rs 0.52 lakhs. As against a transfer to reserve fund last year of Rs 0.75 lakhs, there has from the current year's profits been provided a sum of Rs 0.25 lakhs to Contingency Account. The dividend is maintained at 7½ per cent.

The most notable fact about the Pandyan Bank's progress is its energetic attempt to spread the banking habit, by a carefully thought out programme of new branches. As against 8 new offices established during 1956, the relevant figure for 1957 is 12. In this context, the Directors' Report acknowledges the kind consideration given by the Reserve Bank to the proposals for new branches submitted by the Pandyan Bank.

Reading the US economic weather

By THOMAS J. MITCHELL
WASHINGTON—When it comes to forecasting, economists face more serious occupational hazards than even meteorologists. But at this moment it is almost certain that their analysis is a more reliable guide to a correct reading of the economic weather data than are raw, unevaluated figures, especially those on US unemployment (5.2 million by mid-February) and employment (62 million).

The reason is in the figures themselves. They are serious enough to lessen the obligation of officials to speak with caution lest their words have the wrong psychological effect. Yet, at the same time, the question arises—and it is an important one just now—exactly how reliably such figures disclose trends rather than just money situations.

The February labour market survey, the usual sampling rather than an exact head count, was made when blizzards paralysed large sections of the United States, with undetermined but detrimental effects on the labour statistics.

Nobody, of course, tends to disregard the figures for that reason.

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A. T. HOBBS,
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Much to the contrary, both the administration and congress immediately put in motion new anti-recession measures. But the blizzard's effect on the statistics goes to show why, for a great many reasons, economists may want to reserve their ultimate judgement, as to the actual depth of the business downturn, until mid-April at least.

Cuts of both individual income and business taxes have been deferred for the moment by the administration and also by congressional leaders. But White House as well as Capital Hill economists have buckled down to study the latest

data, especially those on business investment and consumer buying plans.

And while they have long agreed that the potent medicine of a tax cut needs to be applied with caution, they are also agreed that action short of a tax cut is very much in order. Such action is to be financed primarily by releasing available federal public works funds faster than originally planned, and by providing federal payments (for about 13 weeks) to those whose unemployment benefits, differing from state to state, have run out after anywhere from 16 to 30 weeks.

With a whole hopper full of bills now going through the congressional mill, and with Mr Eisenhower consulting frequently with his economic advisers, these are the measures most likely to come: Substantial federal aid to housing; speed up in the vast federal highway programme approved by Congress two sessions ago; speed up of the reclamation, harbour improvement and flood control programmes that are a normal part of governmental activity.

Mr Eisenhower's point is a proposed increase in highway spending to \$6,600 million instead of the

previously scheduled \$4,000. Senate majority leader Johnson (Texas Democrat) in turn has pushed a special \$1,800 million housing bill which already has been approved by the senate.

All told, the administration's programme would inject into the economy some \$2,800 million as against some \$4,000 million under the congressional programme, which has support from important Republicans, in addition to the democratic proponents of the programme who have always been particularly conscious of governmental action in the economic sphere.

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British International Loan Scheme

Paul Einzig

THE idea, first launched by the Leader of the British Socialist Party, Mr Gaitskell, last year, that Britain's problem should be solved by means of issuing a gigantic international loan seems to be receiving increasing support. Those who favour this device believe that since the only reason why Britain cannot inflate indefinitely with impunity is the inadequacy of her gold and dollar reserve, all that is needed is to secure a big reserve of borrowed gold and dollars. They think that, once that is done inflationary Britain could live happily forever after.

When Mr Gaitskell made the suggestion very few outside the Labour Party took any note of it. Political leaders make such suggestions by the dozen. But some months later Sir Oliver Franks, former British Ambassador to the United States and now chairman of Lloyds Bank, came out with a substantially identical suggestion. Many people who dismissed the idea out of hand when it was advocated by Mr Gaitskell became firmly converted to it when put forward by Sir Oliver Franks. And now one of the leading theoretical economists, the Oxford Professor J. R. Hicks, joined the Gaitskell-Franks combination. So now the scheme is backed by a leading politician, a leading banker, and a leading economist, not to speak of the lesser supporters among the three professions and among financial journalists.

The reason why Professor Hicks, addressing the Manchester Statistical Society on March 12, declared himself in favour of a substantial stabilisation loan was because he feels that even if inflation is eventually defeated the country might still be forced into high money rates in order to protect sterling. For an economist of first-rate reputation this is an amazing view to take. It is understandable if illiterate politicians see no connection between domestic monetary trends and the trend of sterling exchange. But economists have no right to ignore

March 22, 1958

the existence of a very close connection. The main reason—indeed practically the only reason—why sterling has been subject to frequent adverse pressure in recent years, and why Britain has been unable to accumulate an adequate gold reserve, lies in the non-stop wage inflation. It has handicapped British exports and has reduced the volume of goods available for early delivery to foreign buyers. It has created a feeling of distrust in the stability of sterling, leading to recurrent flights from the pound.

Now if only inflation could be brought to an end sterling could well hold its own. British exports would expand and the Treasury would be able to accumulate a substantial gold reserve out of balance of payments surpluses and out of the foreign balances which would be kept in London permanently in the absence of a devaluation risk. There would then be no need for a fictitious reinforcement of sterling with the aid of borrowed dollars.

British prices would be competitive in the absence of inflated domestic demand, and delivery dates would be reasonable. A substantial and steady balance of payments surplus would ensure the prestige of sterling at home and abroad even in the absence of window-dressing increase in the reserve with the aid of borrowed dollars.

Is it too much to expect people of the standing of the three advocates of a big dollar loan to remember the experience of the big dollar loan of 1946? Its proceeds disappeared in a remarkable short time. There is no reason to suppose that it would be otherwise if the Government should allow itself to be persuaded into repeating that experience. Indeed the false security provided by the borrowed reserve would encourage trade unions to insist on unearned wage increases; it would encourage employers to concede such increases in the hope of a non-stop boom that would enable them to add the extra costs to the prices; it

would encourage arbitrators in wage disputes to award substantial wage increases; and it would encourage the Government to allow inflation to proceed rather than incur unpopularity by trying to arrest it.

In any case it seems doubtful whether such a transaction would be practicable. According to Sir Oliver Franks' suggestion, the reinforcement of the British gold reserve should be provided by the International Monetary Fund. But that institution does not conjure dollars out of thin air. In order to be able to increase its resources on the scale envisaged by Sir Oliver Franks, it would be necessary for the member Governments to double or treble their contributions. This would mean that the United States would be expected to provide additional billions of dollars so as to enable the International Monetary Fund to reinforce the British reserve. The contributions of other countries with hard currencies would be negligible compared with that of

the United States. It is not the American investor that would be called upon to provide the money, but the American taxpayer.

Twelve years after the end of the war, the British people should not ask for further financial assistance from the United States. The American people would be fully justified in rejecting such a request. The only net result of the transaction would be that Britain would be landed with additional international liability. Wage inflation would lead to the depletion of the proceeds, while the millstone of the liability would remain round the necks of generations yet unborn.

It is to be hoped that the present British Government will have enough sense and dignity to resist the temptation provided by the proposal. Should it choose to favour the line of least resistance, it is to be hoped that the United States would not be prepared to be party to such a transaction.

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Life Insurance—the Issue of Differential Bonuses

DURING the company regime, a large number of policy holders of the companies took life insurance policies from the companies on "with profit" basis with the hope that the enhanced premiums that they were being called upon to pay would be adequately compensated by the bonuses declared by the companies. During the company regime, since business was canvassed on the basis of competitive advantage, there was in reality competition amongst the insurers to declare higher and higher bonuses. Competition amongst the insurers to render service to policy holders insured ultimately to the benefit of the policy holders. Since life insurance was nationalised, there had been no pronouncement from the Life Insurance Corporation of India or from the Central Government as to the future of this class of policy holders and the benefits they would be entitled to, in consideration of their paying premiums higher than that scheduled for "without profit" policies. Such policy holders, as a class, have been greatly exercised in their

minds about the uncertainties facing the future of their policies.

There is no provision in the Life Insurance Corporation Act which guarantees the benefits which the policy holders were so long enjoying during the company regime. In Section 37 of the Life Insurance Corporation Act, it has been laid down that, subject to the provisions contained in Section 14 the amounts assured by all policies issued by any insurer the liabilities under which have been vested in the Corporation under this Act and all bonuses declared in respect thereof whether before or after the appointed day shall be guaranteed as to payment in cash by the Central Government. Section 14 confers on the Government the power to reduce the amounts of insurance under contracts of life insurance having regard to the financial condition on the appointed day of any insurer whose controlled business has been transferred to and vested in the Corporation.

It will thus be seen that whilst the Life Insurance Corporation of India has been granted statutory powers to modify contracts in respect of companies whose financial solvency is in jeopardy, there is no concomitant guarantee on the part of the Corporation or the Central Government to assure to the policy holders that the benefits and advantages that they were enjoying during the company regime will also be guaranteed in the future. Section 37 merely guarantees bonuses declared whether before or after the appointed day, but there is no guarantee in that section with regard to future bonuses.

Following this feeling justifiably entertained by a large number of

policy holders in the country, the question of re-classification of units under the Life Insurance Corporation into "A" class and "B" class units is being considered by the Life Insurance Corporation of India. The class of "with profit" policy holders has not taken kindly to the idea of getting uniform treatment from the LIC. They have, therefore, justifiably contended that if no additional benefits were to be declared in favour of those policy holders who have taken out "with profit" policies, they should not be asked to pay higher premiums which they were paying in pre-nationalisation days.

For purpose of valuation two courses are said to be possible, viz., either the units be re-classified as "A" and "B" units or in the alternative the clause pertaining to profits and bonuses be abolished and uniform policies and rates of premium introduced.

A spokesman of the LIC is reported to have said that the Corporation will go in the matter of valuation of assets of companies to determine whether valuation should be made treating LIC as one unit or as different units for the purpose of declaring differential bonuses. This view attributed to the spokesman of the Corporation cannot apparently be taken as authoritative. Nevertheless, it is high time that the Corporation should at least declare, to allay misgivings from the mind of the public, that the Corporation intends to do justice to those policy holders who have been paying for many years enhanced premiums for the additional advantages. Bonuses are integrally associated with premiums, costs and returns from investments. There is no knowing at the present moment of the costs of the Corporation, because the Corporation has not come out so far with a revenue account. All that the public has before it is merely a statement of business so far effected. Rationalisation of costs of the Corporation will inure to the benefit of the policy holders. In any event, the Corporation should be able to assure the policy holders that administration is not eating into the bonus reserve nor is it making inroad into the fund which should have gone to policy holders in consideration of their paying higher rates of premiums.

The view that insurance units should be re-classified into "A" and "B" class units should be gone into by the authorities of the Corporation more carefully and a policy statement to allay the misgivings of the policy holders seems to be overdue. If, however, it is not practicable to ensure to the policy holders similar rates of advantages and bonuses which they were enjoying in pre-nationalisation days, the expert actuaries at the disposal of the Corporation should be able to declare to such policy holders the rates of premium they should pay in the future in the event of there being difficulties in guaranteeing the advantages.

Import Squeeze—A Boon for Indian Industries

Mr Morarji Desai, while explaining the rigorous import policy of the Government of India, pointed out that this would provide the indigenous industry with impetus and inducement for further development. The import restrictions would, according to the Union Minister, also help the Indian industry to improve the quality of their products. Once the present difficulties were over, and the Indian industries developed, the necessity of imports would go down very considerably, resulting in a huge saving of foreign exchange in future.

But another very important question remains to be answered, as to what is going to happen to those firms, completely devoted to import for a very long time. In business, it is very difficult to switch off to completely new lines, as and when one likes. The present import restrictions imposed by the Government have thrown quite a good number of old as well as new firms out of gear, and if this policy is pursued for one or two years more, firms, mainly dealing in imports will have to be closed down with all the concomitant consequences.

Then, coming to the contention of the Union Minister for Commerce and Industry, that restrictions on imports would go a long way toward development of the Indian Industry, both quantitatively, and qualitatively, one has to observe and scrutinise all the factors associated with the subject. Paradoxically enough, the development of home industries is, also to a very great extent, dependent on importation of machineries raw materials and other vital requisites. The present import restrictions have not only been imposed on luxury goods, but also on capital goods, the dearth of which has affected the development of industries very considerably. The apprehension of some quarters, that the public sector is being allowed to develop and grow at the cost of the private sector, will be possibly justified to some extent, if the present import restrictions continue. Hundreds of small and medium industries are not able to expand for want of imported materials. In fact, we have been moving in a vicious circle, by restricting imports, and at the same time expecting that Indian industries would expand on modern lines.

★ INDEX NUMBER OF WHOLESALE PRICES

The official wholesale price index (with the year ended March 1953 as 100) advanced by 0.3 per cent to 105.0 during the week ended March 8, 1958 as compared with 104.7 (revised) for the earlier week. The index was higher by 0.9 per cent when compared with the corresponding week of the previous month but was lower by 1.0 per cent than that of a year ago.



Futures Trading from March 29

THE long-awaited announcement as regards the date of application of the Forward Contracts (Regulation) Act, 1952 to forward trading in raw jute goods was made last week-end. The Government of India have decided to apply the provisions of Section 15 of the Act to raw jute and jute goods, and to recognise the East India Jute and Hessian Exchange Ltd., under Section 6 of the Act for the purpose of conducting futures trading in these commodities at Calcutta with effect from March 29, 1958. Forward trading in raw jute and goods in the rest of the country will simultaneously be prohibited by the application of Section 17 of the Act.

At present futures contracts in jute goods are prohibited in West Bengal under the West Bengal Jute Goods Act, 1950 although trading in all types of forward contract in these goods has been free in the rest of the country. The Forward Markets Commission who submitted their report to Government in August 1956 had recommended that forward trading in raw jute, and jute goods be organised under the aegis of the East India Jute and Hessian Exchange Ltd., Calcutta, which might be recognised for the purpose of conducting trading in all types of forward contracts in these commodities on a comprehensive and well-regulated basis. The fact that the IJMA's standard contracts had also been sought to be brought under the purview of the Act was viewed with grave apprehension by the trade because such interference with the IJMA standard contracts would completely disrupt the trade in jute goods with adverse effects on exports. The Commission had argued that if the IJMA contracts were exempted there would be little left to control because those contracts accounted for the bulk of the trade in jute goods.

The Government of India accepted the recommendations of the Commission but decided that in so far as transferable specific contracts in raw jute and jute goods were concerned, these might be freely permitted for a period of six months after Section 15 of the Act was applied to trading in these commodities.

As a result of this decision the Commission will be able to control only hedge trading in raw jute and jute goods from March 29. Any such contracts entered into after that date outside the recognised association will be illegal. The constitution of the East India Jute

and Hessian Exchange Ltd which will hereafter be the recognised association for conducting futures trading in raw jute and jute goods is broad-based in order to enable members of various jute associations to join the Exchange.

While it is true that in view of the uncertainties in the supply of raw material to the industry there will continue to be some speculative activity, the establishment of futures trading in raw jute and jute goods will go a long way in preventing the violent price fluctuations stemming from the operations in the fatka market. The futures market will be of considerable help to the industry because it will provide hedging facilities. But for futures market to become effective, it is essential that the trade should take advantage of facilities now being provided. It is to be hoped that a well regulated forward market in jute will be established before long.

★ Speaking at the annual general meeting of the Indian Jute Mills Association last week Mr D. P. Goenka, Chairman, pointed out that the hope that the Indian jute industry would show substantial improvement in 1957 had been belied. Nevertheless, the past year had been significant in that it had witnessed the consolidation for the industry. Considerable progress has been made in regard to attaining raw jute self-sufficiency. Indian jute mills' dependence on Pakistan has been greatly reduced. In the current season roughly 90 per cent of the fibre consumed by mills has been grown in India. Indications are that given favourable weather conditions, the size of the next crop will be even bigger. The efficiency of mills has been increased by the good progress made in the direction of modernisation and rehabilitation of machinery. Statistically also the industry is in a better position than it was a year ago. Despatches during the year have been at a higher level than production. Total production has been at 1,023,000 tons but total off take has been 20,000 tons higher than this figure.

Compared with the previous year, however, output has declined by 6 per cent. Even so 1957 is a record production year since 1948 barring of course, 1956. As for off take during the year, sackings seen to have fared better than Hessians and other varieties. The result has been an overall decline in exports to the tune of 15,000 tons. Mr Goenka has drawn attention to the fact that there has been a distinct change in the pattern of India's export trade in jute goods in 1957. The off take of our traditional markets almost without exception has fallen and these have been compensated for by larger shipments elsewhere. There has been a decline of 5 per cent in the case of USA and this has largely been brought about by the economic recession there and increase in bulk handling. The drop of 50 per cent recorded in the case of UK is a direct result of the operation of the UK Jute control. The sub-

stantial fall in the export of sackings to Australia, India's principal market for this category of goods, is due to the serious drought in the wheat-growing areas in that country last year. Apart from the decline in off take from overseas countries, there has been serious disappointment for the industry from the domestic front. Contrary to expectations domestic off take during 1957 has recorded a fall of 14,000 tons compared with the previous year.

Referring to the financial position of jute mills, Mr Goenka has pointed out that the situation continues to be quite unsatisfactory. As against a net profit of about Rs 2.5 million in 1955, the industry in 1956 (on the basis of 90 per cent of the balance sheets of companies) has recorded a loss of more than Rs 25 million. Though "the losses in 1957 may not have been so great as in 1956 their cumulative effect is telling on the mills".

Referring to the future prospects of the industry, Mr Goenka says: "The one certainty is that trading conditions are not going to be easy, and I do not think we can expect any material expansion of our export trade, except perhaps through the development of new uses for jute fabrics." He, however, concludes that barring some unforeseen calamity, the jute industry and trade will fare better in 1958 than in the past year.

★ The jute goods market ruled steadily during the past week with business passing at a moderate level. The under one was firm after midweek on news of higher exports of sackings during the previous month. The Hessian section was also helped by report that burlap consumption in US in February stood at 70 million yards.

Despatch of jute goods during February were higher at 85,845 tons as compared with 75,523 in January. During the corresponding month of the previous year despatches were placed at 85,951 tons. Of the total February despatches, exports amounted to 67,443 tons against 55,654 in the previous month, while off take for local purposes at 18,402 tons were lower than in the previous month when they totalled 19,874 tons. Of exports sackings accounted for as much as 35,231 tons. In the previous month such exports were placed at 26,215 tons. Exports of Hessian were also higher at 30,793 tons against 29,103 tons. Compared with exports in the corresponding month of last year, sackings exports during last month were higher as the comparable quantity for February 1957 was 34,981 tons. Hessian exports on the other hand were lower as Hessian exports in February 1957 were placed at 31,363 tons.

The improvement in sentiment in the sacking section had also been aided by the confirmation early in the week of the Government order for 12,500 bales of sacking. Hessian 40"x10 oz Ready which opened at Rs 39.19 closed on Wednesday at Rs 39.30. B Twills

Ready advanced from Rs 39.15 to be finally placed at Rs 100.40.

PRICE TRENDS			
		Week's Opening	Week's Closing
		Rs.	Rs.
Hessian:			
40" x 10 oz. Ready	...	39.15	39.30
"	July/Sept.	39.25	39.45
Sackings:			
B Twills Ready	...	99.15	100.40
"	July/Sept.	100.00	101.00
Hy Cees Green	...	99.25	99.75
Cornacks	...	102.00	101.00
Cubans	...	124.00	125.00
A. Twills	...	121.00	121.00
L. Twills	...	113.25	114.25
D. W. Flour	...	116.75	117.50
Sugar Bags	...	112.50	112.50

The raw jute market ruled steady during the past week in sympathy with the goods section. Apart from the fact that despatches had been better in February, the announcement that futures trading would commence toward the end of the month was helpful in steadying up sentiment. Throughout the week small daily mill business at a steadily advancing rates was reported done. Assam Bottoms which opened at Rs 23.50 had gained 1½ points by the end of the week to be finally quoted at Rs 25 per maund.

One of the contributory factors for the improvement in sentiment was the fact that arrivals of raw jute into Calcutta and Mills stations during February were sizably lower than in the previous month. Arrivals during February were 5,47,000 bales against 7,50,000 bales in January. Of February's arrival, jute of Indian origin was placed at 5,23,000 bales while that of Pakistan origin was 21,000 bales. January's arrival was made up of 6,89,000 bales from India and 61,000 bales from Pakistan.

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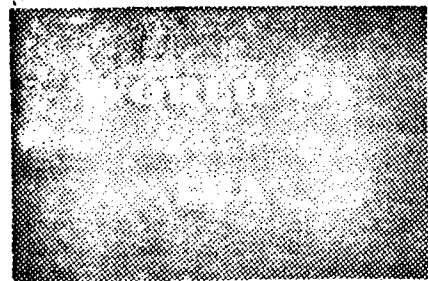
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CALCUTTA



Final Sales of 1957 Teas

WITH improved demand, sales of the current season's Tea in Calcutta are expected to close before the arrival of the next crop in the market. Tentative estimates put the available tea for sale in the export auctions at 300,000 packages. Assuming that offerings will continue to be about 60,000 packages each week, there will be another five sales of export teas. Thus, the last full sale in the season will be held on the 15th April. It is possible that a small clearing-up sales might be necessary a week or a fortnight after the final sale.

About 250,000 packages of Dusts remain to be sold in the internal market. Assuming that offerings will continue at the present rate of 20,000 packages a week, there will be thirteen more sales during the current season. The balance of the 1957 Dust crop will, therefore, be finally disposed of by the middle of the year.

These estimates for the final sales of the current season's teas are very similar to those of last year when the final sale for export was held on the 8th April, 1957 and the final sale on old season's dusts on the 11th June last year.

Meanwhile, offerings in the Export Sale, held in Calcutta this week, were 60,788 packages. There was a good general demand which strengthened as the sale progressed. Bright liquoring teas and orthodox Fannings were the strongest feature of the sale and were generally dearer although the plain and medium liquoring Broken types were often 2 to 4 nP per pound easier.

There was fair demand for CTC teas which were fully firm. The poorer and more fibrous kinds met with better enquiry than in recent weeks and were 10 nP to 15 nP per pound dearer. Brown Doars met with limited demand, while Fannings were 5 to 10 nP easier. Darjeeling teas, on offer, were sold well, while Leaf grades were sold at about last rates, particularly the stylish ones which often fetched prices above their valuations. Following rates were quoted:—Clean Black Pekoe Rs 2.25 to Rs 2.30; Plain Broken Pekoe Rs 1.38 to Rs 1.42; Plain Fannings Rs 1.56 to Rs 1.60; Medium Broken Pekoe Rs 1.50 to Rs 1.54; Medium Fannings Rs 1.72 to Rs 1.76; Best Assam CTC BP Rs 2.60 to Rs 2.80 and Best Assam CTC Fannings Rs 2.70 to Rs 2.90.

In the Internal Sale, offerings consisted of 20,299 packages of

Dusts for which there was a strong general demand. Prices were generally dearer, particularly for those suitable for the Middle East. The best CTC types and the better liquoring medium CTC Assams with bright liquors were fully firm and occasionally dearer; but the plainer and fibrous kinds were often easier.

Orthodox descriptions from all districts with a clean black leaf appearance were sold well and were sometimes 2 to 4 nP per pound dearer at the close. The poor liquoring kinds were, however, easier. The Darjeeling teas, on offer, met with an irregular demand. Following rates were quoted:—Medium Doars Dust Rs 1.54 to Rs 1.56; Medium Assam Grains Dust Rs 1.56 to Rs 1.58; Medium Assam CTC Dust Rs 1.85 to Rs 2.05 and Best Assam CTC Dust Rs 2.85 to Rs 3.15.

Also, 5,478 packages of Leaf grades were offered for internal consumption. There was a good general demand and, with the exception of better CTC types, prices were generally irregular and easier.

In the Export Quota section, rates moved narrowly between 3½ and 4½ nP; and business was reported at these levels.

In the Cochin market, 600,000 pounds of Dusts were offered for internal consumption. The sale witnessed a strong general demand. Medium and good medium teas were sold at 10 to 15 nP per pound dearer. Other descriptions advanced in price irregularly by 5 to 10 nP. The next Dust Sale will be held on the 25th March.

With all centres operating freely, except for Russian buyers who were absent at this week's auction, a good general demand prevailed in the Colombo market. Best liquoring sorts and colour Broken fetched firm to dearer prices; but below the best were sometimes easier. Medium Broken advanced substantially as the sale progressed and registered firm to dearer rates; but low-gown teas declined by 5 cents per pound. Fannings grades were generally dearer; but Persian Gulf types were stronger.

Ceylon is reported to have taken the initiative for re-opening negotiations for a new Tea Agreement, which will provide for the control of production, acreage and export. Producers generally must be in a new frame of mind when looking at the idea of a new agreement; because till recently individual producing countries have found advantage in keeping outside the Agreement. One of the stumbling blocks will be the attitude of East African producers, who are now in a phase of active expansion. To them, any kind of curb may be objectionable.

In the Sale No. 18, held at Chittagong, Leaf offerings consisted of 9,354 chests and Dusts 3,827 packages. There was a strong and widespread demand for Leaf grades. Whole Leaf grades were generally As 2 to As 3 per pound higher, while Broken improved by As 2 to As 2½ per pound. The

brightest feature of the sale was the demand for Orange Fannings and Fannings which lifted the prices of these grades by some As 4 to As 6 per pound. "Price" teas were rather irregular.

There was a useful general demand for all types of Dusts, which advanced by As 2 with better sorts being frequently up to As 4 dearer. Plain Sylhet Dust was quoted at Rs 2.7.0.

In Mincing Lane, offerings this week were 22,481 packages including 17,207 packages from Northern India. There was a strong and active demand and prices were generally higher. The best quality descriptions advanced by 2d to 4d per pound and often more in the case of Fannings grades. Good liquoring Medium kinds were up to

2d higher. Thin liquoring teas were the weakest feature of the sale and these did not always realise valuations. Rates remained unchanged as no Clean Common Pekoe was offered for sale.

Tea stocks in London, as on the 7th March, were 115.81 million pounds as against 119.47 million pounds in the previous week. The total quantity to be landed on the same date was 21.43 million pounds. Deliveries totalled 10.51 million pounds and landings 6.89 million pounds. Total afloat was 42.56 million pounds including from Calcutta 29.55 million pounds; from Chittagong 352,520 pounds; from Cochin 4.81 million pounds; from Colombo 6.27 million pounds and from other Ports 1.58 million pounds.

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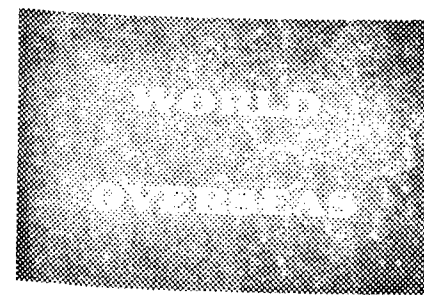
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SISTA'S-56-15



US Notes

Washington—The Eisenhower Administration is pressing hard to obtain Congressional approval of its full request for \$3,900 million with which to carry on US Mutual Security and Assistance programmes during the fiscal year beginning next July. In one of the most significant demonstrations of non-partisanship in the nation's history, it has been joined in this effort by outstanding Americans repre-

S. E. RLY. TENDERS

Sealed tenders are invited for supply of the following materials: (1) 40 Nos. Switch and Lock movements complete with stretcher bars as per drawing No. SA3300 IRS S-10 (Current). (2) 40 Nos. Signal Bracket 3-Doll Lattice main post 21'9" complete except Arm and Roundel as per drawing No. IRS SA5536A, 5538B to IRS S-10 (Current). (3) 20 Nos. Frame Lever 1935 type complete (MA) each consisting of 21 Levers as per drawing No. IRS SA. 530. (4) 500 Nos. Lock facing point complete but without plungers as per drawing No. SA 5984 IRS S-10 (Current). (5) 75 Nos. Relay D.C. neutral track (T.A.) 1000 W, 2F/B as per specification BSS. 1659-50. (6) 24 Nos. Double wire points mechanism B.G. without escapement only as per drawing No. IRS SA 7900 IRS S-10 (Current). (7) 16 Nos. Interlocking frame ground type direct locking 4-Levers as per drawing No. IRS SA. 925 IRS S-10 (Current). Tenders will be opened on April 22, 1958 at 12 noon.

Tender forms are obtainable from the Controller of Stores (Construction Section) Garden Reach, Calcutta-23 on remittance of Rs 5/- (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, S. E. Rly., Garden Reach by local firms.

Earnest money is Rs 1000/- which should be deposited with this Railway's Chief Cashier and the receipt obtained thereof should accompany the tender without which the tender is liable to be rejected. Approved contractors who have already made a permanent deposit of Rs 1000/- are exempted.

Firms not on this Railway's list of approved contractors must enclose a valid income tax clearance certificate with the tender.

S133 GENERAL MANAGER

sending virtually every field of endeavour.

One of the less fortunate by-products of this kind of a national effort, however, is that it sometimes tends to obscure the enormous amounts of capital already flowing from the United States to the rest of the world. And government funds make up only part of this flow. The rest—in fact, the larger part—takes the form of private investment, which is proving an increasingly fruitful source of economic assistance to countries in all stages of development.

In just the past two years, for example, American private investment abroad has averaged \$4,300 million a year. In addition, US government grants and loans, entirely apart from direct military aid to its allies, has come to more than \$2,000 million a year. This means that annually almost \$6,500 million in useful capital has been pouring from the United States into other lands.

When to this is added the foreign investments of other free nations

—such as those of Western European countries which are making substantial contributions to the development of former colonial territories—the total capital outflow from free nations comes close to \$8,000 million a year.

This represents a substantial increase over previous levels of investment. In the 1950-54 period, for instance, net free world investments and financing from both private and governmental sources averaged something over \$4,000 million a year. And for comparison purposes, it is in order to note that over the past two and one-half years, the entire communist world—the so-called Sino-Soviet bloc—has made available a total of \$1,900 million in assistance to the less-developed countries.

The outpouring of development capital from the free nations today is indicative of their steadily growing economic strength—a strength which has been able to overcome in a dozen short years the ravages of war and economic dislocations. It also is reminiscent

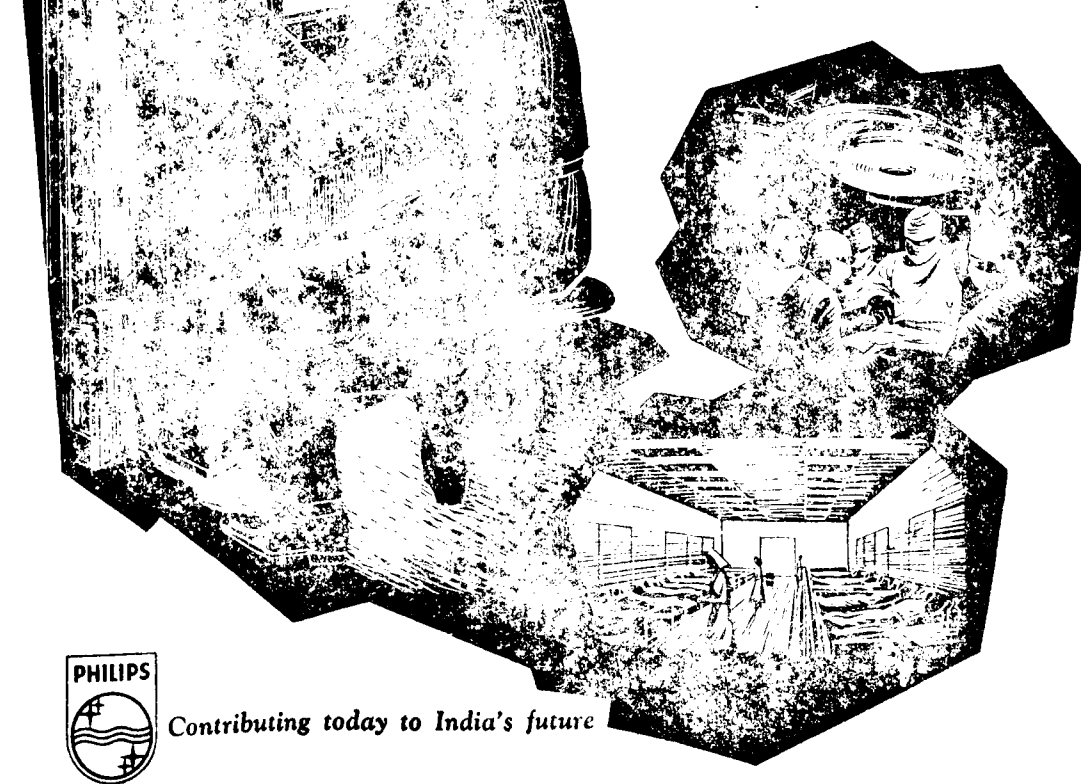
in a sense of the nineteenth century situation, when European capital did so much to build up the then-developing United States.

Today, of course, it is the United States which is far and away the world's leading foreign investor. In 1946, at the end of World War II, the then foreign commitments and investments—governmental and private—of the United States were valued at a total of \$19,000 million. By the end of 1957, the private total alone had risen to an estimated \$37,500 million, exclusive of outstanding government credits valued at an additional \$17,000 million. This remarkable growth has had far-reaching effects both in rebuilding European economies and in spurring the economic progress of developing nations in Latin America, Asia and Africa. In fact, US governmental and private investment abroad since World War II has helped other free countries to the point where they, too, can be important sources of needed capital for lands in the early stages of economic development.

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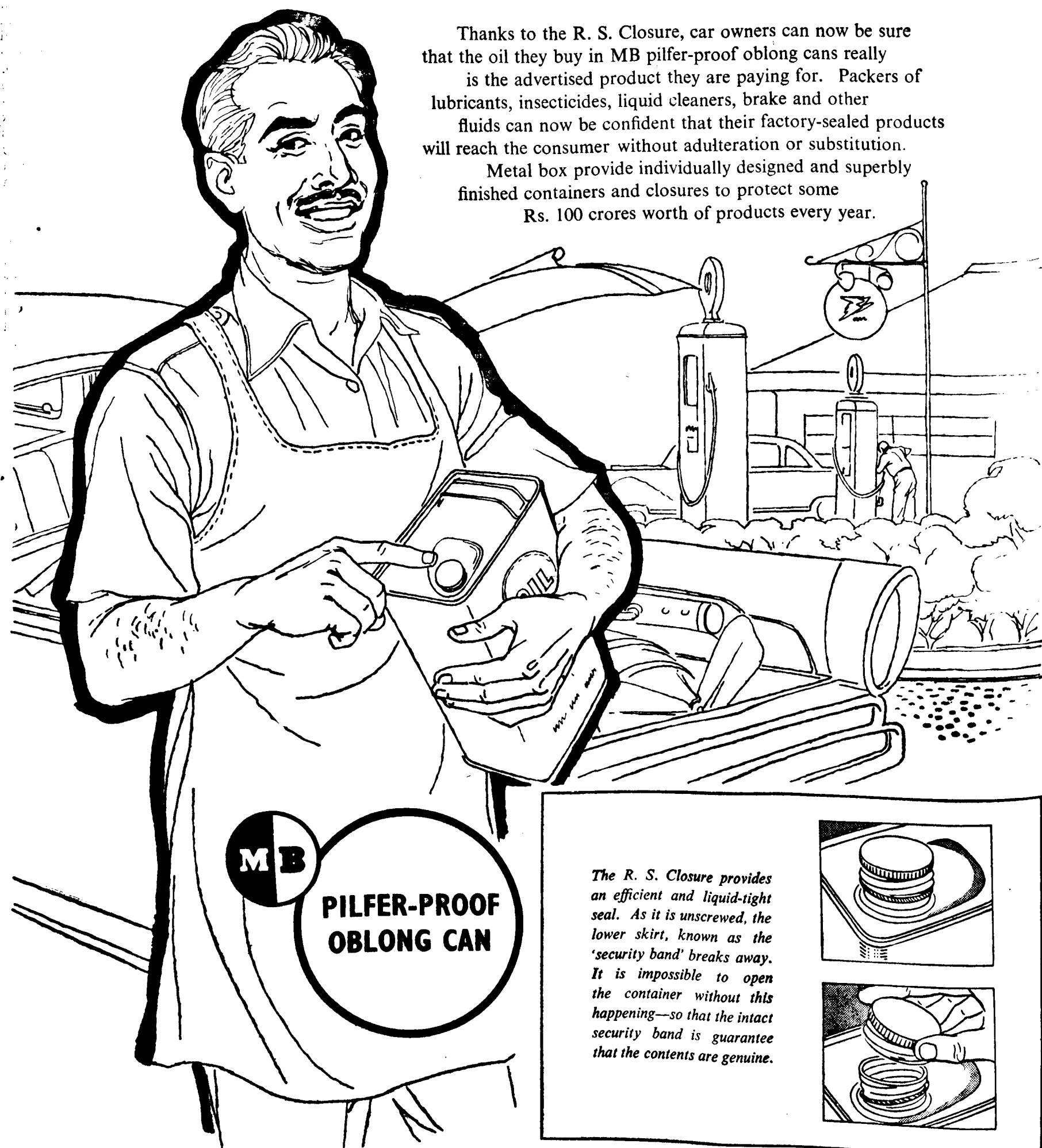


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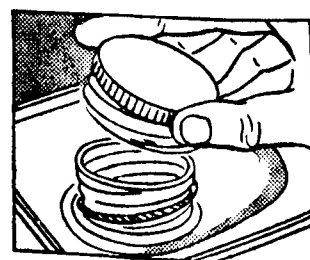
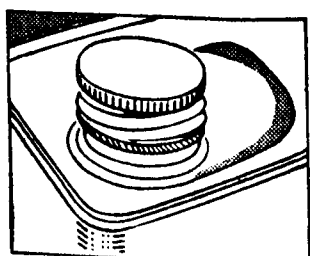
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Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

READING the proceedings of the Lok Sabha now discussing the Budget, I was struck by a number of things which I thought I should share with you. Since the special study of the Budget promised earlier is just around the corner and is sure to deal with the more substantial and "technical" aspects of the year's financial proposals, my reflections here will be inevitably of a marginal character. First among these will be about Mr Nehru as Prime Minister. My intention is not so much vaudeictory as speculative. It may be even considered "academic" in the sense of "unprofitably speculative". (By the way, this morphological cynicism about academics—rendered quite respectable by the inclusion of this meaning in dictionaries—tells its own sorry tale about relative values!) It is certainly true that, since Mr Morarji Desai is to be the new Finance Minister, it is not much immediate use trying to assess Mr Nehru's possibilities as a Finance Minister. But there is some purpose to be served by following this line of inquiry some distance. Some months ago, even this short-distance ride into the realms of speculation would not have been available. Any such attempt would have been not only academic but hypothetical. Now, perhaps, it is merely speculative, though, of course, we have something to go on. It is true that Mr Nehru has been Finance Minister for a short spell even before, but then he had done nothing in particular during the short period. Now, however, he has had to put through a Budget and follow it up by one or two acts which give some indication of the sort of Finance Minister he would have made, had he continued.

In such an assessment, it would be wrong to take into account only the Budget presented by him. As he himself described it, it was not really his, but a mere continuation of last year's Budget. What would be of greater relevance are the subsequent speeches and actions which show that he has a remarkable ability to master the details of his tasks as Finance Minister and take appropriate steps. For instance, there has been a general impression that the present Government's protestations of pragmatism in its approach to its tasks is a pose that hides (with no particular success) deep ideological commitments. It

cannot be said that there were no occasions to justify such misgivings. But, in his short term as Finance Minister, Mr Nehru has given practical demonstration of how he himself is firmly committed to an open approach to a problem. All these days, his connection with finance had been of a distant sort. Now that he had had an opportunity to look closely into the way in which particular fiscal and financial acts of Government affect the economy of the country, he has acquired a newer understanding of the meaning of pragmatism in economic tasks. Two pieces of evidence in support of this proposition are the reduction of excise duty on cloth and the promise of abolition of the provision regarding compulsory deposit by companies. While the first is put down as merely a response to popular clamour, the second was certainly something of a surprise. For, it was in reality accepted by most companies with a gloomy sense of inevitability. It may be that Mr Nehru, who perhaps had the haziest notion about what the scheme really involved in terms of administrative complexity and so on, must have found it, on close examination, a measure involving great vexation to companies without any corresponding advantage to Government. This is the sort of measure, one can fancy him saying to himself, that makes people doubt Government's professions of a practical approach to problems and of their desire to let the private sector function in comparative peace. Hence, the decision to do away with it.

Admittedly, all this is pure guess work and may quite conceivably be wrong. However that may be, I cannot help feeling that, in the last few days, Mr Nehru has learned more about what the financial tasks of the Plan involved than he did in all the years before. Of course, from now on, he may not be able to come in touch with the details of the Finance Ministry's tasks and to that extent his new insight will not be of as much use as it would have been, had he continued as Finance Minister. For, it is not politics stated in too broad terms that bother the public: such general propositions have a way of meaning all things to all people. It is really in particular acts done in pursuance of stated policy that we can discern flexibility or rigidity

as the case may be. Nevertheless, this is a very important gain and one that is valuable even if he does not continue to be Finance Minister. For a Prime Minister, this new insight should be of immense value to the country.

But one thing is becoming increasingly clear. Whether it is Mr Nehru or Mr Morarji Desai who is at the Finance Ministry, the compulsions of the economic reality leave but few alternatives for us. Indeed, I would even go further and say that it matters little whether it is the Congress or some other party who is in the seat of Government. Whoever it is that has the nominal responsibility for the tasks in front of us, he will have, if he has any sense of responsibility, to follow more or less what has already been charted by the Plan. And what is even more interesting and important, he will have to do so more or less in the manner in which the present Government is doing it. In other words, both the means and the ends of our economic life have clarified themselves in the last ten years or so, and there can be no important variations from them.

What are the reasons for this remarkable development? It is partly, of course, the consequence of the Plan itself. Total planning, itself the child of economic necessity, becomes in turn a moulder of the economy. Attempting to impose order on chaos, you cannot later rebel against the order you yourself have erected. Moreover, the facts of the situation do not admit of several possible solutions, even in the matter of means. That is why we have the extraordinary phenomenon of the Communist Government in Kerala wishing to woo the capitalists into starting new industries and producing an election manifesto in which the party cooes to the capitalists as gently as the sucking dove. It would be wrong to consider this as mere seductiveness, for, despite automatic party clichés, the Communist Party in India is clearly aware of the compulsions of the situation.

This situation was clearly demonstrated in the Lok Sabha debate on the Budget. Many an old timer has complained to me that parliamentary proceedings are not

as lively as they used to be in the old days of the Central Assembly. And if you have to pepper up the proceedings, he sneers, you have to fish up a scandal. In my view, such a complaint is not wholly fair, though, of course, not unnatural. But the point to remember is that you cannot be vibrantly eloquent about the welfare state in the same way you can be about, say, imperialist exploitation. During the debate on the Budget, most of the speakers were obliged to concede, at some stage or other, that the present policies were inescapable. And such unanimity cut across party lines. Indeed, what was interesting about the Lok Sabha debate was the complete erasure of party differences in the attitude to the Budget. By this, I do not mean that every one endorsed the Budget in its entirety, but that approval or disapproval was not polarised party-wise. Some Congressmen were critical, while many opposition members supported the Government. Not often, a situation such as this is cited as an example of the deleterious effect of not having an effective opposition. I do not think this is a wholly tenable view. Take a man like Asoka Mehta. If there is anyone who is likely to be able to link up alternatives to the present policies, if such existed, it would be Mr Mehta. For, his economic erudition is both vast and deep and he has a firm grasp of the basic facts about our economic life. Secondly, if there indeed existed an alternative policy, Mr Mehta is not the person who would be prevented from expressing it, merely because there is no official opposition to back him. In other words, the absence of an opposition is the consequence of an absence of an alternative policy. Whether such a situation is a calamity is arguable, but, however hard you try, you cannot have an opposition for the sake of having one.

The comparative unanimity among the various parties of the country is not due to any lack of desire to see the Congress out of the way, but because of the absence of any real alternative to the present economic programme. Indeed, this is not merely an Indian phenomenon. In Great Britain (whose economic compulsions, though of a different sort from ours, are no less relentless than

ours) bi-partisanship in economics has been steadily gaining ground. There are, to be sure, local quarrels about the Rent Act and so forth and often bitter wrangles about the relative urgency of dividend freeze and wage restraint. But the inescapability of maintaining the vast structure of the welfare state on the basis of mixed economy with all the modifications of one's particular economic philosophy this involves, has been recognised in the christening of the current bi-partisan attitude as "But-skellism". In the same way, the need for a massive increase in production, for a diversification of our economy, for laying the foundation of heavy industries, for asking from our people for the necessary present sacrifices to carry out these inescapable immediate economic

duties are all recognised by all the parties (except those of the extreme right and the extreme left) in the country. This unanimity extends even to details of the means to be employed. The basis of mixed economy is recognised even by Communists. For the rest, though Mr Dange may speak childishly and irrelevantly about the fascination of the Dollar, he is glad enough in his heart of hearts that our foreign exchange difficulties are getting solved in a way that owes nothing to his party's efforts. On the question of taxation policy, too, despite the outcry from the interested quarters that the poor or rich (as the case may be) are squeezed out of existence, there is general recognition that the present policy cannot be evaded. It is, therefore, no wonder that Mr

Nehru should get the most constructive cooperation from Mr Asoka Mehta, who even gently chided Mr Nehru for seeming to lose heart in the Plan.

Such unanimity may make parliamentary proceedings somewhat dull, but they certainly do offer opportunities for constructive endeavour. For, granted basic unanimity, or near unanimity, and the promise of a pragmatic approach, then the problem of development resolves itself into one of research in institutional and administrative agencies. It is here that the experience of the Fabians and the New Deal enthusiasts becomes relevant. I have been watching with interest the development of the so-called "ginger group" within the Congress. Their declared aim

is to clarify for themselves and others the socialist content in the Congress programme. I really do not know how they propose to set about it, but the report that they propose to study in detail particular problems and formulate their views on it is most welcome. There are literally hundreds of particular problems, big and small, which need to be studied dispassionately. I hope that the group will not content itself with retreading familiar grounds like land reform and so forth. They should venture into unfamiliar fields and bring out within a short compass concrete suggestions for particular reforms. A vast and uncharted field is the assessment of the relative merits of the varieties of institutional agencies a socialist system involves. There has been too much ideological wrangling all along. The time has come for some "milk and water socialism". Younger men aspiring for a career in public life can no longer tread the easy way of agitational politics. Such a view may sound somewhat unreal when it tries to raise its small voice above the din of demonstrations regularly organised by the members of the Communist and Praja Socialist parties in Calcutta. But it is nonetheless valid. The tasks of public life in the coming years have no glamour except that of hard and somewhat pedestrian work through which shape is given to our fellow feeling to our countrymen. Doubtless, some satisfaction is derivable from the exercise of power. For the rest, virtue is its own reward. If such indeed are the aims of the "Ginger Group", more power to their elbow.

I am afraid I have lately guzzled a good deal of culture. Short of reading advertisements and house magazines, I have done everything to absorb as much of it as possible, visiting exhibitions, hearing learned lectures and attending theatricals. It is of these last that I propose to speak here. Last Monday evening, I was at the St Xavier's College auditorium where the Calcutta Theatre Group, in collaboration with the USIS, presented three one-act plays by Eugene O'Neill, Moliere and Thornton Wilder. So far as acting goes, all three were successful. The O'Neill piece, entitled "Where the Cross is Made", was deeply moving, no doubt because the theme is meaty, turning as it does on the incorrigible tendency of man to dream; in this particular case, two characters pay for it with their sanity. The Moliere piece, a typical social farce on the vanity of women, was a roaring success. The roof was all but brought down with the audience's howling merriment. The third one, by Wilder, was too subtle for my stomach, being psychological. In matters literary, I am afraid I am a little dense and prefer the solid to the subtle, especially if the subtlety threatens to progress to the point of ceasing to exist.

EAVESDROPPER

CANDIDLY GOSSIP

No democratic government can function without levying taxes. And what is a tax but a contribution by the individuals and group of individuals in a community for the common good of the community itself. In this view there cannot be anything objectionable in a democratic government imposing any tax because such a tax will be a levy voluntarily imposed by the people on themselves. But a closer examination of this statement will reveal that it is quite possible that in a democratic country a measure may pass through Parliament even though on the basis of voting there may be a large section of the people who do not subscribe to the Government's view. It is here that the Opposition party comes to play a vital role by ventilating the view of those who do not belong to the party in power. In a country like India where we have yet to provide an effective opposition party, it is the responsibility of the government to take careful note of the views of those who do not agree with them. It cannot be said confidently that the party in power today is discharging this responsibility adequately.

Government's indifference to opinions which do not accord fully with their own is increasingly becoming evident since the commencement of the Second Plan. Ever since the formulation of projects under the Plan, there has appeared a sizeable cleavage in opinion in the country. With the emergence of difficulties much sooner than earlier anticipated, Government, being wedded to the implementation of the whole of the Plan, have not hesitated to step out of the beaten track to fill their coffers with the needed funds.

The new fangled taxes for augmenting Government revenue have been opposed mainly on the ground that the resultant depletion of the resources will defeat the very purpose for which the Second Plan has been formulated. The fiscal and monetary policies followed in the past two years have brought about a crisis of confidence in the field of investment and without adequate investment there has been a slowing down in development activity in the private sector. The fact that private enterprise is given an important role to play in the Second Plan seems to have been completely ignored by Government.

It is, however, gratifying to find that at long last Authority has begun to view matters in their proper perspective. The abolition of the deposit scheme and the reduction in excise duty on cotton textiles are a welcome sign of a growing realisation on the part of Government of the harshness of some of the measures initiated by them to augment their revenue.

Though the latest concessions may go some way in relieving the pressure on the cotton textile industry in particular and industry in general, grave apprehension is still entertained that at the present rate of taxation corporate enterprise will before long find itself completely crippled.

Speaking at the Fifty-Second Annual General Meeting of the shareholders of the Bank of India Limited at Bombay last week, Sir Cowasjee Jehangir, the Chairman, has pointed out that the heavy level of taxation in the country is having an adverse effect on the private sector industries. Referring to taxation in general he has taken particular objection to the Wealth Tax which, according to him, is a capital levy. It is also a form of double taxation because it is applicable to companies and also to shareholders of companies. The expenditure tax is another novel levy, the like of which is unheard of in any other country in the world. While it is doubtful whether these two taxes will net in any worthwhile amount for the Exchequer, there is no manner of doubt that they will embitter people's feelings toward Government as the information to be furnished in this regard is of an extensive character. With the announcement of the budget for 1958-59 the tax burden has further increased. Sir Cowasjee Jehangir thinks that sooner or later Government will realise that the additional taxation has done more harm than good and then they will have to beat a retreat from the present position of heavy taxation. That the Government line of approach to the financial problems facing the country is wrong is borne out by the poor response to the Small Savings Scheme. The Bank of India Chairman is not very hopeful about the success of the scheme in coming years because the level of taxation in the country has rendered it impossible for any section of the community to effect savings.

Efficient working of private enterprise is also hampered by the threat of nationalisation. Suggestions have recently been made in Parliament that Government should obtain a controlling interest in important concerns. In this connection the Prime Minister has opined that there is nothing wrong in Government obtaining controlling interests in concerns through the Life Insurance Corporation under certain circumstances. This statement has aroused renewed apprehensions in the country about nationalisation through the backdoor. Though in a subsequent speech at the annual meeting of the Federation of Indian Chambers of Commerce and Industry Mr Nehru seems to have realised the necessity for a thorough examination of this new idea, the apprehension about Government policy in this regard still persists. Sir Cowasjee Jehangir declares that the suggestion to gain control over a company by acquiring a percentage of shares in that concern "savours very much of confiscation and is as objectionable as outright nationalisation, if not more so". Government would do well to remember that the rules obtaining in the case of private enterprise are also equally applicable to them. Under the new Companies Act and the Insurance Act, the acquisition of control by companies in other companies is regulated. But if Government begin to obtain control of concerns through LIC purchase of shares in those concerns, they will be violating the regulations which they have formulated. Government should also realise that they will be doing grave injustice to shareholders of companies if they gain control over their concerns by purchasing a percentage of the shares because that will amount to nationalisation without paying compensation. While it is true that apprehensions

Business Outlook

BOMBAY REVIEW

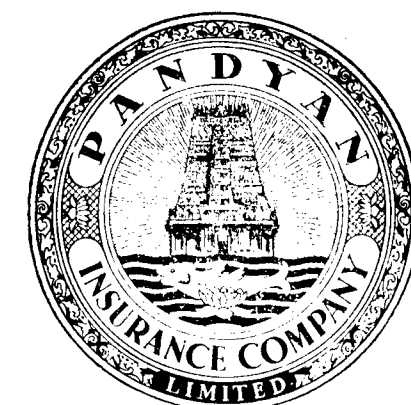
in regard to backdoor nationalisation are somewhat exaggerated, it is to be admitted that recent discussions on the subject in Parliament have engendered a sense of uncertainty among investors. As Sir Cowasjee Jehangir has suggested, an official unequivocal disapproval by Government of any such intention will go a long way in restoring the confidence of investors. The heavy level of taxation is also having an adverse effect on banking companies and Sir Cowasjee Jehangir has pointed out that it "may not be easy in the future to maintain our net profits after tax". The business of banking during the year 1957 has been rather difficult because of the continuance of tight money conditions in the country. As a matter of fact there is no sign of any early relaxation in the present scarcity of funds. Deposits are hard to come because funds available for deposits with banks are limited and competition is acute. With inadequate resources banks are unable to satisfy the demand for funds in full.

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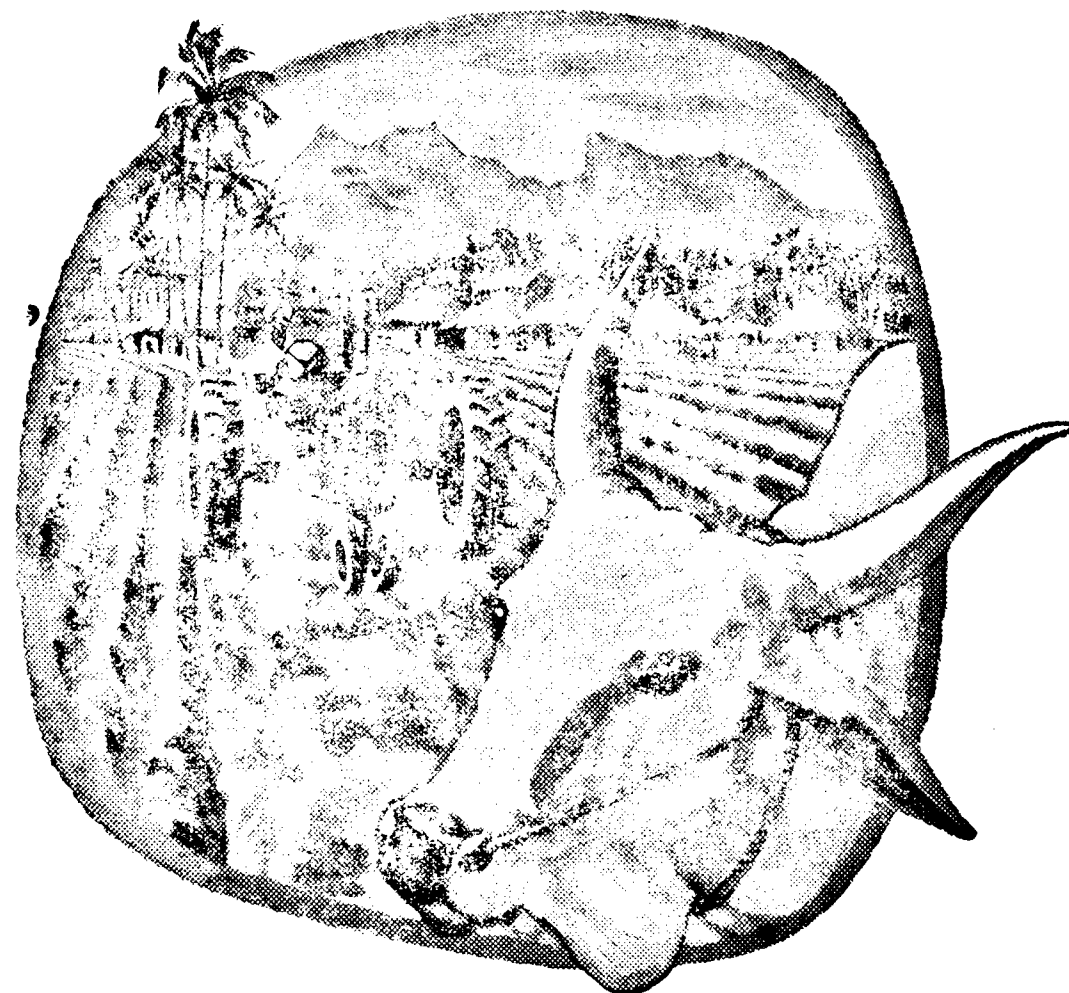
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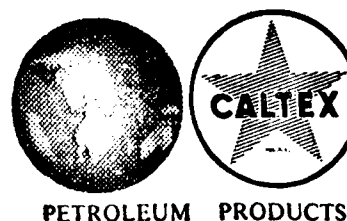
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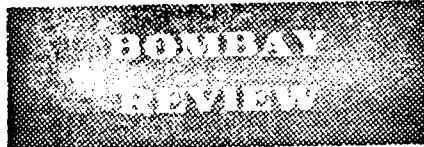


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Presiding over the annual day of Nautical Engineering College at Bombay, Mr Raj Bahadur, the Union Minister for shipping, said that the target of 900,000 GRT fixed in the Second Plan would not only be achieved in time, but would also be exceeded by 100,000 tons by 1961. It was learnt from the Minister that the expected shortfall in the shipping target, caused by the foreign exchange gap, would now be overcome by the assured foreign aid from USA, West Germany and Japan.

The Minister stressed that the Government were doing their very best not only to increase the shipping tonnage, but also to consider the scheme of increasing the efficiency of the available vessels by modernising them, wherever possible. The Union Government have, it seems, an ambitious plan to develop minor ports throughout the country, alongside building up of a large fleet of minor vessels, to meet the immediate shortage of shipping space. If properly executed, this scheme would certainly improve coastal trading, to a considerable extent, relieving pressure on the Railways.

Mr Raj Bahadur described at length the steps that the Union Government have been taking in the matter of training up of new officers and ratings, so as to meet the requirements of the expanding industry. He further stated that Government were also aware of the very high standard of efficiency that shipping personnel should maintain, and all necessary steps were being taken in that direction. As against the intake of 60 trainees in the Dufferin and 50 in the marine engineering establishments, 75 and 60 boys respectively were going to be taken from the next session. Giving a comparative study of Indian and non-Indian personnel in the merchant navy, the Union Minister said that Indianisation was proceeding very fast. Out of a total of 1,290 deck and engineering officers, 1,178 were Indians. Of the total of 112 foreign officers, 78 were masters, who are required to have a minimum of 10 years' sea experience. Most of these posts could, therefore, be Indianised only after the Indian boys had completed 10 years at the sea. As far as engineers were concerned, Indians were holding 727 posts out of a total of 745 which was not a mean achievement!

Referring to the Principal's remark about dearth of hostel accommodation for the trainees, the Union Minister said that, out of the sum of Rs 75 lakhs earmarked for the training of Merchant Navy personnel, Rs 70 lakhs were meant to be spent for building up of hostel accommodation during the Second Plan. He further remarked that the Government would not allow the standard of technical training to suffer for want of financial provisions.

Future of Indian Merchant Navy

The Principal of the National Nautical College held out high hopes for the future, in so far as from only one training institution, the country had now six, giving out a good number of officers and ratings every year. According to him, if by the end of the Second Plan, India would definitely achieve self sufficiency in merchant Navy personnel, by the end of the Third Plan.

No Discrimination Against Foreign Firms

Speaking at a function held in his honour, by the Maharashtra Chamber of Commerce & Industry, Bombay, Mr Morarji Desai, the Union Commerce and Industries Minister, cleared the mist from the minds of foreign business houses, who, since Independence, have been weighed down by a false sense of discrimination. Replying to objections raised by the Maharashtra Chamber regarding granting of import licence for a certain commodity to a foreign concern, Mr Desai categorically denied having acted with any bias for foreign firms, and also refused to deny the privilege that a firm was enjoying, irrespective of its being either an Indian or foreign concern. The reply of the Minister was as pointed and poignant, as the issue raised by the Maharashtra Chamber was drab and delicate. For, a discriminatory attitude of any Government on such a vital issue would go against its reputation, as emphasised by the Minister, who said, "If we do so, we will have no reputation left in the world".

It goes without saying that the speech delivered by Mr Desai is a major policy speech, containing an assurance of the Government to foreign investors, whose vision is being clouded by all sorts of wrong impressions about industrial policy. But leaving aside the rather delicate part of the issue raised by Maharashtra Chamber of Commerce and Industry, it has another important aspect, which cannot be overlooked. When imports have been so drastically cut down, a most pertinent question arises as to the method in which the existing import quota should be distributed. For historical reasons, foreign firms have had the opportunity of establishing themselves very firmly in the Indian soil, and, in a large number of cases, they are still enjoying great advantages. It is quite likely, that a good number of foreign firms, by virtue of their longer existence and financial stability, are in a position to have more import quotas than the late coming Indian concerns. Without in any way touching the reputation of Indian hospitality, the allocation of quotas should be made in such a way, that the new Indian Companies may also have some facilities of importations, even though

in smaller quantities. Possibly, Indian businessmen will have no objection to foreign concerns having larger shares in import business of the country, but by all means, they want an assurance, that their national aspirations do not absolutely go by default. Let no foreigners be given an opportunity to say that they have been discriminated against, but at the same time, the Government of India should follow a policy of harmonious development of foreign and national concerns.

Trends in Life Insurance Business During 1957

A press note issued by the Central Office of the Life Insurance Corporation of India reveals, that upto 28th February, 1958, the Corporation wrote a business to the tune of Rs 281 crores, surpassing the business recorded by private insurers during 1955, regarded as the peak year for Life Insurance business in India. Foreign business has shown some depreciation as compared to 1955, but it is ascribable to the fact, that the Corporation has not been writing business in Pakistan, Burma and Ceylon.

A zonal wise analysis of the total business written during 1957 shows that the South zone recorded a business to the order of Rs 74.14 crores, the highest among all the zones. The Eastern and Western zones have accounted for 67.62 and 64.63 crores respectively. The press note says that the scope for expansion in the above zones is still very wide and that the rather poor performance is due to organisational snags. The overall position of business written by the Corporation during 1957, reveals some encouraging trends in one of the most important industries of the public sector. A comparison between the business done by private insurers during 1955, and that by the nationalised sector during 1957, is worth our attention. In 1955, the spurt to the high business to the tune of about Rs 243 crores, was provided by factors like reduction in premium rates, introduction of Estate Duty and Married Women's Act policies etc. The Corporation has also to its credit measures of far reaching consequences, like liberalisation of women's policies, acceptance of some sub-standard risks etc. But if we take into account the confusion that pervaded the industry as a whole, following nationalisation, and which came to a close for quite a long time, the performance of the Corporation is quite creditable. The protagonists of the private sector, who foretold the failure of Life Insurance business in India following nationalisation, will have enough food for thought.

The reasons of this singular success of the Corporation are mainly to be sought in the organisational

changes undertaken after nationalisation. One cannot but come to the conclusion that the dissolution of the parasitical hierarchy, existing so long, between the agent and the administration, has been very useful for procurement of business. A large number of supervisory staff, who were so long tied up to the office, have now been made available for field work. This has helped the Corporation to have more business at less cost. Moreover, the focus of the entire organisation has now been shifted on to the agents, who are the pivots of the industry.

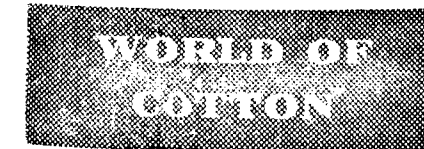
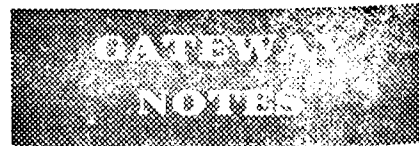
But now the question remains, as to whether the trend of business, recorded during 1957, can be successfully maintained by the Corporation in the coming years. Everything depends upon the relation between the field staff and the Corporation. Should this relation be adjusted for mutual benefit, there is no reason as to why the Corporation will not do much better in the coming years and far surpass the business underwritten during 1957.

Unified Housing Board

Speaking at the inaugural meeting of the reconstituted Housing Advisory Committee S. G. Kazi Minister for Housing announced the proposal for the constitution of a unified Housing Board for the enlarged Bombay State to facilitate uniform implementation of housing programme in the State. The unified Board would replace the three separate boards at present existing for old Bombay State, Viharbha and Saurashtra. The existence of one body in place of three bodies whose activities remained unco-ordinated should naturally give a better lead in constructional activities in the State.

Explaining the steps taken by the Government to provide housing facilities to industrial workers Mr Kazi pointed to the scheme of construction of tenements for persons of low income groups for which he said a beginning has been made. The Low-Income Housing scheme is run on the basis of Central assistance to the extent of 80 per cent of the cost of construction. And with a view to attract the balance of funds interest free deposits from persons desiring housing facilities have been invited by the State Government. According to Mr Kazi those persons who co-operate with the State Government by furnishing interest free deposits to the extent of 20 per cent of the cost of construction would receive preferential treatment in the allotment of tenements, the deposit being adjusted towards the rent in a period of five years.

But it would appear that the Low-Income Group Housing Scheme has failed to evoke good response from the people, for reasons which are not yet known.



ALTHOUGH price movements were rather irregular, sentiment on the Bombay Cotton futures market was distinctly bullish in sharp contrast to that witnessed immediately after the announcement of the Budget proposals, thanks to the announcements of a further export quota for Bengal Deshi cotton; reduction in the export duty on the same variety from Rs 100 to Rs 50 per bale and the relief in the excise duty on cloth. Broadening mill enquiry for spots acted as an additional influencing factor. Although values apparently reluctant to improve after the above announcements reflecting profit-taking by a section, the market subsequently cheered up under trade support.

The announcement to reduce the export duty by half on Bengal Deshi cotton was greeted with relief by shippers although half the charm was lost by a sudden rise of over Rs 30 per candy in prices of that variety. The additional export quota of 50,000 bales for Bengal Deshi, not above "fine" in grade, is expected to be fully utilised in view of the current good demand from Japan, the UK and France. Exports will be permitted on a "first-come-first-served" basis. In this connection, a press communique states that if, on any particular day, shipping bills are received for a quantity exceeding the ceiling then available, licensing will be done on a pro-rata basis. Shipping bills will be valid for shipment within fifteen days or till June 30, 1958, whichever is earlier.

A section of the trade is, however, disappointed to see that no export quota for cotton stapling 3/4" and below has been announced. This cotton includes Kala Gin, Wagad, CP/1, CP/2 and other varieties, prices of which declined by about Rs 75 per candy during the past six weeks. It is pointed out that the loss in the reduced export duty on Bengal Deshi could have been made up by imposing export duty on these varieties, which are in good demand at present. Meanwhile, ICC Jharilla May delivery opened at Rs 685 and, after touching a high of Rs 686.50, finished at Rs 685.50. Similarly, March delivery closed at Rs 688.50 after touching a high of Rs 688 and a low of Rs 684.

Although the reduction in the export duty on Bengal Deshi cotton has enabled shippers to reduce their rates, actual business depends largely on Karachi's reaction to the Government of India's announcement. Rumours are current that Pakistan has also been planning to reduce the export duty on her cotton with a view to bring her prices on parity with those of Bengal Deshi cotton. The difference at present is about Rs 40 per candy.

Sentiment Distinctly Bullish

Trade anxiety over Karachi's reaction is reflected on the Spot market where April delivery of superfine Bengal Deshi shot up by Rs 50 to Rs 605 per candy after the Government announcement; but declined on second thoughts to Rs 580 per candy. However, mills showed good interest in buying all staple varieties, Wagad and Dhollera improving by Rs 10 per candy.

There were no fresh developments on the cotton import front. Trade is awaiting allocation of East African cotton quotas. There was some demand for spot lots of East African and American cottons.

STATISTICS:

A private survey made by a leading cotton house in Bombay indicates that the total crop this season will be in the neighbourhood of 48.50 lakh bales, which is about one lakh bales lower than that made earlier.

According to official statistics, Indian cotton consumption in India, during January 1958, has amounted to 392,007 bales as compared to 391,490 bales in the previous month and 416,282 bales in January, 1957. Foreign cotton consumption, in January 1958, came to 48,804 bales as compared to 49,618 in December 1957 and 47,378 bales in January last year.

Consumption of Indian cotton, during the five ended 31st January 1958, totalled 1,946,187 bales as compared to 1,941,298 bales in the corresponding period of last year, while foreign cotton consumption totalled 249,413 bales as compared to 248,635 bales.

The average monthly consumption of Indian cotton, so far this season, comes to 389,240 bales as against 388,260 bales and of foreign cotton 49,880 bales as against 49,730 bales.

NEW YORK COTTON MARKET:

In slow dealings, prices on the New York cotton futures market drifted lower on light hedging and commission house selling with some stoploss orders uncovered. Trade support was limited. The decline was mostly traced to technical conditions, although some of the selling was evidently due to the continued slow conditions in the domestic cotton textile market and reports of further mill curtailment. The decline was subsequently checked by trade support and shortcovering. Sales totalled 45,000 bales. Middling Spot was quoted at 35.95 cents per pound.

LIVERPOOL COTTON MARKET:

The week commenced in the Liverpool cotton futures market with prices firming up slightly, mainly on account of stronger New York advices. Early in the week, the news, that any increase in cotton acreage had failed to pass in Congress, cleared up one of the

uncertainties overhanging the market and prices moved up appreciably in later dealings.

KARACHI COTTON MARKET:

The Karachi cotton futures market ruled distinctly easy. Due to the failure of export demand to revive and the continued slackness of domestic spinner interest, buying support was practically absent.

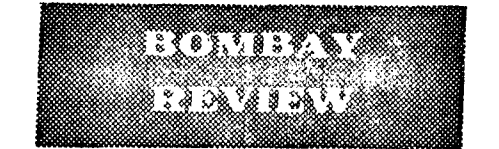
CLOTH AND PIECEGOODS:

The announcement of the reduction in excise duty on different categories of cloth was generally welcomed by market circles and by the textile industry in particular. Although it was felt that a larger reduction was necessary so as to place the industry on a sounder footing, the present concession was considered a move in the right direction. With the uncertainty now over, the offtake in

the piecegoods market is expected to improve considerably. This will also help in the reduction of accumulated stocks with the mills.

Statistics available indicate that the quantity of unsold stocks with the mills has dropped from 4.50 lakh bales at the end of 1957 to 3.64 lakh bales. Stocks sold but not lifted by the trade have also declined from 2.10 lakh bales to 2.00 lakh bales. It is significant, however, that the output of cloth has also slackened in recent months.

Trading conditions on the export front were not encouraging. Moderate business was reported to have been concluded with East Africa. The UK appeared to have evinced interest in grey goods. As the Burmese authorities have not yet issued import licences for textiles, fresh business with this country has been negligible.



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dealing with them) to help to keep the

wheels of commerce and industry

moving and thereby make a success of

The Five Year Plan

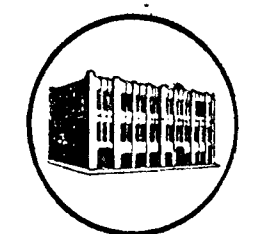
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Secretary
D. P. PARTHASARATHY



BOMBAY
REVIEW

FORWARD trading on the Bombay Bullion Exchange was resumed on Wednesday after a break of three days. Till Tuesday this week, business was at a standstill as most jobbers along with bear operators refrained from entering into business as a protest against the continued bull squeeze in the Silver section. It was contended by these operators that a "one-way traffic" was prevalent in the silver section as scarce stocks and reduced arrivals of Tibetan coins had emboldened bulls. It was further contended that the authorities should come out boldly to curb such unbridled speculative activity in the interest of the general trade. The futures section, as a sequel, remained stagnant although, in the private dealings, prices ruled firm. In the initial part of the week, Silver forged ahead as bulls were

Resumption of Forward Trading
in Bullion

successful in taking full advantage of the scarcity of the metal in the country and in Bombay in particular. It appears that the import of the white metal from Tibet has been, in recent months, monopolised by about half a dozen traders. In the absence of proper banking and other commercial facilities, trading with Tibet has been found difficult. When the Board of Directors of the Bullion Association decided to hold a meeting to consider the situation, trading was resumed. Forward rates moved between Rs 194.44 and Rs 194.56, while ready changed hands at Rs 194.19 to Rs 194.31.

Gold improved early in the week on better spot demand, but profit-taking checked the advance towards the close. Forward rates moved between Rs 112.15 and Rs 112.28, while ready changed hands

at Rs 111.94 to Rs 112.06. Sovereign ruled firm at Rs 72.25.

★
Oils & Oilseeds

The markets for Oils and Oilseeds ruled generally steady with interim profit-taking readily absorbed by short-covering. Sentiment was aided by continued talk of reduction in castor oil export duty and recommendations of the Sub-Committee of the Indian Central Oilseeds Committee for groundnut oil quota.

Linseed futures firmed up on heavy bear-covering following the reports that the UK was buying oil at around £109 per ton. A leading export house bought sizable quantity of linseed oil. May delivery changed hands at Rs 30.19 to Rs 30.62, to finish the week at Rs 30.50. In the ready section, bold

GATEWAY
MARKETS

was quoted at Rs 29.75 and Linseed Oil at Rs 16.00.

After initial firmness, Castor seeds slipped back on liquidation and profit-taking, prompted by easier advices from North India. Continued arrivals in Andhra and Gujarat also chilled buying enterprise. May delivery moved between Rs 146.00 and Rs 146.62, to close at Rs 146.37. In the ready section, Madras quality was quoted at Rs 29.62 and Castor Oil, commercial quality, at Rs 15.00.

In the Groundnut section, crushers and vanaspathi in esters kept sidelines, which softened values. May delivery moved between Rs 159.12 and Rs 160.00, to finish at Rs 159.87. In the ready section, bold quality was quoted at Rs 31.75 and Groundnut Oil R.R. at Rs 17.56.

The announcement regarding the reduction in the excise duty on cloth gave rise to hopes that the announcement of the export duty cut on oil would follow soon. This caused the revival of buying fervour in the Cottonseed section where May delivery was taken up to Rs 107.50 from Rs 107.00.

★
Non-Ferrous Metals

Conditions in the Non-Ferrous Metal Market remained quietly steady. Copper ready was quoted steady at Rs 178 per cwt as recent arrivals were less than expected. The tone of the Zinc market was quiet, the rate hovering narrowly around Rs 51.50 per cwt. Lead, however, remained firm at Rs 63 per cwt on reports of the receipt of Government tenders. The Tin section generally followed the Singapore market where hectic price movements were taking place without reason. The rate was quoted at Rs 129.50 per quarter.

On the London Metal Exchange, Copper was quoted firm at £168½ per ton, mainly due to a tight supply position in Electrolytic Wire Bars and Cathodes in London. Better economic reports from the USA, too, helped to firm up prices. Zinc was quoted at £63½ per ton. It is reported that the Board of Trade, London, is now considering the export of 1,000 tons of remelted zinc through trade channels. The Lead market continued to be inactive, the rate being quoted at £74½ per ton. It is rumoured that domestic lead prices are likely to be reduced in the USA. The overall position in respect of Tin remains unchanged and the rate is quoted steady at £730 per ton.

★
Yarn

The Yarn market in Bombay continues to rule firm with prices forging ahead on heavy short-covering and renewed upcountry support. Operators are keen in augmenting their stocks since they fear that the scarcity of yarn will be acute in the coming weeks.

SOLIVIPUS

FOR once, a minor vice has paid off. Had I been on my conscientious best and written this despatch yesterday (as I, in common consideration for my hard-pressed boss at Calcutta, ought to have), I would have perhaps sent in a cheerless and exiguous account of the budget discussion in Parliament, eked out, perhaps by an analysis of the comments on the new cabinet appointments. But my dilatoriness has been rewarded this time, since I am in a position to inform you of two important and timely concessions announced by Mr Nehru in the Lok Sabha on Tuesday. It is true that one of these, the reduction in excise duty on cloth, has been anticipated for some two or three days, almost from the time Mr Nehru spoke at the FICC annual session. The other concession, viz., the abolition of the compulsory deposit out of current profits and reserves introduced about two years ago by TTK was a very pleasant surprise. Readers will recall that this journal has been urging its scrapping for some time now. And in my despatch a fortnight ago, I had mentioned how the expectation of its abolition this year was strong on account of reports that TTK had hinted at its abolition in some of his speeches in the US. But when the Budget proposals did not give any indication of this expectation getting fulfilled, there was considerable disappointment. On second thoughts, Mr Nehru has been able to shelve into oblivion this interesting but bothersome measure.

One can perhaps permit oneself a line of speculation about the way in which these important reliefs have been announced as second thoughts. Can it be, that these reliefs were intended all along and not announced in the first instance for the well known reason that an assumed disappointment is treasured more than a fulfilled expectation? After all, if Mr Nehru had announced these concessions in the first instance, they would have been welcomed, of course, for, things had come to a pretty parlous plight even then, at least with regard to textiles. But it would not have had the same degree of enthusiasm as the present announcement has had. Secondly, conceiving a prophet can be amusing and even salutary for the soothsayer, and since you have every intention of ultimately granting his wish, you may as well have your little joke on him. The Budget astrologer, too, has, despite initial chagrin, his self esteem intact, for he can always turn round and say, if not on the first occasion, at least on the second occasion, "I knew all the time it was coming!"

Such a line of reasoning is plausible, but I believe it is not true in this case. The truth is, I believe, something else, and is far more interesting, as I shall presently show. I think that when Mr Nehru had to take on the burden of the finance portfolio, he was more or less ignorant of the complexities of the details of the tasks of his new responsibility. He knew, of course, in a general way about the economic problem and so forth. But he had the haziest notion of how particular measures communicated their complicated impact on the entire economy in a way that was not apparent to those who are not associated with the daily tasks of those areas of the economy. In any case, Mr Krishnamachari had drafted the outlines of a budget for the next year with the intention perhaps of springing eventually the kind of pleasant surprises as the reduction in excise duty, etc., so that he may cash in on the psychological advantage of such concessions. (Such a procedure would have been entirely in character.) But Mr Nehru took over and presented what was in effect a TTK Budget. And it was only after it was presented and after he met the members of the business community that he began to have some idea of the way in which things had their impact on the economy. In other words, his constant reference to pragmatic approach and so forth was the result of his intellectual awareness of the need for such an approach and the need for an open mind on these matters. But, for the first time since he became a Prime Minister, he had in his recent term of finance ministry to examine particular fiscal measures closely. (His short former term of Finance Ministership on Mr Deshmukh's resignation was only a stop gap affair.) And when he did that, his notions of pragmatism in economy attained a degree of clarity that he had not before. Therefore, he saw the entire justness of demands like the reduction of excise duty on cloth and the harassing nature of measures like compulsory deposits and decided to do something about these. In other words, in Mr Nehru's case, the reliefs announced were the result of not so much second thoughts, but first thoughts on the subject.

This raises a very interesting question, namely, how good a Finance Minister would Mr Nehru have made? Of course, with the name of the new Finance Minister already announced, this question is purely academic. And I suppose at all times it would have been academic, since Mr Nehru is preeminently our Prime Minister and it is impossible, unfortunately, that one can combine the offices of Prime Minister, Foreign Minister and Finance Minister. Such burden would be insupportable even by such broad shoulders as those of Mr Nehru. But, it does seem a pity that we could not have had

“For this Relief, Much Thanks”

Mr Nehru as the Finance Minister. It was evident from his speech to the FICC that Mr Nehru had recently acquired a new awareness of the tasks of the country in the economic sphere. And though he gave every indication of sticking to his basic principles, it was evident that he would have translated his counsel of pragmatism to the fullest possible extent to the great benefit of all concerned. In ways, it is a pity he could not have had the opportunity to do so. On the other hand, this brief but close contact with the ramifications of fiscal and financial policies would give him, as the leader of Government, a new dimension in thinking.

As was only to be expected, Mr Nehru's announcement of the reduction in excise duty of cloth and abolition of the deposit scheme has been widely welcomed. As the PM himself explained, the reduction in excise duty had become unavoidable, because of the continuing crisis in the cotton textile industry indicated by the increasing accumulation of stocks at the mills, the steady decline in the rate of production. At the end of February, 355,500 bales of cloth were lying unsold with the mills and 200,000 bales had been sold but not yet taken delivery of. The corresponding figures for September last were 201,431 and 81,822 bales respectively. Incidentally, this consumer resistance (which accounts for unlifted stocks) supports the contention of those who said that the excise duty is intended to act as an anti-inflationary measure, though, of course, there is such a thing as a point of diminishing returns in this, as in other matters. There can be no doubt that that point had already been reached, and that further complications were leading the industry to a crisis. For instance, production trends have been dismaying. Instead of the expected expansion, production has been more or less stagnant in 1957, the figures being 5440 million yards in 1957 against 5306 millions in 1956. And the figures for January 1958 tell an even sadder tale, for, though January is normally a good month for production, this January's output has been less than the average monthly production of 1957. It was 433 million yards as against the 484 million yards in January 1957. Another nasty consequence of accumulating stocks and falling production trends has been the closure of some mills and unemployment caused by closure and retrenchment and so forth.

As regards the compulsory deposit scheme, Mr Nehru's reason for dropping it was that experience of last year showed that the bulk of resources of companies were, in fact, being utilised for purposes conducive to industrial development. Now, this is a find-

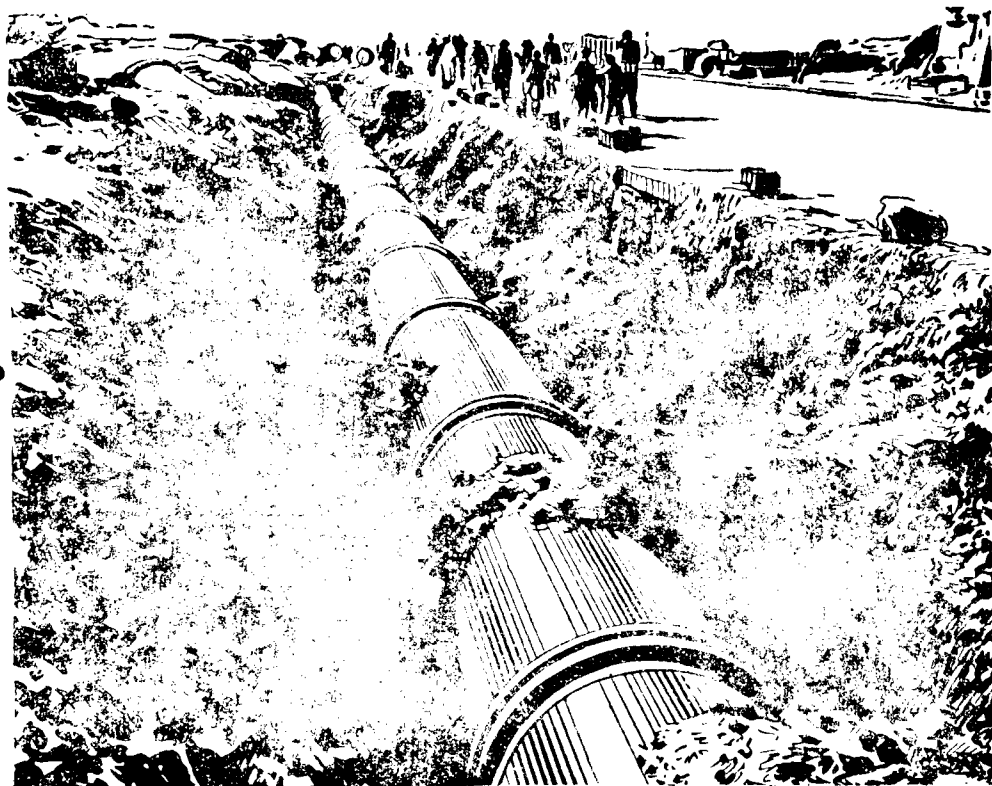
ing doubly welcome. Firstly, this general exoneration of the companies should go some way to remove popular misconception about corporate finances. Secondly, this knocks the bottom out of the principal argument of those who wanted this scheme introduced. It was said that this was not a scheme to raid into the funds of the private sector for financing the public sector, but that it was a painful necessity to put an end to certain unsavoury practices of the private sector who misused concessions under the income tax act. In any case, the recent tightening of the conditions under which development rebate will be available will stop possible abuses of these concessions.

Apart from these two important concessions, Mr Nehru's reply to the debate was interesting chiefly for his robust faith in the country's ability to surmount the difficulties that were in front of us. In this connection, he was critical of the activities of disruptionist forces like political parties who were making capital out of human distress. He referred to the advice given by Leftists to refugees in West Bengal to insist on rehabilitation in Bengal itself a proposition that is not only not feasible, but one calculated to depress the already low level of living standards there. Such agitation sets at naught all the efforts made by rehabilitation agencies to translate compassion into practical action. No one can be callous to the difficulties of these uprooted people, but unless cooperation is offered by all concerned, the problem will become insoluble instead of merely difficult as it is at the moment.

Another important subject dealt with by Mr Nehru was the increased defence expenditure. It was plain to see the anguish of Mr Nehru in his inability not to follow his master in the matter of disarming the country. But circumstances as we are, we cannot think of abandoning our plain responsibilities to our people in safe-guarding our frontiers. With a neighbour pathologically filled with hatred for us, we cannot abdicate our plain duties. Mr Kripalani's moving plea in this regard has, therefore, in the circumstances, remained partly unfulfilled. Mr Kripalani himself clarified his statement to mean not a total abolition of our armed forces, but a determined effort at reducing its size and expenditure thereon. Here, one can attempt to make a beginning. After all, every rupee saved from defence is available for development. It is this interrelation, more than even abstract arguments about non-violence, that makes the problem so urgent. A detailed examination of all possibilities of saving in defence expenditure is a worth while undertaking.

DELHI
REVIEW

longevity



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STATE BANK OF INDIA

BALANCE SHEET OF THE STATE BANK OF INDIA AS AT 31st DECEMBER 1957

As at 31st December 1956			As at 31st December 1957			As at 31st December 1956			PROPERTY AND ASSETS.			As at 31st December 1957		
Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.
CAPITAL AND LIABILITIES.														
1. Capital:														
Authorized Capital—20,00,000 shares of Rs. 100 each														
20,00,00,000	00	...	...	20,00,00,000	00	...	...	24,52,12,098	64	1. Cash:	...	...	...	...
Issued, Subscribed and Paid-up Capital (pursuant to Section 5(1) of the State Bank of India Act, 1955)—5,62,500 shares of Rs. 100 each ..														
5,62,50,000	00	...	...	5,62,50,000	00	...	...	3,25,75,749	56	2. Balances with Other Banks:	...	...	...	36,52,51,726
6,37,50,000	00	...	...	6,62,50,000	00	...	...	...	...	On current account deposit	...	...	...	02
2. Reserve Fund and Other Reserves														
24,75,000	00	...	...	74,25,000	00	...	...	3,25,75,749	56	(i) In India	...	...	...	...
3. Deposits and Other Accounts:														
37,15,69,789	47	...	...	139,36,49,041	19	...	...	3,25,75,749	56	(ii) Outside India	...	...	...	2,99,41,288
31,04,63,523	31	...	...	32,95,50,683	55	...	...	1,06,66,666	67	3. Money at Call and Short Notice ...	...	...	...	2,99,41,288
242,12,30,797	36	...	...	194,19,85,714	49	...	...	...	...	4. Investments (Securities valued in accordance with Regulation 73; shares, debentures or bonds at or below cost)	...	...	...	2,00,00,00
4. Borrowings from Other Banking Companies, Agents, etc.:														
16,00,00,000	00	...	...	15,00,00,000	00	...	...	...	...	(i) Securities of the Central and State Governments and other Treasury Bills of the Central and State Governments ...	...	...	...	171,39,21,576
1,27,00,000	00	...	...	1,50,50,000	00	...	...	93,80,71,576	63	(ii) Shares authorised under the State Bank of India Act, 1955 ...	...	...	...	69,24,998
Particulars:														
17,27,00,000	00	...	...	16,50,50,000	00	...	...	61,75,618	44	(iii) Debentures or Bonds ...	...	...	...	1,35,69,525
...	...	...	...	...	...	...	...	1,09,82,750	00	(iv) Other Investments—Pakistan and other Government Securities, etc.	...	...	...	9,99,17,960
17,27,00,000	00	...	...	...	...	...	...	11,56,47,350	33	to of which investments of the face value of India Rs. 18,45,00,000 and Pakistan Rs. 2,57,10,900 are pledged against borrowings from other Banks, Agents, etc., per contra.	...	...	...	183,43,33,955
4,59,11,751	91	...	...	...	...	...	...	106,87,75,276	39	5. Advances:	...	...	...	...
6. Bills Payable														
38,88,005	56	...	...	16,50,50,000	00	...	...	...	...	(i) Loans, Cash Credits, Overdrafts, etc.	...	...	...	...
26,43,366	41	...	...	...	...	...	...	...	...	(ii) In India	...	...	...	...
7. Other Liabilities:														
90,00,000	00	...	...	16,50,50,000	00	...	...	107,41,58,031	55	(iii) Outside India	...	...	...	...
1,972	19	...	...	...	...	...	...	...	...	[(iii) Bills Discounted and Purchased]	...	...	...	...
8. Acceptances, Endorsements and Other Obligations per contra														
8,21,822	21	...	...	...	...	...	...	140,15,99,778	48	(i) Payable in India	...	...	...	...
9. Profit and Loss:														
34,37,334	92	...	...	90,00,000	00	...	...	32,74,41,746	93	(ii) Payable outside India	...	...	...	...
1,56,18,326	73	...	...	6,112	13	...	...	...	...	to of which bills of the value of India Rs. 7,00,00,000 are held by the Reserve Bank of India and Pakistan Rs. 1,50,00,000 are held by the State Bank of Pakistan as security against borrowings as per contra.	...	...	...	...
1,90,55,661	65	...	...	41,91,361	65	...	...	...	...	Particulars of Advances: See separate Statement appended.	...	...	...	...
90,00,000	00	...	...	1,87,45,303	89	...	...	...	...	6. Bills Receivable being Bills for Collection as per contra	...	...	...	...
2,50,000	00	...	...	2,29,36,970	54	...	...	65,31,366	41	(i) Payable in India	...	...	...	...
6,14,300	00	...	...	90,00,000	00	...	...	26,43,366	85	(ii) Payable outside India	...	...	...	...
40,00,000	00	...	...	25,00,000	00	...	...	8,21,822	21	7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra	...	...	...	...
10,00,000	00	...	...	6,37,500	00	...	...	...	...	*Premises less Depreciation:	...	...	...	...
Amount transferred to Staff Welfare Fund														
...	...	...	...	32,00,000	00	...	...	1,16,99,925	36	Total Cost up to the 31st December, 1956	...	...	...	...
...	...	...	...	10,00,000	00	...	...	3,29,642	45	Additions (Rs. 2,69,191.43) less Deductions (Rs. 9,654.78) during the year	...	...	...	...
41,91,361	65	...	...	10,00,000	00	...	...	1,13,70,182	91	Amount transferred from the Imperial Bank of India during the year ...	...	...	...	...
10. Contingent Liabilities:														
Claims against the Bank not acknowledged as debts														
...	...	...	...	5,67,260.98	...	...	...	10,57,641	37	Depreciation written off up to the 31st December 1957 less Depreciation previously provided on property which has passed out of the Bank's possession	...	...	...	...
...	...	...	...	...	...	...	...	1,24,27,324	18	9. *Furniture and Fixtures less Depreciation:	...	...	...	...
...	...	...	...	2,45,440.84	...	...	...	...	...	Total Cost up to the 31st December, 1956	...	...	...	...
...	...	...	...	...	...	...	...	...	...	Additions (Rs. 21,64,692.41) less Deductions (Rs. 18,820.20) during the year	...	...	...	...
...	...	...	...	...	...	...	...	...	...	Amount transferred from the Imperial Bank of India during the year ...	...	...	...	...
...	...	...	...	...	...	...	...	...	...	Depreciation written off up to the 31st December, 1957 less depreciation previously provided on property which has passed out of the Bank's possession	...	...	...	...
...	...	...	...	...	...	...	...	...	...	10. Other Assets, including Gold and Silver:	...	...	...	...
...	...	...	...	...	...	...	...	...	...	Bullion	...	...	...	...
...	...	...	...	...	...	...	...	...	...	Adjusting Account of interest, commission, etc.	...	...	...	...
...	...	...	...	...	...	...	...	...	...	Stationery, Stamps, Suspense, etc.	...	...	...	...
...	...	...	...	...	...	...	...	...	...	11. Non-banking Assets Acquired in satisfaction of claims	...	...	...	...
...	...	...	...	...	...	...	...	...	...	Profit and Loss	...	...	...	...
280,28,33,904	34	...	...	406,12,00,785	74	...	...	...	...	Total	...	...	...	...
*Of which Rs. 49,50,000 is to be credited to the Integration and Development Fund (item 2A above) bringing the amount in the said Fund to Rs. 1,23,75,000.														

Particulars of Advances

As at 31st Dec. 1956.			As at 31st Dec. 1957.		
Rs.	nP.	Rs.	nP.	Rs.	nP.
129,31,08,391	72	...	...	156,76,21,076	13
1,23,40,112	06	...	...	1,72,76,592	66
9,61,51,274	70	...	...	14,98,76,790	55
.....	...	...	...	...	...
140,15,99,778	46	...	...	173,47,74,459	34
3,85,554	40	...	...	6,89,374	64
20,84,65,782	79	...	...	39,44,23,809	91
3,71,004	83	...	...	6,95,281	01
20,99,17,974	71	...	...	38,72,65,110	49
9,54,92,061	09	...	...	9,16,37,225	14

REPORT OF THE AUDITORS

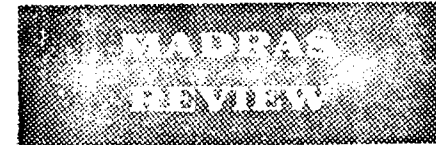
TO THE PRESIDENT OF INDIA,
We, the undersigned Auditors of the State Bank of India, appointed under Section 41(1) of the State Bank of India Act, 1955, do hereby report to the Central Government upon the Balance Sheet and Accounts of the Bank as at the 31st December, 1957.

We have examined the above Balance Sheet and the Returns submitted and certified by the Secretary and Treasurer of the Local Head Office at Madras and by Branch Agents, which Returns have been incorporated in the above Balance Sheet and Accounts, and report (i) that, in our opinion, the Balance Sheet is a full and fair one, containing all the necessary particulars and properly drawn up so as to exhibit a true and correct view of the affairs of the Bank, according to the best of our information and the explanations given to us and as shown by the Books of the Bank; (ii) that where we have called for any explanation or information such explanation and information have been given to us and have been satisfactory; (iii) that the transactions of the Bank which have come to our notice have been within the powers of the Bank; (iv) that the Returns received from the Local Head Office at Madras and from the Branches of the Bank have been found adequate for the purpose of our audit; (v) that the Profit and Loss Account shows a true balance of profit for the period covered by such account; (vi) that, in our opinion, the Balance Sheet and Profit and Loss Account are drawn up in conformity with the law, and (vii) that, in our opinion, Books of Account have been kept by the Bank as required by law.

The audit of the Books and Accounts of the Central Office has been carried out jointly by Messrs. S. B. Billimoria & Co. and Messrs. Ray and Ray. The audit of the Books and Accounts of the Local Head Offices has been carried out at Bombay by Messrs. S. B. Billimoria & Co. and at Calcutta by Messrs. Ray and Ray.

6th February, 1958.

P. O. BHATTACHARYA, Chairman
N. V. GADGIL, Vice-Chairman
S. B. BILLIMORIA & Co. } Auditors
RAY & RAY }
B. P. PATEL } Managing Directors
S. P. PURI }
J. D. CHOKSI
PRATAPSIKH MATHURADAS
M. H. HASHAM PREMJI
RAMNATH A. PODAR
D. R. GADGIL
B. VENKATAPPAH
SACHINDRA CHAUDHURI
D. P. GOENKA
TRIGUNA SEN



Stricter Prohibition

THE discussion of the amendments suggested by the Joint Select Committee to the Madras Prohibition (Amendment) Bill, provided the occasion for a reaffirmation of the prohibition policy of the State Government by the Home Minister Mr M. Bhaktavatsalam. That the issue of prohibition had passed from the stage of controversy into that of general acceptance by all parties in the legislature was also revealed in the course of the discussion on the amendments. Leaders of all shades of opinion in the Legislature expressed themselves as not being opposed to prohibition. The D.M.K. leader Mr C. N. Annadurai even testified to the benefits of prohibition in having reduced the incidence of drunken brawls in the State. The P.S.P. leader Mr P. S. Chinnadurai

put up a plea for the extension of prohibition throughout the country and even charged the State Congress Government as being not sufficiently enthusiastic about the enforcement of prohibition in the State.

Notwithstanding the unanimity of views on the issue of prohibition, differing opinions were expressed on the extent of success that has attended the introduction of prohibition in the State. Mr Kalyanasundaram leader of the Communist group in the Madras Legislature has pronounced prohibition a failure and he is able to point to the increase in the number of offences against the Prohibition law from 95,000 in 1955-56 to 1,25,000 in 1956-57. Whether this figure is to be interpreted as suggesting increased vigilance on

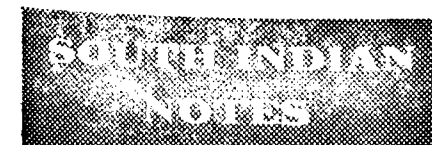
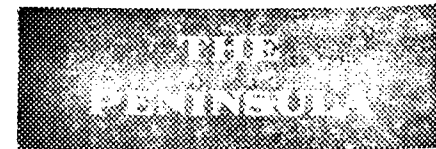
the part of the enforcement police or the increasing prosperity of the illicit trade it is difficult to say. But that large-scale illicit distillation of liquor is still going on in the State has been admitted even by the Congress members. One of the Congress members pointed out that prohibition offences were larger in the Salem district where he says illicit manufacture of liquor is thriving as a cottage industry. He assigns the extreme poverty of the people of this district and the hilly terrain which enables the people to carry on the trade undetected by the police as the reasons for this state of affairs. The leader of the Opposition Mr T. S. Ramaswami Pillai has also found prohibition a failure and points to the increasing number of crimes against the prohibition law though

he ascribes this to loopholes in the law and the laxity in the enforcement of it by the police. Slackness on the part of the police authorities in bringing to book the guilty was repeated by a few other members also, one of them, the leader of the Communist group even going to the extent of charging the police as being in secret conspiracy with the offenders in the illicit distillation of the liquor. Mr Bhaktavatsalam has the testimony of the D.M.K. leader on the success of the prohibition policy of the State Government, and he himself has pointed out that as a result of prohibition about 75 per cent of the addicts have been weaned away from the habit. The rest is sought to be weaned away by the deterrent punishment as envisaged and provided for in the amendment to the prohibition law.

On the need for deterrent punishment which has been accepted by the Government the opposition as a whole is ranged against the Government, and has urged the postponement of the consideration of the bill seeking to pass it into law for six months so as to enable the parties to sit together and arrive at a mutually agreeable basis for the enforcement of prohibition throughout the State. In pressing for deferment of the bill the opposition parties have without exception also expressed their opposition to punitive punishment for the enforcement of the law. The opposition's attitude springs from fear of unmitigated harassment to the poor people. The leader of the Opposition has in this connection indicated possibilities of individuals fabricating charges out of sheer enmity against people innocent of any actual offence against the law.

Whether punitive punishment would by itself eliminate the drink habit entirely is open to question. The inverse correlation between the severity of the punishment and the incidence of crime against the prohibition law is something which cannot be taken for granted. And in view of what Mr Bhaktavatsalam has admitted as the laxity in the administration of the law by the police whether even deterrent punishment would meet the need is doubtful.

Mr Bhaktavatsalam's reference to the statement of Mr Khrushchev about the need to prevent drunkenness in Soviet Russia is largely irrelevant, since what the Russian leader is confronted with is drunkenness while the problem before the Madras Government is elimination of the drink habit completely from the State. While legislation could do much to prevent the drink habit, to neglect the need for propaganda and education would only make the task of enforcing prohibition more difficult.



Mysore Budget

Government hold shares are the Hindustan Aircraft Factory, Indian Telephone Industries, Radio and Electrical Manufacturing Co Ltd the Mysore State Cooperative Apex Bank and the Mysore Central Cooperative Land Mortgage Bank.

Popularising Radio

The tendency for modern arts to gravitate to the urban centres in the country had left a wide gap in the quality of life led by people in the rural and urban areas. The modern radio which provides cheap additional recreation though it has an important place in every urban homestead is still a rarity in the countryside, and the aloofness of the rural areas from the artistic influence of the urban centres is largely a product of this.

The efforts of the Government to popularise radios and to provide them in increasing numbers in the countryside would seem to have met with little success in view of the high cost of radio sets. This only underlined the need for developing the industry on modern lines so as to realise in economies of production and to concentrate on other means for making available the additional facilities which the modern radio provides.

Speaking at Bangalore Mr R. K. Ramadhyani Secretary Ministry of Information and Broadcasting referred to the various ways which the Government have in view to meet the need for increasing facilities for radio listening in the countryside. Among other things provision of a system of local transmitters which will enable good reception with crystal and small valve is important. The connection for a loudspeaker or earphones is also supposed to obviate the need for a full radio set. The extension of facilities in this way is also highly desirable. The introduction of the new transmitter type is credited with the possibility of making radio listening in the countryside popular. But what Mr Ramadhyani refers to as the high cost of such transmitters raises doubts about their immediate possibilities.

Governmental action is still in the exploratory stage the final decision on the best method of popularising radio listening being deferred for consideration by foreign experts. In this connection Mr Ramadhyani pointed out that the Government are trying to get in touch with a foreign technical expert to assist the A.I.R. to make a detailed technical study of its system with a view to making a large expansion in radio receivers possible. The delegation of radio industrialists from foreign countries to which Mr Ramadhyani referred, would also enable a thorough study of the problems of radio manufacture in the coun-

try. Importance is also attached to the possibilities of the Electronics Factory in Bangalore for manufacturing radio components and transmitters.

Madras Corporation Finances

If even after the implementation of most of the recommendations of the Taxation Enquiry Commission as well as those of the Local Finance Enquiry Committee for augmenting the financial resources of local bodies the Madras Corporation should find itself still hampered in its activities by insufficient resources, it only highlights the extreme inelasticity of its sources of revenue. This would be evident from the fact that the Corporation is dependent for a major part of its resources on fixed grants from the Government which inevitably tend to become inadequate for the growing needs of the population in the city.

Education is one of the most important fields of activity of the Corporation where the pinch of finance is acutely felt. The Corporation's responsibility in the educational sphere includes the provision of free midday meals to the students of the primary stage and the extension at its own cost of facilities for primary and Secondary education to the city's population. The extent to which the Corporation has been limited in its activities in this sphere would be evident from the fact that at present only about 25,000 children in the primary stage benefit from the free provision of mid-day meals. Complaints of the inadequacy of the sources of revenue such as grant of 50 per cent from the proceeds of the education tax collected by the Corporation, lump-sum grant for the maintenance of elementary schools opened after 1921 etc are also frequently heard.

The Corporation is also left with no external source of help for the maintenance of the Poor House, the Industrial Home for able-bodied beggars and the Special Home for the diseased and the infirm. Any improvement in the services which the Corporation at present provides in these fields is therefore contingent on the availability of more finances.

These problems of the Corporation were brought to the attention of the State Governor Mr Bishnuram Medhi in the course of a civic address which the Corporation presented to him, last week. Mr Medhi expressed sympathy with the needs of the Corporation for more finances and assured sympathetic consideration for any proposal for increasing the resources of the Corporation. But when mention was made of Octroi and Terminal taxes on passengers which have the sanction of the Taxation Enquiry Commission, Mr Medhi expressed doubts about the

possible reaction of such levies on the general public in the State.

The Corporation on the other hand is tempted to see the end of its financial troubles only in the devolution of full autonomy and financial strength on it. Even though the demand may seem exaggerated there is at least a case for a thorough study of the need of the Corporation for more resources in relation to its growing responsibilities.

Silk Industry

The silk industry is one of the few surviving cottage industries in the country and though the prospects for the industry as indicated by current demand for silk fabrics are bright, increasing cost of production and fluctuation in the prices for silk fabrics have underlined the need for co-operative methods in production. This was urged by Mr Morarji Desai Union Minister, when he inaugurated the Sixth Mysore Sericultural Conference at Bangalore last week.

In view of the disorganised nature of the industry the scope for improving the methods employed in the industry also appears to be great. The greatest need in this connection is thorough research into the problems of the industry and the application of the results of research. Mr Morarji Desai pointed to the great strides made by Japan in the matter of research in the problems of the silk industry and exported the Indian sericulturists to concern rate on research so as to better the record of Japan in sericultural research.

Mr Morarji Desai, referred to the saring of the Silk Board by the Government ten years ago as evidence of the great importance attached by the Government to the silk industry but at the same time pointed out that the solution to the difficulties at present faced by the industry could only be found by the people engaged in the industry working hard so as to reduce cost of production and improve the quality of the silk goods.

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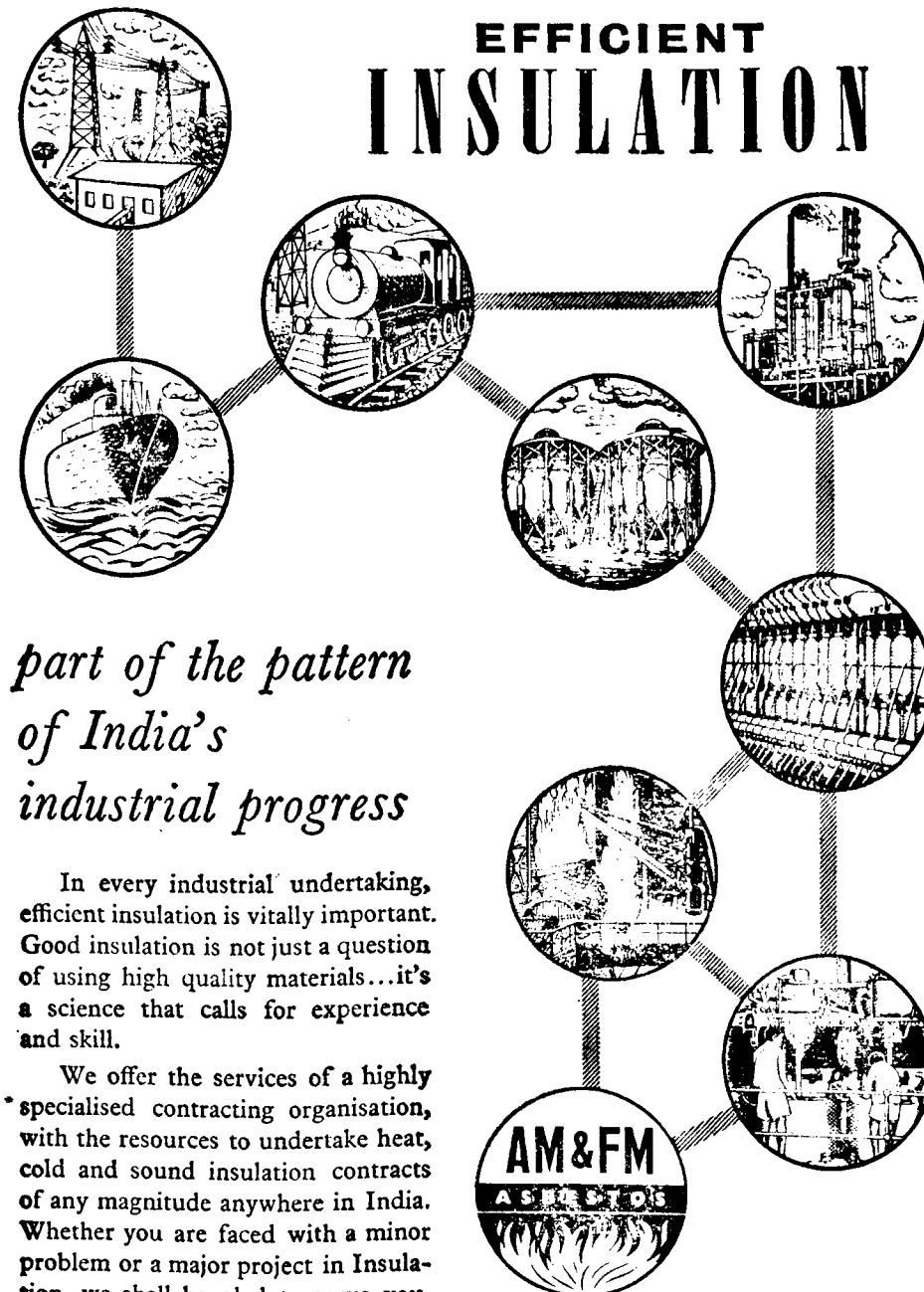
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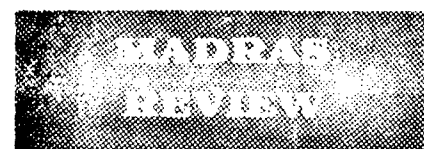
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Prospects for Rubber

THERE is a general belief that Rubber production will be showing some improvement this year as the weather, at the beginning of the season, has been fairly satisfactory in the main districts. Given slightly better-spread-out rainfall, a marked increase in production can be expected.

In view of the national need for raising the production of rubber—an important raw material in which India is not self-sufficient at present and for the import of which considerable volume of her foreign exchange earnings is being spent—the announcement by the Kerala Finance Minister that the Government have decided to utilize a share of the available land in Kerala for the extension of rubber cultivation is welcome.

Kerala has a near-monopoly in the production of natural rubber

in India and ideal conditions for production exist. According to one estimate, at least 50,000 acres will be available for new planting in the State; but the proposed land reforms pose a real threat to the further expansion of cultivation. But, it is gratifying to note that the Government have proposed to set apart a portion of the available land for rubber cultivation and have disclosed their intention to draw up a comprehensive scheme for this in consultation with the Board. At present, demand is outstripping production as the existing manufacturing capacity is being rapidly expanded besides the entry of new-comers.

Pepper Conditions in Pepper markets have turned a shade quieter on lack of fresh demand. After the

shipment to Russia, if the USA or other foreign buyers remain conspicuous by their absence, the market is likely to go down, as growers generally reappear as sellers on slight weakness in the trend. In the Kozhikode market, Wynaad quality is quoted at Rs 590 to Rs 600 and the Country variety at Rs 575 to Rs 580 per candy. In the New York market, activity remained extremely quiet as buyers were inclined to sideline and test recent firmer prices.

Coffee The world Coffee market is having a second look at the prospects for the current year after having thwarted a fall in prices by the Mexico City Agreement. It is clear now that any agreement among latin-American producers without bringing in African pro-

ducers will not last very long. In fact, American restriction, if effective in holding up prices, will directly act as a strong stimulus for African expansion in production. For the present, the decline in coffee production has been arrested by the agreement. In the consuming countries, stocks are moderate and an active demand for close positions exist.

Meanwhile, the India Coffee Board has announced the release of 1,060 tons of coffee seeds from the 1957-58 crop for export. It consists of 885 tons of Plantation "A"; 61 tons of Plantation "B"; 56 tons of Plantation Triage and 58 tons of Arabica Cherry Flats. The last date for tender is April 16.

At the monthly auction held at Tanjore last week, the entire quantity, which was offered, was sold. Following were the range of prices (per cwt.):—Plantation "A" Rs 230.10 to Rs 233.60; Plantation PB Rs 229.50 to Rs 232.75; Robusta PB Rs 172.00 to Rs 172.60 and Robusta Flats Rs 158.50 to Rs 167.60.

Groundnut

Conditions in the Madras Groundnut market ruled firm. Arrivals were 200 tons per day. Local crushers, both big and small, took up sizable quantities around Rs 140 per candy. Sowings of the summer crop are stated to be in progress; but the acreage is less in Tanjore district.

In the Groundnut Oil section, the rate for the ready position was quoted around Rs 301 per candy. Calcutta interests took up sizable quantities although most of the buyers were busy in squaring up their commitments at the close. There was limited business in the forward position.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides were again restricted. With the result, all the available supplies were readily taken up by shippers at firm prices. The market for Bull Hides ruled steady. In the Calf section, arrivals were rather poor, resulting in prices ruling very steady.

On the export front, business was restricted as buyers in the UK were talking of fresh business at lower levels. London enquiry centred around top-grade kips and fifth selections in single tannages. Although there was a certain amount of enquiry for lower selections in the Calf section, supplies were negligible.

In the Tanned Skins section, arrivals of both goat and sheep skins were moderate and there was a fair clearance. Prices of the former were about 13 nP per pound lower, while those of the latter were almost unchanged.

In the export section, trading was restricted.



The Indian Mining Association

First Year of Achievement for Private Sector in Coal

The 6 Difficulties Faced by the Industry

No Room for Feeling of Complacency

Statement of the Chairman, Mr D. Hogg

The following is the speech made by Mr. D. Hogg, the Chairman of The Indian Mining Association, at the Annual General Meeting of the Association, held in Calcutta on 20th March 1958:

Gentlemen, The most outstanding feature of the year has been the fact that coal production has increased from 39.43 million tons in 1956 to 43.50 million tons in 1957. Of this increase of just over 4 million tons 3.1 million tons were produced by the Private Sector. The year 1957 may be regarded, therefore, as the first year of achievement after the Private Sector of the Coal Industry had been given the "green light" to go ahead to produce its additional 10 million tons of coal during the Second Five Year Plan period.

It has always been said that the goal of an additional 10 million tons in five years was well within the ability of the industry, provided that there was sufficient inducement and incentive and various handicaps were removed. Last year has proved that the Private Sector has not been found to be lacking in its desire to achieve its objective. But is sufficient inducement and incentive present for progress to continue at this rate and have many of our handicaps been removed? The Industry has tackled its problems realistically in an effort to produce the goods, but I would venture to say that our progress, in view of certain deficiencies, can only be regarded as "short term." There is, therefore, no room for a feeling of complacency on the part of Government and the many authorities to which the Coal Industry is subjected that this progress can be maintained unless urgent action is taken to remove many of the difficulties which stand in the way of long term planning and security for the Industry.

THE SIX DIFFICULTIES

It is tedious to recount our difficulties yet again, as these have been publicised over the past decade on so many occasions and the voluminous memoranda have been prepared at various times by the Association on these subjects. However, I feel I must enumerate the more important items again. Briefly they are:—

1. A realistic price structure.
2. Security of tenure for leaseholders.

3. Adequate transport to remove coal from where it is raised, throughout the year.
4. Facilities for the provision of the required plant and machinery.
5. A little relaxation from the spate of legislation which has been imposed on this Industry constantly throughout the last few years.
6. A realistic approach to both the controls which bind the Industry and the labour problems with which it is constantly faced.

With regard to a revision in the price structure, Government wisely appointed a Coal Prices Revision Committee about a year ago to examine and report upon the costs of production of coal and coke and to take into account all relevant factors which have a bearing on the coal production programme envisaged in the Second Five Year Plan and to recommend whether any changes and, if so, what changes were necessary in the present price structures. The Committee is eminently composed but it is constituted of Government officials only, who are mostly concerned with consumers' interests rather than those of the producers. This Committee therefore, may not hold such impartial views as are so necessary when consideration is being given to such a complex problem as the fixation of prices for a wasting asset where both technical and commercial problems are involved. However, this Association has extended its fullest co-operation by providing the Committee with various information and has had the privilege of formally meeting the Committee on one occasion, shortly after its formation. It is to be hoped that the Industry will have another opportunity to participate in a joint consultation before the Committee makes its final recommendations or draws any conclusions. The complexity of the problem under investigation makes it desirable, if not essential, for further meetings to take place.

PRODUCTION COSTS

In the meantime, the Coal Prices Revision Committee has investigated the production costs of selected collieries and has made a comparison of the costs obtaining during the second half year of 1955 with the second half year of 1956. While this will no doubt serve as

a basis for their deliberations, it is considered that the information collected is now completely out of date as costs have risen considerably subsequently and other elements must now be taken into account. To mention a few, they are, increases in labour costs on account of implementing the Appellate Tribunal's Decision, recurring increases due to annual increments which have to be introduced, the cost of issuing clothing and boots to workmen at concession rates, which are 50% of the cost, the supply of free rations to worker's children in the creches, the provision of canteens and many other welfare amenities and last but by no means least, the cost of implementing the new Coal Mines Regulations, necessitating the appointment of additional staff and other statutory obligations which result in a never ending increase in production costs.

The fate of the Coal Industry rests, no doubt, at present, with the Coal Prices Revision Committee and it is to be hoped that they will take into consideration the fact that credit facilities for future expansion are strained and large capital investments are required in mining to achieve the target. There must be an adequate margin of profit, therefore, to enable money to be ploughed back into the industry for future development since in mining, development is a continuous process which requires continual expenditure of a capital nature. The maintenance of coal prices at an absolute minimum really means that the Coal Industry is being utilised to subsidise manufacturing industries and national transport—the rail ways. Should a wasting national asset like coal be treated in this way to subsidise other industries, particularly when the nation's industrial future, steel production, is inextricably linked with the future of the Coal Industry? Should not others help to subsidise our future expansion?—Particularly when the country's Fuel Research experts tell us that there is a terrific wastage in the utilisation of coal in industry in India, and when there is a need to make them fuel efficiency minded. In other words, an increase in coal prices should not affect the general economy of other industries but should help them to achieve greater efficiency and at the same time provide the neces-

sary funds for capital investment in the Coal Industry where it is urgently required to provide the necessary resources for increased production.

ACCOUNTS ANALYSED

An analysis of the financial accounts of 19 coal producing companies of this Association which, between them, raise about one third of the total output of the country, reveals some very interesting information. The profit remaining after providing for taxation averaged Rs. 1.21 per ton. Out of this, the shareholders were paid in dividends Rs. 0.54 per ton. This represents a return of 6.3% on the paidup capital involved. It will be seen, therefore, that the share of profit distributed to shareholders was low compared with the general level existing for other industries, and this despite the additional risk involved in investing in mining enterprises. Now, the real value of the shareholders' investment must include amounts which are available for distribution but which are shown in balance-sheets under the heading "Reserves and Surplus." In this analysis, the total dividends paid to shareholder are found to be 3.4% on the total value of the investment.

It is the complaint of the Industry that there are insufficient profits available to meet current needs and the analysis of these 19 Companies' accounts certainly illustrates that this is true. It is found, after providing for taxation and distributing dividends to shareholders, the balance remaining is Rs. 57 lacs, out of which, amounts have to be set aside for depreciation. Against this total retention, there was spent on capital expenditure a sum of Rs. 88 lacs. It will be seen, therefore, that the financial resources of the 19 Companies were depleted to the extent of Rs. 31 lacs in one year only. Taking this to be the average for the remaining producers, the total for the Industry is in the region of Rs. 1 crore—a staggering figure. Investigation also shows that this trend has existed for many years. It will be obvious that no industry can continue to suffer this serious depletion of its resources in this way. The Coal Industry is one which has to meet regular demands for capital expenditure due to its very nature. Underground plant and equipment require continual repairs and replacement and it is

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a fact that capital expenditure becomes heavier after complete development to the boundary. Then comes the additional capital costs for pumping and slowing operations.

REPLACEMENT

While, in theory, the amounts set aside for depreciation are intended to equal the original cost of an asset and to be available to meet the cost of replacement, it is well known that present day costs for replacing identical assets are very much higher than the original cost. It was argued before the Tariff Board on behalf of several important industries that the cost of replacement was 3 to 4 times greater in 1948 than in 1939 and it is common knowledge how much prices have risen in the last decade. This deficiency in funds has, therefore, to be made up in some way out of the Companies' own resources. It is true that the Finance Act of 1955 recognised this need and with the object of providing funds to be retained in the business, reduced the liability for taxation by providing a free allowance of 25% of the cost of the new assets (Development Rebate). It would be interesting to consider an example of the position on the basis that a new and identical asset will cost 4 times more than the one replaced and taking into account the Development Rebate.

As the selling prices for coal are controlled, the onus is clearly on Government to fix these at such a level as to ensure that sufficient nett earnings, to meet present day requirements, will be available for ploughing back. It is hoped that the Coal Prices Revision Committee will take this realistic view as a basis for its recommendations.

WAGON AVAILABILITY

To revert to the year's working, credit must be given to the Railways for their increased wagon offerings. Unfortunately, however, wagon availability has not kept pace with production and coal stocks in Bengal and Bihar at the end of 1957 stood at over 3 million tons and were over a million tons higher than at the end of the previous year. While the Railways' performance improved considerably during the year (an average movement of 3667 wagons per day with coal from Bengal and Bihar compared with 3405 wagons per day in 1956), they have a colossal task ahead of them if they are to move over 5000 wagons per day from Bengal and Bihar by 1961. The Industry's fears over sufficient improvement not being achieved by the South Eastern Railway during the Second Five Year Plan period, appear now to be confirmed by the Railway Board themselves. Unfortunately, the South Eastern Railway System appears to have been strained to the extreme already in its efforts to meet its commitments under the Second Five Year Plan. These are extremely heavy as it serves Bhilai, Rourkela and Tatas' and is responsible for almost all the ore

traffic both for export and internal consumption and serves a large percentage of the coking coal collieries and Selected Grade High Volatile coal collieries from where expansion is required. The South Eastern Railway also service all collieries in Central India. There have been rumours that coal targets for the Second Five Year Plan are to be revised and the Private Sector welcomes the thought that a larger share may be allotted to it. However, rumours that this increase is to be given to collieries in Central India cannot be received with much enthusiasm as production there is already much in excess of the Railways' capacity. In fact, there was no increase in wagon availability in the Central India and Talcher Field in 1957.

The minimum guaranteed supply of wagons for the movement of coal by the South Eastern Railway in 1957 was 950 wagons per day. The Coal Industry maintained that the figure should have been 1050 wagons but even the lower target set was not achieved. Further increases in wagon offerings are required in 1958 and in the years to follow. An increase in coal production in the collieries served by the South Eastern Railway is now vitally required. With the present strain on its resources, it appears to be impossible for this Railway to move the number of wagons required. I would, therefore, emphasise the necessity for a regrouping of certain sections of the Railways to relieve this strain. The Eastern Railway appear to have the capacity to operate adjoining sections of the South Eastern Railway (some of which they already operated in the past) and I would humbly suggest that they should now take over these sections with the least possible delay.

DISCRIMINATION

Another feature regarding transport which gives cause for great concern is the discrimination which is shown over the allotment of wagons between the Public and Private Sectors. The Industry has drawn Government's attention to this on many occasions during the year but controls are still being used to the advantage of one sector. While it may be expected that Government will wish to purchase its coal requirements from the N. C. D. C. as far as possible, it does not appear to be in keeping with equity that controls should so be used that in effect priority which is given to one sector of the Industry is not shown to the other. The replies from the Secretariat on this vexed question of discrimination cannot be considered as satisfactory and there would appear to be a need for an impartial committee to enquire into this matter. Facts must be faced—why are heavy stocks held by one sector and not by the other?—should greater priority be given to the movement of coal to burn bricks for government staff quarters in preference to industrial housing or a housing estate?

The implementation of the Appellate Tribunal's decision in June last year has brought greater benefits to our workmen. In fact, they have probably received greater benefits in the last two years than workmen in any other industry. I have used the term workmen which also covers our female workers who are now in receipt of equal pay. We welcome these improvements, if they result in increased production, a more contented labour force and better relations. But, so far, there have not been noticeable changes in these directions and there is great scope and need for improvement. In fact, absenteeism has tended to increase since the All India Industrial Tribunal's Award and the Appellate Tribunal's decision were implemented. One of the greatest problems which has faced the nationalised coal industry in the U. K. since wages increased so considerably there, has been absenteeism. It has been estimated that a reduction of 1% in absenteeism in the U. K. would probably result in an additional 2 million tons of deep-mined coal per year being produced. It is interesting, also, that a solution has been offered by the Lancashire Mineworkers who have agreed, under the auspices of their local area National Union of Mineworkers, to set up "Attendance Committees" to scrutinise attendances and ultimately withdraw protection from a consistent offender if the management were to resolve, after warning, to sack him. Their Area Secretary has said that "there is no room in the industry" for a man who will not put in a full week's work.

BONUS SCHEME FOR WORKMEN

Our Industry is by no means backward in its structure. Our workmen have their own Bonus Scheme. They have their own Provident Fund and Welfare Organisation with separate Commissioners to look after their interests. We have our pithead baths, our canteens where food and other facilities are provided for children—clothing and boots are to be provided to workmen at concession rates and canteens are being introduced on an increased scale. The Welfare Organisation has built hospitals. In addition, it has built Multi-purpose Institutes and Miners Institutes and while more could be built and are being built, in keeping with the availability of materials, their construction is, unfortunately, in excess of our workers' ability to utilise these facilities to the full. We, for our part, wish them to be utilised to the full because we realise that they should bring about greater happiness and contentment. I cannot help but think sometimes that Union Leaders would be doing a great service to those whose interests they claim to represent and to the country as a whole if they were to concentrate more of their attention on encouraging and influencing their members to use the facilities which are offered at present and educating them for better things

to come. It might be asking too much to expect Union Leaders to be social workers but surely we can expect them to have a more active social conscience. How many do we see encouraging such activities as Sports or even attending Sports Meetings?

Unfortunately, our workmen are divided by a multiplicity of Unions which vie with each other for their support and which all claim, in their dealings with employers, to represent the workers' interests. Many Union Field Workers are divided by differences in political ideology and, in many cases, self-interest. In order to gain popularity and even maintain their position, these union officials organise demonstrations to attract support which leads to indiscipline within the industry. The present activity of these leaders is not only destroying good relations between employers and employees but also between supervisory staff and workers and is also making the formation of responsible and properly constituted trade unions virtually impossible. In view of the unruly elements present, few collieries can afford to organise Pit Committees and sometimes the formation of such Committees is even opposed by Unions.

SAFETY IN MINES

While the Association welcomes the formation of a Steering Group to consider the question of safety in mines, the irresponsible nature of some Union leaders, on occasions, must not be lost sight of. Mining is a hazardous occupation and while a miner is constantly faced with the immediate perils of nature, good leadership and discipline is essential. Where the safety of the minor is involved there is no conflict of interests between the Unions the employers and the employees. Petty difference of opinion or of viewpoint must be subordinated to the overriding interests of providing safe conditions for mine workers.

I sincerely hope that the Steering Group will bring to light defects, if any exist, but our new Mines Regulations, based on past experience in India and the regulations existing in other countries, appear to be exhaustive and comprehensive. A most fundamental point is that education of our miners will require to be undertaken vigorously in order to achieve results and greater safety. Constructive help from the Unions is necessary to achieve this. This Association is at present bringing out a series of Safety Posters but it is difficult to make them sufficiently simple for illiterate labour to understand. Unfortunately, the required standard of education cannot be achieved in one generation but I am pleased to be able to say that there has been a revitalisation of our Labour Welfare Fund Organisation and the appointment of a new Commissioner has brought about greater interest in Multi-purpose Institutes where, among many other activities, adult literacy classes are held. It is hoped

that our posters will be utilised to serve the dual purpose of teaching literacy and safety at the same time, at these Multi-purpose Institutes. In addition, several of our members have made their own safety slides which are shown at cinema performances in their collieries. I would emphasise the greater need for such activities and request Government to produce suitable safety films. Their Films Division are producing some very excellent films on other subjects and might well devote a few films to the subject of safety in mines. Such films would earn their real reward in the form of a reduction in the number of accidents in mines in India.

HIGH STANDARD

Mines in India have recorded one of the lowest fatal accident rates in the world in recent years but the recent disasters at Chinakuri and Central Bhowrah have brought home to us all once again the stark realities of mining. While we express our sincerest sympathy to the relatives of the victims and sufferers of these recent disasters, we must also record our appreciation to the very high standard achieved by our Rescue Station Organisation which compares favourably with similar organisations in other countries. It is only at times like this that the public hears of their existence. They were present at Chinakuri and I understand did an excellent job of work. They are a brave band of citizens, largely voluntary, who turn out unflinchingly, on such occasions not only to assist in rescue operations in emergencies but in mine recovery also.

The spate of legislation, not only concerning mining, but seriously affecting the stability of the Industry appears to be unending. I see from the Ministry of Labour and Employment's latest Report that they had a total of only nine enactments under consideration during the year and five of them specifically concerned the mining industry and another one affected us. In addition, we are constantly affected by legislation brought out by other Ministries, not to mention the controls and regulations which are imposed upon us by our own Ministry.

RATE OF ROYALTY

During the year, the Draft Mines and Minerals (Regulation and Development) Bill, 1957, was considered by the Lok Sabha and was then referred to a Joint Committee of both Houses. The Bill had been discussed with the Industry at the Mineral Advisory Board meetings held since 1956 but, without reference to the Industry, the Joint Committee made far-reaching amendments to the Bill, which was passed at the end of December last year. The most important amendment was that royalty would have to be paid at 5% of the f.o.r. value of coal, subject to a minimum of 8 annas per ton, immediately the Act became law. Also, the rights of intermediaries appeared to be liquidated without payment of compensation. The amendment

concerning royalty rates meant that on an average collieries in Bengal and Bihar would immediately have to bear an increase of 12 annas per ton in the royalty payable and in some cases the increase would be as much as almost Re. 1/- per ton. Royalties in Bengal and Bihar at present range from Zero in some cases to about Rs. 1/- per ton and average about 4 annas per ton. It will be appreciated that royalty is a fixed charge for the privilege of exploiting natural resources and is an item in the cost of production. If the rate of royalty is increased by Statute, a Court of Equity, I would expect, would consider that selling prices should be increased correspondingly. The Industry has taken the opportunity of explaining to Government the far-reaching effects which the Mines and Minerals (Regulation and Development) Act, 1957, will have and it is to be hoped that amendments will be made to this Act before the effective date from which it will come into force, is gazetted.

Under the Coal Bearing Areas (Acquisition and Development) Act, 1957, the State has been empowered to take over unworked land containing or likely to contain coal deposits. Although the Bill in draft form was never placed before the Coal Industry for comments, the Industry has taken the opportunity to point out the difficulties with which it is now faced as a result of this Act. These are only two of the cases where drastic changes have been made affecting the Industry without reference to or discussion with them. In addition to the many Advisory Committees on which the Coal Industry is represented, we have our own Coal Controller and also the Coal Council which has recently been formed to act as the future policy makers for the Coal Industry. I would strongly urge Government to make the fullest use of these various Advisory Committees and the Coal Council before formulating policies or amending legislation, in future.

FOREIGN EXCHANGE SHORTAGE

The foreign exchange shortage which has hit all industries throughout the country has also been acutely felt by the mining industry as a large percentage of mining equipment and machinery has to be imported from abroad. I would, however, express our grateful thanks to our Coal Controller, who, at the end of 1956, started what is known as the Progress Review Committee, which has achieved results in some directions. This Committee held monthly meetings throughout last year and as a result of the presence of representatives from the Joint Chief Controller of Imports and Exports, the Regional Honorary Cement Adviser, the Iron and Steel Controller and other officials, a few of our shortages have been eased and we have at least had the opportunity of explaining our difficulties to the different representatives concerned. This has given the

various Government Departments a greater insight into the problems which confront us. As far as the import of mining equipment and machinery is concerned, we have been allowed more scope to obtain essential items under Actual Users' Licences but we have lost or have had curtailed many facilities which existed previously, such as drawing our requirements through established importers. In many cases this has resulted in a loss of efficiency in those collieries which are no longer able to draw their requirements from established importers, who previously handled the items required, or from the stocks of spares normally held by them. There is no doubt, particularly as far as spares are concerned, that the present Import Policy results in a wastage of foreign exchange as it is abundantly obvious that it is preferable for spares to be canalised through one source, or a restricted number, rather than for each actual user to have to import his own requirements. Our grateful thanks are also due to the Deputy Coal Controller (Production) who is the sponsoring authority for licences required by the Coal Industry. Unfortunately, however, a sponsored application does not always mean that a licence will be issued in due course. In the case of certain items, there appears to be no provision in the present Import Policy. Also, our requirements so often are far in excess of foreign exchange allocations. Collieries have continued to experience serious shortages of iron and steel materials, particularly rails which are of such vital importance to the Coal Industry but at least we have the consolation of knowing that while there is an acute shortage of both indigenously manufactured iron and steel materials and foreign exchange to import them, at least we have had an opportunity of bringing our shortages to the notice of the authorities on one occasion each month.

TRIBUTES

Before I conclude, gentlemen, I want to pay a tribute to the valuable assistance which has been given to me by your Committee during the past year and to the Vice-Chairman, Mr. W. D. Forrest, who retired during the year after long service to the Industry, both in the Coalfields and in Calcutta. I would particularly like to thank Mr. Maulik and refer to the devoted service which he has continued to render to the Industry as a member of your Committee, after having been Chairman of this Association on two previous occasions. I thank the members of the Standing Coalfields Committee and their two hard-working Honorary Joint Secretaries and wish to record my appreciation of the services rendered by the Secretariat of the Association and the Joint Working Committee. I would also thank the Indian Mining Federation and the Indian Colliery Owners' Association for the co-operation which this Association has received from them during the year.

THE SAMNUGGUR JUTE FACTORY COMPANY LIMITED

The Directors of this Company regret that on account of the continued adverse trading conditions during the year ended 31st December, 1957, which have resulted in a substantial loss, they are unable to recommend payment of any dividend on the Ordinary shares.

The Directors have declared on the Preference Shares a Dividend at the rate of 6% per annum for the half year ended 31st December, 1957. This Dividend will be paid on 28th March, 1958, less Income Tax at 8/6d. per £1 and the Transfer Books will be closed from 21st March to 28th March, 1958, both dates inclusive.

On account of certain Budget proposals announced by the Government of India on 28th February, 1958, it is not possible at this stage to determine the results for the year, but it is, however, known that it will be necessary to transfer a sum from General Reserve to meet the loss on the year's working and the payment of the year's Dividend on the Preference Shares.

P. WILLIAMS,
Secretary.

DUNDEE.
18th March, 1958.

THE TITAGHUR JUTE FACTORY COMPANY LIMITED

The Directors of this Company regret that on account of the continued adverse trading conditions during the year ended 31st December, 1957, which have resulted in a substantial loss, they are unable to recommend payment of any dividend on the Ordinary shares.

The Directors have declared on the Preference Shares a Dividend at the rate of 6% per annum for the half year ended 31st December, 1957. This Dividend will be paid on 28th March, 1958, less Income Tax at 8/6d. per £1 and the Transfer Books will be closed from 21st March to 28th March, 1958, both dates inclusive.

On account of certain Budget proposals announced by the Government of India on 28th February, 1958, it is not possible at this stage to determine the results for the year, but it is, however, known that it will be necessary to transfer a sum from General Reserve to meet the loss on the year's working and the payment of the year's Dividend on the Preference Shares.

P. WILLIAMS,
Secretary.

DUNDEE.
18th March, 1958.

THE CENTRAL BANK OF INDIA, LIMITED

BALANCE SHEET AS AT 31st DECEMBER, 1957

ly atmosphere and the eventual agreement reached is significant. There is encouraging evidence that workers and their representatives share the feeling that such differences as may arise are capable of solution by direct negotiation with management.

Last year I mentioned that we were endeavouring to introduce improved terms of service based on job appraisal. I am glad to say that despite initial scepticism we have been able to introduce the scheme with workers' approval.

Government's policy in present circumstances is naturally to restrict such imports to the minimum and, in order to play a full part in assisting the country's present foreign exchange difficulties, your Company has paid, and is continuing to pay, great attention to the use of locally manufactured plant and indigenous raw materials.

PRODUCTIVITY

Your Company has recently set up a Work Study section under an experienced Work Study practitioner with the object of increasing productivity and thereby the effective use of capital employed on our plants. Already promising results have been achieved.

PRODUCTIVITY

This has been a very busy year in the Rishra Factory and record outputs have been achieved in almost every unit; Paints and Chlorine/Caustic Soda showing in particular gratifying increases. Extensions to our Paints Plant were completed in the latter part of the year enabling us to meet the increasing demand for our well-known range of "Duco" and "Dulux" products. At the same time production of our metal pretreatment products showed a substantial increase.

Contrary to the pessimistic view taken by a shareholder at the last meeting our recent rights issue of Rs. 248 lacs was a success in the market conditions prevailing at the time and a reflection of the confidence in the Company's future and its management. Only 6.5% of the issue was not taken up by shareholders. This represents in value Rs. 16 lacs which Imperial Chemical Industries (India) Private Limited were called upon to pay—an additional British investment in India over and above the figure of Rs. 175 lacs I gave you last year.

I would like to repeat for the information of those shareholders concerned that Section 56A of the Indian Income Tax Act applies to this issue and companies are exempt from super tax on the dividends received by them on the new shares.

Our "Gammexane" formulations of Benzene Hexachloride also registered a satisfactory increase.

I have seen our latest production figures which encourage me to predict that in the current year all previous records will be beaten.

The Company must find more money as its requirements of capital are not yet fully filled. Our internal resources which we hope will increase over the next few years will not suffice, and so your Directors are giving much thought to this problem. All I can say at the moment is that our immediate requirements will be met from loans from Banks including a loan of Rs. 100 lacs already negotiated for the Polythene project.

I have little to add to what has been already said in the Directors' Report. The plant will begin production early in 1959 provided nothing unforeseen occurs.

A range of products under this well-known mark has been sold by Imperial Chemical Industries (India) Private Limited for many years for the treatment of industrial and locomotive boiler waters. There is therefore an established market and we have recently been licensed under favourable terms to manufacture them at Rishra.

Your Company has felt keenly the difficulties in obtaining foreign exchange both for essential imported plant and engineering stores for construction and maintenance, and for raw materials for production.

PERSONNEL

Our relations with our employees have been maintained on a cordial basis. Recently we have arrived at an amicable settlement with two unions operating in our Factory on questions relating to wages, bonus, promotions and other terms. The Company has agreed to meet as reasonable a bonus liability for past years involving an additional amount of Rs. 74,000 and an increase in wages of Rs. 1,60,000. Negotiations took place in a friend-

To meet a long felt want a training school for tradesmen has been started. This will go some way to meeting the shortage of skilled men in our Factory and particularly for the Polythene unit.

In line with the Company's policy more and more Indians are participating at all levels. Several promising young Indians have already been sent to the United Kingdom for training in the factories of Imperial Chemical Industries Limited and more are to follow.

In an industry so highly technical as ours it is essential that we attract the best men from the universities. A system of recruitment by a panel of judges including a representative from a university has assisted in the selection of suitable technical staff.

I am happy to announce that your Factory was recently visited by Sir Alexander Fleck, F.R.S., the Chairman of Imperial Chemical Industries Limited, London, and Mr. S. P. Chambers, the Deputy Chairman of that Company. They both expressed appreciation of the fine work being done by the staff and workers at the Factory.

This will be my last address to you as Chairman of this Company as I shall soon be leaving India on retirement. I would like to take this opportunity of introducing to you my successor, Mr. J. M. Lall who will be your future Chairman. In Mr. Lall I am sure you will have a very able and efficient executive who will steer the Company through the difficult years ahead to even greater prosperity. I have every confidence that this Company will prosper under his guidance.

The Directors retiring by rotation are myself and Mr. B. R. Goodfellow. Mr. Lall who was appointed during the year as an additional Director vacates office. His election comes up as special business and Mr. Goodfellow and I offer ourselves for re-election in the ordinary way.

The Auditors also retire and you are asked to re-appoint them at a fee of Rs. 7,500 the same as that of the previous year.

This document does not purport to be a Report of the Proceedings of the General Meeting.

CAPITAL AND LIABILITIES.		Rs.	nP.	PROPERTY AND ASSETS.		Rs.	nP.
1. CAPITAL:—				1. CASH:—			
Authorised Capital:—				Cash in hand and with Reserve Bank and State Bank (including foreign currency notes)			
(a) 10,50,000 Ordinary Shares of Rs. 50/- each		5,25,00,000	00	13,89,41,459 64			
(b) 4,20,000 Ordinary 'A' Shares of Rs. 25/- each		1,05,00,000	00	2. Balances with other Banks:—			
		6,30,00,000	00	On Current Accounts:—			
Issued Capital:—				(i) In India 20,04,293 70			
(a) (i) 4,72,528 Ordinary Shares of Rs. 50/- each issued as paid up to the extent of Rs. 25/- without payment in cash in exchange for 9,45,056 shares of the Tata Industrial Bank Ltd. 2,36,26,400 00				(ii) Outside India 1,82,64,965 56			
(ii) 5,77,472 Ordinary Shares of Rs. 50/- each issued for payment in cash ... 2,88,73,600 00				On Deposit			
				2,02,69,259 28			
10,50,000 Ordinary Shares of Rs. 50/- each		5,25,00,000	00	2,47,16,665 68			
(b) 2,10,000 Ordinary 'A' Shares of Rs. 25/- each fully paid up issued as bonus shares for consideration other than cash		52,50,000	00	3. Money at Call and Short Notice			
		5,77,50,000	00	4. Investments (at Book Value):—			
Subscribed Capital:—				(i) Securities of the Central and State Governments and other Trustee Securities			
(a) 10,48,475 Ordinary Shares of Rs. 50/- each ... 5,24,23,750 00				41,81,13,920 50			
Amount called up at Rs. 25/- per share		2,62,11,875	00	Face Value Rs. 43,34,96,070 63			
NOTE:—				Market Value Rs. 39,26,78,709 96			
1. The above number includes 342 Ordinary Shares of the Central Bank of India, Ltd. which remain to be given against 64 coupons issued by the Central Bank of India, Ltd., for a like number of shares of the Tata Industrial Bank, Ltd. which have not yet been submitted for conversion.				Treasury Bills of the Central and State Governments			
2. 33 Ordinary Shares of the Central Bank of India, Ltd. which remain to be given against 66 coupons issued by the Bank, but not yet submitted for conversion.				(ii) Shares:—			
(b) 2,00,695 Ordinary 'A' Shares of Rs. 25/- each ... 52,42,375 00				Fully Paid Partly Paid			
Amount fully paid up		5,75,66,125	00	Rs. Rs.			
NOTE:—				(a) Preference 87,55,893 78 6,06,000 00			
477 Ordinary 'A' Shares remain to be given against 2,385 coupons issued but not yet submitted for conversion.				(b) Ordinary 1,65,25,096 15 26,65,120 92			
Amount Received on 31 Shares Forfeited		530	00	(c) Deferred 59,406 87			
				(d) Other Classes 67,798 75			
Reserve Liability of Shareholders:—				2,54,08,165 55 32,71,120 92			
Ra. 25/- per Share on 10,48,475 Shares Subscribed upto 31-12-1957		2,62,11,875	00	Market Value Rs. 2,87,11,247 36			
				(iii) Debentures or Bonds			
2. Reserve Fund and Other Reserves:—				Face Value Rs. 91,21,500 00			
Reserve Fund (Includes Rs. 1,13,78,375/- being balance of Premium on issues of shares in past years)		3,16,28,500	00	Market Value Rs. 87,20,501 00			
Contingency Fund		42,00,000	00	(iv) Other Investments:—			
Sinking Fund in respect of Lands and Buildings		45,32,320	50	(a) Pakistan Loans ... 2,05,70,275 00			
		4,03,60,820	50	(b) Foreign Securities including Treasury Bills ... 1,57,60,230 23			
3. Deposits and Other Accounts:—				(c) Other Municipal Debentures 28,59,025 05			
Fixed Deposits and Cash Certificates		57,52,01,062	46	Face Value Rs. 3,98,31,768 80			
Savings Bank Deposits		28,58,69,042	56	Market Value Rs. 3,92,05,511 97			
Current Accounts, Call Deposits, Contingency Accounts, etc.		68,76,02,819	53	(v) Gold			
		1,54,86,72,924	55	49,46,97,493 01			
4. Borrowings from other Banking Companies, Agents, Etc.:—				5. Advances:—			
(1) In India:—				(Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors).			
(i) Secured by part of Investments per Contra ... 97,00,000 00				(i) Loans, Cash Credits, Overdrafts, etc.			
(ii) Unsecured 75,00,000 00		1,72,00,000	00	(i) In India ... Rs. 80,50,30,904 40			
(2) Outside India:—				(ii) Outside India ... Rs. 3,98,33,407 24			
(i) Secured by part of Investments and Bills Discounted as per Contra ... 26,02,199 36				84,45,64,311 64			
(ii) Unsecured		26,02,199	36	(ii) Bills Discounted and Purchased:—			
				(i) Payable in India ... Ra. 14,33,76,765 94			
5. Bills Payable				(ii) Payable Outside India Ra. 2,66,98,103 19			
				17,00,74,868 13			
				1,01,49,39,180 77			
				Rs. nP.			
				(i) Debts considered good in respect of which the banking company is fully secured 85,03,53,638 61			
				(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security 9,04,11,373 49			
				(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors 7,41,74,168 67			
				(iv) Debts considered doubtful or bad, not provided for			
				Total Rupees ... 1,01,49,39,180 77			
				(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons ... 10,09,591 26			

THE CENTRAL BANK OF INDIA LIMITED, BALANCE SHEET—(Contd.)

	Rs.	nP.	Rs.	nP.
6. Bills for Collection being Bills Receivable as per Contra:—				
(i) Payable in India ...	7,48,18,199	22		
(ii) Payable outside India ...	2,20,52,108	55		
7. Other Liabilities:—			9,68,70,307	77
Branch Adjustments ...	4,55,68,176	37		
Amounts owing to Subsidiary Company ...	24,77,739	41		
Unclaimed Dividends ...	9,72,045	61		
Rebate on Bills Discounted ...	1,91,267	70		
8. Acceptances, Endorsements and Other Obligations as per Contra (Includes Rs. 4,120.00 in respect of Guarantees given to Government Departments secured against part of the Bank's investments) ...			4,82,09,229	09
9. Profit and Loss Account:—				
Balance as per Balance Sheet as at 31st December, 1956 ...	43,39,388	49		
Less—Final Dividend at the rate of 8% paid for the half-year ended 31st December, 1956 ...	25,16,340	00		
Profit for the year 1957 ...	1,08,74,592	56		
Less—Ad-interim Dividend paid for the half-year ended 30th June, 1957 at the rate of 6 per cent i.e., Rs. 1.50 per share ...	18,87,255	00		
Amount transferred to Bank's Investments ...	15,00,000	00		
Amount provided for Taxation ...	13,00,000	00		
Amount transferred to Staff Gratuity Fund ...	6,50,000	00		
Amount provided for Bonus to Staff ...	30,00,000	00		
10. Contingent Liabilities:—			83,37,255	00
(i) Claims against the Banking Company not acknowledged as debts ...	60,85,009	07		
(ii) On Investments in shares of Joint Stock Companies and Banks ...	26,69,367	50		
(iii) On Letters of Guarantee on behalf of Constituents (Including Rs. 21,011.75 in respect of guarantees given on behalf of Directors) ...	4,36,32,033	13		
(iv) Liability on account of outstanding Forward Exchange Contracts ...	2,21,86,236	95		
(v) Liability on Bills of Exchange Rediscounted:—				
(i) On Inland Bills of Exchange ...	52,593	89		
The liability has fully run off as at 15th February, 1958.				
(ii) On Foreign Bills of Exchange ...				
Total Rupees ...			1,91,90,56,304	69

Note:—The actual amount of the liability arising from future gratuities payable to staff has not been ascertained but is greater than the amount provided.

(vii) Maximum total amount of advances including temporary advances, made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons ...

(viii) Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...

(ix) Due from banking companies ...

6. Bills Receivable being Bills for Collection as per Contra:—

(i) Payable in India ...

(ii) Payable Outside India ...

7. Constituents' Liabilities for Acceptances, Endorsements and other Obligations per Contra ...

8. Lands and Buildings ...

(For details see page 573).

9. Furniture and Fixtures as per last Balance Sheet ...

Add—Additions less Sales made during the year ...

Less—Amount written off to date for Depreciation ...

10. Other Assets:—

Shares of the Central Bank Executor and Trustee Co. Private Ltd., at Cost ...

Interest accrued on Investments ...

Silver ...

Stamps, Stationery, Stock of Home Savings Safes and Safe Deposit Boxes ...

Total Rupees ...

THE CENTRAL BANK OF INDIA LIMITED, BALANCE SHEET—(Contd.)

					Bank Premises		Investment in Properties		Non-Banking Assets acquired in satisfaction of claims	
					Rs.	nP.	Rs.	nP.	Rs.	nP.
LANDS AND BUILDINGS:										
Cost as per last Balance Sheet	...	...	...		87,65,330	44	38,75,392	19	9,20,486	20
Less—Cost of Properties sold during the year	...	...	...		.....		.....		27,100	00
					87,65,330	44	38,75,392	19	8,83,386	20
Add—Cost of Additions made during the year	...	...	...		15,890	88	.....		15,079	00
Cost of Properties purchased or taken over during the year	...	...	...	...	.....		.....		.....	
					87,81,511	32	38,75,392	19	8,98,465	20
Less—Amount written off	...	...	...	...	10,00,000	00	15,00,000	00	2,08,624	98
					*77,81,511	32	†23,75,392	19	†6,89,840	22

(Further Provision in Sinking Fund as per Contra)

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the annexed Balance Sheet of the Central Bank of India, Ltd., as at 31st December, 1957 and also the annexed Profit and Loss Account of the Bank for the year ended on that date in which are incorporated the returns of 51 branches audited by other auditors and the unaudited returns from 95 other branches and 118 Pay Offices not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisos to Sub-section (1) and (2) of Section 211 and Sub-section (5) of Section 211 and Section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that:—

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- The transactions of the Bank which have come to our notice, have been within the powers of the Bank;
- In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank;
- The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
- In our opinion, and to the best of our information and, according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet, read along with the notes appearing thereon, gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957 and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

A. F. FERGUSON & CO.
Chartered Accountants.

S. B. BILLIMORIA & CO.,
Chartered Accountants.

Bombay, 3rd March, 1958.

The Bank of India Limited

Revolutionary Tax Changes in 1957

Persistent Tightness in Money Supply

Satisfactory Result of Year's Trading

Statement of the Chairman, Sir Cowasjee Jehangir

Extracts from the Speech of the Chairman at the Fifty-Second Annual General Meeting of the Shareholders of The Bank of India Limited at Bombay, on Wednesday, the 12th March, 1958.

Ladies and Gentlemen,

With your permission the balance-sheet may be taken as read.

At the time of our Annual General Meeting in 1957 the currency in circulation was Rs. 1,515 crores, whilst at the corresponding time in 1956 it was Rs. 1,406 crores. This year it is Rs. 1,546 crores. The increase on last year's figure is Rs. 31 crores. This limited increase, viewed in relation to the requirements of the Second Five-Year Plan, is an indication of attempt at control of inflation.

In present times, each year seems to witness substantial changes. The year 1956 saw the nationalisation of life assurance business

and the formation of the Life Insurance Corporation of India. That year also saw that major enactment, the Companies Act, 1956.

The year 1957 has seen the adoption of decimal currency. It has seen revolutionary taxation changes.

Decimal currency is, I think, for the benefit of the country generally. The change-over appears to have been made smoothly. We are now quite used to naye paise in accounts and in our every-day dealings.

The major tax legislation changes during the year 1957 were contained in the following Acts:—

The Finance (No. 2) Act, 1957.
The Wealth-tax Act, 1957.
The Expenditure-tax Act, 1957.

The picture for 1957 was an increased tax burden by enhancement of old taxes and the levy of new taxes.

In the Finance (No. 2) Act, 1957, the rates of income-tax and

super-tax were appreciably increased for companies. The increased rates come into force in respect of the Bank's income for the year 1956. These tax increases and the ever-present rise in expenses, not only in the principal item of salaries but in sundry overheads, will, I fear, add to our problems. It may not be easy in the future to maintain our net profits after tax.

Tax-payers have to cope with the Wealth-tax Act from the 1st April, 1957, and the Expenditure-tax Act from the 1st April, 1958. These two new taxes are novel. I believe the Expenditure-tax has not been tried out in any other country. These levies may cause much apprehension. Apart from the doubt whether the yield from either tax will be substantial, the tax-payer will be obliged to furnish extensive information. He will, naturally, regard this as an inquiry into how the new taxes will

operate. They are likely, I think, to engender a sense of uncertainty and resentment to a much greater degree than other forms of direct taxation.

The Wealth-tax is objectionable as being a capital levy. Though it does not apply to banking companies because of an exception made by section 45(a) of the Act, the tax applies to companies generally and is bound to affect their working and financial position. It has a double effect in that it also applies to the shareholders of companies.

The commercial and industrial community were hoping for some relief in taxation in the present budget recently presented but this has not materialised. Taxation has, in fact, become more severe and the Government are expecting to take five crores of rupees more from the people. A major portion of this comes from the Gift-tax, which replaces death duties in cases where donors are in a posi-

Statement of Profit & Loss Account for the Year ended 31st December, 1957

EXPENDITURE			
	Rs.	nP.	
1. Interest paid on Deposits, Borrowings etc.	.....		Rs. nP.
2. Salaries and Allowances at Head Office and Local Branches ...	60,92,098	64	3,25,01,101 03
Salary and Allowances to General Manager Rs. 69,000.00.			
Salaries and Allowances at Upcountry Branches ...	2,00,38,042	57	
Contributions to Provident Fund ...	14,85,513	87	
3. Directors' Fees and Allowances ...	48,015	00	2,76,15,655 08
Committee Members' Fees and Allowances ...	8,512	90	
4. Rent, Taxes, Insurance, Lighting, etc. ...	.....		56,527 90
5. Law Charges ...	.....		27,62,260 52
6. Postage, Telegrams and Stamps ...	.....		76,763 85
7. Auditors' Fees ...	.....		11,60,303 27
8. Amount transferred to Sinking Fund on Banking Company's Property ...	1,01,852	53	76,000 00
Repairs to Banking Company's Property ...	92,140	53	
Other Charges on Banking Company's Property ...	3,39,806	17	
Depreciation on Furniture, etc. ...	3,07,247	94	
9. Stationery, Printing and Advertisements, etc. ....	.....		8,41,047 21
10. Loss from sale of or dealing with non-Banking Assets ...	.....		15,27,253 29
11. Other Expenditure ...	.....		.....
12. Balance (Net Profit) subject to Taxation ...	.....		5,20,636 62
	.....		1,08,74,592 56
	Rupees ..		7,80,12,241 33

INCOME (less Provision made during the year for bad and doubtful debts and other usual or necessary provisions).			
	Rs.	nP.	
1. Interest and Discount ..			Rs. nP.
2. Commission, Exchange and Brokerage ...			6,41,32,788 70
3. Rent on Bank's Premises (excluding Rent on Premises used by the Bank) ...			1,30,14,479 10
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular fund or account) ...			5,87,316 42
5. Net Profit on revaluation of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserve or any particular fund or account) ...			
6. Income from non-Banking Assets, and profit from sale of or dealing with such assets ..			2,68,467 73
7. Transfer Fees ...			9,211 32

Note:—Remuneration received by Directors for their own use from other Companies by virtue of nomination by the Bank on the Board of other Companies amounted to Rs. Nil during the year.

tion to make gifts. Taxation on death also becomes more severe as, not only is the exemption limit for estate duty reduced from Rs. 1,00,000 to Rs. 50,000, but the exemption limit is increased from two years to five years in the case of bona-fide gifts made before death, as if the Government were ashamed for being even less severe than England in any one direction. In no part of the world would such heavy taxation be tolerated without very severe agitation but, in India, we are a long-suffering people and the time is bound to come when the Government will have to retrace their steps from heavy taxation as they will find that the result will be much worse for the country.

During 1957, banks have continued to contend with a persistent tightness of money. This is so stubborn that it almost seems as if it has come to stay. We know, of course, that this is not so. Conditions sooner or later change, often turning completely round. I have seen many examples of this in my time. Even so, there is no sign of any early relaxation in the present scarcity of funds. These tight money conditions and the existence of various restrictions and legislative enactments affecting money and banking can hardly have made 1957 other than difficult for the business of banking. Banks depend upon deposits. In times of tight money the funds available for deposits with banks are restricted. Competition between banks for deposits increases. Higher rates of interest must be offered and paid.

The funds of the Government and of semi-Government bodies are, generally, lodged with the Government banks. These banks also receive the rupee counterpart proceeds of surplus agricultural commodities of the United States of America under that country's public Law 480. The two main Government banks are the Reserve Bank of India and the State Bank of India. As the central bank of the country, the Reserve Bank of India does not compete for business with the commercial banks, but I must make an allusion to the competition that banks like ours encounter from the State Bank of India which has a monopoly in several directions.

The amount available with ordinary banks for advances to customers does not satisfy the demand. For a considerable time we have been obliged, much to our regret, to restrict or to decline to give credit facilities to many credit-worthy customers. The pressure tends to become intensified at the present period of the year when the tax-gathering season is in full swing.

We have heard a great deal about the Small Savings Scheme but I would like to know which class of people are in a position to effect small savings. The Government and the public are well aware of the very heavy taxation we have to bear. It is said that India is the most heavily taxed country in the world. How can

the Government expect to have anything like a substantial amount from a Small Savings Scheme when they take away everything they possibly can by taxation?

As an alternative to direct nationalisation and state ownership, suggestions were recently made in the Legislature for the Government to obtain a controlling interest in important concerns. The method proposed, it seems, would be for the Government to buy enough shares in companies to secure, control and, notwithstanding that the amounts required would be large, they are apparently expected to be provided from the funds at the disposal of nationalised institutions like the Life Insurance Corporation of India. A reason given for the proposal seems to be that it would be cheaper to buy a percentage of shares and gain control over a company than to compensate all the owners of or shareholders in a fully-nationalised institution. The repercussions of the idea call for cautious and anxious examination. The Prime Minister, in the course of his address two days ago to the Federation of Indian Chambers of Commerce and Industry, appears to have realised the necessity for such examination. I venture to suggest that there should be official unequivocal disapproval of any such intention. While the Government are not generous in their compensation to owners of nationalised concerns—one school of thought is that they are not even fair—it falls to be considered whether the proposal of divesting existing shareholders of companies of control over their own concerns without paying any compensation on the basis of wholesale nationalisation is fair and justified. To me it savours very much of confiscation and is as objectionable as outright nationalisation, if not more so. Both the Insurance Act and the Companies Act regulate the acquisition of control by companies in other companies, but, when it comes to applying salutary principles like these to themselves, the Government appear to be quite reluctant to adopt them. Such methods, if adopted, would certainly sap the foundations of private corporate enterprise on which the prosperity of the country depends.

The Reserve Bank of India Rate was raised from 3½ to 4% on the 16th May, 1957. In our case, any additional income due to the rise in the Bank Rate and higher rates of interest on advances tends to be cancelled out by the increased interest paid to our depositor-customers and the upward pressure of operating costs. I would now refer you, ladies and gentlemen, to the balance-sheet and accounts.

The total at foot of the balance-sheet is over Rs. 98 crores. This is an increase of Rs. 2 crores over the figure of Rs. 96 crores of the previous year.

The profit figure for 1957 is about Rs. 93½ lakhs. This is an increase of about Rs. 1½ lakhs

over the previous year's profit of about Rs. 92 lakhs. The increase is not great but, at least, there is no recession in the face of increasing costs and difficult trading. Before the profit figure has been arrived at, usual appropriate and prudent provisions have been made.

The provision for taxation absorbs Rs. 30 lakhs against Rs. 28 lakhs for the previous year.

A final dividend of 10 per cent., free of income-tax, is proposed, absorbing Rs. 30 lakhs. This, with the interim dividend of 6 per cent. paid last August, makes the total distribution 16 per cent. per annum, or Rs. 48 lakhs for the year, free of income-tax, on the present paid-up capital of Rs. 3 crores. The proposed carry forward is Rs. 16 lakhs against Rs. 15½ lakhs the previous year.

I think we have real cause for satisfaction in the result of the year's trading, having regard to all the circumstances in which our operations have been conducted.

Mr. Dinsha K. Daji, who had been a Director of the Bank for 23 years, died on the 8th July, 1957. Mr. Daji was a solicitor of great experience, the benefit of which he ungrudgingly gave to the Bank at all times. My colleagues on the Board and I greatly miss Mr. Daji's wise counsel at our deliberations.

Five days after the death of Mr. Daji, the General Manager, Mr. D. R. Thom, died on the 13th July, 1957, following an operation. Mr. Thom served the Bank for 28 years, the last three of them as General Manager. He had the respect and confidence of the Board and, by his death, the Bank has lost an officer of the highest calibre. He was at all times courteous and was popular with both customers and staff.

Mr. T. R. Lalwani, who held the post of Deputy General Manager, has been appointed General Manager. Mr. Lalwani is our first Indian General Manager and is an officer of much experience. He has served the Bank at Head Office and at various branches.

I have the pleasure to record the Board's appreciation of the help rendered during 1957 by our Local Committees at various centres.

I would also express the thanks of the Board, in which I am sure shareholders will join, for the efficient service rendered during the year by the General Manager and the staff of the Bank at Head Office and branches. Their ability and continued hard work in carrying out the directions of the Board are a material contribution to the results of the year's trading which I have placed before you.

NOTE:—THIS DOES NOT PURPORT TO BE A REPORT OF THE PROCEEDINGS OF THE ANNUAL GENERAL MEETING WHICH WILL BE SENT SEPARATELY TO SHAREHOLDERS.

THE INDIAN IRON AND STEEL COMPANY LTD.

NOTICE is hereby given that the Board of Directors have sanctioned payment of dividend on the Preference Share Capital of the Company at the rate of 5% per annum for the half-year ending 31st March, 1958.

The Preference Share Registers will be closed from the 7th April, to the 10th April, 1958, both days inclusive. Payment will be made on or after the 1st May, 1958, to those Preference Shareholders whose names are on the Company's Register on the 10th April, 1958, or in accordance with their instructions.

By Order of the Board,
MARTIN BURN LIMITED,

S. Gupta
Director,
Managing Agents.

12, Mission Row,
Calcutta.

17th March, 1958.

THE VICTORIA JUTE COMPANY LIMITED

The Directors of this Company regret that on account of the continued adverse trading conditions during the year ended 31st December, 1957, which have resulted in a substantial loss, they are unable to recommend payment of any dividend on the Ordinary Shares.

The Directors have declared on the Preference Shares a Dividend at the rate of 6% per annum for the half year ended 31st December, 1957. This Dividend will be paid on 28th March, 1958, less Income Tax at 8/6d. per £1 and the Transfer Books will be closed from 21st March to 28th March, 1958, both dates inclusive.

On account of certain Budget proposals announced by the Government of India on 28th February, 1958, it is not possible at this stage to determine the results for the year, but it is, however, known that it will be necessary to transfer a sum from General Reserve to meet the loss on the year's working and the payment of the year's Dividend on the Preference Shares.

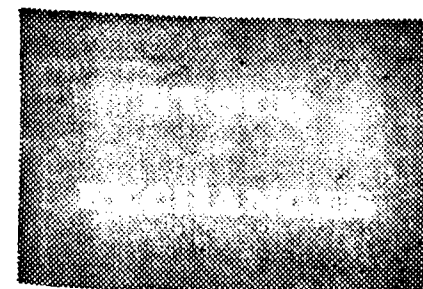
P. WILLIAMS,
Secretary.

DUNDEE.
18th March, 1958.

INDIAN MINING ASSOCIATION: OFFICE-BEARERS FOR 1958-59

Chairman Mr. D. Hogg, Vice-Chairman Mr. R. Maulik, Members Mr. J. N. Banerjee, Mr. N. B. Ghosh, Mr. W. D. Holton, Mr. Indra Kumar Karnani, Mr. R. H. Mody, Mr. H. B. Mondal, Mr. R. H. Wright and Mr. A. S. B. Yeoman.

March 22, 1958



Equities Forge Ahead

Watch-Dog Writes:

PRICES in stock markets have flared up again during the week under review. A reduction in the excise duty on cloth, the withdrawal of the compulsory deposit scheme for 1958-59, a rise in sterling balances and the consequent hopes of a relaxation in import restrictions, and the news of a reduction in the British Bank Rate—all these factors have helped to boost up sentiment.

Encouraged by higher Bombay advances, prices on the Calcutta Stock Exchange continued their upward trend with more attention directed towards the speculative, textile and tea scrips.

Brisk trading was noticed on the Bombay Stock Exchange where there was a flare-up in values under the lead of Textile scrips.

On the Madras Stock Exchange, Textiles were in limelight, while other counters maintained a steady iron.

The immediate reaction, on the London Stock Exchange, to the news of a reduction in the Bank Rate from 7 to 6 per cent was a rise in the prices of Oil shares.

Wall Street closed heavy with a fair distribution of fractional declines.

Calcutta

Calcutta, Friday Evening.

A CHEERFUL atmosphere continued to prevail on the local Stock Exchange, although activity was mostly confined to the speculative, textile and tea scrips. Despite profit-taking at bulges, the market finished the week with handsome gains on balance.

Resuming the week on a buoyant note, selected scrips made hectic advances as operators felt that, with the appointment of Mr. Morarji Desai as Finance Minister, the market would not be periodically subjected to shock-giving tactics. Two other factors also imparted further strength to the market. First was the reduction in the excise duty on cloth to the extent of Rs 15 crores and secondly, companies will not be required to make compulsory deposits during 1958-59. The news of a rise in sterling balances and of a reduction in the British Bank Rate from 7 to 6 per cent were also contributory factors. Foves were also entertained that suitable amendment might be made with regard to the Development Rebate.

The Gilt-edged market maintained a steady front. Demand was noted for short-dated loans, while some enquiry was noted in medium and long-dated issues. A general view was held that the market was being groomed in preparation for the new loan programme, which was expected to be put through in June. 3 per cent 1986 Conversion Loan opened at Rs 70.75 and gradually improved to Rs 71.25 towards the close. Bank shares remained steady with price movements confined to a narrow range. Punjab National were taken up to Rs 52.75 from Rs 52.25, while United Commercial were half a point lower at Rs 53.50. In the Jute section, a few selected scrips attempted to improve in sympathy with the general trend of the market. But, turnover remained restricted in the absence of any definite improvement in foreign demand for jute goods. National, after touching a low of Rs 21.95, improved steadily to Rs 22.20 on speculative support. Howrah were, however, on offer at as low as Rs 12.87 against Rs 13.69, while New Central changed hands at Rs 12.87 to Rs 13.06; India at Rs 93.50 to Rs 96.00; Belvedere at Rs 64.50 to Rs 68; Budge-Budge at Rs 95 to Rs 99 and Standard at Rs 75 to Rs 79. Ganges were maintained at Rs 44 and Delta at Rs 93.00.

Coal shares met with selective support on the belief that the selling price of the commodity would be raised shortly. Birrakui were taken up to Rs 23.00 from Rs 22.60; Central India upto Rs 7.09 from Rs 6.93; Western Bengal upto Rs 5.28 from Rs 5.19 and Amalgamated upto Rs 15.75 from Rs 15.25. Bengal, however, ruled rather quiet at Rs 207 against Rs 213 on lack of fresh support.

Textile scrips reacted favourably to the announcement of a cut in the excise duty on cloth; and selected scrips staged a marked recovery from the recent low levels. However, operators were inclined to be rather cautious in their dealings, pending a definite improvement in the conditions of the cloth market. Jayshree were pushed upto Rs 6.87 from Rs 6.19; Cawnpore upto Rs 4.87 from Rs 4.00; Dunbar upto Rs 127 from Rs 117; Kesoram upto Rs 11.62 from Rs 9.91 and New Victoria upto Rs 1.34 from Rs 1.28. Bowreah, after being taken upto Rs 120 from Rs 108, receded again at the close to Rs 107 on profit-taking.

Sugar shares recorded a good turnover on increased activity, being influenced by the belief that the statistical position of the industry was sound with no large carry-over to the next season. It was also felt that, if a scheme for continuing sugar exports could be devised and implemented, the outlook for the industry would remain good. However, higher levels could not be retained till the close due to profit-taking. Dealings in Dabanga continued to be very prominent and the scrip, after being taken up to Rs 23.62 from Rs 21.56, receded at the close to Rs 22.09. S. K. G. had buyers at Rs 9.12 to Rs 9.25 and Belsund at Rs 10.37 to Rs 10.50. Dyer Meakin and Carew

hardened further to Rs 10.50 and Rs 5.44 from Rs 10.44 and Rs 5.25 respectively.

Tea shares continued to be an active counter. Selected scrips forged a lead of fresh higher levels although profit-taking erased some of the gains at the close. An important stimulus was provided by the report that the Government would give serious consideration to the high export duty on inferior quality teas. Another contributory factor was the belief that the new season would get a good start in view of the improved statistical position of the industry. Most active scrips were Baghmari changed hands at Rs 18.37 to Rs 18.73 (Rs 18.75); Brahmapootra at Rs 3.31 to Rs 3.56 (Rs 3.31); Bishnauh a Rs 20.00 to Rs 20.50 (Rs 20.00); Gohpur at Rs 21.12 to Rs 21.31 (Rs 21.31); Han'apara at Rs 114 to Rs 120 (Rs 117); Hatikhira at Rs 10.87 to Rs 11.44 (Rs 11.12); Jayshree at Rs 10.69 to Rs 10.81 (Rs 10.81) and Mohani at Rs 16.50 to Rs 17.00 (Rs 17.00). Figures shown within brackets were the closing rates for the week.

Brisk trading was noticed in the Engineering section where all scrips touched fresh higher levels for the week under the lead of Indian Irons. Persistent rumours with regard to the possibility of mainaining the Ordinary dividend on the increased capital and to the prospect of a bonus issue, were the stimulating factors. Against the week-end closing of Rs 10.8, Indian Irons opened higher at Rs 21.06 and advanced gradually to Rs 21.44, to finish the week at Rs 21.33. In sympathy, TEXMACO were taken up to Rs 18.40 and Jessop upto Rs 22.87 from Rs 22.75, to finish at Rs 18.30 and Rs 21.81. G. K. Williams continued to be a firm feature, having persistent support upto Rs 29.56 from 29.25. Brai-hwaie had buyers at Rs 23.87 to Rs 27.25, while Britannia, after improving at one time to Rs 12.62 from Rs 12.50, receded at the close to Rs 12.25 on profit-taking. Indian Galvanizing were nearly maintained at Rs 14 with Mas alls moving between Rs 5.06 and Rs 5.44 and Kumardhubi between Rs 7.75 and Rs 7.34.

Miscellaneous issues were steady to firm. Most prominent were Oren Paper which, after touching a new high level of Rs 23.45 from Rs 27.25, receded at the close to Rs 28.30. Titaghar remained firm at Rs 34.25, while Shree Gopal hardened further to Rs 14.50 from Rs 14.37. Alkali Chemical new shares had buyers upto Rs 13.19 from Rs 12.87 and Angelo Brothers upto Rs 17.12 from Rs 16.75. Dunlop touched at one time Rs 22.89 from Rs 22.62; Indian Aluminium Rs 12.87 from Rs 12.69; National Carbon Rs 24.87 from Rs 24.62 and Roht's Rs 16.19 from Rs 16.00, to ease off at the close to Rs 22.62; Rs 12.69; Rs 24.62 and Rs 16.06 respectively. Indian Copper developed a hardening tendency to Rs 2.98 from Rs 2.87 with India Steamship moving narrowly around Rs 12.12. NCCO changed hands at Rs 23.93 to Rs 24.12; Hindustan Motor at Rs 6.22 to Rs 6.25; Phillips India at Rs 13.69 to Rs 13.81 and Indian Oxy-

gen at Rs 16.25 to Rs 16.37. Metal Box were a firm feature at Rs 26.25 with Martin Burn changing hands at Rs 23.87 to Rs 23.62.

Bombay

The stock market ruled buoyant during the past week with prices under the leadership of textiles recording sizable gains. Quite early in the proceedings sentiment was hopeful as the air was thick with reports about early relief in excise duty on cloth. And when the announcement came that excise duty relief involving a loss to the tune of Rs 15 crores to Government had been given, prices especially in the textile section were firm. Activity, however, continued to be restricted and there had been some nervous selling after the first burst of enthusiasm. It would appear that market men were not sure if Government would not impose some other tax to make good the loss in the excise revenue. In later dealings sentiment once again recovered as by that time it became clear that the reliefs were real. There was also the news that compulsory deposit scheme would be abolished. Apart from the immediate gain to textiles, the announcements had brought about a situation in which marketmen found that ultimately the Budget for 1958-59 had turned out to be quite satisfactory under prevailing circumstances.

TEXTILES

Among textiles Century met with good support while others were marked were sizably higher on

S. E. RLY TENDERS

Sealed tenders are invited for supply of the following materials:

Tender No. CON/GM/6/CE/((C)) WP/40 Gbl for supply of 3016 Nos. Bearing plates Joyce's 90 BS Type A.D. as per CE's drawing No. 10177 (for Girder Bridges).

Tenders will be opened on April 25, 1958 at 12 noon.

Tender forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta—23 on remittance of Rs 5/- (not refundable) per copy by Money Order to him direct in case of outside firms and on production of cash receipt from the Chief Cashier, S. E. Rly. Garden Reach by local firms.

Earnest money is Rs 1000/- which should be deposited with this Rly.'s Chief Cashier and the receipt obtained thereof should accompany the tender without which the tender is liable to be rejected. Approved contractors who have already made a permanent deposit of Rs 1000/- are exempted.

Firms not on this Railway's list of approved contractors must enclose a valid income tax clearance certificate with the tender.

GENERAL MANAGER

S134

balance. Century spurted to Rs 425.00 from Rs 392.50. Bombay Dyeing advanced to Rs 55.40 from Rs 52.40. Kohinoor was marked up to Rs 233 from Rs 276. Svadeshi moved up to Rs 183.50 from Rs 172.50.

STEELS

In the steel section Tata Iron came in for active interest toward close to be finally placed at Rs 180.25 as against the week's opening rate of Rs 175.00. Indian Iron was also firm at Rs 21.36.

MISCELLANEOUS

In the miscellaneous section Telco was in request and firmed up to close at Rs 153.00. Bombay Burma gained 28 points over the week to be finally placed at Rs 530.00. ACC was only slightly higher on balance at Rs 150.00. National Rayon advanced from Rs 224 to Rs 243.25.

Madras

NEWS of a reduction in the excise duty on cloth and the lifting of the compulsory deposit scheme for 1958-59 gave the local stock market a measure of satisfaction after the prolonged suspense of the past few weeks.

Textiles: For obvious reasons, this section was in better form. Buckingham moved up to Rs 168 from Rs 161; Bangalore Woollens to Rs 172 from Rs 169; Travancore Rayons to Rs 13.55 from Rs 12.65; Maduras to Rs 35.50 from Rs 35.00; Colambore Spinnings to Rs 61.50 from Rs 59.50; Metturs to Rs 401 from Rs 397.50; and Loyals to Rs 37.50 from Rs 37.00. Lakshmi was quoted at Rs 112 and Rajalakshmi at Rs 73.

Plantings: A good turnover was possible in this section. Among Rubber shares, Cochin Malabars were prominent with rate moving up to Rs 5.00. There was demand for Thirumbadis and T.R.T.s prices of which developed a hardening tendency.

With the Mysore Budget released without any further imports, Coffee shares were in good support. Consolidated moved up to Rs 23.20 from Rs 22.75 and Coffee Lands to Rs 31.60 from Rs 30.87. Due to higher total dividend, Anapara

SOUTH EASTERN RAILWAY AMENDMENT TO TENDER NOTICE FOR SUPPLY OF SWITCH, SIGNAL BRACKET ETC

The material described against item No. 4 of the above tender notice (which was recently published in this paper) should be "Lock facing point complete with Plunger" instead of "Lock facing point complete without Plunger". The tender Number of above notice is CON/IGM/5 F2/58.

S135 GENERAL MANAGER

DORCHESTER PRINTING WORKS

PRINTERS OF DISTINCTION

116, LOWER CIRCULAR ROAD, CALCUTTA

were taken further up to Rs 5.85 from Rs 5.60, while Kill Kotagiris were keenly sought after up to Rs 5.45. Ouchterlony's had buyers at Rs 4.78 cd.

Among Tea shares, Twyford's met with some support up to Rs 12.60, while sellers were seen for Devasholas and Coorgs. There was some demand for Chembra Peaks at the market rate. Peermades were done at Rs 20.15 and Perlakaramalais at Rs 6.06.

Miscellaneous: In this section, Aluminium Industries met with buyers up to Rs 14.15 from Rs 14.00. Radio Electricals, India Cements and Mysore Papers were enquired at the market rates. Andhra Cements had, however, some sellers at Rs 11.90. Travancore Cements met with some enquiry at Rs 8.25; Textools at Rs 177 to Rs 177.50 and Indian Steel Rolling Mills at Rs 11.00 to Rs 11.25. FACTs were neglected around Rs 5.35.

London

THE London Stock Exchange took a turn for the better. The immediate reaction to the announcement of a reduction in the Bank Rate from 7 to 6 per cent was a rise in the prices of Oil shares, British Petroleum rising by 3sh to 92sh 3d. Other Industrial forged ahead with Steel shares, especially those where yields were large, being the most to benefit from the rise in prices. Rubber Tea and Gold shares were firm, while Metal shares showed little change.

Glitged had a satisfactory week with the long and undated stocks making good headway and closing at the best levels for the week.

New York

PRICES on Wall Street showed a fair distribution of losses under the leadership of Industrials. Ropes of a tax-cut persisted; but the business was weighed on the unfavourable side. It included further reports of plant closures; the view of labour leaders that the recession had not yet reached the bottom and forecasts made in Government reports of reduced spending by both consumers and business concerns this year.

In Brief

Gokak Mills have reduced the dividend from Rs 13 to Rs 8, while Century Mill has maintained the dividend at Rs 22 per share for 1957. In the Finlay group, Finlay has maintained the dividend at Rs 20; Swan at Rs 25 and Gold Mohur at Rs 15 per share. Jayshree Textiles have raised the dividend from 37 nP to 50 nP per share.

Orissa Minerals have recommended a total distribution of 20 per cent for the year ended 30th June 1957, same as in the previous year.

Samugger, Tl'aghur and Victoria Jute Factoris have passed over the Ordinary dividends for 1957.

Premier Construction has raised the dividend from Rs 8.50 to Rs 10 per share for 1957.

In Madras, Sri Ramalinga Choodambikai Mills have reduced the dividend from 20 to 7 per cent for 1957.

More Company Results

Atul Products

The move by the directors of Atul Products Limited to raise the dividend from Rs 6 to Rs 8 per share for 1957—for the second year in succession—has been rendered possible by a substantial increase in the gross profit from Rs 30.95 lakhs to Rs 54.46 lakhs. Total sales and other receipts are placed higher at Rs 2.79 crores against Rs 1.83 crores.

After raising the provision for Depreciation from Rs 12.68 lakhs to Rs 16.76 lakhs, the net profit amounts to Rs 34.50 lakhs against Rs 18.27 lakhs. The provision for Wealth Tax amounts to Rs 1.50 lakhs and the Development Rebate Reserve has been allocated Rs 3.50 lakhs. A sum of Rs 7.50 lakhs has been provided for Depreciation Reserve.

United Nilgiri Tea

The benefit of a large increase in earnings of the United Nilgiri Tea Estates Company Limited, in the year ended 31st March 1957, has been mostly derived by the Central and State Governments. In the directors' report, it is pointed out that the total provision for Taxation has had to be raised to Rs 8.8 lakhs from Rs 3.61 lakhs for 1955-56.

The net profit, before providing for Depreciation and Taxation, is Rs 16.06 lakhs against Rs 11.31 lakhs in the previous year. Depreciation claims Rs 1.75 lakhs (Rs 1.60 lakhs). The allocation to Development Reserve is Rs 1.00 lakh (Rs 2 lakhs). The directors have recommended a total distribution of 17½ per cent as against 26 per cent in the previous year. The distribution for the previous year was payable on a capital increased by the issue of bonus shares.

Anapara Estates

Anapara Estates Limited has reported a sharp rise in earnings for the year ended 30th June, 1957, thanks to the harvesting of a record coffee crop. The net profit, before providing for Depreciation and Taxation, amounts to as much as Rs 6.21 lakhs as against only Rs 3.51 lakhs in the previous year. A sum of Rs 24.41 (Rs 23.378) is provided for Depreciation and Rs 2.14 lakhs (Rs 90,000) for Taxation. For obvious reasons, the directors have raised the total distribution to 40 per cent from 25 per cent.

Tirrihannah Tea

The Tirrihannah Tea Company Limited, in McLeod group, has not recommended any final dividend for 1956. An interim dividend of Rs 2.50 per share was declared on the 28th December 1957; and this compares with Rs 3.00 per share recommended for 1955.

The net profit, after providing for Depreciation and Taxation, is higher at Rs 3.00 lakhs as against Rs 1.80 lakhs. In respect of allocations, the Depreciation amount

is raised to Rs 62,352 from Rs 41,258 and Building and Machinery Reserve to Rs 2.50 lakhs from Rs 1.00 lakh. Taxation provision is, however, lower at Rs 1.50 lakhs against Rs 1.63 lakhs. Crop output is lower at 8,084 maunds against 8,585 maunds, while the average price realised is higher at Rs 2.37 against Rs 1.14.11 per pound.

£ Rs

Sijua (Jherria) Electric

The Sijua (Jherria) Electric Supply Company Limited has presented accounts for the 15th months ended 31st March, 1957. The net profit, after providing for Depreciation and Taxation, for the period under review, amounts to only Rs 2,45,468 as against Rs 2,53,645 for the full year ended 31st December, 1956. The directors have, after setting apart Rs 1.67 lakhs (Rs 1.19 lakhs) for Depreciation; Rs 1.25 lakhs (Rs 34,000) for Taxation; Rs 43,227 (Rs 29,606) for Contingency Reserve; Rs 60,000 (same) for Debenture Redemption Reserve and Rs 33,000 (Rs 60,000) for Development Rebate Reserve, recommended dividend at the rate of 7½ per cent for the period under review.

Tractors (India) Limited

Tractors (India) Limited has earned a higher profit of Rs 18.22 lakhs for the year ended 30th June 1957 as against Rs 10.58 lakhs in the previous year after raising the Depreciation amount from Rs 1.32 lakhs to Rs 1.41 lakhs. Sales have risen substantially to Rs 1.73 crores from Rs 1.00 crore. A dividend of Rs 2 per share has been recommended on the increased capital as against Rs 5 per share on the original capital. In respect of allocations, Taxation provision has been raised to Rs 13.75 lakhs from Rs 10.25 lakhs.

The directors have, in their report, stated that they have been taking steps, as within their power, to interest their overseas suppliers in the manufacture of their products in this country. Indications are, that the results for the current year ending 30th June 1958 will be satisfactory although turnover will fall short of the record figures established in the previous year.

Standard Batteries

The net profit of the Standard Batteries Limited has amounted to Rs 6.87 lakhs for the year ended 30th June 1957 as against Rs 5.14 lakhs in the preceding year. Taxation provision has been raised to Rs 2.65 lakhs from Rs 1.17 lakhs. The dividend is maintained at Rs 8 per share.

The directors report that, during the year under review, orders were placed for the latest type of plant and machinery and equipment for replacement of some of the existing old machinery and balancing units for rationalising and improving production.

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share	Quotation as on 14-3-58	Quotation as on 14-3-57
Alahabad	5% 100	105.00	114.75
Behar	5% 50	22.25	22.25
Calcutta	5% 100	10.34	9.12
Dishergarh	5% 100	74.50	98.00
Dishergarh	41% 100	84.00	88.50
Jorhat	5% 100	90.00*	90.00*
Kurseong	5% 100	90.00*	90.00*
Coal			
Asso. K'pura	41% 100	24.50	24.50
B. Nagpur	7% 100	68.00	83.50
Bharat	54% 100	44.00*	51.25
Borrea	6% 100	90.00	100.00
Burrakur	7% 100	100.00	113.50
Burrakur	6% 100	7.47	8.12
Equitable	6% 100	98.00	100.50
Glusack & Mulla	100	95.00	103.00
Gourangdi	5% 100	40.00*	40.00*
Jogta	5% 100	30.00	45.00*
K'pura	54% 100	44.50	55.00
Khas Kajora	5% 100	3.75	3.75
M. Beerbhoom	7% 100	5.00	12.00
M. Churulia	5% 100	10.89	2.50
M. Huntodis	5% 100	2.50	84.00
Ondal	61% 100	93.00	108.00
Parses	51% 100	45.25	59.75
Qal. Colliery	5% 100	83.00	85.50
Cotton			
Basanti	61% 100	7.56	7.62
B. Naspur	7% 100	75.25	85.00
Bowreah	8% 100	122.00	140.00
Bowreah	7% 100	65.00	70.00
Dehi Cloth	41% 25	17.75*	17.75*
Egin	8% 100	109.25	124.75
Egin	5% 100	7.25	9.37
Jagatjit	5% 100	50.00	...
Jiyajee Rao	51% 100	92.00	91.50
J. K. Cotton	6% 100	91.00	100.00
Kesoram	7% 100	90.00	113.50
Muir	5% 100	63.00	81.50
N. Victoria	6% 5	3.25	4.75
Pravati	5% 100	5.00	8.00*
S. Niwas	4% 100	55.00	...
Svadeshi	5% 100	86.00	90.25
Engineering			
Arthur Butler	7% 100	7.25	10.00
Br. Bidge	6% 100	70.00	103.00
Burn & Co.	7% 100	109.00	127.00
Burn & Co.	6% 100	105.00	110.75
I. Iron	5% 100	98.25	100.50
I. Machinery	7% 100	23.00*	23.00*
Ind. St. Wagon	7% 100	115.00	127.00
Jessop & Co.	5% 100	83.00	95.50
K'dhubi	5% 100	83.00	101.06
R. Cruddas	51% 100	54.00	75.25
S. Products	5% 100	8.31	1.00
Texmaco	51% 100	65.50	94.00
Texmaco	61% 100	54.00	63.00

TEA

NAME	Paid-up per share	Quotation as on 14-3-58	Quotation as on 14-3-57
Agarpara	7% 100	91.00	99.00
Alexandra	7% 100	75.00	97.50
Alliance	6% 100	70.00	97.00
Ang-o-India	7% 100	84.00	101.50
Auckland	51% 100	75.00	80.50
Auckland	41% 100	60.00	61.00
Bally	7% 100	89.50	101.50
Barnagore	5% 100	30.00	38.00
Beldere	7% 100	95.50	101.00
Bengal	51% 100	72.50	77.00
Bira	7% 100	78.00	100.00
Bude-Budge	7% 100	80.00	102.00
Calcutta	61% 100	78.00	78.00
Caedonian	7% 100	93.00	105.50
Cheviot	7% 100	93.00	109.00
Chitavalah	7% 100	91.00	101.00
Clive	6% 100	53.75	78.00
Clive	7% 100	74.00	91.00
Dalhousie	7% 100	79.00	102.00
Delta	5% 100	70.00	87.00
Empire	7% 100	81.50	102.00
F. Gloster	7% 100	96.50	105.00
F. Gloster	5% 100	64.00	72.00
F. William	7% 100	61.00	70.00
Ganges Mts.	5% 100	100.00	112.00
Gouernore	6% 100	70.50	82.00
Hastings	6% 100	84.00	85.00
Hooghly	1% 100	7.53	10.82
Howrah A. Pref.	1% 100	81.00	101.00
Howrah	7% 100	90.00	104.00
Howrah	7% 100	86.00	101.50
Khaty	6% 100	74.00	87.00
Kharah	6% 100	77.00	87.50
Kedarnath	6% 100	68.00	68.00
Kedarnath	7% 100	85.00	95.00
Kelvin	7% 100	85.50	109.00
Khardah	6% 100	73.50	89.50
Kinnison	7% 100	80.25	111.50
Lansdowne	7% 100	87.00	110.00
Lawrence	7% 100	95.00	102.00
Lawrence	51% 100	65.00	78.00
Nathati	7% 100	82.00	110.00
Nathati	41% 100	57.00	59.00
National	7% 100	95.00	108.50
Nellimara	6% 100	79.00	97.50
N. Central	7% 100	89.50	102.00
Northbrook	5% 100	60.00	79.00
Rameshwara	6% 100	10.19	10.19
Reliance	7% 100	55.00	91.00
Assam			
Amluckie	7% 100	53.00	...
Bornah Jan	6% 100	74.00	73.00
Brooke Bond	6% 100	78.00	85.00
Dhunsari	7% 100	3.44	12.31
Dumakshi	8% 100	10.50	98.00
Kingsley Gola	6% 100	92.00	98.00
Moheema	6% 100	8.31	9.19
Tezpur	2% 100	11.12	12.25
Darjeeling			
Gitte	6% 100	75.00	87.50
Okayti	7% 100	93.00	100.00
Pussimbin	7% 100	95.00	85.00
Singam	5% 100	7.12	7.25
Dooars			
Banarhat	61% 100	112.00	121.50
Burpara	9% (Pref.) 100	112.00	120.00
Cbbutti	61% 100	114.00	125.00
Hantapara	8% 100	114.00	140.70
Hasimara	7% 100	109.00	128.00
N. Dooars	61% 100	115.00	125.00
Cachar			
Sonal River	8% 100	93.00	100.00
Sylhet			
N. Samanbagh	8% 100	100.00	100.00
S. Indian			
Kotamullai	6% 21	16.00	25.50
Terai			
Atal	41% cp 10	6.12	4.00
Tirrihannah	10% 10	14.00	12.75
Sukar			
Carew	61% 100	81.50	69.50
Cawnpore	8% 100	109.50	119.00
Gwallor	7% 100	65.00	69.00
Gwallor	7% 100	65.00	69.00
Jaswant	51% 100	75.00	80.00*
Mohini	5% 100	70.00	111.00
New India	71% 100	101.00	140.00
Purata	10% 100	13.62	14.87
Ramnugger	6% 100	94.50	100.50
Ramnugger	6% 100	8.44	8.12
Ryam	6% 100	20.50	20.50
S. Behar	9% 100	60.00	65.00
S. Hanuman	5% 100	60.00	65.00
S. K. Gyan	6% 100	85.00	100.00

Preference Shares

NAME	Paid-up per share	Quotation as on 14-3-58	Quotation as on 14-3-57
S. K. Gyan	5% 100	75.00	83.00
Upper Ganges	5% 100	65.00	85.00
Minin's			
Asso. Mining	5% 50	28.50	31.50
Ch. Mica	51% 100	55.00	51.50
Metal Corp.	5% 100	80.00	84.00
Cement			
Dalmia Bharat	6% 100	84.00	94.00
Dalmia Bharat	6% 40	30.12	33.75

*Nominal. †Ex-Dividend. ‡Cum-Dividend
§Ex-Rights.

March 22, 1958

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
B'lore Wool 6%	100	117.00	123.50
Buckingham 7%	100	135.25	145.00
Cambodia 7%	100	108.00	115.00
Cauvery Spg. 8 1/2%	100	95.00	96.00
Colm. Muru. 6%	100	94.00	...
Co. Pioneer 6 1/2%	100	98.25	104.75
Hemalatha 5%	100	80.00	...
Kothari Tex. 6%	10	8.40	10.06
Loyal 5%	100	65.00	73.50
Palani Andavar 7%	50	58.50	63.00
Raja akshmi 6 1/2%	50	53.00	56.00
Sarada 7%	100	100.50	101.00
Tirupati 6 1/2%	10	10.00	10.00
Trav. Rayon 5%	10	7.05	8.62
Vasanta 6 1/2%	100	104.00	111.25
Vasanta 6%	100	92.00	98.00
Venkatasa 1 1/2%	50	53.00	53.50
Vija anohini 6%	100	95.00	103.00
Vijayakumar 6%	100	95.00	93.50
Vijayadunagar 5%	100	65.00	60.00

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
SUGAR			
Cauvery 6%	100	100.00	...
Deccan 7%	5	5.67	6.12
E.I.D. 7%	20s	16.15	16.78
India 7 1/2%	100	98.00	106.75
Jeyapore 6%	100s	99.00	100.00
K.C.P. 5%	100	100.00	90.00
Kirumpudi 6 1/2%	100	87.50	82.00
Travancore 5%	10	6.85	8.25

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
MISCELLANEOUS			
Amrutnjan 7 1/2%	100	135.00	114.50
A Cement 6%	100	106.00	106.00
A. Scientific 5%	10	5.12	5.12
Aspinwall 6%	10	9.40	10.00
A.V. Thomas 6%	100	73.00	79.00
A. V. Thomas I. 5%	10	6.50	6.12
Brunton 6%	10	6.75	8.00
Can. Scientific 6%	5	4.90	5.56
Dal. Cement 6%	100	81.00	92.00
Dal. Cement 6%	40	30.75	38.00
Dal. Cement 6%	10	10.00	10.00
Enfield 6%	100	100.00	...
India Cement 5%	100	84.75	90.00
I. S. Rolling 5 1/2%	10	6.50	6.12
Mad. Vanna 5 1/2%	100	33.00	33.00
Marikar 6%	50	45.00	50.00
Mettur Chem. 6%	100	87.00	94.50
Mys. Chem. Mfg. 6%	10	8.78	9.28
Mys. Lamp 4 1/2%	10	5.60	6.00
Orissa Cem. 4 1/2%	100	95.50	100.00
Parry 5%	10	8.00	9.12
Rallis 6%	100	50.00	71.00
Rane 6%	5	4.70	5.00
Rane 7%	5	4.90	5.25
Ruby 6 1/2%	10	9.75	10.00
Sen Raleigh 5%	100	71.00	92.00
Spencer A 6 1/2%	10	7.73	9.00
Spencer B 6 1/2%	10	10.25	10.31
Stand. Motor 6 1/2%	100	88.75	96.00
Tra. Chem. 6 1/2%	10	9.37	10.00
T. Stanes 7%	100	100.00	100.00
United Elec. 5%	10	10.00	...
Vanguard Fire 5 1/2%	10	9.28	9.83
W. I. Plywood	100	94.00	...

Ordinary Shares

MADRAS

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
BANKS			
Andhra	100	111.00	120.00
Andhra	85	87.00	...
Bank of Mysore	100	252.00	247.50
Canara Banking	50	80.00	75.50
Canara I. & B. A.	100	185.00	192.50
Canara I. & B. C.	1	1.86	2.00
Indian Bank	100	212.00	198.00
Indian Bank	80	182.50	...
Indian Overseas	100	151.00	153.50
Indo-Comm. 'A'	100	42.50	42.50
Indo-Comm. 'B'	25	11.00	10.50
Indo-Comm. 'C'	50	24.00	19.50
Pandyan	25	37.50	40.00
Punjab National	25	52.50	52.50
Travancore	25	19.00	18.12
Trav. Forward	10	4.35	4.94

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
ELECTRICS			
Berhampore	10	6.05	7.81
Cochin	10	9.30	11.37
Ellore	10	10.85	12.25
Guntur	100	206.00	181.00
Karalkkal	10	9.45	9.62
Kumbakonam	10	10.95	11.75
Negapatam	10	10.00	11.00
Salem-Erode	10	12.75	13.62
South Madras	10	12.50	11.37
Tin-Tuticorin	10	12.75	13.62
Vellore	10	13.50	13.75
West Coast	10	17.00	13.75

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
SUGAR			
Andhra	100	17.75	17.75
Cauvery	100	90.50	...
Deccan	5	8.15	10.75
E. I. Distil.	20s	29.25	28.00
India	10	13.00	16.50
Jeyapore	10	13.25	13.37
K. C. P.	100	120.00	120.00
Kirumpudi	100	41.00	33.00
Mysore	10	36.50	41.00
Travancore	10	10.08	11.50
United Brew	75	180.00	180.00
Vizag	10	7.12	7.12

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
PLANTATION			
Alageswar	2	2.45	3.31
Amalgamated	10	10.50	12.37
Anandam	10	14.50	21.50
Anapara	2	5.80	5.00
Arthala	5	4.00	4.00
Athimattam	2	1.05	1.25
Bababudin	5	10.25	11.25
Badra	2	3.30	3.56
Balanor	10	14.75	18.50
Balmadies	2	3.20	3.50
Be Be	5	3.12	4.85
Blue Mountain	2	3.00	6.19
Chandramalai	2	3.00	4.50
Chembra	2	3.15	4.12
Cochin Malabar	3	5.00	9.62
Coffee Lands	10	30.87	26.50
Cons. Coffee	10	22.75	23.60
Coonor	10	18.75	24.50
Coorg	5	10.65	12.75
Cottanad	10	12.25	17.37
Cowcoody	2	7.90	8.22
Devashola	10	19.25	21.75
Devon	10	17.25	17.37
Emerald Valley	5	6.65	7.69
Gokul	2	1.55	2.10
Halleyburia	20	17.25	25.00
Highland	10	12.50	15.12
Kadur	2	2.85	3.00
Kal'sa	2	3.80	5.85
Kalasa	9	15.10	14.75
Kalpetta	10	20.25	25.75
Karikode	10	10.35	14.19
Kilkotagiri	2	5.30	6.85
Kumergode	2	7.60	6.31
Kurchimala	10	6.25	8.75
Lucky Valley	10	10.75	12.50
Malabar Agr.	10	8.75	11.62
Malabar Indust.	10	13.75	22.25
Malankara	10	15.50	30.50
Manar	2	2.70	3.15
Manimala	10	8.75	10.00
Mercara	5	6.90	9.56
Midland	10	14.62	18.37
Miamallay	25	30.00	45.50
Mys. Amalgam	5	5.00	...
Mysore Coffee	2	3.10	3.19
Mys. Plantations	2	1.43	1.94
Neelama'al	5	4.53	6.44
Neilampathy	2	2.70	3.44
Neilithanam	10	13.00	13.00
Nemmeny	10	14.75	22.87
Nilambur	10	12.50	16.25
Nilgiri	10	7.85	10.62
Nonsuch	10	20.62	23.75
Ochterlony	2	4.82	5.25
Panchura	1	3.20	4.37
Parkside	10	16.75	17.37
Peermade	10	20.15	30.00
Peninsular	10	19.00	28.50
Periakaramalai	2	4.07	6.69
Ponmudi	2	1.55	2.10
Pullangode	2	1.65	2.87
Puthuthottam	2	2.66	3.85
Rajagiri	10	14.25	21.75
Rajendra	5	9.12	11.37
Sangameswar	2	2.67	...
Savamalai	2	3.98	...
Shevaroy	2	2.07	2.31
Stanes Amalgam	10	14.75	19.75

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
Swinton	2	2.50	...
Telayar	10	8.20	12.06
Teeckoy	10	6.40	9.19
Thamrapally	10	21.50	28.00
Thirumbadi	1	1.55	2.10
Trav. Rubber	10	13.75	22.00
T. R. & T. Co.	10	6.30	10.25
Tropical	25	25.65	33.25
Twyford	10	12.45	19.50
Udayagiri	10	11.25	16.25
Uni. Nilgiris	10	14.60	18.75
Vaikundam	10	19.47	32.25
Vayitri	2	1.42	2.00
Vellimalai	5	4.86	7.69
Waterfall	2	3.35	6.75
Woodcote	1	1.56	1.81
Woodland	10	6.88	9.62

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
TEXTILES			
Adoni	10	8.10	10.50
Alagappa	10	9.10	10.12
Anglo-French	100	90.00	95.00
Balasubramania	40	57.00	71.00
Balasubramania B	70	103.00	130.00
Bangl. Wooden	100	169.00	592.50
Buckingham	100	161.00	183.00
Cambodia	10	9.40	14.56
Cannanore	100	153.00	177.00
Cauvery	11	12.00	12.00
Colm Cotton	100	162.50	386.00
Colmb. Kamala	100	103.50	103.50
Colmb. Kamala	80	50.00	50.00
Colm. Murugan	100	125.00	...
Colm. Pioneer	100	225.00	278.00
Colm Sps.	50	59.00	92.00
Dhanalakshmi	100	188.00	377.00
Gnanambikal	100	130.00	160.00
Hemalatha	10	8.50	...
Janardana	50	78.00	116.50
Jawahar	5	13.00	15.37
Kadri	100	161.00	175.00
Kadri	10	16.00	17.50
Kaleeswarar	100	325.00	335.00
Kannapiran	10	10.40	...
Kasthuri	25	24.75	30.75
Kothari	10	10.35	15.75
Kr. Rajendra	50	80.00	110.00
Lakshmi	50	111.50	138.00
Lakshmi A	25	54.50	73.00
Loyal	50	36.75	51.50
Madura	15	35.25	48.31
Malabar	200	99.00	109.00
Mettur	100	392.00	445.00
Mysore Silk	10	1.30	2.44
Palamalai Rangan	100	103.00	109.00
Palani Andavar A	50	135.00	147.00
Palani Andavar B	75	197.50	215.00
Pankaja	100	46.00	77.00
Premier	100	141.00	190.00
Pullicar	100	129.00	...
Radhakrishna	100	122.00	280.00
Radhakrishna B	50	62.00	140.00
Rajalakshmi	50	71.00	172.00
Rajapalayam	100	130.00	150.00
Ramakrishna	100	190.00	...
R. C. Ambika	100	153.00	262.00
Rangavilas	50	63.50	91.50
Ravalseema	100	111.25	150.00
Sarada	100	76.00	110.00
Sivanandha	10	14.00	...
Tirupati	10	9.75	10.00
Trav. Rayon	10	12.65	14.00
Trichinopoly	10	12.55	13.12
Vasante	100	250.00	310.00
Venkatasa	50	130.00	164.00
Vijayakumar	100	110.00	142.50
Vijayalakshmi	100	105.00	151.50
Vijayamohini	100	81.00	82.50
Vijayawari	100	98.00	...
Virudhunagar	50	27.50	35.00

NAME	Paid-up per share.	Quotation as on 14-3-58 Rs nP	14-3-57 Rs nP
MISCELLANEOUS			
Alum. Indus.	10	14.00	15.00
A. Cement B	10	11.90	14.10
Andra Insee	50	80.00	100.00
Andra Scientific	10	3.70	3.79
Ashok Leyland	5	4.15	5.25
Aspinwall Trav.	10	8.50	10.12
A. V. Thomas I	10	8.75	10.12
Bang. Fritz	10	10.80	...
Blinny	100	157.00	180.00
Brunton	10	4.60	5.25
Central Scientific	5	5.75	6.37
Dalmia Cement	10	10.20	12.31
Enfield	10	10.00	...

Radhakrishna ...	100	122.00	280.00
Radhakrishna B ...	50	62.00	140.00
Rajalakshmi ...	50	71.00	172.00
Rajapalayam ...	100	130.00	150.00
Radhakrishna ...	100	190.00	...
R. C. Ambika ...	100	153.00	262.00
Rangavilas ...	50	63.50	91.50
Ravalselam ...	100	111.25	150.00†
Sarada ...	100	76.00	110.00
Sivanandha ...	10	14.00	...
Tirupati ...	10	9.75	10.00
Trav. Rayon ...	10	12.65	14.00
Trichinopoly ...	10	12.55	13.12
Vasante ...	100	250.00	310.00
Venkatesa ...	50	130.00	164.00
Vijayakumar ...	100	110.00	142.50
Vijayalakshmi ...	100	105.00	151.50
Vijayamohini ...	100	81.00	82.50
Vijayeswari ...	100	92.00	...
Virudhunagar ...	50	27.50	36.00

Indian Finance

FACTS AND FIGURES

INDEX NUMBERS OF SECURITY PRICES
(1949-50 = 100)

Week ended	9.3.57	1.3.58	8.3.58
Government and semi-Government securities—All-India			
TOTAL	90.0	89.2	89.3
Government of India	89.7	89.0	89.0
State Governments	96.5	96.5	96.5
Municipal, Port Trust, etc.	90.6	90.0	90.0

Debentures of industrial securities—All-India

TOTAL	98.9	97.2	97.2
Electricity	98.7	98.5	98.5
Jute	97.1	94.4	94.4
Plantations	98.6	97.8	97.8
Sugar	98.5	96.4	96.4
Coal	90.6	84.8	84.8
General Engineering	100.9	98.0	98.0
Shipping	101.8	98.6	99.1
Others	100.3	94.1	94.1

Preference shares—All-India

TOTAL	80.0	71.2	71.2
Electricity	88.2	84.9	84.6
Cotton	79.5	67.1	67.0
Jute	74.0	61.0	61.0
Coal	82.1	72.8	72.8
Iron & Steel	86.2	78.2	78.4
Sugar	80.5	69.7	69.5
Paper	79.7	74.2	74.2
Plantations	99.2	87.0	86.9
Miscellaneous	74.9	66.7	66.8

Variable dividend industrial securities—All-India

TOTAL	111.9	95.4	96.1
Financial: Total	93.4	97.2	97.9
Banks	95.7	100.6	101.5
Insurance	83.8	87.2	87.0
Investment Trust	79.9	64.2	64.0
Public Utilities: Total	110.6	104.3	104.1
Electricity	109.8	101.3	101.6
Shipping & other Transport	121.5	121.9	120.4
Railways	79.1	66.1	67.7
Manufacturing Industries: Total	117.7	97.0	98.2
Cotton, Woolen & Silk	124.3	92.8	93.1
Jute	60.0	48.1	48.4
Iron & Steel	125.5	120.1	125.2
Paper	233.3	186.5	187.3
Cement	157.4	132.1	133.5
General Engineering	168.5	144.5	145.6
Sugar & Breweries	100.2	97.4	98.2
Chemicals	133.4	126.4	127.9
Non-Manufacturing Industries: Total	138.9	107.2	107.9
Coal	73.7	65.9	66.0
Mining & Oil	188.5	146.2	148.9
Plantations	157.4	115.7	116.2
Miscellaneous	89.5	68.6	68.0

Government and semi-Government securities—Regional

Bombay	89.4	88.7	88.7
Calcutta	89.8	89.1	89.1
Madras	90.2	89.4	89.4

Debentures of industrial concerns—Regional

Bombay	99.4	96.3	96.5
Calcutta	98.4	97.4	97.4
Madras	99.7	97.4	97.4

Preference shares—Regional

Bombay	84.9	79.5	79.6
Calcutta	73.8	63.4	63.3
Madras	94.5	83.7	83.9

Variable dividend industrial securities—Regional

Bombay	122.7	110.0	112.0
Calcutta	97.7	82.4	82.5
Madras	126.5	109.3	109.1
Delli	118.1	113.6	116.4

BULLION PRICES

Week Ended	15.3.57	7.3.58	14.3.58
GOLD:—			
Spot—			
Highest	106 62	113 19	113 19
Lowest	105 44	111 69	111 69
Average	105 97	112 43	112 56
1st Settlement—			
Highest	106 69	118 03	113 12
Lowest	105 06	111 50	111 94
Average	105 85	112 22	112 60
SOVEREIGN—			
Average	69 45	71 68	71 96
SILVER—			
Spot—			
Highest	179 19	193 50	195 25
Lowest	177 56	191 37	190 94
Average	178 31	192 41	193 33
1st Settlement—			
Highest	179 44	193 62	191 62
Lowest	177 69	191 44	191 06
Average	178 46	192 49	191 56

SHORT-TERM MONEY RATES

(Per cent per annum)

	8.3.57	28.2.58	7.3.58
Call Money—			
From Banks—			
Bombay	3 1/2	4 1/2	4 1/2
Calcutta	4 1/2	3 1/2	3 1/2
Madras	4 1/2	3 1/2	3 1/2
From Public—			
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
Fixed Deposits—			
3 Months—			
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
6 Months—			
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fcs. to Rs. 100	1040	1041 12.3.58
"	"	1041	1040 13.3.58
"	"	1040	1041 14.3.58
France	Fcs. to Rs. 100	8795	8800 8.3.58
"	"	8800	8785 11.3.58
"	"	8785	8800 12.3.58
W. Germany	Mks. to Rs. 100	87 1/2	87 1/2 10.3.58
"	"	87 1/2	87 1/2 11.3.58
"	"	87 1/2	87 1/2 13.3.58
Italy	Lire to Rs. 100	13015	13020 12.3.58
Denmark	Kroner to Rs. 100	144 1/2	144 1/2 13.3.58
U. S. A.	Ra. to \$ 100	475.50	475.25 12.3.58
Canada	"	487.00	487.25 8.3.58
"	"	487.25	487.50 11.3.58
"	"	487.50	487.75 13.3.58

STERLING TRANSACTIONS OF THE
RESERVE BANK OF INDIA

Week Ended	8.3.57	28.2.58	7.3.58
Forward Contracts—			
Purchases	£ ('000)	1,580	1,985
Sales	£ ('000)	2,111	2,655
Debit—	£ ('000)	550	400
Credit—	£ ('000)	73	53
Spot Transactions—			
Purchases	£ ('000)	...	125
Sales	£ ('000)	2,840	15
Debit—	£ ('000)	3,79	2
Credit—	£ ('000)	2,440	1,255
Against forward contracts—			
Purchases	£ ('000)	2,25	1,67
Sales	£ ('000)	...	50
Debit—	£ ('000)	...	7
Credit—	£ ('000)	...	...

PRICES AND YIELDS OF SELECTED
CENTRAL GOVERNMENT SECURITIES

	15.3.57	7.3.58	14.3.58
1% 1948	99 60	3.29	99 76
3 1/2% 1962	97 81	3.70	97 85
3 1/2% N.P.B. 1967	98 50	3.67	97 64
1% Dev. 1970-75	87 44	4.22	86 04
1 1/2% 1974	98 50	3.87	98 20
1% (Con.) 1986 or later*	74 56	4.02	71 05

INDEX NUMBERS OF WHOLESALE PRICES
BY GROUPS AND SUB-GROUPS

(Base: 1952-53 = 100.)

Group and Sub-Group	1.3.55	22.2.58	1.3.58	2.3.57
Food Articles—	101.5	101.4	100.6	102.1
Cereals	95	95 1/2	95	98
Pulses	77	76	76	84
Fruits & Vegetables	97	97	93	108
Milk & Ghee	102	102	102 1/2	124
Edible oils	103	104	100 1/2	93
Fish, Eggs & Meat	108	108	107	96
Sugar & Gur	129	129	130	129
Others	95.2	96.7	96.7	86.3
Liquor and Tobacco	94	95	95	84
Tobacco	114.8	114.8	114.7	106.5
Fuel, Power, Light & Lubricants	109.9	110.8	111.2	116.6
Industrial Raw Materials	109	110	111	119
Fibres	111	112	109	119
Oilseeds	108	108	107	108
Minerals	110	110	110	108
Others	107.4	107.5	107.4	106.5
Manufactures	105.9	106.3	105.9	109.0
Intermediate Products	107.6	107.7	107.7	106.1
Finished Products	106	106	106	107
Textiles	117	117	115	116
Cotton	84	86	90	94
Jute	103	103	103	108
Woolen	93	90	90	87
Silk & Rayon	142	142	142	131
Meta. Products	100	99	100	97
Chemicals	111	111	113	112
Oil cakes	102	102	102	102
Mchy. & Transport Equipment	112	112	112	102
Others	104.8	104.9	104.6	105.4
All Commodities	104.8	104.9	104.6	105.4

* = Estimated.

† = Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	14-3-58	7-3-58	15-3-57
LIABILITIES:			
Notes in Banking Dept.	9,60.85	8,97.54	11,40.53
Notes in Circulation	15,78,25.55	15,78,66.99	15,24,71.02
	15,87,86.40	15,87,64.53	15,36,11.55
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	245,53.81	245,53.81	412,51.91
Total of A	363,29.84	363,29.84	530,27.94
(B) Rupee Coin	127,80.53	127,58.66	120,86.42
Rupee Securities	10,96,76.03	10,96,76.03	884,97.19
	15,87,86.40	15,87,64.53	15,36,11.55

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	5,00,00
National Agricultural Credit (Long-term Operations) Fund	20,00,00	20,00,00	15,00,00
National Agricultural Credit (Stabilisation) Fund	2,00,00	2,00,00	1,00,00
Deposits—			
(a) Central Govt.	50,31.49	53,45.90	54,86.57
(b) Other Govt's	21,67.29	9,85.30	22,78.01
(c) Banks	67,93.19	77,40.13	52,43.43
(d) Others	117,98.84	113,27.82	74,38.29
Bills Payable	22,10.99	14,48.90	14,28.24
Other Liabilities	37,04.43	36,54.90	113,51.13
	424,06.23	412,02.95	357,85.67

ASSETS:			
Notes	9,60.35	8,97.54	11,40.53
Rupee Coin	10.19	4.17	9.10
Subsidiary Coin	2.54	2.68	8.42
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	10,25.68	8,38.93	3,18.12
Balances held abroad*	36,62.48	33,48.33	130,22.62
Loans & adv. to Govt.	44,84.84	43,91.30	9,63.70
Other Loans & Adv.	73,11.11	74,30.29	108,87.45
Investments	235,82.34	229,37.92	80,82.21
Other Assets	13,66.70	13,51.79	13,53.52
	424,06.23	412,02.95	357,85.67

(1) The item 'Other Loans and Advances' includes Rs. 2,53,16,000 ad. issued to scheduled banks against unsecured bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	7-3-58*	28-2-58*	8-3-57
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	11,82.17	18,15.93	8,97.67
(ii) Other demand liabilities	716,15.49	714,62.81	696,82.23
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	15,85.00	16,65.00	1,72.00
(ii) Other time liabilities	710,62.52	707,97.47	463,66.92
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	9,87.95	8,77.38	9,17.16
(ii) Time Liabilities	85.00	85.00	...
Borrowings in India from the R. B. I.			
Cash in India	36,91.93	28,86.41	79,07.95
Balances with the Reserve Bank of India	40,38.44	38,48.00	36,88.48
Balances with other banks in current account in India	11,11.00	11,64.09	10,56.14
Money at call and short notice in India	36,31.87	40,39.71	14,92.09
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	433,29.29	433,44.52	349,20.81
Advances in India	783,04.59	778,81.42	700,72.62
Island Bills Purchased and Discounted in India	112,59.39	111,65.46	105,93.38
Foreign Bills Purchased and Discounted in India	40,79.69	41,05.27	58,91.10

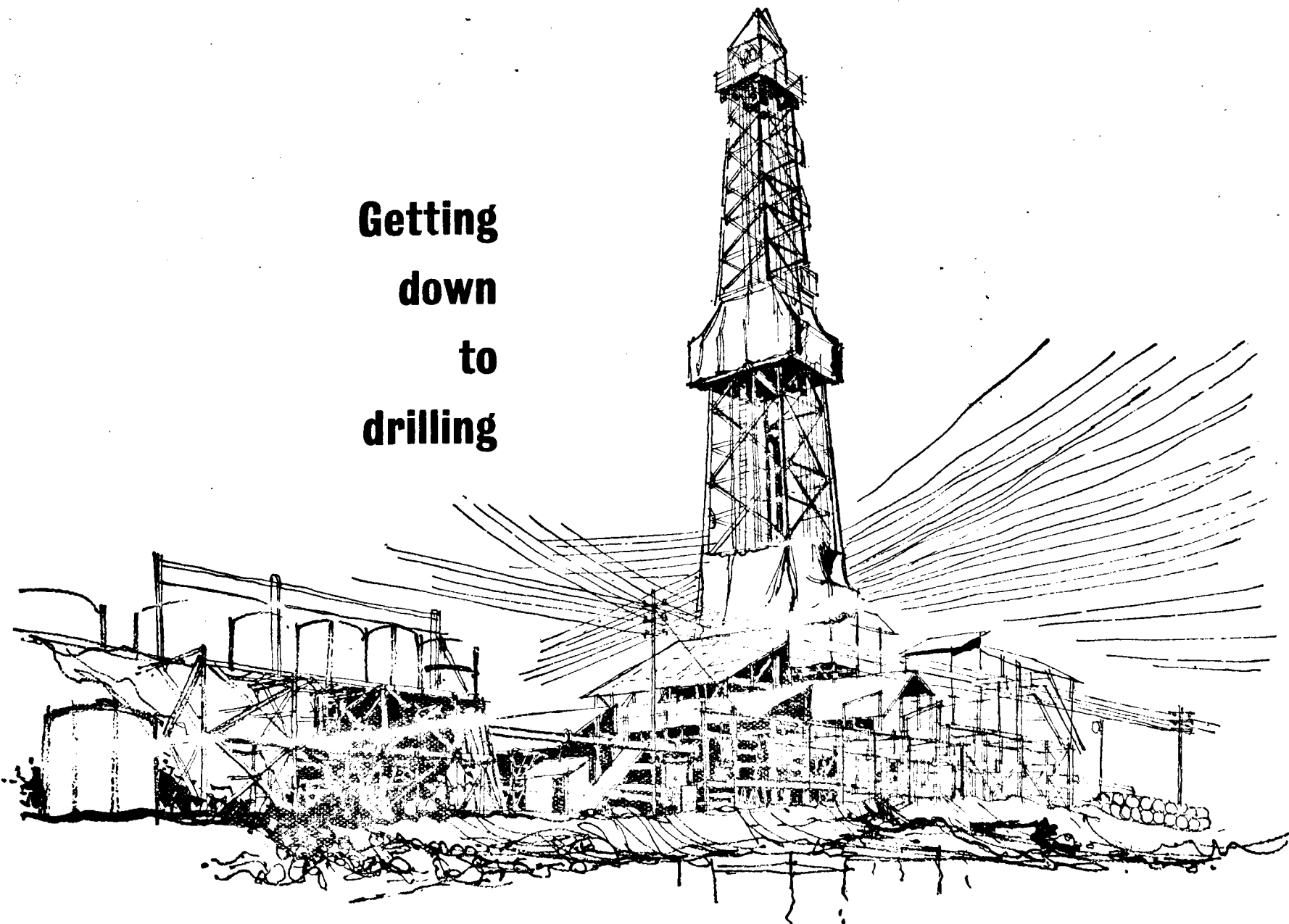
*Figures are provisional since complete returns have not been received from the banks.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees).

	Week Ended		
	14-3-58	7-3-58	15-3-57
LIABILITIES:			
Capital Paid-up ...	5,62,50	5,62,50	5,62,50
Reserve Funds ...	6,62,50	6,62,50	6,37,50
Deposits and other Accounts ...	416,13,62	412,61,76	277,58,31
Borrowings from other Banks, Agents, etc. ...	18,60	13,00	10,12,00
Bills Payable ...	5,28,63	5,76,48	4,47,78
Bills for Collection as per contra ...	1,06,09	1,16,28	72,48
Acceptances etc. for constituents as per contra ...	35,66	20,28	5,88
Other Liabilities Including Inter-office Adjustments ...	1,93,29	1,85,65	2,40,18
Total ...	437,20,29	433,98,55	307,36,51

Getting
down
to
drilling



The oil driller's derrick looks imposing and strange as it stands silhouetted against the sky, but it is merely a sturdy steel support for lowering and raising jointed lengths of heavy pipe into and out of the well during the drilling operations.

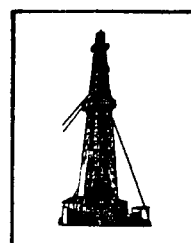
In modern drilling, a sharp-toothed bit is first attached to a length of steel pipe called the drill pipe. The drill pipe, held vertical by a giant block and tackle system in the derrick, is lowered into a pilot hole and revolved by means of a turntable on the derrick floor. The turntable is rotated by powerful engines behind the derrick. As the pipe is turned, the bit cuts a hole in the earth's rocks and lengths of drill pipe are added as the hole becomes deeper.

When the bit becomes worn the entire length of drill pipe must be removed, unjointed, and stacked in the derrick.

After the new bit is attached the pipe is joined together and drilling begins again.

All during drilling, specially-prepared mud is pumped down inside the drill pipe. It passes through perforations in the bit and is forced back to the surface outside the drill pipe. This mud has many useful functions. It flushes rock cuttings back to the surface for examination, cools the bit and plasters the walls of the hole to prevent them from caving in. As drilling progresses the hole is lined with successive lengths of steel pipe called casing.

An oil well has been drilled to a depth of four miles, but a 10,000 foot well is still considered deep. Drilling at such depths is an extremely delicate operation, requiring great skill and long experience. Only by drilling, however, can the oil prospector prove the presence of mineral oil.



Assam Oil A full-scale petroleum industry

This is one of a series of informative advertisements about the petroleum industry.



Indian Finance

Indian Finance

=

Saturday

March 29, 1958

=

Volume LXI No 13

=

Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

Every day, said somebody called Coue, in every way I'm getting better and better. This was said to be some sort of auto-suggestion or self-mesmerism. In less time than you know, if you said so to yourself often enough, you would indeed feel better.

The Indian experience has been just the opposite, in a manner of speaking. In regard to the Second Plan, there have been people who, again and again, have been saying that it is bound to fail. The psychological effect has been—a loss of confidence.

Eavesdropper decries the way in which a whole nation has been unnerved. He considers this the propitious time for re-building confidence. This week's Gossip is the first in a series to this end.

MACNEILL & BARRY LTD. CALCUTTA

Managing Agents
and
Agents:

Tea Estates,
River Transport,

Ship-Building & Repair,

Coal, Jute, Rope, Printing,

Insurance, Electric Supply, Paint,

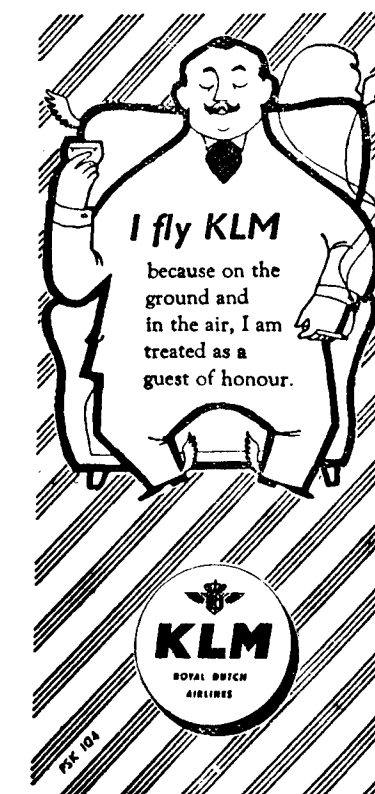
Drums, Kegs, Containers, Closures

Secretaries:

Johnston Pumps India Ltd. ... Johnston Tubewell Pumps

Agents and Distributors:

Gilbert Gilker & Gordon Ltd. ... Water turbines and Ancillary Plant
James Howden & Co. Ltd. ... Fans, Air Preheater & Dust Collectors
& Howden Lysholm Compressor
Hugh Wood & Co. Ltd. ... Mining and Industrial Machinery
and Electrical Equipment
Belmos Co. Ltd. ... Flameproof and Industrial Switchgear



Mirrlees



for
Complete Sugar Factories &
Extensions,
Chemical & Alcohol Plant,
Steam Ejector Air Pumps,
Steam Condensing Plant,
Pumps, Centrifugal & axial,
Steam Turbines,
IMO Screw Pumps.

Agents:

PORT ENGINEERING WORKS, LTD.
8, CLIVE ROW, P.O. Box 150, CALCUTTA-1.

JAIPURIA ENTERPRISES

TEXTILE MILLS

Swadeshi Cotton Mills Co. Ltd.
Kanpur, U.P.

Swadeshi Cotton Mills Co. Ltd.
Pondicherry, S.I.

SUGAR MILLS

Ganesh Sugar Mills Ltd.
Anandnagar, Dist. Gorakhpur,
U.P. (N.R.)

Shree Anand Sugar Mills Ltd.
Khalilabad, Dist. Basti, U.P.
(N.R.)

COAL MINES:

Samla Collieries Ltd.

Collieries at:

Samla, Chhatrisghanda, Kendra, Ramnagar, Rly Stn. Panda-
veswar (E.R.)

Jaipuria Kajora Collieries Ltd., Rly. Station, Ondal (E.R.)

VANASPATI:

The Berar Swadeshi Vanaspati, Shegaon, Berar.

CALCUTTA — BOMBAY — KANPUR — NEW DELHI — PONDICHERRY

THE CHARTERED BANK

(Incorporated in England by Royal Charter 1853)
(Liability of Stockholders Limited)

Affiliated Institution:—
THE ALLAHABAD BANK LTD.
Head Office:

38, BISHOPSGATE, LONDON,
E.C.2.

West End Branch, London:
28, CHARLES II ST., S.W.1.
and at
MANCHESTER, LIVERPOOL, NEW
YORK and HAMBURG.

Branches of the Bank are established
at most centres of commercial
importance throughout Southern
and South-Eastern Asia and the
Far East.

Branches of The Eastern Bank
Limited, a wholly-owned subsidiary
of The Chartered Bank, are estab-
lished in Iraq, Bahrain, Qatar
(Persian Gulf), Lebanon and Hadra-
maut and in India, Pakistan, Ceylon,
Aden, Singapore and Malaya.

Calcutta Office:
4, Netaji Subhas Road
Sub Branch: H. J. M. COOK,
31, Chowringhee Road. Manager.

For Service & Security

PANDYAN BANK LTD.

Central Office: MADURAI

Madras Office: 121, ARMENIAN STREET

Paid-up Capital Rs. 10,00,000

Reserve Fund Rs. 10,25,000

Working Funds as
on 31-12-1957 Rs. 3,27,81,916

55 Convenient Offices in
Southern Districts

Banking Business of every
description transacted

S. N. K. SUNDARAM, Mg. Director.

THE BANK OF INDIA LIMITED

(Established 7th September, 1906)

Capital Authorised, Issued & Subscribed Rs. 5,50,00,000

Capital Paid-up - - - Rs. 3,00,00,000

Reserve Fund - - - Rs. 3,10,00,000

Head Office: MAHATMA GANDHI ROAD, FORT, BOMBAY.

Branches in the principal cities of India

BRANCHES OUTSIDE INDIA:

LONDON—17, Moorgate, London E. C. 2.

ADEN. DAR-ES-SALAAM. JINJA. KAMPALA. KARACHI.
MOMBASA. NAIROBI. OSAKA. SINGAPORE. TOKYO.

DIRECTORS:

Sir Cowasjee Jahangir Baroon, G.B.E., K.O.I.E., Chairman,
Mr. Ambalal Sarabhai,
Sir Joseph Kay, K.B.E.,
Mr. Ramnivas Ramnarala,
Mr. Bhagvandas O. Mehta,
Mr. Krishnaraj M. D. Thackersey,
Mr. A. D. Shroff,
Mr. Madanmohan Mangaldas,
Mr. N. K. Petigara,
Sir Vithal N. Chaudavarkar.

Every Description of Banking Business Undertaken.

T. R. LALWANI,
General Manager.

ACC HONOURS THE CODE

4

"..... reserves must be created for expansion
and modernisation of the plant and machinery and in
their utilisation the Management remains accountable to
the investor. Money must also be provided for research."

Code of conduct—FORUM OF
FREE ENTERPRISE

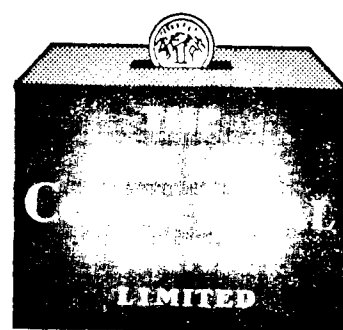
To ensure a continuous and growing supply of quality Portland
cement to its customers, the ACC "ploughs back" every year a
substantial portion of its earnings, to rehabilitate, expand and
modernise its existing plants; to make its business grow and so
to provide the country with the much-needed cement which goes
into all types of construction, from the modest needs of the
small village to the hungry demands of gigantic power and river
valley projects, industrial development, housing schemes,
hospitals, schools and the like.

This "ploughing back" of a portion of the ACC's earnings—
though reduced last year owing to lower profits, resulting from
higher costs and increased taxation—remains a vital factor in
the production and supply of quality cement in increasing
quantities to millions of satisfied users throughout India who
have learned to depend on—ACC CEMENT.

THE ASSOCIATED CEMENT COMPANIES LIMITED
THE CEMENT MARKETING CO. OF INDIA PRIVATE LIMITED

Whatever
the
amount
you
save

PUT IT IN ACCOUNT
WITH



Head Office: CALCUTTA

CAPITAL:
SUBSCRIBED Rs. 4,00,00,000
PAID-UP ... Rs. 2,00,00,000
RESERVE FUND... Rs. 1,34,00,000

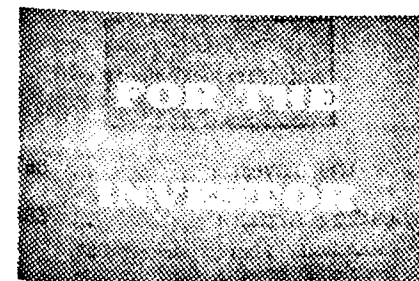
Chairman
G. D. BIRLA

General Manager
S. T. SADASIVAN

- * Branches all over
India and Abroad.
- * Agents throughout
the world.
- * Provides every
banking facility.

UCO-9/59

March 29, 1958



The Roy and Rayon Rumours

Investment Gossip:

Rumours have been having a
field day. Soon after Indian Irons
had, during the past week notched
up a new high, gossip was about
the market place in such a way as
to induce, if not a bear trend, at
least caution in attitudes.

First, there was the "scare" about
Dr B. C. Roy. The imbroglio in
the West Bengal Government
evoked, at one stage, the whispered
possibility of Dr Roy's resignation.
Thereafter, however, with the
rumour proved false, and with a
vote of confidence, the Stock Ex-
changes fully recovered.

Second, there was the rayon
"excise duty" gupsa. If Lyons
Range had its hands full with the
Roy rumour, Dalal Street was
busy engaged with the rayon
rumour. This, too, was proved
false, and Bombay, too, staged a
recovery.

But, although prices are again
on the uptrend, there is to be dis-
cerned beneath the surface a
vein of doubt. The improvement
in the outlook for foreign exchange
is negated by the problems facing
a number of State Governments.

Then, I should also mention that,
in certain quarters, there is the
fear that Government may try to
make good the concession of Rs 15
crores that they have given on the
excise duty on cotton textiles.
Will there be new excises? is a
burning question.

What now? Up or down? New
operators are venturing to expres-
an opinion.

£ R\$

Investment Notes:

NATIONAL Carbons have been
ruling very firm at Rs 24.44. The
Chairman has disclosed that the
Company is in the midst of a
major expansion programme, hav-
ing recently established a Zinc
Rolling Mill in France. He has
also referred to the company's plans
for marketing Eveready flashlights,
now being manufactured in India
for the first time at its Lucknow
factory. The company will shortly
be starting the construction of a
Polyethylene and Chemicals plant
in Bombay.

In Bombay, Scindia Steams are
quoted very steady at Rs 17.20.
There are reports that the com-
pany has decided to restart its car-
go service to the USA. Negotiations
are, it is learnt, in progress bet-

ween the company and the Govern-
ment of India. Meanwhile, the
company is reported to have done
well and the profit for the first
nine months compares favourably
with that of the previous year.

National Rayons are quoted
around Rs 240. The company is
believed to have done well during
the year just ended, and a higher
distribution is forecast. This belief
seems to stem from the fact that
the company's Caustic Soda plant
has already gone into production
and that the 12 additional frames,
which were commissioned in July
last, will enable it to show higher
output.

£ R\$

Investment Briefs

India Paper Pulp has recommen-
ded an interim dividend of 5 per
cent for the year ended 31st March
1958, payable on or after the 17th
April, 1958.

In Bombay, Shivrajpur Syndicate
has maintained the dividend at Rs
8 per share for the year ended 30th
November, 1957.

Dunlop Rubber has recommended
a final dividend of 8½ per cent,
making a total of 16½ per cent on
the increased Ordinary capital as
against 15 per cent on the original
capital in the previous year.

In Madras, Buckingham & Car-
na'ic Company has maintained the
Ordinary dividend at Rs 10 per
share for 1957.

Blrny & Company has main-
tained the total distribution of 10 per
cent for 1957.

£ R\$

Mixed Sugar Results

Balance-Sheet Reviews:

FIVE Sugar Mills—Balrampore,
Champarun, Ryam, Samastipur
Central and Godavari—have pre-
sented their reports and ac-
counts for 1957, the first
four companies for the year ended
30th June 1957 and the last-men-
tioned for the year ended 31st May
1957. The working of these com-
panies has shown mixed results.
In the case of Balrampore, the
directors have recommended a di-
vidend of 25 pP per share as against
nil in the previous year, while
Champarun has passed over the
dividend against 10 per cent. Ryam
has reduced the dividend from 17½
to 15 per cent. Godavari has re-
commended a final dividend of Rs
10, making a total of Rs 20 per
share as against Rs 16. Samastipur
Central has passed over the di-
vidend for the third year in suc-
cession. Full details of the accounts of
all these companies are given below.

£ R\$

Balrampore Sugar

Thanks to a record crop and the
quantity of cane crushed being the
highest recorded so far at both the
Balrampore and Tulsipur factories,
the Balrampore Sugar Company
Limited has reported a substantial
increase in sales from Rs 97.65 lakhs
to Rs 1.49 crores. The net profit,
after providing for Depreciation

and Taxation, amounts to Rs
1,56,073 as against a nominal profit
of Rs 749 after making sundry
adjustments in the previous year.
Apart from providing a sum of Rs
2.90 lakhs for Taxation, the Depre-
ciation amount is reduced to Rs 1.30
lakhs from Rs 1.35 lakhs. After
transferring a sum of Rs 1.50 lakhs
from Contingency Reserve no longer
required, the directors have set
apart Rs 1.70 lakhs (nil) for Reha-
bilitation Reserve. The quantity
of cane crushed is substantially
higher at 68.65 lakh maunds
against only 40.67 lakh maunds
and sugar manufactured at 6.32
lakh maunds against 3.98 lakh
maunds.

In this connection, it will be re-
called that Messrs Begg Sutherland
& Company had resigned their
managing agencyship of the com-
pany with effect from the 19th
November 1957 and the manage-
ment had been taken over by the
Board of Directors. Sale proceeds
for the period from 1st July to the
19th November 1957 amounted to
97.53 lakhs, while the accounts re-
veal a loss of Rs 4.96 lakhs.

£ R\$

Champarun Sugar

Despite a substantial increase in
the quantity of cane crushed from
56.22 lakh maunds to 62.33 lakh
maunds, the Champarun Sugar
Company Limited has manufactur-
ed only 5.90 lakh maunds of sugar
as against 5.64 lakh maunds, mainly
due to a very poor quality of cane
obtained in the Champarun district
during 1956. This is also reflected
in the accounts, which reveal a
loss, after providing for Deprecia-
tion and Taxation, of Rs 5.53 lakhs
as against a net profit of Rs 4.45
lakhs in the previous year, despite
the fact that sales have risen to Rs
1.78 crores from Rs 1.02 crores. The
Depreciation amount is raised to
Rs 3.70 lakhs from Rs 3.25 lakhs,
while a sum of Rs 55,000 (including
for Wealth Tax) is provided for
Taxation against Rs 2.00 lakhs. No
provisions are made for Contingency
Reserve and Rehabilitation Re-
serve against Rs 1.00 lakh and Rs
2.55 lakhs previously. After trans-
ferring a sum of Rs 1.75 lakhs from
Contingency Reserve, the directors
have reduced the debit balance to
Rs 3.43 lakhs, to be carried forward
to next year.

According to the directors' report,
prospects for the current season
appear to be somewhat bright in
view of the improvement in the
quality of cane obtained.

£ R\$

Ryam Sugar

Ryam Sugar Company Limited
has reported a net profit of only
Rs 1.67 lakhs as against Rs 3.71
lakhs in the previous year. The
directors have set apart a sum of
Rs 65,141 (Rs 96,266) for Deprecia-
tion; Rs 2.44 lakhs (Rs 2.07 lakhs)
for Taxation and Rs 10,000 (Rs
50,000) for other Reserves. No
provision has been made for Gen-
eral Reserve as compared with Rs
1.25 lakhs last year. The quantity
of cane crushed is higher at 32.32
lakh maunds against 25.78 lakh
maunds. The company sold 34,494
bags of sugar for export.

Samastipur Central Sugar

Despite a substantial rise in sales,
from Rs 43.08 lakhs to Rs 1.16
crores, the Samastipur Central
Sugar Company Limited has re-
ported a loss, after sundry adjust-
ments, of Rs 2.24 lakhs as against
a net profit of Rs 94,857 in the pre-
vious year. This is mainly due to
the fact that the item 'Excise
Duty' is shown at as much as Rs
13.16 lakhs as against only Rs 6.16
lakhs paid in the previous year,
not to speak of the lowest recovery
percentage. In respect of allocations,
the Depreciation amount is raised
to Rs 1.50 lakhs from Rs 1.20
lakhs, while no provisions are
made for Contingency Reserve and
Rehabilitation Reserve against Rs
25,000 and Rs 75,000 respectively.
For the third year in succession,
the dividend is passed over, while
the last dividend was paid at 5 per
cent for the year 1953-54. The
quantity of cane crushed is higher
at 29.52 lakh maunds as against
28.35 lakh maunds, while sugar
manufactured is lower at 2.63
maunds against 2.64 lakh maunds.

Consequent on the disposal by
the managing agents and their
associates of their investments in
the company, Messrs Legg, Suther-
land & Company had resigned
their office as managing agents of
the company with effect from the
31st January, 1958.

£ R\$

Godavari Sugar

The Godavari Sugar Mills Limi-
ted has done well during the year
year ended 31st May, 1957. Sales
have increased to Rs 2.36 crores
from Rs 1.95 crores. The net pro-
fit, after providing for Deprecia-
tion and Taxation, amounts to as much
as Rs 24.48 lakhs as against Rs 7.55
lakhs in the previous year. The
directors have provided a sum of
Rs 10.51 lakhs (Rs 11.18 lakhs) for
Depreciation; Rs 16.00 lakhs (Rs
22.50 lakhs) for Taxation and Rs
12.00 lakhs (nil) for General Re-
serve. A final dividend of Rs 10,
making a total of Rs 20 per share

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on the Ordinary shares has been recommended; and this compares with Rs 16 per share in the previous year.

Sirpur Paper

The Sirpur Paper Mills Limited has produced satisfactory working results for the year ended 30th June, 1957. Sales have improved to Rs 2.28 crores from Rs 1.82 crores, while the net profit amounts to Rs 14.33 lakhs as against Rs 15.19 lakhs. Output has increased to 17,405 tons from 14,200 tons.

In respect of allocations, the Depreciation amount is raised by Rs 14.63 lakhs to Rs 17.63 lakhs, while Wealth Tax is allocated Rs 82,000. The dividend is maintained at 50 p per share for the year.

The directors have, in their report, stated there has been delay in the arrival of extension machinery and the target date for the completion of expansion had to be shifted a little further. As the machinery have already started arriving and the erection work is well in hand, it is expected that the different plants will start going into production in the next few months.

Braithwaite & Company

Despite an increase in the gross profit from Rs 35.75 lakhs to Rs 43.30 lakhs, Braithwaite & Co. (India) Limited has maintained the dividend at Rs 2 per share for 1957. The item 'contracts invoiced' is shown higher at Rs 3.32 crores as against Rs 2.22 crores. The directors have set aside a sum of Rs 4.30 lakhs (Rs 3.55 lakhs) for Depreciation; 87,000 (Rs 1.71 lakhs) for Development Rebate Reserve; Rs 25.55 lakhs (Rs 15.70 lakhs) for Taxation and Rs 2.00 lakhs (Rs 11.97 lakhs) for General Reserve.

Both the structural and wagon shops achieved record outputs during the year under review. The capacity remains fully booked; but the shortage of raw material may hamper production.

Century Mill

The Century Spinning & Manufacturing Company Limited has fared somewhat badly during the year 1957 even with its rayon plant coming into operation. The gross profit amounts to only Rs 67.77 lakhs as against as much as Rs 96.54 lakhs in the previous year, reflecting the unfavourable trading conditions in the cotton textiles trade. The directors have, after providing Rs 37.75 lakhs (Rs 30.80

lakhs) for Depreciation; Rs 18.32 lakhs (Rs 55.00 lakhs) for Development, Rebate Reserve and Rs 7.12 lakhs (Rs 3.11 lakhs) for Taxation, maintained the total distribution at Rs 22 per share. Sales, including those of rayon yarn, have increased by Rs 1.49 crores to Rs 9.22 crores.

Polson Limited

Thanks to an increase in sales by Rs 8 lakhs to Rs 1 cores, Polson Limited has reported a gross profit of as much as Rs 12.81 lakhs for 1957 as against only Rs 10.75 lakhs in the previous year. A sum of Rs 2.53 lakhs (Rs 1.15 lakhs) is provided for Depreciation; Rs 3.50 lakhs (Rs 1.20 lakhs) for Taxation and Rs 3.12 lakhs (Rs 4.34 lakhs) for Reserves and other funds. The dividend on the Ordinary shares is, however, reduced to Rs 10 from Rs 12.50 per share.

Mahindra & Mahindra

After providing Rs 5.42 lakhs (Rs 2.15 lakhs) for Depreciation; Rs 15.50 lakhs (Rs 16.00 lakhs) for Taxation; Rs 11.50 lakhs as bonus to employees and Rs 1.97 lakhs for directors' commission, Mahindra & Mahindra Limited has reported a higher profit of Rs 22.16 lakhs for the year ended 31st October 1957 as against only Rs 21.15 lakhs in the previous year. A sum of Rs 12 lakhs (Rs 11.52 lakhs) has been transferred to General Reserve. The dividend on the Ordinary shares has been raised to Rs 1.75 from Rs 1.25 per share. Sales are shown at Rs 24.41 crores as against Rs 14.03 crores. Trading for the year is reported to be satisfactory. First five months of the current

Burma Corporation

The shareholders of Burma Mines Limited have once again discouraging news about the performance of Burma Corporation (1951) Limited, mainly due to a further decline in metal prices. The operating profits of Burma Corporation (1951) Limited, during the three months ended 31st December, amounted to K. 5,69,200 as compared with a loss of £1,365 in the quarter ended 30th September. This represents a working profit of K.5,51,000 for the first six months of the company's financial year. The combined result, for the six months ended December, after allowing for Depreciation and Taxation, is an estimated net profit of only K.23,500 against K.29,13,400 of the previous year.

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"Marshall Plan" for India?

TO the growing band of influential Americans who today champion India's case for foreign assistance, we are grateful. And yet, the support these men are extending is a logical "sequel" to the sympathy and moral strength that an earlier generation of Americans gave to India's struggle for independence.

Particularly since political freedom was won, we have had articulate expression, on the part of Americans, of the need for the US to assist India in its fight for economic freedom.

Mr Chester Bowles, Mr George Allen, Dr Henry F. Grady, Mr John Sherman Cooper,

Mr Ellsworth Bunker—these comprise a distinguished body of Ambassadors who have served superlatively well by India. Each of them, in his own way, has aroused greater interest in and enabled greater understanding of free India's economic problems.

Our gratitude must in particular be addressed to Mr Cooper, who has been untiringly presenting India's brief.

Now, to Mr Cooper's name, we have to add that of a fellow Senator, Mr John Kennedy. Senator Kennedy has imaginatively asked for a "Marshall Plan" to aid India. No Indian, and only an American, could have come up

Problems of the Coal Industry

THE performance of the Coal Industry in the first year of the Second Five Year Plan has not belied the expectation that, given half a chance the private sector will deliver the goods ahead of schedule. The Second Plan had drawn up a programme for an increased output of 22 million tons a year to be achieved by 1960 so as to meet the demand which, it was estimated, would be over 60 million tons. The Industrial Policy Resolution of 1948 had envisaged that future expansion of coal would be in the Public Sector except where the co-operation of the private sector was considered necessary in the national interest. Such an attitude, it is evident, was not exactly an incentive to the companies in the private enterprise to maintain and improve productive capacity, and it is satisfactory to note that, by the time the Second Plan targets were fixed, there was a more realistic appreciation of the possibilities of expanding output. The target of 8 million tons of increased output first suggested for the private sector was raised to ten million tons as a result of strong representations from the industry. The decision to place greater reliance on the private sector has been fully justified by the record of production during 1957. This also indicates that it will be wise policy to remove the impediments that stand in the way of utilising to the full the proved potential of the private sector, in the interest of coordinated development of the national economy.

The private sector's share of the increase in output of slightly over four million tons achieved last year is 3.1 million tons. If this rate of increase could be maintained, the private sector would be able to overtake its target two years ahead of schedule. But to calculate on those lines will be to ignore the chronic problems which hamper efforts to plan for increased production on a long-term basis. When a responsible spokesman of the industry, speaking as the Chairman of the Indian Mining Association, describes the progress achieved last year as "short term", the implicit warning cannot be ignored. And, as Mr D. Hogg pointed out in his speech at the annual meeting of the Association, there is no room for complacency that "this progress can be maintained unless urgent action is taken to remove many of these difficulties which stand in the way of long term planning and security for the industry."

Provision of adequate transport and adoption of a realistic price policy are the basic

conditions for sustained improvement in output. A respite from the deluge of legislation, often enacted without consulting those most intimately concerned with the industry, relaxation of controls and regulations and conditions which will promote better relations with workers will also be of considerable help. Even during the First Plan, when the coal industry was not called upon to make any large productive effort, transport consistently lagged behind production. The prolongation of this state of affairs is surely a matter for concern, for, the railways will have to move 5,000 wagons a day in 1961 as compared with the average of 3,667 wagons a day last year. While acknowledging the improvement in the Railways' performance, the Chairman of the Indian Mining Association has also drawn attention to the persisting shortage of wagons. The accumulation of stocks at pit-heads, which last year averaged 3 million tons, a million tons more than in the previous year, affords concrete evidence of the inadequacy of the arrangements for transport. The requirements of progressively expanding production impose a severe strain on the carrying capacity of the South Eastern Railway. A way to relieve the strain has been indicated by Mr Hogg. Mr Hogg has suggested the regrouping of the railway lines in the coal fields so as to enable the Eastern Railway to operate the adjoining lines of the South Eastern Railway.

Apart from provision of adequate wagon capacity, there is also the problem of equitable allocation. It is unfortunate that arrangements in this respect should still leave room for complaints of discrimination between the private and public sectors. As Mr Hogg has suggested, there is room for an impartial committee to enquire into the matter.

Mr Thapar told the Indian Mining Federation that the discrimination is not confined to the provision of transport but also obtains in regard to the supply of steel and other materials to private collieries and has referred in this connexion to a directive from the Planning Commission to the effect that priority should be given to private collieries. That such a directive should have been issued is most surprising, especially in view of the categorical assurance contained in the industrial policy resolution of 1956 that, where, in the same industry, privately and publicly-owned units exist, "it would continue to be the policy of the State to give fair and non-

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

with a sweeping scheme of this nature. More power, it goes without saying, to the good Senator's elbow.

And should we forget Mr T. T. Krishnamachari, who undoubtedly paved the way for massive free world assistance by the public relations work that he did? It would be churlish if we did, and our thanks in brimming measure are also due to him.

These, then, are the men and reasons why the outlook for the Second Plan has been transformed from one of abject bleakness to one of hope.

discriminatory treatment to both of them." To hamper the private sector in order to enable the State-owned mines to make a good showing, is neither just nor sensible.

Improved provision of transport will help to move the coal as fast as it is brought to the surface, from pitheads to ultimate destinations. But that will not be enough to step up output to the extent necessary or even to maintain the present rate of production. The coal industry, by its very nature, requires continual capital expenditure, and increase in the tempo of production immediately steps up the requirements. As shallow workings, with comparatively easy conditions, are depleted, it becomes necessary to dig deeper. The spokesmen of the industry have made out a forceful case that, at present prices, the industry is not in a position to meet requirements for replacement of equipment, and for expansion of productive capacity, out of its own current profits. The development rebate makes only a small contribution to the vastly increased cost of replacement of plant and machinery. The working costs have steadily increased as a result of legislation requiring payment of Royalty at higher rates, and implementation of the new Mines Regulations and of the award of the Labour Appellate Tribunal. The industry has been following an enlightened policy in dealing with its workers, and in some cases it happens that the amenities provided are in excess of the workers' ability to utilise them.

These are points which the Coal Prices Revision Committee should take into consideration. In this connexion, Mr Hogg has made the interesting point that there is no justification for utilising a wasting national asset like coal to subsidise manufacturing industries and transport, by charging uneconomic prices for coal. An increase in the price of coal, he says, far from hurting will be actually beneficial to the economy, by providing the incentive toward more efficient utilisation of fuel. In spite of learned talk about conservation of high grade coals, the Railways continue to burn ten million tons of coking coal a year, and that is a measure of the extent to which coal is wasted in this country. Of all industries, the Coal Industry is subject to the largest number of regulations and controls, there is substance in the claim that Government, which regulate selling prices, should fix them at such a level as to

ensure that sufficient nett earning, at present requirements, will be available to maintain productive capacity.

The Government have a large legislative programme on hand which will directly or indirectly impinge on the working of coal mines. And it is surprising that important legislation should have been enacted without adequate consultation with those most intimately concerned. Important amendments were effected in the Mines and Minerals (Draft Regulations) Bill by the Select Committee without reference to the industry. The Coal Bearing Areas (Acquisition & Development) Act was also enacted without prior discussion with the industry. It is not as if machinery for consultation does not exist. In addition to the Coal Council, there are various advisory committees on which the industry is represented. There is no reason why these committees should not be utilised when formulating new policies.

The recent unfortunate disasters at Chinkuri and Bowraah have come as a stern reminder that Coal mining is still a hazardous occupation, a fact which is often ignored. There may be room for tightening up the regulations, though it is acknowledged that, in recent years, Indian Mines have recorded the lowest accident rates in the world, and the Mines regulations are both exhaustive and comprehensive. But the observance of any safety rules that may be framed will depend on the cooperation and understanding between workers and management. Unfortunately, the present pattern of competitive labour leadership places a premium on indiscipline.

A Critique of the Ambar Charka

By EMBEE

WITH the Government of India's New Textile Policy assigning an annual total of 300 million yards to "handlooms using Ambar charka yarn" within the annual increase of 1,700 million yards targeted by the end of the Second Plan, handspinning has been raised from an act of faith confined to a small group to a major item of national economic programme. The spinners originally converted by Gandhiji were attracted by the opportunity that producing one's needs gave for improving one's character. The Sarvodaya philosophy added to this the social significance of the self-sufficient village as an economic unit. Though not widely advertised, there was also the important aspect of Gandhiji's views, which must have been derived as an influence from Tolstoy, regarding the incompatibility of democratic freedom of the many with the big machine concentrating power in the hands of the few, which made both Tolstoy and Gandhi strongly suspicious of mechanized production. Handspinning is, however, no longer just a matter of esoteric faith or a mystic force moving the believers and the initiated. The Second Five Year Plan has forced discussion of homespinning in the light of the day in terms of values and costs that could enter the calculations on which decisions behind the National Plan could be based.

The Ambar Charka Enquiry Committee (1956) did extremely useful work going into a detailed cost analysis of the Ambar Charka programme, both on the basis of unit production and total expenditure involved in the Plan budget. The starting point is the target of 300 million yards fixed for handlooms using ambar charka yarn out of the increment of 1,700 million yards in the country's textile production. On the basis of an annual output of 720 yards of cloth with yarn produced from each charka, 420,000 charkas will be required

for an annual output of 300 million yards in 1960-61. The training programme for spinners and the annual phasing of charka installation would show that, in the fifth year, 420,000 installed charkas would yield an annual yarn output of 84 million lbs and a cloth output of 302 million yards valued at Rs 37.80 crores, providing employment to 840,000 spinners, 56,000 weavers and 112,000 weavers' assistants from 1960-61 onwards. The wages paid to spinners would amount to Rs 14.18 crores and to weavers and their assistants, Rs 7.50 crores while the subsidy paid on sales of cloth would total 9.45 crores every year.

In calculating the returns on investment in the spinning programme, the following estimates would be relevant:

(i) Towards installation of 420,000 sets of charkas	Rs 5.6 Crores
(ii) Cost of training 840,000 spinners	Rs 9.5 Crores
(iii) Working capital for production and marketing	Rs 30.24 Crores
(iv) Workshops, finishing centres, organisational overheads etc.	Rs 1.5 Crores
	Rs 46.84 Crores

The total capital outlay on the spinning programme would thus be of the order of Rs 47.50 crores to which must be added the recurring expenses toward subsidy of Rs 9.45 crores on yarn and cloth and Rs 21 lakhs on the charkas. Mr D. Bhattacharyya, in the course of his research work under the auspices of the Indian Statistical Institute, has made detailed calculations, on the basis of figures relating to wages for spinning contained in the Enquiry Committee Report, to show that, in 1960-61, the annual value added by the process of manufacture under the ambar charka programme would be Rs 12.24 crores against the capital outlay of Rs 47 crores. This would establish a capital output ratio of .28 which is much lower than the output coefficient of .45—.56 prevalent in spinning mills. This brings out the unsuspected feature that, in spite of the prodigious absorption of manpower, ambar charkas operating behind the reservations enforced by national policy would still be capital-intensive, i.e., making relatively higher use of capital to obtain specific output.

It has thus been suggested in many quarters that, before undertaking large-scale investments, the productivity of both labour and capital under the ambar charka programme should be carefully investigated, and experimental results obtained on pilot projects discussed in the open so that every citizen might realize the significance of any decisions that might be taken. Inquiries could profitably be made if investments on this scale in other lines of rural industries might not hold the promise of creating a larger number of jobs or returning higher value against investments. Manufacturing processes in the rural sector that might result in higher added value in final output could reduce the element of subsidy required for the economic survival of the relative experiment.

The debates and discussions regarding ambar spinning can by no means be regarded as having yet established final conclusions. In the economic evaluation of the scheme of ambar spinning, the following points would stand out for emphasis:

(a) Spinning by ambar charka cannot claim the merit of economising capital which, according to contemporary economic thinking, might justify adoption of inferior technique in backward economies suffering from scarcity of capital and persistence of unemployed labour. Being capital-intensive, the ambar charka returns less output per unit of investment and should therefore be considered as wasting scarce capital, which hurts the

national economy. The waste of capital combined with unproductivity of labour in our cottage enterprises would render a significant proportion of the nation's investments definitely unwise and uneconomic.

(b) The surplus value created per day by the worker using the ambar charka has been calculated by the Ambar Charka Enquiry Committee at 2 annas 2 pies and subsidizing it to even the submarginal wage level of 9 annas per day as planned would involve doling out 6 annas 10 pies per day, which would be the deficit per worker. The effect of distributing wages against work not done or output not emerging would be inflationary, as purchasing power would be released in the rural economy without a corresponding creation or provision of consumer goods.

(c) Though the ambar charka programme has been shown as securing lower output per unit of capital invested than the mechanized sector and could therefore be regarded as making improper use of scarce resources, there is some advantage in the scheme as regards employment in the national economy. The ambar charka might involve inferior technique in that less output is obtained per unit of capital invested, but, being a less mechanized process, offers the opportunity of associating with a small dose of capital a relatively large labour force. Thus, though capital might be unproductive on the calculation of final output, the programme must be regarded as having a definite advantage in creating jobs in a tragically under-employed economy.

(d) The point must also be considered if handweaving, which offers livelihood to 8.7 million artisans in India, can in the final analysis be regarded as having a permanent future based on the exclusive use of mill yarn. If the history of other countries is a guide, handlooms could survive even as a low-wage-earning sector so long as yarn could be obtained without much difficulty. The fundamental problem for the handloom weaver is that he has to depend for his most essential raw material, viz., yarn, on his competitor, the mill sector. So long as State action and official policies could assure the handloom weaver of a continuous supply of mill yarn, the paradox of depending on the support of one's competitors might not appear with all its untoward implications. But, in the long run, the handloom weaver could not wisely plan on the basis of supply of raw material from a competitive sector. This must be the main consideration for the Union Finance Minister, Mr Morarji Desai, himself a firm believer in handspinning and handweaving, constantly advising the handloom weaver to start planning his future on the supply of handspun yarn which he can by his action help largely to arrange and assure.

Management Development Schemes

By M. SUR

"There is no universal and all-embracing sausage-machine into one end of which you can put a trainee and expect a trained manager to emerge at the other."

Lord Heyworth, Chairman, Unilever Ltd.

LORD Heyworth has very neatly made the point that one cannot apply a tailor-made scheme of management training to any and every organisation, and that it must be planned to meet the particular needs of the organisation and its existing set-up. But it is possible to draw certain principles from others' experi-

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ence, and there is no doubt that carefully selected personnel can be trained to become good managers.

A useful survey of Management Personnel Development Plans made by the American Management Association in 460 companies in 1955 found the fundamentals present in every company plan were:

- (1) Analysis of the company's needs in terms of executive talent for both present and future direction of the enterprise.
- (2) Emphasis on the individual's responsibility for self-development—supplemented, however, by a 'climate' of active encouragement, including a selected number of specific educational and training activities which are maintained and/or underwritten by the company.

The standard pattern for management personnel development programmes, according to this survey, consists of 3 phases:—

First Phase

- (a) developing and defining an improved organisation structure, preferably with one version for current use and another as the long-range goal;
- (b) developing a written job description for each key management position from first line to top;
- (c) preparing written specifications for each position, setting forth the education, experience, ability and minimum personal qualities required of the person who is to fill it.

Second Phase

- (a) appraising the present incumbents of the key positions in terms of individual performance standards, abilities, and potential;
- (b) setting up replacement tables, possibly in a form which will include the names of the most probable future incumbents among existing personnel.

Third Phase

- (a) additional training and development of the men earmarked to move into higher responsibilities;
- (b) selection and primary training of present and new employees to prepare for assuming managerial positions in the future;
- (c) planned periodic reviews and appraisals of the individuals involved in this process and of the programme as a whole.

Results of a British survey made by the Action Society Trust were published in 1956 under the title "Management Succession". Study of the background of 3,327 managers (ranks above foreman in industry and the equivalent in offices) showed that over half of them had started their working life as manual or clerical workers, and only one in five had a degree. The average age was 46. Less than one in five had professional qualifications. But analysis of the younger managers suggested that successors to the present managers will be better educated and more qualified. Top management was on the whole drawn from those with better education or qualifications. People who came up the hard way could get into junior or middle management, but had less chance of reaching top management. Most companies were now looking to the universities to supply more of their future managers.

Some points made in this British survey are commented on below.

TALENT SPOTTING

"The experience of companies who pay considerable attention to spotting talent suggests that unless there is an active policy for this, many of those who are suitable for promotion will be overlooked, particularly if they are rather quiet. In large organisations it is not

possible for top management to be aware of the potential of all their employees, nor is it safe for them to rely entirely on the judgement of the man's immediate boss—although it is important to stress his responsibility for looking for promising young men. Hence, in large organisations talent spotting must be organised; but the exact method adopted is not so important as the spirit behind it and the way in which it is used."

Of the methods of talent spotting the Trust report that internal advertising is good where employee morale is high, but there is the danger that it is inclined to cause frustration to those whose applications are turned down. The annual assessment is also good, if used with care, and it is best to combine it with the consideration of annual increments. The third method is close but informal contacts by top managers with all likely junior men, but this is not always possible in a large concern. Twenty of the 51 companies approached by the Trust had regular written assessments of some or all of their staff. The report adds a note of warning that allowance must be made for the different standards of managers and for personal bias, and suggests reports by several managers, or a discussion between the personnel officer and the manager on his assessment.

TRAINING

The survey showed that practice varied, but the experience of those who had paid most attention to management development suggested that early selection and training was essential if managers were to have the necessary variety of experience and opportunities to develop while still flexible enough to do so.

PLANNING MANAGEMENT SUCCESSION

"Companies could and should know how many managers are due to retire in the next 5 years and whether their successors are ready. They should also know how many people appear to have potential for further promotion and what training and experience they may need."

APPLICATION TO INDIAN CONDITIONS

Whilst American company plans for management development are too elaborate for present Indian conditions, any company could introduce the following steps from the three phases listed above:

- (a) Job descriptions of all key management positions;
- (b) An appraisal of the present incumbents of these key positions, noting especially where further qualities or specialised knowledge would be an advantage, and the planning of replacement;
- (c) Periodical reviews and re-appraisals of individuals as they progress up the ladder, and a regular method of talent-spotting for future promotion.

Replacement tables and periodic reviews would spotlight at once where there are gaps for which the management should be seeking suitable candidates, either from inside or outside the organisation.

For the present basic training, except for technical personnel, will still have to be on the job, but it is quite possible to arrange for younger managerial staff to spend short periods in other departments to give them an insight into the company's business as a whole, which they could not obtain from a single department. Once they have learnt their job, it is possible in some places for them to receive further training in business management through part-time courses such as that run by Calcutta University.

COMPANY TRAINING SCHEMES

One or two large companies are already running their own training schemes for

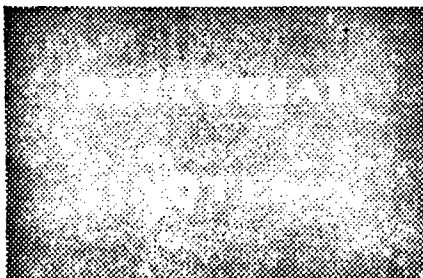
managerial staff. Tatas started a Staff College in Bombay in 1956, which runs sessions of 4 to 5 weeks for groups of 12 drawn from different units and embracing staff and senior supervisors. The object of the College is stated to be "to cultivate an awareness of what the management stands for, and to realise where it stands in the changed conditions of industry today; to create a feeling of fellowship among the participating units." Burmah Shell also have a Staff Training Centre in Bombay, where residential courses of about two weeks in length are held for technical and managerial staff. All senior staff are expected to attend at least two of these courses during their career. Imperial Tobacco is another concern which devotes great care to the development of managerial staff and runs regular residential management courses of a fortnight's duration at its centre in Calcutta.

These companies, which now have several years' experience of running managerial training, are convinced of its value in widening the outlook of their staff and giving them an appreciation of their responsibilities, particularly for human relations in industry. All make use of the 'syndicate' or participatory method of teaching, as it is now recognised that for the courses to appeal to the 'managerial temperament' and create mutual respect between trainer and trainee, practical projects relevant to their jobs must be introduced to avoid the schoolroom atmosphere of the ordinary lecture course. Students are divided up into small groups or syndicates and a task allotted to each group within a framework prepared in advance by the college. Each member is given a chance to take the chair and to act as secretary at one of these groups, and to draft a report on the conclusions of the group. The directing staff and outside experts are available to assist, but do not control the groups, so that the members have the experience of tackling 'live' situations on their own.

Management Associations are now coming into being in the main industrial centres of the country, and to co-ordinate their activities there is the All-India Management Association. All are concerned with methods of management development, and their growth is a welcome recognition of the need for such development. In Calcutta unobtrusive but effective work has been done for the last two years by the Ad Hoc Management Group, which started part-time courses in management studies for the benefit of middle management, also working on the syndicate system. This Group's activities will now, we understand, be merged with the Calcutta Management Association.

In addition there is the Administrative Staff College, opened in January this year at Hyderabad, to provide three residential courses of three months' duration each year for 60 young administrators drawn from such different fields as industry, commerce, trade unions, education, research, social and community welfare and local and central governments. The statement of objects of the college points out that "every large enterprise calls for the constructive skill and technique of leadership, policy making and planning which are not simply gifts of nature. Training is necessary. . . . What the Administrative Staff College hopes to do is to bring together young administrators from all walks of national life at an age when their views are formed but not fixed, to provide for the exchange of ideas to mutual advantage and to promote better understanding between those in charge in different spheres of activities. The resulting cross-fertilisation of ideas and techniques will be of advantage to all who participate and to the community as a whole."

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Mr B. gets K.O.'d

For some months past, according to specialists in Sovietology, the exit of Mr Bulganin has been imminent. They can now go about with a self-satisfied air, for, Mr Bulganin has indeed been Khrushchev out. But it is difficult to comment on the changes that, in recent years, have frequently taken place in the Soviet hierarchy. For, the fact remains that we have precious little knowledge of practically anything behind the Iron Curtain. One thing alone is clear. If Stalin could ever have had a successor, Russia has already found him. Mr Khrushchev has proved that the dictatorship in the USSR is a one-man show. There is none to challenge him. Surely, it is no coincidence that, since the Stalin era, and except for a Malenkov regime for a week or so, the offices of Prime Minister and First Secretary of the Soviet Communist Party have not reposed in a single individual. Mr Khrushchev now makes bold to follow Stalin's example. It is too early to tell whether he will prove to be made of the stern, dictatorial stuff that Stalin was made of. It is also too early to speculate on whether Mr Khrushchev's assumption of office as Prime Minister means a change in international policies—whether the peace offensive will be given up. But it is not too early for western diplomats to mull over the situation, and prepare themselves for

a sudden volte face in Russia's attitudes in the world political arena.

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The Winding Trail

"There is no magic formula or short cut to peace. We may proceed step by step, reach limited agreements, improve the political climate, strengthen the confidence among nations and foster policies of live and let live, of coexistence." That was the cautious estimate of the possible rate of progress toward establishing a structure of world peace which Dr Radhakrishnan gave in the course of the Gabriel Silver lecture he was to have delivered at Columbia University. The Gabriel Silver lecture is among the most important lecture series at Columbia and the list of previous speakers includes such distinguished names as President Eisenhower, Sir Anthony Eden and the Shah of Iran. The fact the Vice-President of the Indian Union has been invited to deliver this year's lecture may be regarded as indicative of a new trend in American thinking on world affairs, which strengthens the hope of co-operation between the two countries toward the attainment of common objective. On a later occasion, Dr Radhakrishnan has referred to the many similarities between India and the United States, the common pattern of democratic growth in the two countries. His personal contacts with US leaders have been encouraging in that they have revealed a very large area of agreement in regard to the fundamental values of civilised existence, "the sanctity of the individual, rule of law, social justice and right means for achieving right ends."

Perhaps, it was symbolic of the obstacles in the way of mutual understanding that adverse weather prevented Dr Radhakrishnan from delivering the address at Columbia in person. He has directed his appeal to the idealism which is such a large element in the mental make up of the American people, though it does not appear to form an obvious part of the American way of life as it is stridently presented to the rest of the world in the context of the cold war controversies. The great achievements of the American people during the short period of their existence as a separate nation, however, inspire the hope that they will yet be capable of the greater achievement of leading the world to peace and security. Dr Radhakrishnan has not hesitated to draw attention to the existence of reactionary regimes in the non-Communist camp, to lend force to his argument that it is not helpful to pose the problem in terms of absolute categories of good and evil. He has also given a warning of topical significance, regarding the explosive force of nationalism, especially when attempts are made to thwart it, and the danger inherent in racial injustice "which is the raw

material of strife." The foundations of peace can be strengthened by diverting part of the resources now utilised for war preparations toward the fight against hunger, disease and illiteracy which will be the most effective substitute for war.

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World Food Pool

Dr Radhakrishnan's appeal for a concerted attack on poverty and hunger finds powerful support in the observations of Lord Boyd-Orr, who has not given up the hope that the Great Powers may yet agree to the formation of a world food pool financed by a levy on the defence budgets. The proposal was originally put forward by him when he was Director-General of the FAO. He had suggested the formation of a World Food Board, which would administer a pool to canalise supplies from surplus regions to deficit countries. To finance the scheme, he had suggested a ten per cent levy on arms budgets which would serve the dual purpose of assisting the economic progress of underdeveloped regions and of giving the Great Powers a chance of respite in the suicidal arms race. The proposal is an example of practical idealism which was quietly ignored when it was first suggested. But its significance in correcting the disturbances to the stability of world trade should be better appreciated during a period of recession, when the massive farm price support programme in the United States has reached the stage of collapsing under its own weight, and we find the strange spectacle of farmers being paid by the Government not to cultivate their land.

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Paint's Problems

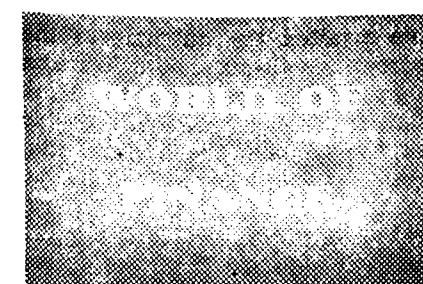
In common with several other industries, the Paint industry, too, is handicapped by shortage of raw materials. This is particularly felt in respect of imported materials as well as of packages and packaging materials. Most of these shortages, again, as Mr R. S. T. Cooke, Chairman of the Paint Federation, stated at its annual meeting, may be traced to the operation of Government restrictions and controls. The maintenance of production schedules and targets is, therefore, in a special sense, the responsibility of Government. Economy in paint can prove to be very costly in the long run. Paint is necessary for protecting costly and valuable equipment. It is not very economic to import capital equipment at great cost and then to leave it to the ravages of the weather. The machine may have to be scrapped even before the deferred payments have been completed! While some relaxation of import restrictions may be in order, paint manufacturers, for their part, should also recognise that, in the present conditions of the national economy, it is not advisable to bank on early relaxation of import controls. The

time and energy devoted to making representations to the Government may be spent to better purpose in the search for substitutes. The case of paint manufacturers for relaxation of import restrictions will be strengthened by efforts to develop the export potential of the industry.

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UPSC Report

In recent Parliamentary discussion on the 1957 annual report of the Union Public Service Commission, a Congress MP questioned the present system of the viva voce or the so-called personality tests. In his reply, the Minister of State in the Home Ministry, Mr Datar, went off at a tangent with his quite pointless reply, that the Commission had to ensure that the candidates were persons of "integrity and character". Normally, one should have thought that this was rather a police matter and one that, in the case of candidates previously employed, could be easily decided on the testimonials of previous employers. In our opinion, the Minister did no good by being as evasive as he was. So far, the UPSC has been regarded as a sacrosanct body the qualifications of whose members have been taken too much for granted. There are standard qualifications for almost all public offices; only the members of the PSCS are chosen haphazard from various professions. True, most of them are recruited from high places. But that is not enough. They must have, in addition, a very special quality, namely, the ability to elicit the best in a candidate interviewed, and not, as members frequently possess, the ability to snub a candidate and pelt him with totally irrelevant questions.



Memo to the Reserve Bank

"The absence of faith in the stability of prices of such a type of investment on the part of the average citizen in this country is perhaps the most disturbing cause of this unfortunate state of the gilt-edged market."—Mr C. H. Bhabha.

Mr C. H. Bhabha, at his forceful best, has, at the annual general meeting of the Indian Banks Association, analysed the causes of the reduced popularity of gilt-edged. He has dealt with this question at some length, and, very rightly, states that the significantly reduced borrowings by Governments "cause anxiety to all those who have the well-being of the country at heart." Fundamentally, it is the fact that institutional and other investors have been suffering capital depreciation on their present holdings which has made the banking system reluctant to enlarge its gilt-edged portfolio.

Government and the Reserve Bank need to appreciate that banks will prize price stability and insurance against depreciation much more than they would an increase in the yield offered to them.

Just what strain an institution may be put to, can be gleaned from the experience of the Bank of which Mr Bhabha is Vice-Chairman. The Central Bank had always prided itself on the fact that, next to the State Bank (the Imperial Bank, as it then was), it was investing in gilt-edged the

largest proportion of its resources. What was the reward for Central Bank? Although, since banks will hold on—as far as possible—to their investments till their maturity, it is the face value vis-a-vis the book value that is important, the Central Bank nevertheless has to show on its balance-sheet that the market value of its gilt-edged falls short of the book value by Rs 2½ crores.

Is it any wonder that, after the calamitous fall in gilt-edged prices in 1951, the Central Bank has, in spite of a considerable increase in Deposits, reduced its gilt-edged portfolio?

Memo to the Reserve Bank: The first consideration for a successful borrowing programme must be, not the interest the coupon bears, but the safeguarding against depreciation in the value of existing loans.

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Central Bank

WITH a sharp rise of Rs 16.15 crores, the Deposits of the Central Bank, at the end of 1957, have crossed the Rs 150 crore mark and are placed at Rs 154.87 crores. As is the case with most banks during 1957, the rise has occurred mainly under Fixed Deposits, which are higher by Rs 15.18 crores. Savings Bank Deposits are practically unchanged at Rs 28.59 crores against Rs 28.66 crores. Central Bank is one of the few institutions to report an increase in Current Accounts, which are marked up by Rs 1.04 crores at Rs 68.76 crores.

On the assets side of the ledger, cash balances record small rises. Cash is placed at Rs 13.89 crores (Rs 13.65 crores), balances with other banks at Rs 2.03 crores (Rs 1.93 crores) and money at call at Rs 2.47 crores (Rs 1.23 crores). In round figures, the increase in cash balances consequent to the accrual of new Deposits is Rs 1½ crores.

Thus, the improvement in Deposits went mainly to reduce borrowings and to increase the accommodation given by the Bank to its constituents. Borrowings are sharply lower at Rs 1.98 crores against Rs 9.22 crores. Secondly, Advances are marked up by Rs 10.73 crores at Rs 101.49 crores.

So, income registers a sharp rise. Interest and Discount fetched Rs 1.08 crores more at Rs 6.41 crores, while the income by commission, exchange and brokerage also rose by Rs 0.16 crores to Rs 1.30 crores.

But the high money rates ruling in 1957 have made their impact felt on the interest paid, which is higher by Rs 1.08 crores at Rs 3.25 crores. So also, salaries and allowances take up Rs 2.76 crores against Rs 2.59 crores. Nevertheless, the balance of profit is higher by nearly Rs 4½ lakhs at Rs 1.09 crores.

The interim dividend was maintained. The amount transferred to Bank's Investments is unchanged at Rs 15 lakhs. The provision for tax is the same at Rs 13 lakhs. The Staff Gratuity Fund gets Rs 1½

lakhs more at Rs 6.5 lakhs; and Bonus to Staff absorbs Rs 2½ lakhs more at Rs 30 lakhs. The balance carried forward, subject to final dividend, is Rs 43.60 lakhs against the comparative figure of Rs 43.39 lakhs.

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Allahabad Bank

THE balance sheet of the Allahabad Bank Limited as at the end of 1957 again typifies the experience of the banking system during the period. Deposits are sizeably higher by Rs 4.79 crores at Rs 40.76 crores. But this rise in Deposits has occurred on account of Fixed Deposits—higher by Rs 5.60 crores at Rs 24.58 crores—and Savings Bank Deposits—higher by Rs 5 lakhs at Rs 5.01 crores. Current Accounts are lower by Rs 0.85 crores at Rs 11.17 crores. This means that, generally, the Allahabad Bank had to pay a higher interest rate on a larger proportion of its Deposits. Borrowings are again negligible. The gilt-edged portfolio shows a sharp shrinkage from Rs 12.62 crores to Rs 8.77 crores. While a portion of the disinvestment in gilt-edged has been applied to increasing the Advances portfolio by Rs 3 crores to Rs 23.12 crores, the improvement in Deposits is found to be reflected almost wholly in Cash Balances and Money at Call. The Cash Balances of the Allahabad Bank have more than doubled from Rs 4.96 crores to Rs 10.64 crores. Therefore, it would appear part of the disinvestment in gilt-edged was to take advantage of higher rates obtainable for call money.

The higher money rates obtaining during 1957 as well as the rise under advances are responsible for taking up the income from interest and discount to Rs 1.77 crores from Rs 1.62 crores. On the other hand, income by commission, exchange and brokerage is nearly Rs 4 lakhs lower at Rs 28.45 lakhs.

Meantime, the higher cost of money, and particularly the higher charge in respect of Deposits, is evidenced in the fact that interest paid has risen by Rs 16.11 lakhs to Rs 89.20 lakhs. It is heartening to note that there has been a concerted attempt to keep expenditure under control, since the other main head on this side of the ledger, salaries and allowances, is higher only by Rs 1.44 lakhs at Rs 74.61 lakhs. Inevitably, the balance of profit has been eaten into to the tune of Rs 2.11 lakhs to be placed at Rs 13.68 lakhs.

The appropriation account shows that the transfer to the Staff Pension Fund is maintained at Rs 1 lakh. The dividends are also maintained, on the ordinary shares at 18 per cent. It may be recalled that, in the last year, an amount of Rs 3.50 lakhs was transferred to Contingencies; and, besides, adjustment of interest on Provident Fund for 1954 and 1955 absorbed Rs 75,000. These two appropriations have been obviated in the latest year, and the balance carried forward, at Rs 10.42 lakhs, is essentially unchanged from the amount brought in of Rs 10.28 lakhs.

The Directors' Report draws pointed attention to a feature of the banking system which this journal has been reiterating. That is, while business as such has been expanding, with both Deposits and Advances rising, the banks themselves are not profiting thereby. The Directors of the Allahabad Bank point out, "Keen competition for Deposits has resulted in further raising of Deposit rates which with increased working costs and in absence of a fully compensatory increase in interest rates in advances has resulted in narrowing the margin of profit."

It is clear beyond doubt that, trends in Deposits and Advances being what they are, the unremitting deposits war is doing nobody any good, least of all the banking system.

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Bank Advances Touch New Peak

The steepest deficit financing in any single week is disclosed in the returns of the Reserve Bank for the week ended March 14. The quantum of created money in the week under reference may have been for as large an amount as Rs 80 crores. This is to be inferred from the fact that a very substantial rise has occurred under the head of Rupee Securities in the Issue Department, the while that Investments in the Banking Department also have risen, though nominally. Apparently, the Central Government were thus compelled to have recourse to sales of ad hoc for such a considerable figure because of the need to meet very large payments in respect of the State Governments. While these are the two noteworthy transactions in the latest returns of the Reserve Bank, the fact that these occurred in a week in which the busy season

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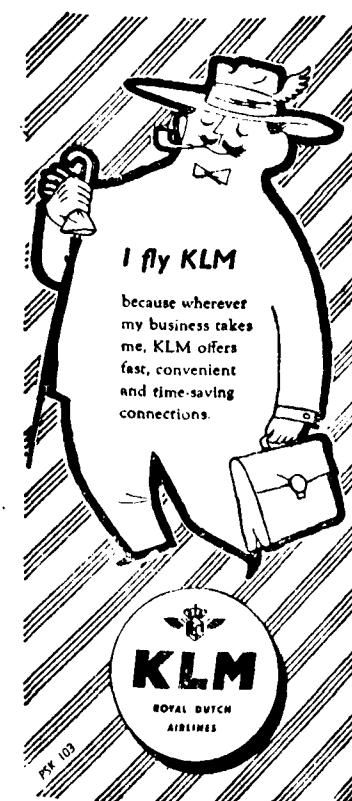
Subscribed Capital ... £ 2,000,000
Paid-up Capital ... £ 1,000,000
Reserve Fund ... £ 1,500,000
Reserve Liability of Shareholders ... £ 1,000,000

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has not imposed an expansionary strain upon currency has involved consequential changes of a third category.

Rupee Securities in the Issue Department have been marked up by Rs 74.34 crores to Rs 1171.10 crores; and, moreover, Investments in the Banking Department are higher by Rs 4.42 crores at Rs 240.24 crores. In broad terms, therefore, it can be suggested that deficit financing during the week would have been in the environs of Rs 80 crores.

Since, as we shall see presently, there was far from any need for meeting an expansion in currency circulation, there has been a countervailing transfer from Foreign Securities which, in the Issue Department, are placed Rs 74.34 crores lower at Rs 171.19 crores. With this transfer, Balances Held Abroad are placed higher by Rs 67.38 crores at Rs 103.00 crores. This means that the foreign exchange reserves, which had shown some improvement in the preceding two weeks, are again lower by the considerable amount of Rs 7 crores.

During the week, active note circulation has declined by Rs 6.43 crores to Rs 1571.83 crores. Rupee Coin has also returned from circulation for Rs 0.93 crores; in the result, notes held have gone up by Rs 7.36 crores to Rs 16.97 crores.

Although the Central Government would have benefited by the proceeds from the sales of ad hocs in favour of the Reserve Bank, their balances have actually declined by Rs 0.60 crores to a level just below the traditional minimum of Rs 50 crores at Rs 49.71 crores. Thus, the whole of the Rs 80 crores of deficit financing has gone to meet the net disbursements of the Central Government. That these disbursements related almost wholly to payments to the State Governments is clearly indicated in the Reserve Bank returns. On the one hand, the balances of State Governments have improved by nearly Rs 56 crores to Rs 77.58 crores from Rs 21.67 crores. On the other hand, the State Governments have also reduced their indebtedness to the Reserve Bank by Rs 20.64 crores to Rs 24.20 crores. Thus, the improvement in the position of the State Governments exceeds Rs 76 crores, this comparing with deficit financing for, presumably, Rs 80 crores.

The Reserve Balances of member banks are practically unchanged at Rs 67.89 crores. Nor is there any considerable increase in their indebtedness to the central banking institution, since the Reserve Bank's Other Loans and Advances are higher only by Rs 1.45 crores at Rs 74.56 crores. Advances against usance bills, we may note, have been marked up by Rs 1.78 crores at Rs 23.53 crores.

With the latest dose of deficit financing, created money for the current year has already exceeded the revised estimate of Rs 380 crores postulated by Mr Nehru in his Budget in February this year. It does not, however, necessarily

follow that, at the end of March, deficit financing will be found to exceed the revised estimate of Rs 380 crores. For, while it is true that shortfalls in other sources of revenue, particularly small savings, will have to be made good to a corresponding extent by recourse to ad hocs, we must bear in mind the possibility that, as against the week's payments to the State Governments by the Central Government, we shall also be witnessing, before the end of the fiscal year, the repayment by State Governments to the Central Government of loans that they have taken. Once such repayment is made, before the end of March, the Central Government might find it possible to institute reverse ad hocs for an amount corresponding to the sum received from the State Governments.

According to the return of the State Bank for March 21, Deposits are lower by just under Rs 2 crores at Rs 414.18 crores. For the first time in some months, the State Bank does not figure as a borrower from the Reserve Bank. This is because, although the total of Advances has risen further by Rs 3.47 crores to Rs 211.32 crores, Cash Balances have been drawn upon. With Deposits declining and Advances rising, Cash Balances are shown to be Rs 2 crores lower at Rs 24.49 crores.

In the week ended March 14, the Scheduled Banks have achieved two new records. In the first place, Deposits have, in rising by Rs 8.18 crores to Rs 1462.63 crores, touched a new peak. In the second place, the total of Advances which, it may be recalled, declined quite substantially during the 1957 slack season, has, in rising by Rs 3.67 crores to Rs 940.11 crores, finally exceeded the peak touched during 1956-57 busy season. Cash Balances are shown to be lower by Rs 13.53 crores at Rs 151.91 crores. This is partly due to the fact that, in the week under review, the State Bank had purchased gilt-edged from Reserve Bank for Rs 7 crores. Thus, the Investments of Scheduled Banks as at March 14 are shown to be higher by Rs 6.80 crores at Rs 440.09 crores.

British Bank Rate at 6 Per Cent

Paul Einzig

ALMOST exactly six months after the increase of the Bank rate to 7 per cent, the Bank of England announced its reduction to 6 per cent. Although the possibility of a reduction was envisaged on practically every Thursday since January, the cut took the markets by surprise. This was perhaps not altogether accidental. It is said half-jokingly in the City that, before definitely deciding to reduce the Bank rate, the authorities made discreet inquiries to ascertain whether there were, on Wed-

nesday afternoon or on Thursday morning, any "unusual" dealings in Government loans, dealings of a kind that would suggest an intelligent anticipation of a change in the Bank rate. On being told that there were none, the authorities are said to have decided to proceed with the Bank rate reduction. If the story told in jest is true this overdose of caution must have been the result of the recent Bank Rate leak inquiry.

The authorities are, naturally enough, anxious not to provide the Opposition with another opportunity for suggesting that there was selling of Government loans on inside information about the impending Bank rate reduction. It would not be surprising if from now on Bank Rate changes were announced on the basis that they are not made on days when the market anticipates them. One cannot but admire the boldness of city men who dare to joke about the Bank Rate after the recent inquiry at which such jokes were taken literally.

While the decision was welcomed on the Stock Exchange, it was not followed by any spectacular boom. The reduction has been discounted some time ago, especially in the gilt-edged market, so that when it materialised its actual effect on stock prices was moderate. The change had an enthusiastic reception among Socialists and Trade Unionists, also in industrial circles. On the other hand, the financial press was, on the whole, disapproving. It is widely felt among practical experts in London that the move was premature.

The official explanation is that the improvement of the exchange position, the balance of payments and the gold position justified the reduction. But even in this point of view there is room for doubt about the wisdom of the move. The influx of gold has not been very impressive, and the gold reserve will have to be increased much more in order to enable the Government to view the autumn reserve with optimism. For one thing, it seems certain that the improvement of the British balance of payments will be more than offset by the deterioration of the balance of payments of the raw material exporting countries of the Sterling Area. Even as far as the United Kingdom is concerned, it remains to be seen whether the recession in the United States and in the raw material producing countries will not cause a sharp setback in British exports.

Viewed from the point of view of the domestic position, there was no justification whatever for relaxing the disinflationary measures. It is true, the cost of living index has remained steady since November. But any major wage increase is liable to cause a resumption of the inflationary spiral. And the reduction of the Bank Rate has given considerable encouragement to trade unions to hold out for higher wages. The view is widely held that the Government ought to

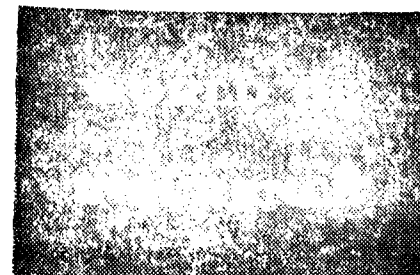
have awaited the outcome of the major wage disputes which are in progress before reducing the Bank rate. It seems more than probable that the trade union leaders, who were marking time until now, will now feel that the Government's resistance is weakening, so that it is safe for them to press ahead with their excessive wage demands. Employers, too, are likely to feel that, with the relaxation of the disinflationary drive, they are now in a better position to resume the practice of passing on wage increases to the consumers in the form of higher prices.

It is true, the authorities disclaim any intention of relaxing the credit squeeze. But lower interest rates do tend to increase the demand for credit facilities. While until now the banks had no difficulty in keeping their loans within the limits of the official credit ceiling, from now on they will be under pressure by their customers to grant increased amounts of credit.

Rightly or wrongly, it is widely believed that the Bank Rate will be reduced further in the not too distant future. Pressure is brought to bear on the Government by business firms, also by Conservative politicians who feel that the Government's popularity could be increased if interest rates were lowered. Moreover, quite a number of economists are constantly urging the Government to stop disinflating, in view of the very moderate symptoms of recession which have become apparent. There is an outcry at the evidence of any moderate increase in unemployment. Few people realise that pockets of unemployment are sometimes a necessary evil, enabling a re-allocation of labour between industries. In the absence of such pockets the only way in which labour can be attracted by an expanding industry is by bidding against each other, paying higher and higher wages, which means inflation.

The Government may have developed an overdose of pessimism under pressure by prophets of depression and by its own political and industrial supporters. Yet quite recently a Ministerial spokesman declared that this time the Government was determined not to reverse prematurely its disinflationary measures. The strongly adverse results of recent by-elections may have contributed towards the pressure on the Government not to defer any longer the relaxation of the disinflationary drive. Yet a few more weeks might have made an appreciable difference from the point of view of the outcome of industrial disputes. The decision is liable to influence the attitude of arbitrators engaged in considering wage claims. They may feel that the need for damping down wage claims is no longer as imperative. Quite conceivably the relief secured by the Bank Rate cut will prove to be very costly.

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Pakistan Insurance Ordinance 1958

In most matters, Pakistan and India go opposite ways. It is seldom that there is identification in the matter of policy. If, therefore, Pakistan has endorsed and in fact borrowed, in most cases word for word, India's recent rules, regulations and codes applying to general insurance, there must be good reasons therefor. It is primarily a compliment to India's constructive genius and secondly, an overt acknowledgement that India has found the answer to problems surrounding trading in general insurance. In the latter, if the presumption is correct, Pakistan has erred, for Indian laws, rules, and regulations are more an experiment than an answer. India is still groping in the dark and endeavouring to combat the problem of rebating and illicit inducements. It is an incorrect presumption that India has found the answer, although the alleys and lanes which India is exploring may lead to the desideratum.

Part of India's regulations have been incorporated in the statute and part on an agreement voluntarily executed upon request. In Pakistan, little reliance has been placed on voluntary offer and acceptance. There, everything has been codified and given legal shape. The issues to Pakistan were so urgent and imperative that Pakistan Government promulgated an ordinance known as Ordinance No. 1 of 1958 governing trading in insurance. The Ordinance is calculated to amend the Insurance Act 1938 and has been brought into force from February 1, 1958.

For many years, unpartitioned India was trying to tackle the problem of what are now known as illicit rebates and malpractices. They mainly relate to payment of excessive commissions, much in excess of what is permissible in law or what are scheduled in various Tariffs. In unpartitioned India and even up to 1950, Principal Agency commission was not statutorily fixed. The high scale of principal agency commission then in force has, in fact, fostered the climate of high rebates and commissions. It is difficult to alter a given standard when the people, the trade and the industry have been attuned and, in fact, acclimatised to the standard. The climate has remained unimpaired because insurers could not develop the trade unionism to speak with one voice. The craze for business has led to unholy competition and, in fact, competition degenerated into pandering to the acquisitive propensities of the insured and the middlemen.

High rebates also proved, in a way, that the rates for insurance are theoretical and are not based on experience of adequate compilation of statistics. If the heavily slashed rates can be borne by the companies, most of whom declare dividends, there is good reason to sustain the theory that rates are high and unrelated to experience. If, on the other hand, rates are just adequate to sustain the statutory commission of ten and fifteen per cent, there is something very gravely wrong with the industry, for the implication then will be that either other expenses or reserve accounts are starved by illegal outgo of premium income.

These primary issues were sought to be resolved voluntarily in unpartitioned India and thereafter in both the countries, India and Pakistan. Having sensed from past experience and from the current trends in India, that voluntary efforts may not yield the requisite results, Pakistan is experimenting with law rather than with Codes as in India to find whether a correct answer to the issues posed above can be found.

In this struggle Pakistan has found the principal armour in India's law relating to limitation of expenses. This was, from the theoretical standpoint, one of the best that could be devised to curb reckless expenditure with a view to chasing business in the books of the companies. It was hoped, not without reason, that limitation in expenses will automatically channel the surplus into the reserves. In India, permissible expenses are allowed and measured in terms of gross direct premium income written in India. Pakistan has taken, almost word for word, India's regulation. I would have been well if Pakistan could in some way avert the danger that India's general insurance has been facing since the law relating to limitation of expenses came into force. Since the gross direct premium income is the measuring rod for permissible expenses, there has, in consequence, ensued a scramble for new and renewal direct business. Scramble for new business led to underwriting of substandard risks with the result that outgo by way of claims has increased substantially in recent years. There has been the complaint that claims accounts have been utilised by companies to find illicit money for rebating, since illicit money can come within the purview of management expenses. Pakistan, however, took lessons from India quite seriously, and although it has to adopt the Indian standard applying to measurement of permissible expenses, it has endeavoured to plug the holes for outgo of illicit money as best as it can. It has, therefore, devised elaborate regulations about surveyors and survey of claims. This is, however, quite a departure from the practice obtaining in India, for, in India, so far, there is no codified law relating to surveying, although India is still toying with the idea of registration of surveyors. Pakistan has, however, gone a step further in the positive action, in as much as the law in replacement of the current

Ordinance contemplate creation of a parcel of registered surveyors. It has been specifically laid down that no insurer shall pay any claim in respect of general insurance business in Pakistan unless the loss has been surveyed, assessed or adjusted as the case may be by a certified insurance surveyor.

The idea behind this novel innovation is quite clear. There is quite a possibility of creating a fund for illicit expenses by making false or inflated claims. If, therefore, claims are adjusted in accordance with the findings of Government certified surveyors, the possibility of finding money for rebating is naturally reduced to the minimum. There is also the provision for a second survey if, in the opinion of the Controller of Insurance, the first surveyor has given a false or exaggerated report. Penalties for false or exaggerated reports include cancellation of the certificate of the surveyor.

With a view to keeping the activities of the insurers in check annual special audit has been provided under the new law. In India, the special audit is not statutory. It forms part of the voluntarily accepted 'Code of Conduct'. The proposed audit is distinct and apart from the audit under the Companies Act, 1913. The special auditor will have a right, conferred by law, of access to all such books of accounts, etc., as he may require including any information and explanation as may be necessary from the directors and officers of the Company. The proposed special audit, it is anticipated, will plug further the holes that erode the finances of a company.

A freely accepted channel for outgo of money is to have inflated salary scales, that is to say, a part of the salary of the individual is earmarked, from the beginning, for illicit inducement in the market. This channel cannot obviously be fully closed but Pakistan has introduced a provision—similar to India—that all agreements for payment of remuneration exceeding Rupees 6,000 a year will have to be notified to the Controller of Insurance by submitting certified copies of such agreements. Under the ordinance, the Controller has the power to modify remuneration of an individual if, in the opinion of the Controller, such remuneration is excessive having regard to the normal standards prevailing in insurance business to the resources of the insurer.

Commission terms have been limited as in India to fifteen per cent for nonmarine business and ten per cent for marine. India has recently abolished Principal Agency resulting in India having one class of agents with one scale of commission payment. Pakistan has followed India in this also with, however, one important exception. An additional five per cent over the ten and fifteen per cent will be paid to an insurance agent who procures a yearly business yielding a premium income of not less than thirty thousand rupees. This commission is payable to an ordinary agent or an employer of agents—the latter being the Pakistan Insurance Corporation has a

tan counterpart of the now defunct Indian Principal Agent. A further remuneration (not defined) is payable to such employer of agents who carries out duties on behalf of the insurer which would otherwise have been performed by the insurer.

This will result in an agent or an employer of agents getting at the most twenty per cent commission when business yields a premium income of thirty thousand rupees. This fits in well with the rule obtaining in India before Principal Agency was abolished. How Pakistan will, however, guard against ordinary agents pooling business with a named agent and thus drawing more than the scheduled commission payable to an ordinary agent has not been answered. This system must inevitably come into force and will operate against an ordinary agent unable to make pooling arrangements.

After codifying and delineating carefully in the Ordinance and in subsequent amendments that have been proposed in the Bill now before the legislature, all these ameliorative and corrective measures to improve the moral tone of the market and for weeding out malpractices, further conditions have been proposed to improve the character of general insurance business and financial solvency of the insurers. The Indian practice of advance payment of premiums has been one of the most successful regulations ever proposed in this country. Pakistan has followed suit and adopted—almost word for word—the Indian regulations in the subject. In Pakistan, it is a statutory enactment, in India it is part of a voluntary agreement. In any event, the law will enable Pakistan to tide over one of the most intractable problems facing general insurance in that country, namely the large accumulating outstanding premiums.

With regard to reinsurance, Pakistan has stipulated that no insurer shall reinsure outside Pakistan any risk or part thereof in respect of any insurance business in Pakistan which is in excess of its treaty reinsurance arrangements unless a certificate has been obtained from the Controller to the effect that such excess cannot be placed within Pakistan. The Controller of Insurance will be the final arbiter as to whether a particular reinsurance arrangement is a treaty or not. This issue, vital in many ways, is intimately linked up with the trading of the Pakistan Insurance Corporation. The latter body now takes compulsorily 30 per cent of all insurances written by the insurers in the country. The balance, after net retention have been filled, can be reinsured with the treaties. It is, however, believed, that foreign insurers make allegedly large reinsurance overseas under the garb of what may be called treaty arrangements resulting in excessive drain of foreign exchange. The Controller of Insurance will now determine what is, in reality, a treaty or otherwise. The Pakistan Insurance Corporation has a

large power to absorb reinsurances. Besides, the local companies have hitherto been starved, the excess always finding its way outside the borders. By the present enactment a large part of reinsurances will be retained inside the borders which otherwise would have gone outside.

Pakistan reinsurance will thus take on an insular character. That will undoubtedly be a corrective to Pakistan's foreign exchange imbalance and if treaties can be correctly assessed—a delicate and difficult assignment—the process of conserving foreign exchange will receive additional impetus. If, however, such reinsurances outside were being arranged against adequate reciprocity from accounts of similar character, the enactment to conserve reinsurances will not be an advantage. In any event, these regulations are quite novel. In India, there are no regulations of this character.

These are the principal provisions in the Pakistan Ordinance and proposed subsequent amendments to the law. Pakistan has freely drawn on India's experience and hopes to eliminate malpractices altogether. In that, India has not altogether succeeded although the tempo has lessened somewhat. How far Pakistan will succeed with the proposed amendments remains to be seen.

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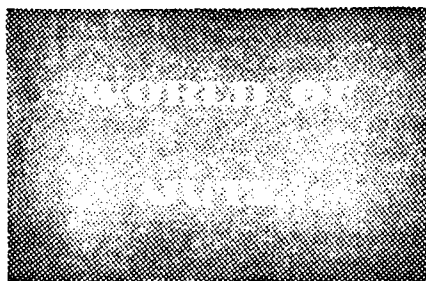
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Raw Material Policies

IN a statement to the annual meeting of the British Jute Trade Federal Council, Mr W. H. Valentine, the retiring Chairman, has pointed out that unless raw material policies are favourable to him no manufacturer of jute goods can effectively counteract the ever increasing competitive pressure from substitute materials and methods. In the world of jute today the raw material policies are largely dictated by Pakistan by virtue of its position as the largest supplier of raw jute. Consequently Pakistan's jute policy has a vital bearing on the world jute industry. But Pakistan seems to be only interested in getting the highest possible price for its raw jute. Referring to this attitude of Pakistan Mr Valentine says: "So long as Pakistan pursues a policy of unenlightened self-interest her economic future and the future of the world jute industry will remain uneasy and unassured".

Thanks to the vigorous effort put forth in India in the past few years toward raw jute self-sufficiency, the Indian jute mill industry is no longer at the mercy of Pakistan. Rapid progress has already been made in jute production and in the current season roughly 90 per cent of the fibre consumed by our jute mills has been grown within India. As against an import of 1,470,000 bales in 1955-56, India has imported only 646,000 bales of raw jute from Pakistan in 1956-57. During the eight month period July-February 1958 arrivals of raw jute of Pakistani origin have totalled 498,000 bales. From the trend of arrivals so far it would appear that imports of Pakistani jute in the current season may be more or less of the same order as in the previous season. Now that the target of jute production, excluding mesta, during the Second Plan period has been raised to 5.54 million bales it may be confidently expected that our mills' dependence on Pakistan will be only in respect of a small quantity of high quality fibre. Raw jute self-sufficiency will in the first place free the Indian industry from the oppressive influence of Pakistan's jute policy. In this regard it will be in a more advantageous position than those who are dependent on Pakistan for their raw materials. It is, however, to be noted that all the problems facing the Indian industry will not be automatically solved once self-sufficiency in raw jute is attained. There will still be hard work in a

number of directions as jute goods have lost considerable ground quite irretrievably in world markets. But it cannot be gainsaid that raw jute self-sufficiency will go a long way toward making the Indian industry strong enough to tackle its problems effectively.

It will not be entirely correct to say that raw jute policies have been solely responsible for the continuing loss of markets for jute goods. Speaking at the recent annual general meeting of the IJMA, Mr D. P. Goenka has pointed out that jute goods exports to the UK have been adversely affected by the operation of the UK Jute Control. Until the middle of last year all Indian jute goods imported into the UK were sold at no less than 40 per cent above the landed cost in order to bring the selling prices into line with those of Dundee. Since July the mark-up price has been reduced from 40 per cent to 30 per cent but it has been found that the reduction has not been sufficient to make jute goods competitive enough compared with paper bags. Mr Goenka opines that the reason given by the British authorities for not reducing the mark up still further cannot be sustained because the Chairman of the British Jute Trade Council has himself admitted that the bulk of Dundee's production is in specialty goods. The increase in the import of jute goods from India will not interfere with the output of Dundee. It is strange the UK has not realised that by keeping out jute goods from India it has left the door open for paper bags.

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Conditions in the jute goods market continued to be less during the past week in the absence of a marked improvement in overseas demand. In earlier dealings the undertone was easy following heavy selling by a prominent operator. It would appear that marketmen were not very optimistic about an early improvement in overseas demand. The fact that burlap consumption in US during February had been at the satisfactory level of 70 million yards (burlap consumption in US during the corresponding month of the previous year had been placed only at 62 million yards) does not seem to have made any impression on the market.

The futures market in raw jute and jute goods will be inaugurated on Saturday the 29th March. In this connection it is learnt that the IJMA transferable specific delivery contracts will be freely permitted at least for a period of one year after the establishment of the futures market. The East India Jute and Hessian Exchange Ltd will for the time being be mainly concerned with futures contracts in raw jute and jute goods, of which there will be four in a year.

The jute goods markets opened the week in a listless mood with prices moving in a narrow groove in the absence of buying interest.

Hessian 40"×10 oz Ready was quoted at the end of last Friday at Rs 39.25 with B Twills Ready changing hands at Rs 99.20. In forward delivery positions, July-September was quoted at Rs 39.31 while B Twills for the same position was marked at Rs 100.

Some selling pressure was in evidence on Monday and consequently prices displayed a sagging tendency. Mills were not keen for business but the fact that there had been plethora of goods in the market helped the downtrend. The closing tone was quiet. Hessian 40"×10 oz Ready eased to Rs 39.10 and B Twills to Rs 98.40 July-September Hessian 40"×10 oz was marked at Rs 39.37 and B Twills at Rs 99.25.

With some covering by shippers the market slightly recovered on Tuesday. Business passing, however, continued to be at a disappointing level and the market closed quietly steady as follows: Hessian 40"×10 oz Ready Rs 39.10, B Twills Rs 98.65; July-September Hessian 40"×10 oz Rs 39.40 and B Twills Rs 99.75.

Report of an US order for hessian imparted some steadiness to the market on Wednesday and the undertone at close was steady. Hessian 40"×10 oz Ready gained 15 nP to be finally placed at Rs 39.25 while B Twills ready also improved to Rs 98.85. July-September Hessian 40"×10 oz was placed at Rs 39.50 and B Twills at Rs 100.20.

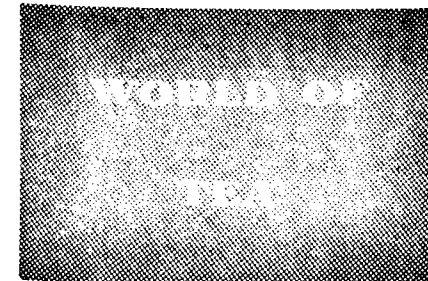
The raw jute market ruled generally steady and fair mill business was reported done toward close around Rs 24.50 for Assam Bottoms.

Speaking at the Farmers Day organised by Indian Central Jute Committee, Dr R. Ahmed, Minister for Agriculture, West Bengal, expressed the hope that the target of jute production under the Second Plan would be achieved by the State despite "heavy odds". He pointed out that out of a total jute production of 4.1 million bales in the country, West Bengal accounted for 1.8 million bales. In the past ten years the acreage under jute had increased from 250,000 to 700,000 acres.

PRICE TRENDS

	Opening Rs	Closing Rs
Hessian:		
40"×10 oz		
Ready	39.12	39.25
July-Sept.	39.25	39.50
Sackings:		
B Twills		
Ready	99.25	98.85
July-Sept.	100.00	100.20
Hy. Cees Green	99.00	98.50
Cornsacks	99.25	99.50
Cubans	125.00	124.00
A Twills	120.12	119.00
L Twills	113.75	113.50
DW Flour	117.25	117.50
Sugar Bags	111.25	111.25

March 29, 1958



Prospects for Common Teas

INTEREST now centres on the expected relief to the Tea industry, although it is realised that this may take a little time as it is not easy to devise a method of giving relief in export duty only to Common teas. The Government have appreciated the need for giving fiscal relief to the producers of Common teas, who are finding it difficult to secure a sufficient business either at home or abroad at economic prices.

While a scheme is being worked out in the Commerce and Industry Ministry, one of the complications which the Government seem to be concerned about is, that concessions shown to Common teas may find their way, by devious routes, to quality teas as well. In this connection, the Commerce and Industry Minister has indicated that the Assam Government may take over some of the gardens hit by current adverse market conditions for Common teas; but this can scarcely be a solution since the business of managing the gardens will conti-

S. E. RLY. TENDERS

Sealed tenders are invited for supply of the following materials: Tender No. CON/GM/7/WP/D/58 for supply of (1) 400 Nos. special chair for use with check rail 90 lbs. FF RBS rail as per drawing No. B-1588-32 and (2) 180 Nos. chairs slide steel 90 RBS as per drawing No. 10982.

Tenders will be opened on April 29, 1958 at 12 noon.

Tender forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23, on remittance of Rs 5/- (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, S. E. Rly., Garden Reach by local firms. Earnest money Rs 1000/- is to be deposited with the Chief Cashier of this Railway and the receipt obtained thereof should accompany the tender without which the tender is liable to be rejected. Approved contractors who have already made a permanent deposit of Rs 1000/- with the Controller of Stores are exempted. Firms not on this Railway's list of approved contractors must enclose a valid Income Tax Clearance Certificate with the tender.

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nue to remain unsatisfactory unless the economic environment in which the industry functions itself improves.

A very good tone, however, continues to prevail in the tea auctions. Although there has been a good demand, a considerable irregularity is noticed in the export auction held at Calcutta this week. In Mincing Lane, the present supply position is generally not considered actually tight, although supplies are currently less than they were a year ago. The smaller quantity of tea available has certainly had something to do with the improved tone, especially as the proportion of quality invoices is not large. Moreover, the last of the North Indian teas is expected to be catalogued in London, possibly by the end of May, while the New Season's teas from Nyasaland have not yet started to arrive in strength.

In the Export Sale held in Calcutta this week, offerings were 58,418 packages. There was a good general demand with interal operators lending more support than in recent weeks. The strongest feature of the sale were the bright liquoring teas and black Fannings of all descriptions and these were 2 to 4 nP per pound dearer. There was also good support for "teas for price", while plain Broken and Medium teas were fully firm and sometimes dearer.

Medium Assam BOPs and Orange Fannings came in for good demand and were sold above valuations. CTC teas, particularly those with seasonal quality, were keenly bid for and were dearer. The poorer sorts, however, did not receive the same attention and were often 10 nP per pound easier. Brown Dooars were 4 to 6 nP easier except those with quality when they were dearer.

Stylish Whole Leaf grades and BPSs were well sought after and sold above valuations, while the Ordinary Pekoes were about steady. The stylish flavoury Darjeelings, on offer, were sold well as also Tippy kinds. Following rates were quoted:—Clean Black Pekoe Rs 2.25 to Rs 2.30; Plain BP Rs 1.38 to Rs 1.42; Plain CTC Rs 1.58 to Rs 1.62; Medium BP Rs 1.52 to Rs 1.56; Medium Fannings Rs 1.74 to Rs 1.78; Best Assam CTC BP Rs 2.60 to Rs 2.80 and Best Assam CTC Fannings Rs 2.70 to Rs 2.90.

In the Internal Sale, offerings were 18,896 packages of Dusts. There was a good general demand for most descriptions, which improved as the sale progressed. Orthodox descriptions from all districts with a clean black leaf appearance were well supported and were frequently upto 6 nP per pound dearer. The poorer sorts, in this category, were, however, a weak feature and generally easier.

There was less support for CTC Assams than in recent weeks. The best liquoring kinds were upto 20 nP and the Medium sorts upto 10 nP easier. Following rates were

quoted:—Medium Dooars Dust Rs 1.58 to Rs 1.60; Medium Assam Grainy Dust Rs 1.60 to Rs 1.62; Medium Assam CTC Dust Rs 1.85 to Rs 2.05 Best Assam CTC Dust Rs 2.75 to Rs 3.05.

Also, 4,780 packages of Leaf grades were offered for internal consumption. There was a strong general demand and prices were generally dearer. CTC Assams were a particularly strong feature of the sale.

In the Export Quota section, Special Export Licence changed hands at 2½ to 3 nP. The week ended with a large quantity being disposed of at 2½ nP per pound.

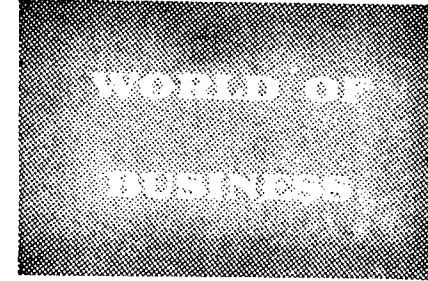
In the Colombo market, a good general demand prevailed at this week's auction with all centres operating quietly; but Russian buyers were absent from the sale. Best quality teas generally declined with quality; but Medium kinds were firm to occasionally dearer. Fannings grades were generally dearer as the sale progressed except for the best which registered a decline in quality. Low grades showed a firmer tendency at the close of the sale; but Persian Gulf types tended to easier.

In order to give relief to producers of lower-priced teas, particularly small holders, the Ceylon Government have decided to introduce a scheme for making rebates of duty. Under this scheme, all teas, which fetch prices of less than Rs 1.50 per pound at the Colombo tea auctions, will be given rebate of duty equivalent to the difference between the price fetched and Rs 1.50 per pound, subject to a maximum rebate of 50 cents a pound. This will enable producers of Green tea leaf to obtain a price of about 24 cents a pound for their leaf. The Government have also decided to increase the export duty on tea by 5 cents a pound with effect from mid-night of March 24 in order to prevent a loss of revenue.

Tea shipments from Pakistan, in February 1953, were lower at 3.03 million pounds as compared with 6.3 million pounds in the corresponding month of last year. Total shipments, in the first two months of the current year, were lower at 7.35 million pounds as compared with 12.95 million pounds in the corresponding period of 1957. The UK was practically the only buyer of Pakistani teas.

Indonesia harvested 9.8 million pounds of tea in December 1957 as compared to 3.4 million pounds in the corresponding month of the previous year. This brings the total tea production for 1957 to 102.8 million pounds as compared to 93.7 million pounds in 1956, showing an increase of 9.1 million pounds.

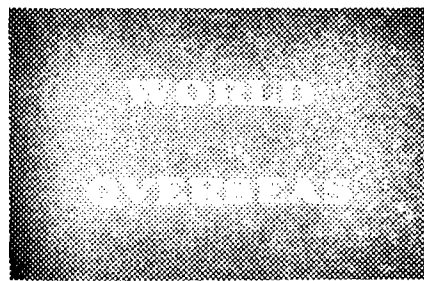
Tea stocks in London, as on the 14th March, were 117.58 million pounds as compared to 115.85 million pounds in the previous week and 123.62 million pounds a year ago. Landed between 8th and 14th March were 12.62 million pounds, while deliveries were 10.88 million pounds.



Alkali Chemicals

In the course of his inaugural address to the Chemical Manufacturers' Association last month, Mr Manubhai Shah, Union Minister of Industry, had described in detail the remarkable progress achieved by the chemical industry in recent years which was second only to that in engineering. An idea of the many-sided achievement in the manufacture of familiar products, as well as some of the new materials that chemists are turning out in an unending stream, may be gathered from the record of the Alkali and Chemical Corporation of India Limited. This concern, with its world wide affiliations, has made a substantial contribution to the achievements of the chemical industry in India and its plans promise more in the future. The total turnover last year was double what it was only three years ago, and record outputs have been achieved in every unit. The Company has also expanded the range of its products and its Polythene plant is expected to start production early next year.

The Minister of Industry, in the address referred to above, had mentioned that the biggest achievement of the chemical industry last year had been in the utilization of Chlorine, which is a by-product in the manufacture of caustic soda and presented peculiarly difficult problems of disposal. A steep increase in the offtake of chlorine has been observed with the result that the demand has outstripped production. By the end of the Second Plan, the demand for chlorine is expected to reach 75,000 tons. The time is, therefore, appropriate to consider whether the present level of prices is reasonable. Mr N. D. Harris, in his address to the annual meeting of the Company has suggested that increase in prices of chemicals have become necessary and that this is particularly the case in respect of chlorine. The most cheerful aspect of the Company's working is the maintenance of cordial relations between the management and the employers. This has led to the amicable settlement of questions relating to wages, bonus, promotions and other terms. Improved terms of service based on job appraisal have been introduced with workers' approval, a development of great significance for the Productivity movement. The tradition of successful negotiations of labour problems is not the least part of the legacy which Mr Harris, who is due to retire, will be leaving to his successor, Mr J. M. Lall, who has already established his reputation as an able executive.



US Notes

THE rising flow of investment funds from the United States has become an increasingly important factor in international economic relations. It has, of course, been a stimulating influence, contributing to the economic development of other countries. But it also has been a stabilizing influence, helping to sustain the international balance-of-payments of other countries even in the face of fluctuations in US merchandise imports.

A few figures reveal a telling trend. In the 1920's, more than 70 per cent of the dollars gained by other nations through dealings with the United States came from US imports of goods. But in recent years, only fifty per cent of the dollars so earned has come from such imports—and this despite the fact that US purchases of foreign goods have about quadrupled since the twenties. This obviously has left other countries far less vulnerable, economically, to any dips in US merchandise trade.

What has happened, of course, is that other forms of US payments abroad, largely government aid and private investment, have assumed a new and substantial significance. And the rise of private investment from the United States has been particularly remarkable in the past few years.

In the decade ending in 1955, the net outflow of private capital from the United States averaged \$1,600 million a year, a marked increase over previous levels. But even this figure pales by comparison with the \$4,300 million annual average of 1956 and 1957. About \$1,200 million of this represented short-term lending and portfolio investment, while fully \$3,100 million represented direct investment by US companies in foreign branches and subsidiaries.

According to some estimates, this latter figure, large as it is, actually understates the volume of US corporate investment abroad. It includes about \$1,000 million that American companies reinvest in host countries each year through retained earnings. But it does not take into account the more than \$1,000 million they reinvest out of depreciation and depletion allowances; if this is counted, their foreign investment in the past two years would be closer to an annual average of \$5,500 million.

Capital from the United States has gone to every part of the world and into virtually every type of enterprise. It has helped, for instance, to build steelworks in Asia, roads in Africa, factories in Latin America. And with it has gone American technology and skills,

bringing needed know-how to developing areas.

There is another aspect of US foreign investment which is sometimes overlooked—its impact in stimulating international trade. Last year, for example, the sales of the 2,500 American companies that have branches or subsidiaries abroad ran to \$32,000 million. But a good part of these sales represented exports back to the United States, as well as to other areas, and thus helped earn additional dollars and other currencies for the host countries.

It is no wonder that the exports and the rising tide of private US investment abroad a cause for optimism about continued world-wide economic growth and development. Not every year, of course, will see a large increase in this investment flow. This year, for instance, there conceivably could be some levelling-off, along with the adjustment in the US economy.

The consensus is, however, that US private investment abroad will continue to expand over the years. In fact, *Fortune* magazine, one of the most respected business journals in the United States, anticipates a 65 per cent increase in the US private capital outflow during the next ten years, from the present \$4,300 million to about \$7,000 million a year. And this projection, *Fortune* concedes, could turn out to be an underestimate.

In the final analysis, of course, as *Fortune* observes, "the development of any country depends far more on what its people do for themselves than on any thing that can be done for it from outside." Nevertheless, many countries will continue to need more outside capital if they are to reach and maintain the development rates they have set for themselves. Given a favourable economic climate, private capital can go far toward meeting this need.

Mutual assistance—US economic cooperation with other countries—currently is an important topic of discussion in the United States, as Congress takes up the question of another large annual appropriation for this purpose for the fiscal year beginning July 1.

This year, the discussion is taking place against the relatively new backdrop of Soviet-bloc aid to less-developed nations—a backdrop which is receiving careful scrutiny. In these circumstances, it becomes important to keep a clear and steady eye on the positive aspects of US economic assistance to other lands. US under-Secretary of State for Economic Affairs C. Douglas Dillon had some interesting points to make on this subject just last week.

The fact is, as Dillon emphasized, that US assistance was being disbursed on a large scale in all parts of the world long before the Soviet entered the aid picture. It is fair to conclude, then, that US aid is based not so much on reaction to Soviet aid efforts as on the economic appraisal of the development and security needs of free nations.

It should be clear, too, by this time that aid to other countries

has taken its place alongside liberal trade and investment programmes as an integral part of US foreign economic policy. The general objective of this policy, as Dillon indicated, is to help build greater economic strength at home and abroad, and in this way to help bring about a more unified and more durable community of nations.

In the achievement of these goals, US aid takes many forms. It includes direct assistance by the US Government through such instruments as the International Cooperation Administration, the Export-Import Bank, the New Development Loan Fund, and Technical Cooperation Programmes. In addition, of course, the United States contributes handsomely to such United Nations institutions as the World Bank, the International Monetary Finance Corporation, and UN Technical Assistance Programmes.

In the past decade, the United States has disbursed about \$25,000 million in economic loans and grants to other countries under its Mutual Assistance Programmes. In the beginning, much of this was going to rehabilitate war-ravaged European economies.

But in recent years, with the free countries of Western Europe reaching new levels of prosperity, nearly all of it has been going to developing lands in Asia, Africa and Latin America. In all, more than \$12,000 million in direct US economic aid has gone to these developing lands in the past ten years. And this aid undeniably has done much to help these countries—including about 20 newly re-established—improve their economic situations.

By comparison, communist bloc economic aid to developing nations outside the Sino-Soviet bloc, while till a few years ago, and totals only highly publicized, did not start until \$1,500 million. Why, then, is it a matter of concern to United States?

Part of the answer lies in the fact that the communists themselves have tried to make it an issue in world affairs, throwing it out as a challenge to the United States and other free nations. Beyond that is the fact that unlike the broad, generally non-political character of US assistance, communist aid obviously has been confined to a few countries and a few projects from which the greatest political and propaganda advantages could be extracted.

US reaction to this has been aptly summarized by President Eisenhower who said, "If the purpose of Soviet aid to any country were simply to help it overcome economic difficulties without infringing its freedom, such aid could be welcomed as forwarding the free world purpose of economic growth."

Unfortunately, the evidence at hand does not point to any such conclusion. And until such evidence is forthcoming, the President has noted, "We and other free nations must assume that Soviet-bloc aid is a new, subtle and long-range instrument directed toward the same old purpose of drawing its recipients away from the community of free nations and ultimately into the communist orbit."

Britain

Britain has a splendid future if Mr Harold Watkinson, her Minister of Transport and Civil Aviation, sees his faith fulfilled.

Speaking in London on March 15 about the Government's measures to sustain the pound and defeat inflation, Mr Watkinson said the present position was that "we are successfully creating a situation in which all the gains of the past will be preserved, but at the same time a new and more stable foundation will be laid for the future in order that expansion can be resumed on a sounder basis, and one that will be more beneficial to every section of the population."

The Minister went on: "Six months after the start of this operation we can claim that we have had much success. We have restored the value of the pound; we are rebuilding the reserves, and our trade figures are the best since the war. We are beginning to achieve a proper relationship between output, wages, salaries and profits. If we can go on like this, as I believe we can, then what does the future hold in store for us? If we succeed, unimagined prosperity for all of us."

In the next few years, Mr Watkinson added, Britain would have the atom as a new cheap source of home-produced power. "We can have all the benefits of other new industrial developments—in electronics, heavy engineering, and the motor-car industry, to name but a few. We can have a great new system of motor roads, a streamlined, efficient and profitable railway system: we can be leading the world in civil air transport."

"Most important of all, we could be paying the increased wages, salaries and profits that these developments will bring in a stable currency that is not depreciated by the inflation arising from a failure to balance earnings by output."

Britain's motor industry continued to improve on last year's record, when it produced 1,150,000 cars and commercial vehicles and exported very nearly half of them, said Mr A. S. Dick, President of the Society of Motor Manufacturers and Traders, at the Geneva Motor Show.

Mr Dick said: "We shipped a little short of 550,000 cars, trucks and buses overseas in 1957—more than ever before. In January last, the export graph continued to rise. Shipments of cars and commercial vehicles amounted to nearly 60,000, the highest monthly figure ever attained. The British motor industry has certainly had a remarkable recovery from the recession of a year ago."

"The United States was the principal market for British car manufacturers last year, with a purchase of a little short of 100,000 of our cars, worth \$111,000,000. Popular among the British cars going to the States are our sports models, of which between 800 and 900 a week are now being exported to world markets."



Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

THE Second Plan has been officially in operation for the last two years and some kind of stock-taking is perhaps in order. In one sense, of course, the occasion is merely an excuse, for, the Plan has never been very far from the surface of the consciousness of our people, and interest in its progress has been coeval with its functioning. At any rate, it has been so in my case, for, looking over my weekly comments in these columns, I find that I have come back again and again to the subject. But, in another sense, the present occasion for undertaking this kind of review is not only propitious, but actually compulsive. Two years' fortune of an endeavour of five years—assuming, for the purposes of the present argument, that collective endeavour could be sliced into such neat little quinquennial packets—should give a reasonably clear indication of its possibilities and weaknesses. The wisdom garnered during the two years would consist not only of the knowledge of the chances of success of the Plan but also of the conditions of such success. Secondly, and more importantly, it would appear that the present moment offers a particularly vantage point for a reasonably clear survey of the immediate past and immediate future. The first two years of the Second Plan have, in my view, already encountered the worst weather of its career, and the Plan is just emerging into what can turn out to be calm waters with all its sails well set for a triumphant voyage. I shall presently explain the nature of the bad weather into which it had run as it had set sail, but, for the present, I wish merely to comment on the fact that there has been a distinct improvement in the mood of the country in its assessment of the last few months, in which the results of a series of concerted acts of Authority have partially restored the original confidence in the Plan. It now merely remains for me to show that the dissipation of confidence was, in the first instance, an uncalculated act of folly for which we have only partially paid the price. Secondly, since it is foreign to my temperament merely to say, "I told you so", I shall indicate how the prospects for the coming three years are extremely bright, provided the lessons of the last two years are seriously taken to heart.

What are those lessons? The first of these is the folly and criminality of allowing our minds and energies to get distracted from our real purposes. It is but trite that, having won our political freedom, it was our all exclusive duty to give palpability to that freedom by releasing our people from the intolerable burden of helpless poverty. The country cannot escape the charge that it has not consistently shown this degree of single mindedness this duty involves. Distractions, many of which were not only unhealthy in themselves but were actually interfering with the prime purposes of our nationhood, have distorted our national life in the last few years. To choose but a random example, there is quite a lot of time and energy wasted on the question of an official language for India. Now, one must have a queer sense of priority in wishing this comparatively unimportant question decided here and now. There is no Hindi economics any more than there is an English economics. Poverty and disease are not tackled better in one language than in another. And when one realises that this constant bickering releases a lot of irrational clashes of interests at all levels, and thus actually undermines the unity of purpose which alone will help us solve our economic difficulties, the criminal folly of this preoccupation is evident. I, for one, cannot imagine why the Congress should not give itself and the country a complete holiday from the discussion of the topic till the end of the Third Plan, when we can allow ourselves the comparative luxury of a controversy of this sort. Similarly, provincial jealousies are constantly rearing their ugly heads, and one cannot see the sense of endangering the integrity of the country by secretly pandering to them while denouncing them in public. The same is true of communally oriented politics, which like the other evils I listed earlier is not only bad in itself but is all the time interfering with the smooth progress of our economic tasks. For a nation apparently engaged in a colossal economic endeavour, the number of political and other distractions we permit ourselves is sinful.

An even more frivolous attitude to our real tasks is to be seen in

the morbid avidity for so-called scandals. I am not insensible of the value of vigilance in a democracy, of the need for keeping a close watch over the way authority is discharging its obligations. And our values being what they are these days, it is also inevitable that scandals should chiefly centre round money. A familiar spectre in any discussion of public morals is corruption among the ruling apparatus, and such corruption is almost always equated to bribe-taking, or some form of financial skulduggery. If one were to give credence to all the whiff of gossip that floats around, we must indeed be the most venal people on the face of the earth. But such charges in most cases have a way of evaporating into nothingness the moment some serious attempt is made to verify their veracity. In any case, it would be true to say that, though there might be lapses, even of the serious sort, the situation is not so hopelessly riddled with corrupt practices as to deserve the kind of obsessional absorption in it. It is true that plumbing is, especially under modern conditions of living, an essential preoccupation, and the sanitary inspector's is a wholly worthy calling. But one must be a psychopath to be all the time concerned with the state of the closet. Readers will recall Gandhiji's terse and crushing summing up of Miss Mayo's book on India as a Drain Inspector's report deserving of the same, neither more nor less, consideration as is due to a document that set out to assess the state of our environmental hygiene. But the drain is not the whole house. One is inclined to suspect that the kind of righteousness about public morals that we see in our country is often nothing more than the evasion of the constructive thought that the real tasks of the situation demand. A little less about the corruption of officials and a little more of appreciation of what they are trying to do would be an essential condition of the success of the Plan.

In this connection, I cannot refrain from commenting upon the deep blow to the morale of the permanent services dealt by the recent discussion in Parliament of the Chagla Report. One notices with regret that some members of

Parliament did not care to have the simple humanity not to attack a man who was not there to reply and not in a position to reply even elsewhere. Secure in the privilege extended to them as members of Parliament, they could say anything they liked without facing the consequence of such rashness; some of them dealt their cowardly blows with little regard to fair play. I know the cynical dictum that politics is not cricket, but it is not politics, but common decency that required that such attacks should not be made. The consequence is that the devoted band of permanent officials who have been bearing the brunt of the tasks of the Plan that the politicians have drawn up (at least nominally) are now filled with a sense of the thanklessness of their jobs. It would not be surprising, though it might be deplorable, if these men allowed their frustration to degenerate into a cynical indifference with the fortunes of the Plan. Fortunately for the country, most of these men are men of the deepest maturity, patriotism and devotion to duty. But, as Mr Nehru himself indicated in his speeches during the debate on the LIC investments, it is necessary to restore the morale of the services if you wish to succeed in the tasks you have set the nation and yourself.

But the most important lesson of the last two years' experience is more directly concerned with the Plan itself. For some reason, which it is too difficult to define with precision, almost since the beginning of the Second Plan, there has been a persistent effort by a section of the public to corrode confidence: and the most tragic thing in the fortunes of the Second Plan has been the success beyond expectation achieved by this section. Even when the first thoughts on the shape of the Second Plan were being formulated, this section was fretting away industriously at the self-confidence that the success of the First Plan had engendered. The plea was that the Plan targets were too ambitious and incapable of realisation; that it would impose an intolerable amount of strain on the economy: the requisite resources would not be forthcoming; that the expectation of friendliness from abroad for our efforts was

ATLAS
WEIGHING MACHINES
PLATFORM, CART,
TRUCK, LORRY
&
WAGON WEIGHBRIDGES

Makers :
THE INDIA MACHINERY
CAMPANY LIMITED
Dasmagar, Howrah.

naively optimistic and so forth. In the course of subsequent gossips, I propose to deal in detail with these matters, especially in relation to the rest of the Plan period. But the point I wish to make at the moment is that the tremendous volume of creative confidence that undoubtedly existed at the end of the First Plan period has been completely set at naught by the activities of these people. It was nobody's case that the tasks of the Second Plan were not difficult and demanding of the utmost from our people in effort and sacrifice. But, it was also undeniable that, considering the result sought to be achieved, the aim was pitifully low. By harping on the difficulties and by constantly referring to the demands likely to be made by the Plan, a whole nation has been unnerved. A mood of crisis and helplessness has been allowed to seep into public consciousness; and, when this has happened, it is no wonder that the worst expectations of the pessimists were too flatteringly confirmed. It is not realised that, in an endeavour which involves the efforts of whole masses of people, the first requisite is confidence. Mr T. T. Krishnamachari put it admirably when he said that the first resource in a people who are out to develop an undeveloped economy is confidence and courage and the willingness to put in the necessary effort and the fortitude to bear the inescapable burdens. When confidence is eroded, the most important resource is lost.

To those who say that hard facts of economic life, like foreign exchange shortage, etc., have nothing to do with confidence, my answer is simple. It was not anybody's expectation that everything would be plain sailing with the Plan. Indeed, if one reads the Plan, it is clear that it has anticipated all the difficulties we are likely to face. But what was deplorable about what happened in the last two years was that the mood of crisis paralysed thinking, at least of those who were not obliged to deal with the problem. It also seriously unnerved those who were manfully tackling them. The difficulties, at any rate in their general outline, were not unanticipated, and the steps taken were the only ones that could have been taken with or without a chorus of crisis mongering. In other words, it is not that anyone expects the Plan to be smooth sailing, but it is that difficulties are not solved by pulling a long face about them. Indeed, when so much depends on self-confidence and the consequent confidence of others in us, such easy desperation may well make difficulties insoluble. It is hardly fair to those who are trying to face up to these difficulties, troublesome enough in all conscience, to saddle them with the further duties of a rear guard action of supporting popular morale. In times of stress, it is the duty of public spirited men to look after the morale of the people so that those who are

engaged in the real tasks can get on with their job without having to worry about public psychology. This is precisely what was not done in the last two years. More time was spent in restoring confidence, which ought never to have been impaired, than in the actual carrying out of the Plan.

In the subsequent gossips, I shall show how, in their essentials, the expectations regarding resources and targets formulated by the Plan were not wide off the mark. If such is the case and our difficulties were really those of phasing, then, it must be admitted that the pessimism of the last two years was wholly unwarranted. In any case, it is time to cry halt to this mood. There are indications that the worst of the crisis-mongering is over. The most important condition for the success of the Plan is the continuance of this recently restored mood of serene confidence, and determination to work hard.

At long last, the vexed question of where to locate the refinery to process the newly-struck oil in Naharkatiya in Assam is reported to have been settled. Delhi seems to have come to the decision that the refinery—the first in the public sector—should be set up near Gauhati and with Rumanian help. An Indo-Rumanian agreement covering the project is likely to be signed in Bucharest where, in the latter part of May, the Union Minister for Mines and Oil, Mr K. D. Malaviya, will be proceeding in the company of a few Central Government officials. The total cost of the refinery, estimated at Rs 15 crores, will have a foreign exchange component of 60 per cent which is to be fully met by the Rumanian contribution in the form of equipment and technical "know-how". Indian payment, to be spread over a long period, will be in commodities such as textiles, mica, shellac, oil-seeds, jute goods, hides and skins and possibly some ores. The details regarding the time-schedule of the establishment will be incorporated in the agreement, but meanwhile it is understood that the Union Government are keen on the refinery going into commission before the end of 1960. The whole subject, it is learnt, was thoroughly discussed by the team of oil experts who accompanied the Rumanian Premier on his recent tour of India.

I did not visit the annual exhibition of Art in Industry held over the week-end and I don't regret it. Exhibitions of Indian handicrafts are available galore in this city, and up and down Chowringhee and Park Street one can sample any number of them any day in the week excepting Sundays, only they are modestly called shops. The sole difference is perhaps that the exhibits at the Art in Industry Institute are somewhat more numerous and that, instead of being offered for sale, they are lectured on. When the Institute was started a decade ago, its object was

to help industry by providing artistic working models so that machine-made products might be made aesthetically more appealing; re-awakening popular interest in handicrafts was a secondary one. Since then, the Central and the State Governments have done a good deal in the latter sphere, so much so indeed that the Institute need no longer bother with it. But, as to its primary object, one may be excused for enquiring whether there is even a single case in which it has produced and supplied to industry a good model which has been made any extensive use of. The Director of the Institute, I know, has produced a few catalogues of Indian handicrafts which, because they are expensively produced and have been published by renowned booksellers, are dignified by the title of "books", and I wonder, how much the authorities of the Institute have exerted themselves in making him fulfil the object of the Institute besides providing him with ample time to compile his learned "books".

I have always counted myself fortunate in that, in respect of my European friends, the Tennysonian dictum of men coming and going is, from the journalistic point of view, restricted to retirements. And yet, each time I hear of a Clive Street personage due to leave India, it comes as something of a shock. It does little good to one's morale to have such proof positive of time marching on. So, when I learnt that Sir Allan Elliott Lockhart is shortly to be lost to Clive Street and Calcutta environments, my first reaction was, why, it is far too early. Only then did I realise that Sir Allan has spent thirty-two years in this country, and has earned by his hard work the rest he now will have. But, even when rest is required, one wishes that time might have a stop, and that Sir Allan could continue to be with us here. This is particularly so in his case, for, Sir Allan is a man of rare versatility and abounding range of interests. Leaving aside Gladstone Lyall, of which Sir Allan has been Chairman since 1951, there is a host of companies which will miss the keen and conscientious advice he gave to them as director. Then there are the associations—Sir Allan has headed practically every important sub-committee of the Bengal Chamber of Commerce. One of his hobbies was shooting—and Sir Allan will, I am sure, bemoan the shikar he will be bidding goodbye to. Another was racing, and the Royal Calcutta Turf Club will find it hard to find as upright and respected a Steward as he. Since we are talking of sportsmanship, well—Sir Allan has earned his retirement, and who are we to complain that he is depriving Clive Street of his live personality?

The recipe for the production of geniuses has so far eluded eugenicists. Neither Mendel nor Francis Galton had even the dimmest percep-

tion of the secret and their disciples and successors seem to be equally without a clue. Nature's strong-room is, of course, now and then pressed open by the thieving hand of science and a few patents deftly misappropriated. But that is as far as we have gone, and it is apparently a far cry yet when geniuses will come off the assembly line, making the task of keeping count a complicated problem in arithmetic. But this does not mean that we have never tried deliberately to produce geniuses. For all we know, biologists may be busy with their test tube experiments even at this moment, and their success may one day take our breath away as unexpectedly as the space moons did. Nevertheless, it is clear that, so far, we have been more modest, if also more diabolical, in our aims and achievement. What Nature concentrates in single individuals we have sought notionally to distribute among whole races. Whence Hitler's pet theory of Teutonic superiority, the Europeans' continued befuddlement with their own self-importance despite Spengler's "Decline of the West" and the post-war rise of the "black tide" in Afro-Asia and the South African whites' racial paranoia. As political animals, it is quite obvious, we have been more concerned with the creation of whole plateaus rather than of isolated peaks of superiority, a mournful triumph which has been attended with unspeakable inhumanity over large areas of the globe.

In this connection, gynaecologist Dr Green-Armytage's remarks on geniuses at the Los Angeles session of the Congress of the International College of Surgeons have raised interesting points. First, he is reported to have said that there has never been a woman genius. What are the Curies then? And Sappho? Next, according to him, geniuses have always been drink or drug-addicts. But what about Homer, a blind beggar who never had enough to eat? Or Valmiki the hermit? Was Pascal a genius or not? Was Francis of Assisi a genius, or Christ? And must we leave the Buddha out of count? Tolstoy was never a dipsomaniac or dope-fiend despite the luxuries of his earlier years. Can we or can we not call Gandhi a genius? Einstein and Tagore, what are they, then, if not geniuses? Hitler was certainly an evil genius, but he was taller than Dr Green-Armytage's specification of 5'3" or shorter. Goethe was not well-known for a short stature. The ancient Greeks and Romans, the eminent Victorians do not conform to the specification. As for the gynaecologist's theory that geniuses have hardly ever become the fathers of other geniuses, Dumas pere fathered Dumas fils and Leo Tolstoy, Alexi. This raises another question: Are all geniuses of the same dimensions and, if not which is probably true, what are the smallest dimensions to permit a person's inclusion in the category?

EAVESDROPPER

March 29, 1958

GATEWAY GOSSIP

MR C. H. BHABHA never disappoints, especially in providing provocative food for thought; one may disagree with him, or one may agree, but, in either case, he succeeds in evolving a line of argument that makes you think twice. His vast experience, in commerce and finance, perhaps befits him thus to set a controversy rolling; and I have been wondering for some weeks what Mr Bhabha was likely to say, in his capacity as the presiding deity of the Indian Banks Association. For, by all accounts, 1957 has been an eventful year for the banking system, and the developments have in the main been of a sort to enthuse a sense of satisfaction. But then, I should not have forgotten that, if Mr Bhabha has a fault, it is an undue anxiety to search out some topic for criticism. So it is that, in an entirely sensible speech, he expresses some sentiments which, I at any rate, would rather that he had avoided.

Cooperation was a keyword during 1957, as between the Indian Banks Association and the Exchange Banks Association, and Mr Bhabha records this fact. Then, too, there was the more than adequate relationship with the Reserve Bank, which impels the IBA President to express "great satisfaction" at the "very careful consideration" given by the Reserve Bank officialdom to the representa-

S. E. RLY TENDERS

Sealed tenders (Tender No. S/CAL/STV/CL/58) are invited for Stevedoring and clearance of wooden sleepers and timber from chartered or liner vessels arriving at Calcutta Port on Railway Account.

Tender Forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta 23, on remittance of Rupees Five (not refundable) only per copy by Money order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, South Eastern Railway, Garden Reach, by local firms.

Earnest money Rs. 1000/- is to be deposited with this Railway's Chief Cashier and the receipt obtained thereof should accompany the tender without which the tender is liable to be rejected. Approved Contractors who have already made a permanent deposit of Rs. 1000/- with the Controller of Stores are exempted.

Firms not on this Railway's list of approved Contractors must enclose a valid Income Tax Clearance Certificate with the tender.

Tenders will be opened at 12 noon on 30.4.58 in the office of the General Manager.

S138 GENERAL MANAGER

The Controversial Bhabha

It would have been graceful and gracious for Mr Bhabha to have stopped on this note. Unfortunately, some compulsion seems to have driven him to further remarks on the Reserve Bank; and these are not entirely proper although, interestingly enough, the viewpoint expressed is almost unexceptionable. In referring to the authority and independence of the Reserve Bank Governor, Mr Bhabha says that, "despite all official and Ministerial assurances of non-interference, the impression seems to prevail that there is a certain amount of subservience of the Reserve Bank to the Finance Ministry of the Government of India". Mr Bhabha is perfectly right in asserting that the central banking institution must be autonomous and independent; but does he have a basis for insinuating that such independence no longer obtains? And is he on firm ground when he ventures to remark that the pre-nationalised Reserve Bank used to publish—as apparently the present Reserve Bank does not—an "effective and highly critical review of economic conditions and policies"?

By implication, Mr Bhabha thus criticises the Reserve Bank for, shall I say, two sins of omission. On the one hand, in the annual publication on banking which it brings out, "the Reserve Bank remains silent about the policies of the Government as well as the extent to which it was necessary for it to invoke the various wide powers vested in it". On the other hand, in respect of the amendments to the Reserve Bank Act in the matter of the currency cover requirements, Mr Bhabha says that the Reserve Bank, as an expert body, "should have paid heed to the advice voiced from unofficial quarters and asserted itself to a certain extent in this matter before permitting a situation of the type that arose and necessitated the emergency amendments to the Reserve Bank of India Act".

I admit that the central banking institution of a country has to be independent enough and courageous enough not only to criticise but also to oppose Government's policy, if it conceives that policy to be wrong. Indeed, there have been such instances, and even a recent one in, if I remember right, Sweden. But where Mr Bhabha errs is in thinking that the Governor of the Reserve Bank will independently have thought, as a private banker might, that Government have been on the wrong track. If the Reserve Bank "remains silent about the policies of the Government", it is because, may I suggest, the Reserve Bank fully endorses what has been done in the monetary sphere. So, the slur that the Reserve Bank, in keeping mum, shows itself to be weak-kneed is altogether wrong.

Secondly, I cannot quite understand the burden of Mr Bhabha's complaint in regard to the currency reserve. It cannot surely be that the Reserve Bank should have disapproved of such a steep import surplus, or that, in consequence, it should have insisted that holdings of sterling securities for currency cover should not on any account be permitted to go below a certain level. For, I don't think that it falls within the competence of any central banking institution thus to refuse to part with any so called sacrosanct currency cover; indeed, any action of this nature, far from strengthening a currency, would merely weaken it in the sense that it would evoke the suspicion that foreign exchange commitments would not be honoured. I suppose what Mr Bhabha means is that the Reserve Bank could have and should have foreseen the need for scaling down the statutory minimum, and that, with ample time before it, it should have obviated the need for the emergency action constituted by the ordinance. Here, too, however, we do not know the whole story: could it be that Government were expecting foreign assistance? And was it because of such anticipation that a reduction in the minimum was deferred to the last possible moment? It doesn't matter what the hypothesis is, the Reserve Bank can be seen to be blameless.

So, while I support Mr Bhabha's contention that the Reserve Bank ought jealously to guard its independence, I am afraid I have to disagree with him as far as concerns any doubt about that autonomy in the present circumstances.

Mr Bhabha's review of the banking system is unimpeachable, though here, again, I have one reservation to make. The Scheduled Banks have done superbly well, in adding to their Deposits during 1957 by Rs 293 crores. There can be no two views about this fact, and I join with Mr Bhabha in his depreciation of the "unwarranted criticism of banks and bankers in India...made by those in authority." The record of Indian banking is indeed creditable, though I wish that the IBA Chairman had not omitted to draw attention to the harmful effect that the higher money rates, especially those on Deposits, are having upon the balance of profit of the banking system.

In alluding to the increase of Rs 123 crores in the Deposits of the State Bank, Mr Bhabha has been careful to point out that, in order to obviate unfair comments about the rate of increase in Deposits of the other banks, as much as 70 per cent of the State Bank's new Deposits were derived from Counterpart Funds. I fail to understand why Mr Bhabha has not similarly distinguished the figures of the State Bank from

those of the other Scheduled Banks in regard to investments. Mr Bhabha claims that "a good part of the increased Deposits of banks during the past year were invested in gilt-edged securities." The rise in the investment portfolio during 1957 amounted to Rs 68.52 crores. And this increase, says Mr Bhabha, "was effected despite the heavy demand for bank finance from various quarters". The IBA Chairman has omitted to mention that the State Bank alone is responsible for an increase in the gilt-edged portfolio amounting to Rs 78.13 crores. Thus, the other Scheduled Banks, far from utilising any part of their increase in Deposits in building up their investment portfolio, have actually disinvested in gilt-edged for around Rs 10 crores.

Mr Bhabha places his finger on the root of the problem in respect of gilt-edged, when he points to the "rather disturbing" decline in gilt-edged prices. The index number of security prices, which fell from 101.2 to 91.7 after the increase in Bank Rate in November 1951, has, in the years since then, declined further to 89.1 at the end of 1957; but then, meantime, a rise in Bank Rate to the tune of half per cent has occurred. I publish below a number of relevant statements in this regard of Mr Bhabha's:

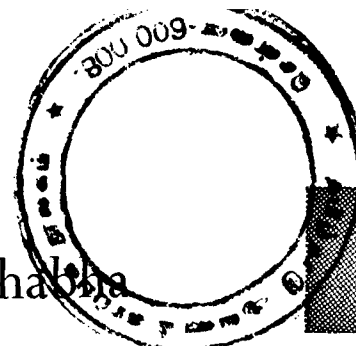
"In recent years the market in gilt-edged securities has been showing symptoms of narrowing."

"The popularity of gilt-edged securities among the investors in this country is gradually diminishing...."

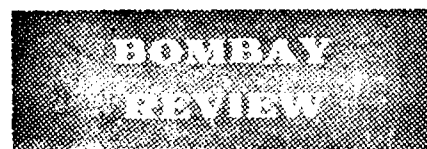
"Such a trend is indeed regrettable and the significantly reduced borrowings by the Central and State Governments from the market cause anxiety to all those who have the well being of the country at heart."

"The absence of faith in the stability of prices of such a type of investment on the part of the average citizen in this country is perhaps the most disturbing cause of this unfortunate state of the gilt-edged market."

The moral, as Mr Bhabha says, is obvious. Unless the policy of Government and the Reserve Bank is attuned to keeping the gilt-edged market in such a state as to ensure that no depreciation takes place in the existing loans, we cannot expect confidence in gilt-edged from the investing public. It is no good for the Reserve Bank or for the Government to charge that the Scheduled Banks have not utilised a larger proportion of their new Deposits in the purchase of gilt-edged; unless there is the faith that there will be no capital depreciation, it would be presumptuous to expect that the Scheduled Banks will be prepared to suffer capital depreciation in the service of their country.



BOMBAY REVIEW



Addressing the annual general meeting of the Bank of Baroda Limited last week, Mr Tulsidas Kilachand, the Chairman, has pointed out that while the recent concessions announced by Mr Nehru during the general debate on the Budget will go some way toward improving the investment climate, more relief of a general nature will be required if capital formation in the country is to reach the requisite level. The level of taxation and the rate of deficit financing in the first two years of the Second Plan have already exceeded the limits set by the Planning Commission. But despite such oppressive and high levels there is no guarantee that the targets of the Second Plan will be fulfilled. Indications are that achievements will fall far short of targets. The effect on the country's economy of the fiscal policy of Government is that development activity in the private sector has slowed down in the course of the past one year for want of adequate resources.

In Mr Kilachand's view, deficit financing if continued at the current rate will exceed Rs 1200 crores by the end of the Plan. Likewise taxation has also become oppressive to the extent of completely crippling private enterprise. Many of the private industrial concerns have exhausted both their internal resources and capacity for borrowing with the result that unless there is a substantial improvement in fresh investment, development activity in the country will be adversely affected.

In an attempt to get the requisite resources some of the industrial concerns have started taking deposits from the public at high rates of interest. Such a state of affairs is the direct outcome of Government's failure to recognise the fact that in the present context of high interest rates, investors will naturally expect higher yields on equity capital. It is, therefore, evident that if private enterprise is to function efficiently it is incumbent on Government to ensure that conditions conducive to capital formation obtain in the country.

It is, however, to be admitted that it will be mere wishful thinking to expect Government to make any radical changes in the pattern of taxation. But one can find no valid objection to some readjustments here and there especially when such alterations will not involve any serious loss of revenue. Mr Kilachand has pointed out that it will be advisable for Government to remove those tax proposals which are relatively unproductive of revenue and which act as deterrents to initiative, enterprise and investment. In this list can be included the tax on the issue of bonus shares.

More Incentives Needed

Population Control

It is generally agreed that if India is to derive the fullest benefit from its development programmes, it is essential that the rate of growth of population should be brought within manageable limits. It is in this view that family planning becomes important. But since family planning is a matter that vitally concerns the individual, utmost care is to be taken in implementing any programme connected with it. In the first instance it is to be realised that Government can only act as a secondary force leaving the actual planning to the individuals. It is therefore gratifying to note that Government's family planning activities are conducted solely on a voluntary basis, taking every care to see that the social and cultural values are not affected.

Reviewing the progress of Government's family planning programme at the fourth meeting of the Family Planning Board in Bombay last week, Mr D. P. Karmarkar, Union Health Minister, said that Government have provided Rs 25 lakhs for the programme in 1957-58 and Rs 46 lakhs in 1958-59. He has commended the provision of family planning clinic in every teaching institution for doctors and medical auxiliaries and to incorporate family planning in their course of study so that trainees from these institutions are able to give advice on the subject in the normal course of their work. In this connection Government propose to give every assistance.

Another measure which has been outlined by Mr Karmarkar if taken up earnestly will go a long way in achieving the objective of the programme. The Health Minister has said that the health visitor or social worker must be an essentially welfare worker who takes active interest in the health of the family as a whole. Advice on family planning should not be the sole duty of such workers. It should form part and parcel of advice and guidance on family welfare, home nursing, maternal and child health. Such equal emphasis on other aspects of family welfare will ensure the success of the family planning programme.

The Non-Ferrous Metalware Industry

The position of the metalware industry has considerably improved in the past few years thanks to increased demand for its products. Till a few years ago its main preoccupation had been overproduction but today the position has entirely changed and it would appear that the industry has to expand in order to meet the increasing demand. In view of the fact that it is largely dependent on imports for its raw materials,

extension is not easy in the present context of the drastic reduction in imports. The main problem which is confronting the industry, therefore, is the procurement of an adequate quantity of non-ferrous metals which are in short supply. The main metals, copper, zinc, lead and tin which were on OGL till the middle of last year are now placed among licencable articles and established importers only are granted licences on a restricted quota basis. As a consequence of this change, the supply position of these metals has worsened in the past few months and metalware manufacturers have had to pay from 15 to 30 per cent over the landed cost. Though Government have taken some steps to ensure that actual users get their supply at an equitable price, the position is still far from satisfactory.

In his presidential address to the recent annual general meeting of the All India Non-Ferrous Metalware Manufacturers' Association, Mr Vithaldas H. Shah, has urged Government to take some immediate action to make available supplies in the country reach actual users at reasonable prices. In this regard he has welcomed the reported move on the part of Government to increase the supply of copper in the country through imports by the State Trading Corporation. It is also gratifying to note that Government have already arranged for the supply of a sizable tonnage of this metal to actual users from the allotment of 7,500 tons under the Colombo Plan.

That the Government have decided to apply the Industries (Development and Regulation) Act, 1951 to utensils produced from non-ferrous metals shows that Authority has placed the metalware industry amongst the essential industries in the country. In the present context of the great importance attached to export earnings, this industry also deserves special attention because its products are in demand in overseas markets. During the past year though exports of copper artware and utensils have been well maintained, there has been a decline in the quantum of exports of aluminium utensils. The fall in the exports of aluminium utensils is due to a growing tendency on the part of erstwhile importing countries to manufacture aluminium utensils within their borders. It is to be hoped that Government will take suitable measures to enable the industry contribute an increasing share to export earnings of the country.

Textile Stores

While it is undeniable that the present scarcity of foreign exchange and the consequent drastic

cut of imports have given a fillip to domestic industry in a number of new fields as well as in directions in which Indian producers have yet to establish themselves, it cannot be maintained that these developments have not brought some adverse effects in their wake. The sudden cutting off of imports has placed many an industry in a difficult position as regards some essential requirements which are not manufactured in the country. According to Mr C. A. Kulkarni, president of the Association of Merchants and Manufacturers of Textile Stores and Machinery, the textile mills are finding it extremely difficult to obtain their requirements of essential machinery and sometimes even spare parts. Though Government have made arrangements through the State Trading Corporation for the import of textile machinery from Japan on a deferred payment basis, it is not clear when they will be available.

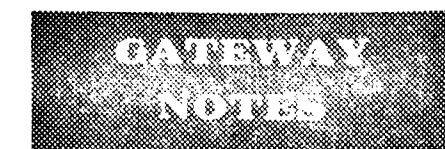
From the point of view of the textile machinery and stores manufacturers in this country, the import restrictions afford a rare opportunity to expand their production. They can also expect every encouragement from Government in this regard. In this connection Mr V. Nanjappa, Textile Commissioner has pointed out that the textile industry should extend a helping hand to the textile stores and machinery industry.

Need for Tax Relief

Addressing the members of the progressive group on the "Role of the private sector", Mr G. D. Somani prominent industrialist and M.P. warned against the adverse effects of the present tax system on industrial production and stressed the need for relief at least in respect of the tax on bonus shares, and excess dividends which according to him did not yield a substantial revenue but only acted as deterrents to initiative and enterprise.

Explaining the extent of the burden which the present taxes constituted for the private sector, Mr Somani drew attention to the fact that while the Planning Commission had fixed Rs 90 crores as the scope for additional taxation for the period of the Second Plan the new taxes levied by the Central Government alone exceeded this limit by nearly Rs 60 crores.

At the same time Mr Somani expressed confidence of the private sector being able to fulfil its target in respect of industrial production. But he said that many industries were not able to make headway for want of equity capital consequent on the heavy burden of the various taxes which industries in general have to bear. In the interest of improving the climate for investment the case for tax relief for the private sector is overwhelming.



WORLD OF COTTON

AS a result of non-utilisation by importers of full amounts allocated to them by sub-authorisation issued so far for the import of American cotton under P.L. 665, some balances are available for redistribution. It is proposed to cancel such balances from the respective sub-authorizations and reallocate this small surplus to the following categories of importers only, provided their contracts are still in force:—(1) Those importers to whom sub-authorizations were issued under P.L. 665 on a pro-rata basis as the ceiling was inadequate. (2) Those importers, who had applied originally under P.L. 480 with evidence against P.L. 665 converted to P.L. 480 and whose applications were considered on a pro-rata basis under P.L. 480, may also apply, provided they are able to obtain, by March 31, 1958, the confirmation of their suppliers that they are agreeable to supply under P.L. 665 for whatever balance is available. It should be noted that no additional commitments against the original contracts will be entertained; and (3) Those importers whose applications, both under P.L. 480 and P.L. 665, were received within the due date prescribed, but could not be considered because they were not complete in all respects.

Again, the Government are expected to announce an import quota for good grade US cotton stapling 1 1/16" and above. India has still unused cotton funds under P.L. 480 which can finance about 60,000 bales (400 lbs each) of good middling US growths. The shortage of these varieties in the country at present and hopes of getting more American aid in future are stated to have prompted the Government to decide in favour of the utilisation of cotton funds under P.L. 480 programme.

Meanwhile, the Indo-Egyptian trade agreement, which has now been signed, provides for an exchange of Egyptian cotton by Indian tea and jute goods against payment in Egyptian pounds and not in rupees. According to market expectations, about 45,000 bales of Egyptian cotton will be licensed for imports with a similar quantity of Sudanese cotton.

The Sudan's decision to reduce the export duty on cotton by 33 1/3 per cent and reserve prices by 4d per pound at a time when the Government are expected to announce import quotas for Egyptian and Sudanese cotton has come as a welcome surprise to the textile industry. The reduction in the duty from 3.75d to 2.50d per pound will make Sudanese cotton cheaper by about Rs 55 per candy, while lowering of reserve prices will bring the minimum price of that cotton down by Rs 200 per candy.

It appears that both Egypt and Sudan look on India as an import-

ant prospective buyer of their cotton. Cotton houses, therefore, expect some concessions from Egypt, which is inclined to bring the price of her cotton in parity with that of Sudan. While Egypt has already offered the discount of 12 per cent to Indian mills, it remains to be seen whether the discount will now be raised to attract Indian buyers.

The marketing policy for 1957-58 Sudanese cotton crop is yet to be announced. The Sudan Gezira Board seems to be keen on disposing of her unsold balance of last season. The Board has already announced a reduction in export duty on "S" and "L" Sudan varieties. This measure has now been supplemented by an equally important step in that the Board has now reduced its reserve prices drastically.

Mill interests are reported to have drawn the attention of the authorities to the rapid depletion of stocks of both Sudans and Egyptians with the mills and have asked for immediate permission to import these cottons. In the context of the reduction now announced by the Sudan Gezira Board, it is now imperative that the authorities should come out with an immediate announcement before it is too late.

The Government of India have also decided to permit the import of 70,000 bales of cotton from East Pakistan. In this connection, the Deputy Minister for Commerce and Industry has stated that licences for this cotton were already granted to actual users, viz. the mills, on production of quota letters issued by the Textile Commissioner. Payments against these imports were made on the presentation of shipping documents.

However, marketmen are disappointed at the Government's failure to make an announcement concerning the export quota of 2" staple. The latest quota announcement has rendered the situation unhealthy price-wise. Market circles presumably feel that no cotton of staple length 23/30" can go out of this country. There are a few Deshi varieties which may attract foreign demand; but prices of these varieties have already gone up substantially. Together with the latest quota, the total quantity of cotton released for export amounts to 2 lakhs bales, inclusive of 1.5 lakhs bales of Bengal Deshi.

COTTON FUTURES:

Prices in the futures section reacted sharply on heavy selling pressure. The expected release of the export quota of 50,000 bales of short-staple varieties of not about 23/32" stapling had already been discounted by market circles. Fears were, however, expressed, whether the inferior quality permitted for export would be acceptable to foreign importers at

all. This induced selling in Jharilla May contract, which declined to Rs 683.75 from Rs 687.50. Jharilla March went off the board on Tuesday at Rs 688 on heavy bull adjustments. The clearing rate for Jharilla May was fixed at Rs 685 and the settlement days were fixed on April 1 and 3.

SPOT MARKET:

Trade enthusiasm was reflected in the Spot market where activity broadened as many mills, who had so far adopted a hand-to-mouth policy, began their purchases of raw material. All popular varieties were, therefore, pushed up by about Rs 5 per candy, the improvement in Jaydhar being more marked to the extent of Re 15 per candy.

On the export front, enquiries from the UK, Japan and France were pouring in. Reliable sources indicated that shippers had put through sizable business with Japan during the past few days, taking advantage of cheapness of their cotton as compared to that of Pakistan.

STATISTICS:

Exports by rail, from 1st September 1957 to 20th March, were 151,758 bales. Estimated mill consumption in Bombay, during the same period, was 723,100 bales as compared to 738,814 bales in the corresponding period of last year. Estimated stock of raw cotton, held held by exporters, dealers and mills in Bombay, on the 20th March 1958, was 603,424 bales as compared to 595,210 bales on the corresponding date of last year.

Following is the consumption of cotton by mills during the period 1st September to 31st January (in bales of 392 lbs):—

	1957-58	1956-57
Indian ..	1,946,187	1,941,293
Pakistan ..	Nil	Nil
American ..	117,390	42,526
Egyptian ..	31,555	51,294
Sudan ..	31,597	42,636
East African	65,893	108,137
Others ..	2,983	4,042
Total ..	2,195,605	2,189,928

NEW YORK COTTON MARKET:

Price movements in the New York cotton futures market were rather irregular. The market displayed a steady undertone immediately after the opening on trade buying in the nearbys and commission house and New Orleans demands in the forward months. There was, however, no follow-through and prices tended to ease under increased profit-taking. The Census Bureau report, placing the final ginning from the 1957 crop at 10,875,000 running bales, was considered slightly bullish; but exerted little influence on the market. Middling Spot was quoted at 36 cents per pound.

The US Agricultural Department is now considering to establish a direct export subsidy for cotton. A subsidy scheme, if it is set up, will replace the Department's present policy of selling cotton for export by competitive bidding. No changeover is, however, contemplated for the current season; but the Department is looking to Congress for a directive on how it should conduct cotton sales beginning on 1st August this year.

The International Cotton Advisory Committee has generally predicted a brighter future for cotton in the western world. The Committee has stated that the reduction in stocks, this season, had been primarily because of much lower production, particularly in the USA. World production is now estimated at 39.4 million bales—down by 1.7 million bales from last season. Curtailed production in the USA and Japan is expected to call a temporary halt to the continuous expansion of cotton consumption of recent years and world consumption may be somewhat lower than last season's record of 42 million bales.

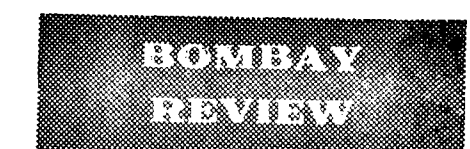
LIVERPOOL COTTON MARKET:

Prices in the Liverpool cotton futures remained fairly steady; but obscurities of the US export policy and prospects of still further heavy CCC export shipments were not conditions in which operators were prepared to commit themselves.

CLOTH AND PIECEGOODS:

The Bombay Cotton Piecegoods market was in a better form last week. Although demand for several qualities improved perceptibly, prices remained more or less unchanged. Dealers were hopeful that the offtake would improve still further in the coming weeks. It was also felt that, if the present trend was maintained, mills would be able to dispose of the heavy stocks lying with them in the near future. It was also encouraging to note that the South Indian centres also evinced better interest in the course of the past few days. Improved enquiries were also reported from Delhi, Uttar Pradesh and Bihar.

On the export front, however, conditions did not appear to be satisfactory although shippers were hopeful that the demand would improve in view of the better conditions prevailing in the domestic sector. Singapore confined its purchases to small lots, while only moderate business was reported done with Ceylon. Business with Burma continued to be negligible as the Burmese authorities have not yet issued import licences. Advices from West Africa were quiet, while East Africa was reported to have booked some business. Fresh enquiries from the Sudan was said to be subdued.



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BALANCE SHEET AS AT 31st DECEMBER, 1957

CAPITAL AND LIABILITIES.			PROPERTY AND ASSETS		
1947. Rs.	1946. Rs.	Rp. Rp.	1947. Rs.	1946. Rs.	Rp. Rp.
1. CAPITAL:			1. CASH:		
Authorised Capital:			In hand and with Reserve Bank of India and State Bank (including Foreign Currency Notes) ...		
1,00,000 Shares of Rs. 100 each			55,94,763		
Issued and Subscribed Capital:			BALANCES WITH OTHER BANKS:		
75,000 Shares of Rs. 100 each			In Deposits Account:		
Amount Called up:			(i) In India		
50,000 Shares of Rs. 100 per share			...		
24,984 Shares of Rs. 25 per share			...		
Less Calls unpaid			...		
750.00			...		
56,23,350.00			...		
2. RESERVE FUND AND OTHER RESERVES:			3. MONEY AT CALL AND SHORT NOTICE		
Reserve Fund:			INVESTMENTS AT OR BELOW MARKET VALUE:		
As per last Balance Sheet			(i) Securities of the Central and State Govern-		
Add: Amount received on forfeited			ments and other Trustee Securities includ-		
shares			ing Treasury Bills of the Central and State		
Transfer from Profit and Loss			Governments		
Account			(ii) Shares—fully paid ordinary shares		
Share Premium:			(iii) Debentures or Bonds		
As per last Balance Sheet			(iv) Other Investments:		
Premium on issue of shares during			(a) Ceylon Government Secu-		
the year			rities		
Profit on forfeited shares			(b) United Kingdom Govern-		
36,559.50			ment Securities of Malaysia Se-		
7,86,299.50			curity Loan		
46,36,299.50			(c) Federation of Malaya Se-		
19,84,40,767.00			curity Bills of the Go-		
5,96,340.50			vernment of Burma		
5,96,340.50			(v) Gold		
41,80,677.59			...		
3,37,09,249.48			...		
3,58,47,407			...		
73,51,427			...		
6,14,24,817			...		
9,58,512			...		
30,09,144			...		
7,45,506			...		
1,06,967			...		
38,06,509			...		
47,26,589			...		
6,87,75,776			...		
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Paucity of Ready Copper

PAUCITY of ready copper has continued to persist; and the material, which arrived per s.s. 'Kampala' and 'Amra' is reported to have disappeared from the market. Fresh arrivals are expected shortly and, despite this factor, the rate for the metal has continued to display a firmer tendency, being quoted at Rs 175 per cwt. The main contributory factor is the fact that India's requirements have to be satisfied largely by imports, while the rate on the London market has risen by nearly £15 to £178 per ton.

As far the London Metal Exchange is concerned, three main factors have helped to improve the price. Firstly, the cut in the UK Bank Rate has encouraged replacement buying. Secondly, demand from Europe has increased considerably. Lastly, the US Custom Smelters have increased their price from 43 to 23.50 cents per pound. However, present indications are that the supply is likely to be excessive in relation to demand for some time. Whether requirements will overtake supply in the longer run depends upon US consumption and the tariff changes that are likely to be made to protect US producers.

The market for Zinc is ruling quiet with the rate hovering idly around Rs 50.75 per cwt, thanks to an adequate supply to meet the demand. Trading in the Lead section continues to be featureless, the rate being quoted around Rs 63 per cwt. Tin continues to rule quiet at Rs 128.50 per quarter on lower Singapore advices.

On the London Metal Exchange, Zinc is quoted around £63½ per ton. The future outlook for the metal appears to be uncertain. The Lead section remains dull with the rate quoted at £75½ per ton. Until the US duty question is cleared up, the market is likely to remain colourless. There is a certain amount of speculation whether the International Tin Council will change its policy in respect of export quota at its meeting next month. This may probably be the reason that Tin remains unchanged at £730 per ton.

Oils & Oilseeds

Bullish sentiment persisted on the Bombay Oilseeds Exchange where prices made further headway on speculative buying. The announcement about allocation of the groundnut oilcake and the recommendations of the Indian Central oilseeds Committee for a reduction in the export duty of castor oil and for an export quota of groundnut oil were the main factors to revive fresh buying from trade as well as speculative houses. With the result, new offers were very poor and prices developed a

hardening tendency to close at the best levels for the week.

Although the US demand for Cas'or Oil continued to be absent, a section of the trade was optimistic about its revival in view of the measures being taken in that country to counteract recession. Castor May delivery closed at Rs 148.75 after touching a high of Rs 149.12. In the ready section, the rate was quoted at Rs 29.50 and Castor Oil, commercial quality, at Rs 15.12.

There were strong reports that the UK was, once again, in the market for a large quantity of Linseed Oil and that a shipper had chartered a steamer to effect shipments of about 2,000 tons of oil sold to that country at £108 per ton. This factor lifted the rate of May delivery to Rs 31.44 from Rs 31.00, to finish the week at Rs 31.25. In the ready section, the rate was quoted at Rs 30.31 and Linseed Oil at Rs 16.25.

The tendency in the Groundnut section was generally Arm. May delivery closing at Rs 162 after opening at Rs 161.25. In the ready section, sold and buying was quoted at Rs 163.50, and Groundnuts Oil at Rs 27.62.

The decision to grant export quotas for Groundnuts Oil makes on the basis of 20 per cent of their basic year's exports has been received with a feeling of relief. The Government originally allowed exports of cakes within a ceiling of 20,000 tons; but business was handicapped in the absence of the announcement of the quantity that an individual shipper would be entitled to export. The latest decision has, however, clarified the situation.

Gold & Silver

The Government of Bombay have approved the decision of the Board of the Bullion Association to impose special margins on outstanding long positions in silver "Chaitra" and "Vaishak" settlements. The Association has stated that the margin at the rate of Rs 500 a bar on outstanding net positions above 40 bars will come into force on March 26. The Government announcement has also asked for submission of statements of outstanding purchase and sales by members as well as those of their clients.

Naturally, the setback in silver has been attributed to bull unloading, induced by the approval given by the Bombay Government for the amendments proposed by the market authorities to bye-law 33A. As against an offtake of only 10 bars, arrivals were as much as 18 bars. Forward rates moved between Rs 193.62 and Rs 195 and spot rates between Rs 194.00 and Rs 195.12, to finish at Rs 194.12 and Rs 194.50 respectively.

Gold receded under the impact of large arrivals and increased offerings of Kolar gold. The National Bank of India was reported to have sold 2,100 tolas of Kolar gold around Rs 111.15. Forward rates moved between Rs 111.19 and Rs 111.75 and spot rates between Rs 110.87 and Rs 111.37, to finish at Rs 111.50 and Rs 110.87 respectively. Sovereign eased off to Rs 71.26 from Rs 72.

DEATH
REVIEW

MR NEHRU laid on the table of the Lok Sabha on Thursday last the long awaited explanatory memorandum on the foreign exchange position in the first two years of the Second Plan. The statement was actually prepared last autumn in response to persistent anxiety about bad budgeting of foreign exchange content of our Plan requirements resulting in heavy drawing on foreign exchange nest eggs of various kinds. The Finance Ministry set to work and collated the necessary data, and the Planning Commission have now interpreted the data thus collated and brought them up to date, and the results have been placed before the public.

Broadly speaking, the statement confirms the view that the exchange difficulties were due mainly to the rise in imports necessitated by the attainment of our goal of the Second Plan. It discloses that rather than the impression that, somehow, the private sector was the villain of the piece, having consumed more than the planned share of the foreign exchange in much quicker time. It also shows that the rise in the cost of the imports due to causes beyond our control was not very significant. Fourthly, it shows how vulnerable our entire economy is in the agricultural front impinging adversely on our foreign exchange resources. A good deal of our foreign exchange troubles in 1956-57 was due to heavy import of foodgrains. Lastly, the moral of it all, drawn by the statement itself, is the need for a closer and tighter foreign exchange budgeting instead of the rather casual happy-go-lucky incidents of foreign commodities.

The statement shows that the present difficulties (now happily under control) commenced some time in April 1956, and reached their crucial worst in March-September 1957. By March 1957, our foreign reserves had fallen by Rs 219 crores, and by September, they had gone down by Rs 360 crores. Our sterling balances, which stood at Rs 527 crores at the end of March 1957 dipped down further, and are now expected to stand, at the end of April next, at Rs 280 crores.

The main difficulty has been caused by increase in imports rather than decrease in exports. Indeed, export earnings have been going up during the period, though, of course, not to the extent anticipated. Export figures have been showing a steady upward trend from Rs 596.6 crores in 1954-55 to Rs 641 crores and Rs 637 crores in the next two years. Imports, on the other hand, have shown a steep rise. From Rs 751 crores in 1955-56, they have shot up to Rs 1077 crores in 1956-57, an increase of Rs 326 crores. At the end of the current month, the out-

Foreign Exchange Post-Mortem

standing commitments are estimated at Rs 864 crores, of which the private sector's share is Rs 300 crores, the rest being on Government account. Of the Rs 300 crores, Rs 200 crores represent normal outstandings and only Rs 100 crores on account of capital goods for the Plan.

A comparative study of the break up of the import bills for the two years 1955-56 and 1956-57 is revealing. The most striking thing about the figures is that the largest single increase has been in the import bill of foodgrains which has equalled that of import of machinery. This shows at once the real weakness of our economy, a weakness that might conceivably set at naught all our other gains. Unless our agricultural production is able to reduce our dependence on foodgrains substantially, deep cuts in our foreign exchange resources, needed for the more ambitious industrial portions of our Plan, will inevitably jeopardise the industrial targets. Thus, not only from the point of view of controlling the domestic inflationary situation, but also from that of getting on with the industrial core of the Plan, a really determined effort on the agricultural front is inescapable.

For the rest, the break up supports the view that the increase in the foreign exchange draft has been in pursuance of the Plan's objectives. In this connection, it is necessary to recall that not only was the gap in foreign exchange anticipated by the planners, but also that the expectation was that the drain would be in the first, rather than in the second, half of the Plan. Machinery, iron and steel account for the bulk of the increase under individual heads, taking care of about Rs 133 crores of the increase. There has been some rise in consumer goods imports, but that has not been very enormous. In any case, the truly drastic cuts in imports under this head, even to the extent of stopping medicines and so forth for which we have as yet no wholly satisfactory substitutes, will correct any early extravagance. The inexorable demands and the need for importing essential raw materials (commensurate with our new status as a nation increasingly industrialised) have made some inroads into our foreign exchange assets. Increase in defence stores account is, along with other Government imports, at Rs 49 crores. The increase in import bill due to the increased tempo of industrialisation was reflected in such items as non-ferrous metals, oils, chemicals, drugs and also, to a smaller extent, by items like rayon, yarn, raw wool, raw rubber, etc. Of the other items, sugar whose import increased by about Rs 13 crores in 1956-57 became in the subsequent

period an asset rather than a liability.

Though the exchange difficulties were mainly due to the heightened tempo of Plan expenditure, there were certain factors which aggravated the situation. First among these is the regrettable increase in defence expenditure about which there was much heart searching in Parliament recently. On this score, the note does not hold out much cheer, for, it says that the foreign exchange component of the defence expenditure has been steadily rising in the last few years, and it seems likely that the annual average during the first two years of the Second Plan would be about Rs 30 crores higher than the average of the preceding three years. And what is more, the outstanding commitments are also very heavy. While one may regret the necessity of this enormous drain on our foreign exchange resources, there is apparently not much that can be done about it with a neighbour, like Pakistan, sabre-rattling all the time. But, it would be necessary, consistent with our professions in political contexts and the needs of the Plan, to see whether or not further economies should be effected in our defence budget.

The other complicating cause was the "under-estimate of the higher requirements" of raw materials, components, etc., for maintaining the high level of industrial production. Of course, the need for providing for the quickening tempo of industrial activity was foreseen at the time of the original estimates, but, by the nature of the case, such an estimate has been somewhat arbitrary and, in the event, inadequate.

It is comforting to note that the widely canvassed cause of increased cost of imports and freight rates has been one of the sources of our recent troubles only to a very limited extent. The statement is fairly reassuring on this point. The large increase in the value of our imports between 1955-56 and 1956-57 was mainly due to an "increase in their volume and only to a relatively small degree to an increase in the unit cost arising from higher prices abroad or from the rise of freight rates. The Reserve Bank has estimated the rise in freight rates resulting from the Suez episode at about Rs 15 to Rs 20 crores in the total value of the imports." This news is cheering not only because it has removed an existing misgiving about the past, but also for the prospect of our future commitments not being distorted by external factors. The much advertised recession abroad is again a favourable factor in the lowering of our cost of our imports, though, of course, its adverse effect on our export earnings is not quite a welcome consequence.

Finally, the statement repudiates the suggestion that a spending spree by the private sector encouraged by indiscriminate licensing has been one of the causes of our recent troubles. It states that the private sector has not gone beyond what was laid down in the Plan. Some industries, however, had gone ahead of the time schedule within the Second Plan itself. These include sugar, bicycles, electric transformers, electric motors and ACSR conductors. Thus, there has been an error in phasing, but no uncontrolled expansion of the private sector beyond the limits set by the Plan at the expense of the public sector and other areas of the economy.

The statement concedes that there may have been some lack of control in the past over the foreign exchange situation owing to certain laxity in sending delegations abroad too freely and in constructing too many large buildings without any thought of commodities that have to be obtained abroad. There has also been some lack of coordination or firm grip of the situation by the absence of foreign exchange budgeting. This wholesome control has, according to the statement, been revived since January 1957 with the result that there is a more careful husbanding of resources. There can be no doubt that the lessons of the last year and a half have painfully brought home to authority the need for the greatest vigilance in the matter. It is unlikely that the lesson will be forgotten in a hurry.

In this context, it is worth while to utter a word of caution about one aspect of the prospective experience in regard to foreign exchange during 1958-59. That is, that the extent of the import surplus is likely to be obscured from time to time by receipts against foreign assistance. If, therefore, in particular weeks, the Reserve Bank's foreign balances appear to show an improvement, this should not be mistaken to mean that the trend in balance of payments has reversed and in our favour. At the same time, I should also point out that we must not be unduly put out by the contingency of a sustained drawing on our balances during the next six months. For, the summer months are traditionally a period during which exports tend to be a bit slow. So, we should guard against both extremes—excessive pessimism as a result of continuing import surpluses, or ebullient enthusiasm as an offshoot of accruals to our balances by dint of foreign aid receipts.

As this journal pointed out more than a year ago, in a Leading Article, and as Mr Nehru suggested recently, the thing to do would be to start framing annual Budgets for Foreign Exchange.

NEHRU
REVIEW

A sizable increase in agricultural production has become one of the immediate tasks of the country for the simple reason that its future development itself depends in a large measure on its ability to attain self sufficiency in food. The increase in population and the steady improvement in the standard of living have considerably increased the demand for foodgrains. If the country continues to spend huge sums, as it is now doing, on the import of food from abroad, its development programme will suffer a setback as food imports will eat into its reserves of foreign exchange leaving little for use on capital projects. It is, therefore, rightly pointed out that agricultural expansion is of vital importance to our country.

The fact that despite strenuous efforts in a number of directions in the past five, six years, agricultural production has not increased to the desired level, has imparted a sense of urgency to the problem of food production in the country. The fresh efforts that are sought to be initiated aim at eliminating the obstacles in the way of kindling the enthusiasm of the agriculturists. The principle that the tiller of the soil alone should own the land has been generally accepted and many State Governments have already taken steps to give this principle a concrete shape. It is, however, recognised that much besides land reform has to be done if the desired result in the agricultural sector is to be obtained.

One such measure is price stabilisation for farm products. It is found that almost all countries have policies to support and stabilise agricultural prices. In an underdeveloped country like India there are very many problems which have to be solved before agricultural support and stabilisation measures can be formulated. Inaugurating the FAO Centre on policy to support and stabilise agricultural prices and income in Asia and the Far East in New Delhi early last week, Mr Ajit Prasad Jain, Union Minister for Food and Agriculture, has detailed the complications in the way of framing price policies. Broadly speaking a price policy should ensure that the interests of both the producer and consumer are fully safeguarded. And in a developing economy it should also help achieve the various production targets. An important problem in this regard in our country is the need to ensure social harmony. For while the industrial worker has been able to get substantially higher wages, the agricultural worker is still getting unduly low wages and incomes. This glaring disparity in incomes between two classes of workers has also to be taken into consideration when prices for agricultural produce are fixed. An idea of the difficulty

facing Government in devising a satisfactory price stabilisation policy for agricultural produce can be had from the apparently valid criticism that Government's land policy by which they seek to place a ceiling on land holdings savours of confiscation of a particular asset when no such limit is sought to be fixed with regard to other types of assets.

Bihar Budget

THE budget presented by Dr S. K. Sinha, Chief Minister of Bihar for 1958-59 shows no departure from the general pattern of State budgets this year. Like his counterparts in the other States Dr Sinha has produced a surplus in the revenue budget. Revenue receipts and expenditure charged to revenue being estimated at Rs 61,90 lakhs and Rs 56,42 lakhs respectively the revenue surplus worked out to an amount of Rs 5,48 lakhs.

The capital budget reveals a shortfall of Rs 6.05 lakhs, total capital receipts and capital expenditure being estimated at Rs 40,75 lakhs and Rs 46,85 lakhs respectively. The overall deficit in the budget is therefore Rs 57 lakhs which is quite negligible.

The budget has made provision for Rs 30.39 lakhs for expenditure for the third year of the Plan, of which capital expenditure on the Plan sector accounts for Rs 17.71 lakhs. With a view to meeting the needs for financial resources in connection with the Plan Dr Sinha has announced a series of new taxation measures capable of realising to the Government additional revenue to the tune of Rs 2.25 lakhs in 1958-59. The new tax measures are (1) introduction of a general sales tax of half per cent on all sales by all dealers with a turnover of Rs 5,000 and more besides the single point special sales tax as at present (2) a primary education cess and (3) a betterment levy on lands which have appreciated in value by execution of irrigation and flood protection schemes. While a return of Rs 1 crore each is anticipated under the general sales tax and the primary education cess, the betterment levy is credited with a revenue potential of Rs 25 lakhs. An additional revenue of Rs 30 lakhs is expected from the withdrawal of certain exemptions at present allowed to the Stamp Act. Considering that the Planning Commission have fixed Rs 3,00 lakhs as the flooring for additional taxation in the State, the new tax measures announced by Dr Sinha are on a modest scale.

The non-Plan expenditure in the budget which is estimated in the budget for the coming financial year at Rs 71.99 lakhs is of a huge order. Any conclusion of administrative extravagance that this might suggest is belied by the

fact that a large part of this is incurred as committed expenditure on schemes under the First Five Year Plan, social services being one of the major heads of non-Plan expenditure.

While the budgetary position has shown signs of improvement the general economic situation in the State is far from satisfactory. Only a few months back there were reports from the State of an influx of population from industries to agriculture, which suggest a deterioration in the living standards of the people in general. The influx has been attributed to a fall in employment opportunities in industries. Considering the expansionist effects of the Plan, this appears strange. Though Bihar is one of the most backward States in the country in point of industrial development the scope for industrialisation is generally accepted to be vast. The need to pay greater attention for starting industries is therefore great.

Orissa Budget

In preparing the budget for Orissa for 1958-59 Mr Harekrishna Mahatab, the Chief Minister, has tried to emulate the example of the Finance Ministers in the other States and had accordingly announced a series of new tax measures to cover the deficit as originally disclosed by the revenue budget for the coming financial year. Total revenue and expenditure charged to revenue being estimated at Rs 25,82,35,000 and Rs 26,94,38,000 respectively the deficit in the revenue budget is to the tune of Rs 112 lakhs. This is sought to be converted into a small surplus of Rs 58 lakhs by means of additional revenues from tax and non-tax to the extent of Rs 170 lakhs.

Standardisation of land rent, standardisation and unification of local cesses, levy of water rate on lands which have been benefited from irrigation facilities, cess on sugarcane to be collected through sugar factories, tax on transport of goods by road and canal, and postponement of the prohibition date for the sale of opium to another year, are the various means proposed by Mr Mahatab to raise the additional revenue of Rs 170 lakhs.

Orissa being one of the most backward States in the country expenditure for development purposes assumes great importance. In the budget provision has been made for new schemes worth Rs 23,40,70,000 both in the revenue and capital accounts. The possibility of the State Government floating a public loan to the tune of about Rs 2 crores during 1958-59 to finance development schemes has been mentioned by Mr Mahatab. In connection with the Second Plan provision of a sum of Rs

6,75,82,000 for schemes under the State sector for the third year has been made while schemes under the Central sector accounts for an expenditure of Rs 1,25,17,000.

Notwithstanding the surplus that is anticipated consequent on the introduction of new tax measures, the overall financial position shows only slight improvement. The total overall balance at the beginning of the year was a minus figure of Rs 4,28,00,000 which however is expected to be reduced to Rs 2,90,33,000 at the close of the year with the help of a surplus of Rs 6,27,000 under net transactions under "Public Account".

Handloom Industry

Widespread distress among handloom weavers has been noticed since last November. One school of thought attributes this lower offtake of handlooms to the acute competition from mill made cloth. The only response from Government to the persistent demand for relief was a reduction in the rebate on handloom cloth from one and a half anna to one anna. At the same time there has been successive concessions to the organised sector of the textile industry. From the middle of December last year, States Sales Tax on the mill cloth has been abolished. The excise duty has first been reduced by half an anna and again this month Mr Nehru has announced further concessions which will entail a loss to the tune of Rs 15 crores to the exchequer. No relief, has, however been extended to the handloom weavers.

In a statement two prominent members of the All India Handloom Board have issued a fervent appeal to Government to bring immediate succour to the 15 million people in the country who depend on the handloom industry for their livelihood. The heavy accumulation of stocks all over the country coupled with continued production in the past few months seems to have resulted in unemployment and consequent distress among a large number of weavers. The statement points out that handloom goods worth about Rs 2 crores are lying unsold within the cooperative fold alone in Madras. Such stocks are estimated at Rs 1½ crores in Andhra. It is said that there has been no normal off-take of handloom fabrics in the country since July 1956.

The statement argues that when Government have deemed it necessary to extend such extensive relief to the organised mill sector which employs only 2 lakh workers, it is strange that in a matter that vitally concerns 15 million people no ameliorative measures have not been initiated. It is evident that the handloom industry needs immediate help to tide over the present crisis over and above longterm steps to bring stability to it.

DEATH
REVIEW



Sugarcane Prices for 1958-59

THE Government of India have fixed the price of Sugarcane, to be crushed by vacuum pan factories during the 1958-59 season, as follows:—(a) A basic minimum price of Rs 1.44 per maund for delivery at the gate of the factory and Rs 1.31 per maund for delivery at rail centres; and (b) A deferred payment of an amount which may be found due under the formula prescribed by the Government for linking the price of cane with the price of sugar as realised by the factories concerned.

The basic minimum prices are the same as have been in force during the last five years. The fixation of prices, as recommended by an expert Committee, has been accepted by the Government for adoption on an all-India basis, unless any alternative scheme is applied in a State or region by the State Government concerned with the previous approval of the Central Government.

Meanwhile, prospects for sugar for the current season are more promising than were those for the past season. However, an important source of worry for the industry is, that factory despatches have not yet increased in proportion to the rise in production.

According to the Indian Sugar Mills Association, production, during February, was 4.14 lakh tons, bringing the total production, upto 28th February 1958, to 13.36 lakh tons as against 13.56 lakh tons and 11.63 lakh tons respectively in the previous year. Offtake from factories, during February, was 1.95 lakh tons as against 1.76 lakh tons during the corresponding month of last season. This brings the total despatches from factories up to the 28th February (including despatches for exports) to 6.36 lakh tons as against 6.35 lakh tons on the same date last season. Closing stock with the factories, on the 28th February, was 11.29 lakh tons as against 10.61 lakh tons on the same date last season.

From the above statistics, it is clear that the Government have to take vigorous steps from now on to increase sales. So far, there does not seem to have been any export from the current season's output, nor is the export outlook promising. It does not look as if domestic consumption will improve very much.

For obvious reasons, conditions in sugar markets have continued to rule quiet although demand from the consuming centres has been fairly good. In the Hapur market, following mill-delivery rates (per maund) are quoted:—Meerut (D-28) Rs 35.69; Simbhauli (E-29) Rs 36; Daurala (B-29) Rs 37.75; Amroha (D-29) Rs 35.31; Bijnore (E-29) Rs 35; Shamli (C-29)

Rs 36.50 and Modinagar (B-29) Rs 37.12.

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Gur

Gur markets have continued to rule steady. In the Hapur market, 37.81; Iqbalpur (C-29) Rs 36.62; prices have recorded a further gain of Re 1 per maund as bulls are reported to be buying ready arrivals at higher prices. Bears have, on the other hand, arranged to sell ready gur at Rs 13 in small quantities to each individual buyer in order to prove that the rise in ready prices has been manipulated.

In the Muzaffarnagar market, too, prices have improved and daily arrivals are put at about 5,000 maunds. Chakku is quoted at Rs 17.50 to Rs 18.12; Kharpur Rusket at Rs 11 to Rs 12 and Shakkar Dara at Rs 18 to Rs 20.

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Khandsari

Following good demand from Madhya Pradesh and other consuming centres, Khandsari prices have recorded modest gains. Production is continued on a fairly large scale. Latest prevailing prices are Rs 27 to Rs 33 per maund, according to quality.

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Foodgrains

Prices in the Hapur Foodgrains market have shown a mixed trend. Wheat prices have eased slightly, average quality being quoted at Rs 15.37 and the farm quality at Rs 17 per maund. A large quantity of imported wheat is being stored here for reserve purposes; and this has acted as a softening factor. Influenced by adverse crop reports from the main producing areas of the Punjab, Gram prices have recorded gains of about 25 nP per maund. With the beginning of new arrivals, Barley and Bajra markets have been ruling rather quiet. The markets for Maize and Bajra have improved slightly despite a fall in demand. The continued bullish tendency in the forward section has helped the rising tendency in Peas prices. Arhar improved in sympathy with peas.

In the Delhi grains market, farm wheat recorded a small rise early in the week due to good demand although increased supply caused a sizable log in the rates at the close. Gram eased by about 50 nP per maund as demand from Uttar Pradesh and other centres was lacking. As there was an increase in the supply, Rice rates receded by 50 nP to Re 1 per maund. A gain of about 50 nP in the rates of Guwar was attributed to encouraging advices from the producing centres.

A fresh all-round improvement in Pulses provided the main feature of trading in the Bombay grains market. The tendency in Rice and Coarse grains remained quietly steady with prices hovering in a narrow range. The volume of business was moderate. The strength in Pulses was attributed mainly to the shortage of superior supplies and higher upcountry advices.



Industrialisation of Andhra

ADDRESSING the Andhra Pradesh Legislative Assembly Chief Minister, Mr N. Sanjiva Reddi disclosed the intention of the State Government to constitute an Industrial Advisory Committee to help suggest steps for the industrial development of the State. In view of the wide gap between resources and utilisation the decision of the Government to constitute such a Committee is to be welcomed. The proposed attempt to associate persons from outside the State who are known for their keen interest in industrial advancement, with such a Committee would also be warmly appreciated since this would ensure effective correlation between formulation of schemes and actual resources.

In the course of his address Mr Sanjiva Reddi has also sought to stress the need to start more industries in the State and has given out a list of industries that would lend themselves to early development provided the needed capital resources were forthcoming. A fertilizer factory, a diesel engine factory, a low carbonisation plant, factories for the manufacture of heavy casting machinery and structural steel are a few that find a place in the list of Mr Sanjiva Reddi. The development of leather and coconut industry was what some of the opposition members found to be missing from the list of the Chief Minister.

But in view of what Mr Sanjiva Reddi refers as the Government's inability to invest large amounts in new industries, the scope for the development of industries in the State on any large scale would naturally be determined by the extent of help that the Centre would be able to offer to the State Government. In the Second Plan for Andhra Pradesh out of a total allocation for expenditure to the tune of Rs 175 crores provision for industries accounts for only Rs 14 crores. Concentration on development of irrigation, according to Mr Sanjiva Reddi, explains the relative inability of the Government to set apart larger funds for industrial advancement.

In the course of the debate in which the whole house participated, the Central Government became a convenient scapegoat for the continuing backwardness of Andhra Pradesh in the matter of industrial development. The Central Government's reluctance to sanction a fertilizer factory in Andhra Pradesh was interpreted by a communist spokesman as an act of injustice done to the people of the State. At the same time he was inclined to attribute this in part to what he claims to be the failure of the State Government

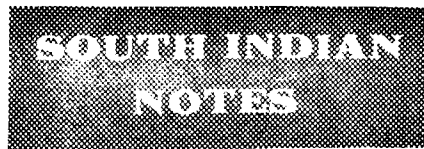
to put up its case effectively before the Centre. This sentiment was also echoed by a few other members. Even Mr Sanjiva Reddi confessed to a sense of disappointment at the attitude of the Centre in regard to the industrial development of the State. He was tempted to draw adverse comparison between the action of the Centre in granting aid to the Neiveli Lignite Project to the tune of Rs 66 crores and its turning down the request made by the Andhra Pradesh Government for aid for a sum of Rs 6 crores for the development of the Singareni Collieries. The non-acceptance by the Centre of the schemes prepared by the State Government for the starting of three co-operative sugar factories for which according to Mr Sanjiva Reddi capital to the tune of Rs 10 lakhs has been collected from the people was cited as another instance of the unsympathetic attitude of the Central Government. In view of the extremely limited resources at the disposal of the Centre and in view of the fact that similar complaints have been made by almost all the other State Governments there would seem to be very little substance in the charges of discrimination made against the Centre. The many adverse comments that have been made against the Centre could, in this case, only be taken as expressing the impatient enthusiasm of a State which having found its political aspirations for the linguistic integration of its territories fulfilled, wants to take larger strides in industrial development.

To the State Government that thus finds itself starved of capital to start new industries a Communist member has pointed a way out. An increase in the rate of interest offered for loans from the people according to him would evoke response to the tune of at least Rs 12 crores. But whether such a step would not increase the overhead cost it was not for him to bother about. Co-operation of private capital in the measure in which it is forthcoming would also fill part of the requirements for capital needed for starting new industries in the State. Mr Sanjiva Reddi has in this connection indicated the manufacture of fertiliser as a possible field where such private ventures would be welcomed. Even the communist member who laments the circumstance of the State Government being forced to seek the help of the private industrialists for opening a fertiliser factory, is prepared to counterbalance the participation of private capital in the starting of more sugar factories. The role of the State Financial Corporation in encouraging industries has also left much to be desired. It was pointed out by a member that since the inauguration of Andhra Pradesh the Corporation has given loans only for a meagre amount of Rs 6 lakhs. Complaints about delay in sanctioning licences for new industries speak of a state of affairs in which

new industries could only with difficulty be brought into existence.

While Mr Sanjiva Reddi has sought to impress public opinion on the need to start more industries in the State he has failed to evoke satisfaction on the conduct of industrial enterprises in the State. The number of industries inefficiently administered and which are unable to keep their heads above water is almost shocking. The Sirpur paper mills, the Allwyn Metal Works, the Taj Glass factory, the Hyderabad Chemicals and Fertiliser factory are a few of the industries having the State Government as a shareholder which are in need of better management. While the glass factory in which the Government held 23 per cent of the shares had been already liquidated, the share capital of the Allwyn metal works whose assets according to Mr Sanjiva Reddi are just enough to offset the debts, has been reduced with a view to attracting private capital. Further the Nizamabad Sugar factory which had a fairly long run of inefficient administration has only been recently retrieved to a working condition. The Praga Tools Corporation which till lately was faring no better was saved only by Central intervention with about Rs 1 crore. In the face of such glaring inefficiency in management the demand made by some opposition members for the appointment of an enquiry committee to go into the working of various industries and for enforcing strict auditing looks reasonable. Mr Sanjiva Reddi's statement that the Government's attempt would be to get the best out of the present industries and make an effort to march forward with confidence and fully utilise all opportunities offered by the Centre is, in this context, reassuring and would allay doubts about the attitude of the Government to the problem of industrial management. The Government's success in prevailing upon the Indian Bank to grant a loan of Rs 1 crore for the development of Singareni Collieries is an encouraging sign in the new outlook for industries. Besides the Neiveli Lignite Project in Madras, the Singareni Collieries provide the only source of fuel for industries in the South. Development of the collieries on sound and proper lines is therefore a minimum condition for the rapid and uninhibited growth of industries in the South.

When improvement in the management of industries assumes such overriding importance the demand made by some members to introduce labour participation in the management of industries would appear to be rather premature. Though some other States like Madras have taken action to associate labour in the management of industries in limited fields, the very short period for which it had been in operation would argue for a gradual process in the introduction of the experiment in all industries.



Industrial Relations

Speaking at the annual general meeting of the Employers' Federation of Southern India, Mr M. J. Edwards, Chairman, has counselled caution in enforcing the scheme of workers participation in management. For in the first place it is not agreed on all hands that the schemes will result in bringing about the desired result. Moreover it is to be remembered that good management is vital to the orderly progress of industry. Any tinkering with this aspect will only result in loss and serious setback to the industry as a whole. When it is realised that good management is essential to the efficient working of industry the force of the argument that such ideas as workers' participation in management will have to be adopted in the beginning only on an experimental basis and that the time for considering their implementation will be when the result of such experiments are available will be realised.

The question of workers participation in industry has been considered by the Planning Commission. They have pointed out that for the successful implementation of the Second Plan increased association of labour with management is essential. This will improve industrial relations and will also promote increase in productivity. Accordingly they have recommended the formation of Councils of Managements consisting of an equal number of representatives of management and workers. Though the suggestions have been considered further both by Government and industrialists, there is yet no clear cut notion about the exact extent of participation of the joint management councils in the actual management of industry. In this regard it is pointed out that one of the prerequisites to the schemes of workers participation in management is the ability of labour to provide workers with the requisite technical qualifications. For the fruitful functioning of the joint management councils it is essential that representatives from both sides are well versed in the working of the industry with which they are concerned. It is to be borne in mind that the main purpose of the schemes is to improve industrial relations and increase productivity. Conversely it is to be firstly ensured that the joint management councils do not become obstacles in the way of progress of the industry.

Government would also do well to take note of Mr Edwards' opinion about their labour policy. The extensive labour legislation enacted in the past few years has made the industrial worker a privileged person in a community where the majority of people who are engaged

in agriculture and allied occupations are only getting comparatively low emoluments. The disparity in wages between an industrial worker and an agricultural worker becomes quite glaring in the mofussil regions. Government have to take note of this aspect when they extort the agriculturists to increase production.

Referring to the move of the Kerala Government to abolish reference to Tribunals, Mr Edwards has pointed out that there is a strong bias on the part of the State Government toward labour instead of a position of impartiality. This is borne out by some of the proposals placed before the Industrial Relations Board by the Government. One of these proposals is that workers should receive 64 per cent of basic wages and dearness allowance as bonus irrespective of profit or loss. Another proposal is that 25 per cent of the net profit of a company before taxation should be distributed among workers.

Sales Tax Reform

Though simplification of the sales tax system was the object of the Madras Government in appointing the Lokanathan Committee to inquire into the sales tax structure in the State, the actions proposed to be taken by the Government on the recommendations of Dr Lokanathan would seem to violate this very canon of simplicity. The exemption limit which is proposed to be lowered to Rs 5,000 though it has the sanction of the Taxation Enquiry Commission could better have been left at its original limit of Rs 10,000 if simplification was the object of the Government. The effect of the lowering of the exemption limit would be to add to the expenditure on administrative personnel which the additional revenue that the lowering of the limit might secure, would only barely offset.

Some of the measures that have been announced also run contrary to the recommendations of Dr Lokanathan. The decision to fix the multi-point levy at the rate of 2 per cent against 1 per cent as suggested by Dr Lokanathan is only one of the departures made by the Government from the report of Dr Lokanathan. In the same way against a limit of 6 per cent in the case of single point levies which was recommended by Dr Lokanathan, the Government have chosen some 14 articles for a levy of 7 per cent. The fixation of the multi-point levy on foodgrains, milk and vegetables at 1 per cent as against 1/2 per cent as recommended by Dr Lokanathan and the upward revision of the monthly taxes to be paid by dealers in different slabs between Rs 5,000 and Rs 10,000 are two other changes proposed by the Government.

Thus barring the switch to single point levy in respect of the articles recommended by Dr Lokanathan, the recommendations of Dr Lokanathan for lightening the burden on traders and the community in general have been practically nullified. In the result the sales tax structure which it was

the object of the Government to modify on the side of simplicity and equity has been practically kept in tact.

Slum Clearance

Among the legacy of evils which an unregulated and unplanned industrial and urban civilization has left the drawing together and the overcrowding of industrial workers in particular areas with no proper facilities for adequate housing which converted such centres into slum areas was the worst. The pattern of industrial distribution in the country with the major industries being localised in particular areas especially around urban centres, was the most important factor in the creation of such slums. The removal of such slum areas is one of the most pressing problems with which local authorities in all urban centres in the country are confronted. The existence of such insanitary and unhealthy areas has converted urban centres into a fertile breeding ground for all kinds of contagious diseases. The case for the removal of slums rests as much on the social need for promoting the health of the entire population as on the economic need for bettering the living conditions of the slum dwellers.

Success in slum clearance is purely a matter of availability of finances for the local authorities on a scale adequate to the magnitude of the task. And this has been the limiting factor in the efforts of the Municipal administration in all the major cities in the country, towards rapid progress in the elimination of slums.

The allocation of the entire revenue from the enhanced entertainment tax in Madras, to the Municipalities would, in the context of the growing responsibility of the Corporation and the inelasticity of the sources of its revenue be warmly appreciated. The total amount that is anticipated under this head is about Rs 30 lakhs. Since there are so many demands on the limited resources of the Corporation, maximum benefits from the expenditure of the Corporation could be guaranteed only on the basis of a system of priorities, for the expenditure of its funds. The need to keep slum clearance in the priority list of the Corporation's schemes is too obvious to be ignored.

The importance and urgency of the need to renovate the slum areas in the Madras city was supported by Mr C. Subramaniam, Finance Minister for Madras in the course of his address to the Conference of the Municipal Chairman. To expedite progress in slum clearance it was suggested by him that the Municipalities should earmark the additional revenue to be derived from the enhanced levy of entertainment tax for the improvement of slums in their towns. Mr Subramaniam also assured sympathetic consideration by the Government of any additional demands for money that might be made by the municipalities for slum clearance schemes.

Nevertheless, India is struggling, with and through its high 5-year Plan target, to improve the standard of living of its vast population

and there is no doubt this endeavour is meeting with some success. The General Election confirmed India's adherence to democracy for the ensuing five years under the guidance of Prime Minister Pandit Jawaharlal Nehru, and the influence of this throughout the whole of South East Asia is of primary importance to the entire free world.

PAKISTAN

Mr. H. S. Suhrawardy continued as Prime Minister until October, 1957, when Mr. I. I. Chundrigar, leader of the Muslim League, took over the Premiership. This Government was, however, short lived and in December resigned, to be succeeded by Malik Feroz Khan Noon with a Cabinet of eight members of whom seven are members of the Republican Party. This Government relies on the support of the Awami League, National Awami Party, and National Congress Party. Two main issues continue to bedevil Pakistan politics the question of separate or joint electorates and the continuance of the One-Unit constitution in West Pakistan. Opinion is so divided on these two issues that political stability still seems some way off. Pakistan's foreign policy continues to be firmly pro-western and her overseas prestige was undoubtedly enhanced by Mr. Suhrawardy's visits, when he was Prime Minister, to the Far East, the United Kingdom, the U.S.A., and other countries.

The industrialization of Pakistan continues to expand; the Industrial Development Corporation provided Rs. 12 crores to finance industrial projects, including sugar and jute factories, newsprint, pharmaceutical products and dyestuffs, and fuel and power. The Pakistan Industrial Credit and Investment Corporation was established in October with a capital of Rs. 2 crores and loans from Government (Rs. 3 crores) and the International Bank (Rs. 2 crores), making a total of Rs. 7 crores to assist in the expansion and modernization of industrial enterprises in the private sector, particularly small and medium sized concerns engaged in the processing of indigenous raw materials. On the other hand, agricultural development is not receiving the expansion essential to the country and Pakistan continues to be dependent on large food imports: in 1958 it is estimated that 700,000 tons of rice and not less than 600,000 tons of wheat will have to be imported, whilst the adverse balance of trade for the 10 months ended October, 1957, was Rs. 22.54 crores.

Heavy Governmental expenditure resulting in excessive monetary demand brought about inflationary tendencies during the year, and credit restrictions were accordingly imposed to meet this trend. It is to be hoped that profitable revenue from the many industrial enterprises created in recent years will soon come to the assistance of the economy which at present is so largely dependent on foreign aid.

Severe drought adversely affected the tea crop in 1957 and there was a marked decline in world demand for jute goods, the two main industries of East Pakistan. Further progress was made in the industrialization of Khulna and the opening of the new shipyard was an important event, but much remains to be done if local amenities such as roads and housing, drainage, and water supply are to keep pace with the industrial development of Khulna.

CEYLON

Mr. S. W. R. D. Bandaranaike's Government continued in power throughout the year and has had considerable difficulties to contend with. Tact and skill were displayed in settling the Tamil problem and this language is now recognized as the language of the Tamil minority and as the administrative language of the Northern and Eastern Provinces.

Economically Ceylon has been adversely affected during 1957 by several factors: and the balance of trade for the first 11 months was unfavourable by Rs. 82 million compared with a favourable balance of Rs. 102 million for the same period in 1956 and a favourable balance of Rs. 480 million in 1955. Her Budget estimated for a deficit of Rs. 199.6 million, but this is likely to be greatly exceeded by the great increase in cost of wages in the public sector which must throw a considerable strain on the economy. Labour unrest, strikes and delays in clearance of goods in Colombo Harbour are all contributing to a serious economic decline.

Ceylon's economy is based on three commodities: tea, rubber, and coconuts, the world prices of which declined during the year. She is a net importer of foodstuffs and for the first 11 months of 1957 it is estimated that the cost of this has increased by some Rs. 92 million. Apart from transport there has been no nationalization of privately owned industry although fears of this have not been allayed. The Paddy Land Bill which should shortly become law is a measure of agrarian reform designed to increase rice supplies and reduce the nation's bill for imported foodstuffs.

Tea had a record crop with average prices fluctuating between Rs. 1.48 and Rs. 2.18 per lb. Rubber also produced a record crop and is now a creditor of Communist China to the extent of Rs. 120 million under the five-year barter agreement which has now expired. Under a new agreement 30,000 tons of rubber a year will be sold at Singapore prices in exchange for 200,000 tons of rice at Burmese prices.

BURMA

Early in 1957 the Premier, U Ba Swe, was replaced by his predecessor, U Nu, as I forecast last year. Second thoughts about nationalization seem to be taking

place and it is believed that a Bill will soon be passed by the Government to provide incentives to foreign investors to introduce capital into the country by reliefs in taxation and customs and guarantees against nationalization for 10 years with guaranteed repatriation of profits, dividends, and capital. This welcome change in outlook would, and may, have beneficial effects provided greater progress can be made in dealing with the problem of the insurgents, and banditry still unfortunately rife in many districts in spite of the surrenders which have so far taken place.

The Four Year Plan has been scrapped and the Prime Minister has stated that in future planning will be a continuous process, revisions taking place in the light of experience. A recent development is the setting up of Joint Venture Corporations to handle the import of consumer goods and industrial requirements. These, having a monopoly operate profitably.

The country's economy is largely dependent on the export of rice, of which, before the war, Burma was the largest exporter. Although production is still some 20 per cent below the pre-war figure, exports for the year ended September 30, 1957, were estimated at no less than 2,017,000 tons and earned K.87 crores in foreign exchange. The carry-over from 1957 is only estimated at 250,000 tons of rice and rice products. The third crop fore-cast for 1958 estimates an exportable surplus of 1.3 million tons. Long-term commitments include, to India 500,000 tons, Ceylon 200,000 tons, and Pakistan 100,000 tons.

FEDERATION OF MALAYA

An historic event took place on August 31, 1957, when the Federation of Malaya became an independent sovereign nation within the Commonwealth under the able Chief Ministership of Tengku Abdul Rahim. On September 17 the Federation was admitted as a member of the United Nations Organization and diplomatic relations have been and are being entered into with many countries. The change to independence was effected calmly and in a friendly atmosphere and Ministers have made a special point of reassuring investors concerning their stake in the country.

The rubber and tin industries continue to be the main support of the national economy. Rubber cultivation covers 3½ million acres or some 65 per cent of the total cultivated area, the export earnings of rubber produce 60 per cent of total earnings and 25 per cent of the employment of the people. The tin industry provides some 20 per cent to 25 per cent of export earnings. The price of both these products had declined substantially during 1957, and it is important that the development of other industrial and agricultural projects should take place to render the

economy more viable. Indeed, many new industries are coming into existence; ten large factories are to be constructed to produce chemicals, cables, rubber-products, tobacco and matches, and many smaller factories are also under consideration.

The estimates for 1958 budget for a deficit of \$ 119.2 million, but as the estimated general revenue surplus brought forward at end 1957 is \$ 494 million, the estimated deficit for 1958 will reduce this general surplus to \$ 375 million. Britain agreed in January, 1957, to provide Malaya with financial aid amounting to £38,700,000 over the first five years of independence.

SINGAPORE

Further progress in the policy of political advancement was made in 1957. In March, the Chief Minister, Mr. Lim Yew Hock, led an all-party delegation to London and agreement was reached in April on a new constitution designed to confer full internal self-government on Singapore. External affairs and defence will remain the responsibility of H. M. Government, and reserve powers are retained for emergency use. Elections are to take place in August, 1958, but the results of the first fully-elected City Council were disappointing as only 30 per cent of the electorate voted and this resulted in a decisive swing to the left, which may not bode well for the elections to the new 51 member Assembly and the inauguration of the new Constitution next August.

Economically 1957 was a prosperous year for Singapore and there appears to be no reason why 1958 should not also be prosperous, but I must mention some of the factors which may bear upon this prosperity. The confused political situation and uncertain outlook in Indonesia may affect both Malaya and Singapore, over 17½ per cent of whose external trade is with Indonesia. A trend to the left in Singapore is unlikely to expedite favourable consideration by the Federation of Malaya of union with Singapore, and indeed is likely to result in the speeding up of the modernization of Malaya's ports and tightening of her tariff policy to Singapore's disadvantage. A third factor is the rapid increase of population, which is rising by 50,000 a year, and must result in unemployment unless new industries are developed to provide employment and homes. This requires capital for both public and private development and the annual amount of new capital formation has not increased over recent years.

Rubber prices fluctuated throughout 1957, from \$ 1.11½ per lb. for R.S.S. 1 at the commencement of the year to 82½ cents at the end of the year, with a "low" at 74 cents in November. Washington statistics estimated world output of natural rubber in 1957 at 1,930,000 long tons with consumption at 30,000 tons less, and synthetic out-

put at 1,255,000 tons and consumption 5,000 tons less. United States consumed 560,000 long tons of natural and 930,000 tons of synthetic rubber, a total of rather under 50 per cent of aggregate world consumption of both products.

Trade with Japan, both export and import, showed a substantial increase. Imports from West Germany increased by 26.8 per cent to \$ 97.9 million.

The Port of Singapore at present handles approximately two-thirds of Pan-Malayan trade estimated to be in the region of \$ 8,400 million a year, only equalled by the record year 1951 when the balance of trade was favourable to the extent of \$ 1,270 million, whereas for 1957 it is estimated the balance will be unfavourable to the extent of some \$ 200 million.

THAILAND

The peaceful and prosperous progress of Thailand was disturbed by political upheaval resulting in the departure of Field Marshal Pibulsonggram and his co-adjutor. General Phao Sriyanond and eventually the appointment as Prime Minister of Lt-Gen Tanom Kittikachorn, close friend of Field Marshal Sarit following elections held on December 15, 1957.

Industrial development has not made great progress during the year but 1,566,699 metric tons of rice were exported, having a value of £54,707,536 and U.S. \$29,409,338, representing an increase of some 25 per cent over the previous year, but it is believed that the exportable surplus in 1958 will not greatly exceed one million tons.

Trading conditions have become more difficult, due to overstocking in 1956-57, shortage of money which is to some extent siphoned off by a plethora of lotteries, drawings for which take place seven times a month, tightening of credit, and also uncertainty which necessarily accompanies political changes. It is to be hoped that Lt-Gen Tanom Kittikachorn's Government will become firmly and satisfactorily established, maintaining the pro-Western foreign policy of its predecessors while securing the goodwill of the people by enlightened internal administration. Should this prove to be so, there seems to be no reason why Thailand's economic progress should not continue.

A sub-branch of the Bank was opened in the Rajawongse Road on November 14, 1957, for the convenience of our clients in that area of Bangkok.

HONG KONG

The value of imports into Hong Kong increased by 12.8 per cent over 1956 at \$5,149 million of which \$1,131 million came from China, \$667.3 million from the U.K. and \$539 million from the U.S.A. From Malaya and Japan imports declined. Exports declined in total by 6 per cent, compared with 1956

and although increases in exports to the U.K. and the U.S.A. occurred, they could not counter-balance the serious and continuous fall in exports to Indonesia, Thailand, Japan, and South Korea. Exports to China, which have steadily declined since 1957 reached a new low in 1957 at \$123.4 million.

Great progress has been made in establishing Hong Kong as a manufacturing centre, both as to quantity and quality of goods, and exports of Hong Kong products reached a value of nearly \$79½ million in 1957. There has been a boom in building development with consequent high prices for land, but money has become dear as a result of the raising of Bank rate and this has been reflected in depressed prices on the Stock Exchange.

Sir Alexander Grantham, who has been Governor for 10 years, retired at the end of 1957. There can be little doubt that the peace and prosperity which this colony has enjoyed since the war has been largely due to his wise Governorship.

MAURITIUS

Notwithstanding early drought, the sugar crop at 561,800 metric tons was only 10,000 tons lower than the previous year's all time record. Under the terms of the International Sugar Agreement, the export quota for Mauritius remains the same at 470,000 long tons, of which 335,000 will go to the British Ministry of Food and the balance of 135,000 long tons will be offered in the Preferential markets of the United Kingdom and Canada. The Cyclone and Drought Insurance Fund is now estimated to exceed Rs 110 million, but there will be some claims from estates affected by the drought in the north of the island.

In general, trading conditions in the island were satisfactory in 1957, but exports and imports show a substantial increase over 1956. Tea output reached 1½ million lbs. and is increasing. It is hoped, with Government assistance, to have 5,000 acres under tea by 1960.

Passenger transport by railway has ceased and road traffic consequently increased. An ambitious road building programme is under way and three new hydro-electric power projects are being developed.

A Commission headed by Sir Malcolm Eve, Q.C., was appointed by the Secretary of State to make recommendations on the demarcation of boundaries and the electoral system in implementation of the new Constitution. This report is not yet ready but in the meantime the new Ministerial system appears to be working very satisfactorily.

JAPAN

The prosperity and expansion which Japan enjoyed in 1956 re-

ceived a severe check in 1957. The pace of expansion had become too great and the cost of imports rose out of proportion to the value of exports, so that an adverse balance of trade and shrinkage of foreign exchange began to put a severe strain on the country's economy. In an endeavour to improve matters the Bank of Japan raised its rediscount rate in March and again in May to 8.395 per cent. In addition to this tight-money policy, the Government issued directives to private enterprise to restrict non-urgent investment such as house building, and took steps to curb imports. As a result, cuts in production are the order of the day until the Government considers that the situation justifies an easing of the present tight-money policy. There are indications that these steps are taking effect and improving the balance of payments equilibrium.

Japan had another favourable rice crop in 1957, estimated at 350 million bushels, 5.3 per cent higher than in the previous year. Population is now estimated at 91 million and may rise to 100 million by 1970. Strikes occurred in the shipping and steel industries, both detrimental to the country's export trade. In shipbuilding Japan now ranks first in the world having launched 2,424,000 tons in 1957. This industry is now Japan's biggest dollar earner and one of the best sources of foreign exchange income for the nation.

Mr. Ishibashi, who became Premier in December, 1956, resigned owing to ill-health on February 23, 1957, and Mr. Nobusuke Kishi was nominated Premier in his place.

BANK'S VALUABLE SERVICES

The life-line of trade, both national and international is through the facilities made available by the banking system and the friendly co-operation between those responsible for commerce, industry and trade and the banks through which their financial business is transacted. Fortunately, this is well recognized by the Governments of the countries in which we have branches and, although legislative controls are increasing and thus adding to the burdens of our managers and staff, the banking service we are able to provide is of considerable value to the national and international trade of these countries. The skilled work and friendly relations between our managers and staff and the customers and other nationals of the countries in which they work it a principal cause of the continued prosperity of the Bank. Our gratitude is due to them.

Mr. R. N. Drake has been chief manager since 1950. During this period we have made great progress. He will be retiring from the onerous position of chief executive and merits our thanks for his long years of service with the Bank. Mr. C. R. Wardle will be appointed chief manager in his place.

THE DUNLOP RUBBER COMPANY (INDIA) LIMITED

NOTICE IS HEREBY GIVEN that the 32nd Annual General Meeting of the Company will be held at the Registered Office at "Dunlop House", 57B, Free School Street, Calcutta, on Friday the 18th day of April, 1958 at 11 a.m. for the following purposes:—

1. To consider the Profit and Loss Account for the year ended 31st December, 1957, the Balance Sheet as at that date and the Reports of the Directors and Auditors of the Company.
2. To declare dividends.
3. To appoint Directors in place of those who retire by rotation.
4. To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and if thought fit to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution, namely:

"That Mr. Eric Henry Morris be and is hereby appointed a Director and Deputy Managing Director of the Company with effect from 18th April, 1958 upon the terms and conditions presently governing his employment and that he will continue to be entitled to the remuneration presently paid or authorised to be paid to him."

By Order of the Board,

P. B. SEN GUPTA,
Secretary.

Dunlop House,
57B, Free School Street,
Calcutta.

24th March, 1958.

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

In terms of Article 4 of the Company's Articles of Association no Preference Shareholder as such is entitled to attend the meeting. A Debenture Stockholder as such is also not entitled to attend the meeting.

The Transfer Books and Registers of Members in respect of the Ordinary and Second Preference Shares of the Company will be closed from 7th April, 1958 to 27th April, 1958, both days inclusive. As any dividends that may be declared will be paid only to shareholders registered in the Company's Registers of Members, those holding shares on blank transfers are advised to register the transfers prior to 7th April, 1958.

ALLAHABAD BANK, LIMITED

(AFFILIATED TO THE CHARTERED BANK)

Balance Sheet as on 31st December, 1957

CAPITAL AND LIABILITIES		Rs.		n.P.		PROPERTY AND ASSETS		Rs.		n.P.	
1. CAPITAL:		Rs.		n.P.		1. CASH—		Rs.		n.P.	
Authorised Capital—		Rs.		n.P.		In hand and with Reserve Bank and State Bank (including Foreign Currency Notes) ...		3,75,99,487		76	
85,000 Ordinary Shares of Rs. 100 each ...		85,00,000		00		2. Balances with other Banks in Current Account—		Rs.		n.P.	
15,000 6 per cent Cumulative Preference Shares of Rs. 100 each ...		15,00,000		00		(i) In India ...		5,67,344		32	
		1,00,00,000		00		(ii) Outside India ...		2,78,962		34	
Issued and Subscribed Capital—		Rs.		n.P.		3. Money at Call and Short Notice ...		8,46,306		58	
60,000 Shares of Rs 100 each ...		60,00,000		00				6,80,00,000		00	
Amount Called up—		Rs.		n.P.		4. Investments, below Market Value—		Rs.		n.P.	
16,000 Ordinary Shares of Rs. 100 each fully Paid in cash ...		16,00,000		00		(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments; of which Rs. 16,00,000 (Last year Rs. 17,00,000) has been lodged as security for guarantees given to Government Departments ...		8,77,22,666		17	
29,000 Ordinary Shares of Rs. 100 each Rs. 50 paid in cash ...		14,50,000		00		(ii) Shares ...		Nil			
15,000 6% Cumulative Preference Shares of Rs. 100 each fully paid in cash ...		15,00,000		00		(iii) Debentures or Bonds ...		4,500		00	
Less Calls Unpaid ...		Nil				(iv) Other Investments ...		Nil			
Add Forfeited Shares ...		Nil				(v) Gold ...		Nil			
				45,50,000		5. Advances—		8,77,57,156		17	
2. Reserve Fund and other Reserves—		Rs.		n.P.		(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors).					
Reserve Fund (includes Rs. 45,50,000 as identifiable as premiums received on issues of shares in past years) ...				1,08,00,000		(i) Loans, Cash Credits, Overdrafts, etc.—		Rs.		n.P.	
						(i) In India ...		20,88,64,603		81	
3. Deposits and other Accounts—		Rs.		n.P.		(ii) Outside India ...		19,532		07	
Fixed Deposits ...		24,57,77,127		33				20,88,84,135		88	
Savings Bank Deposits ...		5,01,14,084		10		(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments) ...		Rs.		n.P.	
Current Accounts, Contingency Accounts, etc. ...		11,17,26,016		58		(i) Payable in India ...		1,98,15,150		21	
				40,76,17,228		(ii) Payable outside India ...		25,37,832		48	
4. Borrowings from other Banking Companies, Agents, Etc.—		Rs.		n.P.				2,23,52,991		69	
(i) In India ...		83,064		03		(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments) ...		Rs.		n.P.	
(ii) Outside India ...		13,06,848		10		(i) Payable in India ...		1,98,15,150		21	
				13,86,912		(ii) Payable outside India ...		25,37,832		48	
Particulars:		Rs.		n.P.				2,23,52,991		69	
(i) Secured by bills negotiated under credits ...		13,06,848		10		(ii) Debts considered good in respect of which the banking company is fully secured ...		20,58,65,806		43	
(ii) Unsecured ...		83,064		03		(iii) Debts considered good for which the banking company holds no other security than the debtors' personal security ...		1,23,93,786		11	
				13,86,912		(iv) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...		1,29,77,535		8	
5. Bills Payable ...				48,21,591		(v) Debts considered doubtful, or bad, not provided for ...		Nil			
6. Bills for Collection being Bills Receivable as per Contra—		Rs.		n.P.		(vi) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons ...		Nil			
(i) Payable in India ...		1,95,53,691		94		(vii) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...		1,18,97,156		25	
(ii) Payable outside India ...		16,16,816		21		(viii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons ...		Nil			
				2,11,70,508		(ix) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...		1,20,25,892		00	
7. Other Liabilities—		Rs.		n.P.		(x) Due from banking companies ...		17,37,421		53	
Cashiers' Provident and fidelity Fund partly invested per contra ...		12,33,603		81		6. Bills Receivable being Bills for Collection as per Contra—		Rs.		n.P.	
Unclaimed Dividends ...		69,056		81		(i) Payable in India ...		1,95,53,691		94	
Deposit by Nominee Subsidiary ...		5,000		00		(ii) Payable outside India ...		16,16,816		21	
				13,07,660				2,11,70,508		15	
8. Acceptances, Endorsements and other Obligations per contra ...				2,00,08,402		7. Constituents' Liabilities for Acceptances, Endorsements and other Obligations per contra				2,00,08,402	
9. Profit and Loss Account—		Rs.		n.P.						48,65,85,998	
Balance as per last Balance Sheet ...		13,47,259		30		Carried over				47,16,55,302	
Less Appropriations—		Rs.		n.P.						47,16,55,302	
Paid to Shareholders, Dividend at 12 per cent per annum and Bonus at 6 per cent per annum on Ordinary Shares for six months ending 31st December, 1956 (free of Income-tax) ...		2,74,500		00							
Dividend on Preference Shares for six months ending 31st December, 1956 (free of Income-tax) ...		45,000		00							
Bonus to Staff (General Manager Rs. 8,000. Last year Rs. 8,000) ...		6,15,118		39							
				9,34,618							
Add profit for the year brought from Profit and Loss Account ...				13,67,906							
				17,80,546							
				47,16,55,302							

March 29, 1958

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ALLAHABAD BANK, LIMITED, BALANCE SHEET—(Contd.)

CAPITAL AND LIABILITIES—(Contd.)				Rs.	nP.	PROPERTY AND ASSETS—(Contd.)				Rs.	nP.		
Profit and Loss Account—(Contd.)						Brought forward				46,65,85,998	35		
Brought forward				17,80,546	97								
Less Appropriations—						8. Premises Less Depreciation—							
Interim Dividend to Shareholders at 12 per cent per annum and Bonus of 6 per cent per annum on Ordinary Shares for six months ending 30th June, 1957 (free of Income-tax)				2,74,500	00	Total cost to 31st December, 1956				59,65,856	68		
Interim Dividend on Preference Shares for six months ending 30th June, 1957 (free of Income-tax)				45,000	00	Add additions for the year to 31st December, 1957				1,55,291	40		
Retrospective adjustment of Interest on Provident Fund for 1954 and 1955				Nil						61,21,148	08		
Transferred to Contingencies				Nil		Less sales for the year to 31st December, 1957				Nil			
Transferred to Trustees, Staff Pension Fund				1,00,000	00					61,21,148	08		
				4,19,500	00	Less total depreciation to 31st December, 1956				31,86,160	92		
						Less depreciation for the year to 31st December, 1957				69,560	36		
										28,65,426	80		
10. Contingent Liabilities—						9. Furniture and Fixtures Less Depreciation—							
Claims against the Bank not acknowledged as debts				48,785	18	Total Cost to 31st December, 1956				25,80,760	77		
Guarantees and Indemnities—						Add additions for the year to 31st December, 1957				2,29,648	92		
On behalf of Customers				27,66,195	48	Less sales for the year to 31st December, 1957				28,10,409	69		
On behalf of Directors and Officers				Nil						11,270	67		
Liabilities on Account of Outstanding Forward Exchange Contracts				92,15,994	32	Less total depreciation to 31st December, 1956				27,99,139	02		
										13,73,154	44		
						Less depreciation for the year to 31st December, 1957				1,13,686	60		
										13,12,297	06		
						10. Other Assets Including Silver—							
						(i) Cashiers' Provident and Fidelity Fund Investment in Central Government Securities at market value				9,61,722	12		
						(ii) Interest accrued on Investments but not collected				8,08,050	69		
						(iii) Stationery at cost				4,66,436	66		
						(iv) Stamps				21,416	75		
						(v) Nominee Company				5,000	00		
										22,62,626	22		
						The net assets of the Nominee Company amount to Rs. 5,000 represented by deposit with the Bank per contra.							
						11. Non-Banking Assets acquired in satisfaction of Claims				Nil			
						12. Profit and Loss				Nil			
Grand Total Rs.						Grand Total Rs.							
					47,30,26,349	35						47,30,26,349	35

Statement Pursuant to Section 212 of the Companies Act, 1956

The Profit and Loss Account of the Allahabad Bank, Limited, for the year ended 31st December, 1957, does not include any profit or loss of its subsidiary, the Allahabad Bank Nominees Private Limited, as no profit was made and no loss was sustained by that subsidiary. All expenses incurred were borne and paid by the Allahabad Bank, Limited. The shares of the subsidiary are wholly owned by the Bank.

P. R. WAIT,
G. D. LONGHURST,
IQBAL AHMAD,
M. R. DAS,
ALEX. IZAT,
Directors.

D. C. SEN GUPTA,
Accountant.
General Manager

Calcutta:
The 28th February, 1958.



Pepper Rallies

THANKS to higher advices from New York and exporters' buying, Pepper prices, both in Alleppey and Kozhikode, have developed a firmer tendency during the week under review. Speculators have been active and are trying to boost prices. Naturally, in the rising market, growers have become reserved sellers. They are reported to be bringing only limited quantity to the primary markets, thus creating psychological scarcity. The firmer tendency in prices is mainly due to pressing demands from foreign countries, including the Soviet Union.

Some among the trade have interpreted smaller arrivals as an indication for a final smaller production. But, analysts are reported to be sticking to their former estimate and see no reason for reducing it. The bears in the market are estimated the final production at 27,000 tons, while the bulls at 22,000 tons. In the Alleppey market, superior Palai and inferior Thekkani varieties are quoted at Rs 650.00 and Rs 637.50 per candy respectively. In the Kozhikode market, Wynaad is quoting at Rs 700 and the Country variety at Rs 675 to Rs 800.

In the New York market, prices of both black and white pepper ruled firm with prices advancing sharply, reflecting continued European buying. Malabar and Lampung spot and "awaiting release" were quoted at 29 per pound.

Pepper exports from India, during January, have amounted to 54,704 cwt as against 59,961 cwt in the corresponding month of last year. Total exports, during the season upto January, have totalled

90,400 cwt as against 106,123 cwt, showing a decrease of more than 15,700 cwt. Arrivals of black pepper, in Bombay, during the said period are reported to be 34,620 cwt.

Ginger

The market for Ginger has also continued to rule firm. In the Alleppey market, the rate is mentioned at Rs 212.50 per candy. In the Kozhikode market, new quality is quoted at Rs 225 and the old variety at Rs 210 per candy.

Exports of ginger from India are lower at 21,719 cwt in January as compared to 42,312 cwt in the corresponding month of last year. Total exports exports for the three months ending January totalled 38,213 cwt as compared to 74,026 cwt in the corresponding period of the last season.

Coffee

At the monthly coffee auction held at Palayamkottai, about 653 cwt were offered. Out of this quantity, 118 cwt of Plantation; 15 cwt Arabica and 411 cwt of Robusta were sold to the bidders. A total quantity of 108 cwt was withdrawn. Following were the range of prices (per cwt):—Plantation "A" (1956-57 crop) Rs 225.75 to Rs 230.10; (1957-58 crop) Rs 220.29 to Rs 230; Plantation "B" (1956-57 crop) Rs 208 to Rs 223; (1957-58 crop) Rs 208.10 to Rs 215; Plantation Peaberry (1956-57 crop) Rs 232.50 to Rs 233; (1957-58 crop) Rs 231 to Rs 236.20; Robusta Cherry PB Rs 161 to Rs 165.40 and Robusta Flats Rs 153 to Rs 158.20.

Groundnut

Conditions in the Madras Groundnut market, after ruling quiet early in the week, steadied up towards the close of last week. Daily arrivals averaged 30 to 40 tons, local crushers being the main buyers. Business was reported done at Rs 145 per candy.

ALLAHABAD BANK NOMINEES PRIVATE LIMITED

Balance Sheet as on 31st December, 1957

Rs. nP.	Rs. nP.
Capital Authorised and Fully Paid-up 50 Ordinary Shares of Rs. 100 each Paid in Cash	Deposited with the Allahabad Bank, Ltd.
5,000 00	5,000 00
5,000 00	5,000 00
ALEX. IZAT, J. RITCHIE, JAGATNARAIN,	Directors.

We have audited the foregoing Balance Sheet as at 31st December, 1957, of the Allahabad Bank Nominees Private Limited. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account as required by the law in force have been kept by the Company so far as appears from our examination of those books. The Company's Balance Sheet is in agreement with the books of account and in our opinion and to the best of our information and explanations given to us the said Balance Sheet gives the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view of the state of the Company's affairs as on 31st December, 1957.

No Profit and Loss Account has been prepared as the Company has no income and the expenses are paid by the Holding Company.

Calcutta:
The 28th February, 1958.

A. F. FERGUSON & CO.,
Chartered Accountants.

In the Groundnut Oil Section, the rate for the ready position declined from Rs 300.50 to Rs 297 per candy. Activity was generally restricted due to a sudden decline in Bombay prices. At the close of the week, however, a sizable volume of business was done in ready and nearby positions.

Hides and Skins

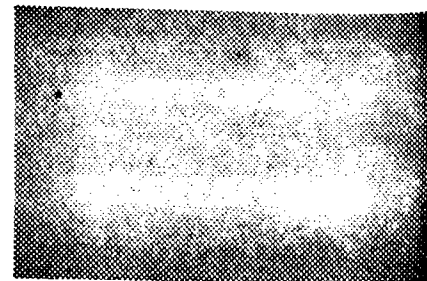
In the Madras Tanned Hides market, arrivals of Cow hides continued to be restricted and everything available was readily taken up by the various shippers at firm prices and at a reduction of 3 nP per pound in the case of medium and heavy weights. Fresh business with UK was very difficult to confirm, as buyers continued to buy only from hand to mouth as prices were considered to be high. The main enquiry from UK, at present, appears to be for fifts.

The market for Buff hides ruled steady with restricted arrivals. In the Calf section, arrivals of Buff Calf were fair and prices advanced by about 3 nP per pound.

In the Tanned Skins section, there were only a few clearances and prices remained more or less unchanged.

In the the London Public Auction, as usual, Goat skins were taken up first. On the first day, prices realised were unchanged. On the second day, auctions were generally 3d to 9d cheaper. As a result of the whole auctions, the very best tannages can be quoted as approximately unchanged and others 6d to 1sh cheaper, especially for adulterated goat skins. According to a report, 150,000 goat skins have remained unsold.

The market for Raw Skins remained unchanged, Bangalore Goat skins advancing by Rs 10 to Rs 15 per 100 skins. In Bezwada, sheep skins were easier by about Rs 5.



Recovery After A Setback

Watch-Dog Writes:

STOCK markets, after ruling generally firm till the middle of the week, developed a reactionary tendency on Thursday due to selling pressure, induced by various rumours. Towards the close, however, they staged a marked recovery on some short-covering. The general feeling, however, has turned round the constructive side as it is felt that the worst is over.

Prices on the Calcutta Stock Exchange, after recording fresh higher levels, gave way to selling pressure on Thursday, although the closing tone was better on some short-covering.

Settlement considerations dominated trading sentiment on the Bombay Stock Exchange during the major part of the week under review.

On the Madras Stock Exchange, Plantation shares continued to be in strong bullish fervour and prices advanced further.

The London Stock Exchange failed to establish a decided trend and closed with an irregular appearance.

Wall Street closed barely steady.

Calcutta

DESPITE profit-taking at bulges, equities on the local Stock Exchange continued to forge ahead till Wednesday during the week.

March 29, 1958

under review. Apart from the fact that the appointment of Shri Morarji Desai as Finance Minister induced a somewhat constructive feeling, operators had an impression that he would follow a more realistic policy, resolve the crisis of confidence and thus remove some of the misgivings which were entertained so far by the private sector. There was a hope that the Government might devise a method of giving relief to the tea industry. It was also anticipated that the disabilities, imposed by the new regulations governing the grant of the Development Rebate, would be removed. But for some unfounded rumours with regard to the imposition of excise duties on iron, steel, paper and rayon which caused a reactionary tendency in prices, the market would have finished at the best levels for the week.

Jute shares were slightly better and there were widespread gains. Operators seemed to have derived encouragement from the fact that the establishment of futures trading in raw jute and jute goods would go a long way in preventing the violent price fluctuations stemming from the operations of the Fatka market. Howrah closed at Rs 13.75 (Rs 13.37); National at Rs 21.90 (Rs 21.90); New Central at Rs 13.50 (Rs 13.12); Barnagore at Rs 79.50 (Rs 74.00); Belvedere at Rs 71.50 (Rs 66); India at Rs 102 (Rs 96); Kamarhatty at Rs 79.50 (Rs 74) and Megna at Rs 92 (Rs 83.50). Figures shown within brackets were the lowest rates touched for the week.

Coal shares came in for selective support on the belief that the Government would not, for long, ignore the industry's claim for an increase in the selling price of the commodity. Burrakur, after being marked down at one time to Rs 23.06 from Rs 23.25 due to speculative selling, recovered at the close to the latter level. Bengal had buyers upto Rs 211 from Rs 208; Amalgamated upto Rs 16.00 from Rs 15.75; Central India upto Rs 7.12 from Rs 6.94 and Western Bengal upto Rs 5.56 from Rs 5.44. East India forged ahead to Rs 20.25 from Rs 20 and so also Equitable to Rs 25.87 from Rs 25.25.

Enquiry in the Tea section appeared to have petered out for the time being, and prices developed a slightly easier tendency on profit-taking at the recent high levels. Dealings were also restricted as operators were still anxiously awaiting the announcement on the reduction in the export duty on Common teas. Birpara changed hands at Rs 110 to Rs 114 (Rs 112); Brooke Bond at Rs 16.32 to Rs 16.75 (Rs 16.37); Dhelakhat at Rs 22.25 to Rs 22.62 (Rs 22.62); Eastern Cachar at Rs 4.81 to Rs 5.06 (Rs 5.06); Grob "A" at Rs 22.25 to Rs 22.56 (Rs 22.50); Methoni at Rs 16.81 to Rs 17.12 (Rs 17.12) and Telojian at Rs 22.87 to Rs 23.12 (Rs 22.87). Figures shown within brackets were the closing rates for the week.

Sugar shares continued to meet with selective demand on the belief that, with no large carry-over to the next season, the statistical position of the industry was sound and that the outlook for the sweet commodity would improve further. The most prominent feature was S.K.G. which recorded a fresh higher level of Rs 10.19 from Rs 9.19. Carew were enquired upto Rs 7.37 from Rs 6.37, while Balrampur finished a shade quieter at Rs 6.12 after touching a high of Rs 6.50. Champarun were, however, marked down to Rs 20.44 from Rs 22.37 following the passing over of the dividend.

After a steady and sharp rise witnessed till mid-week, Engineering shares developed a reactionary tendency on Thursday due to renewed selling pressure on unfounded rumours. Towards the close, however, prices staged a slight recovery on some short-covering. Against the week-end closing of Rs 21.33, Indian Irons opened steady at Rs 21.34 and, despite settlement considerations, steadily advanced to Rs 21.59. Selling pressure at this level brought down the scrip at one time to Rs 21.00, finishing better at Rs 21.42. The settlement rate was fixed at Rs 21.49 as against last settlement of Rs 20.36. In sympathy, TEXMACO were pushed down at one time to Rs 18.25 from Rs 18.50, to recover again to Rs 18.70 at the close. Jessop were on offer at as low as Rs 21.00 against Rs 22.62 on rumours of a right issue in the ratio of one for one, to finish better at Rs 21.50. Marshalls changed hands at Rs 5.31 to Rs 6.03; Kumarhubi at Rs 7.87 to Rs 8.06; Braithwaite at Rs 27.12 to Rs 27.25 and Indian Galvanizing at Rs 14.90 to Rs 14.12. Renewed investment demand caused G. K. Williams to firm up further to Rs 30.69 from Rs 29.75.

Despite profit-taking at bulges, the Miscellaneous section provided many firm features. An outstanding feature was Dunlop Rubber which met with sustained demand upto Rs 23.87 from Rs 22.69 following the increase in dividend from 15 to 16½ per cent on the increased ordinary capital. Reports of buying by LIC and higher advices from the metal market pushed up Indian Copper to Rs 3.36 from a low of Rs 2.98, to recede at the close to Rs 3.30 on profit-taking. Hindustan Motors were enquired upto Rs 7.25 from Rs 6.53 on expectation of better working results for last year. Indian Aluminium remained very firm at Rs 12.75 following the announcement of 6 per cent for 1957 on the increased capital as against 10 per cent on the original capital. National Carbon were in demand upto Rs 24.44 from Rs 23.75 on brighter prospects for the company as disclosed by the company's Chairman at the recent Distributors' Conference. Indian Oxygen were in demand upto Rs 17.44 from Rs 16.50; Philips upto Rs 14.00 from Rs 13.75; NICCO upto Rs 24.04 from Rs 23.87; Indian Cable upto

Rs 29.31 from Rs 28.81 and Alkali Chemicals upto Rs 13.87 from Rs 13.25. In the Paper section, Orient touched a low of Rs 28.00 from Rs 28.45; Titagur Rs 34.37 from Rs 34.87 and Sirpur Rs 9.19 from Rs 9.37, to improve towards the close to Rs 28.25; Rs 34.50 and Rs 9.56 respectively. India Pulp, after being taken upto Rs 19.44 from Rs 19.37 following the interim dividend announcement, receded at the close to 19.12 on profit-taking.

Bombay

THOUGH the undertone has been steady trading during the past week has been punctuated by frequent bouts of selling and buying. The optimism engendered by the concessions announced by Mr Nehru during the general debate on the budget has continued to impart a steady undertone to the market, but the reactionary tendencies have been able to assert themselves at times. As has been pointed out in this column last week, there is a persistent feeling that Government may not leave the loss of Rs 15 crores sustained as a result of the reduction in the excise duties on cloth unrecovered. This has been taken advantage of by bears to spread rumours about imposition of excise duties on a variety of commodities. Toward close of the week such rumours have been persistent and the market has finished the period under review with widespread small losses.

STEELS

Tata Iron opened at Rs 180.25 and after earlier steadiness developed a sagging tendency. Toward close the scrip conceded sizable ground to be finally placed at Rs 178.50. Indian Irons closed subdued at Rs 21.08 as against opening rate Rs 21.44.

MISCELLANEOUS

In the miscellaneous section prominent shares were quite firm upto midweek but in later dealings were marked down in sympathy with the general trend of the market. ACC was finally placed at Rs 150.50. National Rayon was quiet at Rs 236.50. After ruling steadier in earlier dealings, Scindia Steam was subdued by close to quote lower at Rs 16.90. TMLCO met with sustained support and closed higher at Rs 156.50.

Madras

A brisk turnover coupled with a smart rise in prices was seen on the Madras Stock Exchange. Plantations shares continued to be prominent, while Textile scrips met with moderate enquiries.

PLANTINGS Influenced by hopes of an early revision in the export duty on tea and also impelled by encouraging crop reports, prices in this section moved up smartly in several shares. United Nilgiris were taken up to Rs 15.25 x1; Chembra Peaks upto Rs 3.70; Twyford's upto Rs 13.80 and Periakaramalais upto Rs 14.15.

TEXTILES Several scrips in this section registered fair rise in prices. Bangalore Woollens changed hands upto Rs 173, while there was demand for Cauvery's, Travancore Rayons and Radhakrishnas at the market rates. However, Coimbatore Spinnings found some sellers. Coimbatore Murugans were on offer at Rs 120, while Malabar Spinnings dropped down to Rs 90 due to selling pressure. Buckinghams had buyers at Rs 167 c.d.

MISCELLANEOUS In this section, Mysore Paper recovered to Rs 16 with buyers at this level. Spencer Ordinaries were better supported at the improved rate of Rs 17.35. India Cements were taken upto Rs 27.25, while Textools dropped down to Rs 177 with sellers at this level. Metturs were slightly higher at Rs 404.

London

THE London Stock Exchange failed to establish a decided trend. With Wall Street again lower and in view of several adverse influences already in existence, operators were reluctant to enter into fresh commitments.

Gilt-edged securities were the main exception to the general trend and closed with small improvements.

New York

THE main body of stocks on Wall Street showed mostly fractional changes either way and losses holding a small edge. The recovery effort was restrained by profit-taking and other selling.

S. E. RLY TENDERS

Sealed Tenders (Tender No. S/ CAL-Handling/58) are invited for handling Wooden Sleepers and Timber at Railway's Dump or elsewhere in the Calcutta Port Commissioners' Area or Shalimar Stores Depot.

Tender Forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23, on remittance of Rupees Five only (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, S. E. Rly., Garden Reach, by local firms.

Earnest Money Rs. 1,000/- is to be deposited with this Rly's Chief Cashier and the receipt obtained thereof should accompany the tender without which the tender is liable to be rejected. Approved Contractors who have already made a permanent deposit of Rs. 1,000/- with the Controller of Stores are exempted.

Firms not on this Railway's list of approved Contractors must enclose a valid Income Tax Clearance Certificate with the tender.

Tenders will be opened at 12 noon on 30th April 1958 in the office of the General Manager.

S140 GENERAL MANAGER

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
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Alfahabad 6% 100	105.00	108.75*
Behar 5% 50	22.25	22.25

Calcutta 5% 50	10.44	9.00
Dishergarh 5% 100	74.50	8.00
Dishergarh 4% 100	81.00	83.50
Jorhat 6% 100	90.00	90.00*
Kurseong 6% 100	90.00	90.00*

Asso. K'pura 4% 100	24.50	24.50
B-Nagpur 7% 100	69.00	83.50
Bharat 5% 100	46.00	51.25
Boree 6% 100	96.75	100.00
Burrakur 7% 100	100.00	113.50
Burrakur 6% 100	7.47	8.12
Equitable 6% 100	88.00	109.50
Glusick & Musalia 100	95.00	103.00
Gourangdi 5% 100	40.00	40.00*

Jogta 5% 100	30.00	45.00*
K'pura 5% 100	44.50	55.00
Khas Kajora 5% 10	5.00	3.75
N. Beerbhoom 7% 10	10.69	12.00*
N. Churulia 5% 10	2.50	2.50
N. Huntodih 5% 100	60.00	81.00
Ondal 6% 100	95.00	108.00
Parsea 5% 100	45.25	50.75
Uni. Colliery 5% 100	88.00	85.50

Agarpara 7% 100	81.50	99.00
Alexandra 7% 100	75.00	97.50
Alliance 6% 100	70.00	97.00
Anglo-India 7% 100	82.00	101.50
Auckland 6% 100	75.00	80.50
Auckland 4% 100	50.00	61.00
Bally 7% 100	81.00	103.00
Barnagore 6% 100	85.00	108.00
Belvedere 7% 100	95.00	101.00
Bengal 5% 100	72.50	77.00
Bhira 7% 100	75.50	90.00
Budge-Budge 7% 100	80.00	102.00
Calcutta 6% 100	78.00	78.00

Caledonian 7% 100	93.00	105.50
Cheviot 7% 100	93.00	109.00
Chitavalah 7% 100	91.50	101.00
Clive 6% 100	83.75	78.00
Clive 7% 100	74.00	91.00
Dalhousie 7% 100	79.00	102.00
Delta 5% 100	70.00	85.00
Empire 7% 100	81.50	102.00
F. Gloster 7% 100	95.50	105.00
F. Gloster 5% 100	64.00	72.00
F. William 7% 100	91.50	107.00
Ganges Mfg. 8% 100	100.00	112.00
Gourepore 6% 100	70.50	82.00
Hastings 6% 100	84.00	85.00

Hooty 1 10	7.44	10.62
Howrah A. Pref. 100	81.00	101.00
Howrah 7% 100	90.00	104.00
H'chatt 7% 100	85.50	101.50
K'hatty 6% 100	74.00	84.00
K'narrah 6% 100	77.00	87.50
Kedarnath 6% 100	68.00	68.00
Kedarnath 7% 100	85.00	95.00
Kelvin 7% 100	85.50	108.00
Khardah 6% 100	73.50	89.50
Kinnison 7% 100	80.25	111.50
Lansdowne 7% 100	87.00	100.00
Lawrence 7% 100	95.00	102.00

Lawrence 5% 100	65.00	78.00
Nahati 7% 100	82.00	110.00
Nahati 4% 100	57.00	59.00
National 7% 100	95.00	108.50
Nellmaria 6% 100	79.00	97.50
N. Central 7% 100	89.50	103.00
Northbrook 5% 100	60.00	76.00
Rameshwara 6% 10	10.19	10.19
Reliance 7% 100	55.00	91.00

NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
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S. Ambica 7% 100	79.00	91.25
Soorah 7% 100	84.50	107.00
Standard 6% 100	86.00	85.50
Union 7% 100	93.00	102.00
Waverley 5% 100	29.25	40.00

Basanti 6% 100	7.56	7.62
B-Nagpur 7% 100	75.00	85.00
Bowreah 8% 100	127.00	140.00
Bowreah 7% 100	65.00	70.00
Delhi Cloth 4% 25	17.75*	17.75*
Egin 8% 100	109.25	124.75
Egin 5% 100	7.25	9.37
Jagatit 5% 100	50.00	...
Jivajeeo 5% 100	92.00	91.50
J. K. Cotton 6% 100	90.00	100.00
Keoram 7% 100	91.00	118.00
Muir 6% 100	63.00	81.50
N. Victoria 6% 5	3.31	4.87
Pravati 6% 100	5.00	8.00*
S. Niwas 4% 100	55.00	10.00
Swadahi 6% 100	86.00	90.25

Arthur Butler 7% 10	7.25	10.00
Br. Bldg. 6% 100	70.00	100.00
Burn & Co. 7% 100	109.00	127.00
Burn & Co. 6% 100	105.50	110.75
I. Iron 5% 100	98.25	100.00
I. Machinery 7% 100	23.00	23.00*
Ind. St. Wagon 7% 100	115.00	127.00
Jessop & Co. 5% 100	83.00	95.50
K'dhubi 5% 100	84.00	101.00
R. Cruddas 5% 100	54.00	75.25
S. Products 5% 10	3.31	1.00
Texmaco 5% 100	86.50	94.00
Texmaco 5% 100	54.00	63.00

NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
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Amluckie 7% 100	53.00	...
Bornah Jan 6% 100	74.00	73.00
Brooke Bond 6% 100	78.00	85.00
Dhuner 7% 100	2.44	3.31
Dimakushi 8% 10	10.50	12.62
Kingsley Gola 6% 100	92.00	98.00
Moheena 6% 100	8.31	9.19
Tezpor 2% 100	11.12	12.25

Gliele 6% 100	75.00	87.50
Okayti 7% 100	93.00	100.00
Pusimbing 7% 100	95.00	85.00
Singtom 5% 100	7.12	7.25

Banarhat 6% 100	112.50	119.00
Birpara 9% (Pref.) 100	112.00	120.00
C'bhatti 6% 100	114.00	125.00
Dalhousie 7% 100	114.00	140.00
Hantapara 8% 100	109.00	128.00
Hasimara 7% 100	112.00	121.00
N. Doars 6% 100	112.00	121.00

Sonal River 8% 100	93.00	100.00
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NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
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S. K. Gyan 5% 100	75.00	80.00
Upper Ganges 5% 100	65.00	80.00*

Asso. Mining 5% 50	28.50	31.00
Ch. Mica 5% 100	55.00	51.50
Metal Corp. 5% 100	80.00	84.00

Dalmia Bharat 6% 100	84.00	94.00
Dalmia Bharat 6% 40	30.19	34.00
Jaipur Udyog 3% 100	40.00	...
K'pur Lime 6% 100	80.00	80.00
K'pur Lime 6% cp 100	100.50	...
K'dhubi Fire 7% 100	101.00	108.00
K'dhubi Fire 5% 100	54.50	68.50*
Orissa Cement 4% 100	40.00	...

Alkali 5% 100	97.00	102.25
Bathgate 4% 100	40.50	42.00
Beng. Chem. 7% 100	12.00	12.75
Beng. Chem. 4% 100	77.50	82.00
Frank Rose 4% 100	36.50	41.00
Lister Anth. 6% 100	13.00	13.00
Smith Stand 10% 50	51.50*	62.75

I. B. Petrol 7% 100	84.00	99.50
N. I. Oil 6% 100	40.00	38.00

Bengal Paper 7% 50	57.25	64.25
Bengal Paper 7% 100	103.00	135.75
Bengal Paper 6% 100	72.69	81.69
Orient Paper 5% 100	80.00	95.00
Orient Paper 5% 100	55.00	72.00
S. Gopal 4% cp 100	98.00	116.00
Star Paper 5% 100	64.50	67.00
Titagur 8% 100	131.50	139.00
Titagur 4% 100	77.00	90.50

Dar. Prop. 6% 100	4.00	4.00
Humayan 6% 100	7.81	8.06
New India Bldg. 50	15.00	21.00
R. Estate 5% 100	32.50	35.00

Ben. Timber 8% 100	33.50	32.75
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NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
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F. & C. Oster 4% 100	41.50	50.00
Gillanders 5% 100	56.50	58.25*
Godfrey Phil. 5% 100	61.00	68.75
Greaves Cot. 5% 100	50.00	...
Greaves Cot. 6% 100	49.00	...

Hall & Anderson 100	49.50	69.75
Hindu Nat. Glass 100	80.00	102.00
Ind. Alum. 5% 100	65.00	77.00
Indian Cable 6% 100	21.10	31.44
Ind. Plastics 5% 100	51.50	52.00
I. Rubber 5% 100	90.00	98.50
James Wright 6% 50	30.50	33.50
J. Henderson 5% 100	53.25	61.00
K. Bullen 5% 100	49.50	57.50
K. Bullen 4% 100	58.00	56.00
Kusum 5% 100	75.00	75.00
Martin-Burn 6% 100	92.50	101.00
Metal Box 6% 100	34.50	92.00
Nat. Rolling 6% 100	95.00	101.00
Nat. Tannery 5% 100	4.50	5.00
Nat. Tobacco 5% 100	63.50	69.00
Nat. Tobacco 4% 100	55.50	63.00
Oster Elec. 4% 100	38.00	79.00
Prom. Trans. 5% 100	5.00	8.00*
Ralls 6% 100	61.50	62.50
R. B. Rodda 5% 100	54.50	86.50
Rohtas Indus. 7% 100	113.00	122.50
Rohtas 4% B 100	57.00	63.50
Sen. Raleigh 5% 100	70.00	...
Sodepur Glass 5% 100	38.00	38.00
Shaw Wallace 5% 100	61.00	67.75
Spencer 6% A 100	6.51	7.44
Spencer 8% B 100	9.87	9.31
Union Tobacco 5% 100	22.00	22.00*

Alkali 5% 100	97.00	102.25
Bathgate 4% 100	40.50	42.00
Beng. Chem. 7% 100	12.00	12.75
Beng. Chem. 4% 100	77.50	82.00
Frank Rose 4% 100	36.50	41.00
Lister Anth. 6% 100	13.00	13.00
Smith Stand 10% 50	51.50*	62.75

NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
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Alfahabad 100	367.00	347.00*
Allahabad 50	180.00	175.50*
Bank of Bikaner 25	23.75	21.25
Bank of Bihar 100	30.00	29.35
Bank of India 50	126.00*	133.00
Central 25	50.00	51.75
Centri A 25	51.00	51.75
Hind 50	47.50	51.75
Hindust. Comm. 50	11.50	12.25
Hindust. Mercan. 50	13.37	13.37
Punjab National 25	52.75	5.00
United A 50	21.25	18.37
United B 25	10.25	9.94
United C 20	8.31	8.75
United D 10	4.50	4.75
United comm. 50	60.00	57.00

Alum. Corp. 5% 100	69.00	74.00
Alum. Corp. 6% 100	88.00	94.00
Amal. Dev. 5% 100	49.25	60.00
Asso. Hotel 7% 100	60.50	66.00
Bharat Veg. 5% 100	30.00*	30.00
Birds Inv. 5% 100	48.50*	71.00
Br. Biscuits 6% cp 100	10.50	11.37
B. Cey. Corp. 6% 100	8.50	8.50
B. I. Corp. 8% 100	103.00	120.00
Cal. Cr. Corp 6% 100	50.00	55.00
Cal. Cr. Corp 5% 100	40.00	...
Cal. Gas 5% rpt 100	50.50	66.00
Cal. Silk 6% cp 100	40.00	55.00
Cal. Tanneries 5% 100	40.00	40.00
Cal. Trans 5% cpt 21	7.14	7.75
Duncan Bros. 4% 100	53.00	58.75
Dunlop 6% 100	114.00	119.00
Dunlop 6% 100	82.00	92.50
Eastern Inv. 5% 100	75.00	77.50
Elec. Trans. 5% 100	55.00	...

Trubulpore	10	11.50	13.87
Forbat	10	8.00	8.00*
Thansi	10	8.50	8.50
Kursong	10	2.19	3.44
Mirzapore	8	8.10	10.00
Mutta	10	11.50	8.81
Muzaffarpore	10	8.12	7.25
Patna	10	11.00	11.12

NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
Raza	10	20.00	...
Ryan	10	19.75	20.25†
Somastipur	10	11.00	11.50
Shree Anand	10	10.25	10.50
Sitalpur	10	2.37	4.37
South Behar	10	1.37	1.00
Sri Hanuman	10	15.25	16.00
S. K. Gyan	10	9.19	10.62
Shree Sitaram	10	11.00	13.00
Upper India 'A'	100	127.00	127.00
Upper India 'B'	25	15.00	15.00
Upper Ganges	10	55.00	58.00†
Unl. Province	10	13.50	14.00

MININGS AND MINERALS

Assam Silimanite	10	10.18	...
Assoc. Minings	10	8.44	10.06
Bhara Stone Lime	10	28.75	31.00
Burma Mines	4s	1.39	2.81†
Consolid. Tin	5s	0.68	1.69
Chr. Mica	10	10.12	14.56
Indian Copper	2s.	2.98	3.25
Kangra Valley	100	85.00	100.00
Karanpura Devel.	10	7.62	13.37
Metal Corpn.	10	6.89	8.56
Orissa Minerals	10	23.12	21.00
Putna Stone Lime	10	20.12	18.00
Tavoy Tin	2s.	0.46	0.69

CEMENT, POTTERY & FIRECLAY

A-B. Cement	10	3.94	6.44
Ashoka Cement	10	7.87	10.50
Bengal Pottery	2s	3.08	3.44
Dalmia Bharat	10	10.12	12.06
Dalmia Bharat	2s	2.62	2.94
Jaypur Udyog	10	11.56	12.00
Kalyanpur Lime	100	102.00	100.00
K'dhubi Fireclay	10	24.00	25.00
Reliance Firebrick	10	19.00	20.00
Orissa Cement	10	12.37	13.69
Sone Valley	5	5.06	7.12

CHEMICALS

Alkali	10	13.39†	10.19†
Bathgate	10	1.00	1.31
Bengal Cheml.	100	89.00	101.00
Bharat Starch	10	8.06	3.06
Burma Lime	10	8.00	8.50
Dharangdhara	100	112.00	137.00
Frank Rose	5	2.19	2.19
Indian Starch	10	5.81*	5.81*
Lister Antiseptic	100	4.87	4.87
Smith Stanistreet	5	12.12†	11.75

FLOUR MILLS

Bengal	10	27.62	34.00
Delhi	10	16.00	11.00
Hooghly	10	28.00	21.62†
United	10	24.00	39.00

OILS

B. B. Petrol	5s.	1.63	33.75
Oooch Behar Oil	10	2.00	...
I. B. Petrol	10	23.00	33.75
Northern India Oil	10	2.31	1.62
Tide Water Oil	10	12.19	12.75

PAPER MILLS

Bengal Paper	25	58.00	100.00
India Paper	10	19.37	23.31†
Mysore	10	14.62	18.50
Orient Paper	10	28.30	32.00
Shree Gopal Paper	10	14.50	16.06
Star Paper	10	11.06	10.44
Titaghar	10	34.25	37.00
Titaghar P.O.	2s	4.03	4.00
U. I. Couper	100	60.00	60.00

PRESSING

Bhagwati	10	7.00	4.06
Cal. Hydraulic	100	45.00	61.00
Camperdown	100	118.00†	121.00
Central Hydraulic	100	119.00	129.00
Hooghly Ganges	10	5.40	4.31†
Shiva Jute	100	65.00	100.00*

REAL PROPERTY

Bengal Bonded A	500	765.00	825.00
Bengal Bonded B	500	102.88	107.00
Bengal Bonded C	100	145.00	166.00
Bengal Bonded D	12s	18.38	22.25

NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
Comm. Prop.	5	0.66	0.50
Darjeeling Prop.	10	1.00	5.00
Hindustan Bldg.	10	3.87	6.75
Midnapore Zamin	100	10.75	13.00
New India Bldg.	5	0.50	1.00
Humayan Prop.	10	22.62	23.00
Regent Estate	10	1.00	2.00

SAW MILLS AND TIMBER

Assam Saws	5	1.69	3.37
Bengal Timber	100	22.00	41.00

SHIPPING

BA Steam	100	107.00	139.00
Cal. Landing	10	13.87	12.12
Cal. Steam	10	14.06	15.25
Fraser & Co.	10	15.56	14.00
I. G. Navigation	£10	68.00	71.50
India Steam	10	10.94s	10.56
Port Shipping	10	15.75	16.75
Scindia Steam	20	12.25	18.87

MISCELLANEOUS

Airways (India)	10	4.84	5.75
Alum. Corpn.	10	9.81	10.62
Alum. Devel.	100	50.00	60.00
Angelo Bros.	10	17.12	19.75
Asso. Hotel	10	7.00	10.75
Assam Match	10	15.31	20.37
Balmer Lawrie	100	147.50	164.50
Bararee Coke	10	10.75	16.37
Bharat Commerce	10	3.12	3.62
Bharat Vegetable	10	5.25	5.25
Bhartia Co.	100	54.75	51.00
Bhartia Sons	10	2.37	2.66†
Birds Invest.	10	12.50†	14.00
Bihar Rice	10	1.50	1.75
Bihar Rice	10	12.50	13.37
Bri. Biscuits	10	10.25	9.56
Br. Ceylon Corpn.	10	3.75	7.81
B. I. Corpn.	5	4.12	5.44
Cal. Credit Corpn.	10	6.00	6.75
Calcutta Gas	10	50.00*	50.00*
Cal. Invest.	100	7.69	8.50
Calcutta Safe	10	4.05	4.12
Calcutta Silk	10	0.50	0.50
Cal. Tanneries	10	16.25	16.00†
Calcutta Trams	£1	16.25	16.00†
Cambay Invest.	100	101.00	82.00
Corpn.	100	4.50	4.75
Chatterjee	5	8.81	10.00
Chive Row Intvt.	10	5.75	7.37
Darjeeling Rope	10	120.00	104.00
Dunoon Bros.	100	22.69	25.50
Dunlop	10	96.00	119.00*
Eastern Invest.	100	10.75	10.37
Elec. Const.	10	1.56	7.44
F. & C. Osier	10	22.00	21.87
French Motor	10	123.00	162.00
Ganges Rope	100	11.37†	11.19†
Gillanders	10	24.50	21.62
Godfrey Phillips	10	255.00	226.00
G. E. Hotel	250	116.50	124.00
Greaves Cotton	100	7.75	9.76
Hall & Anderson	10	8.31	10.37
Hindustan Gas	7	0.62	1.25
Hindustan Ice	5	20.75	...
Hindustan Lever	10	6.31	...
Hindus. Motors	10	8.00	3.00
Hind. Nat. Glass	10	10.00	10.00
Hindus. Pilkington	01	8.00	8.00
Hoare Miller	10	7.25	7.25
Ideal Invest.	10	11.44	14.21†
Impl. Tobacco	10	16.44	...
Indian Oxygen	10	12.69	13.94
Indian Alum.	10	28.81	27.56
Indian Cable	10	5.25	5.62
Indian Plastic	10	12.50	25.87
Indian Rubber	10	44.75	42.00
Indian Wood	10	11.00*	12.00*
In. Turpentine A	5	5.62	6.12
In. Turpentine B	5	65.00*	65.00*
Indust. Invt.	100	0.31	0.31
Ind. Corp. of Ben	10	2.00	3.06
Ivan Jones	5	3.50	4.12
James Wright	5	55.50	80.00
J. Henderson	100	5.09	5.06
James Alexander	10	6.00	5.87
Jeevanlal	10	2.00	2.00*
John Peterson	10	2.50	1.94
Kalimpong Rope	100	150.00	159.00
Kettlewell Bullen	100	75.00	70.00
Kishore Trading	10	5.75	5.75
Kusum Products	10	3.25	3.06
Macfarlane	5	...	...

NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
Martin-Burn	10	23.87	23.37†
Marwar Trading	100	200.00	208.00
Metal Box	10	26.25	26.50
Moradabad Water	10	4.50	5.56
Nat. Carbon	10	24.87	27.90
N. I. Cables	10	24.00	20.62
Nat. Rolling	10	10.25	9.81
Nat. Rubber Mfg.	10	8.77	...
Nat. Tanneries	10	2.40	2.50*
Nat. Tobacco	10	8.56	10.19
Nat. Safe	5	2.65	2.37
New I. Invest.	75	35.00	53.00
Osier Elec. Lamp	5	2.20	3.37
Pearl Invest.	10	1.25	1.25
Phillips India	10	13.81	...
Phosphate Co.	100	165.00	...
Publicity Society	4	7.50	10.00
Prem. Trans.	10	1.50	1.50
Rallis	100	28.00	36.00
R. B. Rodda & Co.	10	4.63	8.31
Rohtas	10	16.56	18.50
Sen Raleigh	10	10.75	12.62
Sodepur Glass	10	1.56	2.12
Shaw Wallace	10	10.12	11.62
Spence's Hotel	2	1.06	1.00
Spencer & Co.	10	16.00	16.25†
Star Co.	100	81.00	81.50
Star Trading	25	8.00	8.00
Straw Products	10	14.50	20.12
Union Co.	100	75.00	107.50
Union Tobacco	10	0.25	0.25
Walford	1	1.94	2.12
Walford (Po)	1	1.34	1.75
W. Stockholder	1	0.74	0.87

INSURANCE

Concord of India	5	12.87	10.75
General	25	15.00	23.00
Hercules	10	19.50	26.00
India Trade	40	24.00	25.00
National Insur.	100	344.00	344.00
New Asiatic	5	3.44	4.19
Ruby General	5	6.25	5.37
Standard	10	3.50	3.12
Triton	25	130.00	154.00

RAILWAYS

Ahmedpur-Kutwa	100	50.00	58.89†
Arrah-Basaram	100	57.79†	67.50
Bankura-Dumra	100	40.00	55.75†
Barasat-Basirhat	100	8.00	10.00
Burdwan-Cuttwa	100	50.00	55.31†
Bukh-Bihar	100	10.00	8.87
Chapra-Slighat	100	40.00	52.87
Dehri-Rohas	10	10.25	9.62s
Putwah-Islampur	100	39.00†	53.37
Howrah-Amra	100	60.00†	51.00
How-Shekhala	100	60.00†	65.50
Kata-Lalabazar	100	65.00	72.00
Shahdara (Delhi)	100	111.00†	129.50

Deferred Shares

Aluminium Cor.	2s	3.75	6.06
A. B. Cement	1	0.87	1.31
Asso. Mining	5	5.19	5.25
Christian Mills	5	6.63	7.06
Dalmia Cement	1	2.50	5.37
Humayun Proper	1	2.15	1.94
Indian Mail. Cast	1	3.06	3.60
James Wright	1	0.81	0.02
Macfarlane	1	0.47	0.56
Metal Corpn.	1	2.00	3.00
Rampoor Cotton	1	4.60	3.00
S. Behar Sugar	2s	0.25	0.25
Union Tobacco	5	2.00	2.00

GOVERNMENT OF INDIA LOANS

(Non-Terminal Loans).			
5% Govt. Paper	...	71.20	73.37
(Terminal Loans).			
3% Loan (1986)	...	71.03	74.00
2 1/2% Loan (1961)	...	94.75	93.31
2 1/2% Loan (1960)	...	97.35	96.44
2 1/2% Loan (1962)	...	94.85	94.00
2 1/2% Loan (1976)	...	83.65	82.87
3% Loan (1958)	...	99.72	99.56
3% Loan (1956-61)	...	99.05	97.69
3% Loan (1963-65)	...	94.40	94.12
3% Loan (1964)	...	94.55	94.37
3% Loan (1966-68)	...	91.72	92.31
3% Loan (1970-75)	...	86.18	87.00

*Nominal. †Ex-Dividend. ‡Cum-Dividend.
§Ex-Rights.

NAME	Paid-up per share.	Quotation as on 21-3-58 Rs nP	21-3-57 Rs nP
3 1/2% Loan (1962)	...	97.90	97.94
3 1/2% Loan (1961)	...	97.95	99.44
3 1/2% Loan (1964)	...	97.55	98.12
3 1/2% Loan (1965)	...	97.72	98.12
3 1/2% Loan (1967)	...	97.75	98.44
3 1/2% Loan (1967)	...	99.65	...
3 1/2% Loan (1974)	...	98.23	98.56
4% Loan (1960-70)	...	100.60	101.00
4% Loan (1972)	...	100.05	...

(Rupee Counterparts).

4 1/2% Loan (1958-68)	100.55	102.62
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Preference Shares

NAME	Per share	21-3-58	21-3-57
Swadeshi 5%	100	89.00	115.00
Swadeshi (Kan.)	100	92.00*	92.00*
Vishnu 7%	800	520.00	557.50

SHIPPING

Gr. Eastern 5 1/2%	100	91.50	100.00*
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STEEL

Indian Iron 6%	100	98.50	100.00
Tata 1st 6%	150	150.00	156.25
Tata 2nd 7 1/2%	100	110.50	117.75

PLANTATION

Highland 6%	10	9.50*	9.57*
Midland 6%	10	9.00*	9.94*
Nellampathy 6%	10	9.00*	9.44*
Rajagiri 6%	10	8.50*	9.50*
Waterfall 6%	10	9.50*	9.69*

SUGAR

Bhopal 5%	100	94.00	94.00
Cauvery 6%	100	100.00	...
Maharashtra 7%	250	240.00	260.00
Ravalgaon 5 1/2%	100	65.00	...
S. Behar 7%	100	20.00*	20.00*
Walchand 7%	100	135.00	135.00

CEMENT

Andhra 6%	100	100.00*	108.00*
Dalmia 7%	100	91.00	100.00
Dalmia 7%	40	30.50	40.00
Digvijay 5%	100	84.50	98.00

MISCELLANEOUS

Amar Dye 6%	100	85.00	90.00
Amar Dye 6%	100	100.00*	100.00*
Bom. Pott. 6%	100	65.00	65.00
Bom. Pott. 4 1/2%	100	54.00	50.00
Bom. Silk 5%	100	47.50	...
B. I. Corp. 8%	100	100.50	122.00
Brunton Eng. 6%	10	8.00*	8.37
Dhanga Chem.	100	83.00	99.50
Digvij. Tiles 6%	100	96.50	96.50
Estrela 5%	50	35.50	38.50
Ferro Alloys. 6%	100	100.00	...
Hind. Const.	100	68.00	...
Hindust. Elec. 6%	100	82.00	82.00
Hindust. Motor 6%	60	32.50	...
Hingir Rampur	50	32.00	32.00*
Indian Dye 6%	100	100.00*	100.00
I. Hume Pipe 5%	100	55.20	...
Jaipur Metals 6%	100	69.50	...
Kaman Eng. 5 1/2%	100	63.00	71.00*
L. & Toubro 5%	100	82.00	90.50*
Mahindra 6%	100	98.00	101.50
Motor & G. Fin.	25	36.00*	36.00*
Nation Elec. 4 1/2%	100	80.00*	80.00*
Nat. Rayon 5%	100	69.50	76.50*
N. Cen. Jute 7%	100	100.00*	101.00*
N. I. Fisheries 6%	100	101.00	101.00*
Orient Paper 1st	100	90.00	95.00*
Orient Paper 2nd	100	72.00	72.00*
Poly Chem. 7 1/2%	60	50.00	30.00*
Pulson 6%	100	84.70	87.00*
Prem. Const. 1st	100	80.00	94.00*
Prem. Const. 2nd	100	80.00	99.12
Prem. Const. 3rd	100	8.48	...
Rohas 7 to 9%	100	122.00*	122.00*
Rohas 4 1/2%	100	57.50	65.00*
Sen Ralegh 5%	100	64.50	100.00*
Sirpur Paper 6%	100	100.00*	...
Structural Eng.	100	70.00	...
Surange Ind.	100	70.50	80.00*
Tata Chem. 5%	200	91.80	99.00*
Texmaco 1st 5 1/2%	100	100.00*	100.00*
Texmaco 2nd 5 1/2%	100	64.00	100.00*
W. Coast Paper	100	100.00	75.00

Ordinary Shares

BOMBAY

NAME	Per share	21-3-58	21-3-57
Al'ahabal	50	360.00	360.00
Baroda	50	115.00	104.00
Bikaner	25	23.24	23.00
Central	25	52.50	53.25
Central (P.P.)	25	54.00	56.50
Devk. Nanjee	50	45.50*	38.00
Hind. Comm.	50	14.25	14.25
Hind. Mercantile	50	10.00*	10.00*
India	50	130.00	136.00
India A	50	130.50*	140.00
Jaipur	50	38.00	40.00
Jodhpur Comm.	5	1.46	1.15
Mysore	100	247.00*	247.00
National	25	53.20	53.00
Union	5	8.76	7.60
United Comm.	50	59.70	57.50

BANKS

Adoni	10	10.40	11.62
Ahmed. Adv.	100	118.00	180.00
Apollo	2	1.84	2.62
Azam Jahi	100	58.50	82.50
B. R. Cotton	100	24.50	42.00
Berar	200	70.00	90.00
Bhawani	10	10.00*	...
Bom. Dyeing	25	55.40	57.14
Bradbury	50	150.50	212.50
Central India	100	90.50	115.00
Century	100	425.00	473.00
Colaba	100	44.75	65.00
Coorla	100	106.25	125.00
Davangere	100	112.00	118.00
Dawn	50	78.00	97.50*
Edward Tex.	200	220.00	310.00
Elphinstone	50	48.00	62.00
Enlay	100	283.00	315.00
Gokak	100	151.00	2219.50
Gold Mohur	100	202.50	210.00
Hindustan P.P.	1000	4580.00	5630.00
Hindustan P.P.	250	992.50	992.50
Hukumchand	100	105.00	105.00*
India United	10	9.96	10.72
Indian Manfg.	1000	4900.00	5300.00
Indore	100	112.50	138.75
Jam. Ranjit	1000	1450.00	1505.00
Jyajeerao	10	9.80	...
Khandesh	1000	2000.00	...
Khandesh	250	50.00	...
Khatav	100	154.00	198.75
Kohinoor	100	283.00	329.00
Kothari	10	14.75	18.00
Kothari (New)	10	12.00	...
Lakshmi	250	415.00	705.00
Madhusudan	100	97.50	98.00
Madhusudan B	50	20.00*	...
Mahendra	100	100.00*	...
Mahendra New	100	100.00	...
Mahendra New	40	40.00*	...
Mafatal	100	245.00	380.00
Minerva	100	71.00	81.25
Model	250	159.00	178.75
Moraree	100	205.00	227.50
Mysore	50	92.50	101.25
New City	100	105.00	149.37
New Great	100	209.00	230.00
N. Kaiser-I-Hind	100	74.50	107.50
Osmanshahi	100	46.00	62.00
Phoenix	100	120.00	150.00
Podar	100	140.00	167.50
Pugan	10	10.00	...
R. Motilal	100	63.00	73.00
Ruby	25	30.25	...
Sassoon Silk	10	6.24	9.81
Sassoon Spg.	10	32.25	39.50
Sholapur	1000	425.00	1400.00
Shrin'vas	100	148.00	185.00
Shubhalaxmi	100	125.00*	...
Sim'ox	50	161.50	176.50
Standard	100	432.00	491.25
Swadeshi (Kan.)	100	189.50	221.50
Swadeshi (P.O.)	10	11.90*	11.87
Swan	100	325.00	417.50
Tata	25	41.00	49.00
Victoria	100	227.50	370.00
Vishnu	100	105.00	145.00
W. India	1000	4625.00	5180.00

TEXTILES

Adoni	10	10.40	11.62
Ahmed. Adv.	100	118.00	180.00
Apollo	2	1.84	2.62
Azam Jahi	100	58.50	82.50
B. R. Cotton	100	24.50	42.00
Berar	200	70.00	90.00
Bhawani	10	10.00*	...
Bom. Dyeing	25	55.40	57.14
Bradbury	50	150.50	212.50
Central India	100	90.50	115.00
Century	100	425.00	473.00
Colaba	100	44.75	65.00
Coorla	100	106.25	125.00
Davangere	100	112.00	118.00
Dawn	50	78.00	97.50*
Edward Tex.	200	220.00	310.00
Elphinstone	50	48.00	62.00
Enlay	100	283.00	315.00
Gokak	100	151.00	2219.50
Gold Mohur	100	202.50	210.00
Hindustan P.P.	1000	4580.00	5630.00
Hindustan P.P.	250	992.50	992.50
Hukumchand	100	105.00	105.00*
India United	10	9.96	10.72
Indian Manfg.	1000	4900.00	5300.00
Indore	100	112.50	138.75
Jam. Ranjit	1000	1450.00	1505.00
Jyajeerao	10	9.80	...
Khandesh	1000	2000.00	...
Khandesh	250	50.00	...
Khatav	100	154.00	198.75
Kohinoor	100	283.00	329.00
Kothari	10	14.75	18.00
Kothari (New)	10	12.00	...
Lakshmi	250	415.00	705.00
Madhusudan	100	97.50	98.00
Madhusudan B	50	20.00*	...
Mahendra	100	100.00*	...
Mahendra New	100	100.00	...
Mahendra New	40	40.00*	...
Mafatal	100	245.00	380.00
Minerva	100	71.00	81.25
Model	250	159.00	178.75
Moraree	100	205.00	227.50
Mysore	50	92.50	101.25
New City	100	105.00	149.37
New Great	100	209.00	230.00
N. Kaiser-I-Hind	100	74.50	107.50
Osmanshahi	100	46.00	62.00
Phoenix	100	120.00	150.00
Podar	100	140.00	167.50
Pugan	10	10.00	...
R. Motilal	100	63.00	73.00
Ruby	25	30.25	...
Sassoon Silk	10	6.24	9.81
Sassoon Spg.	10	32.25	39.50
Sholapur	1000	425.00	1400.00
Shrin'vas	100	148.00	185.00
Shubhalaxmi	100	125.00*	...
Sim'ox	50	161.50	176.50
Standard	100	432.00	491.25
Swadeshi (Kan.)	100	189.50	221.50
Swadeshi (P.O.)	10	11.90*	11.87
Swan	100	325.00	417.50
Tata	25	41.00	49.00
Victoria	100	227.50	370.00
Vishnu	100	105.00	145.00
W. India	1000	4625.00	5180.00

ELECTRICS

Ahmedabad	100	94.80	100.92
Amalgamated	10	10.08	10.69
A. Valley	1000	1000.00	1208.75
Bassein	10	8.50*	8.50*
Bom. Suburban	100	104.00	110.00
Broach	10	7.52	11.00
Dharwar	50	51.00	50.00*
Poonas	100	120.00	130.00
Saharanpur	100	105.00*	100.00*
S. Madras	10	10.95	12.00*
Surat	100	105.50	113.50
Tata Hydro	100	113.75	121.57
Tata Power	1000	1121.25	1211.25

SHIPPING

Great Eastern	10	19.98	19.00
Scindia	20	16.84	20.69

STEEL

Indian Iron	10	21.36	20.44
Mukund	10	11.24	13.00
Tata	75	180.25	175.50
Tata (new)	75	175.50	...

PLANTATIONS

Blue Mountain	2	3.00	6.12
Highland	10	11.72	14.37
Halleyburia	10	16.12	25.25
Kalpetta	10	19.78	25.00
Midand	10	14.52	19.25
Nel'ampathy	2	2.60	3.37
Rajagiri	10	15.60	21.62
Twyford	10	12.52	19.25
Waterfalls	2	3.68	6.50

SUGAR

Be'apur	50	239.00	230.25
Bhopal	10	21.48	19.00
Cauvery	100	87.00*	...
Changdeo	124	28.75	30.00
Kesar	40	61.00	46.25
K. Gyanoday	10	9.20	10.87
Maharashtra	250	830.00	810.00
Modi	10	9.00	9.00*
New Swadeshi	100	200.00	225.00*
Oudh	100	128.50	140.00
Phaltan	50	140.10	136.00
Ravalgaon	50	132.25	...
S. Behar	10	1.00*	1.00*
Vishnu	100	235.00	...
Walchand	100	278.75	278.12

CEMENT

Andhra 'B'	... 10	12.24	15.00
A-C-C	... 100	150.00	166.50
A-C-C (new)	... 100	141.00	...
Ashoka	... 10	8.04	10.25
Bagalgot	... 10	8.32	...
Damia	... 10	10.04	12.00
Indian	... 10	28.75	37.90
Jaipur Udyog	.. 10	11.52	12.10
Digvijay	... 100	138.25	147.00
Orissa	... 10	12.48	13.20

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HIGHLIGHTS OF THIS ISSUE

If an employee gets arrested, and hence compelled to absent himself, can management dismiss him?

Is the trend in India one in which a premium is placed on the mediocre—but no bonus for merit?

We commend to the reader the answers to these questions, given by M. Sur. See Leading Articles.

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BOMBAY—Dr. Dadabhai Naorji Road, Fort.
MADRAS—105, Armenian Street, G.T.
LUCKNOW—Hazratganj.
NEW DELHI—64, Janapath.
NAGPUR—Indian Mutual Building, Mount Road Ext.

CUTTACK—Ganeshghat.
JALPAIGURI—Anjuman Building.
COCHIN—XII/168, Jew Town.
ASANSOL—Janaki Bhaban, East End, G.T. Road.
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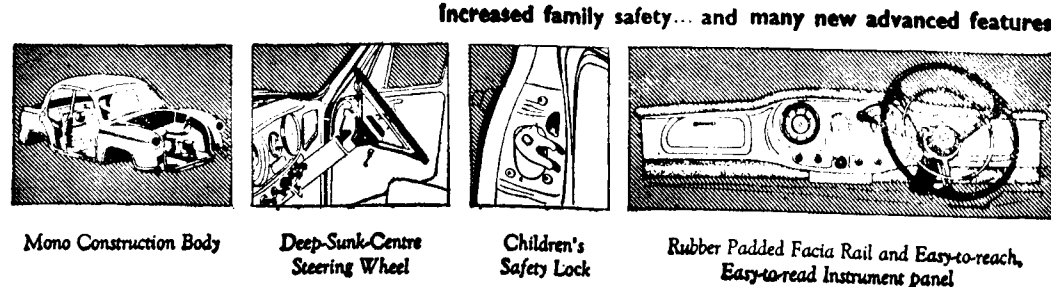
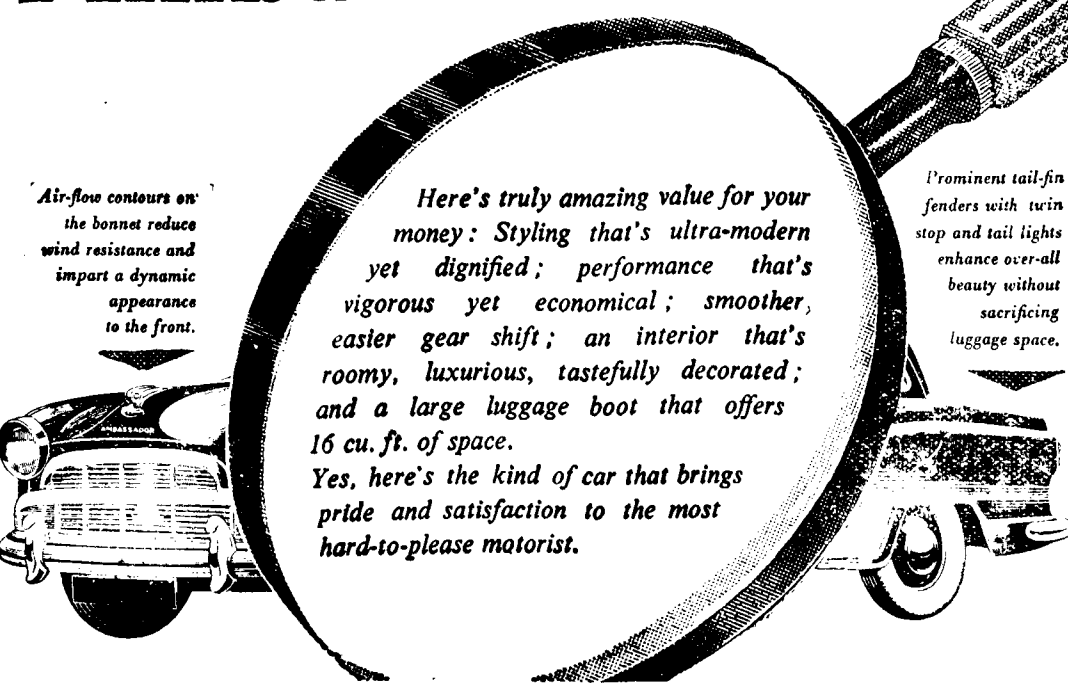
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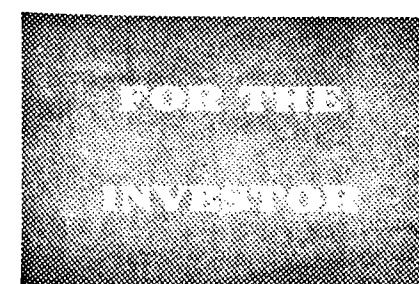
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In the Offing: A new Bombay Issue

Investment Gossip:

The holiday spirit is abroad, but although that usually cramps the style of stock exchange operators, we have during the past week had the experience of cheerful conditions obtaining in market activity. I have, in this context, to repeat myself, and say what I said but last week, and that is, interest is broadening, the range of shares dealt in is wider and activity as such is also on an enlarged scale.

Tata Ordinaries have provided the spark on Dalal Street where, over and above the week end bank holidays, there was a mid-week interruption as well. The recent concessions that have been granted are now thought to have contributed to an improvement in the stock exchange hawa, and there are even some circles who speak vaguely of further reliefs to come, though I cannot think of any.

There is one exception to that last statement of mine, and that is, some concession in respect of export duties on common teas; but this relates to Lyons Range, and not to Dalal Street. But, as I have long maintained, it is the atmosphere that counts for far more than any specific acts, and it is the hawa that now appears conducive to a sustained bull phase on Stock Exchanges.

Moreover, in Calcutta, the investor's market has shown signs of perking up, thanks to the opening of the futures market in jute goods, which has been taken to pre-empt better prospects for the jute section. Consequently, we have recently been vouchsafed activity even in this section—one which has long been moribund.

Meanwhile, there is good news from Bombay; a new issue is in the offing, and the high respect in which the company—Greaves Cotton—is held is responsible for the investor looking forward keenly to the prospectus. As we go to press, some of the details are available, such as, for example, the fact that the subscription lists are to open on the 14th of April and close not earlier than the 16th of April; also, the offer to the public is restricted to Rs 35 lakhs consisting of 35,000 equity shares at par; the existing shareholders are taking up 11,600 shares of the present issue, and it is only the remainder that is being offered to the new investor.

I hope to be able to give a full analysis of the prospectus in the

next week's issue; for the present, I shall content myself with suggesting that the Greaves Cotton issue is being made at a time that is most propitious—a period during which share prices are headed upward.

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Investment Notes:

The Greaves Cotton & Company is to issue 46,600 equity shares of Rs 100 each, at par. Of this, 11,600 shares will be taken by the present shareholders and the balance 35,000 shares are offered to the public. The shares, now being issued, will confer the right to any dividend declared in respect of the year ended 31st March, 1959. The subscription list will be opened on the 14th April. An amount of Rs 50 per share is to be paid on application and the balance of Rs 50 on allotment.

The shareholders of the Oriental Government Security Life Assurance Company have approved the scheme of amalgamation with the Investment Corporation of India Limited, which has agreed to revise upward the cash compensation to Rs 4,300 from the original proposal of Rs 4,000 per share of Oriental.

The Saurashtra Central Co-operative Land Mortgage Bank Limited, Rajkot, has proposed to issue the fourth series of Debentures, guaranteed by the Bombay Government in respect of principal and interest. The total amount is Rs 1.25 crores, to be issued at Rs 98.50. They carry interest at 4½ per cent per annum and will be redeemable at par on April 30, 1968. The subscription list will open on the 9th April.

Forest Industries (Travancore) Limited has decided to reduce the capital from Rs 40 lakhs to Rs 25 lakhs by the return of Rs 1.50 per share on the 4,98,100 shares. The High Court has confirmed this capital reduction.

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Dividend Payment

By K. V. Iyer.

There is an aspect of company practice which has attained greater importance owing to vast numbers of the public being interested in them as shareholders and which therefore calls for greater attention on the part of their management.

Though every company closes its accounts for the year on the same date every year, owing to the latitude allowed for the presentation of the Annual Accounts and in regard to the date for the Annual General Meeting, the months of the year when the shareholder receives his dividend varies widely in respect of the same company with the result that a shareholder may have to account in his return of income for Income Tax the dividends of two years sometimes and of none in the following year thus subjecting himself to a larger amount of tax in the earlier year than

should otherwise happen. And it cannot be affirmed that on the whole, by virtue of a shareholder holding shares in more than one company, the incidence of tax on his income would be evened out.

It is therefore necessary that management of companies should, except in the presence of insuperable difficulties, arrange to present the Accounts in the same month every year and pay the dividend in the same manner.

In regard to the payment of the dividend, the Act lays down that it should be paid within three months of the date of its declaration and failing to do so the Directors and others render themselves to imprisonment and a fine. But who is to bell the cat?

Further is a period of three of months really necessary? Is it not common sense that a company should arrange to meet its liability, like any other party, before undertaking it and meet it as soon as it arises?

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Excellent Results of Dunlop Rubber

Balance-Sheet Reviews:

THE Dunlop Rubber Company (India) Limited has produced excellent working results for the year ended 31st December, 1957. While sales have shown a substantial rise to Rs 19.97 crores from Rs 17.00 crores, the net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 80.67 lakhs as against only Rs 55.09 lakhs in the previous year. In respect of allocations to Funds, the Depreciation amount is reduced to Rs 27.69 lakhs from Rs 30.55 lakhs, while Taxation provision is raised to Rs 86.52 lakhs from Rs 47.35 lakhs and General Reserve to Rs 30.00 lakhs from Rs 26.00 lakhs. The directors have recommended a final dividend of 8½ per cent, making a total of 16½ per cent on the increased Ordinary capital as against 15 per cent on the original capital in the previous year.

In this connection, it would be recalled that, in July 1957, the company issued 14 lakhs Ordinary shares of Rs 10 each at a premium of Rs 5, which provided additional capital of Rs 203 lakhs towards the cost of the expansion programme. To facilitate the Ordinary share issue, they declared an interim dividend of 7½ per cent, existing in June 1957.

According to the directors' report, the major expansion of the company's Sahaganj factory had progressed considerably by the end of last year and construction of the new factory at Ambattur was commenced in the latter of the year.

Share Premium Account, amounting to Rs 70 lakhs representing the premium of Rs 5 per share on the issue of 14 lakhs Ordinary shares, has been treated as a Capital Reserve.

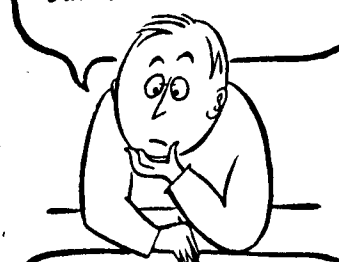
Indian Aluminium

The Indian Aluminium Company Limited has created a new record in production as well as sales in 1957. Sales have risen to Rs 5.44 crores from Rs 4.25 crores; but the net profit, after providing for Depreciation and Taxation, amounts to only Rs 26.38 lakhs as against as much as Rs 35.79 lakhs in the previous year. This is mainly due to a larger provision of Rs 34.47 lakhs for Taxation against only Rs 7.00 lakhs. The Depreciation amount is raised to Rs 26.30 lakhs from Rs 22.80 lakhs, while a sum of Rs 4.50 lakhs is provided for Wealth Tax. The directors have recommended a dividend of 6 per cent on the increased Ordinary capital as against 10 per cent on the original capital in the previous year.

In this connection, it may be mentioned that, as part of the financing programme for the current expansion, the issue of Rs 2,68,13,200 5 per cent Convertible

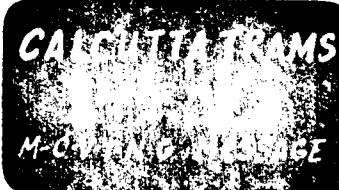
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Loan Stock, at par, was successfully completed in February 1957 and allotment was made in March 1957. In accordance with the terms of the issue, Rs 2,44,65,200 Loan Stock had been converted into 18,34,890 Ordinary shares by March 31, 1957.

According to the directors' report, work on the expansion programme has made considerable progress. The construction of the company's new reduction plant at Hirakud in Orissa will be completed on schedule, and that the 10,000 tons annual production capacity being installed will come into operation early in 1959. The expansion, simultaneously underway of the existing alumina plant at Muri to 18,000 tons of annual production capacity, is also expected to be completed during 1958. A further expansion of 30,000 tons of alumina capacity will be thereafter taken in hand for completion by 1961.

The directors have concluded that early expansion of the Hirakud Smelter from 10,000 tons to 20,000 tons ingot production capacity per annum is desirable. In order to facilitate this expansion, the company's Canadian shareholder—Aluminium Limited—has decided to offer a loan up to 5 million dollars, which is about equivalent to the foreign exchange required to expand the Hirakud Smelter from 10,000 tons to 20,000 tons and the Muri alumina plant from 30,000 to 40,000 tons annual production capacity.

£ R S

Orissa Minerals

Despite a decline in earnings, the Orissa Minerals Development Company has maintained the dividend at 20 per cent for the year ended 30th June 1957. Sales have risen to Rs 88.77 lakhs from Rs 68.94 lakhs, while the net profit, after providing for Depreciation and Taxation, amounts to only Rs 4.74 lakhs as against Rs 5.57 lakhs in the previous year. The directors have provided Rs 1.85 lakhs (Rs 1.71 lakhs) for Depreciation; Rs 10.90 lakhs (Rs 2.80 lakhs) for Taxation; Rs 315 (Rs 232) for General Reserve; Rs 24,000 (Rs 74,200) for Taxation Contingency Reserve and Rs 5,300 (Rs 12,340) for Development Rebate Reserve.

The company has formed a new company called, Bolani Ores (Private) Limited in the Bolani area to develop and exploit the large deposits in that area. The Central

Government and the Orissa Minerals Development Company have participated in the capital in the ratio of 50.5 and 49.5 per cent respectively. Messrs Bird & Company are the secretaries, appointed for a period of 15 years.

£ R S

Gokak Mills

Despite an increase of Rs 8.00 lakhs in sales to Rs 2.54 crores, the Gokak Mills Limited has been obliged to draw upon its reserves to the extent of Rs 4 lakhs to meet the reduced distribution of Rs 8 per share for 1957 as against Rs 13 paid in the previous year. The provision for Development Rebate takes away as much as Rs 6.76 lakhs as compared with Rs 1.10 lakhs. After providing Rs 3.88 lakhs (Rs 4.50 lakhs) for Depreciation and Rs 1.99 lakhs for Taxation, the net profit is Rs 6.62 lakhs as compared with Rs 8.63 lakhs in the previous year.

£ R S

Gold Mohur Mills

The working results of the Gold Mohur Mills Limited are in line with the trend of profits of the textile industry. After providing Rs 2.20 lakhs (Rs 6.25 lakhs) for Depreciation and Rs 6.30 lakhs (Rs 4.70 lakhs) for Taxation, the net profit amounts to only Rs 4.62 lakhs as against as much as Rs 12.49 lakhs in the previous year. The dividend on the Ordinary shares is maintained at Rs 15 per share. Sales have declined by Rs 19 lakhs to Rs 1.91 crores.

£ R S

Swan Mills

The Swan Mills Limited has reported a net profit of Rs 8.24 lakhs as against Rs 14 lakhs in 1956. A sum of Rs 4.50 lakhs (Rs 10.50 lakhs) is provided for Depreciation and Rs 6.00 lakhs (Rs 3.40 lakhs) for Taxation. The Ordinary dividend is Rs 25 per share. Sales of cloth, cord, yarn and waste have declined by Rs 26 lakhs to Rs 2.45 crores. Against a paid-up capital of Rs 36 lakhs, reserve and surplus total Rs 71.09 lakhs.

£ R S

Vishnu Cotton

Despite a rise in sales by Rs 25 lakhs to Rs 2.49 crores and reduction in stocks from Rs 64.25 lakhs to Rs 33.98 lakhs, the Vishnu Cotton Mill Limited has reported a loss of Rs 9.54 lakhs for 1957. The dividend has been passed over.

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National Income Achieves Target in First Year of Second Plan

IN terms of national income, the first year of the Second Plan must be deemed to have witnessed the most satisfactory performance. And yet, there is, as there most assuredly should not be, some difficulty encountered in comparing the figures just released with those contained in the Second Plan.

It may be recalled that, according to the Plan frame submitted by Professor Mahalanobis, the national income, at 1952-53 prices, was estimated to rise from Rs 10,800 crores in 1955-56 to Rs 13,700 crores in 1960-61. The increase thus sought over the Plan period was 27 per cent, and the Professor calculated that, in the process, the per capita income would rise by 19 per cent from Rs 282 to Rs 334.

The Second Plan also bases its figures for national income at 1952-53 prices. But the estimate for 1960-61, in the Second Plan, is slightly lower at Rs 13,480 crores involving an increase over the Plan period of 25 per cent; and, secondly, the per capita income would rise by 18 per cent to Rs 330.

While, thus, the Second Plan papers base their national income statistics at 1952-53

prices, all other sources of this information provide the data at, firstly, current prices and, secondly, 1948-49 prices. So, strictly speaking, it is not possible to compare the figures just released with those mentioned in the Second Plan. Nevertheless, we have available a measure of the improvement that has been recorded.

At 1948-49 prices, national income, in 1956-57, showed a rise of Rs 730 crores over 1955-56 and was placed at Rs 11,010 crores. This means that, in the first year of the Second Plan, the rise recorded in the national income was 5.1 per cent. Although the figures for 1956-57 are provisional, the improvement fulfils the annual rate necessary to achieve the Second Plan target of 25 per cent increase in national income over the Plan period, and, indeed, slightly exceeds it.

As far as the per capita income is concerned, at 1948-49 prices, the figure has gone up from Rs 273.6 in 1955-56 to Rs 284.0 in 1956-57. The increase works out to 3.8 per cent; and it would mean that, if this annual rate were maintained, the increase over the Plan period

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

would work out to 19 per cent as against the Second Plan target of 18 per cent.

It may be emphasised that such improvement has been recorded at 1948-49 prices. At current prices, the rise in national income during 1956-57 was even steeper, from Rs 9,990 crores to Rs 11,410 crores; the increase during 1956-57, at current prices, works out to over 14 per cent. Similarly, per capita income at current prices improved from Rs 260.8 in 1955-56 to Rs 294.3 in 1956-57; this increase works out to nearly 13 per cent. But we must bear in mind the fact that the larger increase at current prices, during 1956-57, was due to the upward trend in prices during the first year of the Second Plan.

But, even on the basis of 1948-49 prices, the latest figures are a most heartening indication of progress being achieved at the targeted annual rate. However, we should take this opportunity to enquire why there should be this difference in the basis for national income figures as between Second Plan statistics and those available elsewhere.

Rising Trend in World Economic Activity

THE United Nations Statistical Yearbook for 1957 discloses a rising trend in the level of world economic activity. With an increase of 4½ per cent in industrial production in 1956 as compared to the previous year and a rise of 16 per cent in agricultural production as compared to 1950, together with an increase in the value and volume of world trade to the tune of 11 per cent and 9 per cent respectively over 1955, world economic activity touched the high water mark in 1956. The changes assume revolutionary dimensions when the datum line is shifted to the remoter past of the pre-war years. Thus, the increase in the production from mines and factories was as much as 225 per cent as compared to 1938, the increase in railway haulage as much as 250 per cent, while the rise in exports, though relatively modest, was significant.

It is in the field of industrial production that the most spectacular changes have been recorded, industrial production in the world having exceeded the level for 1955 by nearly 4½ per cent. This represents an increase of 40 per cent over the figure for 1950 and 127 per cent over the figure for 1938. The relatively modest increase in agricultural production, which was only 16 per cent as compared with 1950, is a sign of the orientation of the world economy toward industrialisation.

With a population which has increased at a lesser pace of only 20 per cent in 1956 as compared to 1940, the rising trend in the world economic activity indicates an appreciable rise in the standard of living which is, however, true only of the countries which have contributed and shared in this economic expansion in a significant way.

Naturally enough, it was the USA which set the tune and pace for the changes in the world economy. And the improvements in the world economy are only a reflection of the profound changes that have taken place in the US economy. This would be evident from

figures for the share of US in the production of certain vitally important industrial products. The USA accounted for nearly 30 per cent of the world's production of coal in 1956, for 42 per cent of crude petroleum, 41 per cent of electricity, 25 per cent of cement, 37½ per cent of total world production of steel and 60 per cent of the total production of motor vehicles. This brings out the economic might of the USA and the concentration of economic prosperity in that country. The share of the Soviet Union in the industrial resources, though not on a comparable scale as the US, is significant, the share in the world production of coal, crude petroleum, electricity, cement, steel and motor vehicles being 19 per cent, 10 per cent, 11 per cent, 11 per cent, 17½ per cent and 4 per cent respectively. The scale and dimensions of economic improvement in these two countries have naturally eclipsed the process of development in the other parts of the world.

The economic supremacy of the USA is further brought out in the other indices of economic activity, such as the volume of world trade, consumption of raw materials, number of motor vehicles, railway freight traffic and shipping tonnage. The Statistical Yearbook has estimated the percentage share of the US consumption for such raw materials as cotton, natural rubber, synthetic rubber, tin and raw wool at 25 per cent, 32 per cent, 77 per cent, 38 per cent and 14 per cent respectively. The world consumption of these raw materials during 1956 improved considerably over 1955, the increase being to the tune of 3 per cent in raw cotton, 4 per cent in tin, 6 per cent in synthetic rubber. Only in regard to natural rubber was a decline registered in consumption in 1956.

The expansion of railway freight traffic in the post-war period was more concentrated in the countries behind the iron curtain, where, according to the Yearbook, between 1947 and

1956, railway freight traffic more than tripled. Progress in America was rather negligible, the increase being only 2 per cent, while Western Europe registered an increase of nearly 50 per cent in its railway freight traffic. Thus, the 8 per cent increase in the freight traffic in 1956 was practically contributed by countries of Eastern Europe and Asia.

The progress in shipping is equally remarkable and, during 1956, the shipping tonnage was 5 per cent greater than in 1955 the increase in tonnage loaded on ocean going ships being greater. It is perhaps the cessation of hostilities in 1945 that accounts for the drop in the tonnage of USA by 20 per cent since 1947. All the same, the US merchant fleet is reckoned as the largest in 1956 when it exceeded the steadily increasing United Kingdom tonnage by about a third. The high level of industrialisation reached by countries in the North American continent and especially USA is further brought out by the preponderant share of the continent in the total of motor cars and commercial vehicles existing in the world, the share being estimated in the Yearbook at 75 per cent for motor cars and 58 per cent for commercial vehicles.

The growing tempo of industrialisation could not have been sustained without a proportionate rise in the availability of power and energy for industrial purposes. In 1956, the world is shown to have consumed about 7½ per cent more energy than in 1955, the world per capita energy consumption being estimated at the equivalent of 1.35 metric tons of coal in 1956 against 1.27 in 1955. The increase in energy consumption is marked for South America which is shown to have registered an increase of 252 per cent since the pre-war years while the increase for the countries of the communist camp, which is the only other group to have shown appreciable increase, works out to 180 per cent. The countrywide distribution of energy consumption, which

shows energy consumption by USA at 44 per cent of the total and that of Asia at 5½ per cent, points to the wide gap that divides the underdeveloped countries of Asia from the advanced countries of America and Europe in the matter of industrial development.

While the countries of Western Europe and North America have made great strides in industrial development, and are in a position to plan and provide for industrial development on still larger scale, the countries of Asia and Africa are still in the stage of having to concentrate their efforts for ensuring an adequate level of income and a decent standard of living to their population. The leeway that these countries have to make in providing a satisfying life to their people is suggested by the great disparity in the available daily calories per capita as between these countries and those of Western Europe and North America. While most countries of Europe enjoy a daily per capita of more than 3,000 calories, the Asian countries are behind even the 2,500 mark. The fact that dwellings of 5-6 rooms constituted the largest group in Australia, New Zealand, Netherlands, United Kingdom, Canada and United States, while dwellings with one or two rooms constitute the largest group in British Guiana, Paraguay, Panama, Ceylon, etc., is a measure of the difference in the economic status between peoples of the underdeveloped countries and those of the developed countries.

The Triumph of the Mediocre

By M. SUR

IN recent years, there has been a disturbing tendency to decry merit in all negotiations for revised wage scales and to insist on a uniform pay for the job regardless of the efficiency with which it is carried out. Now, while, in general, the principle of the pay for the job is undoubtedly correct, it seems we are losing something if there is no incentive at all to put one's best effort into the job. On mechanical jobs, of course, where output can be measured, this incentive can be supplied by a bonus scheme related to production; and, in the interests of increased productivity, Government have been trying to encourage the introduction of incentive bonus schemes or piece rates, but, even here, workers and their representatives tend to be suspicious and to prefer the dead level of the fixed scale. In offices and in jobs requiring initiative, this levelling down is having an adverse effect on the standard of work.

Take the case of a filing clerk. Everyone knows that there are filing clerks and filing clerks—the first, though not bad enough to be sacked for inefficiency (if one could do such a thing these days!) are frequently at a loss and have the whole department in a frenzy when the boss is asking urgently for papers; the second, having interest in their work, a good memory and a systematic approach to their job, are able to turn up papers required at a moment's notice and contribute not a little to the smooth flow of work in the department. Indeed, the second type proves so valuable to the head of his department that his promotion to another job is frequently resisted on the grounds that he cannot be spared. How, then, is he to be rewarded for the performance of a good job, if he is not given the chance of promotion? Under the usual grading scheme now insisted on by all commercial unions and blessed by industrial tribunals, there is a scale for filing clerks and both the poor filing clerk and the outstanding filing clerk will receive the same increment. There is no award for extra merit, and no incentive to put extra effort into the job. This is the twentieth century version of the Levellers' Movement.

It is quite frequent for unions to claim a

The termination of the Second World War also witnessed the leadership of the world's trade passing from the UK to the US. While the share of the US in the world trade rose from 12 per cent in 1938 to 17 per cent in 1956, the share of the UK went down from 15 per cent to 10 per cent during the same period. This leadership was built on the basis of a greater increase in exports from USA than of imports, into that country. Against a share in exports of 21 per cent, the share of US in total world imports in 1956 was only 13 per cent. Currencywise, the dollar area countries accounted for 31 per cent of the world's exports in 1956 and 26 per cent of the imports while sterling area countries accounted for 23 per cent of exports and 24 per cent of imports. Though world trade has, during 1956, registered a notable increase over the previous year, the need to rectify the imbalance in the economies of the underdeveloped countries would warrant a freer flow of trade between countries and especially of capital investment from countries with surplus capital resources. Having emerged as the economic colossus, the trade policies and economic decisions of the USA would have a vital bearing on the pace of progress in the less developed countries. A recognition of its obligations to the other countries by America is therefore of supreme importance to the balanced development of the world economy.

higher pay or a higher grade in the office for a clerk with a degree, regardless of whether the degree is relevant to the job he is doing. While it is certainly true that a clerk with a degree has spent time and money on his higher education, it is unfortunately not true that this automatically makes him more qualified for his job. It may, in fact, unfit him for a job which he feels is beneath his qualifications, and many clerks who have not been fortunate enough to have the opportunity to sit for a degree, are better clerks than those who did.

In a recent dispute in one company, the union argued that those who had worked in several jobs should automatically have priority for promotion. Movement from one job to another is not necessarily evidence of versatility, but even when it is, versatility is only one of the factors which should be considered for promotion. Why should the worker who has been kept on a single job, where he has shown himself first-rate, be passed over when it comes to promotion by a man who has been shifted around just because he was the worker who could most easily be spared each time by the head of his department? For promotion, various factors must be taken into consideration and these factors may vary according to the type of job.

Discussion recently with a leading trade unionist confirmed the impression that the trade unions do not like any form of merit rating and only approve of merit being taken into consideration for purposes of promotion. The reason given was that the workers cannot trust the management to be impartial in rating merit and that factors such as "loyalty" are usually taken to mean non-support for trade union activities. It is only too true that this has often been the case, and managements have largely themselves to blame for the present accent on mediocrity.

The triumph of mediocrity is not, however, confined to India. A recent issue of Personnel, published by the American Management Association, contains an article entitled, "Whatever Became of Merit Rating?" The author argues that the idea of paying varying rates for the same job was soundly based on the fact that

people differ and that extra pay for merit was a real incentive and in accordance with the democratic principle of "to each in accordance with his ability". The AFL, with its craft outlook, in the past was not set against performance rating, but the CIO found different ratings for the same job "was distasteful to the great commonizing movement" and argued that merit rating was only a "peculiarly invidious form of favouritism". With the combination of the two great federations, the CIO view prevails.

There is much truth in the allegation, says the author, for, performance rating on unmeasured jobs is difficult to keep objective, and "it's always pleasant and satisfying—and only too human—to recognise the guy who goes along with you. It's hard to give a raise to a surly introvert, even though his production and quality are tops." The characteristics for merit rating have not always been wisely selected. One merit rating plan is quoted which required a numerical rating on the characteristic of "dependability", which foremen tended to interpret as "a good company man" not bothering about the union. Another numerical rating was "versatility" which was defined as "ability to perform adequately more than one job in the department", which took no account of the highly capable one-job man.

Among organised workers there is a strong urge to conform and not to be different from the others, which usually wins over the urge to excel. Faced by the opposition of organised labour to merit rating, it was natural for American managers to say, "if equal treatment is what they want, that is what they'll get". The urge to earn more began to be satisfied with group incentive schemes, or with incentives directly related to production where the job was measurable. Where high ability could not be measured, it was found that highly skilled men were turning down the skilled jobs in favour of lower-rated jobs where they could earn more on output.

If trade unions are suspicious of management intentions in the USA, they are doubly suspicious here. It is not likely that they can be expected to accept any form of merit rating except in appraisal for promotion. We shall have to content ourselves with pressing for payment by results on measured work and group incentives where these are practicable. We cannot afford to let initiative be smothered by mediocrity.

In the USSR, when mediocrity appeared to have gained the upper hand, the Stakhanovite movement had to be introduced to bring back initiative. This in turn has gone too far toward making a privileged class or caste, and recently it was reported that some modifications in the Stakhanovite system had become necessary. As always, the pendulum swings too far one way or the other, and needs some adjustment to give true balance. In India, we have gone too far in standardising pay. We need now to redress the balance by encouragement of initiative and outstanding performance.

Employees Under Arrest

CAN management take action against an employee who is under arrest by the police? This is a question that arises whenever there is a serious disturbance in factory premises and the police are called in and arrests follow. Or the question may arise where an employee has been arrested for some outside activity quite unconnected with his employment, and the management feel that he is no longer a suitable person for them to employ.

Normally, employers' standing orders include a clause to the effect that overstaying of leave or absence without permission for more than a certain period will lead to automatic dismissal. Can this be applied in the case

of an employee who is under arrest and therefore involuntarily prevented from attending to his duties? Trade unions always argue that, in such cases, the management should grant leave and that it would not be fair to take action against the employee when his absence is due to circumstances beyond his control. Even the Labour Appellate Tribunal held that a company was not justified in refusing leave when employees were in custody, but the Supreme Court has now reversed this decision. (LLJ Mar. 1958, p. 261).

The case before the Supreme Court concerned seven workmen of the Indian Iron and Steel Co Ltd who were arrested by the police in 1953 and remained in custody for some time. They applied for leave, which was refused, and their services were terminated under the standing order dealing with absence from work without permission for more than 14 days. The Supreme Court conceded that the arrested men were not in a position to come to work, but held that, while this was unfortunate for them, it would be unjust to hold that the company must always give leave in such circumstances:

"If a large number of workmen are arrested by the authorities in charge of law and order by reason of their questionable activities in connexion with a labour dispute (as in this case), the work of the company will be paralysed if the company is forced to give leave to all of them for a more or less indefinite period. Such a principle will not be just; nor will it restore harmony between labour and capital or ensure normal flow of production. It is immaterial whether the charges on which the workmen are arrested by the police are ultimately proved or not in a court of law. The company must carry on its work and may find it impossible to do so if a large number of workmen are absent. Whether in such circumstances leave should be granted or not must be left to the discretion of the employer."

Their lordships, however, added a proviso that, if the workmen were arrested at the instance of the company for the purpose of victimization or on the pretext of getting rid of them, then the position would be different and the action of the employer could be considered *mala fide*.

A rather similar case was referred to the Supreme Court in 1956 by Burn and Co Ltd (LLJ 1956 I p. 226) concerning an employee who was under arrest and whose services were terminated for continued absence. The Appellate Tribunal in this case had ordered reinstatement on the ground that the employee had been discharged without the issue of a charge-sheet and without holding an enquiry. The Supreme Court reversed the decision, pointing out that the ground of discharge was continued absence and it was difficult to see what purpose would be served by a formal charge being delivered to the man in jail.

Sometimes the problem arises in a rather different form. An employee is arrested on a charge, which may or may not be connected with his employment, and is subsequently acquitted. If the management have in the meantime discharged him, are they bound to take him back just because he has been acquitted?

When the employee had been arrested on a charge connected with his employment, acquittal does not necessarily entitle him to reinstatement. It is up to the management to establish the charge or not by their own departmental enquiry. If it is established, they can take independent action, but if the case should later be referred to an industrial court, they will then have to satisfy the court that their decision was justified and their action was not *mala fide*. This was made clear in a judgment of the Labour Appellate Tribu-

nal in the case of the State Bank of India, (LAC August 1957 p. 490):—

"We are of opinion that the mere fact of acquittal may not entitle the workman, who has been acquitted by the criminal court, to insist that the management are bound to reinstate him without any further question. On the contrary managements are within their rights in seeking to establish the charge against the workman concerned by adducing necessary evidence before the Tribunal. The judgment of the Magistrate will be useful for the purpose of proving the fact of acquittal. It may not have the effect of precluding the management from attempting to establish their charge against the workmen in question in the enquiry before the Tribunal."

As regards cases not connected with the arrested man's employment, it is open to management, as shown in the first case quoted, to terminate the services of an employee under the ordinary standing orders for continued absence without permission, and acquittal does not affect this position, except to prompt consideration on humane grounds of whether the employee can be re-employed if the case in which he was arrested has not brought any discredit on the company. In many cases, of course, the accused is "discharged for insufficient evidence"—though he will probably claim that he has been acquitted. He should be asked to produce the order of the court, from which it will be clear whether he was discharged or acquitted. In the first case, he has less claim for consideration; in the second, management's decision must depend on the circumstances of the case and the man's previous record.

References:

LLJ=Labour Law Journal.
LAC=Labour Appeal Cases.

Profit-Sharing Plans in US Industry

ON April 1, representatives of the United Automobile Workers and America's leading automobile manufacturers will open negotiations for a new labour contract to replace the present agreement, which expires on May 30.

The most controversial issue facing the negotiators will be a union demand that the companies share 25 per cent of their profits above 10 per cent of net capital before taxes with the workers. The proposal, advanced by UAW President Walter Reuther as a supplement to "basic minimum economic demands," was adopted by 3,000 UAW delegates at a special convention in Detroit.

Reuther recommended a three-way split of "surplus" profits, with 50 per cent going to management and stockholders, 25 per cent to the workers, and 25 per cent for consumer rebates on car purchases.

According to the union's statisticians, if the Reuther plan had been in operation at General Motors during the ten-year period of 1947 to 1956, it would have resulted in an average annual distribution of \$278,500,000 for GM workers, adding about 31 cents an hour to their earnings.

The three managements affected by the plan—General Motors, Ford and Chrysler—took quick exception to the proposal. Harlow H. Curtice, President of GM, called it "a radical scheme . . . foreign [to the concept of the American free enterprise system." Ford and Chrysler were equally critical.

A different point of view is expressed by Rawson Wood, chairman of the Council of Profit Sharing Industries. He reports that a profit-sharing plan at his precision casting

company in New York and Los Angeles has improved productivity, profits and morale.

"The profit-sharing plan," he says, "is one of the best ways to preserve and improve the free enterprise system. If the UAW's proposal could be worked out, it could be a way to break the wage-price inflation spiral."

The UAW demand reflects a significant change in labour's traditional attitude toward profit sharing. In the past, labour leaders had shied away from such plans on the ground that they encouraged a speedup of work efforts, and in some cases were used to justify lower basic wages.

As unions grew stronger and were able to set up safeguards against abuses, their opposition gradually lessened. In recent years there has been a rapid growth in the number of profit-sharing plans, many of them the result of union-management negotiation.

The Council of Profit Sharing Industries, a national clearing house for information on profit sharing, estimates that some 20,000 employers in the United States now have some arrangement for dividing profits with their employees. Altogether between 1,500,000 and 2,000,000 workers are covered. About two-thirds of the companies are reported to be unionized.

According to the Council, there are three major types of profit-sharing plans:

The first provides for a cash distribution by the employer monthly, quarterly, semi annually or annually.

The second calls for payment of part of the profits into a trust fund, from which deferred payments are made—usually when the employee dies, becomes disabled, retires or severs his employment with the company for any other reason.

The third combines features of the other two, providing for the division of part of the profits into a cash fund from which employees receive a bonus—usually once a year—and a trust fund to provide for death, disability or retirement benefits.

Most of the "big business" profit-sharing plans are of the deferred-payment type. Best known and oldest of these plans still in existence was established in 1886 by Col. William Procter of the Procter and Gamble Company, soap makers.

Other examples of large companies with deferred-payment plans include Lever Brothers, Motorola, Pacific Finance, Sears-Roebuck, Solar Aircraft, Union Tank Car, Jewel Tea and Western Auto Supply.

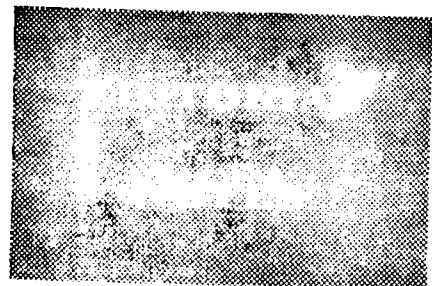
Cash plans among the big companies are fewer in number. An outstanding example in this group is the Eastman Kodak Company, with a plan dating back to 1912. For the year 1957, it is paying out \$78,200,000 in wage dividends to about 50,000 employees. This is in addition to its retirement plan.

Profit sharing has been defined as "any procedure under which an employer pays to all employees—in addition to good rates of regular pay—special current or deferred sums, based not only upon individual or group performance, but on the prosperity of the business as a whole."

Advocates of profit sharing argue that it provides the worker with a direct, personal interest in the success of the company. He begins to think more strongly in terms of better processes and time saving—of improved quality and the elimination of waste.

This attitude was well expressed by a salesgirl at Sears, Roebuck and Company which, since 1916, has contributed more than \$500,000,000 into a profit-sharing fund for its 120,000 employees.

"If an employee in our store gets angry," she said, "and feels like throwing the merchandise around or leaving the light on, he remembers that it is his merchandise and his light bill."



Coordination

Coordination is a convenient word which comes in handy when there is any administrative inadequacy to be explained or extenuated. Before going over to Transport and Communications, Mr S. K. Patil, in his last address as Minister for Irrigation and Power, told the Lok Sabha of the lack of co-ordination among the administrative and other agencies which have each something to do with food production. There are five of them—the Central Ministry of Food and Agriculture, the State Ministries of Agriculture, the Ministry of Community Development, the Ministry of Irrigation and Power and the Planning Commission. It will be unkind to suggest that the failure on the food front, which has undermined the basic assumptions of the Second Plan, was the result of the multiplicity of the agencies which shared the responsibility for increasing food production. On the other hand, it seems hardly likely that the setting up of another high level agency to coordinate the activities of the existing ones will serve any purpose other than providing resounding confirmation of Parkinson's law of bureaucratic growth. It is not merely the activities of the different administrative agencies that require coordination. The daily life of the seventy and odd million agriculturists in our country will have to

be coordinated for the achievement of the plan targets and the administration, in spite of its size and cost, is not equipped for the task. A fact of the Indian administration that is only imperfectly understood is that it does not go far enough. The only contact which the Government have with the village and the cultivators is through the functionaries of the revenue department. These underpaid and over-worked set of public servants have a variety of functions in addition to collection of revenue and maintenance of complicated sets of land records. Preparation of crop estimates, cattle census and progress reports on Vanamahotsava, to mention a few, have now become part of their routine duties. The Community Development Ministry, it is true, has its "village level worker." This estimable functionary is also loaded with a variety of functions. As these include propaganda for family planning and artificial insemination, it should not be surprising of his attempts to improve agriculture fail to hit the target in the countryside, where Gram Sevikas on bicycles are considered outlandish, if not positively immodest. The Welfare State has greatly extended the area of its administrative responsibility and has created a vast administrative machine at the centre to cope with its tasks. But the fact remains that most of the agencies responsible for development work stop short of the village. That is perhaps one of the reasons for incomplete utilisation of allotments for agriculture. The First Five Year Plan provided Rs 354 crores for agriculture of which only Rs 299 crores was actually spent. And there is no means of judging how much of the amounts spent were actually effective in increasing production, and how much consumed in priming the machine. Even the State agricultural and veterinary departments extend only up to the taluq or sub-division level. The time is yet far off when we can hope to have an agricultural demonstration farm or a veterinary centre in every village. In the meantime, the numerous agencies of agricultural improvement remain suspended in the air, like the aerial roots of the Banyan tree, adding to the burden on the taxpayer. Coordinating their activities will be like tying knots in the aerial roots in an attempt to make them more useful to the tree.

Centralisation of Road Transport

The likelihood of the formation of a central authority controlling road transport from the Himalayas to Cape Comorin was foreshadowed in ministerial pronouncements during the debate on the Transport and Communication Ministry's demands in Lok Sabha. The recently appointed Inter-State Transport Commission, it was hoped, would in time develop into an organisation with the powers

and responsibilities of the Railway Board. The need at present for a central authority controlling road transport throughout the vast extent of the Indian Union has not yet been clearly established.

Road transport is not intended to operate continental distances. It is more suited for comparatively short hauls and the States are sufficiently big to serve as the appropriate administrative units for controlling road transport. The problem of inter-State transport of goods and passengers in border regions is best left to be settled by mutual arrangements between the States concerned. It is possible to make a fetish of uniformity, ignoring the conditions of operation in different parts of the country. The bait has been held out that centralisation of motor vehicles taxation will result in lower rates of taxes. The final result may well be to fix taxes uniformly at the level obtaining in Madras. There is little to show that centralisation of Sales tax on certain commodities declared to be of importance to inter-State trade has resulted in any reduction of the tax burden.

The central road authority which is proposed can be effective only by making further inroads into what little remains of States' autonomy. At a time when emotional integration of the country is far from complete, and many fissiparous forces, linguistic and others, are raising their heads, further extension of central authority into regions of States' responsibility will be a step of dubious value for maintaining the integrity of the nation.

Reference has been made in the course of the debate to the employment potential of road transport. That is another reason why centralisation will come up against stiff local opposition. Moreover, the appropriate time for bringing into existence a Central Road Authority will be after the country has been linked up by an adequate net work of motorable roads. At present, there are too many missing links in the road system. Though a comprehensive plan was drawn up by road experts as early as 1943, it appears that a committee of engineers is still at work to prepare a national road plan for the next two decades.

Textile Troubles

The slump which hit the textile industry last year had its full impact on the cotton mills in West Bengal. Apart from the problems common to the rest of the industry, the Mills in West Bengal had problems of their own. As the president of the Bengal Mill Owners' Association told its annual meeting last week, many of the mills in West Bengal are working with machinery overdue for replacement. It is only by reducing costs, through adoption of modern techniques, that these mills will be able to survive in the keenly competitive days that lie ahead.

But heavy taxation has depleted the internal resources that might

otherwise have been available for plant renewal. The fall in working profits was particularly severe last year. The heavy excise duties have absorbed the lion's share of the actual profits. In the case of one typical concern which maintained sales at about the same level as in 1956, excise duty paid last year was nearly twice the previous year's figure while the profits had been reduced to half. On a total sale of nearly a crore and a half, the duty paid was over Rs 25 lakhs and profit after depreciation was just about two lakhs. This is the experience of one of the more prosperous units. When the accounts for 1957 are published, it will be seen that many concerns have suffered drastic fall in profits. The excise duty has also resulted in diversion of production from fine and medium to coarse varieties.

If the aim of the excise duty was to curtail the inflationary demand for cloth, it was more than fulfilled, as may be seen in the accumulation of cloth stocks. Though mills were successful in maintaining production last year, in spite of severe handicaps, there are signs that output had been going down since the beginning of the current year. The recent reduction in rates of excise duties has not come a moment too soon. But the benefits to the textile industry as a whole have been offset by the withdrawal of concessions enjoyed by the powerloom sector. This has resulted in largescale curtailment of production and lay off of workers. As Mr T. P. Chakravarti has suggested, there is a case for enquiry into the capacity of the power loom units, which are now treated on a par with composite mills, to bear the additional burden.

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A. T. HOBBS,
Manager.

April 5, 1958



Tap Rate Raised on 4 per cent 1972

IN two successive stages, in the course of the last few days, the Reserve Bank has taken up its selling price on the 4 per cent 1972 loan to Rs 100.15 from Rs 100.05. At the same time, selling rates on a number of other loans have also been raised.

This has provoked a wave of speculation in the money market as to the prospect of the 1958 New Loan being announced somewhat earlier than last year or the year before.

The belief is strengthened by two facts. On the one hand, we are nearly at the end of the current busy season—it has roughly four more weeks to go; the demand for Advances has been substantially smaller than last year, and meantime the Scheduled Banks have been adding considerably to their Deposit resources. This is taken to mean that, with Scheduled Banks possessed of larger available resources, the New Loan could be announced earlier. On the other hand, the Central Government have been hard pressed in their ways and means position, particularly during March. Deficit financing during 1957-58 seems destined certainly to approximate, if not to exceed, the revised estimates given by Mr Nehru in his Budget. The target for deficit financing during 1958-59 is much lower. Therefore, it is reasoned that Government might seek, through the New Loan, to replenish their balances as soon as practicable.

It may be, thus, that the gilt-edged market is in process of being groomed, well ahead of time. If the grooming in this wise, of successive increases in the selling prices even of longer dated loans, is indicative of Government's intention to frame the New Loan on terms more favourable to Government, we should be heartened at the dawning signs of a sound borrowing policy.

Advances Cross Rs 950 Crore Mark

HAS there been further deficit financing during the week ended March 28? There is, apparently, no such indication in the latest returns of the Reserve Bank, nor for that matter has there occurred the reverse ad hoc that we had anticipated might have been enabled. But, then, the balances of State Governments show a

fairly substantial fall, and it will be necessary for us to explain how and why such a decline could have taken place.

Possibly on account of the end of the fiscal year payments by the Central Government, and due perhaps also to busy season demands reasserting themselves, active notes have risen, in the week ended March 28, by Rs 7.31 crores to Rs 1579.13 crores. But Rupee Coin has returned from circulation for Rs 0.55 crores, and Notes Held by the Reserve Bank are consequently drawn upon to the tune of Rs 6.76 crores to be placed at Rs 10.21 crores. In the Issue Department, both Rupee Securities and Foreign Securities are unchanged.

In the Banking Department, it is noteworthy that there has been a further sharp drain in Balances Held Abroad, which have declined by Rs 7.11 crores to Rs 95.81 crores. On the other hand, Investments show a small change in moving down from Rs 240.25 crores to Rs 238.44 crores. The most important change that has occurred in the Banking Department is the drop of Rs 22.73 crores to Rs 54.85 crores in the balances of State Governments. Partly, this running down of balances might reflect the decline of nearly Rs 3 crores to Rs 21.23 crores from Rs 24.20 crores in the indebtedness of State Governments to the Reserve Bank. Remains a decline of Rs 20 crores to be accounted for. Clearly, no payment has been effected to the Central Government, as the Centre's balances are actually lower by Rs 1.38 crores at Rs 48.33 crores. However, we should not rule out the possibility of the Central Government having found it necessary to have further recourse to deficit financing. It is possible that, from their plethoric balances, the State Governments might have invested in ad hoc Treasury Bills. So, we cannot rule out the possibility of deficit financing having occurred for Rs 20 crores, the Treasury Bills in question perhaps taken up by the State Governments.

If this hypothesis is correct, then the Central Government would have benefited by the proceeds from such deficit financing. Since, in fact, the Centre's balances show some decline, it would follow that the proceeds have been fully utilised in the Centre's net disbursements during the last week of the fiscal year.

However, three more days remain for the end of the fiscal year. On two of these days, the 29th and 31st of March, it would be within the competence of the Central Government to make such adjustments as they consider necessary in respect of inter-Governmental transactions. So, it is entirely possible that, on these two days, the other Governments may finally make payments of dues to the Central Government. In that case, it is within the realm of possibility that deficit financing for 1957-58 will be limited to the revised estimate given by Mr Nehru

on the last day of February this year.

The Reserve Balances of member banks are practically unchanged at Rs 67.83 crores against Rs 67.89 crores. However, the Other Loans and Advances of the Reserve Bank have moved up by Rs 3.84 crores to Rs 78.44 crores; and the advances against usance bills are marked up by Rs 3.06 crores. This would indicate some element of pressure being experienced by the banking system during the end of March; and this would presumably relate to income-tax payments of constituents to the Central Government. This could be another reason why the Centre's balances might rise unexpectedly in the closing days of March, again enabling some element of reverse ad hoc.

But then, the pressure to make tax payments might be reflected in the figures of Scheduled Banks both by a decline in Deposits and a rise in Advances. This is a phenomenon that we should expect.

Turning to the return of the State Bank for March 28, we may note that Deposits have again risen by Rs 4.34 crores to Rs 418.52 crores. Nevertheless, the State Bank has been compelled to borrow Rs 3.28 crores from the Reserve Bank. Advances have moved down slightly from Rs 211.79 crores to Rs 210.52 crores. Cash Balances are lower by Rs 1.34 crores at Rs 23.14 crores. The reason for these changes lies in a sharp increase in Other Assets from Rs 5.36 crores to Rs 15.59 crores. It is probable that, as on an earlier occasion, this might be payment effected to the Reserve Bank for purchase of gilt-edged—probable, but not quite likely.

According to the return of Scheduled Banks for March 21, a further rise of Rs 2.75 crores has occurred in Deposits, raising them to Rs 1465.38 crores. Since, in the relevant week, the State Bank had reported a drop of Rs 2 crores in Deposits, it is clear that the other Scheduled Banks have, during the period, added to theirs by nearly Rs 5 crores. Then, the total of Advances has crossed the Rs 950 crore mark with a sharp rise of Rs 11.80 crores to Rs 951.91 crores. While borrowings from the Reserve Bank are higher only by Rs 1½ crores, Cash Balances have been drawn on to the tune of Rs 0.88 crores.

Indian Overseas

THE Indian Overseas Bank Limited has reported an increase of Rs 3.35 crores to Rs 19.84 crores in Deposits in its balance sheet as at the end of 1957. This rise has occurred under all three heads, with Fixed, Time and Staff Security Deposits moving up by Rs 1.84 crores to Rs 7.99 crores; Savings Bank Deposits by Rs 0.76 crores to Rs 3.45 crores; and Current Accounts by Rs 0.72 crores to Rs 8.40 crores. This increase in Deposits has partly gone to an expansion of the Advances portfolio from Rs

10.81 crores to Rs 11.30 crores. Moreover, Indian Overseas is one of the few Indian Scheduled Banks to have utilised part of its increasing resources in adding to its gilt-edged portfolio, which is marked up by Rs 1.03 crores at Rs 5.55 crores. Lastly, Cash Balances also show a rise totalling just under Rs 1 crore.

According to the profit and loss account, the income by interest and discount shows a sharp rise from Rs 66.30 lakhs to Rs 85.38 lakhs. Commission, exchange and brokerage, however, have fetched slightly less at Rs 46.82 lakhs against Rs 48.16 lakhs.

While the higher money rates during 1957 will have partly contributed to the improvement in revenues, they are also responsible for a substantial rise of Rs 10.04 lakhs to Rs 40.65 lakhs in the interest paid on Deposits. However, the expenditure incurred on salaries and allowances has been kept well under control, with the figure rising only by Rs 3.70 lakhs to Rs 42.52 lakhs. In the result, the balance of profit shows a smart rise of Rs 3.84 lakhs to Rs 32.49 lakhs.

The provision for taxation has been raised by Rs 2 lakhs to Rs 16 lakhs. The transfer to Reserve Fund is placed Rs 1.32 lakhs higher at Rs 7.32 lakhs. Bonus to staff absorbs more at Rs 3.75 lakhs. The dividend, which is maintained at 10 per cent, also absorbs more at Rs 5.62 lakhs against Rs 4.91 lakhs in view of shares issued during the year.

The balance sheet discloses a paid-up capital of Rs 56.23 lakhs. Against this, the Reserve Fund is placed at Rs 38.50 lakhs, and there is also a share premium account of Rs 7.86 lakhs.

All in all, the Indian Overseas Bank has admirably maintained the rising trend in business that it has, in recent years, been recording.

Britain Wants Big Dollar Loan

Paul Einzig

IT is understood that two senior officials of the British Treasury, Sir Leslie Rowan and Sir Robert Hall, paid a visit recently to Washington, with the object of making preliminary soundings about the possibilities for securing a very large dollar loan, either through a direct operation or through a substantial increase of the American contribution to the International Monetary Fund or the International Bank.

The two emissaries of the Treasury are understood to have returned empty-handed. They found that the prospects for obtaining the co-operation of the Washington Administration for such a scheme were anything but favourable. The domestic political situation in the United States precludes for the present the possibility of placing substantial dollar facilities at the disposal of Britain. The weakness of President Eisenhower's position,

due partly to his unsatisfactory health and partly to the strength of the Democrats in Congress, is in itself sufficient to damp down any hopes. It is considered to be most unlikely that anything could be done at least until after the Congressional election in November.

Although the operation is, therefore, far from imminent and far from certain, the fact that preliminary soundings have been made is itself very significant. It shows how easily the Government can yield to the temptation of taking

the line of least resistance. After six months of firm policy there are now signs of a weakening of the determination to resist inflation at all costs. The premature reduction of the Bank Rate was one of the symptoms pointing in that direction; the abortive attempts to get Washington interested in the gigantic dollar loan scheme was another.

Admittedly, it is very tempting for the Government to try to regain its popularity in the country by relaxing the disinflationary squeeze without thereby running

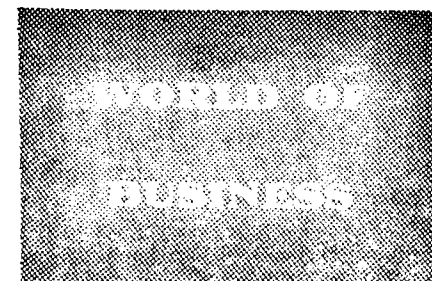
the risk of being forced to devalue sterling as a result of a depletion of the gold and dollar reserve. It is highly doubtful, however, whether the bolstering up of the sterling exchange with the aid of borrowed dollars would save the Government at the next general election. For the relaxation of the credit squeeze would result in the resumption of the wage spiral. And it is the non-stop rise in the cost of living which is mainly responsible for the Government's unpopularity among the long-suf-

fering middle classes on whom a Conservative Government necessarily depends for its continued existence.

Trade unions, which have been marking time during the last six months, would press forward with maximum wage claims as soon as the gold reserve is reinforced with the aid of the proposed transaction. The employers, too, would show once more increased willingness to grant wage increases, on the assumption that in the absence of the disinflationary squeeze they would be once more in a position to add the increased wages to their prices. Inflation would become accentuated in Britain, precisely at a time when the trend abroad would be distinctly deflationary. The contrast between the trend in Britain and abroad would inevitably affect the British balance of payments, and the newly acquired dollars would be lost in a very short time.

The experience of 1946-47, when the proceeds of the biggest dollar loan for all times melted away in a matter of months, is still fresh in the minds of many people in Britain. They do not relish in the prospect of their grandchildren and great-grandchildren being burdened with the repayment of the new loan—as they are already burdened with the repayment of the loan of 1946—all for the sake of enabling the trade unions for a short time to continue to secure inflationary wage increases with comparative impunity. It is widely felt on this side that, had it been realised in the United States when the loan was negotiated in 1945 that the transaction would bring absolutely no benefit to Britain and that its proceeds would go down the drain, the loan would not have been granted. And it is hoped that, on the basis of that lesson, the United States Government would think twice before agreeing to a repetition of that experience in the lifetime of the same generation.

If Britain should succeed in resisting inflation then it would be superfluous to reinforce artificially her gold and dollar reserve. From the point of view of the nation's self-respect it is absolutely essential that it should be able to solve its problem without external aid. In 1945, at the end of six years' war in which Britain's economic resources had been exhausted, there may have been excuse for borrowing from the United States. The population was physically exhausted and after its supreme effort during 1939-45 it could not be expected to put up with a period of peace-time austerity and extra hard work for the sake of working out its own salvation. Britain's industrial equipment was worn out, her stocks of materials and consumer goods rundown to the barest minimum. But today, with British industry re-equipped, modernised and expanded, with ample raw material reserves, and with large inventories of consumer goods, there could be no excuse for going to Washington to borrow milliards of dollars. (Copyright)



Engineering Performance and Prospects

The most heartening feature of the industrial outlook in recent years has been the heady growth of the Indian Engineering Industries. India has embarked on a plan of economic development designed to stabilise an economy, precariously poised on agriculture, with a broad-based and balanced industrial structure. The social objectives of the Second Plan cannot be attained by any other means. The pace of the change will naturally be set by resources available to the indigenous engineering industry, to fabricate the equipment and materials required by other industries and the variety of consumer goods characteristic of an industrial community. Borrowed equipment and techniques, like other borrowed things, cannot be expected to carry us very far in the direction of industrialisation. In this respect, though there are still some important gaps to be bridged, progress so far made by the engineering industries and trades in India is certainly encouraging and has been handsomely acknowledged. For instance, Mr Manubhai Shah told the conference of Engineering Trades and Industries held last January that the engineering industry, which he described as the basic sector of India's economy, has grown three times as fast as other sectors, such as consumer goods, agricultural production, mineral development and general non-engineering industries. The figures of production in recent years give body and substance to that claim.

The general index of industrial production has been rising in India since 1952. During the last five years, the engineering industries have more than doubled their output. Taking 1951 as base, the general index of industrial production, which was 122.1 in 1955 increased to 133.0 in 1956. During the first ten months of 1957, it averaged 147.7. During the same period, the index of production in the general engineering and electrical engineering industries was 183.3 in 1955, 219.0 in 1956 and reached the average level of 236.5 in the first ten months of 1957.

These figures afford convincing proof of the substantial contribution made by the engineering industry to the economic development and prosperity of the country

—a fact which deserves widespread publicity and recognition.

While the industry as a whole has recorded gratifying progress, it is even more satisfactory to find that all the sectors of the industry have contributed to the achievement. Manufacture of diesel engines, electric motors, machine tools, electric fans, sewing machines, to mention a few, has made very good showing in recent years. Of great significance to the future pace of development, is the progress made in the manufacture of heavy machinery and equipment, and the plans on hand to establish heavy machine-building plants, at Ranchi, Durgapur and in Bhopal. Machinery for cotton textiles, jute, sugar and cement and various other less-known industries is now being manufactured in this country. The value of the output of heavy machines last year is estimated at about Rs 35 crores. In the next few years, it is expected that the output of indigenous manufactures will be able to keep pace with the home demand.

While the performance of the industry in recent years inspires a hopeful outlook regarding its future, there are also certain disturbing developments which, unless corrected in time, threaten to hamper future progress.

Mr K. J. Cleetus, who in his presidential address to the 47th annual meeting of the Indian Engineering Association, has given an enthusiastic account of the achievements briefly indicated above, has not failed to point to what he has described as "light shadows" appearing over certain parts of the picture.

The overall picture of the healthy progress of the engineering industry during 1957, he has pointed out, concealed certain dangers and weak points in particular sectors which might, if unchecked, easily lead to serious dislocation in production, and to unemployment. He pointed in particular to the decline in production of electric motors, automobiles, bicycles and other items in the latter half of 1957. It was in this period that the twin arms of import Controls and Credit Squeeze had the industry in a tight grip and the decline in production registered during this period is indicative of a very disturbing trend. The fall in production and employment is confirmed by the decline in the level of bank advances to the iron and steel and engineering industries from October, 1957 onwards. This, Mr Cleetus pointed out, is in marked contrast to the progressive increase from 1953 to 1956, extending even up to the first half of 1957.

Another cause of concern was shortage of raw materials, particularly steel which, Mr Cleetus said, was rendering "inevitable and imminent" the partial closure of many engineering works. The difficulties caused by shortage of

steel are aggravated by anomalies of licensing technique. For instance, Mr Cleetus has cited the example of two major firms which had been granted import licences covering in one case only 25 per cent and in the other 13 per cent of their requirements of steel. At the same time, the licensing components, consumable stores and other raw materials continued on the basis of a much higher level of production than the allotments of steel warranted. It is not clear how the country can afford licences for some materials on a certain level of production, but cannot afford to import the steel, required to attain that level.

The engineering industries are concentrated in West Bengal, especially in the Calcutta industrial area. The prosperity and the level of employment in the State depends to such a degree on the heavy, medium and light industries, that West Bengal is peculiarly vulnerable to any change in the level of output of engineering goods. As a result of the decline in production brought about by shortage of raw material supplies, the employment situation in and around Calcutta is steadily deteriorating. Continued shortage of steel, Mr Cleetus has warned, is likely to throw out of employment large numbers of skilled and trained workmen and he has appealed to the Union and State Governments to take "timely action so that the unpleasant consequences of partial or even complete closure of engineering industrial establishments may be avoided." As far as the Calcutta area is concerned, irregular supply of gas has also seriously interfered with production.

While the principal reason for the decline in production was the shortage of raw materials, especially steel, high prices which provoked consumer resistance were also responsible to some extent. The high cost of production is also hampering exports. The Chairman of the Engineering Export Council had estimated that prices of most engineering goods had been found on an average 15 per cent to 20 per cent higher than those of competing goods manufactured in other countries.

Part of the reason for the high cost may be the uneconomic rates and quantities for the supply of controlled commodities for the execution of Government contracts. While recognising that Government cannot always arrange for regular supplies to suit the convenience of the contractor, Mr Cleetus has pointed out that the rate of delivery should not be unreasonably out of pace with his manufacturing capacity. Government, as he says, should not expect him to pay for supplies of raw materials beyond the normal stocks required for economic completion of the contract. The money locked up in these works handicaps the industry in undertaking production to

meet the needs of the market. The result is all-round increase in costs and prices. Another point is the high cost of machine tools like lathes and milling machines supplied by the State-sponsored organization.

While Government can help, the industry by adoption of reasonable licensing and pricing policies, substantial reduction in costs will depend mainly on the modernisation of equipment and techniques. And in this respect, the industry is bound hand and foot by the restrictive policies of the Government. The position has been made worse by the imposition of last year's budget. Mr Cleetus thinks that the Government's tax policies are likely to penalise those concerns which follow cautious financial and dividend policies and build up reserves for replacement of equipment. There is substance in the complaint made by Mr Cleetus that the industry is like a nut caught in the jaws of a nutcracker. "If as a result of efficient management and careful husbanding of resources," he says, "we are in a position to declare an attractive dividend, we are forthwith called upon to pay a heavy tax. If, on the other hand, we have been able to build up reserves from past profits in order to meet lean times or to provide for future expansion, again we are required to pay a stiff tax, when we take the money out of these reserves for actual utilisation." The tax policy, Mr Cleetus has pointed out, acts as an incentive to the distribution of the maximum amount of current profits as dividends, while the long-term interest of the country requires conservation of resources to the greatest possible extent.

Criticism, however well reasoned, about taxation policies may not produce any result in present circumstances. But Government could at least help by removing the bottlenecks that delay payment of bills to an inordinate extent. At present, a number of engineering units are either reluctant to quote or are obliged to quote higher prices, because of uncertainties and delays in getting payment for work completed. Mr Cleetus has suggested that not only the engineering industry, but the country as a whole will benefit, "if the Government, by making prompt payments, could release some of the very considerable sums of working capital, especially of the larger engineering units, which are now lying uselessly tied up on Government account".

One of the most satisfactory features of the working of the industry, which Mr Cleetus has dealt with in some detail, is the improvement in labour relations. Various factors have contributed to this welcome development, and Mr Cleetus has singled out three of them for special mention. Not the least is the efficient service rendered by the Association to its constituents through its Labour Department.

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Keen Bids in London Sales

IN Mincing Lane, the larger quantity of tea, that is now being offered, is very well competed for, especially where quality invoices are concerned. Outstanding are the limited offerings of Assam teas possessing autumnal characteristics. The remainder of the Assam teas, which are expected to be finally marketed by the end of May or early June, will presumably continue firm in price.

Good Assam teas are traditionally wanted by the big UK blenders to maintain the quality of their blends. Poorer liquoring descriptions, however, continue to meet

with less support and prices are barely maintained. Thus, plain varieties are now quoted at 36d to 53d per pound as compared with 38d to 53d previously.

Although there is no actual shortage of tea, spot and afloat supplies are below what they were a year ago. But, the figures of a year ago were still reflecting the piled-up supplies, especially in afloat teas following the Suez Canal incident. There will be the traditional break in auctions after Easter, the sales reopening on the 14th April.

In the Calcutta market, prices have been ruling generally dearer although demand is rather irregular. It is reported that a delegation of the Indian Tea Association has urged the Union Finance Minister to make a uniform lowering of export duty rather than on the Common tea, which is particularly badly affected by the duty. The relief, it is urged, should be general rather than regional which, in turn, will be difficult to work out to boost the general export trade. Any particular gains to better quality teas will be reimbursed to Government in the form of increased income-tax returns, etc.

A member of Parliament has also represented urgency of giving special consideration to the Common tea, which, because of the heavy burden, cannot successfully compete with similar tea from East Africa, where there is no such levy. Thus, the gardens of Cachar, Dooars and Uttar Pradesh are facing the danger of closing down.

It may not be out of place to mention here that the Mauritius Government has proposed to develop tea planting as a secondary industry. The preliminary experiment of growing tea in the colony has proved successful; and small quantities are being shipped for auction in London. Last year, as much as 288,640 pounds of Mauritius tea were auctioned in London as compared with only 88,770 pounds in 1956.

In the Export Sale held in Calcutta this week, offerings were 52,047 packages. Commonest sorts and "teas for price" were strong and dearer, while Plain BPs advanced by 4 nP to 6 nP per pound. Plain Fannings were frequently sold above valuations; but were irregular. Black clean Dooars teas were also irregular and sometimes easier.

Medium BOPs and Orange Fannings with improved quality were fully firm to dearer, while BPs and Pekoe Fannings, in this category, showed irregular advances. There was less competition for ordinary Mediums and these tended easier. Good CTC types were, however, readily taken up at about last rates, while a few selected lines met with keen competition and sold upto 20 nP above valuations. There was good enquiry for the cheaper sorts; but prices were irregular and generally in buyer's favour.

There was good demand for Legg-cut teas; but the poorer

liquoring ones were often sold below valuations. Whole Leaf grades were steady; but a few stylish ones tended dearer. There was less competition for a small quantity of Tippy teas on offer. Following rates were quoted:—Clean Black Pekoe Rs 2.25 to Rs 2.30; Plain BP Rs 1.44 to Rs 1.48; Plain Fannings Rs 1.60 to Rs 1.64; Medium BP Rs 1.56 to Rs 1.60; Medium Fannings Rs 1.74 to Rs 1.78; Best Assam CTC BP Rs 2.60 to Rs 2.80 and Best Assam CTC Fannings Rs 2.70 to Rs 2.90.

In the Internal Sale, offerings were 20,417 packages of Dusts for which there was a good demand although prices generally showed an easier tendency. There was good support for orthodox descriptions, but were generally upto 6 nP per pound easier. Some small powdery kinds declined occasionally by more.

The few best liquoring CTC types, on offer, as well as the Medium descriptions with improving liquors tended dearer; but the plainer kinds were sometimes upto 10 nP easier. The very few Darjeeling teas with flavour were sold well, but demand was limited for the remainder which were irregular and often easier. Following rates were quoted: Medium Dooars Dust Rs 1.54; Medium Assam Grainy Dust Rs 1.56; Medium Assam CTC Dust Rs 1.85 to Rs 2.05 and Best Assam CTC Dust Rs 2.75 to Rs 3.05.

There was a good general demand for the 4,801 packages of Leaf grades on offer and prices were dearer.

In the Export Quota section, business was transacted in Special Export Licence at 2½ to 3 nP per pound. The price of non-transferable Shipping Licence remained steady at 2½ nP per pound.

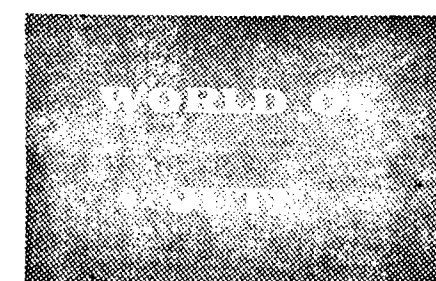
In the Cochin market, offerings were 500,000 pounds of Dusts. The market opened to a good general

demand, but a slackening was seen towards the close. Best Nilgiri Dusts met with useful enquiry at irregular, but generally steady prices. Good Mediums found less support and were easier by 5 to 10 nP per pound with buyers very selective. Demand was again strong for Mediums from Travancore, which must be quoted fully firm and sometimes dearer. Those from the Wynad were barely steady. Milled and Residual sorts were again weak features of the sale, declining fully by 10 nP per pound. Black grainy descriptions were sold well.

In the Colombo market, offerings this week were 6,712,714 pounds. These met with a good demand, Soviet buyers being absent. Good demand was evident for high and medium-grown teas although some irregularity was seen, depending on quality. Flavoury Mediums fetched firm to dearer rates. Low-grown teas met with good demand at lower rates, particularly Persian Gulf and Middle-Eastern types.

A total of 30,476 packages, including 20,520 packages of Northern India teas, was offered in Mincing Lane. Owing to the Easter holidays, sales were confined to Monday only this week. Good liquoring teas opened strongly; but, as the sale progressed, some irregularity and easier tendency was noticed where quality marked a decline. Coloury Mediums and well-made Common kinds were firm; but poor liquoring and stinky descriptions were generally easier. The next sale will be held on the 14th April.

Tea stocks in London, as on the 21st March 1958, were 118.97 million pounds as compared to 117.58 million pounds in the previous week. The total quantity to be landed on the same date was 18.94 million pounds. Deliveries during the week were 11.38 million pounds and landings 12.77 million pounds.



Need for Price Stability

RECENT developments in world jute goods markets have served to underline three main defects in the Indian jute industry. In the first, place it is not fully self-sufficient in the matter of raw material supplies. Though in recent years rapid strides have been taken in the direction of raw jute production, there is still a small leeway to be made up between demand and supply. It is, however, to be noted that complete raw jute self-sufficiency will be attained in the course of the next few years and that already the dependence of Indian mills on Pak'san for raw jute has been reduced to such an extent that this defect no longer constitutes a serious obstacle in the way of progress of the industry.

Secondly, it has been found that while in the past ten years continental mills have completely modernised their equipment and have thus increased their efficiency ably, the Indian industry has continued to work with its old machines. Only in recent years the move to modernise our mills has gathered some momentum and thanks to the timely help given to the industry by Government nearly 50 per cent of our mills have been modernised. It is expected that the entire programme will be completed in the course of the next few years.

The third defect that has been dogging the industry concerns the working of the jute markets. Quite frequently the jute markets have been plagued by unbridled speculation resulting in sudden and violent fluctuation in prices. Though a futures market had been in operation in the country upto 1952 it was powerless to deal with the speculative orgies. Government deemed it necessary to close the market. But even this drastic step did not improve matters as the speculators continued to carry on their activities through illegal markets such as the Fakka with the same depressing effect on the official market. Now active steps have been taken to tackle this defect also. With the inauguration of the Futures Market in raw jute and jute goods last Saturday under the aegis of the East India Jute & Hessian Exchange Ltd proper hedging facilities which are necessary for an export industry are now available to the Indian jute goods industry and trade. The futures market will go a long way in ensuring a reasonable degree of price

stability to which great importance is attached by our overseas buyers.

While the usefulness of a futures market has been generally recognised, not all the sections of the trade have been equally enthusiastic about its reopening after it had been closed in December 1952. An important section of the jute industry and trade has been more or less convinced that the reopening of futures market will lead to renewed orgies of speculation. So when the question of establishment of a futures market in jute and jute goods came up before the Forward Markets Commission, almost the first task was the formation of an association in which all the important jute interest were represented. That such a representative organisation alone can make the futures market a success has been one of the important lessons learnt both by the Government and the trade and industry from their experience as regards the working of the forward market in jute and jute goods for nearly 30 years ending December 1952. It has been found that the main reason for the failure of the futures market in the past to curb unsocial activities is that it has been under the overwhelming influence of speculators having little stake in the trade.

The Commission after examining the causes that were responsible for the failure of the futures market in the past, to fulfill its objective of bringing stability to jute prices, came to the firm conclusion that if a futures market was to be successful it should be broad-based. Three recommendations of the Commission are important. The first is that there must be a single forward market for raw jute and jute goods. Secondly, the East India Jute and Hessian Exchange Ltd must be granted recognition for conducting forward trading in raw jute and jute goods and thirdly, the Exchange must be entirely reconstituted so as to make it fully representative of the whole jute trade industry. The Commission have also declared that the transferable specific delivery contracts of the IJMA should also be brought under the purview of the new futures market. In view of the smooth functioning of the IJMA contracts which according to the majority of the people in the trade have rarely been the cause of excessive speculation, Government have decided to grant exemption to these transferable specific delivery contracts in raw jute and jute goods for a limited period under section 18 (2) of the Forward Contracts (Regulation) Act. The exemption with a time limit has obviously been given with a view to enable the trade to effect the much needed reform in the system of trading in these contracts.

Speaking at the inaugural meeting of the East India Jute and Hessian Exchange Ltd in Calcutta last week-end Mr Nityananda Kanungo Union Minister of Commerce has expressed the hope that the jute mills, the shippers,

the raw jute interests and the bulk of traders in jute goods will all give their support to the Exchange without any possible delay. For the successful functioning of the future market it is essential that people who have a vital stake in the industry and trade also actively participate in it. The bringing within one association all the important organisations connected with the industry and trade has evidently not been an easy task and hard and sustained work for over two years has had to be put for before the inauguration of the futures market can be thought of. There are on the Board of the Exchange now representatives of the Indian Jute Mills Association, the Gunny Trades Association, the Calcutta Jute Fabrics Shippers' Association, the Calcutta Baled Jute Association, the Bharat Jute Sellers' Association, and the Jute Buyers Association.

Though the Exchange will regulate only futures contracts in raw jute and jute goods for the present, it has been made clear by Mr Kanungo that it is only a matter of time before regulation is extended to the transferable specific delivery contracts in jute and jute goods also. Referring to the important place occupied by the jute exports in the economy of the country, the Commerce Minister has pointed out that the futures market has gained special significance in the present context of scarcity of foreign exchange. Jute goods still account for a large proportion of the country's foreign exchange earnings. As such it is vitally important to foster the export trade in jute goods. It has, however, frequently happened that due to unbridled speculation in the jute markets in Calcutta jute goods prices have been hammered down to very low levels which are not justified by the prevailing market conditions. Recently there has been such a steep decline and a serious crisis in the industry has been averted only by the timely action of the Indian Jute Mills Association.

After a steady start following reports of US enquiries the jute goods market turned quiet as there was no further expansion in business. Toward close, however, sentiment slightly recovered on renewed reports of enquiries both from US and Argentina. The coming into being of the futures market from Saturday 29th March had also imparted a steadying influence. Hessian 40"x10 oz Ready opened the week at Rs 39.25 and after receding at one time to Rs 39.15 again recovered to be done upto Rs 39.65 and was finally placed at Rs 39.60. B Twills Ready began on a steady note at Rs 39.25 but was soon pushed down to Rs 38.60. It staged a smart rally to Rs 39.50 on Tuesday but was again pushed down to Rs 39 by close on Wednesday.

The Futures Market under the aegis of the East India & Hessian

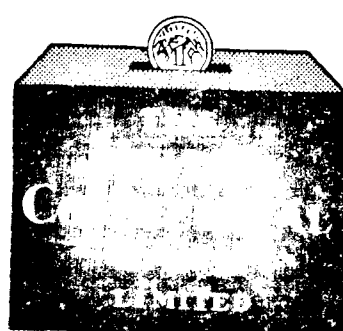
Exchange Ltd. was inaugurated on 29th March by Mr Nityananda Kanungo, Union Minister for Commerce. In his speech, Mr Nandalal Kanoria, Chairman of the IJMA mentioned some of the safeguards provided for. Provision has been made requiring members entitled to trade in the Ring of the Association to make initial Security Deposit of Rs 10,000 for raw jute and Rs 10,000 for jute goods and there will be a free limit of quantity for each commodity up to which a member can have a net open outstanding position against his sales and purchases but if he trades beyond the free limit, he will have to pay margin deposits. Then there will be an over-all limit beyond which no member can trade in any circumstances. Provision has been made for weekly clearing. After the expiry of the tenure of the present Board, a new Board will be formed by election from amongst representatives of the different panels elected by members of the panels themselves. There will be five panels—(1) jute goods manufacturers (2) jute goods shippers (3) jute goods dealers (4) raw jute dealers and (5) brokers. Four representatives will be appointed by the Government. Mr Kanoria pointed out that since considerable powers had been given to the Board of Directors and as there was always the Forward Markets Commission to take suitable steps in the event of any emergency, the possibility of over-speculation would be largely eliminated. Moreover, the constitution of the Board was such that there would always be a balancing of influence and no particular section of the trade could over-influence the Market.

The futures market has ruled steady during the past week. Hessian May opened on Saturday at Rs 39.20 and closed steady at Rs 39.48. The start on Monday was rather subdued with the quotation at Rs 39.24 but sentiment improved by close with the rate taken up to Rs 39.40. After opening steady at Rs 39.48 on Tuesday the price was lifted to Rs 40.18 on sustained support to be finally placed at Rs 39.86. Though the rates were slightly lower in comparison with the previous day, trading on Wednesday continued to be on a steady note with the opening and closing prices at Rs 39.92 and Rs 39.80 respectively. The range of fluctuation on the last day was between Rs 40.12 and Rs 39.76. In the Sacking section, Sacking May began at Rs 98.95. The highest level touched during the four-day trading was Rs 101.00 and the opening rate was also the lowest. The closing rate on Wednesday was Rs 99.88. Business in Sacking August was done on Tuesday between Rs 101.60 and Rs 100.00.

In the raw jute section, Assam Bottoms June ruled firm. At one time it was done up to Rs 26.82. The opening, lowest, highest and closing rates for the period under review are as follows: Rs 26.30, Rs 25.60, Rs 26.82 and Rs 26.12.

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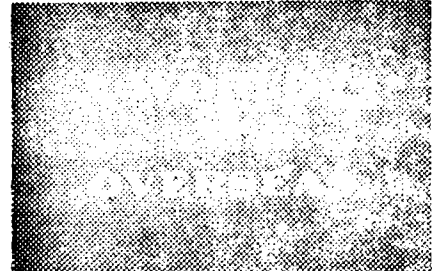
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US Notes

So extensive has been the flow of development capital from the United States to other lands that its very magnitude has tended to obscure its specific accomplishments. Yet the accomplishments are many and varied, as a few recent examples attest.

Outstanding is the agreement signed a few weeks ago whereby the United States is making available \$225 million to help India with her economic development programme. Under the agreement, the US Export-Import Bank is giving India a 15-year credit of \$150 million for the purchase of needed capital goods, while the new Development Loan Fund, which went into operation just this year, is providing a \$75 million loan repayable in local rupees.

India, like the United States, is staunchly wedded to principles of freedom and democracy. And while India does not always see eye to eye with the United States on foreign policy, Americans nonetheless are greatly interested in the success of her development plans.

Even clearer evidence that the United States does not use the needs of other people as a basis for bargaining is seen in the recent economic agreement with Poland. Although Poland is in the communist bloc, the United States has made available to it \$73 million worth of agricultural products. In addition, the Export-Import Bank has extended to Poland a standard development loan of \$25 million.

Of course, the area that has benefited most so far from Export-Import Bank loans is Latin America. Only last week, for instance, the Bank announced a \$10 million credit that will help a Peruvian mining company, a subsidiary of an American concern, proceed with a construction programme for the processing of low-grade iron ore.

This case also represents a good example of US private investment in action. The company in question contributes about 8 per cent of Peru's dollar exchange receipts, employs about 1,300 persons—nearly all Peruvians—and pays Peru about \$4 million a year in taxes and royalties. In addition, its operating expenses, paid in local currency purchased for dollars, yield another \$65 million to the Peruvian economy.

On the other side of the world, the Republic of Vietnam recently announced approval of 10 new industrial projects—including a textile plant, a sugar mill and a glass-ware factory—to be financed by private foreign investment. Much

of the capital will come from the United States, but some also will come from other places, including France and Hong Kong.

In addition to the aid it extends directly, the United States is the largest contributor to the World Bank and other United Nations institutions which provide economic assistance to countries throughout the world. Only a few weeks ago, for instance, the Bank announced a \$75 million development loan for Italy, one of 46 countries which have received such loans.

Another example of US cooperation with UN programme was provided by the recent meeting of the UN Economic Commission for Asia and the Far East, where the United States offered a grant of \$2 million to advance the lower Mekong River project. The money would finance first-stage planning of flood-control, irrigation and hydroelectric project in Laos, Cambodia, Vietnam, and Thailand. In addition, in an example of US technical cooperation with other lands, American engineers would help train Asian technicians working on the project.

These, of course, are but a few recent examples of the part US aid is playing in furthering world economic development. But they help give concrete meaning to the \$60,000 million in US Government assistance and the \$20,000 million in US private capital that has gone to other countries in the past dozen years.

THE behaviour of stock prices has furnished both a cheering and a surprising side to the business downturn in the US for stock markets have held their ground rather firmly for the past several months despite the unfavourable business news. To this extent, at least, investors—and that means millions of Americans in many income groups and occupations—seem to be unaffected by the adjustment through which the economy is passing.

This does not mean, of course, that they are paying no attention to the economic situation. The feeling in financial circles is that most of the news on production and employment dips, and dividend cuts, has already been discounted by investors to a considerable degree. This would indicate confidence that the downturn, while it may last a while longer, will become neither protracted nor severe.

On the other hand, few experts would attribute the stock market strength solely to this one element. There must be other explanations, as well, for a situation in which stock prices in recent months have moved up—albeit slowly—while the economy has moved down.

Despite a fairly sharp drop in stock quotations last fall, the index today is only about 4 per cent below the level of a year ago, when the economy was at the height of its prosperity.

One explanation is strictly technical and concerns so-called short-

interest holdings, which now are the highest in more than 25 years. A short-interest position occurs when an investor borrows stock and sells it in the expectation that the price will decline and he can buy it back, at a lower price, for a profit. This may indicate a pessimistic attitude on the part of the investor, but it also means that the short sellers are forced to buy when prices rise thus providing a "cushion" under the market.

Still, this in itself would not account for the stock market rise. Short-selling, after all, is at best a contributory factor. Other and more basic explanations must be sought.

The fact that yields from stocks are higher now than those from bonds, tending to draw investments into the stock market, is one such explanation. This contrasts to the relationship during much of last year, when bond yields were well above the returns offered by stocks.

Some experts also are inclined to see the present market strength as a result of a kind of "hedge" against inflation. The thinking here is that if the downturn persists, the government will take stronger and stronger action to counter it—action that might have a long-term inflationary influence in the event of a quick and sharp recovery.

And this brings into play what most experts consider the most fundamental explanation of all. It is that, when all is said and done, continuing expansion is the economy's long-term outlook. Investors obviously agree with the generally accepted view that dynamic economic growth will resume once the current adjustment has run its course.

Guided by such thinking, investors seem to have assumed what has been called a "trans-recession" attitude toward the stock market and the economic outlook. And the substantial excess of odd-lot purchases of stocks over sales indicates that this attitude prevails among the smaller as the larger investors.

Many experts now believe it would take the highly unlikely development of a sharp and unexpected economic setback to weaken substantially the basic attraction of common stock. One broker with his finger on the investing pulse puts it this way. Americans appear to be "ignoring what may happen in the next twelve months, and thinking in terms of three to five years." This certainly reflects underlying confidence in the soundness of U.S. financial markets and the U.S. economic future.

Britain

In February—normally the peak month for unemployment—there were about 470,000 people out of work in Britain, or about 1.9 per cent of all employees. This unemployment rate, though the highest since 1952, was still very

low compared with the rates of 3 to 6 per cent recorded in many other industrial countries, or with the rates of 10 to 15 per cent which prevailed in Britain and many other countries in the thirties. There are more people at work in Britain than a year ago, in part the result of a reduction in the armed forces in 1957 of more than 100,000.

Nor are there signs of hidden unemployment. The number of operatives on short time in manufacturing actually fell during 1957 from 155,000 to 80,000—about 1 per cent of all employees in manufacturing.

Britain as a whole still enjoys, as it has since early in World War II, a state of full employment. A number of factors—technical advance, changes in defence policy, the decline of some industries, and measures against inflation—has on some recent occasions led to the dismissal of large number of workers but in most areas dismissed workers have quickly found new jobs, thanks to a widespread general demand for labour, the well-organized employment services provided by the Government, and the adequate notice of dismissal given by employers.

Some areas of Britain with higher unemployment rates and fewer possibilities of re-absorbing redundant workers are more vulnerable to shifts in demand for the output of particular goods.

Unemployment between the two World Wars, with its heavy concentration in those regions primarily concerned with the older industries, caused the UK Government to introduce special measures to deal with the situation. Industrial estates were established before World War II, and since 1945 the Government has had, and used, powers to help the development and diversification of industries in these areas, known as Development Areas, whose employment problems (though much reduced by the wartime dispersal of industry) still called for special treatment.

The action taken—principally the building in Development Areas of factories with all services for renting, and the exercise of controls over industrial building elsewhere—proved successful; many firms with expanding output welcomed the use of readymade factories with adequate labour available locally. Of the new factory space built in Britain between 1945 and 1956, some 30 per cent was in the Development Areas, which, in contrast, contain only 18 per cent of Britain's workers engaged in manufacturing.

The industrial estates have made an important contribution to the reduction of unemployment in the areas, and, in particular, in providing wider opportunities for women workers. In most Development Areas unemployment has ceased to be a problem; in parts of others small pockets still remain. At the same time, unemployment in certain places outside the Development Areas has become more serious.

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Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

AN almost tacit order of priority in all discussions of the Plan's prospects has assigned the pride of place to the subject of resources. No one can perhaps seriously quarrel with this implied order of importance, though one may not subscribe to all that is implied in the philosophy of cutting the coat according to cloth. Therefore, in the series on the reassessment of the Plan's prospects which I promised last week, I shall deal first with the question of resources, but subject to one reservation about the absolute and relative importance of the tasks of the Second Plan. While the subject of the wherewithal is undoubtedly important, the general charge of overweening ambitiousness of the Plan may prove truer of certain rarely discussed aspects of the Plan than of the availability of resources relative to the tasks contemplated. As I propose to show in this series, while the question of resources may solve itself more or less satisfactorily, the Plan may well meet its greatest obstacles in organisational inadequacies and dearth of personnel for the requisite calibre for the tasks undertaken. It is necessary to remember that this is a very important aspect of the Plan. Once this awareness is there, it does not matter which aspect of the Plan is discussed first.

The situation in November, 1956
(See Indian Finance of 17-11-1956).

	(Rs crores)
Foreign Exchange gap expected to be ...	1500
But drawing on sterling balances up to ...	300
So, net gap, in terms of the revised figures of Indian Finance ...	1200
Indian Finance table for meeting this deficit as follows: (note explanations)	
Spillover from First Plan of unutilised foreign aid credits ...	100(1)
Foreign exchange saving on Surplus Commodities agreement with USA ...	137(2)
Gross Amount available on steel credits ...	83(3)
World Bank aid for Railways ...	400(4)
American aid ...	150(5)
Assistance from Colombo Plan countries ...	80(6)
Russian credits ...	80(7)
Foreign exchange earnings consequent to export promotion ...	180(8)
Making a total of ...	1200

(1) This is a slight marking up of the figure mentioned in the Second Plan, but was mentioned by TTK's note to Congress session.
(2) New agreement, not foreseen in the Second Plan; estimated saving.
(3) Bhilai and Durgapur; mentioned in the Second Plan.
(4) No official basis for figure, except TTK's view in note that "India can legitimately expect to get substantial loans from the IBRD". Indian Finance guess.
(5) TCA programme of the past had been around this figure. Will prove underestimate, since US aid now buttressed by Export-Import Bank credits.
(6) Indian Finance guess, but no over-estimate; sources include: Ford Foundation, UN agencies, Canada, New Zealand and other Colombo Plan aid.
(7) Official Russian rouble credit (500 million roubles) for a number of projects, since decided.
(8) Indian Finance figure, based on promotion of iron ore exports. Likely largely to be realised.
Also, the Indian Finance article mentioned the IMF source as emergency. Pointed to Rs 200 crores available from the IMF.
So, the IF assessment in November important for the first indication of (a) the increased size of the foreign exchange gap, and (b) the manner in which the whole of the gap appeared to be within our ability to cover.

revision of the Plan by about Rs 400 crores, largely consisting of foreign exchange, is also likely to be met.

I think it will be helpful, at this stage, to have the relevant figures in a tabular form. Readers will recall that, in November 1956, Indian Finance published in its World of Finance columns a chart of revised estimates of the requirements and resources of the Second Plan. It also gave a break up of the foreign exchange content of the Plan and indicated in detail how the gap was to be filled. It will be interesting to find out how far the estimates then made have stood the test of time.

As the reader will recall, the Second Plan's estimate of the gap in foreign exchange was about Rs 900 crores. This was arrived at after setting off against the expected trade deficit invisible earnings of about Rs 255 crores and amount drawn from the sterling balances to the extent of Rs 200 crores. Against this deficit, the Planning Commission itemised, without giving any definite figures, six possible sources which could be tapped for our needs. The only definite figures available in this regard at that stage were those relating to spillover from the First Plan (Rs 94 crores), USSR credit for Bhilai steel plant (Rs 43 crores) and the promised investment by British interests in Durgapur steel plant (Rs 33 crores), the three adding up to Rs 170 crores. This left an uncovered gap of Rs 730 crores.

Since then, it has inevitably become necessary to revise the estimates of the Plan requirements, and of the foreign exchange content thereof; and so the gap. In its estimates of November, 1956, Indian Finance put the gap at Rs 1,500 crores and arrived at a net gap of Rs 1,200 crores after making provision for drawing down the sterling balances by Rs 300 crores. This gap was to be filled from a variety of sources (including those mentioned by the Plan in general terms) and specific figures were given. (See Chart). As will be seen from the explanatory notes, the estimates were based on specific information available at that time.

ATLAS

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It was in May 1957, that things seemed to be in a pretty bad shape because of the large import surplus that we were having. The Budget figures did not contain much cheer either, since, during the year 1956-57, the total new aid did not amount to more than Rs 40 crores.

Since then, the situation has improved enormously. Besides the rather meagre incomings for 1956-57, there was the second loan for the Railways amounting to Rs 29.28 crores and there was also West German credit for Rourkela amounting to Rs 13.56 crores (both for 1956-57). But the most spectacular figures are for the year 1958-59. As far as could be gleaned from the Explanatory Memorandum, (particularly Annexure XIV) to the Budget proposals for 1958-59, there will be, besides, a further instalment of the second loan to the Railways (Rs 13.56 crores), new assistance from the US to the extent of Rs 107 crores, credit from West Germany (Rs 30 crores), loans from foreign sources (Rs 15.14 crores) and a promise of Rs 24 crores from Japan. There has also been a promise of credit from France to the tune of Rs 28 crores of which no official note has been taken in the Budget memorandum.

Now let us chalk it all up:

Gap	Rs 1,500 crores
Expectations:	(In crores of Rs)
Spillover from First Plan	100
Bhilai credit	43
Durgapur	33
Public Law 480	137
USSR Rouble credit	60
World Bank Loan to Railways	43
West German deferred credits	45
Export Import Bank, etc.	107
Japan	24
France	28
TCA (2 years)	60
Colombo Plan (2 years)	20
International Monetary Fund	100
Total	800

Add to this the drawing down from sterling balances during the last two years. From Rs 746.14 crores, it has come down to Rs 274.20 crores in the returns of the Reserve Bank for March 21. If the fact that we have secured Rs 100 crores from IMF to add our sterling balances is taken into account, the actual amount utilised so far is Rs 571.94 crores. This means that the total of foreign exchange utilised or available for utilisation (on the basis of firm commitments so far) for filling the gap is Rs 1,371.94 crores. The shortfall

(between our requirements for a five-year period and the funds obtained by efforts before the end of the second year of the Plan) is only Rs 128.06 crores.

Consider the figures once again. You will have noticed that I have not taken any credit in the final reckoning for increased export earnings, which the Indian Finance estimate fixed at Rs 190 crores. (I shall deal with the export earnings aspect of the matter on a subsequent occasion). Secondly, I have taken credit for TCA funds

only to the extent of Rs 60 crores, being the estimated receipts for the first two years of the Plan. Thirdly, World Bank officials have repeatedly indicated their interest in our projects connected with Railways and Harbours. There is every reason to believe that the Railway part of our Plan will be taken care of by World Bank loans. Fourthly, negotiations are going on to enable the US to assist from the Special Development Fund for increasing iron ore export. Fifthly, there is massive evidence of fresh US interest in our Plan. Readers

will have read with admiration the closely reasoned arguments of Senator Kennedy urging aid on the Marshall Plan pattern to India. There have been other efforts also, notably by that indefatigable friend of India, Mr John Sherman Cooper. (It would appear that these American well-wishers of our country have more robust faith in our economy and confidence in our future than some of our own people).

Let us assume that the Indian Finance estimates of aid from the World Bank (put at Rs 400 crores for the Plan period) materialises only to the extent of, say, Rs 250 crores, and that foreign exchange earnings from export promotion do not exceed Rs 100 crores. And let us put the other receipts mentioned above, but not taken into account by me earlier, at Rs 200 crores (which is not an overestimate, considering that I have taken no credit for further Colombo Plan and TCA receipts and further American aid). The total available funds will then be about Rs 1,900 crores. Thus we have an extra Rs 400 crores which can be utilised either in rebuilding our sterling balances or in liquidating the deferred credits which are ripe for payment in the early years of the Third Plan and about which there are already gloomy forebodings. Again, this reckoning has been on the basis that our sterling balances will be left at the level of Rs 274 crores, about Rs 190 crores more than the statutory minimum. I am not saying that we should run through all our resources, but I am saying that there is absolutely no need to be worked up about the state of our external resources.

You will have noticed that a great deal of what I have said flows as a matter of simple arithmetic. Indeed, as I have said earlier, I have set off actual available funds acquired by efforts of two years against the requirements of a five-year period. In other words, by two years' efforts we have acquired not only more than enough to fill the original gap, but also more than ninety per cent of the gap expected to arise over a period of five years. Secondly, the gap that was envisaged at Rs 1,500 crores was the gap anticipated to be thrown up by the "full" Plan. So, it stands to reason that the pruned Plan will be more than adequately served by the resources already found. (Incidentally, this proves the point that the pruning was wholly unnecessary, unless, of course, there has been gross under-estimate of the costs). And, lastly, such arguments based on hope as I have used, have the massive support of evidence of actual goodwill and concrete acts of persons concerned. The conclusion is, therefore, irresistible that our difficulties were exaggerated in the first place; and, secondly, that there need be no misgiving whatsoever about the future in this regard.

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GATEWAY GOSPEL

THE main conclusion that one will derive from a reading of the speech delivered by Sir Homi Mody at the Annual General Meeting of the Shareholders of the Central Bank of India Limited last Friday is that, despite difficulties, the banking system has done exceedingly well during 1957. As one of the biggest units in the system the Central Bank's share of the general prosperity has been quite considerable. Gross earnings of the bank during the past year have amounted to Rs 780 lakhs, which works out to an increase of 19 per cent. The increase in gross profit is a little over 6 per cent.

The growth in earnings of the bank has been brought about by the increased economic activity in the country and the high level of Deposits. Deposits during the year have increased by Rs 16 crores, bringing the total Deposits to over Rs 150 crores. The level of Deposits attained in 1957 is an all time record for the bank. The high confidence reposed by the public in the Central Bank is borne out by the fact that the rise in Deposits, which is the highest in any one year, has occurred in spite of the comparatively lower interest rates it offers on Deposits.

There has been a sustained demand for Advances throughout the year and at one time, the bank's Advances reached a peak of Rs 115 crores, representing a ratio of 78 per cent to total Deposits. This compares with the Advance-Deposit ratio of 61 per cent for all scheduled banks.

Apart from the increase in Deposits, the resources of the bank have been augmented by a liquidation in investments. The high cost of working funds and the more remunerative rates obtain-

Central Bank's All-time Record

able for Advances, have been mainly responsible for the bank's decision to bring about a further liquidation in investments during the year. Thus, investment in Government and other Securities stood reduced by Rs 3.5 crores. This is not to be wondered at, because the gap between the book and market values of securities continued to widen and stood at the close of the year at Rs 254 lakhs. Sir Homi Mody, however, has pointed out that, since the close of the year, there has been a fairly substantial narrowing down of the gap due to a rise in the value of securities.

A significant development during the past year in the banking system is that Scheduled banks have been able to reduce their indebtedness to other banks. In the case of the Central Bank, borrowings from other banks have been reduced by Rs 7 crores as compared to the previous year. The ratio of liquid assets to Deposits has been maintained at 42 per cent.

Among the factors militating against the rising trend of net profit of the bank are the ever increasing level of establishment charges and the higher rates payable for Deposits. In view of the fact that, throughout the year, the average amount held by the bank in Savings Deposits Accounts have amounted to Rs 28 crores, even the small range of increase from 1 to 1 per cent has added substantially to the cost of working funds. While the bank has been obliged to pay higher rates of interest on Deposits in consonance with the higher rates paid by Government on their borrowings, the fact that there has been no corresponding increase in the rates of Advances has reduced the margin of profit.

It is not surprising that Sir Homi has laid special emphasis on the need for cutting down establishment charges. For, such charges now account for as much as 61 per cent of the bank's gross profits. During 1957, establishment charges have recorded an increase of Rs 16.72 lakhs. Nearly half of this increase has been accounted for by payments for Over-time. Bonus to staff has also appreciably gone up and amounted to Rs 30 lakhs, showing an increase of Rs 2½ lakhs over the previous year. In this regard, Sir Homi says: "It is time the staffs of banks realized that their interests were bound up with those of the institutions they were serving and that increase in their emoluments and amenities could only come from greater stability and higher profits".

Taking the banking system as a whole, one finds that the proportion of Advances to Deposits and that of Investments to Deposits of Scheduled have been lower during the past year. The former has been reduced to 61 per cent from 71 per cent and the latter to 31 per cent from 33 per cent. While Deposits have increased by Rs 292 crores, advances have gone up by only Rs 70 crores. There has, however, been an increase of Rs 68 crores in the investment portfolio. The lower rate of increase in advances is presumably due to the strict control imposed by the Reserve Bank on bank credit. The sizable increase in Deposits and the comparatively smaller rise in Advances have enabled the Scheduled Banks to reduce their indebtedness to the central banking institution from Rs 79 crores to Rs 24 crores during the year.

BOMBAY REVIEW

Though many may not agree with Sir Homi in his overall view of the immediate economic prospects in the country if the Plan is pursued, there is no gainsaying the difficulties confronting the nation in the next few years. Perhaps the difference between people of Sir Homi's manner of approach and that of those who have an abiding faith in the practicability of the Plan is that the former group thinks that the difficulties are insuperable while the latter is not only confident but determined to overcome the obstacles and make the plan a success. Be that as it may, there is urgent need for Government to bestow careful thought on the points raised by Sir Homi Mody. He has pointed out that "there is no short cut to foreign exchange: it has to be earned by hard work, enterprise and efficiency". If one is to believe what one has been constantly hearing from the Prime Minister and other spokesmen of the Government, one will have to admit that Government are also of the same view as Sir Homi Mody. It has been made clear to the nation that the foreign aid already obtained and in the offing is to be strictly repaid with interest. The aid and loans are taken because the nation is fully confident that it can repay them to the last naya paisa.



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BOMBAY
REVIEW

That the Bombay Government is not lagging behind in the promotion of village industries is evident from the report of the State Village Industries Board for the year 1956-57. The report points out that the tempo of progress that was noticeable in the previous year was maintained during the 1956-57 also. Organisation of new centres for khadi, bee-keeping and village oil industries were the important achievements of the Board during the year.

Notwithstanding the addition of new centres, employment and production in these industries do not seem to have improved in any proportionate way. While in bee-keeping, production is estimated to have declined by about 19,000 pounds, the number of spinners in the khadi industry is reported to have gone down. Adverse weather is supposed to have been responsible for the decline in the production in the bee-keeping industry.

Progress in the neera and palm industry however was more substantial. As against 35 centres run by 25 cooperative societies in 1955-56 there were 48 centres run by 32 cooperative societies in 1956-57. Improvement in employment was also recorded in the hand-pounding industry where as against 4,446 persons in 1955-56 the number of persons employed increased

to 4,903 in 1956-57. The general progress in the village industries during 1956-57 is considered inadequate in relation to the target fixed for the second year of the Plan. Late sanction of schemes appears to be the reason for this lag.

While the importance of village industries as providing a profitable source of employment to the people in the country-side cannot be denied, the fact that the popularisation and maintenance of such industries involve subsidies of a huge order makes it necessary that attempts should be made in all expedition to make them self-supporting. The Statement of Mr. Ratubhai Adani, Minister for Prohibition and Village Industries that the policy of the Government was one of decreasing the subsidies in a gradual process, is in this context gratifying. Ways of reducing cost of production and improving quality of goods manufactured by the village industries have to be explored. Introduction of improved techniques and machinery holds great possibilities. Research on a more intensified scale could alone tackle all the problems confronting these industries.

Famine Relief

Disclosing the existence of famine conditions in a number of villages in the Bombay State, Mr. Rastkhai Parikh Revenue Minister announced

Village Industries

a series of measures with the object of giving relief to the famine stricken areas. The most important of the measures which among other things include the fixation of higher wages for agricultural labour and of annawari at low rates in the affected areas, is the liberalised provision of taccavi loans. The annawari has been fixed at below four annas in about 2,068 villages and at between four to six annas in the other villages.

The wage increase which in the case of workers engaged in scarcity works on soft soil is to tune of 25 per cent is in the case of others to the extent of nearly 50 per cent. The total sum which according to Mr. Parikh is kept at the disposal of collectors to be distributed as taccavi loans to agriculturists amounts to Rs. 2,23,20,000. A sum of Rs. 52,30,000 has also been set apart for the sinking of wells in the scarcity affected areas. The budget demand for famine relief for a sum of Rs. 75 lakhs has been passed by the Assembly. The contingency fund is expected to provide any additional money that might be needed.

The prevalence of famine conditions has come as a sequel to failure of crops consequent on draught conditions in many parts of the State. Mr. Parikh has in this connection referred to the almost complete destruction of cotton crop in the districts of Baroda, Surat and Broach. The decline in food production is held to be no less marked.

The recurrence of famine conditions which is however not confined to Bombay alone, brings into sharp relief the unfilled gaps in the food resources of the country and underlines the need for early and effective measures to increase agricultural production. The most effective way of preventing future occurrence of scarcity conditions would be to concentrate on provision of irrigation facilities in areas which are deficient at present in adequate rainfall. The organisation of other development works and of small-scale industries would also reduce the impact of scarcity conditions on the people in the affected areas.

Labour Indiscipline

Addressing the study conference of the National Institute of Labour Management, Mr. Y. B. Chavan, Chief Minister of Bombay, pointed to the need for an investigation into the continuance of indiscipline in the ranks of labour. Underlying the statement is the overriding need for the co-operation of labour for increasing industrial production on which the Second Plan has laid so much emphasis.

The improvement in labour conditions since the acceptance by the Government of Welfare State as the country's goal has been sub-

GATEWAY
NOTES

stantial. Fixation of minimum wages in particular industries provision of health services in some of the big cities which are also the major industrial centres in the country and the promotion of housing schemes are a few of the important measures undertaken by the Government to safeguard the interests of labour in general. Refractory behaviour on the part of labour in the face of such tangible progress can only be viewed with concern.

It is no doubt inevitable that in conditions of industrial democracy disputes between capital and labour should arise. But what is deplorable in the labour situation in our country is not the mere frequency of such disputes which in itself is alarming but the attempt to force a decision by resort to illegal methods, such as strikes, intimidation and go-slow tactics, in blatant violation of the industrial code which provides for proper machinery such as statutory conciliation arbitration etc for peaceful settlement of such disputes. The intractability of labour in such a situation is worth investigating.

Mr. Chavan has stated that labour troubles in the country are inspired by certain interested political parties. Perhaps the infiltration of political ideologies and the orientation of the trade union movement on political lines would explain the intractability of the labour situation in the country. Mr. Chavan advocates vigorous propaganda by trade unions in the country to discourage acts of indiscipline by labour. In view of the political orientation of trade union movement in the country, whether in the absence of parallel changes in the outlook of the political parties any substantial measures of success could be achieved in this way is doubtful. Recognition by employers of only those trade unions which incorporated a clause that they would actively discourage acts of indiscipline would be effective in guaranteeing industrial peace only when there is proper machinery for penalising infringement of such agreement.

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GATEWAY
NOTESWORLD OF
COTTON

IN contrast to last week, the Cotton futures market gave a disappointing performance during the week under review. After early indecision, values sagged under general sell-off with sentiment adversely influenced by discouraging spot and textile markets, although the closing tone was a shade better.

In general, all hopes, which contributed to the bullish sentiment last week having been realised, a majority of operators preferred to mark time, pending a clearer picture of the textile situation, which has not yet shown the desired improvement. Some mills still complain of accumulation of cloth stocks and are reluctant to buy more cotton unless the cloth offtake broadens. Moreover, powerloom factories are still determined to close down since the Government of India have not provided any relief to them. Meanwhile, Jharilla May delivery opened at Rs. 681 and, after touching a high of Rs. 682.25 and a low of Rs. 671.50, finished better at Rs. 673.75.

The Spot market was rather quiet. Restricted business was reported done in Vagad and Jharilla, while Ahmedabad mills bought Laxmi CP/2 and Surti varieties.

In the export section, shippers were reported to have bought a sizable quantity of Bengal Deshi following the recent announcement with regard to the export quota. With the additional export quotas announced, the total quantity released for export, this season, aggregates to 200,000 bales of which 150,000 bales are Bengal Deshi. However, prices of Kala Gin, CP/1, CP/2 and Vagad varieties have risen by Rs. 25 per candy, making the export problem more difficult.

In the foreign cotton section, one more good news for the trade is the reported decision of the Egyptian Government to reduce the export duty on its cotton by

Cautious Attitude by Operators

250 talleries points per cantar with immediate effect. In terms of rupees, the reduction works out to about Rs. 55 per candy. Consequent on the revision, the duty on Karnak will be 5.65d per pound, while that on Menoufi, Giza 30 and Ashmouni, etc. will be 2.20d per pound.

Although the decision of the Egyptian Government is welcomed by the Indian cotton trade circles, there is a feeling that it may not result in any large-scale imports of Egyptian cotton. For, according to the trade, even after this reduction in duty, the Egyptian cotton prices will only come close to those of equivalent Sudan varieties. The position might have been better had the Egyptian Government extended the 12½ per cent discount to payments paid in Egyptian pounds as required under the new Indo-Egyptian barter agreement. Fortunately, there are indications that this may be done.

Meanwhile, rumours are afloat that Sudan now contemplates the abolition of the export duty of Rs. 100 per candy. East African cotton has already come down by Rs. 50 per candy last month. Fortunately for the Indian mill industry, these developments have taken place on the eve of the country's entry in foreign markets for superfine cotton.

It is also expected that the Government of India will give a new import quota of one lakh bales for sterling area cotton apart from 70,000 bales already permitted for East African varieties. Egypt has yet to dispose of 7½ lakhs bales and Sudan 3½ lakhs bales. Importers, however, prefer to adopt a cautious policy for the time being; but it is evident that the current world price trends will help the Indian industry to improve sales of fine and superfine cloth.

On the whole, there is a general inclination not to follow the peak levels as operators are inclined to wait and watch the production trend of the textile industry. Moreover, the export front continues to present mediocre performance due to a likely move for voluntary reduction in cloth exports to the UK. There is a possibility that there may be further deterioration in exports.

A textile industry delegation under the leadership of Shri Kasturbhai Lalbhai is, therefore, to proceed to the UK this month to have talks on voluntary reduction of cloth exports. At present, the British Delegate, Sir Frank Lee, is having discussions with the Hong Kong textile industry and trade on exploring the ground for reducing exports of cloth from Hong Kong to the UK. Much, therefore, depend on the success of Sir Frank Lee. It is, however,

clear that, unless Hong Kong agrees to the British proposal, Pakistan and India cannot assure Britain about the reduction in cloth exports.

NEW YORK COTTON MARKET:

Prices on the New York cotton futures market developed an easy trend on selling pressure, being influenced by the recent advance and reports of generally dry conditions over the cotton belt. However, trade and other support was partly attracted by the possibility of a higher mid-March cotton party price. Middling Spot was quoted at 36.25 cents per pound.

The US Department of Agriculture has predicted that American consumption of raw cotton will amount 8 million bales this season as compared with 8.6 million bales in 1956-57 and its exports of raw cotton to 5 million bales as compared to 6 million bales, to make a total of 13.6 million bales. Consumption and export of American cotton for the present period will be 2.7 million bales higher

than production. As a result, only 8.7 million bales of raw cotton will be available in the USA at the end of this season. This will be the second year in succession that cotton stocks in this country has registered a drop.

LIVERPOOL COTTON MARKET:

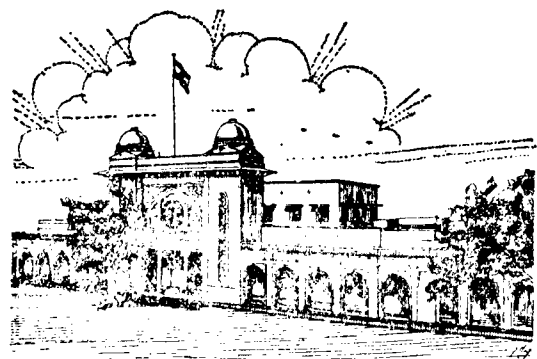
Dealings on the Liverpool cotton futures market were thin. Distant deliveries had several points improvement with American buying stressing limited offerings. The chief activity was in hedging transfers from nears to more forward positions and the market closed quiet for both contracts. Inactive conditions persisted in the Sudan contract.

KARACHI COTTON MARKET:

In the absence of any development, sentiment on the Karachi cotton futures market remained subdued. Values were generally easy. Sind Deshi was quoted at Rs. 64.8; Punjab Deshi at Rs. 69; 4F Punjab RG at Rs. 73.9; 289F Punjab RG at Rs. 80.9 and SG at Rs. 90.13.

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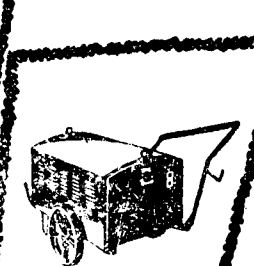
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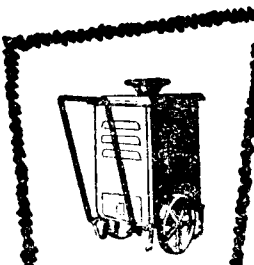
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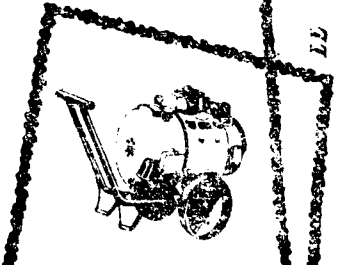


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BOMBAY
REVIEWMixed Trend in Oils and
Oilseeds PricesGATEWAY
MARKETS

PRICES on the Bombay Oilseeds Exchange showed a mixed trend last week. Disappointment over the absence of announcement of expected reduction in cost of oil export duty evoked selling in castor-seed. The disappointment was aggravated also by the continued dullness in the export trade in castor oil, the US and the UK keeping out of the market. With the result, Castor May delivery touched a low of Rs 149.12 from Rs 151.25, to finish a shade better at Rs 149.75. The ready rate was quoted at Rs 30. Castor Oil, however, reflected a comparatively steady tendency, thanks to covering of supplies by shippers against their imminent shipments. Commercial quality was quoted at Rs 15.37.

Prices in the Groundnut section fluctuated either way in narrow dealings with demand from crushers being the main sustaining factor. Turnover was 5,000 candelas. Traders were generally discouraged by lower advices from Saurashtra. May delivery opened at Rs 162.75 and, after touching a high of Rs 163.25, finished at Rs 162.50. In the ready section, conditions remained fairly steady with mills replenishing their stocks, the rate being quoted around Rs 32.50 for the bold quality. Groundnut Oil was quoted at Rs 17.87.

Trading in the Linseed section was featureless in the absence of fresh developments. May delivery touched a high of Rs 31.44 and a low of Rs 30.87, to close finally at Rs 31.12. In the ready section, the rate was quoted at Rs 30.56 and Linseed Oil at Rs 16.44.

Gold & Silver

On the Bombay Bullion Exchange, Silver registered some progress, while gold eased under selling by spot dealers with sentiment influenced by unabated arrivals.

The moderate rally in Silver was attributed mainly to the reassuring implications of the payment of margin by the bulls. It was estimated that the buyers had paid about Rs 8 lakhs by way of margin. This would represent outstanding purchase of 1,600 bars of a margin of Rs 500 per bar. Traders estimated the net outstanding position at about 2,500 bars.

Arrivals and offtake in the white metal were estimated around 15 and 8 bars respectively. Jeth delivery started at Rs 194.19 and, after improving to Rs 194.69, finished at Rs 194.37. Spot changed hands at Rs 195.56 to Rs 195.76.

In the Gold section, arrivals and offtake were estimated at 4,000 tolas and 2,000 tolas respectively. Forward rates moved between Rs 110.56 and Rs 111.44, while the spot rate was quoted at Rs 110.62 to Rs 111.00. Sovereign remained quiet at Rs 70.75.

Non-Ferrous Metals

Renewed firmness in Copper continued to be the main feature of trading in the Bombay Non-Ferrous Metal market. Ready rate was quoted very steady at Rs 176 per cwt, which suggested that the recent arrivals had already been sold in advance to consumers. Zinc ruled rather quiet at Rs 51.75 per cwt, as the stock position was re-

ported to be satisfactory. Trading in the Lead section remained featureless with the rate hovering idly around Rs 63 per cwt. Tin was almost static at Rs 129 per quarter following lower advices from Singapore.

At the recent meeting held by the Government with non-ferrous metal interests, returns from the established importers were called for and these were believed to have already been submitted. It is, therefore, considered likely that the Government may take measures to give some sort of relief to the copper and brass utensils manufacturers.

On the London Metal Exchange, Copper is quoted firm at £178½ per ton, mainly due to improved tone in the US market. It is reported from the USA that custom-smelter price may again be raised. Zinc is quoted around £63 per ton. The basic position of the market remains unaltered. There is no selling pressure as a result of which prices are well maintained.

Trading in Lead remains featureless with the rate hovering around £73 per ton. The Washington decision on the import tariff issue will determine the trend of this section to a great extent. The tone in the Tin section is rather subdued with the rate unchanged at £730 per ton.

Yarn

Irregular price movements were noticed on the Bombay Yarn market. Business put through was limited as prominent operators refrained from extending commit-

ments on account of the expected announcement of the new import policy. The Government's decision to allow import of acetate yarn of 120 and 150 deniers to the extent of 10 per cent of the face value of the licences against actual users' licences for the current period was welcomed by the trade.

In the case of Art Silk Yarns, fluctuations were comparatively much wider due to the hectic rise experienced in this class of yarns during the past several weeks.

As regards Staple-Fibre Yarns, rumours have been current that there will be a reduction of Rs 2 per pound in excise duty; but no authentic information is yet available. However, reports from various important consuming centres, particularly from the Punjab, go to show that large business has been arranged by several mills from Gujarat and Coimbatore in 20s dull hanks and cones. It is further reported that, on account of unsatisfactory demand for cotton yarns and unsuitable prices for the same, several cotton mills have turned their attention to spinning staple-fibre yarns for which there has been heavy demand, both for bright as well as for dull cones.

As regards Cotton yarns, the situation continues to remain unfavourable. Even at lower prices, sales by mills have been very limited. It is even reported that several mills in Southern India have, therefore, voluntarily decided to reduce their production of cotton yarns to the extent of 25 per cent of their production.

DELHI
REVIEW

“The Hardest Core of the Plan”

IT was, I suppose, inevitable that Mr S. K. Patil, until recently the Union Minister for Irrigation and Power, should have moved up to a responsibility more commensurate with his known capacity for hard work and organisational flair. For, the Ministry of Irrigation and Power, despite all the nominal centrality of its tasks, is more or less a technical Ministry in which the Minister has limited scope for such unspecialised talents as he might possess. But it is a moot point whether Mr Patil could not have been found a ministry where the urgency of tasks will find a ready response in his combative energies. Growing under the stern influence of the late Sardar Patel, whom Mr Patil worships with an intensity verging on apotheosis, he would have been an ideal man for the drive that is needed to make India more than self-sufficient in food.

But then, there are apparently many mysterious considerations that determine ministerial changes which will not readily make sense to folks who want merely to “get on with the job”. Apparently, “claims and counter claims” of the various people in the running have to be accommodated. And if one were to believe all the gossip that floats about, the atmosphere around aspirants is not unlike that among minor officials hoping for coveted promotions. Hard as it is to believe it, questions like “seniority” and so forth are stated to enter into calculations of chances of your becoming a minister, deputy minister and minister of state and so forth. Certain ministries are considered to be “senior” and certain others “junior” for no particular reason one can discover.

I say this not only because he has been in general demand whenever the Congress is in need of a trouble-shooter, and he has always shown himself equal to those occasions. The more immediate occasion for this reflection is his performance, which was something of a swan song, in Parliament last week when the demands of the Ministry of Irrigation and Power were being debated. In what was degenerating into a somnolent session, he brought a whiff of interest which made many a sleepy MP sit up and take note of the proceedings. Much to the chagrin of the opposition members, he took the wind out of their sails by conceding the failure of Government in bringing home to the people the fruits of all the various projects executed under the leadership of his Ministry. He showed a firm grasp of the real weaknesses of our present Plan by describing the centrality of food production in all our hopes of success. In a vivid phrase, he described agriculture as the “hardest core of the Plan”, putting to good use the current cliché about the

“core of the Plan”. He proceeded thereafter to elaborate, with hardly concealed impatience, the various uncoordinated agencies concerning themselves with agriculture and generally making a hash of the whole thing. With some irony, he described how he came to his Ministry some eleven months ago with the expectation of seeing that the obstacles in the way of utilisation of the gifts of his Ministry were mown down. Perhaps an inquiry was in order, before he did anything, he thought. But, soon enough, he said, he realised that it was none of his business to see what happened to the water he provided! It certainly must have been a frustrating conclusion for a man of his nagging organisational itch. The Planning Commission at the top, his own Ministry in the middle, and then the Union Minister of Agriculture, not to mention the Ministry of Community Development, are all there at the centre with all their familiar overlapping duties involving concurrence of a hundred minor and major officials. And then come the State Agricultural Ministries, who are, in the scornful phrase of Mr Patil, “Lords and monarchs by themselves”. Agriculture is a State subject and “who are you to tell us about our crop pattern and what we should do and should not do?” Of course, as in all simplifications, there is an element of injustice in this criticism of various authorities, but, by and large, the criticism that the present failure on the agricultural front is due to lack of concerted action cannot be denied.

I shall presently refer to a recent circular sent round to the States by the Union Minister for Food which gives impressive support to the view that the States have shown themselves somewhat irresponsible in the matter of food production and utilisation of resources. Meantime, certain other observations of Mr Patil are worth commenting upon. Mr Patil was referring to the unwillingness of the State Governments to face the consequences of their unpleasant duties. Before the elections, it might have been expedient to temporise on the subject of possible fresh burdens like “Betterment Levies” even if such imposts were eminently reasonable. But what, asks Mr Patil, is the justification for the indifference after the elections? The unclouded realism is entirely characteristic and accords well with Mr Patil's earlier background as a political manager who knows all the tricks of the game and is nevertheless keenly alive to the stark realities of the situation. One must indeed be a political greenhorn to be shocked at the apparent cynicism of this attitude. On the other hand, one must admire Mr Patil's frankness in this matter.

There can be no doubt that, in the discharge of their responsibilities in agriculture as in many other spheres, the States have been taking the line of least resistance. The tendency has developed in the last ten years to look up to the Centre for pulling their chestnuts out of the fire. One hates to say it, but all the wiles available in a politician's book of tactics are employed. These include the subtlest forms of blackmail like unctuous allegations of stepmotherly treatment by the Centre vis-a-vis other States. In more extreme cases, the State Governments connive at popular clamour of a regional sort, which, our present political maturity being what it is, is easily allowed ugly proportions. The Centre, rather hypersensitive to criticism of partiality and somewhat panicky at the prospect of regional discontents, is only too ready to assuage feelings. At the slightest indication of shortage, often grossly exaggerated, the Centre rushes in with an offer of taking over the responsibility for provision of further supplies and so forth. No wonder the State Governments are not particularly filled with a sense of urgency of their tasks and think that politically unpopular tasks like imposition of betterment levies are not really expedient.

Sometimes, the sense of responsibility of the States reaches really astounding heights. In the circular to the State Agriculture Ministers sent by the Central Ministry of Agriculture to which I referred earlier, the deplorable fact that States tend to exaggerate the adverse effects of droughts and floods is mentioned. It is now clear that Orissa, Madhya Pradesh, Uttar Pradesh and Bihar exaggerated their last year's calamity. Each of them said that their rice harvest would only be 4 per cent of their needs. Now, it appears that Orissa has surplus rice, and is bothering the Centre to take it; in Madhya Pradesh, the reduction in surplus is nominal; and, in the UP, the overall position is surplus. Only Bihar had a shortfall, but it was less than what was then stated.

In the first place, it seems a cynical use of adversity to make it an excuse for a lie, however well-intentioned. For, it is really no answer to say that, if the fact of adverse conditions is true, a little exaggeration to obtain a little more for distribution among the people cannot be considered wicked. Secondly, if one is to believe all that one hears about the food distribution as being handled in some States, the real beneficiaries of these exaggerations are profiteers. Thirdly, the truthful States are being punished for their virtuousness and one may easily understand their chagrin at the spectacle of the wicked thriving. And, lastly, do the States

realise how this very irresponsibility is wrecking the Plan? After all, the foodgrains they obtain on false pretences are being paid for and in hard currencies in the literal sense of the term. And food imports, as the recent memorandum on foreign exchange crisis showed, accounted for a sizable portion of our scarce foreign exchange.

Thus, ultimately, responsibility for the whittling down of the Plan, because of foreign exchange scarcity, is squarely on the shoulders of the people who have made Government import food they need not have imported at all. Thus, the Plan is being corroded at two vital ends by the States. One, by not putting forth the necessary effort and utilising existing resources and increasing the food production, they make the internal price situation inflationary to an extent that will diminish the value in real terms of the gains of the Plan. It will also push up the cost of the Plan and consequently the burden on the people. At the other end, by putting needless pressure on foreign exchange, vital tasks are postponed or abandoned. One wonders whether these implications are realised by the State Governments. If they are, it is time they showed their awareness in more concrete forms.

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With the recognition of the big gap in the food requirements in the country and the leeway in the achievement of self-sufficiency in food, official attention has of late come to be concentrated on matters relating to food production. Last week in the Lok Sabha, Mr S. K. Patil Minister for Irrigation and Power spoke at length on the deficiencies of the administration and the lack of coordination between the various Ministries connected with food production in the country.

Following Mr Patil's speech in the Lok Sabha, reports have come from the Capital of a circular from the Centre addressed by the Union Minister for Food and Agriculture to the State Governments in which it has been suggested to the latter that target's of food production should be fixed for every district and village and also individual farmer.

The failure on the food front is now generally considered to have been the result of the apathy shown by the various State Governments in regard to agricultural production and therefore the circular is ostensibly intended to arouse them to a greater sense of responsibility than what they have hitherto shown. It would appear from the speech of Mr S. K. Patil

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Food Production

in the Lok Sabha that the attitude of the State Governments has not been sufficiently cooperative. The administration at the village and district level in all the States has been found to be lagging behind in the implementation of the various schemes for increasing production of foodgrains.

The greatest need in this connection is the full utilisation of irrigation waters which has been added consequent on the completion of various major and minor irrigation projects. While during the First Plan the new irrigation potential that was created was nearly 7.5 million acres the additional area irrigated was only 4.0 million acres. There would seem to have been little improvement in the utilisation of waters even during the course of the first two years of the Second Plan. The record of the State Government in other fields such as minor irrigation, sinking of tubewells and the setting up of seed farms etc has also been found unsatisfactory. These gaps in vitally important matters relating to agricultural production show the erstwhile policy of the State Governments in a bad light and underline the need for more energetic pursuit of the goal of self-sufficiency. At the conference of the State Ministers in New Delhi, this need for the State Governments to concentrate on minor irrigation works, multiplication of seed farms and the development of local manurial resources was stressed by the Central Minister for Food and Agriculture Mr A. P. Jain.

Soft Coke

That soft coke deserves more considerate treatment, is the major theme of the presidential address of Mr B. D. Samanta to the annual meeting of the Indian Colliery Owners' Association. In addition to underlining the points made in the chairman's speeches at the annual meetings of the Indian Mining Association and Federation, Mr Samanta has also focussed attention on some additional problems. Railways have been sedulous in publicising the steady increase in the supply of wagons. But wagons form only a part of the requirements for expeditious transport of coal. Provision of sidings and loading facilities at pitheads form the other part of the requirements. In providing these essential facilities, the railways apparently move at a very leisurely pace.

Mr Samanta stated that at present it takes four years to complete a siding. He also referred to the interesting instance of communications in the form of telephone poles coming in the way of railway transport.

As regards soft coke, it will be agreed that the industry has not benefited by the two successive

price increases announced last year. At present rates, there is little incentive to the manufacturers to maintain output, and their hopes are centred on the Coal Price Revision Committees.

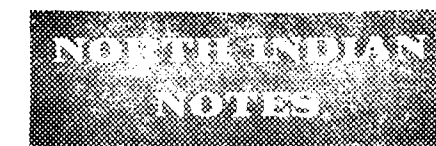
The potential demand for the product is also a factor in determining the level of output and there is little reason to think that increase in prices will not react adversely on demand for soft coke. The simple case for an upward revision of the price of soft coke rests on the fact that raw coal prices have gone up as a result of the Appellate Tribunal's Award, which has not made an exception in favour of the Collieries manufacturing soft coke. But the claim for a price adjustment is not strengthened by the argument, that the encouragement of soft coke manufacture will help to eliminate the wasteful use of cow dung as fuel in the villages. The peasants use cow dung as fuel, not because they like it, but because they have no alternative. It will take many five year plans before the economic position of Indian cultivators has improved to such an extent as to enable them to use soft coke even if it is carried to their door steps. The manufacturers will be better advised to study possible economies in production through more effective utilisation of by-products.

Road Development

Speaking in the Lok Sabha, Mr Raj Bahadur, Minister of State for Shipping claimed that the progress made by the country in regard to road development was significant and further pointed out, that at the conclusion of the Second Plan period the Government would have undertaken the construction of major bridges over all the important river systems except two.

Expert opinion in the country however is not generally complimentary to the policy of the Government in regard to road development, which is considered to be wanting in both boldness and imagination. Inadequate correlation of schemes for road development in the Second Plan with the overall transport needs of the economy at the end of the Plan is what the critics point out to be the most glaring deficiency of the road development plan of the Central Government. If bottlenecks in transport were to be avoided at the end of the Plan the need to intensify the pace of development is inescapable. In view of the limitations imposed by inadequate financial resources, the only means to ward off bottlenecks is to concentrate on the execution of the scheme for low-cost roads as envisaged by the recent ECAFE seminar on low-cost road construction.

The reference by the Minister to the high level of motor taxation



Good Demand for Sugar

SUGAR prices have continued to rise steady as demand from the consuming centres is fairly good. The announcement of the new quota for free sale is expected shortly. In the Hapur market, following mill-delivery rates (per maund) are quoted:—Meerut (D-28) Rs 35.75; Iqbalpore (C-29) Rs 36.62; Mansoorpur (B-29) Rs 37.81; Mowara (B-29) Rs 37.25; Modinagar (C-29) Rs 36.25; Amroha (D-28) Rs 35.12 and Bijnore (E-29) Rs 35.00. In the Kanpur market, however, prices have not shown any appreciable change as buyers are inclined to withhold their purchases in anticipation of an early announcement of a fresh quota.

According to the latest Government estimates, production, during the current season, will exceed 20.29 lakh tons, attained in 1956-57. Cane supplies to the factories are reported to be adequate. Most of the factories in Uttar Pradesh are expected to cease crushing by the end of April.

With regard to the prospects for sugar exports, the President of the Indian Sugar Mills Association has stated that country's growing needs for foreign exchange for importing heavy machinery, etc., for rapid industrialisation makes it incumbent to explore all avenues of furthering exports to earn more foreign exchange. He has added that the world sugar prices have come down appreciably, mainly because of better crops in Europe and Cuba. He hopes that some scheme will be devised without any further delay to start export of sugar on a permanent basis.

He has also referred to the waste involved in Khandasari production, because of its low sugar recovery of 6 to 7 per cent against 10 per cent of the sugar industry. In the additional production of 2 lakhs tons of khandasari, the industry loses about 1.3 lakhs tons of extra sugar, which will be recovered if the cane is crushed by the sugar factories. That is, against the expected production of 3.3 lakh tons in vacuum pan factories, the khandasari output is estimated at 2 lakhs tons only for the same quantity of cane crushed. In terms of the money value, this will mean a loss of over Rs 12 crores.

The industry had, therefore, expected that, at the time of the Budget proposals, the Government would announce some steps in the form of suitable excise duty on khandasari sugar to curb its unplanned growth; but this was not done. He has, therefore, urged the Government of India for speedy and effective action well in advance of the next crushing season to avert a serious situation that may otherwise develop as a result of shift of consumption from sugar to khandasari and diver-

sion of cane from factories to khandasari units, resulting in the expanded capacity of the factories not being fully utilised.

Khandasari

Good demand from the consuming centres has accounted for steady conditions in the prices of Khandasari. Production is gradually declining as cane supplies to the crushers is declining. Prices are now quoted at Rs 27 to Rs 33 per maund, according to quality.

Gur

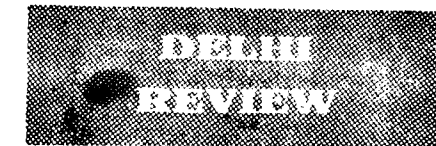
Following good ready demand, mainly from the Punjab side and fall in daily arrivals, which now average to about 1,000 maunds, Gur prices have been ruling steady. In the Hapur market, Pansera quality is quoted at Rs 15 to Rs

15.31 per maund. Stocks are estimated at 1.40 lakh maunds, which is large when compared with the corresponding figure of last year, at 95,000 maunds.

Arrivals, this season, are small when compared to last year. Total arrivals, during the current season, are estimated at 3.75 lakh maunds as compared to 4.45 lakh maunds in the corresponding period of last season. Crushing is coming to a close, while sowings for the next season have also been nearly finished.

Foodgrains

Quietly steady conditions are witnessed in the Foodgrains market. In the Hapur market, Wheat prices are almost unchanged. Harvesting of wheat crop has begun in some areas and the new



crop arrivals are expected after a fortnight. Despite satisfactory supply position, the Rice section has continued to rule steady. Gram prices have recorded some gains, thanks to higher Punjab advices. Harvesting of Barley and Bejher crops have been completed; but as arrivals of the new crop in the market are small, prices have recorded modest gains. Firm trend in the prices of Jowar and Guwar has continued. The all-India crop of Guwar is estimated at 150,000 to 200,000 tons. About 7,000 tons of the commodity are stated to have been exported last year. Arrivals of new Peas have increased.

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The Reserve Bank's Role

MR H. V. R. IENGAR did not oblige. The function was the annual meeting of the Madras Chamber of Commerce, and its Chairman, Mr G. N. Noel-Tod, had skillfully presented an assessment of Government's tax policies and their impact upon the individual's initiative and enterprise. Mr Noel-Tod also thought fit to end on a bleak note by pointing to incipient signs of recession in three major industries—sugar, cement and textiles. If the Madras Chamber Chairman thought that the Reserve Bank Governor might be goaded into a publicly voiced criticism of Government's policy, he was disappointed; and, in a sense, as I said, Mr Iengar did not oblige. But HVR did not try to evade the issue, but took up the challenge, and he is to be credited with a statement of major significance from the highest stratum of the country's financial needs.

In his address, to put it briefly, Mr Iengar has tried to foster the impression that India, in many ways, has turned the corner and now is poised on the road to success.

First, however, the Reserve Bank Governor utilised the opportunity offered to him to clarify the role of the central banking institution in the fashioning of a country's economy and of its financial policies. The Reserve Bank was primarily responsible for maintaining the stability of the currency, and it dealt with such matters as bank rate and credit policy, to this end overseeing the operation of the monetary mechanism as a whole. As if in refoit to Mr Bhabha's speech in Bombay in the preceding week, Mr Iengar also categorically stated that the Reserve Bank's responsibility was direct and unquestionable; and he dispelled the notion of Government

interference by asserting that, although the Government were possessed of the statutory power to issue directives, that power had not hitherto been exercised. But then, fiscal policy does have its repercussion on the monetary sphere; and fiscal policy remains the prerogative of the Government. In that sense, where a high level of taxation or an excessive dose of deficit financing disturbed the smooth functioning of the money market, clearly, the Reserve Bank should have something to say. But would it be wise or prudent—and was it desirable—for the Reserve Bank publicly to give expression to its independence, by voicing criticism where it felt necessary? Mr Iengar says it would be a mistake for the Governor of the Reserve Bank to join sides in any public controversy. Instead, he said, "I think the bank can carry out its functions very much better now if its views on controversial fiscal problems were communicated to Government in confidence". Indeed, this is how central banking institutions in other parts of the world function; but Mr Iengar was careful to emphasise that he "would not rule out public criticism in all circumstances".

Mr Iengar can thus take credit for nipping effectively in the bud a controversy that threatened to get deep-rooted. He has indicated the extent and the sphere of the Reserve Bank's responsibility; he has affirmed that this responsibility has not been abrogated or abdicated; he denies the charge that Government have interfered with the working of the Reserve Bank; and he stresses that, although as a general policy, the Reserve Bank will not enter into public controversy, it would express its criticism publicly should the occasion arise.

Mr Iengar conceived as his second duty the dispelling of the unconscionable pessimism that generally seemed to underline all public thinking at the moment. To this end, the Reserve Bank Governor must be credited with the first hopeful, official assessment of the foreign exchange situation. True, this improvement in the outlook had already been fore-shadowed by Mr Nehru, particularly in his address at the FICC and in his replies to the debate on the Budget. But it was left to Mr Iengar to assert that the country was now in sight of bridging the foreign exchange gap as originally estimated by the Planning Commission. This is a most heartening development, and we may now take it that those in authority will deem their future task to consist of a conscious attempt to dispel doubt and instil confidence. Mr Iengar's view is that the extent of foreign aid that India is likely to get in the course of the Plan-period would exceed the amount that had been put down by the Planning Commission.

Nor were the Reserve Bank Governor's remarks on a soberly optimistic view of the future restricted to the field of foreign exchange. The increasing industrial production is described as being remarkable, and Mr Iengar suggests that we have grounds to congratulate ourselves on the manner in which this country has waged the battle against inflation. During a period when money supply increased by 30 per cent, the wholesale price level has moved up only by 5 per cent. There was no reason, thus, to take a gloomy view of such a performance. Indeed, there were many countries which would envy the success that has attended India's efforts to keep inflation at bay.

MADRAS REVIEW

While the increase in production must be presumed to help keep inflationary pressure in check, it is proper that, at this juncture, we should recognise the role played by the Reserve Bank in this regard. Especially since the inauguration of the Second Plan, the central banking institution has had quite a complicated policy to implement. On the one hand, there were the known inflationary pockets in the economy; these were areas of shortage, and scarcity in available stocks was further intensified by the import cuts. In this sphere, the provision of bank credit had to be regulated in order that advances were denied to such elements as might have desired to make capital of this situation, and as might have tried to utilise bank advances for speculative with holding of stocks. On the other hand, the productive effort could not be allowed to be hampered, and industrial enterprises could not be starved of the funds that they were needing to expand their output. It is in such background that the Reserve Bank evolved its selective monetary control, by means of which it has ensured the provision of finance for productive enterprises, the while that it denied such accommodation to spheres in which there were speculative proclivities.

Another interesting point that Mr Iengar made was that he doubted whether deficit financing had thus far produced any considerable inflationary pressure. Such has long been the contention of this journal, and it would now seem that the Reserve Bank Governor is of the view that, in a developing economy, some element of deficit financing, far from being hampering, may actually help. Of course, this is partly because a developing economy normally experiences a balance of payments deficit; and the import surplus serves partly to siphon off and thus offset the higher level of money supply involved by deficit financing.

For the future, in this context, it appears certain that the size of the payments deficit will gradually become smaller; and, to that extent, there will be a reduction in the deflationary or contractionist effect of balance of payments deficit. Nevertheless, Mr Iengar remarks, "I see no reason why we should take a gloomy view of the situation."

This, then, is the reiterated burden of Mr Iengar's theme, that it is unnecessary for us to be bowed down by the feeling that we are faced by unsurmountable difficulties; on the other hand, in most spheres these difficulties are already largely overcome. If, as I hope, Mr Iengar's address at the Madras Chamber is significant as being the first salvo in the Campaign for Confidence about prospects in every sphere, it is indeed greatly to be welcomed.

SOUTH INDIAN NOTES

Speaking in the Legislative Assembly, Mr M. Bhaktavatsalam, the Madras Home Minister indicated the desirability of constituting the Madras State into a separate food zone. The food position in the State while it is considered to be satisfactory on the side of supplies in as much as there has not been any complaint of scarcity of rice, is held to admit of improvement on the side of prices.

The South Food Zone, though it has successfully prevented large-scale movement of rice from Andhra Pradesh to the North, had according to Mr Bhaktavatsalam, only limited usefulness in stabilising prices for foodgrains in the Madras State, the effect on prices being merely to fix a ceiling. It is the need to bring down prices for rice in the State that is the motive behind the proposal of the Government for the constitution of Madras into a separate rice zone.

The specific weakness of the South Food Zone arrangement appears to be the unrestricted movement of foodgrains within the zone and the speculative element which this introduced into the price level. Mr Bhaktavatsalam has in this connection referred to the largescale purchase and export of Madras rice by Kerala merchants. This drain would seem to have been intensified by the activities of the Kerala Government, who, according to Mr Bhaktavatsalam, have set up their own machinery in the Tanjore District of the Madras State to effect purchases. The setting up of a separate zone for Madras would naturally relieve the Madras markets of the pressure from Kerala.

Any scheme to replace the present arrangement of the South Food Zone would have to take into account the effects on supplies and prices in the other States which together with Madras now constitute the South Food Zone. It may be recalled here that proposals for converting Andhra Pradesh into a separate zone in itself were dismissed by Mr N. Sanjiva Reddi, the Chief Minister of the State, on the ground that it would impose undue hardship on the cultivators in that State. Thus while Madras Government have viewed the South Food Zone from the point of view of the consumer and have found it a failure to the Andhra Pradesh Government who were more interested in maintaining an adequate level of return to the cultivators the arrangement was highly satisfactory. It goes without saying that the Kerala Government would be hardest hit by the dismantling of the South Food Zone since supplies from nearer sources would be closed. Only an increase in production in the whole country would reconcile the divergent interests of all the State Governments.

Rice Zone for Madras

Education in Andhra

Education figured prominently in the proceedings of the Andhra Pradesh Legislative Assembly last week. The review of progress as contained in the speech Mr S. B. P. Pattabhirama Rao the Minister for Education testifies to a fairly satisfactory record during last year. While 36 new middle schools and 16 new high schools were opened, sections in schools were increased by about 216. The programme for increasing the facilities for elementary and basic education by starting 496 primary schools and 200 junior basic schools is according to Mr Pattabhirama Rao very near completion. The extension of free education to Form II was another improvement the importance of which could not be minimised.

The assistance of the Central Government was a major factor in the improvement of educational facilities in the State. For instance two mining institutes at diploma level, one in coal mining and the other in mining other than coal were started with Central assistance. The establishment of two polytechnic and two industrial training institutes have considerably improved the scope for technical education in the State. With the Sanction of the Central Government for the starting of an Engineering college in Waltair the future for engineering education is also assured. The introduction of pre-professional courses in the Engineering colleges at Anantapur and Kakinada as indicated by the Minister would widen the opportunities for engineering education in the State.

Notwithstanding the opening of so many new institutions for widening educational facilities the progress is not considered by the opposition members to be satisfactory especially in relation to the leeway that has yet to be made up. It has been pointed out that the provision of Rs 6 crores for elementary education is inadequate to the need for increasing facilities for elementary education in the State. The provision for primary education which is about 55 per cent of the total that has been allocated for education in general is also considered to be far below full requirements. The greater priority that has been accorded to agricultural development according to Mr Pattabhirama Rao explains the relatively lower sums allotted for education in the State.

In view of the great leeway that has to be made up in the educational sphere, the need to avoid shortfalls in expenditure on education is only obvious. The Minister while admitting the existence of shortfall, of a huge order, has attributed this to special factors such as difficulty to keep in touch with the numerous institutions and restrictions on building pro-

grammes imposed by the Central Government on account of shortage of steel and cement.

Labour Position in Madras

Replying to the discussion on the demand under Labour in the Madras Legislative Assembly, Mr R. Venkataraman, Minister for Industries has pointed out that though the labour position in the current year has been quite peaceful it may not be so in the coming year. He expects difficulties especially in the textile mill sector where there are already signs of unrest. The Minister himself thinks that the unsatisfactory situation has stemmed mainly from the accumulation of stocks with textile mills. Though the recent reduction in the excise duty on cloth may be expected to go a long way in relieving the financial difficulties of cotton textile industry in the country, that section of it which is situated in the South may not derive much benefit from the new concessions, because most mills, being only spinning mills, will not be affected by the reduction one way or another. It is, however, gratifying to note that the State Government will not remain passive spectators when they find that mill owners try to take advantage of the present situation to retrench labour.

The important points to be noted with regard to the textile industry in the State are that there is an accumulation of stocks with mills leading to short working and some retrenchment and that the present difficulties of mills are partly due to the accumulation of handloom goods in the State. It has been estimated that handloom goods worth Rs 2 crores are lying unsold with the co-operative sector. Unlike mills elsewhere, most mills in the State have got no relief from the recent reduction in excise duty on cloth. It is, therefore, incumbent on Government to take remedial action to check the reactionary tendency in the labour situation.

As far as the labour position in the current year is concerned Government can feel quite satisfied at their record. During the year only seven industrial disputes have been referred to the courts. Both employers and the rest having been settled by mutual negotiation. Such good result has been made possible by the willingness of both the workers and employers to seek the advice of Government on matters under dispute between them. That Government's claim that the question of the welfare of the workers has been receiving their constant attention is borne out by the fact that the average annual total earnings of employers has increased during the period between 1954 and 1956 from Rs 689 to Rs 1016.

Land Reform

The discussions in the Mysore Legislative Assembly on the Jetti Committee report on tenancy and land laws have revealed sharp differences of opinion among the members on the proposed legislation. Almost all the known arguments for and against measures of land reform involving fixation of ceiling on individual holdings and redistribution of the surplus land among the landless were repeated in the course of the debate. Those who opposed the land reform measures presented their cases in terms of the danger to agrarian economy and adverse effects on production. The injustice involved in the fixation of ceilings on agricultural income without similar ceilings on income from other sources was pointed out. The supporters pleaded with equal vehemence for the implementation of the reforms on the ground of favourable incentive effects on agricultural production. Among those who criticised the land reform bill were several Congress members in the Assembly.

Even those who were generally in favour of the land reform measures could not agree on where exactly to draw the line for ceiling. While one Congress member found the ceiling for family and basic holdings and for personal holdings too liberal than necessary, another member found the limit to be too low to permit reasonable living standards for the cultivator. The need to allow exemption for arca plantations also found a few champions.

Though the desirability of a bill which seeks to rehabilitate a large number of landless tenants cannot be denied much of the enthusiasm for the bill is emotionally grounded. The opposition of the landlords no doubt springs from the desire to protect their vested interests. But even opinion which is generally sympathetic to the landless has not been favourably disposed to the necessity for a largescale shift in the ownership of land at present. A recent conference of landowners in Mysore had drawn attention to these harmful consequences.

The argument of those who stress the incentive aspects of land reform has little significance in view of the general poverty of the agriculturists and the fact that low ceilings would not permit the introduction of scientific methods in cultivation. The element of uncertainty which it would introduce in agricultural operations in the transitional stage is another argument against implementation of the reforms at present when increase in production is the paramount need of the country. The case for postponing hasty legislation which seeks to disrupt existing relations in the agrarian economy in the interest of increase in production is therefore overwhelming.

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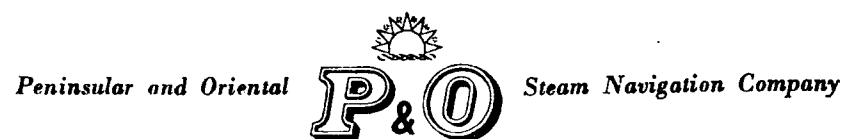
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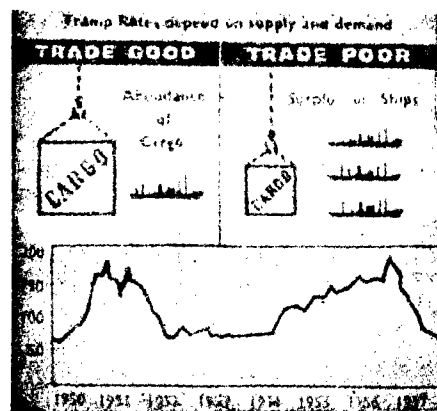
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The earned surplus of the P & O group for the year before charging taxation rose from £12.5 millions to over £17.5 millions, a record in the annals of our Group. The explanation of this rise is not difficult to find. Although in the popular mind P & O is regarded as a passenger liner company, over 40 per cent of its tonnage consists of cargo liners. Moreover, it is the parent company of a large Group of shipowning companies two of which are concerned wholly in the trading of tramp ships. Those ships are traded on the open market and depend entirely on the law of supply and demand for the rates of freight they can obtain. At the present time it is impossible to fix one at a rate which will show a profit. Yet eighteen months ago the demand for tramp ships was at its height and freight rates reached almost unheard of levels



Tramp Voyage Charter Rates (Chamber of Shipping Index, 1952=100)

after a year or more when rates had been steadily rising. Herein lies the difference between 1957 and 1952. The year 1952 had the benefit of a peak in tramp rates as high as has been lately experienced yet the 1952 profits were only four-fifths of the 1957 profit. The rise in tramp rates which resulted from the Korean War arrived suddenly and receded equally suddenly. The number of voyages that could be fixed at the high rates when ruling was strictly limited. On the other hand, all voyages finishing in 1957 had the benefit of the very firm rates which ruled throughout 1955 and 1956 culminating, of course, with the peak rates secured by the relatively few voyages fixed at the end of 1956. Furthermore, most cargo liners carry some cargo at rates related to these ruling in the open market and when those rates are very high the benefit is reflected in the voyage results. As I have explained on previous occasions, liner rates of freight do not fluctuate so spectacularly as do tramp rates of freight and

it is important to remember that the results of the past year have been derived very largely from the profitable state of the tramp market.

The operations of the Group are world wide. A drought in India necessitating the import of extra quantities of rice; a bumper wool cheque in Australia; Government restrictions on imports into any of the countries which we serve; a major disturbance somewhere in the world resulting in a temporary shortage of shipping space; all these occurrences can have an important influence for good or ill on our trade.

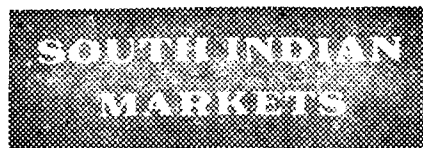
The closing of the Suez Canal caused disturbances to the pattern of world trade beyond that actually passing through the Canal. To give just one instance, the difficulty of obtaining goods from Europe caused India and other countries in the East to turn to other sources of supply. And so it happened that at a time when the earnings of the Group's cargo ships were swollen by the high rates of freight obtainable in the open market, certain of the liner trades experienced exceptionally good trading conditions.

Our ships are using the Suez Canal again, but one legacy of the unhappy events of 1956 still remains, who is to pay for the cost of clearing it? The suggestion made in the United Nations that the cost should be borne by the ships using the Canal (and that means 40 per cent would fall on U.K. shipowners) is simply monstrous. The closing of the Canal and therefore its reopening were the results of national policies. It is surely unjust therefore that the cost of reopening it should be thrown on individuals or companies representing a small section of the community. The cost of national policies should surely be borne nationally, and not by individuals.

As the P & O Group is the second largest user of the Canal, I need scarcely say that the United Nations proposal is wholly unacceptable to us.

THE OUTLOOK FOR THE FUTURE

In face of the complex influences I have described, this is a most difficult moment to forecast the results of a large shipping organisation. Although some of our passenger trades, which were particularly badly hit by the closing of the Suez Canal, have been showing improved results during the past few months, the general position of cargo trades has deteriorated, particularly since



Coffee Prospects

THE Chairman of the Mysore Planters' Association has predicted a bumper Coffee crop next year, which may well exceed last year's production. This result is being achieved by the increased attention the growers paid to production. During the current year, production touched a record mark of 42,000 tons. In this connection, the chairman has stated that, for a 30 per cent increase in acreage, there has been a 151 per cent increase in production during the last ten years.

With regard to the world crop, according to one estimate, the carry-over from the current season's crop will amount to 20 million bags equivalent to nearly 50 per cent of the exportable world crop. Meanwhile, an increase of 6.5 million bags in the exportable surplus is expected for the coming season. African territories, which produce as much as 20 per cent of the world crop, are outside the agreement to restrict exports.

On the whole, three main factors—large carryover, prospects of a large production in the next season and non-inclusion of the African territories in the Mexico City Agreement—are weak points in the situation, capable of bringing about a further decline in the already low prices. Dealers and roasters in America and Europe are stated to be very optimistic about a further recession in prices.

Viewed against this background, the export prospects for Indian coffee this year appear to be very clouded. The quantity available

at the end of 1957. Nevertheless, as a result of the normal time lag before such influences make themselves felt on our voyages, the current results do not yet reflect the full effect of the collapse in tramp rates and the shortage of cargo which lies behind it. At present there is little prospect of any improvement and if these conditions persist for very long it will be necessary to lay up ships. Fortunately the spread of the Group's interests affords some insurance against the worst effects of the slump, but until there is a general improvement in world trade the trend will be downward.

DIVIDEND POLICY

The profit for the year after taxation is £4 millions more than in 1956 and the Board were faced with the question of what dividend to pay. As we may well be on the threshold of a major depression in the industry, it might have been argued that the Board should not have raised the dividend above what was paid in 1956.

I fully realise, however, that the dividend that we have been able

for export, out of the current season's crop, is also very low—only about 8,000 tons as compared with over 15,000 tons last year. The cumulative effect will be a heavy depletion in the export earnings from coffee.

Pepper

Pepper prices have continued to forge ahead from last levels. The steady rise is mainly attributed to the political upheaval in Indonesia and its bullish implications for Indian pepper. There are strong fears that the present situation in Indonesia will lead to the loss of an important source of supplies.

Singapore, which relies rather heavily on Indonesia, has already reacted to this threat with the price for black pepper advancing to Strs. \$82 from \$68 and for the white variety to \$142 from \$110.

In the Alleppey market, superior Palai variety is quoted at Rs 600 per candy. In London, prices have continued to rise sharply on speculative buying, inspired by the reports that the new Sarawak crop is a small one. Malabar pepper is dearer by 30sh at 230sh per cwt. In New York, grinders are reported to have refused to follow the rise, while speculators and dealers are buying heavily and paying fancy prices, both for nearby and forward. They are exploiting the present situation in Indonesia to their own advantage.

While the immediate impact of the Indonesian situation has been bullish, observers are still hesitant to predict India's future. For one thing, domestic prices have tended to run ahead of parity by about 1½ cents per pound. India will have to reckon with the Sarawak crop, which will be available freely after May. It is felt, however, that the outlook will be generally bullish for a few months.

to pay for a number of years past has represented an extremely small percentage of the capital employed in comparison with the rate of return that can be paid by most other industries. Taking all this into consideration, the Board have decided to recommend an increase in the final dividend, making 11 per cent for the year. Even so, after increasing the dividend, the amount paid out by the Group is no more than 1½% on the book value of the net assets.

Whether we shall be able to maintain the dividend at 11% next year is obviously a matter of conjecture and I am anxious that nothing I say on this subject should be misunderstood. I would emphasise that shipping is a speculative industry where fortunes fluctuate more sharply perhaps than those of most land based industries. As to the future, I would remind you of the warning given in the Director's Report.

If you are interested in these extracts from Sir William Currie's speech at the 118th Annual General Meeting please write for a full report to the P & O Agent, Mackinnon, Mackenzie & Co. Private Ltd., 16, Strand Road, P. O. Box 163, Calcutta.

The Central Bank of India Limited

Bank's Deposits Cross Rs 150 Crore Mark

Further Growth in Business

Speech of Sir Homi Mody, the Chairman

Speech delivered by the Chairman, Sir Homi Mody, at the Annual General Meeting of the Shareholders, on Friday, the 28th March, 1958.

Ladies and Gentlemen,

I have pleasure in presenting to you once again the Annual Statement of Accounts and the Directors' Report.

INCREASED ACTIVITY

2. The year under review was marked by increased economic activity in India. Both agricultural and industrial production was generally on the upgrade. At the same time, serious difficulties were experienced in the implementation of the Second Five Year Plan. The growth of inflationary pressure, the shrinkage of internal resources, the depletion of foreign exchange reserves and the continuing increase in Government's non-developmental expenditure brought about a serious strain on the economy and threw out of gear the programmes of development in the public and private sectors.

3. In my speech last year, I referred to the rapid deterioration that had taken place in our foreign exchange resources. The situation became particularly acute during the year under review. It compelled Government to adopt stringent measures of import control which, whatever their justification, were bound to cause a great deal of hardship and dislocation. The Plan estimated that the total foreign exchange requirements over the five year period would amount to Rs. 1,120 crores; it is now calculated that the actual amount needed would be of the order of Rs. 1,600 crores. Owing to the gaping deficit in the balance of payments, India had to draw heavily on her foreign balances and borrow substantial amounts from the International Monetary Fund. Even after taking credit for the loan of Rs. 95 crores from the Fund, the foreign assets of the Reserve Bank of India declined from Rs. 749 crores at the beginning of the Plan to Rs. 280 crores at the end of February 1958. After taking into account the external assistance promised so far, including the American aid recently announced, the gap yet to be bridged is estimated to be in the neighbourhood of Rs. 600 crores.

INDIA'S UNENVIABLE DISTINCTION

6. Already, in these ten years, in the range and incidence of direct taxation, we have achieved the unenviable distinction of being among the most heavily taxed countries in the world. We are the only country in which there is a direct tax on personal expenditure and where the combined rate

figures which Pandit Jawaharlal Nehru, as Finance Minister, placed before Parliament in the course of the Budget Debate. They relate only to loans already taken, and when we take into consideration the heavy demands which the future is going to make upon us, we have to be prepared to face, as far ahead as we can see, conditions of acute stringency and ever increasing controls. There are no short-cuts to Foreign Exchange; it has to be earned by hard work, enterprise and efficiency.

5. There are other aspects of the economic situation, of equal concern to the public. One of them is the alarming growth in the revenue expenditure of Government. In the 10-year period ending with the Budget Estimates for 1958-59, there has been a rise in such expenditure from Rs. 317 crores to Rs. 796 crores, of which the allocation for Defence is Rs. 278 crores. Civil Expenditure as such amounts to Rs. 517 crores, as against Rs. 168 crores in 1949-50. Not all of this can be called unproductive, but the rate of increase in non-developmental expenditure is sufficiently high to cause concern. As the Chairman of Barclay's Bank has observed, "little babies have a way of growing into ugly old men". We are aware that modern governments with their greatly expanded sphere of activities are costly affairs, but it is a question for serious consideration whether India can afford to step up her nondevelopmental expenditure at such a rapid pace. In a growing economy many things are urgent, and in a Welfare State there is bound to be a gathering momentum for all manner of nation-building activities, but ultimately it must all come down to a question of resources and priorities. Those who are confronted with the task of transforming our age-old economy cannot brush aside financial considerations and cannot go on indefinitely imposing a strain on the economy which it cannot bear. It is simply not possible to run too far ahead of the resources of the nation.

of taxes on individual earnings and wealth can exceed 100 per cent. of income. So far as individuals, firms and companies are concerned, no where else are people called upon to bear so many different taxes and imposts. Can India, in her present stage of development, afford the pace which is being forced upon her, without gravely imperilling her capacity for the production of goods and services? No one can possibly question the concept of social justice and the compelling necessity of a wider diffusion of well-being throughout the community. But it is axiomatic that wealth has to be produced before it can be distributed. If the incentive to earn, to save and to spend is increasingly to be denied, where is it ultimately going to end up? If the answer is that, whatever happens, there can be no retreat from the Plan, it may well be asked whether the Plan is to be the master of the servant of the economy? In these last few months, there has been a greater responsiveness to informed criticism, and I would earnestly urge the need for a closer understanding between Government and the business community. The so-called vested interests may be conservative and their outlook may sometimes be suspect, but they have learnt a great deal in the last few years and have a real desire to employ their experience and resources for the general good; and they can inject a sense of realism into our planning which is sorely needed.

SELECTIVE CONTROL

7. Turning to events in the field of Banking, the Reserve Bank adopted during the year a series of measures in order to keep under control the inflationary pressure generated by the heavy capital outlay and by the large volume of deficit financing, which was expected to increase from Rs 250 crores in 1956-57 to Rs 366 crores in 1957-58. The technique of "selective control" introduced in the previous year was continued and reinforced by other steps. In February 1957, the Stamp Duty on Usance Bills was drastically stepped up so as to raise the effective cost of borrowing under the Bill Market Scheme to 4 per cent. Lending rates against Government and other securities were also brought into line. Finally, in May 1957, the Bank Rate itself was raised to 4 per cent. In addition, the Reserve Bank issued a direc-

tive to the Scheduled Banks to cancel the unutilised portion of their overdraft advances so as to bring down the level of bank credit to Rs 800 crores before the start of the busy season. The volume of Advances and Bills dropped accordingly from a peak of Rs 933 crores in May 1957 to Rs 858 crores in the last week of December.

8. In spite of these measures against inflationary trends, economic activity in the country remained brisk throughout the year and the demand for credit was pressing. When bank credit is controlled, customers are to some extent compelled to obtain credit from non-banking sources at a higher cost. This trend is noticeable even in countries where the money market is well organised. Referring to the credit squeeze in the U.K., the Chairman of Martin's Bank at its annual meeting observed: "This has caused the determined borrower to go outside his normal banking sources, often paying a high rate of interest but still obtaining the funds he required." Whether or not customers of Indian banks are in a position to resort to non-banking sources of credit, the pressure of the demand was fully reflected in the operations of Scheduled Banks. The Economic Survey, issued along with the Budget, admits that the high level of investment in the economy and the large step-up in imports have strained the resources of the banking system.

NEW HIGH FOR DEPOSITS

9. The Deposit liabilities of Scheduled Banks at the end of 1957 reached an all-time high of Rs 1,406 crores, as compared with Rs 1,114 crores in the previous year, the increase in time deposits being more marked than in demand deposits. The Rupee Counterpart Funds and the Compulsory Rupee Accounts with the State Bank of India contributed not a little to this upward swing. Notwithstanding an increase in the volume of Advances, the rise in Deposits brought down the ratio of Advances from 71 per cent. to 61 per cent. towards the end of 1957.

10. This sharp increase in Deposits considerably altered the structure of the Scheduled Banks' liabilities and assets. In 1956, banks had to approach the Reserve Bank for increased accommodation, liquify their gilt-edged portfolio and draw upon their till money. By contrast, the increase in Ad-

vances in 1957 was less than the expansion of Deposits. While the latter increased by Rs 292 crores, advances went up by only Rs 70 crores. The Scheduled Banks were, therefore, able to reduce their indebtedness to the Reserve Bank from Rs 79 crores to Rs 24 crores. Simultaneously, they were able to increase their investment portfolio from Rs 365 crores to Rs 433 crores. The proportion of Investments to Deposits, however, went down from 33 per cent. to 31 per cent.

11. The reduction announced last week in the Bank of England Discount Rate is welcome as indicating a lessening of the pressure against Sterling and a general easing of money rates. It should not affect the Discount Rate in our country, but it might have some effect on our economy in the field of export trade. However that may be, a high bank rate is generally restrictive in character, and the recent change, which may possibly be followed by further reductions, can be taken as signifying a return to a healthier economic climate.

12. I shall now turn to the Balance Sheet and the Statement of Accounts presented to you. There has been a further growth in our earnings and resources as a result of larger deposits and more active conditions in trade and industry. Gross earnings at Rs 780 lakhs recorded an increase of about 19 per cent., but with the rising cost of working funds, the increase in gross profits was only a little over 6 per cent.

13. With the rise in the Bank Rate from 3½ per cent. to 4 per cent. during the first half of the year, there was a general stepping up of our rates of interest on Advances, but the advantage gained thereby was to a large extent nullified by the higher rates that had to be paid for Deposits. In the result, the net earnings under Interest and Discount increased by only Rs 10.36 lakhs over the previous year. In consonance with the rise in the rates paid by other Banks and the suggestions made by our shareholders at the last meeting, we put up our rate of interest on Savings Deposits Accounts. Even though the increase ranged from ½ to 1 per cent. only, it added substantially to the cost of our working funds, in view of the fact that the average amount held in this account throughout the year was over Rs 28 crores.

14. Apart from the rise in the Bank Rate and the expanding demand for money, higher rates for Deposits were also due to Governments, both Central and State, coming into the market for large borrowings at 4 to 4½ per cent. and for small savings on still more attractive terms. This helped to accentuate the shift from Demand to Time Deposits, that is, from low interest to high interest bearing Deposits, and that, without an all-round corresponding increase in the rates for Advances, resulted

in reducing the margin of profits of banks.

15. There was a further increase of Rs 16.72 lakhs in Establishment Charges. These Charges stand at a very high figure, and their adverse effects on our working can be minimised only if the Staff at some of the centres were to show a greater awareness of their responsibilities and a greater devotion to the interests of the Bank. In this connection, I would particularly refer to a disturbing factor in our working, namely, Overtime. Despite increases in Staff, payments under this heading have been mounting up and they nearly doubled themselves during the year. They amounted to over Rs. 8 lakhs. I appeal to our Staff for its co-operation in cutting down Establishment Charges, which already account for as much as 61 per cent. of our gross profits.

16. By reason of the rise in salaries and allowances, the figure of Bonus to Staff has also appreciably gone up and amounted to Rs. 30 lakhs, showing an increase of Rs. 2½ lakhs over the previous year.

17. The Industrial Dispute (Banking Companies) Decision Act, 1955, imposed a heavy burden on most of the banks, but it was hoped there would be some return for it in happier relations with the staff and more efficient working. It is extremely unfortunate that that expectation has not materialized, and pen-down strikes and go-slow tactics are still in evidence. It is time the staffs of banks realized that their interests were bound up with those of the institutions they were serving, and that increases in their emoluments and amenities could only come from greater stability and higher profits. There should be no room for any antagonism between staffs and managements, which can only result in impairing the fortunes of both.

18. I must make special mention of the increase in our resources which took place during the year. Shareholders will have been gratified to note that, for the first time, our total Deposits crossed the Rs. 150 crores mark. They recorded a significant increase of Rs. 16 crores, the highest rise in any one year, and this, in spite of the fact that our rates were often somewhat lower than those offered by other banks. Increased resources arising out of this growth in Deposits coupled with the liquidation effected in our Investments, and the comparatively easy money conditions towards the close of the year, made it possible, despite an increase in Advances, to keep down our borrowings from banks, which at the end of the year stood at Rs. 7 crores less.

19. On the Assets side, despite an expansion in business, the ratio of liquid resources to Deposits was maintained at the level of 42 per cent.

20. In view of the higher cost of working funds and the more remunerative rates obtainable for Advances, our Investments in Gov-

ernment and other Securities were further liquidated, and in spite of the support we continued to extend to the new Loans floated by the Central and State Governments, we could reduce our holdings by Rs. 3.5 crores during the year. Owing to a further set-back in values, the gap between the book and market values of Securities unfortunately widened further and stood at the close of the year at the figure of Rs. 254 lakhs. There has, however, since been a fairly substantial narrowing down as values have been rising.

21. The higher price levels arising from the expanding economy of the country, the sluggish conditions in the trade in piece-goods and some other commodities, and the demand for working capital needs, all created conditions which kept up a sustained demand for Advances throughout the year, which at one time, reached a peak of Rs. 115 crores, representing a ratio of 78 per cent. to total Deposits. At the close of the year, though the busy season had not set in, Advances recorded an increase of Rs. 10.73 crores over the figure of the previous year.

22. In pursuance of our policy in respect of non-remunerative offices, eight of those showing consistently poor results were closed down during the year. In the past two years, as many as 30 such offices have been discontinued, and though new offices have been opened in centres considered more promising, the total number has gone down and stood at the end of the year at 286.

23. It is now my pleasant duty to make the customary acknowledgments. Our Vice-Chairman, Mr. C. H. Bhabha, has continued to devote himself to the interests of the Bank with a single-minded zeal. His knowledge and experience have been of inestimable value, and I am sure shareholders will join me in conveying to him our warmest appreciation of all he has been doing for the Bank. We are fortunate, also, in having as our General Manager Mr. N. K. Karanjia. His long association with the Bank, his ability and his thorough knowledge of every aspect of banking have been not a little responsible for the progress maintained by the Bank in spite of some adverse factors, and I hope we may look forward to having him with us for many more years. To Mr. F. C. Cooper, the Deputy Manager, to members of the Staff at the Head Office and the Branches, and to the Local Advisory Committees at the various centres, I would also like to convey our grateful thanks. Ours is a vast and widely spread business, and it is not possible to maintain the close personal contacts which are so essential to the success of an organization, but I have every hope that, more and more, in the years to come, from the General Manager down to the humblest member of the Staff, everyone may come to feel a sense of pride in his work and satisfaction in seeing it well done.

THE TITAGHUR PAPER MILLS COMPANY LIMITED.

Notice of Interim Dividends.

The Board of Directors of the above Company has sanctioned payment of the following Interim Dividends in respect of the Company's Financial year ending 31st March, 1958, without any deduction for Income Tax payable by the Company:—

	Per share.
On 8% First Cumulative Preference Shares ... Rs. 4/-	
On 4½% Second Cumulative Preference Shares ... " 2/25n.P.	
On Preferred Ordinary Shares ... " 0/12n.P.	
On 'A' & 'B' Ordinary Shares—Dividend ... " 0/88n.P.	
and Bonus ... " 0/25n.P.	

These Dividends will be payable on or after 5th May 1958, to those Shareholders (or their Mandatees) whose names appear in the Company's books on 22nd April, 1958, as the Registered holders of the above Shares.

The Share Transfer Registers of the Company will be closed from 8th to 22nd April, 1958, both days inclusive.

By Order of the Board,

F. W. HEILGERS & CO.
(PRIVATE) LTD.
Managing Agents.

Chartered Bank Buildings,
Calcutta, 26th March, 1958.

THE EAST INDIAN COAL COMPANY, LIMITED.

(Incorporated in England with Limited Liability).

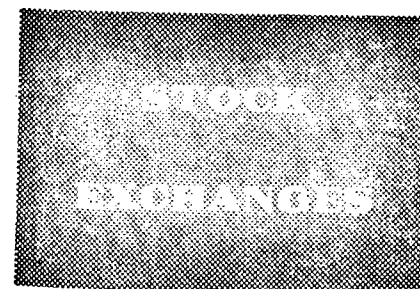
NOTICE is hereby given that an interim dividend in respect of the year ending 30th April, 1958 at the rate of Naye Paise forty per share without any deduction for Indian Income-tax payable by the Company, has been declared payable by the Directors and will be paid to the Registered Shareholders as on 25th April, 1958.

The Share Transfer Books of the Company will be closed from the 12th to 25th April, 1958, both days inclusive.

By Order of the Board,
JARDINE HENDERSON, LIMITED,
D. Fordwood
Secretary,
Managing Agents and Secretaries.

4, Clive Row,
Calcutta, 28th March, 1958.

N.B. Payment of the above dividend will be made only to those members whose names are registered in the Books of the Company on the 25th April, 1958 or to their mandatees. No application for Warrants will be necessary. Claims on behalf of the holders of shares on blank transfer will not be entertained.



Sentiment Still Favour Bulls

Watch-Dog Writes:

SENTIMENT in stock markets has continued to favour bulls. Operators think that the worst is now over. Hopes are entertained that, when the Government are trying to improve business sentiment, no measure will be taken which will jeopardise the stability of the investment market. With the result, the undertone remains very steady despite a good deal of profit-taking at higher levels.

Conditions on the Calcutta Stock Exchange continued to rule firm although attention was mostly Miscellaneous shares.

The Bombay Stock Exchange made further headway although prices reacted modestly on profit-taking at the close.

On the Madras Stock Exchange, recent gains were consolidated.

Business on the London Stock Exchange was rather restricted due to the approach of the Easter holidays.

Wall Street closed barely steady.

Calcutta

THE local Stock Exchange started the week on a more cheerful note and, encouraged by higher Bombay advices, prices forged ahead despite profit-taking at bulges. The bullish fervour was helped by various favourable factors. There were expectations of an increase in retention prices of steel. Operators were also awaiting an early Government decision on cement industry's demand for higher prices and in regard to reduction in the export duty on Common teas.

Bombay

The stock exchange continued to rule firm under the leadership of textiles during the past week. Apart from the general revival of confidence engendered by the softening of Auto-

THE CALCUTTA STEAM NAVIGATION CO. LTD.,

A dividend of 6½% or 65 n.p. per share for the half-year ended 30th June, 1957, has been declared payable on or after 1st May, 1958, in the Indian Union to those share holders registered in the Company's books on the 28th March, 1958.

Hoare Miller & Co., Ltd.,
Managing Agents.

5, Fairlie Place,
Calcutta,
the 28th March, 1958.

city's attitude toward private enterprise, sentiment had also been helped by the welcome features in the new import policy in which the raw material and other essential import needs of industry in general had been given due recognition. Hopes were also entertained about further concessions in the form of cut in export duties for tea and higher selling price for cement. In earlier dealings the undertone had been a bit cautious but after the announcement of the import policy sentiment became again firm with prices forging ahead under the leadership of steels and textiles. The market closed the week on a firm undertone.

Madras

STEADY conditions prevailed on the Madras Stock Exchange where Plantings continued to receive good support and Textiles were quietly steady.

London

BUSINESS on the London Stock Exchange was rather restricted due to the approach of the Easter holidays and the Budget Day. However, conditions remained cheerful and buying was selective. Bank Rate and Budget optimism were important influences; and sentiment was further assisted by the excellent March gold and dollar reserve figures.

Gilt-edged securities were prominent; South African Gold shares ruled firm, while Copper shares were dull under American influence. Oil shares were irregular. Rubber and Tea shares were quiet.

New York

PRICES on Wall Street were rather irregular. After initial indecision, there was a mild on-balance recovery. Both domestic and international Oils were among the higher issues with buying here said to reflect the belief that the group had been oversold of late. There was good investment demand, at times, for Drug shares.

Companies Act

An analysis of the working of the Companies Act in Northern zone, comprising of Punjab, Himachal Pradesh, Delhi, Uttar Pradesh and Rajasthan, shows that 39 companies with a total authorised Capital of over Rs 1.21 crores were registered during the last quarter of 1957. Out of the total number of companies registered, Punjab, and Himachal Pradesh and Delhi accounted for 6 and 23 and UP and Rajasthan for 7 and 3 respectively. As against this, 29 companies went into liquidation during the same period in the northern zone, the highest being shared by UP, 14 in number. Of the liquidated companies, 4 were public limited companies. In all, 25 companies were finally dissolved and 148 were struck off from the register, under section 560 of the Companies Act.

During the last quarter of 1957, 27 cases of infringement of the Companies Act were reported to the courts, involving a total fine of Rs 2080/- for the offenders. Only in 1 case, a managing director of a public company was convicted under sec 282 of the Indian Companies Act and sentenced to imprisonment till the rising of the court along with a fine of Rs 1000/-.

The analysis under review leaves no doubt that violations and infringements of the Act have been

THE PUBLICITY SOCIETY OF INDIA, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN that the Thirtieth Ordinary General Meeting of the Shareholders of the Company, will be held at the Registered Office of the Company No. 1, Waterloo Street, Calcutta, on Saturday the 26th April 1958 at 10-15 A.M.

To receive and approve the Directors' Report and the Audited Accounts for the year ended 31st March 1956 and to declare a dividend.

To elect Directors.

To appoint Auditors and fix their remuneration.

To consider and, if thought fit, to pass with or without modifications, the following resolutions:—

1. (As a special Resolution): Resolved that the authorised share capital of the Company be increased from Rs. 1,90,800 to Rs. 10,00,000 by the creation of 2,02,300 new Ordinary Shares of Rs. 4/- each paid up each ranking for dividend in all other respects pari passu with the existing Ordinary Shares of the Company except that these new shares shall not be eligible for any dividend to be declared for the period ended 31st March, 1958.

2. That it is desirable to raise further capital and accordingly it is decided that—

(a) 23,850 Ordinary Shares of Rs. 4 each paid up in the authorised capital of the Company and ranking for dividend and in all other respects pari passu with the existing Ordinary Shares in the Company except that these new shares shall not be eligible for any dividend to be declared for the period ended 31st March, 1958 shall be issued and offered in the first instance for subscription with the premium of Rs. 4 per share to the Ordinary Shareholders of the Company whose names appear on the Share Register of the Company on the 26th April 1958, in the proportion of one new Ordinary Share for every two existing Ordinary Shares held by them respectively;

(b) The Ordinary Shares which shareholders are entitled to take up shall be offered in accordance herewith to each shareholder entitled whose name appears on the Share Register of the Company on the said 26th of April, 1958 by notice specifying the number of Ordinary Shares to which he is entitled and limiting the time within which the offer, if not accepted, will be deemed to be declined and containing such terms as to payment or otherwise as the Directors may determine;

(c) The balance, if any, of the Ordinary Shares not taken up in response to such offer shall be offered for subscription by the Directors to friends, agents and clients of the Company as the Directors may think fit.

and

To transact such other business as may be properly transacted at an ordinary General Meeting.

The Share Transfer Books of the Company will be closed from 14th April 1958 to 26th April 1958 both days inclusive.

By Order of the Board

P. S. NILAKANTAN

Secretary.

Dated the 29th March, 1958

N.B. The member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in place of himself and a proxy need not be a member.

very few in number, compared to the short time that the companies have had yet to be thorough about the provisions of the act. But what deserves the attention of thinking people of the country, is the staggering number of companies gone into liquidation during the last quarter of 1957, in the northern zone. If not anything, the picture gives a sordid account of the deepening economic crisis that the country has been passing through. Like human lives, an equation between birth and death ratio does not explain away the balance in respect of companies. The picture of some of the States like Punjab and UP is indeed very grim, in so far as, the number of companies gone into liquidation almost outweigh the numbers registered during the same period. We have no reasons to believe that

the new comers, are in any way, better placed economically and that their lives will be longer than their predecessors.

We have also to take into account the larger number of companies, that have been either dissolved or struck off the register. The overall picture, therefore, bear the symptoms of a lurking sore that the economic body of the country has been suffering from. On going through the report on the working of the Companies Act in the northern zone, one is left with the indelible impression, that preservation of the companies has become more important than the Act. What is required of the authorities now, is to enquire into the causes of the ruination of so many companies rather than plugging the holes of the Act from the wrong end.

THE BOMBAY DYEING & MANUFACTURING COMPANY LIMITED

NOTICE

The Eighty-sixth Annual General Meeting of The Bombay Dyeing & Manufacturing Co., Ltd., will be held at the Registered Office of the Company, Neville House, Ballard Estate, Bombay, on Thursday, the 17th April 1958 at 4-30 P.M. to transact the following business:—

1. To adopt the Directors' Report, and the audited Balance Sheet and Profit & Loss Account for the year ended 31st December 1957.

2. To sanction the declaration of a Dividend.

3. To appoint a Director in the place of Sir Jamsetjee Jejeebhoy, Bart., who retires by rotation and, being eligible, offers himself for re-appointment; and to consider and, if thought fit, to pass the following resolution as a Special Resolution in respect of which a Special Notice, as required by Section 261 of the Companies Act, 1956, has been received by the Company:—

"RESOLVED that pursuant to the provisions of Section 261 and other applicable provisions (if any) of the Companies Act, 1956, Sir Jamsetjee Jejeebhoy, Bart., who retires by rotation and who is a Constituted Attorney and holding an office of profit under Messrs. Nowrojee Wadia & Sons (Private) Ltd., the Managing Agents of the Company, be and is hereby re-appointed a Director of the Company."

4. To appoint a Director in place of Mr. N. K. Petigara, who retires by rotation and, being eligible, offers himself for re-appointment.

5. To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board,
NOWROJEE WADIA & SONS
(PRIVATE) LTD.,
NEVILLE N. WADIA
Director,
Managing Agents.
Bombay, 7th March, 1958.

NOTES:—

(a) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the special business under item 3 set out above is annexed hereto.

(b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(c) The Share Transfer Books of the Company will remain closed from Tuesday, the 25th March, 1958, to Thurs-

day, the 17th April, 1958, both days inclusive.

(d) The Dividend when declared will be made payable, at the National Overseas & Grindlays Bank Ltd., Bombay, on or after the 28th April, 1958, to those Members whose names stand on the Register of the Company on the 17th April, 1958, and the Dividend Warrants will be duly posted to them.

(e) Members are requested to notify immediately any change of address to the Company.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956, ANNEXED TO THE NOTICE.

Item No. 3—Sir Jamsetjee Jejeebhoy, Bart., is a Director of the Company who retires by rotation and is eligible and offers himself for re-appointment. A Special Notice under Section 190 of the Companies Act, 1956, has been received proposing the appointment of Sir Jamsetjee Jejeebhoy, Bart., as a Director in accordance with the provisions of Section 261. As set out in the Special Notice received by the Company, the reasons which make it necessary to have a Special Resolution are as under:—

Sir Jamsetjee Jejeebhoy, Bart., has been a Director of the Company since 1934, and the members of his family have been associated with the Company for nearly half a Century. Sir Jamsetjee Jejeebhoy, Bart. is on the Board of many reputed concerns. He joined the Managing Agents in connection with their other activities. He has a very wide and varied experience, and during his long period of association with the Board has rendered valuable services to the Company. As it is in the interests of the Company that the Board should continue to receive the benefit of his advice, it is desirable that he be re-appointed a Director.

THE MEMBERS OF
THE BOMBAY DYEING &
MFG., CO., LTD.

THE AMALGAMATED ELECTRICITY CO., LTD.

The Registers of Members and Transfer Books of the Company will be closed from 14th to 22nd April, 1958, both days inclusive, in connection with Ad-interim dividend for the half-year ended 30th September, 1957, payable on or after 23rd April, 1958.

By Order of the Board,
For N. C. Javeri & Co.,
N. C. JAVERI,
Partner,
Mg. Agents.

Bombay, 31st March, 1958.

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1958-59

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CALCUTTA

April 5, 1958

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended	28-3-58	21-3-58	29-3-57
LIABILITIES:				
Notes in Banking Dept.		10,21,14	16,97,03	11,76,80
Notes in Circulation...		1578,13,39	1571,82,69	1526,09,38
		1589,34,53	1588,79,72	1537,86,18
ASSETS:				
A Gold Coin & Bullion:				
(a) In India		117,76,03	117,76,03	117,76,03
(b) Outside India...		...	...	...
Sterling Securities		171,19,43	171,19,43	412,51,91
Total of A		288,95,46	288,95,46	530,27,94
(B) Rupee Coin		129,28,66	128,73,85	122,61,05
Rupee Securities		1171,10,41	1171,10,41	884,97,19
		1589,34,53	1588,79,72	1537,86,18

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	5,00,00
National Agricultural Credit (Long-term Operations) Fund	20,00,00	20,00,00	15,00,00
National Agricultural Credit (Stabilisation) Fund	2,00,00	2,00,00	1,00,00
Deposits:			
(a) Central Govt.	48,33,31	49,70,80	64,56,88
(b) Other Govt's	54,85,01	77,58,43	31,94,68
(c) Banks	67,83,27	67,88,85	57,76,97
(d) Others	117,51,52	118,46,99	74,27,62
Bills Payable	29,41,08	22,76,82	28,03,01
Other Liabilities	41,04,73	39,28,22	117,00,19
	465,98,92	483,10,11	399,52,35

ASSETS:

Notes	10,21,14	16,97,03	11,76,80
Rupee Coin	10,68	10,55	8,89
Subsidiary Coin	2,76	2,81	9,49
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	7,67,89	10,28,67	2,97,52
Balances held abroad*	95,81,03	103,00,12	114,30,95
Loans & adv. to Govt*	21,23,24	24,20,41	7,65,46
Other Loans & Adv.	78,40,12	74,55,84	127,87,10
Investments	238,44,47	240,24,55	121,22,38
Other Assets	14,07,59	13,70,13	13,60,76
	465,98,92	484,10,11	399,59,35

(1) The item "Other Loans and Advances" includes Rs. 14,58,16,000 ad. raised to scheduled banks against clean bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	Week Ended	14-3-58*	7-3-58*	15-3-57
Demand Liabilities in India				
(i) Borrowings from banks other than the State bank & a notified Bank (A)...		13,65,56	11,82,17	10,07,74
(ii) Other demand liabilities		725,99,30	716,15,49	696,58,93
Time Liabilities in India				
(i) Borrowings from banks other than the State bank & a notified Bank (A)...		15,45,50	15,85,00	2,09,00
(ii) Other time liabilities...		707,52,82	710,62,52	465,20,38
Borrowings in India from the State Bank and/or a notified Bank				
(i) Demand Liabilities		9,68,27	9,87,95	9,34,79
(ii) Time Liabilities		85,00	85,00	...
Borrowings in India from the R. B. I.		36,29,26	36,91,93	81,59,91
Cash in India		38,36,00	40,38,44	35,62,85
Balances with the Reserve Bank of India		63,16,41	77,63,17	51,56,14
Balances with other banks in current account in India		11,52,14	11,11,00	9,52,61
Money at call and short notice in India		38,86,86	36,31,87	16,56,02
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Department Receipts		440,08,72	433,29,29	348,92,61
Advances in India		787,93,91	783,04,59	708,82,82
Inland Bills Purchased and Discounted in India		112,10,41	112,59,39	108,32,54
Foreign Bills Purchased and Discounted in India		40,06,66	40,79,69	57,77,02

*Figures are provisional since complete returns have not been received from Banks.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees).

	Week Ended	28-3-58	21-3-58	29-3-57
LIABILITIES:				
Capital Paid-up		5,62,50	5,62,50	5,62,50
Reserve Funds		6,62,50	6,62,50	6,37,50
Deposits and other Accounts		418,51,64	414,17,56	299,90,16
Borrowings from other Banks, Agents, etc.		3,28,00	...	11,91,00
Bills Payable		5,72,87	5,87,30	4,38,46
Bills for Collection as per contra		97,15	94,87	62,94
Acceptances etc. for constituents as per contra		66,17	35,66	4,93
Other Liabilities Including Inter-office Adjustments		2,16,93	1,98,32	2,28,76
Total		443,57,76	435,58,71	331,16,25
ASSETS:				
Cash in hand and with R. B. I.		18,49,78	20,49,82	17,39,24
Balances with other Banks		2,91,10	3,15,73	4,03,63
Money at call and short Notice		1,73,33	89,00	1,60,00
Government and other Trustee Securities		180,37,04	180,37,03	94,17,65
Other Authorised Investments		10,33,34	10,33,09	11,54,10
Loans Advances cash credits & Over Drafts		189,38,35	190,07,82	156,67,58
Bills Discounted and Purchased		21,13,29	21,71,26	28,46,91
Bills for collection as per contra		97,15	94,87	62,94
Constituents' Liabilities, etc., as per contra		66,17	35,66	4,93
Dead Stock		1,99,25	1,98,57	1,84,39
Other Assets		15,58,96	5,35,56	14,74,88
Total		443,57,76	435,58,71	331,16,25

CLEARING HOUSE RETURNS

Week ended 28th March 1958

Clearing House	No.	Amount
		Rs. nP
Madras	79325	16,95,64,845 00
Delhi	40335	12,00,09,350 69
Kanpur	23072	3,99,90,925 00
Bombay	283239	69,33,55,000 00

BANK OF ENGLAND

(In million £)

	Week ended.	19-3-58	12-3-58	20-3-57
Notes in Circulation		1,982.6	1,979.6	1,894.0
Notes in Banking Department		17.8	20.7	31.3
Govt. debt and securities		1,996.2	1,996.3	1,921.2
Other securities		0.8	0.7	0.8
Gold Coin and Bullion		0.4	0.4	0.4

BANKING DEPARTMENT:

DEPOSITS:			
Public Accounts	15.2	14.1	15.8
Treasury Special Account	...	...	...
Bankers	222.8	215.2	222.1
Other	74.5	73.8	72.0
Total	312.5	303.1	309.9
SECURITIES:			
Government	263.6	250.9	250.0
Discount and Advances	25.8	25.9	24.6
Other	21.4	21.6	20.3
Total	310.8	298.4	294.9
Banking Department reserves	20.2	23.1	33.5
"Proportion" %	6.4	7.6	10.8

Government debt is £11,015,000 capital £14,553,000
Fiduciary issue reduced to £2,000 million from £2,050 million on January 22, 1958.

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT: (In 000's of Rupees).

	Week Ended	21-3-58	14-3-58	22-3-57
LIABILITIES:				
Notes in Banking Dept.		13,95,48	13,94,22	14,83,54
Notes in circulation		338,08,75	341,32,32	329,66,16
		352,04,23	355,26,54	344,49,70
ASSETS:				
(A) Gold Coin & Bullion		11,40,93	11,40,93	11,33,41
Approved Foreign Exchange		78,91,30	79,25,90	85,23,82
India Notes receivable from Reserve Bank		43,02,30	43,02,30	43,02,30
(B) Rupee Coin		3,73,73	3,96,03	5,26,72
Govt. of Pak. Securities Held with Reserve Bank of India pending transfer		209,05,91	211,71,32	170,09,92
Gold coin & Bullion		19,02	19,02	19,02
Sterling Securities		4,40,63	4,40,63	4,40,63
Govt. of India Securities		1,00,90	1,00,90	1,00,90
Rupee coin		29,51	29,51	29,51
Total		352,04,23	355,26,54	344,49,70

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	3,00,00	3,00,00	3,00,00
Reserve Fund	3,00,00	3,00,00	3,00,00
DEPOSITS:—			
(a) Central Govt.	69,15,19	69,01,21	48,40,16
(b) Provincial Govts.	53,58	51,04	34,155
(c) Banks	16,76,11	16,25,77	13,29,83
(d) Others	4,72,50	4,95,55	8,56,67
Bills payable	18,50	16,91	26,55
Other Liabilities	10,85,27	11,34,01	13,13,54
	108,21,15	108,24,49	92,08,30

ASSETS:

Notes	13,95,48	13,94,22	14,83,54
Rupee Coin	31	30	14
Subsidiary Coin	28	25	23
Bills purchased & disc'd.			
(a) Internal	...	...	...
(b) External	2,15	2,85	9,48
(c) Govt. Treasury Bills	1,82,00	1,94,00	26,00
Loans & Adv. to Govts.	9,47,74	11,54,61	4,82,61
Provincial Governments	12,88,79	14,76,10	15,81,88
Other Loans & Advances	56,99,84	54,49,68	44,41,18
Investments	13,05,36	11,52,48	11,83,34
Other Assets	...	...	...
Total	108,21,15	108,24,49	92,08,30

Ratio of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange to Banks' notes issued, 39.47 per cent.

SCHEDULED BANKS IN PAKISTAN

(In 000's of Rupees).

	Week Ended	14-3-58	7-3-58	15-3-57
DEMAND LIABILITIES:				
(a) General		163,44,19	165,60,72	142,26,57
(b) (i) Deposits from Banks		14,98,47	12,60,76	6,23,82
(ii) Borrowings from Banks		6,93,57	7,78,52	8,15,95
TIME LIABILITIES:				
(a) General		64,95,96	64,83,80	55,17,51
(b) (i) Deposits from Banks		3,84,43	3,84,43	3,75,36
(ii) Borrowings from Banks		95,00	1,20,00	1,58,50
Borrowings from the state Bk		13,96,55	13,77,05	17,33,60
CASH IN PAKISTAN:				
(a) Pakistan Notes		5,02,52	5,06,07	4,42,50
(b) Pakistan Rupee Coins		23,39	23,29	19,50
(c) Pak. Subsidiary Coins		7,20	7,01	3,32
BALANCE WITH THE STATE BANK:				
(a) Principal Office		10,71,23	10,37,00	7,47,61

Tata-Fison hit Calcutta

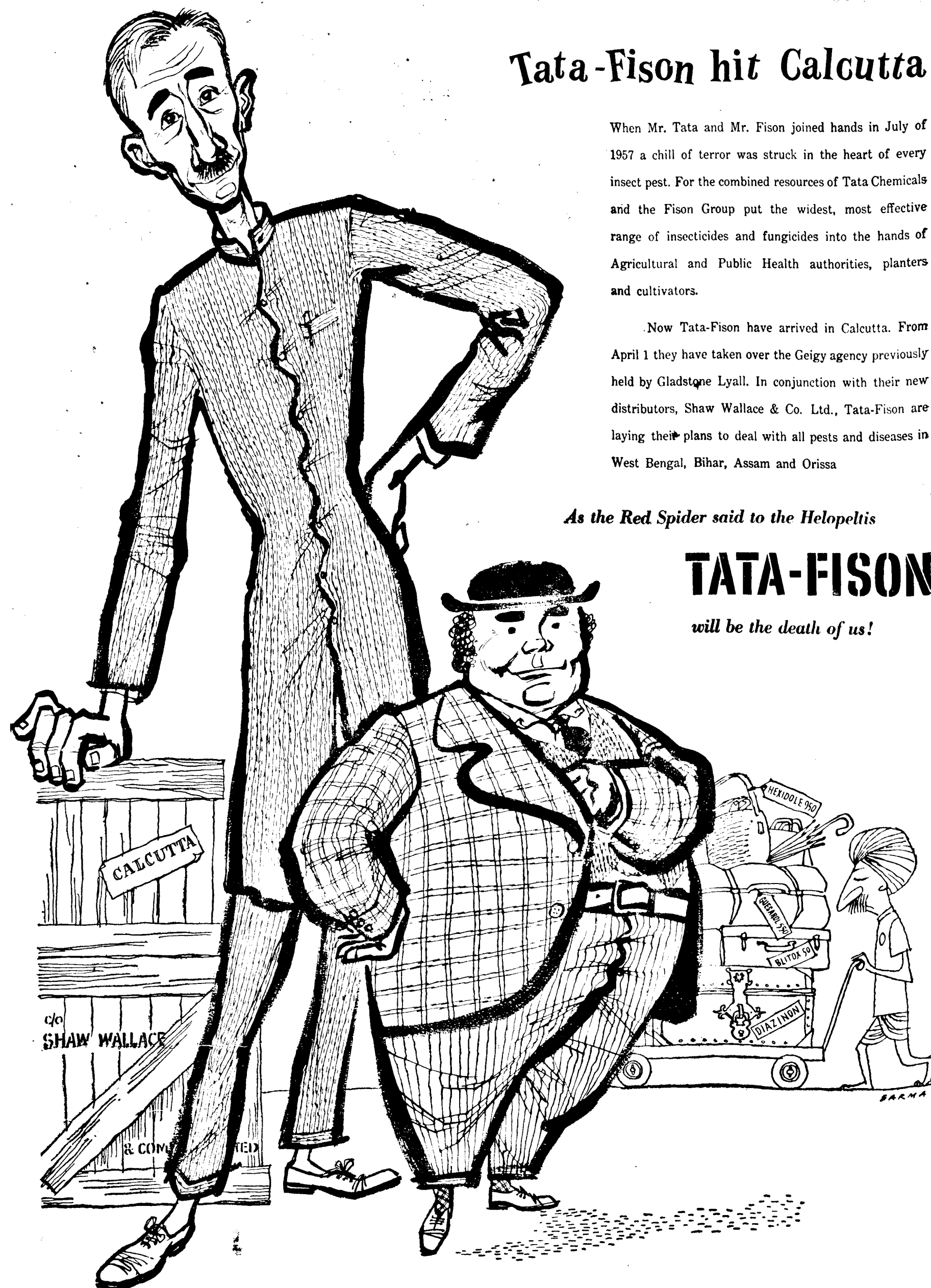
When Mr. Tata and Mr. Fison joined hands in July of 1957 a chill of terror was struck in the heart of every insect pest. For the combined resources of Tata Chemicals and the Fison Group put the widest, most effective range of insecticides and fungicides into the hands of Agricultural and Public Health authorities, planters and cultivators.

Now Tata-Fison have arrived in Calcutta. From April 1 they have taken over the Geigy agency previously held by Gladstone Lyall. In conjunction with their new distributors, Shaw Wallace & Co. Ltd., Tata-Fison are laying their plans to deal with all pests and diseases in West Bengal, Bihar, Assam and Orissa.

As the Red Spider said to the Helopeltis

TATA-FISON

will be the death of us!



SENTIMENT on the stock exchange has been quite cheerful throughout March with equity prices recording sizable gains on sustained investment interest. Second thoughts on the Central Budget seemed to have engendered a feeling of optimism. The initial disappointment had been caused by the absence of the expected concessions such as abolition of the compulsory deposit scheme, a reduction in the excise duty on cotton textiles, a reduction or abolition of the bonus and dividend taxes etc. However, the disappointment yielded place to a constructive attitude when the implications of the absence of fresh levies came to be realised.

There has been no doubt a new levy—the gifts tax. But it has been expected. Otherwise the Budget has confirmed the belief that the worst in taxation has been left behind. In other words the rest of the second Plan period will not witness any new attempts at fresh taxation. Moreover the budget is not entirely bereft of concessions. Shipping companies have been given increased development rebate from 25 per cent to 40 per cent. The dividend tax for Section 23A companies has been revised: the existing three slabs have been converted into two. As a result of this revision Section 23A companies will have to pay only 20 per cent as tax on dividends exceeding 10 per cent whereas other companies will be assessed for dividend tax under three slabs. This is considered to be a real gain to the companies falling under this category.

Apart from the absence of new levies and some small concession the revival of confidence has stemmed mainly from the tone and tenor of the speech of Mr. Nehru when he introduced the budget. It may be recalled that while Mr. Nehru has been quite firm about the new taxation structure and the need for mopping up additional funds for the implementation of the Plan, he has also made it clear that private enterprise should be given adequate facilities to function efficiently.

Marketmen, however, have somewhat been worried over the radical changes in the clause pertaining to the Development Rebate. Hereafter the Development rebate should be utilized only for the acquisition of assets for the undertaking or for investment in the undertaking and that such utilisation should be made within the ten years following the accounting year. The new assets should not be transferred, or sold to any person other than Government. These changes will reduce the rate of dividend and consequently will retard capital formation. It is also apprehended that they will bring about other complications which will slow down the progress of the concern.

Despite this apprehension, the undertone has continued to be steady largely because of the ex-

Firm Trend During March

pectations that Government will take remedial action in due course in this regard. Trading during the Second week had been somewhat adversely affected by reports of labour unrest in Burnpur. With the return of normal working in Burnpur the market resumed its upward movement aided by hopes of some reliefs in respect of cotton textiles and tea.

In the course of the general debate on the budget Mr. Nehru announced that the excise duty on cotton textiles had been reduced and that such reduction would involve a loss of Rs 15 crores to Government. He also

announced that companies would not be required to make compulsory deposit during 1958-59. There was some disappointment that no relief had been given in regard to tea and that the compulsory deposit scheme had not been completely abolished. But from official indications it was inferred that the absence of relief for tea was due to some technical difficulties as all types of teas were clubbed together for purposes of export duties. As regards the compulsory deposit scheme it was generally believed that its repeal would be made permanent in due course. With the announcement of the

PRICE TRENDS DURING MARCH, 1958.

		Opening	High	Low	Closing
Gifts:					
3% 1986	...	70.70	71.50	70.70	71.05
Banks:					
Punjab National	...	52.00	53.00	52.00	52.25
United Commercial	...	59.00	60.00	59.00	59.50
Textiles:					
Kesoram	...	9.69	11.81	9.69	11.62
Coal:					
Burrakur	...	22.60	23.25	22.54	23.25
Bengal	...	208.00	216.00	206.00	210.00
Central India	...	6.69	7.12	6.69	7.00
West Bengal	...	5.22	5.65	5.15	5.44
Jutes:					
Anglo India	...	130.00	137.00	130.00	135.50
Howrah	...	13.50	13.81	12.81	13.81
National	...	22.00	23.00	21.00	21.90
Teas:					
Banarhat	...	297.00	302.00	295.00	302.00
Bishnauth	...	19.12	20.75	19.12	19.87
Brooke Bond	...	16.25	17.50	16.25	16.50
Hasimara	...	20.12	21.25	20.12	20.81
Tezpur	...	16.00	17.12	16.00	16.75
Engineering:					
Indian Iron	...	19.93	21.59	19.45	21.42
Texmaco	...	17.20	18.75	17.20	18.70
Jessop	...	23.50	24.75	20.50	21.50
Sugar:					
Carew	...	6.69	7.62	5.31	7.44
Champanur	...	22.12	22.37	20.12	20.50
Cawnpore	...	12.00	12.00	11.62	11.75
Miscellaneous:					
Indian Copper	...	2.83	3.36	2.83	3.30
Orient Paper	...	24.60	28.45	24.60	28.25
Titaghar	...	34.00	34.87	33.87	34.50
Indian Cable	...	28.31	29.37	28.18	29.37
India Steam	...	12.06	12.31	10.81	11.00
Martin Burn	...	25.25	24.06	23.37	23.75
Rohtas	...	16.00	17.06	15.81	16.50
Dunlop	...	22.12	24.00	22.12	24.00
Hind Motors	...	5.97	7.43	5.97	7.25
National Carbon	...	25.25	25.25	23.75	24.44
Indian Aluminium	...	12.75	13.03	12.62	12.75
Hindustan Lever	...	20.81	21.87	20.50	21.87
Philips	...	13.87	14.12	13.62	14.00
Sone Valley	...	5.25	5.25	5.00	5.06

concessions equity prices forged ahead with a sizable expansion in the business passing. The general feeling was that the stock markets were poised for a long bull phase.

During the last week of the month, trading had been characterised by alternate bouts of selling and buying. It would appear that ever since the new concessions were announced there had been an apprehension that the Government would not leave the loss of revenue as a result of the reduction in excise duty uncovered. That gave rise to rumours about the imposition of excise duties on a variety of commodities. In that connection, iron, steel, paper and

rayon were prominently mentioned. As a result bears were able to depress prices from time to time but the general sentiment was against their making much headway. For, as against the reports about excise duties on new commodities, there were the expectations that tea would get relief and that suitable amendments would be made with regard to the development rebate. The reduction in the British Bank Rate from 7 per cent to 6 per cent and the bright outlook for more foreign aid were contributory factors for the buoyant mood of marketmen. The new concessions have made the Budget quite a good one in the context of the Second Five Year

Plan and naturally operators and investors are now less prone than a month ago to pessimistic appraisals of the investment situation.

Sectionwise, jute shares were neglected during most part of the month, but toward close there was a broadening of activity with selected scrips making some headway on buying support. The jute goods trade passed through an anxious time early in the month due to a sudden decline in prices of jute goods. Thanks to the timely intervention of the IJMA whose members decided not to sell below certain fixed rates, a serious crisis had been averted. The Government of India announced that the Forward Market in jute and jute goods would commence from 29th March. This news also helped the recovery movement in the jute markets and consequently jute shares derived some benefit in the shape of improved enquiries. It is generally believed that with the futures market in operation and with other measures taken both by the industry and Government to strengthen the position of the industry, jute companies will have a better time in coming months.

In the coal section selected shares continued to meet with support. Though a broadening of interest was noticeable toward close, it would appear that investors were reluctant to extend commitments before the recommendations of the coal prices Revision Committee were known.

Tea shares were a steady market. In earlier dealings sentiment was helped by the expectation of a cut in export duty. But when it did not find a place in the announcement made by Mr. Nehru in Parliament during the general debate on the budget, there was some disappointment. It was, however, said that the absence of the concession was probably due to technical difficulties. This had revived hopes of the concession.

In the Engineering section, Indian Irons were in good demand throughout the month. It began the month with the quotation at Rs 19.53 but soon crossed the Rs 20 mark to be placed at the end of the first week at Rs 20.85. The next week the scrip was somewhat subdued and closed at Rs 20.33 following report of labour unrest in Burnpur. During the third week the scrip crossed the Rs 21 mark and after touching a high of Rs 21.44 close at Rs 21.33. The scrip continued to rule fully steady during the last week of the month and at one time was done upto Rs 21.59 to close at Rs 21.49. Other Engineering shares were also steady.

Sugar shares were generally steady due to the satisfactory statistical position of the industry coupled with hopes of export. Textiles shares were in good demand following the reduction in excise duty. Banks were steady.

JUTE

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Ra. 000	Sales Ra. 000	Stock Ra. 000	Managing Agents Commission and allowances Ra. 000	Year ended Ra. 000	Net Profit Ra. 000	Net Profit for the previous period Ra. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Agarpara ...	B. N. Elias & Co. ... 7% C. P. ... 5 1/2% Deb. ...	554	325	154.10	248.66	77.59	50	3-57	(a) 4.69	(a17) 4.15	2 1/2	5 1/2	7 1/2
Alexandra ...	McLeod & Co. Ltd. ... 7% C. P. ... 5 1/2% Deb. ...	296	150	30.85	34.11	30.77	...	12-56 H	(a3) 61	3.77	5	5	5
Alliance ...	McLeod & Co. Ltd. ... 6% C. P. ...	797	467	...	98.11	28.01	39	6-56 H	(a26) 121	(i) 1.23	nil	3 1/2	6
Anglo India ...	Duncan Bros. & Co. ... 7% C. P. ...	1,589	972	356.65	515.25	142.10	50	3-57	(a23) 15.72	(y) 25.63	7	7	11
Auckland ...	Bird & Co. Private Ltd. ... 5 1/2% C.P. ... 4 1/2% R. C. P. ... 4% Deb. ...	450	360	116.48	160.42	42.64	40	3-57	(a) 3.14	(a) 9.23	nil	5 1/2	8 1/2
Bally ...	Birla Bros. Private Ltd. ... 7% C. P. ...	659	300	54.82	190.55	46.23	9	3-57	2.75	(b) 2.98	2	7	3 1/2
Barnagore & ...	Jardine Henderson ... 5% C. P. ...	1,124	766	...	...	...	...	3-57	-74	-28	nil	7	15
Belvedere ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	601	219	...	106.94	5.90	...	12-56	(a1) 2.05	(a18) 3.36	nil	5	5
Bengal Jute ...	Soorajmull Nagarmull ... 5 1/2% R. C. P. ... 4 1/2% Debentures ... 4% Debentures ...	350	250	...	283.71	26.71	1.43	6-56	10.86	15.21	10	11 1/2	11 1/2
Birsa ...	Birla Brothers Private ... 7 1/2% C. P. T. ... 5 1/2% R. C. P. ...	982	391	...	431.22	49.91	2.21	3-57	24.80	29.88	10	10	10
Budge Budge ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	552	439	...	152.26	9.61	26	10-56	(a) 2.45	(a19) 5.45	nil	5 1/2	7 1/2
Caledonian ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	371	245	...	93.00	4.50	25	11-56	(a2) 4.44	4.73	nil	6 1/2	9
Champdany ...	James Finlay & Co. Ltd. ... Andrew Yule & Co. Ltd. ...	761	639	208.74	333.61	58.41	50	3-57	(a24) 1.51	(a9) 27.02	7	7	7
Chevio ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	480	50	...	75.04	5.69	25	11-56	(w) 2.18	(m) 2.44	2	10	14
Chitavalash ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	124	376	35.15	69.29	8.55	1.45	6-56 H	6.94	6.34	6 1/2	6 1/2	7 1/2
Clive ...	S. K. Inv. Co., Ltd. ... 6% C. P. ... 7% C. P. ...	546	423	51.33	9.822	3.513	50	3-57	-3.00	5.33	nil	6	12 1/2
Dalhousie ...	Bird & Co. Private Ltd. ... 7% C. P. ... 5 1/2% Debentures ...	496	270	97.05	149.16	9.92	45	3-57	(a10) -40	(a) 45	nil	1	4 1/2
Delta ...	Andrew Yule & Co. Ltd. ... 5% C. P. ...	458	321	...	103.87	8.34	27	11-56	(i) 2.20	(a) 3.61	5	10	12
Empire ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	295	205	28.03	39.21	8.45	58	6-56 H	2.90	2.41	5	5	7 1/2
Fort Gloster ...	Kettlowell Bullen & Co. ... 7% C. P. ... 5% 2nd C. P. ... 5 1/2% Debentures ...	1,098	786	...	396.37	88.48	89	3-57	11.48	12.37	10	12 1/2	15
Fort William ...	Bangur Brothers Ltd. ... 7% C. P. ...	633	881	...	211.21	40.50	64	3-57	9.69	11.44	15	17 1/2	20
Ganges ...	Macneill & Barry ... 8% C. P. ...	1,001	708	15.13	140.34	20.27	2.09	3-56 H	-1.44	(a) 2.86	nil	4	2 1/2
Gondalpara ...	Directors ... Deb. ...	413	197	143.90	194.11	30.06	...	12-56	(c) 7.62	-2.03	16 1/2	4	4
Gourapore ...	Macneill & Barry ... 6% C. P. ...	962	432	190.42	290.38	14.68	50	3-57	(a22) 6.79	(b) 7.34	2 1/2	10	15
Hastings ...	Bangur Bros. Ltd. ... 6% C. P. ...	661	417	142.31	250.29	17.21	95	3-57	(r) 19.63	20.42	5	5	11 1/2
Hooghly ...	Directors ... 10% Pref. (i) ...	466	254	10.499	14.382	375	...	3-57	(a7) 557	-1.81	5	5	6
Howrah ...	Jardine Henderson Ltd. ... 7% C. P. ... 7 1/2% A. C. P. ... 5 1/2% Debenture ...	1,234	706	263.51	365.27	105.39	50	3-57	-14.90	(f) 12.02	nil	5	12 1/2
Hukumchand ...	Ramchutt Ramkissondas ... 7% C. P. ... 3 1/2% Deb. ...	1,519	753	314.66	480.74	69.08	2.09	3-57	23.76	29.15	20	20 1/2	26 1/2
India ...	Directors ...	522	554	...	191.83	38.01	...	3-57	(a6) 9.44	(a4) 10.19	7 1/2	5	5
Kamarhaty ...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 5 1/2% Debentures ...	1,250	547	101.56	147.65	63.48	25	12-56 H	-5.35	-3.71	nil	nil	3

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Depreci- ation	LIQUID ASSETS				
	March 1958 Rs. np.	March 1957 Rs. s			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standings	Cash Balances	Others
	Ra. np.	Ra. s	Ra.	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Agarpara ...	7 25	8 4	10	60.00	39.23	5.00	19	80.82	120.20	53.26	4.02	92.06	42.65	1.53	6
7% Cum. preference ...	91 50	99 0	100	10.00											
5½% Debentures ...	905 00	975 0	1000	12.00											
Alexandra ...	90 00	189 0xd	100	6.00	4.00	6.25	1.70	29.92	56.93	38.47	70	36.12	5.09	55	2.85
7% Cum. preference ...	75 00	94 0xd	100	9.00											
5½% Debentures ...	455 00	475 0	500	6.00											
Alliance ...	59 50	105 0	100	30.00	2.75	2.50	34	54.03	117.62	94.41	2.10	64.64	12.87	1.81	...
6% Cum. preference ...	70 00	97 0	100	15.00											
Anglo India ...	137 80	138 0	100	49.21	50.00	16.00	1.78	180.78	311.47	203.15	41.18	155.12	29.31	3.29	45
7% Cum. preference ...	83 50	102 0	100	40.00											
Auckland ...	82 00	84 3	100	40.00	12.50	20.84	-3.79	54.95	141.67	55.35	3.27	50.96	16.35	16	7.42
5½% Cum. preference ...	75 00	80 8	100	10.00											
4½% R. Cum. preference ...	50 00	61 0	100	15.00											
5% Debentures ...	770 00	880 0	1000	15.00											
Bally ...	135 00	160 0	100	20.00	16.50	5.00	67	33.91	97.26	66.52	1.01	51.55	11.30	1.48	...
7% Cum. preference ...	81 00	103 0	100	20.00											
Barnagore & ...	82 00	90 0	100	2.75	2.15	4.10	-1.56	10.12	16.67	9.62	15	8.26	3.74	35	...
5% Cum. preference ...	30 00	38 0	100	2.00											
Belvedere ...	78 00	105 0	100	28.00	10.09	16.47	1	30.64	94.68	51.49	55	42.46	5.99	2	...
7% Cum. preference ...	84 00	95 0	100	7.00											
Bengal ...	11 50	15 4	10	45.00	24.00	11.45	1.46	72.88	57.92	33.73	5	44.48	48.88	67.79	4
5½% R. C. P. ...	72 50	77 0	100	10.00											
4½% Debentures ...	900 00	937 8	1000	10.00											
5½% Debentures ...	900 00	950 0	1000	10.00											
Birsa ...	14 50	15 6	10	91.26	45.00	175.87	2.67	88.91	364.24	153.36	79.31	67.07	90.03	43.75	10.37
7½% C. P. T. ...	75 50	90 0	100	23.64											
5½% R. C. P. ...	...	...	...	82.05											
Budge Budge ...	80 00	90 0	100	36.00	12.76	8.34	4	24.06	117.09	72.35	76	42.71	2.02	5	...
7% Cum. Preference ...	88 00	102 0	100	9.00											
Caledonian ...	96 50	110 0	100	18.00	23.19	3.27	21	23.53	87.44	45.04	46	30.37	4.96	1	...
7% Cum. preference ...	93 00	105 8	100	10.00											
Champdany ...	95 50	136 0	100	59.16		76.49	-7.24	63.66	228.05	119.61	2.06	67.89	12.63	46	39
Chaviet ...	120 00	126 0	100	15.95	14.27	9.03	9	13.09	82.74	57.70	66	32.84	3.87	1	...
7% Cum. preference ...	86 00	109 0	100	10.00											
Chitavalash ...	12 81	11 6xd	10	30.15	18.00	9.00	1.01	22.00	66.69	48.44	9.11	33.90	9.46	29.90	...
7% Cum. preference ...	91 50	97 8xd	100	5.00											
5% Debenture ...	445 00	475 0	500	10.69											
Clive ...	13 75	13 15	10	2.400		900	-2.74	2.961	8.149	6.173	6	4.129	1.364	51	...
5% Cum. preference ...	53 75	78 0	100	800											
7% Cum. preference ...	74 00	91 0	100	800											
Dalhousie ...	68 00	82 0	100	31.49	8.72	44.48	-8.76	37.34	134.50	51.19	6.16	29.27	20.78	1	52
7% Cum. preference ...	79 00	102 0	100	15.00											
5½% Debentures ...	900 00	950 0	1,000	20.48											
Delta ...	93 00	126 0	100	28.00	17.58	22.93	5	19.41	77.35	47.66	15.14	43.12	4.90	2	...
5% Cum. preference ...	70 00	86 0	100	5.00											
Empire ...	14 62	14 14xd	10	15.00	24.50	10.00	76	14.17	83.93	60.86	9.37	32.28	13.37	5.20	...
7% Cum. preference ...	81 50	99 8xd	100	10.00											
5% Debentures ...	450 00	472 8	500	8.86											
Fort Gloster ...	295 00	309 0	100	21.00	54.40	8.00	2.45	103.26	241.58	169.62	1.89	10.86	45.24	2.91	20
7% Cum. preference ...	96 50	105 0	100	7.00											
5% Cum. preference ...	64 00	72 0	100	17.95											
5½% Debenture ...	96 00	99 0	100	21.00	14.50		1.71	81.35	120.16	58.00	1.18	45.94	17.95	97	36
Fort William ...	17 19	18 9	10	21.00											
7% Cum. preference ...	91 50	107 0	100	10.00											
Ganges ...	48 50	47 8	100	84.32			-2.67	75.26	211.07	132.89	4.81	59.32	20.46	13	...
8% Cum. preference ...	100 00	112 0	100	6.00											
Gondalpara ...	485 00	750 0	300	10.80	25.50	2.50	12	35.18	76.08	50.72	1.10	35.52	11.57	56	...
Debentures ...			300	2											
Gaurepore ...	216 00	222 0	100	24.00	3.50	21.00	45	131.25	222.42	158.82	44.09	80.66	21.26	45	...
6% Cum. preference ...	71 50	79 0	100	26.50											
Hastings ...	110 00	119 0	100	40.00	21.50	37.93	3.00	61.47	1.8.36	58.69	33.63	56.77	28.23	61	...
6% Cum. preference ...	84 00	85 0	100	25.00											
Hooghly ...	12 69	18 0	10	1.680	160	1,577	7	1,197	6,657	4,947	83	2,738	1,248	19	...
10% Preference [t] ...	7 44	10 10	10	1,176											
Hewrah ...	13 81	16 0	10	65.62	12.76	34.50	-24.66	136.47	234.14	111.59	4.31	129.43	21.74	1,57	1,33
7% Cum. preference ...	90 00	104 0	100	8.75											
7% 'A' C. P. ...	83 00	101 0	100	17.50											
5½% Debentures ...	94 00	97 8	...	30.00											
Hakumchand ...	15 62	22 0	7½	52.50	25.37	3.50	1.14	119.98	293.22	157.52	16.02	75.53	35.83	4.42	...
7% Cum. preference ...	82 25xd	101 8	100	40.00											
3½% Debentures ...			1000	25.00											
India ...	103 00	125 8	125	87.30		16.54	95	48.47	138.02	84.79	34.42	43.94	20.77	89	...
Kamarhaty ...	80 00	94 0	100	24.00	12.00	6.25	-8.80	112.53	126.06	113.40	1.91	85.49	25.83	1.61	67.50
8% Ordinary ...	79 00	79 0	100	19.20											
6% Cum. preference ...	74 00	84 0	100	16.00											
3½% Debentures ...	90 00	95 0	...	13.04											

NAME	Managing Agents/ Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents/ Commission and allowances Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Housing	Sinking								Latest	First previous	Second previous
Kanknarrah...	Jardine Henderson Ltd. B. Ord. 6% C.P. 4% R.C.P. 5% Debentures	1,239	288	91.51	117.26	59.54	25	12-56 H	-11.38	-9.06	Nil	nil	nil
Kelvin...	McLeod & Co. Ltd. 7% C.P.	394	309	9,614	15,776	4,177	54	5-57	846	1,176	9	12 1/2	20
Khardah...	Anderson Wright Ltd. 6% C.P.	914	616	219.56	330.90	93.86	56	3-57	8.43	13.30	7	7	7
Kinnison...	F. W. Hoilgers & Co. Pri. 7% C.P. 5% Debentures	672	578	178.31	248.40	77.32	50	3-57	(a)8.97	(a11)19.87	6	12	12
Lansdowne...	Bird & Co. Private 7% C.P.	579	352	118.02	177.38	22.83	45	3-57	(d)-1.85	(a12)73	nil	2	6
Lawrence...	Bird & Co. Private 7% C.P. 5 1/2% B.C.P. 5 1/2% Debentures	484	356	108.51	152.73	24.66	40	3-57	(p)-7.21	(a13)2.03	nil	3 1/2	7
Mahabir Magna	Agrawal Brothers Directors	28 612	123 396	9.42	52.18 232.42	6.71 67.47	52	9-54 3-57	-1.02 (a8)9.39	-1.99 (a5)10.81	nil	5	5 1/2
Nalhati...	F. W. Hoilgers & Co. Pri. Ltd. 7% C.P. 4 1/2% R.C.P. 5 1/2% Debentures	493	322	104.38	162.08	28.63	45	3-57	(u)-4.37	(a27)6.44	Nil	nil	nil
Naskarpara...	Hewrah Trading Co. Private 5 1/2% Debentures	333	92	34.37	12.29	4.26	3,17	10-56	-7	5.78	nil	12 1/2	11 1/2
Nasima...	Andrew Yule & Co. 7% C.P.	573	279	...	122.42	6.12	26	10-56	(k)4.74	(a20)9.51	7.45	17 1/2	20
Nellimarla...	McLeod & Co. Ltd. 6% C.P. 4% Deb. 7% C.P.	100	216	22.42	47.10	7.16	1,01	6-56 H	4.70	5.11	5	5	5
New Central	Sahu Jain Ltd. 7% C.P.	10,39	7,26	314.16	722.36	57.70	3,17	12-56	38.28	46.14	15	15	...
Northbrook...	Bird & Co. Private Ltd. 5 1/2% C.P.	214	353	87.63	133.18	50.76	40	3-57	(a28)4.97	15.51	nil	22 1/2	15
Nuddas...	Macneill & Barry	644	448	158.78	234.44	10.79	50	3-57	(a14)4.75	(1)6.04	nil	1	2
Orium...	Andrew Yule & Co.	551	50	...	48.31	4.72	25	11-56	(a)1.90	(a21)285	3	9	10
Premchand Presidency	R. J. Roy Bros. Private Ltd. McLeod & Co. Ltd. 4% Deb.	364 238	240 162	...	8,850 66.26	1,122 3.69	1,43	4-56 12-55 H	(a30)358 1.29	205	Nil	Nil	Nil
Rameshwara...	Birla Bros Private Ltd. 6% C.P.	...	305	9.14	89.67	15.07	...	3-56	(a15)2.98	-54	Nil	Nil	Nil
Reliance...	Jardine Henderson 7% C.P. 5% Deb.	924	352	118.85	181.21	49.27	50	3-57	-22.01	-11.43	Nil	Nil	Nil
Shree Ambica	Bageria More 7 1/2% C.P.	703	208	72.45	196.72	21.28	2,01	3-56	8.82	12.45	2 1/2	10	10
Soorah...	Hind Inv. Corp. 7% C.P. 4 1/2% Deb.	201	200	...	103.39	16.66	70	12-56	8.67	10.54	7 1/2	7 1/2	7 1/2
Standard...	Bird & Co. Private Ltd. 6% C.P. 5 1/2% Debenture	367	283	83.16	128.12	22.03	40	3-57	(a29)1.82	-59	nil	nil	2
Union...	Bird & Co. Private Ltd. 7% C.P. 4 1/2% Deb.	758	568	153.64	233.35	39.31	50	3-57	(v)-7.99	(a16)8.82	nil	6	10
Waverley...	McLeod & Co. Ltd. 3 1/2% C.P.P. 3 1/2% Debenture	306	159	29.97	47.85	9.48	14	6-56 H	(a25)66	-1.05	nil	6 1/2	12 1/2

(a) After transferring Rs 3,00,000 from Development Rebate Reserve, Rs 1,55,000 from Reserve for Taxation Contingencies and Rs 63,186 from Jute Stock Reserve.
(b) After transferring Rs one lakhs from General and Dividend Reserve.
(c) After writing back Rs 1,36,338 from provision made for loss on stock of jute at mill. Afloat and forward jute purchases, etc.
(d) After transferring Rs 1,14,000 from Reserve for taxation contingencies and Rs 70,000 from Jute Stock Reserve.
(e) After writing back Rs 4,22,698 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,066 being provision against anticipated loss on jute contracted for and after transferring Rs 5,65,000 from General Reserve and Rs 63,000 from Dividend Equalisation Reserve.
(f) After transferring Rs 5,00,000 from General Reserve and Rs 3,00,000 from Machinery Renewal Reserve, Rs 2,00,000 from Dividend Equalisation Reserve and Rs 2,00,000 from Jute Stock Reserve.
(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.
(h) After transferring Rs 3,00,000 from General Reserve.
(i) After writing back Rs 3,04,000 being provision against anticipated loss on raw jute stock and work in progress and Rs 4,225 being provision against anticipated loss on jute contracted for Rs 38,000 being excess provision for taxation; and after transferring Rs 3,90,000 from General Reserve and Rs 22,500 from

Dividend Equalisation Reserve.
(j) After transferring Rs 4,26,000 from Reserve and writing back Rs 30,000 from Workers' Provident Fund shown in excess in previous half-year and Rs 81,000 from provision for possible loss on forward contracts.
(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contracted for; Rs 14,000 being excess provision for taxation and Rs 1,95,000 from Dividend Equalisation Fund.
(l) After transferring Rs 8,50,000 from General Reserve.
(m) After transferring Rs 1,00,000 from Dividend Equalisation Fund and Rs 75,000 from General Reserve.
(n) After transferring Rs 1,01,808 from General Reserve and Rs 6,879 from provision for taxation and after including Rs 1,28,603 being refund of taxes.
(o) After transferring Rs 2,00,984 from General Reserve and Rs 88,366 being excess depreciation.
(p) After transferring Rs 1,08,998 from Jute Stock Reserve; Rs 62,400 from Reserve for Tax contingencies; Rs 21,000 from Development Rebate Reserve; and writing back Rs 52,371 from provision for taxation and Rs 10,000 from Dividend Equalisation Reserve.
(q) After transferring Rs 7,50,000 from General Reserve.
(r) After transferring Rs 5,00,000 from provision for contingencies and Rs 1,00,000 from provision for tax-

tion.
(s) After transferring Rs 8,23,000 from Reserve for Tax contingencies; Rs 2,30,000 from Jute Stock Reserve; and Rs 1,47,000 from Development Rebate Reserve and including Rs 1,89,366 being Requisition of which only 8 per cent is cumulative.
(u) After transferring Rs 36,026 from Jute Stock Reserve.
(v) After transferring Rs 3,28,000 from Tax contingencies Reserve; Rs 2,50,000 from Jute Stock Reserve and Rs 5,000 from Development Rebate Reserve.
(w) After writing back Rs 2,37,786 being provision against anticipated loss on raw jute and work in progress; Rs 7,350 being provision against anticipated loss on jute contracted for; Rs 19,500 being excess provision for taxation and Rs 85,000 from Dividend Equalisation Reserve and Rs 4,25,000 from General Reserve.
(x) After writing back Rs 1,63,396 being provision against anticipated loss on raw jute and work in progress and Rs 16,800 being provision against anticipated loss on jute contracted for and after transferring Rs 2,80,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.
(y) After transferring Rs 8,94,144 from Capital and after providing Rs 2,70,141 for Sales-tax Liability.
(z) After writing back Rs 1,00,000 from excess provision for taxation and Rs 25,000 from provision against anticipated loss on forward contracts.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserve & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block	Depreciation	LIQUID ASSET:				
	March 1958	March 1957			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standing	Cash Balance	Others
	Ra. np.	Ra. as.													
Kanknarrah ...	48 00	55 0	100	30.00	6 00	2,75	-21,37	121,76	175,75	87,50	1,77	73,87	20,27	2,65	3,23
B. Ordinary ...	43 50	55 0	100	24,00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	77 00	87 8	100	10,00	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	4,23	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	90 00	97 0N	100	12,69	...	...	...	...	...	...	...	...	...	...	...
Kelvin ...	172 00	299 0sd	100	2,100	4,350	950	87	3,949	13,545	8,878	608	5,325	1,500	354	...
7% Cum. preference ...	85 50	104 8sd	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Khardah ...	122 00	120 0	100	54,00	2,333	...	27	133,40	196,61	122,04	1,40	110,88	31,56	1,34	...
6% C. P. ...	73 50	89 8	100	9,00	...	...	...	...	...	...	...	...	...	...	...
Kinnison ...	117 00	120 0	100	48,00	27,91	52,32	29	96,89	236,19	98,60	10,47	95,79	21,18	37	2
7% Cum. preference ...	80 25	102 0	100	15,00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	900 00	965 0	1000	25,00	...	...	...	...	...	...	...	...	...	...	...
Lansdowne ...	65 00	91 0	100	24,48	11,74	25,76	-9,98	73,02	128,57	53,16	3,10	40,36	21,78	7	14
7% C. Preference ...	72 00	100 0	100	15,00	...	...	...	...	...	...	...	...	...	...	...
Lawrence ...	78 00	98 0	100	28,00	9,75	43,49	-7,73	35,61	116,06	65,14	5,25	33,87	27,65	7	25,68
7% Cum. preference ...	85 00	102 0	100	5,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% 'B' cum. preference ...	67 00	69 0	100	10,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	920 00	970 0	1000	19,29	...	...	...	...	...	...	...	...	...	...	...
Mahabir ...	85 00	85 0	100	10,78	...	...	-6,77	23,48	19,87	13,47	47	15,70	3,91	96	...
Magna ...	96 50	70 0	100	81,65	...	22,04	56	81,23	213,91	133,25	1,28	75,28	26,21	1,94	...
Nalhati ...	50 00	68 0	100	29,99	12,04	22,58	-13,08	52,60	165,26	86,71	2,77	44,81	19,88	16	45
7% cum. preference ...	82 00	110 0	100	7,50	...	...	...	...	...	...	...	...	...	...	...
4 1/2% R. C. P. ...	57 00	59 0	100	10,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	900 00	950 0	1000	25,00	...	...	...	...	...	...	...	...	...	...	...
Naskarpara ...	12 00	14 4	10	20,00	15,55	...	-1,65	48,88	56,03	21,34	5	28,39	15,35	29,30	...
5 1/2% Debentures ...	21 90	19 12	10	35,00	21,70	19,59	17	11,15	31,71	10,66	16,70	30,95	4,16	19,76	...
National ...	95 00	108 8	100	5,00	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	11 87	11 0	10	26,25	17,25	9,75	1,29	20,60	28,31	20,72	5,88	25,21	23,22	23,24	...
Nellimarla ...	79 00	97 9	100	5,00	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference ...	440 00	465 0	500	5,00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	13 31	11 15	10	85,50	115,00	171,31	3,36	419,40	468,82	106,43	15,40	198,00	83,23	162,03	6,02
New Central ...	89 50	103 0	100	33,00	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	14 90	22 1	10	16,80	16,48	30,11	9	54,42	123,05	56,38	4,68	63,59	12,37	10	5,48
Northbrook ...	60 00	76 0	100	15,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum. pref. ...	800 00	880 0	1000	20,00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	36 50	30 4	50	66,80	...	12,50	20	92,18	224,62	139,16	4,37	55,78	18,99	5	...
Nuddas ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Orium ...	81 00	111 0	100	24,91	18,71	5,05	11	13,17	75,8	51,45	53	32,23	4,76	3	...
Premchand ...	...	...	100	3,996	...	...	-2,623	2,568	5,872	4,426	76	1,933	453	34	...
Presidency ...	3 50	3 11	5	25,00	5,00	1,2	52	13,46	80,86	65,2	2,33	25,97	7,97	1,3	...
4% Debenture ...	850 00	930 0	1000	8,00	...	...	...	...	...	...	...	...	...	...	...
Rameshwara ...	5 00	5 0	10	20,00	...	...	-9,18	22,87	26,98	8,39	38	19,63	1,97	11	...
6% Cum. preference ...	10 19	10 3	10	7,00	...	...	...	...	...	...	...	...	...	...	...
Reliance ...	6 00	8 4	10	49,50	...	1,50	-38,95	79,04	124,76	64,71	1,91	62,93	9,98	1,21	...
7% C. P. ...	55 50	91 0	100	20,00	...	...	...	...	...	...	...	...	...	...	...
5% Debenture ...	850 00	880 0	1000	25,00	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	15 25	15 4	10	30,00	12,15	1,00	6	83,32	116,87	81,99	1,72	51,17	49,97	47	...
7 1/2% Cum. preference ...	79 00	91 4	100	11,70	...	...	...	...	...	...	...	...	...	...	...
Soc. ab ...	13 12	15 10	10	14,00	10,80	5	23	19,71	67,75	43,57	8,90	20,70	5,27	3,75	...
7% Cum. pref. ...	84 50	107 0	100	10,00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debenture ...	80 50	70 0	100	25,20	...	30,84	-8,76	35,73	126,57	57,29	4,84	31,79	10,66	32	11
Standard ...	102 00	86 0	100	9,00	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	...	...	1000	25,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Union ...	108 50	110 0	100	35,99	14,94	66,16	-13,52	86,05	201,41	89,48	3,93	52,71	37,93	1,11	1
7% C. P. ...	86 00	102 0	100	6,00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debenture ...	900 00	965 0	1000	12,00	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	3 06	3 10	1	2,50	3,00	3,35	11	21,88	56,01	40,74	60	26,08	5,66	71	...
5% Cum. preference ...	29 25	40 0	50	7,50	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debenture ...	400 00	437 8	500	10,00	...	...	...	...	...	...	...	...	...	...	...

MISCELLANEOUS

MISCELLANEOUS												
NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	Net Profit		DIVIDEND		
								Latest	Previous	Latest	Previous	Share Pro- visions
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Latest	Previous	Share Pro- visions
WESTERN AND CENTRAL INDIA												
Alemic Chemical	Bhailal Amin & Sons Private Ltd.	1,889	7,866	13,866	2,292	408	12-56	1,515	1,120	10	8	8
	6 1/2% 1st Cum. Pref.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
	5% 2nd R. C. P.	...	...	...	...	...	...	...	...	5	5	5
	6% 3rd Cum. Pref.	...	...	...	...	...	...	...	...	6	6	6
Anil Starch Products	Kasturbhai Lalbhai & Co.	...	92,01	145,51	3,78	61	12-56	(v)11,04	(c)9,25	10	10	10
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Associated Cement Cos.	Cement Agencies	36,267	102,545	226,279	9,200	3,606	7-57	46,365	50,402	9	10	10
Associated Stoned Industries	Rajaputana Mining Agen. Pri. Ltd.	139	...	39,24	14,82	102	9-56	7,09	4,23	30	10	10
	6% C. P.	...	...	...	...	...	...	...	...	10	10	10
	Deferred	...	...	...	...	...	...	...	...	6	6	6
Atul Products	Lalibhai Sons & Co.	758	111,24	183,41	...	...	12-56	30,96	20,62	6 1/2	28 1/2	28 1/2
Automobile Products	Directors	11,52	126,92	134,73	41,00	9	7-56	8,39	5,90	6	5 1/2	5 1/2
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Bharat Line	Dinshaw Private	29,23	149,86	233,71	...	107	12-55	30,88	35,25	5	5	5
Bombay Burma Trading	Wallace & Co.	753	...	...	...	...	5-56	102,70	74,32	32	30	16
	Old Shares	...	...	...	...	...	...	...	...	5	5	5
	New shares	...	...	...	...	...	...	...	...	5	5	5
Bombay Gas	Directors	541	37,78	7,73	...	...	12-54	15,41	15,27	12 1/2	12 1/2	7 1/2
Bombay Potteries & Tiles	Directors	391	439	...	...	...	9-56	400	414	6	5	5
	6 1/2% C. P.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
	4 1/2% C. P.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.	42	...	134	...	9	9-56	68	68	15	16	16
Bombay Uganda Co.	Directors	...	...	7,540	924	...	12-56	2,730	2,730	15	16	16
W. H. Brady & Co.	Directors	2,561	19,193	25,741	6,522	...	12-57	(m)141	242	15	16	16
G. Claridge & Co.	W. H. Brady & Co. Ltd.	1,021	1,321	3,114	129	30	12-57	2,202	2,202	15	15	20
G. G. Dandekar Machine Works	Dandekar Engineers	186	3,33	844	1,66	26	6-56	184	235	15	15	16 1/2
	Partly Paid Ordinary	...	...	...	...	...	...	1,59	1,62	8	8	8
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Dharamai M. Chemical	D. Morarji & Co.	122	37,91	49,24	58,62	18	12-55	51	2,03	5	6	6
Digvijay Cement	Shree Laxmi Agents Ltd.	13,48	90,98	168,53	2,81	3,90	12-55	43,56	41,71	8 1/2	8 1/2	6
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Eastern Shipping Corp.	Scindia Steam Navigation	26,54	129,00	220,84	...	3,54	3-56	45,68	(r)25,36	6	4	5
Estrela Batteries	Chunilal Manilal Ltd.	14,19	23,27	57,54	18,84	33	3-56	4,79	2,70	5	5	5
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Great Eastern Shipping	A. H. Bhiwandiwala & Co. Privt	28,28	...	372,29	...	8,31	6-57	(a)97,87	(b)81,81	15	15	(a)
	5 1/2% R. C. P.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Greaves Cotton & Co.	Directors	19,48	228,32	251,96	76,22	...	3-55	16,35	18,63	6	7 1/2	11
	5% C. P.	...	...	...	...	...	...	...	...	6	6	6
	6% R. C. P.	...	...	...	...	...	...	...	...	6	6	6
Hindustan Electric Co.	Dharamsinh & Co.	476	99,20	127,74	31,58	75	4-56	9,42	4,89	6	6	8
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Hindustan Lever	Director's	21,637	282,814	331,924	69,091	...	12-57	28,385	24,971	14	12 1/2	...
Indian Cement	Director's	3	...	...	...	...	3-56	1,64	1,24	30	25	...
Indian Plastics	Directors	875	27,88	49,52	13,73	...	3-56	4,02	3,28	20	20	20
	5 1/2% Cum. preference	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Indian Vegetable Products	F. F. Campbell & Co. Pri.	578	141,29	206,29	721	1,31	9-56	6,29	3,18	10 1/2	5 1/2	5 1/2
Indus. Cr. & Invest. Corp.	Directors	386	...	41,75	...	...	12-56	34,48	22,81	5 1/2	5 1/2	5 1/2
Industrial Investment	Premchand Roychand & Sons	23	...	716	...	50	12-57	637	603	5 1/2	5 1/2	5 1/2
Kemp & Co.	Directors	537	47,70	55,40	9,65	...	3-56	2,02	1,44	7 1/2	6	6
Killick Industries	Managing Director	669	...	...	...	...	6-56	26,27	27,63	11	11	11
Machinery Manfrs. Caspn.	Mahindra & Mahindra	22,84	37,82	69,86	40,16	40	3-57	8,72	10,62	...	...	...
	4% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspathi & Chem.	Loan from I. F. Corp.	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	96,34	110,33	6,71	15	12-53	4,60	-6,02	...	...	...
National Elect. Industries	Navin Kumar Hansraj Pri. Ltd.	10,15	44,38	56,93	24,05	83	3-56	5,56	5,37	9	9	9
	4 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
National Machinery Manfrs.	Directors	37,64	75,06	152,62	81,06	...	12-55	26,23	10,80	4 1/2	4 1/2	4 1/2
National Newsprints & Paper	Directors	206	...	...	...	...	3-55	-4,42	-39	...	...	...
National Rayon Corp.	China & Co. Private Ltd.	47,41	197,72	422,38	22,31	10,46	12-56	142,94	102,13	14	12	10
	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
	5% Debentures	...	...	...	...	...	...	...	...	5	5	5
Palampur Veg. Products	Investa Industrial Corp.	...	...	...	...	...	12-55	-1,13	-1,59	...	...	...
	5 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works	N. Pestonjee & Co.	78	...	984	26	38	12-54	1,78	1,71	5	3 1/2	...
	Ord. Partly Paid	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd.	Polson Agencies Private Ltd.	783	47,32	92,12	11,44	1,47	12-56	10,75	13,29	5	3 1/2	...
	6% C. P. T.	...	...	...	...	...	...	...	...	6	6	6
Somitex Chem. Industries	M. B. Amin & Co.	342	978	18,76	9,69	24	12-55	0	36	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	Sathe Food Industries pri. Ltd.	134	1,511	3,437	485	30	3-57	352	...	...	...	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam	Directors	146,51	664,63	1277,51	...	...	6-57	356,81	(b)265,89	6 1/2	5	5
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Shangrilla Food Products	Directors	141	754	12,27	1,49	...	3-56	...	...	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate	Killick Industries Ltd.	45,00	...	163,06	34,46	5,74	11-56	-3,80	-3,30	...	...	...
Supreme Industries	Moddy & Co.	...	7,33	498	7,63	8	3-56	43,17	31,73	80	80	80
	6 1/2% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...
Tata Chemicals	Tata Industries Private	42,22	...	263,59	...	2,81	6-57	64	65	6	(x)	6
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Tata Oil Mills	Tata Industries Private	80,91	439,27	662,64	...	2,71	3-57	41,26	...	8 1/2	7 1/2	...
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
United Salt Works & Indus.	Salt & Industry Agency Pr. Lt.	11,24	...	33,81	9,93	48	9-55	30,29	42,00	10	12	8
Volta Ltd.	Directors	14,941	178,376	206,040	...	...	8-57	7,821	4,49	10	10	10
Western India Match	Swedish Match Co.	125,95	728,67	1016,87	22,84	13,06	12-55	78,54	78,98	11	11	11
(a) Traffic Revenue (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income.												

(a) Traffic Revenue

(b) Dividends and Interest, etc.

(c) Profits on contracts.

(d) Revenue Income.

(e) Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up p per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1958 Rs. np.	March 1957 Rs. a.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Alemic Chemicals ...	127 00	218 12	100	3,500	1,916	2,060	98	4,990	9,338	4,531	2,385	4,125	2,731	14	...
5 1/2% 1st C. P. ...	85 00	90 0	100	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% 2nd R. C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products ...	...	...	100	29,26	13,02	7,38	14	3,79	91,88	23,35	6	22,65	25,08	2,27	...
5% C. P. ...	...	...	100	5,00	...	...	...	...	...	...	...	...	...	...	...
Associated Cement ...	151 25	160 0	100	157,912	20,000	84,276	259	143,328	308,175	112,918	8,017	140,858	32,271	13,885	19,488
Bharat Line ...	...	...	10	100,00	...	15,37	1,55	219,38	441,66	185,09	3,79	19,02	47,25	71	8,98
Associated Stones Indust ...	...	...	100	8,50	3,15	...	10,98	7,26	10,30	5,10	20	16,15	12,48	2,86	...
6% C. P. ...	...	...	100	2,00	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	100	5,00	...	...	...	...	...	...	...	...	...	...	...
Atul Products ...	...	...	100	189,00	...	1,13	24	220,38	261,72	45,19	62,42	93,72	33,06	3,85	...
Automobile Products ...	...	...	100	28,00	...	...	4	74,66	59,72	10,24	...	48,22	13,06	8	...
5% R. C. P. ...	...	...	100	7,00	...	...	...	...	...	...	...	...	...	...	...
Bombay Burma Trading ...	...	...	2500	2,50	70,98	349,16	40	270,42	398,85	171,93	113,38	108,33	149,34	1,351	34,81
Old Shares ...	549 00	596 4	125	50,00	...	...	...	...	...	...	...	...	...	...	...
New Shares ...	206 25	218 12	50	42,00	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas ...	...	...	100	4,18	15	262	5	38,71	61,49	26,52	10,27	11,82	10,97	46,15	...
Bombay Potteries & Tiles ...	90 00	57 0	100	1,13	...	...	...	518	2,678	1,130	10	763	129	865	...
61% C. P. ...	65 00	65 0	100	863	...	...	...	...	...	...	...	...	...	...	...
41% C. P. ...	54 00	50 0	100	71	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit ...	500 00N	533 0N	200	2,40	...	...	...	1,72	5,68	4,23	2,70	...	...	16	52
Bombay Uganda Co. ...	47 00	60 0N	80	1,596	...	20	-94	230	255	125	106	1,034	57	429	...
W. H. Brady & Co. ...	273 00	...	150	4,500	2,150	4,002	75	6,414	865	525	3,171	7,355	4,434	1,642	...
G. Claridge & Co. ...	175 00	...	100	900	600	682	19	795	2,088	1,540	12	1,152	1,161	9	...
G.G. Dandekar Mce. Works	...	...	100	4,00	1,00	67	8	4,65	10,06	5,33	4,74	1,68	2,63	9	...
Partly Paid Ord. ...	...	...	100	2,47	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	100	1,00	1,70	...	...	...	...	...	...	...	...	...	...
Dharamsi M Chemical ...	53 50	47 4	50	13,69	30,00	1,00	1	33,12	41,22	21,00	18	17,44	9,66	7	1,94
Digvijay Cement ...	144 00	143 8	100	88,80	14,50	2,79	...	78,84	204,20	86,59*	29,42	47,87	14,69	11,42	33,69
5% R. C. P. ...	84 50	95 0	100	39,78	...	...	...	...	...	...	...	...	...	...	...
Eastern Shipping Corpn. ...	...	...	100	550,00	...	39,99	24	223,60	467,35	71,18	68,40	98	37,53	166,30	144,46
Estrela Batteries ...	36 00	38 0	50	14,97	3,15	7	22	15,50	28,61	19,41	3	17,66	12,81	70	3,50
5% C. P. ...	35 00	38 8	50	9,97	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping ...	20 04	18 2	10	90,00	76,00	61,60	1,84	367,08	490,84	86,21	2,74	36	72,77	140,71	...
51% R. C. P. ...	92 00	100 0	100	25,00	15,00	13,15	14	130,48	10,11	4,54	113,14	75,82	91,65	7,58	...
Greaves Cotton & Co. ...	...	...	100	85,00	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	...	...	100	25,00	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. ...	...	...	100	25,00	2,00	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co. ...	89 50	100 0	100	35,85	...	...	18	111,50	78,77	7,27	2,53	28,65	51,22	2,20	7,30
6% C. P. ...	82 00	82 0	100	8,07	4,000	7,177	8,994	47,194	47,960	13,562	103	70,465	13,987	4,110	...
Hindustan Lever ...	23 32	19 7	10	55,700	...	...	...	...	...	...	...	...	...	...	...
Indian Cement ...	28 75	37 0	10	1,52	1,00	50	4	1,43	1,42	1,30	...	...	53	1,23	...
Indian Plastics ...	...	...	100	29,88	...	...	5	20,54	44,45	10,95	...	27,83	11,03	65	...
5 1/2% Cum. preference ...	...	...	100	22,50	2,53	1,95	8	16,10	25,35	20,52	69	9,18	10,92	16,21	...
Indian Vegetable Products	110 00	75 8	100	21,17	10,00	...	...	...	...	...	...	...	...	...	...
Indus.Cr. & Invest. Corp.	72 50	75 8	100	500,00	1,623	...	6,31	792,34	98	35	652,58	...	77,86	577,59	...
Industrial Investment ...	79 00	...	100	9,999	390	175	...	853	20	16	12,561	...	163	312	...
Kemp & Co. ...	185 88	197 8	200	12,00	2,86	15	14,86	24,75	11,68	78	9,90	8,25	1,33	...	...
Kidlic Industries ...	151 00	160 0	100	100,00	3,50	27,58	5	52,50	35,47	8,04	144,36	4,91	8,82	1,88	22
Machinery Manfrs. Corpn.	...	...	100	39,24	7,50	14,42	-23,18	90,45	129,21	36,37	21	53,70	10,85	1,16	1,08
4% Cum. preference ...	...	...	100	13,95	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P. ...	...	...	100	25,00	...	...	...	...	...	...	...	...	...	...	...
Loan from I. F. Corpn. ...	...	...	...	49,05	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspathi Chems.	...	...	10	31,28	30	-5,10	29,60	51,07	6,00	...	...	11,97	14,22	17	84
6% Debentures ...	...	...	...	15,00	...	...	...	...	...	...	...	...	...	...	...
National Elec. Industries	70 00	70 0	50	5,85	7,25	18	31,90	24,76	9,46	89	24,05	9,95	51	...	...
4 1/2% C. P. ...	80 00N	80 0N	100	5,42	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfrs.	...	...	100	252,40	12,36	61	115,89	245,11	99	...	...	95,13	30,54	90	58
National Newsprint & Paper	...	...	10	131,53	-6,60	429,81	413,25	...	...	...	3	15,06	28,74	57,26	40,40
National Rayon Corpn. ...	214 50arts	230 12	100	160,64	86,15	5,52	259,08	946,21	265,00	1,10	141,75	37,17	6,48	...	...
5% Cum. Preference ...	72 80	76 8	100	174,28	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	97 50%	99 8	...	150,00	...	...	...	...	...	...	...	...	...	...	...
Palanpur Veg. Products...	...	...	10	15,00	...	-23,90	28,59	27,37	...	10	1,84	9	1	28	...
5 1/2% C. P. ...	...	...	100	10,00	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works...	...	...	100	11,79	18	66	2	4,74	9,55	6,26	4,63	3,05	2,88	86	2,75
Ord. Partly Paid ...	...	...	100	75	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd. ...	189 00	171 4	100	21,60	14,50	11,45	46	25,66	58,81	12,53	1	16,93	20,19	10,27	...
6% C. P. T. ...	84 70	87 0	100	20,00	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus. ...	...	...	50	13,01	...	...	1	8,29	13,12	60	...	8,20	2,07	38	2,63
5% C. P. ...	...	...	50	4,49	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits ...	100 00N	100 0N	100	4,73	133	19	1,883	3,111	629	56	492	419	70	...	...
Partly Paid ...	50 00N	...	50	5,13	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam ...	17 16	19 5 1/2	20	939,98	80,00	1016,23	5,84	1191,95	249,665	57,900	58,497	25,61	405,59	357,79	343,62
4 1/2% Debentures ...	93 00	96 0	100	401,28	...	...	...	...	...	...	...	...	...	...	...
Shangrilla Food Products	...	...	100	17,00	...	-5,79	8,25	39,73	6,16	32	5,52	2,88	16	...	...
5% C. P. ...	...	...	100	3,00	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate ...	98 50	90 8	10	7,00	20,00	50,25	9	57,68	56,73	24,46	10,02	49,96	18,84	49,54	4,38
Supreme Industries ...	80 50	80 0	100	6,22	3,45	31	25	4,48	10,60	2,28	1,95	7,63	1,26	18	...
6 1/2% C. P. ...	70 50	80 0N	10	4,62	...	...	...	...	...	...	...	...	...	...	...
Tata Chemical ...	14 12	16 2	100	139,96	16,23	10	202,86	404,57	156,94	1,50	163,84	31,52	2,2	...	...
5% Cum. Preference ...	91 50	98 8	100	59,97	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	99 00%	99 0	...	25,00	...	...	...	...	...	...	...	...	...	...	...
Tata Oil Mills ...	59 75	42 8	25	29,07	10,35	26,43	10	293,95	212,21	126,98	7,33	242,81	72,19	23,24	...
4 1/2% C. P. ...	...	...	100	29,88	...	...	...	...	...	...	...	...	...	...	...
United Salt Works Indus.	...	...	250	13,35	13,00	22,31	7,74	10,92	65,62	32,00	5,05	14,75	5,77	8,0	2
Volta ...	111 00	...	100	25,580	925	174	139	93,609	6,655	1,8968	172	61,601	49,910	2,629	476
Western India Match ...	173 00	171 4	100	275,00	6100	19,25	5,62	307,22	303,67	157,21	45	165,96	207,20	130,2	...
* Depreciation Fund. † For 18 months. ‡ For 9 months.															

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents Cowances and commissions Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	
NORTHERN INDIA												
Alkali & Chemical	Imp. Ch. Industries Private ... 5% Cum. preference	1,527	91.72	22,546	4,646	...	9-57	5,111	4,020	8	8	8
All India Finance & Commerce	Kavell Sival & Co. Ordinary	30	...	1,69	...	20	5-56	96	88	5 7 1/2	5 8 8	5 8 8
Aluminium Corpn.	7 1/2% G. P. J. K. Industries Private Ltd. 6% Cum. preference 5% Cum. preference Deferred 5% Debentures 5 1/2% Debentures	3,113	4,182	10,166	3,120	...	3-57	2,729	2,538	7 1/2	7 1/2	7 1/2
Amrit Banaspati	Amrit Agency Ltd. 6% C. P. 5% R. C. P. Deferred	2,06	354.43	367.26	66.68	18	3-55	22.07	19.54	nil	nil	nil
Anderson Wright	Directors 4 1/2% Cum. preference 4% Debentures	4.04	...	10.26	...	...	12-55	(2)1.67	5.02	nil	nil	nil
Angelo Brothers	Turner Morrison & Co. Pri. Directors	7.78	221.12	248.43	...	1.82	8-57 9-55	16.99 (a5)	16.24	18	20	20
Ashoka Cement	Partly Paid Eastern Corporation Deferred	8.64	37.04	72.61	4.13	87	3-55	15.96	17.65	nil	nil	nil
Assam Bengal Cement	4% Debentures Directors	15.63	94.59	124.89	5.98	...	12-55	9.52	7.93	12 1/2	12 1/2	12 1/2
Assam Match Co.	Bird & Co. Private	4.34	34.53	5.38	...	2.16	9-56	1.74	81	12 1/2	12 1/2	12 1/2
Assam Saw Mills	Oberoi Hotels (India) Private Ltd. 7% Cum. preference Tax 4 1/2% Debentures 6 1/2% Debentures	12.88	40.36	71.62	...	...	3-56	14.21	8.83	12	7	7
Associated Hotels	Ramkumar Agarwala 5% Cum. preference Deferred	13	7.37	6.16	1.59	44	12-52	1.90	2.32	6	2	nil
Associated Mining	...	...	...	...	...	...	...	...	...	5	5	5
Ballarpar Paper	K. C. Thapar & Bros. Ltd. 5% R. C. P. P.	10.45	53.71	120.61	4.41	89	6-55	39.50	...	nil	nil	nil
Balmer Lawrie & Co.	Directors Jardine Henderson	75.78 3.46	19,33.11 9.25	15,51.18 20.61	108.84 3.29	...	12-56 9-56 HY	4,42.87 2.03	35.33 2.40	15	12 1/2	13
Baraee coke	Directors	2.74	9.13	16.21	8.86	...	12-53	-6.31	-11.87	5	6	7
Bathgate & Co.	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	nil	nil	nil
Behar Rice Mills	H. V. Low & Co. Andrew Yule & Co. Ltd. 7% Cum. preference	8.19	20.65	32.90	...	73	6-54 10-56	36 7.98	33 (a6)14.19	7 1/2	7 1/2	7 1/2
Bengal Assam Steamship	Directors 7 1/2% Cum. preference 7 1/2% Cum. preference 4 1/2% Cum. preference 5% Debentures	28.02	82.42	145.99	38.70	...	4-54	15.12	14.44	7	7	7
Bengal Chemicals	...	...	...	...	...	...	...	...	...	6	6	6
Bengal Elec. Lamp	P. C. Datta Deferred	1.27	18.69	33.71	...	...	3-54	4.12	4.86	7 1/2	7 1/2	7 1/2
Bengal Flour	Balmer Lawrie & Co. Ltd. Directors	5.19 36.10	192.13 80.06	217.82 202.37	4.80 3.05	1.11	12-56 12-56	12.78 13.37	(a7)8.85 30.62	6 1/2 25	6 1/2 22 1/2	6 1/2 25
Bengal Paper	7% Cum. Preference 7% 'A' Cum. preference 6% 'B' R. C. P. T. 4 1/2% Debentures	...	...	...	...	...	...	...	...	10	18 1/2	12 1/2
Bengal Potteries	B. R. Bhagat & Co. Ord. P. Paid	27.09	13.26	91.13	10.48	...	12-56	14.93	11.13	7	7	7
Bengal Timber	Jardine Henderson 8% Cum. preference	1.34	13.66	24.68	6.48	...	6-55	-81	1.01	6	6	6
Bhagwati Pressing	Ramdudd Ramkissendass 5% Cum. preference	7	1.57	...	...	17	12-55	1.04	1.13	nil	nil	nil
Bharat Carbon & Ribbon	Murari Lal Batra & Co. 'B' Ordinary 6 1/2% C. P.	11.63	14.71	19.61	4.03	11	12-55	1.12	1.06	5	5	5
Bharat Starch & Chemical	K. C. Thapar & Bros. Directors	1.65	38.41	37.48	12.65	67	1-55 3-54	-6.10 3.54	5.37	7 1/2	7 1/2	7 1/2
Bhartia Company	Lovelock & Lewes 5 1/2% Cum. preference	...	...	5.71	...	12	9-56	2.68 3.49	-3.24 4.73	6 1/2	6 1/2	6 1/2
Birds Investments	Bird & Co. Private Ltd. Directors	38.34	75.66	1.27	...	1.00	3-57 3-57	9.82 18.74	(a)13.71 17.70	10	12 1/2	12 1/2
Biara Stone Lime	Directors	75.80	149.69	...	...	...	...	...	...	17 1/2	17 1/2	17 1/2
Britannia Biscuits	8% Cum. preference 5 1/2% Debentures	...	...	...	...	...	...	...	...	10	10	10
Br. Burma Petroleum & Br. Ceylon Corp.	A. T. C. Invt. Co. Directors	...	...	...	...	...	3-56 12-55	37 15.76	3 1/2 10.78	5	5	5
British India Corp.	6% Cum. Part preference Directors	178.72	428.71	761.45	399.76	...	12-56	(f)95.42	(a8)11	15	10	15
Brushware	8% Cum. preference Begs Sutherland & Co. Pri. Ltd. S. C. Chunder & Co. Partly Paid 6% Debentures	1.12 18	2.13 70	4.07 2.44	2.62 24	7	11-56 9-54	38 31	15 30	8	8	8
Burma Lime	...	...	...	...	...	...	...	...	...	10	7 1/2	5
Calcutta Gas Co.	Soorajmull Nagarmull 5 1/2% R.C.P.T. 4% Debentures	...	...	...	...	1.49	9-55	6.38	7.06	nil	nil	nil
Calcutta Hydraulic	Andrew Yule & Co. Ramdudd Ramkissendass	56	...	3.43	...	20	6-56	(f)2.13	-82	6	5	5
Calcutta Investment Co.	Gladstone Lyall	3.39	6.75	...	...	30	12-54	7.11	3.95	5 1/2	5 1/2	5 1/2
Calcutta Landing & Shipping	Amritlal Ojha & Co. 4 1/2% Debentures	51	3.02	...	...	16	10-55 HY 3-55	1.18 1.19	50 1.42	2	1	4
Calcutta Safe Deposit	...	...	...	...	...	...	...	...	...	5	5	5

April 12, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1958 Rs. np.	March 1957 Rs. n.			General	Other	Carry Forward				Invest- ments Rs. 000	Stock & Stores Rs. 000	Out- standing Rs. 000	Cash Rs. 000	Others
NORTHERN INDIA															
Alkali & Chemical	14 06nd	11 2nd	10	248.42	28.00	70.65	1.20	122.91	249.14	60.65	...	106.21	35.81	145.29	26.39
5% Cum. Preference	97 00	101 0	100	31.00	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	3.00	53	18	...	13.21	36	8	73	10.66	7.76	68	...
Ord.	...	...	10	1.90	...	...	...	...	...	...	...	...	...	...	...
74% C.	...	...	110	1.28	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corpn.	9 75	9 15	10	5,750	2,000	17,957	234	3,027	38,129	8,696	1,572	4,997	1,396	319	...
6% Cum. preference	88 00	94 0	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	69 00	74 0	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	3 75	6 1	2 1/2	2.50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	950 0	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
54% Debenture	...	...	1000	4,500	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	53.25	19.25	3.83	-14.14	152.86	160.85	33.32	36.36	85.91	25.33	1.40	...
6% C. P.	...	...	10	16.00	...	...	...	...	...	...	...	...	...	...	...
5% R. C. .	...	...	10	24.50	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	1.00	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	10	20.00	3.50	8.50	18	74.03	1.02	58	54.74	3.08	35.77	24	41.94
44% C. .	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Angelo Brothers	18 50	19 10	10	30.00	25.21	14.00	3.61	31.73	34.83	23.40	4.81	43.29	30.51	14.56	14
Ashoka Cement	7 87	10 3	10	15.00	...	...	...	71.64	92.94	...	...	38	2.09	1.25	1.22
Partly Paid	...	...	2 1/2	11.25	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	3 87	6 7	10	43.14	10.54	2.59	4.59	95.35	164.36	73.18	5.34	25.44	35.17	37.09	...
Deferred	0 87	1 5	1	4.71	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	24.98	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	15 31	20 6	10	30.00	6.10	2.75	1.18	27.46	38.39	20.85	6	19.69	24.66	5.44	10
Assam Saw Mills	1 81	3 6	3	14.00	7.20	20.59	-4.96	13.32	32.14	11.96	...	17.94	11.11	72	20
Associated Hotels	5 19	10 12	10	20.00	10.00	23.50	2.45	55.66	102.58	36.88	46.41	8.31	30.80	12.17	8
7% C. P. T.	60 50	66 0	100	21.67	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	850 00	860 0	1000	23.60	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	920 00	960 0	1000	6.60	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	8 50	10 1	10	8.92	...	...	...	33	8.33	2.77	94	9.90	3.05	3.15	3.01
5% C. P.	28 50	31 0	50	5.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 25	5 4	5	4.10	...	...	...	...	...	...	...	...	...	...	...
Dallarpur Paper	...	...	25	57.08	...	38	-47.41	147.09	219.74	97.20	...	32.08	16.08	1.66	3.03
5% R.C.P.P.	...	...	100	18.09	...	...	...	...	...	...	...	...	...	...	...
Balmer Lawrie & Co.	147 00	155 0	100	80.01	61.50	27.82	5.03	270.74	69.52	37.02	111.40	136.05	152.49	12.66	...
Baraee coke	10 75	16 4	10	12.00	8.00	50	90	9.21	37.37	35.08	6	10.30	12.69	5.28	...
Bathgate & Co.	1 00	1 5	10	40.00	...	...	-22.19	5.98	23.15	1.24	...	6.65	4.61	62	...
44% C. P.	40 50	42 0	10	10.00	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 50	1 12	10	16.92	...	...	-4.36	3	7.69	4.95	9.60	10	13	2	...
Bengal Assam Steamship.	107 00	139 0	100	20.00	8.25	92.45	1.10	12.68	124.09	18.29	2.55	13	1.80	27.20	...
7% C. P.	61 50	75 0	60	3.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	89 00	101 0	100	45.33	19.50	21.55	11.46	54.56	104.59	47.91	16.62	46.92	63.31	4.79	...
74% C. P.	12 00	12 12	10	9.00	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	77 50	82 0	100	11.91	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	15.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Elec. Lamp	...	...	10	15.52	8.00	97	15	11.50	23.00	11.62	...	13.68	12.08	24	...
Deferred	...	...	1	1.39	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	27 62	31 6	10	12.00	10.00	2.56	91	14.07	33.30	25.71	35	7.99	23.18	43	...
Bengal Paper	58 00	100 0	25	45.00	17 00	18.72	5	46.00	208.82	156.73	1.28	56.76	41.70	1.48	4.46
7% C. P.	57 25	64 4	50	2.00	...	...	...	...	...	...	...	...	...	...	...
7% A. C. P.	103 00	128 8	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% B. R. C. P. T.	72 69	81 11	100	20.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	500	4.90	...	...	...	...	...	...	...	...	...	...	...
Bengal Potteries	3 12	3 4	2 1/2	31.70	5.15	...	11	84.34	70.66	33.38	2	29.13	36.06	27	...
Ord. P. Paid	...	...	1	9.41	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	10 00	41 0	100	6.00	...	...	-5.56	19.06	7.35	7.22	1.00	6.52	14.42	43	...
8% C. P.	33 50	32 12	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	7 00	4 1	10	4.00	1.10	...	2	2.62	10.18	2.28	75	...	93	1.16	...
5% C. P.	45 00	50 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Bharat Carbon & Ribbon	...	...	10	2.50	2.00	45	5	20.88	7.35	3.30	63	12.79	13.06	74	...
B. Ord.	...	...	100	1.81	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	...	...	100	3.58	...	...	...	...	...	...	...	...	...	...	...
Bharat Starch & Chemical	8 06	3 1	10	10.00	3.78	1.60	-1.340	46.64	83.48	12.26	12	21.59	5.01	10	58
Bhartia Company	54 75	51 0	100	21.00	50	...	-9	79	...	...	...	12.92	8.59	69	...
Birds Investment	12 50	13 12	10	20.00	3.00	5.05	38	52.17	...	...	...	66.28	37.91	40	...
54% C. P.	48 50	71 0	100	24.00	...	...	...	...	...	...	...	...	...	...	...
Bisra Stone Lime	25 75	25 0	10	10.00	2.50	28.01	18	18.52	62.22	35.31	3	9.34	19.37	2.07	1.50
Britannia Biscuits	12 50	13 0	10	45.97	20.00	14.62	1.85	35.60	114.31	37.07	...	26.50	25.91	3.43	11
8% Cum. preference	10 50	11 6	10	15	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	96 00	100 00	...	15.00	...	...	...	...	...	...	...	...	...	...	...
Br. Burma Petroleum (£)	2 05	2 9	4sh	7.50	...	1.82	85	1.85	9.35	...	2	...	1.52	63	...
Br. Ceylon Corporation	10 19	9 9	10	35.00	23.50	23.19	1.40	30.90	60.95	47.46	26.19	63.70	17.03	11.07	...
6% Cum. Part Pref.	8 50	8 8	5	17.50	...	...	...	...	...	...	...	...	...	...	...
British India Corporation	3 80	7 2	5	325.00	40.00	115.56	-1.23	461.72	800.58	233.80	182.52	492.27	240.47	36.05	...
8% Cum. preference	103 00	120 0	100	81.00	...	...	...	...	...	...	...	...	...	...	...
Brushware	...	...	10	1.00	2.00	1.21	7	1.66	2.43	2.34	1.30	3.11	1.40	...	...
Burma Lime	8 00	8 8	10	2.00	10	...	6	96	4.81	1.09	2	66	63	3	...
Partly Paid	...	...	5	63	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	1.35	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	6 00	6 12	10	65.00	1.00	...	22	19.29	1	...	116.16	...	26.77	47	2.10
54% R. C. P. T.	50 50	66 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00N	820 0N	1000	30.00	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic	45 00	81 0	100	8.00	1.75	1.52	21	36	14	12	10.13	...	1.30	39	...
Calcutta Investment Co.	50 00	50 0	100	55.00	19.00	4.12	95	24.40	17.50	4.10	...	45.95	43.91	22	...
Cal. Landing & Shipping	13 44	12 2	18	6.25	30	1.75	3	5.16	18.47	12.32	99	30	4.64	1.41	...
Calcutta Safe Deposit	7 69	8 8	1000	1.05	20	1.43	3	4.82	13.41	1.73	38	1	2.55	34	...
44% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

INDUSTRIALS—Contd.

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Calcutta Steam Nav'n...	Hoare Miller & Co.	...	...	...	...	...	6-57	654	602	13	12½	11½
Camperdown Pressing...	Pyne & Co.	...	...	54	...	18	7-54	20	46	4	7	7
Central Hydraulic...	Andrew Yule & Co.	15	...	1,12	...	...	6-57	1,37	57	10	6	5
Cherra Chhatak Ropeway...	Directors	4,13	7,11	12,12	62	23	3-56	—8	1,24	6½	10	10
Chrestien Mica Indusa...	Ram Kumar Agarwala	16,34	...	159,60	48,75	4,85	12-53	16,23	15,70	7	5½	5½
5½% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Deferred share	...	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot & Co.	...	...	...	5,71	...	...	12-56	2,46	2,41	3½	4	3½
Management Shares	...	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	...	...	...	...	...	...	...	...	...	35	40	36½
Clive Row Invt.	Andrew Yule & Co., Ltd.	18	...	12,27	...	90	3-57	10,62	31,92	7½	13½	11½
Dalmia Cement (Bharat)...	Hari Brothers Private Ltd.	31,60	131,30	214,52	12,19	4,71	12-56	46,51	61,95	12½	12½	10
Ordinary	...	...	...	...	...	...	...	...	...	12½	12½	10
6% Cum. preference	...	...	...	...	...	...	...	...	...	7	7	6
6% Cum. preference	...	...	...	...	...	...	...	...	...	12½	12½	10
Deferred	...	...	...	...	...	...	...	...	...	7	7	6
Darjeeling Properties	Goenka & Co.	7	...	32	...	...	3-54	—8	18	12½	12½	10
6% preference	...	...	...	...	...	...	...	...	...	12½	12½	10
Darjeeling Ropeway	Goenka & Co.	...	...	1,08	...	4	3-54	29	33	12½	12½	10
5½% Debentures	...	...	...	...	...	...	...	...	...	12½	12½	10
R. G. Govan & Co. Ltd.	...	3,55	193,62	204,92	4,51	41	10-55	3,54	3,20	9	7	6
7% Cum. preference	...	...	...	...	...	...	...	...	...	7	7	6
7% Debentures	...	...	...	...	...	...	...	...	...	7	7	6
5½% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Dhrangadhra Chem. Works...	Sahu Bros. Private	15,62	59,70	115,97	1,95	2,81	3-56	22,73	6,34	9	12	12
Ordinary Partly Paid	...	...	...	...	...	...	...	...	...	9	12	12
6% R. C. P.	...	...	...	...	...	...	...	...	...	9	12	12
Duncan Brothers	Directors	12,10	158,85	272,65	2,18	...	12-56	47,79	50,39	11	11	12
4% Cum. preference	...	...	...	...	...	...	...	...	...	15	15	15
Dunlop Rubber Co.	Directors	181,11	11,35,97	1699,60	...	...	12-56	132,99	119,24	15	15	15
6% Cum. preference	...	...	...	...	...	...	...	...	...	6	6	6
6% Cum. preference Tax	...	...	...	...	...	...	...	...	...	6	6	6
5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments	Bird & Co. Private Ltd	...	...	12,60	...	6	12-57	11,86	11,20	9	9	9
5% Cum. preference	...	...	...	...	...	...	...	...	...	9	9	9
Eastern Manfg. Co.	McLeod & Co. Ltd.	19,22	19,19	78,33	3,73	1,10	12-54	10,44	2,25	7½	3	3
6% Cum. preference	...	...	...	...	...	...	...	...	...	6	6	6
F. & C. Osler	S. B. Indus. Development	5,44	61,89	91,41	51,41	...	3-53	1,50	8,65	nil	nil	nil
4½% Cum. preference	...	...	...	...	...	...	...	...	...	4½	4½	4½
Frank Ross	Directors	2,13	9,17	38,24	11,24	...	2-57	66	24	15	15	15
4½% Cum. preference	...	...	...	...	...	...	...	...	...	15	15	15
Fraser & Co.	Kilburn & Co	6,01	1,49	12,63	...	21	3-55	1,61	1,40	15	15	15
French Motor	Mg. Director	21,17	234,20	254,95	46,95	...	3-56	9,52	8,97	12½	12½	12½
Ganges Rope	Macneill & Barry Ltd.	13,41	39,67	85,82	18,22	39	3-57	4,96	2,04	12½	11½	15
General Invt. & Trust	Bird & Co. Private	...	...	40	...	2	2-57	48	64	7½	7½	5
5% Cum. preference	...	...	...	...	...	...	...	...	...	5	5	5
6% Cum. preference Tax	...	...	...	...	...	...	...	...	...	5	5	5
Gillanders Arbuthnot	Directors	33,91	158,10	244,41	40,00	...	3-57	(a) 25,21	31,85	6	6	6
5% R. C. P. T.	...	...	...	...	...	...	...	...	...	5	5	5
Gladstone Lyall & Co.	Directors	12,30	7,86	...	...	...	12-54	3,08	3,08	3½	3½	5
6% C. P. T.	...	...	...	...	...	...	...	...	...	3½	3½	5
Godfrey Phillips	Directors	16,42	207,63	250,42	1,34	...	12-55	23,94	10,49	20	10	17½
5½% C. P. T.	...	...	...	...	...	...	...	...	...	3½	5½	5½
Great Eastern Hotel	B. P. R. Syndicate	...	...	88,48	...	42	3-57	7,48	6,91	6	6	2½
Hindusthan Building	Directors	...	...	...	...	...	7-55	1,61	1,33	4	4	5
4% C. P.	...	...	...	...	...	...	...	...	...	4	4	5
Hindusthan Gas	Directors	2,13	6,37	11,45	3,67	...	3-54	3,85	...	6½	nil	6
4½% Debentures	...	...	...	...	...	...	...	...	...	33	49	1½
Hindusthan Housing	Jainarayan Ramchander	8	...	...	...	26	3-53	...	...	1½	nil	nil
4% Debentures	...	...	...	...	...	...	...	...	...	65	37	nil
Hindusthan Ice	R. N. Jhun Jhun Wala	40	1,21	2,69	...	18	9-54	...	...	...	...	...
5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Woollen	Directors	37	...	5,25	73	...	3-55	60	36	1½	1½	1½
Hoare Miller	Directors	11,27	1155,20	1191,41	9,90	...	12-55	3,58	(b) 2,21	8½	7½	12½
Hooghly Flour	Shaw Wallace & Co.	2,00	50,18	54,69	33	22	6-56 HY	2,05	1,08	12½	12½	12½
Hooghly & Ganges Hyd.	B. N. Elias & Co.	78	42	1,53	...	...	6-54	43	...	4½	4½	4½
4½% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	Directors	270,58	...	3036,37	...	...	3-56	415,71	363,57	8	8	6
India Genl. Navigation &...	Kilburn & Co. Private	...	...	...	...	...	12-56	(i) 2,60	...	5	5	5
6% C. P.	...	...	...	...	...	...	...	...	...	5	5	5
India Linoleums	Hindusthan Investment	2,76	12,01	23,83	9,07	...	3-56	6,19	2,01	14	14	14
India Paper Pulp	Andrew Yule & Co. Ltd.	25,04	39,34	93,61	4,54	...	3-57	(a) 19,56	18,11	14	14	14
India Steamship	Lionel Edwards Private	47,14	330,54	600,17	...	11,50	3-57	80,23	...	10	10	10
5% R. C. P.	...	...	...	...	...	...	...	...	...	5	5	5
Indian Aluminium	Directors	63,06	307,21	424,97	...	...	12-56	65,59	48,64	10	5	5
5% C. P. T.	...	...	...	...	...	...	...	...	...	15	15	15
Indian Cable	Directors	...	...	697,45	48,68	...	3-57	144,82	125,29	15	15	12½
6% C. P. P.	...	...	...	...	...	...	...	...	...	20	45	25
5½% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot & Co.	...	...	15,84	29,50	...	1,10	12-56	15,07	14,75	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1958	March 1957			General	Others	Carry Forward				Invest- ments	Stocks & Stores	Out Standing	Cash	Others
	Rs. 100	Rs. 100			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
NORTHERN INDIA (Continued)															
Calcutta Steam Nav'g...	13 41xd	15 4	10	1,260	524	648	73	1,303	6,589	3,915	...	212	918	4	...
Camperdown Pressing ...	118 00	121 0	100	4,30	85	15	...	45	2,12	...	2,87	...	...	76	...
Central Hydraulic ...	119 00	129 0	100	5,00	30	2,17	...	35	1,31	8,43	6,98	...	35	35	...
Cherra Chhatak Ropeway...	4 50	4 12	5	4,75	4,75	...	...	87	12,52	9,78	15	2,57	3,99	47	...
Chrestien Mica Indusa ...	10 19	14 9	10	30,00	14,08	8,70	1,64	57,78	66,99	21,17	23,11	55,86	37,19	10,21	...
5½% Cum. preference ...	55 00	51 8	100	30,00	...	...	...	...	...	...	...	...	...	...	...
Deferred share ...	6 63	7 1	5	15,00	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	830 00	880 0	1000	15,00	...	...	...	...	...	...	...	...	...	...	...
Clive Building ...	...	...	150	15,00	2,06	8,17	2,08	3,16	48,88	7,63	4,14	...	37	4,48	3
Management Shares ...	...	...	15	15	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	410 00	425 0	500	19,63	...	...	...	...	...	...	...	...	...	...	...
Clive Row Invt. ...	8 62	10 0	10	138,80	10,00	7,34	8,17	42,52	...	...	205 96	...	22	65	...
Dalmia Cement ...	10 20	11 12	10	60,00	25,00	40,05	2,85	158,13	105,62	39,55	194,60	77,37	19,19	16,07	3,38
Ordinary ...	2 62	2 15	2½	26,50	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	84 00	94 0	100	35,00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	30 25	34 0	40	23,75	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	2 50	1 12	10	5,00	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties ...	1 00	5 0	10	5,32	...	7	—33	16	5,58	27	1	4	36	1	2
6% preference ...	4 00	4 0	10	2,48	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Ropeway ...	5 75	7 6	10	1,00	2	43	1	41	4,01	1,08	...	36	47	59	...
5% Debentures ...	...	...	500	1,00	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills ...	16 00	11 0	10	5,60	8,00	...	1,51	14,36	37,96	22,97	4,94	9,15	10,21	1,09	...
7% Cum. preference ...	...	...	100	90	...	...	...	...	...	...	...	...	...	...	...
7% Debentures ...	...	...	500	5,00	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures ...	...	...	100	21,50	40,00	18,68	1,11	79,77	140,07	37,67	...	27,61	24,95	58,94	...
Dhrangadhra Chem. Works	85 00	137 0	100	21,50	40,00	18,68	1,11	79,77	140,07	37,67	...	27,61	24,95	58,94	...
Ordy P. Paid ...	...	...	50	21,43	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	31,91	...	...	...	...	...	...	...	...	...	...	...
Duncan Brothers ...	120 00	104 0	100	90,00	65,00	25,50	5,36	126,39	24,02	9,83	183,46	3,35	88,16	68,10	...
4% Cum. preference ...	53 00	58 0	100	45,00	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co. ...	24 25	24 14	10	160,00	216,00	124,86	15,25	329,82	555,02	248,71	25,87	455,47	230,14	25,34	...
6% Cum. preference ...	114 50	119 0	100	30,00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax ...	33 50	92 8	100	40,00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	98 00	99 0	100	130,00	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments ...	104 50	119 0	100	51,26	54,82	...	2,42	30,66	...	...	164,13	...	3	...	...
5% Cum. preference ...	75 00	77 8	100	25,00	...	...	...	...	...	...	...	...	...	...	...
Eastern Manufacturing Co.	...	...	100	8,50	5,00	3,70	10	16,10	28,71	19,24	1	17,29	5,21	1,09	35
6% Cum. preference ...	...	...	100	2,00	...	...	...	...	...	...	...	...	...	...	...
F. & C. Osler ...	1 81	6 13	10	75,00	3,00	1,27	4,02	29,56	12,65	1,73	20,13	51,41	50,01	1,81	3,56
4½% Cum. preference ...	41 50	50 0	100	25,00	...	...	...	...	...	...	...	...	...	...	...
Frank Ross ...	2 19	2 3	6	4,95	14	55	2	7,89	1,96	1,18	...	11,41	3,89	22	...
4½% Cum. preference ...	36 50	41 0	100	2,75	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co. ...	15 56	14 0	10	6,05	1,75	2,76	19	5,91	10,70	3,64	4,11	...	5,48	...	...
French Motor ...	25 26	21 14	20	30,00	4,00	11,28	1,96	69,12	26,45	13,73	13,08	46,95	39,23	4,39	...
Ganges Rope ...	121 00	182 0	100	14,00	...	9,35	35	39,10	34 02	19,69	...	27,61	20,83	13	...
General Invt. & Trust ...	...	...	75	2,25	18	38	15	98	...	...	5,82	...	2	10	...
5% Cum. preference ...	...	...	100	1,00	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Prefr. Tax ...	...	...	100	1,00	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot ...	11 19xd	10 8	10	6,500	1,700	1,721	168	21,426	2,925	1,066	10,180	4,183	13,802	1,692	2,300
5% R. C. P. T. ...	36 50	58 4	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co. ...	...	...	10	38,27	3,80	3,16	7	53,51	10,57	4,44	30,96	14,19	39,44	4,42	17,80
6% C. P. T. ...	...	...	100	14,15	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips ...	17 75	21 8	10	40,00	...	7,81	11,97	56,73	55,96	24,88	...	79,11	34,70	98	...
5½% C. P. T. ...	61 00	68 12	100	30,00	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel ...	255 00	226 0	250	30,00	10,00	5,17	74	16,50	83,08	36,24	...	7,24	7 02	1,29	...
Hindustan Building ...	4 31	6 12	10	15,00	1,00	...	5	3,65	7	2	14,54	...	6,90	30	7,91
4% C. P. ...	...	...	100	10,00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Gas ...	8 37	9 6	7	10,49	5,50	...	10	8,01	23,93	11,43	7	10,69	2,66	17	...
4½% Debentures ...	...	...	1000	2,00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Housing ...	...	...	75	15,00	...	...	2	6,38	23,87	1	2,50	...	4,67	38	...
4½% Debentures ...	...	...	1000	10,00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Ice ...	0 62	1 4	5	10,00	45	1,00	—3,57	1,73	22,57	10,00	...	31	1,33	26	13
5% Debentures ...	...	...	1000	5,00	...	...	...	...	...	...	...	...	...	...	...
Hindustan Woollen ...	...	...	10	34,97	...	10	...	1,08	26	...	7,66	73	26 31	1,20	...
Hoare Miller ...	6 00	7 11	10	35,20	20,00	1,30	1,33	132,99	21,96	9,19	18,18	10,32	130,97	21	17,66
Hooghly Flour ...	28 00	21 18xd	10	6,00	5,65	1,00	21	8,50	15,30	12,31	...	6,56	11,28	7	...
Hooghly & Ganges Hyd...	5 40	4 5xd	10	8,00	54	86	7	1,62	15,50	4,70	5,92	10	1,21	6	...
4½% R. C. P. ...	...	...	100	4,00	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	...	3,00	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco ...	11 31xd	13 15	10	15,1600	4,50,00	338,87	24,94	318,12	415,59	163,29	95,49	921,00	439,00	452,57	490,36
India Genl. Navigation &	55 50	71 8	£ 10	6,56	1,70	9,38	—1,06	20,25	56,66	34,28	50	6,53	8,19	66	46
6% C. P. ...	64 00	69 0	£ 10	2,44	...	...	...	...	...	...	...	...	...	...	...
India Linen ...	...	...	100	25,00	...	...	...	...	...	...	...	...	...	...	...
India Paper Pulp ...	19 00	21 13xd	10	63,00	10,58	53,36	34	19,38	31,15	3,31	...	10,15	5,15	29	...
India Steamship ...	10 87xrs	10 3	10	225,00	100,00	74,74	2,71	1041,02	1278,97	83,77	5,27	24,27	35,85	41 26	8,80
5% R. C. P. ...	81 00	83 0	100	25,00	...	...	...	...	...	...	...	...	...	...	...
Indian Aluminium ...	12 75	13 8	10	201,10	15,00	40,28	7,97	261,18	460,51	196,84	17	191,04	80,27	8,42	21,95
5% C. P. T. ...	65 00	77 0	100	40,00	...	...	...	...	...	...	...	...	...	...	...
Indian Cable ...	29 25	24 8	10	152,89	70,00	76,00	41,82	288,41	226,86	86,85	21	295,12	286,83	19,83	...
6% C. P. P. ...	21 10	31 7	10	12,88	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures ...	98 00	102 4	100	100,00	...	...	...	...	...	...	...	...	...	...	...
Concor & ...	3 27	3 2	2½	13,71	11,73	...	1,15	15,08	23,51	14,30	11,10	9,74	4,69	6,93	...

Indian Finance
MISCELLANEOUS

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Indian Rubber Manfrs.	G. S. Moulton & Co Private	...	...	...	...	34	3-56	3,68	1,80	6 1/2	5	7 1/2
Indian Wood Products	5% C. R. P.	...	...	...	...	...	...	15,41	18,10	5	5	5
Indo Burma Petrol	Gill, Arbuthnot & Co.	4,62	36	4181	...	2,03	9-56	55,32	(a) 78,44	30	30	27 1/2
Investment & Finance	Steel Bros. & Co. Limited	22,82	598,78	661,57	...	2,75	12-56	...	...	20	40	30
	7% C. P. T.	...	...	97	...	6	2-57	95	1,47	7 1/2	7 1/2	7
	Bired & Co. Private	...	...	...	...	...	...	...	...	5	5	5
	5% C. P.	...	...	...	...	...	...	...	...	6	6	6
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
J. K. Comml. Corp. Ltd.	Directors	...	...	4,54	...	...	6-55	5,69	2,22	5	8	8
J. K. Investment Trust	Directors	...	...	6,93	...	...	6-55	5,86	4,47	nil	nil	nil
James Wright	B. Ordinary	...	...	...	...	...	...	...	...	...	...	...
	6% C. P.	1,41	12,03	19,40	5,90	...	12-55	52	73	6	5	6
Jardine Henderson	Deferred	...	...	...	...	...	...	...	...	...	...	...
	Directors	21,23	1519,53	1567,88	26,60	...	3-57	31,99	32,66	nil	nil	nil
Jewwani (1929) Ltd.	54% C. P. T.	...	...	...	...	...	...	6,87	4,12	5 1/2	5 1/2	5 1/2
Jenson & Nicholson	Directors	...	...	196,96	128,96	...	12-56	10,37	8,16	7 1/2	7 1/2	7 1/2
	Macneil & Barry	11,81	...	...	...	46	12-55	...	...	...	...	...
	7 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway	Directors	49	32	94	...	...	3-54	14	-32	nil	nil	nil
Kalyanpur Lime & Cement	7% P. T.	...	25,24	35,33	3,17	...	12-54	3,08	3,96	5	5	5
	6% 2nd Prof.	...	...	...	...	...	...	...	...	7	7	7
	Deferred	...	...	...	...	...	...	...	...	6	...	...
Kangra Valley Slate	Directors	13	80	1,92	10	18	6-52	1,37	1,57	18	18	18
Kanapura Development	Bird & Co. Private Ltd.	3,41	...	2,34	15	...	12-56	(d) 1,59	(a) 3,18	nil	10	nil
Kottawell Bullen & Co.	Founders	...	...	...	...	...	...	10,50	12,97	5 1/2	4	4
	54% C. P. T.	...	...	11,80	...	...	12-56	...	...	5 1/2	5 1/2	5 1/2
	4% C. P.	...	...	...	...	...	...	...	...	4	4	4
Kishore Trading Co.	Directors	...	...	1,87	...	...	12-54	1,73	1,37	10	15	15
Kumardhubi Fireclay	Bird & Co. Private Ltd	40,52	41,63	102,41	6,63	1,31	12-56	13,04	10,11	7	7	7
	7% C. P.	...	...	...	...	...	...	...	...	10	15	15
	54% R. C. P. T.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	East India Development Co.	4,81	199,08	247,30	7,79	12	3-55	-4,47	3,77	nil	nil	nil
	54% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Madhulane & Co.	James & Co. Ltd.	2,48	10,33	17,23	6,20	30	3-53	(a) 96	26	nil	nil	nil
Macneil & Barry	Deferred	...	...	...	...	...	...	...	...	...	...	...
	Directors	45,46	...	108,35	...	...	3-57	44,67	53,00	5 1/2	5 1/2	5 1/2
	54% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
	1% Debentures	...	...	...	...	...	...	...	...	...	...	...
Martin Burn	Directors	70,11	690,15	865,53	98,37	...	9-57	90,99	96,09	21 1/2	21 1/2	18 1/2
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	4% Convertible Notes	...	...	...	...	...	...	...	...	...	...	...
McLeod & Co.	Directors	5,94	219,39	207,77	57,86	...	12-56	18,80	32,70	8	22 1/2	17
	5% 1st C. P. T.	...	...	...	...	...	...	...	...	5	5	5
	5% 2nd C. P.	...	...	...	...	...	...	...	...	5	5	5
	Deferred	...	...	...	...	...	...	...	...	3	17 1/2	12
Metal Box Co.	Convertible Notes	113,54	391,38	566,76	185,75	...	3-57	79,33	75,12	17 1/2	16 1/2	12 1/2
	6% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	Eastern Smelting & Refining Pri.	...	72,45	87,94	26,73	36	3-57	9,24	11,01	6	6	6
	5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary	Andrew Yule & Co.	...	...	1,71	...	...	4-57	-5,01	-11,08	nil	nil	3
Moradabad Water Supply	Neerulla Ghazanfaralla	...	...	1,45	...	9	10-54	42	39	3	3	3
C. & E. Morton India Ltd.	Cotton Agent, Private	4,29	16,79	40,92	6,83	22	6-57	2,98	1,51	6	15	15
Motor & Genl. Finance	Gupta & Syal Ltd.	78	...	13,46	...	...	6-55	7,88	3,94	10	10	10
	10% 1st C. P.	...	...	...	...	...	...	...	...	7	7	7
	7% 2nd C. P.	...	...	...	...	...	...	...	...	...	...	...
	7% 3rd C. P.	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co.	Directors	71,47	308,36	518,94	158,60	...	12-56	99,55	90,95	15	32 1/2	...
National Insulated Cables	Asso. Indust. Development Co.	...	...	277,31	41,16	7,23	3-56	60,78	32,36	20	15	10
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit	Directors	...	...	1,42	...	...	12-55	1,17	92	3 1/2	3 1/2	3 1/2
National Tannery	S. K. Sen & Co.	50	4,03	5,55	5,09	4	12-52HY	24	-72	nil	nil	nil
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
National Tobacco	B. N. Elias & Co. Private	48,19	391,77	515,64	45,45	4,08	12-56	29,61	29,28	7	8	5
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
	44% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
New India Building	Directors	...	...	...	...	...	...	...	...	...	...	...
	44% C. P.	...	...	...	...	...	...	...	...	...	...	...
New India Investment	Ramduitt Ramkissandas	...	...	2,67	...	41	5-56	2,35	4	nil	nil	nil
	...	...	...	...	...	...	12-55	5,44	1,77	5	3 1/2	2 1/2
Octavius Steel & Co.	Directors	13,25	...	48,74	...	...	12-55	29,90	21,45	18	7 1/2	10
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Orient Paper	Bird Brothers Private Ltd.	89,37	184,48	413,89	26,14	11,32	3-57	123,66	121,57	15	12 1/2	10
	54% C. P.	...	...	...	...	...	...	...	...	...	...	...
	54% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement	Dalmia Agencies Private	118,52	...	132,38	8,69	3,81	12-56	43,79	55,03	12 1/2	12 1/2	7 1/2
	44% C. P.	...	...	...	...	...	...	...	...	...	...	...

April 12, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	March 1958	March 1957			General	Others	Carry Forward				Invest- ments	Stocks & Stores	Outstand- ings	Cash	Others
	Rs. n.P.	Rs. s.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
NORTHERN INDIA (Continued)															
Indian Rubber Manfrs.	16 00	25 14	10	8.28	5.0	53	63	4.16	16.75	9.50	4	6.15	7.94	5.85	...
5% C. R. P.	90 00	98 8	100	8.28	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products	45 50	40 8	10	20.00	16.03	4.43	1.45	21.37	19.49	15.06	2	43.79	2.54	12.48	...
Indo Burma Petrol	24 12	32 12	100	100.00	27.44	116.22	68	193.72	79.77	47.03	261.64	34.22	75.33	84.13	...
7% C. P. T.	84 00	98 0	100	5.00	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance	...	...	100	2.00	149	1 17	20	1.65	...	...	13.38	...	4	9	...
5% C. P.	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
J. K. Comml. Corp. Ltd.	...	...	10	20.80	822	3	7	48.15	29	17	41.67	...	35.46	4	...
J. K. Investment Trust....	...	...	700	70.08	25.50	46	7	40.23	2	1	115.02	...	15.78	8.03	...
B. Ordry.	...	...	25	2.50	...	...	...	...	...	...	...	...	...	...	...
James Wright	3 50	4 2	5	5.88	100	53	2	7.93	96	54	5.81	5.91	3.28	66	...
6% C. P.	30 50	33 8	50	1.30	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 81	0 10	1	1.17	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	53 00	75 8	100	200.00	62.00	5.00	4.71	417.76	39.02	12.89	386.83	26.60	273.03	1.07	25.00
54% C. P. T.	53 25	58 4xd	100	50.00	...	...	...	...	...	...	...	...	...	...	...
Jewwani (1929) Ltd.	6 00	5 14	10	72.00	800	...	-12.50	120.83	34.18	24.00	6	132.77	39.45	5.73	15
Jenson & Nicholson	...	...	10	32.50	14.50	6.80	5.88	89.25	50.41	26.01	88	62.75	79.52	1.37	...
7 1/2% R. C. P.	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway	2 75	1 15	10	4.50	65	...	-1.28	1.38	5.97	2.63	9	1.34	33	13	...
Kalyanpur Lime & Cement	102 00	100 0	100	18.15	33.15	61	1.71	31.49	48.08	1.38	51	12.92	34.90	7.22	5.71
7% P. T.	89 00	80 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Prof.	100 50	...	100	3.15	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	25	2.00	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate	85 00	100 0	100	1.58	183	1.57	25	1.72	1.95	68	63	10	27	4.59	8
Kanapura Development	7 75	12 15	10	15.00	19.00	5.04	5	30.94	44.47	13.07	19.86	81	8.26	14.71	...
Founders	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Kettellwell Bullen & Co.	150 06	159 0	100	40.00	903	16.00	1.77	32.19	1.65	1.01	77.50	...	50.59	25	...
54% C. P. T.	49 50	57 8	100	20.00	...	...	...	...	...	...	...	...	...	...	...
51% C. P. T.	58 00	50 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	75 00	70 0	100	20.00	175	24.15	53	4.03	1	...	46.77	...	1.45	1.24	...
Kishore Trading Co.	75 00	25 0	10	30.00	451	71.82	41	33.18	141.77	44.14	41	25.53	28.45	11.07	2.84
Kumardhubi Fireclay	24 00	108 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	101 00	66 8	100	4.00	...	...	...	...	...	...	...	...	...	...	...
51% R. C. P. T.	54 50	66 8	100	20.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	96 00	99 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	5 75	5 12	10	8.00	...	...	-5.28	29.70	39.27	13.15	11	17.44	6.34	41	...
51% R. C. P. T.	75 00	75 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co.	3 23	3 1	5	0.34	280	...	2	8.10	6.90	4.32	1.43	8.20	3.88	1.51	32
Deferred	0 47	0 9	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneil & Barry	...	...	100	15.00	27.00	43.50	4.34	112.29	43.42	10.37	256.4	12.01	148.7	1.48	60.88
54% C. P. T.	...	...	100	100.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	840 00N	880 0N	1000	75.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	23 75	22 10xd	10	145.24	21.50	54.60	2.35	680.59	25.54	14.97	196.27	256.15	396.70	8.94	25.17
Martins Burn Limited	93 00	98 8xd	100	60.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	515 00	305 0	500	9.53	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes	...	...	100	40.00	51.00	31.87	2.57	219.13	28.53	10.43	264.54	57.98	81.86	2.10	20.00
McLeod & Co.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% 1st C. P. T.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P.	...	...	100	40.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes	...	...	...	45.00	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co.	26 50	26 8	10	115.00	50.00	67.00	16.34	184.85	262.36	89.10	3.41	194.72	81.58	10.21	...
6% R. C. P. T.	84 50	92 0	100	30.00	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	6 66	7 15	10	40.00	...	...	-1.18	42.77	105.41	47.52	15	42.59	5.18	48	1.16
5% C. P. T.	80 00	84 0	100	7.10	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 00	3 0	1	2.83	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	24.00	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary	15 00xd	23 0	100	94.00	...	41.88	-16.57	24.42	7.33	52	36.71	4	98.12	7.96	...
Moradabad Water Supply	4 50	5 9	10	4.46	...	...	2	87	6.37	2.10	...	24	56	13	26
C. & E. Morton (India) Ltd	...	...	10	8.85	842	2.00	...	12.78	24.08	13.33	70	14.72	5.37	50	...
Motor & General Finance	...	...	25	4.00	11.00	4.00	10	70.63	63	24	11.42	26	82.39	1.60	...
10% C. P.	...	...	20	1.00	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P.	...	...	10	2.75	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co.	24 44	27 0	10	200.00	25.00	53.16	21.20	79.82	150.98	50.60	47	149.09	62.37	14.78	...
National Insulated Cable	24 00	20 0	10	40.00	40.60	34.62	1.44	191.29	63.81	41.53	8	118.36	168.59	7.70	...
54% Debentures	...	...	...	10.00	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit	2 50	2 6	5	7.50	...	3.27	1	7.55	18.10	1.03	5	...	67	4	50
National Tannery	2 40	2 8N	10	6.59	57	...	-4.72	9.24	7.62	5.42	...	5.09	4.75	14	...
5% C. P.	4 50	5 0N	10	50	...	...	...	...	...	...	...	...	...	...	...
National Tobacco Co.	9 44	10 10	10	79.97	26.11	12.82	9.03	173.78	120.52	61.75	98	192.63	85.97	19.53	...
5% R. C. P.	60 00	69 0	100	25.00	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	55 50	63 0	100	19.98	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00	945 0	1000	12.00	...	...	...	...	...	...	...	...	...	...	...
New India Building	0 50	1 0	5	15.00	...	...	-1.03	8.58	15.86	2	...	15.79	24	6	61
44% C. P.	15 00	21 0	50	9.97	...	...	...	...	...	...	...	...	...	...	...
New India Investment	40 50	53 0	75	23.32	650	1.82	47	13.84	5	3	32.42	...	11.37	60	...
Octavius Steel & Co.	...	...	100	50.00	25.80	22.22	1.26	45.29	3.50	1.98	88.60	...	50.78	12.87	...
6% C. P. T.	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...	...
Orient Paper	27 90	30 12	10	146.82	...	242.51	2.63	196.72	604.17	197.53	23.57	56.87	205.98	25.95	...
54% C. P.	80 00	96 8	100	71.81	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	57 00	72 0	100	60.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	900 00	990 0	1000	100.00	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement	12 37	13 0	10	100.00	...	31.41	11.02	178.93	209.82	98.69	23.34	65.39	27.56	13.82	119.79
4 1/2% C. P.	40 00	...	100	40.80	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
NORTHERN INDIA (Continued)												
Orissa Minerals	Bird & Co. Private Ltd.	10.32	2.78	28.23	11.33	44	6-56 H	4.80	5.28	10	10	10
Port Shipping	Andrew Yule & Co.	17.72	12.86	39.08	...	68	12-56	6.78	4.69	15	15	10
Publicity Society	Directors	...	8.96	...	...	...	3-55	1.67	2.01	25	25	21½
Punjab Minerals	Bird & Co. Private Ltd.	3	43	51	...	1	9-56	-57	3	nil	25	nil
Rallis India	Directors	5,182	241,935	249,633	26,185	...	8-57	(b)2,120	(b)2,752	nil	nil	nil
Reliance Firebrick	6% C. P. T.	15.84	12.77	41.76	1.40	...	2-56	7.43	3.61	20	10	2½
Rohtas Industries	Sahu Jan. Ltd.	102.45	649.90	1008.26	134.36	8.31	10-56	120.61	105.25	15	15	15
	7 to 9% C. P.	...	...	...	...	...	...	...	...	9	9	9
	4½% C.P.	...	...	...	...	...	...	...	...	4½	4½	4½
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	Directors	...	...	38.20	5.77	...	3-55	1.91	...	8	8	...
Shaw Wallace & Co.	Directors	37.31	285.46	345.64	68.12	...	12-56	30.02	37.23	10	10	12½
Shiva Jute Press	6% C. P. T.	50	...	...	...	6	6-55	Ra. 3.07	...	6	6	6
Shree Gopal Paper	Kedarnath Mohanlal	16.37	64.63	136.34	17.05	2.43	12-56 H	25.00	24.32	6½	1	nil
	4% C. P. P.	...	...	...	...	...	...	...	...	6½	6½	6½
	5½% Debentures	...	...	...	...	...	...	...	...	4	4	4
Smith Stanistreet	Directors	11.89	97.60	113.82	40.30	...	6-56	7.51	5.29	20	20	10
Sonekunda Baling	10% Pref. Cum. as to 7%	3.44	186.39	200.88	52.00	6	2-55	-2.50	-2.32	10	10	10
	Bird & Co. (Pak) Ltd.	...	...	...	...	...	...	...	...	10	10	7½
	8% C. P.	...	...	...	...	...	...	...	...	10	10	10
	5% C. P.	...	...	...	...	...	...	...	...	10	10	10
Sone Valley Port Cement	Directors	19.89	59.70	114.08	1.56	...	12-56	(a)7.98	11.54	10	10	5
Star Co.	Directors	7	...	1.12	...	...	3-54	-49	-44	3	6	5
Star Paper Mills	Bajoria & Co.	3.35	19.83	33.24	11.10	52	9-55 H	3.59	3.47	7½	2½	2½
	5% C. P.	...	...	...	...	...	...	...	...	2½	2½	2½
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Star Trading & Inv.	Bajoria & Co.	7	...	26	...	3	6-53	-32	-14	10	5	...
Straw Products	I. K. Agents Private Ltd.	4.51	10.52	26.49	1.46	70	12-55	5.15	...	10	5	...
Sutra Stone & Lime	Directors	2.73	3.27	9.71	26	...	12-56	1.97	1.58	13½	11½	11½
Tide Water Oil	Andrew Yule & Co. Ltd.	6.34	42.92	49.60	18.19	...	10-56	2.43	2.23	12½	10	nil
Titagarh Paper Mills	F. W. Heigera & Co. Private	111.1	218.83	703.92	16.51	9.81	3-57	127.41	107.99	23.75	21½	17½
	Prefd. Ordinary	...	...	...	...	...	...	...	...	10	10	10
	8% C. P.	...	...	...	...	...	...	...	...	8	8	8
	4½% C. P.	...	...	...	...	...	...	...	...	4½	4½	4½
Union Co.	Directors	6	...	1.58	...	...	3-54	12	-1.31	nil	nil	5
United Flour	Shaw Wallace & Co. Ltd.	3.66	68.20	83.69	5.67	44	11-56	4.07	3.41	45	35	17½
Walford Transport	Directors	10.59	176.67	199.11	20.06	...	12-56	8.54	4.89	14	14	12
	Prefd. Ordinary	...	...	...	...	...	...	...	...	12	12	11
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	7.74	176.27	208.52	...	1.33	3-56	15.63	24.38	12½	12½	12½
Andhra Cement	Andhra Engineering Co.	7.75	35.27	94.33	6.55	1.20	12-55	19.88	17.15	10	10	10
	B. Ordinary	...	...	...	...	...	...	...	...	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	10	10	10
Andhra Scientific Co.	Srinanth Industries Pri. Ltd.	1.42	8.59	12.81	6.79	...	6-55	-91	-4.19	6	6	6
	5% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
	...	...	...	...	...	...	...	...	...	nil	nil	nil
Bangalore Printing	Directors	1.50	1.36	4.14	2.10	...	12-56	84	83	10	10	10
	Second Ordinary	...	...	...	...	...	...	...	...	...	...	...
Binny & Co.	Directors	...	...	105.47	12.30	...	12-56	30.64	23.38	10	10	8
Central Scientifics	Guru Agencies	70	6.59	8.83	2.78	19	3-56	78	52	10	10	10
Coimbatore Chem. & Fert.	6% C. P. P.	...	...	8.92	...	5	3-55	11	15	8	8	8
	Venus & Co.	...	...	...	...	...	...	...	...	7½	7½	nil
East Coast Food Products	Sudarsanam S. Murthy Ltd.	82	39.71	57.52	5.59	21	3-54	1.65	2.40	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
Fertilisers & Chemicals	Seshasayee Bros.	4.05	137.04	188.26	...	18	12-55	40.49	26.70	nil	nil	nil
Forest Industries	Seshasayee Bros.	...	...	8.55	1.59	...	3-56	3.80	6.00	nil	nil	nil
General Papers Ltd.	Gany & Co.	...	...	...	...	19	3-55	67	37	6½	6½	12½
Hyderabad Inv. Synd.	M. Amolachand Bros. Ltd.	...	...	1.58	...	17	9-55	54	67	2½	2½	nil
India Cements	Essen Pri. Ltd.	1.41	70.31	123.81	6.62	2.49	3-56	25.97	24.19	8½	7½	5
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	Deferred	...	...	75	...	7	9-57	65	63	5	4½	4½
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.	...	...	...	...	...	...	...	...	...	...	...
Jeypore Mining	R. S. Indusl Corp.	64	1.14	5.76	7.17	9	6-55	1.08	1.00	10	6	51

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1958 Rs. ap.	March 1957 Rs. as.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Continued)															
Orissa Minerals	23 19	20 6	10	20.00	6.03	29.91	1.01	31.48	48.05	26.02	30.04	17.97	12.85	4.12	1.43
Port Shipping	15 75	16 4	10	14.08	6.25	18.94	63	8.54	40.39	7.39	4.51	78	6.16	3.99	...
Publicity Society	9 56	10 0	4	1.87	1.05	2.01	27	12.45	1.86	1.62	1.63	...	14.63	1.15	...
Punjab Minerals	...	...	10	3.00	...	...	-1.33	19	1.64	2	...	...	13	1	9
Rallis India	27 50	31 4	100	22.500	...	483	-4.413	29,550	12,226	6,008	1,127	27,442	19,478	1,356	...
6% C. P. T.	61 50	62 8	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	19 00	20 0	10	6.00	3.19	7.43	51	15.93	33.79	23.63	...	7.92	13.09	1.89	...
Rohtas Industries	16 76	16 14	10	228.00	120.00	16.20	49	592.92	1060.39	396.23	25.90	246.75	137.64	3.28	106.4
7 to 9% C. P.	113 00	122 8	100	20.00	...	...	...	...	...	...	...	...	...	...	...
4½% C. P.	58 00	63 8	100	64.76	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	910 00	910 0	1000	100.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	22.00	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	10 31	11 7	100	9.99	1.45	1.29	4	14.91	1.71	...	72	5.80	18.27	1.16	...
Shaw Wallace & Co.	61 00	67 4	100	75.00	1.00	16.00	3.64	309.23	37.03	7.05	46.83	71.16	217.74	2.25	111.92
6% C. P. T.	65 00	100 0N	100	4.50	...	...	...	...	...	...	...	...	...	...	...
Shiva Jute Press	14 50	16 0	10	125.49	37.75	30.21	3.18	94.84	136.54	100.80	50.34	98.27	94.81	30.85	8.98
Shree Gopal Paper	98 00	116 0	100	7.50	...	...	...	...	...	...	...	...	...	...	...
6% C. P. P.	950 00	1000 0	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	950 00	990 0	1000	30.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	12 12	11 12	5	5.00	3.00	8.00	1.18	36.86	18.54	13.94	...	43.80	7.60	3.06	...
Smith Stanistreet	51 50	62 12	50	5.00	...	...	...	...	...	...	...	...	...	...	...
10% Pref. cum. as to 7	...	...	100	6.00	5.02	16.73	-5.67	60.25	38.53	13.27	...	54.01	7.79	77	...
Sonekunda Baling	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	...	...	100	3.50	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	7.50	7.50	10.20	4	39.30	209.87	150.04	5.80	44.68	19.23	38	14
Sone Valley Port Cement	81 00	81 8	100	10.40	7.25	2.38	-85	7.26	14	5	16.74	...	6.21	...	3.41
Star Co.	11 25	10 10	10	30.00	3.00	3.50	14	37.07	65.85	31.83	28	32.25	25.47	89	...
Star Paper Mill	64 50	67 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	870 00	940 0	1000	5.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	8 00	8 0	25	5.00	40	...	-57	6.14	2	1	9.39	1.54	...	2	...
Star Trading & Inv.	14 50	20 2	10	15.00	21.50	60.41	16	8.37	88.62	21.68	21.26	6.59	4.78	5.86	...
Straw Products	20 12	18 0	10	3.23	22	58	25	3.08	8.13	4.71	10	1.35	1.75	91	...
Sutra Stone & Lime	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tide Water Oil	12 09	12 12	10	6.00	4.50	5.03	58	27.56	2.30	1.67	...	24.75	13.57	2.72	2.00
Titagarh Paper Mills	34 62	35 2	10	112.05	47.53	322.97	93	245.97	613.24	351.67	52.43	185.70	183.42	11.79	65.23
Prefd. Ordinary	4 03	4 0	24	4.37	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	131 50	139 0	100	11.50	...	...	...	...	...	...	...	...	...	...	...
4½% Cum. preference	78 75	90 8	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Union Co.	75 00	107 8	100	12.50	7.50	4.62	-93	25.16	14	10	23.15	...	25.64	...	...
United Flour Mills	24 37	39 0	10	2.50	4.70	3.35	17	7.31	7.87	5.35	18	5.97	7.19	2.18	...
Walflaw Transport	2 00	2 1	1	8.41	10.00	8.00	1.67	27.60	12.00	7.87	41	31.44	16.56	4.75	47
Prefd. Ordinary	1 56	1 14	1	2.10	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminium Industries	13 75xd	14 0	10	40.00	18.00	10.25	65	104.06	56.26	21.56	...	75.18	61.96	1.12	...
Andhra Cement	...	...	100	11.38	5.43	7.79	20	46.65	83.25	44.19	11.80	27.98	25.16	1.74	...
B. Ordinary	12 00	12 12	10	39.80	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	106 00	102 0xd	100	2.49	...	...	...	...	...	...	...	...	...	...	...
Andhra Scientific Co.	3 70	3 11	10	8.00	...	...	-8.72	17.53	8.18	4.57	...	10.43	4.60	11	...
5% C. P.	5 12	5 2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Bangalore Printing	10 80	...	10	3.00	2.05	1.01	6	1.42	6.89	4.08	1.14	2.11	1.38	25	...
Second Ordinary	...	...	10	16	...	...	...	...	...	...	...	...	...	...	...
Bisray & Co.	158 00cd	180 0cd	100	100.00	36.00	7.52	4.29	64.06	38.92	18.75	127.05	13.14	47.44	3.61	...
Central Scientifics	5 75	6 6	5	1.50	1.30	53	2	1.64	96	40	...	2.81	2.56	55	...
6% C. P. P.	4 90	5 8	5	1.50	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Chem & Fert	...	...	25	1.39	...	...	...	3.39	1.45	29	1	3.11	21	30	...
East Coast Food Products	...	...	10	14.54	...	...	-2.77	9.94	16.64	4.28	...	9.56	4.66	2	1.59
6% C. P.	...	...	100	3.94	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	2.49	...	...	...	...	...	...	...	...	...	...	...
Fertilisers & Chemicals	5 22	5 14	10	345.98	...	...	-30.69	99.79	422.53	192.72	25.75	91.28	51.85	13.29	3.04
Forest Industries	2 90	2 1	5	24.91	13.28	...	-14.85	7.13	14.11	4.70	...	3.50	10.78	6.78	...
General Papers Limited	8 20	8 0	10	5.00	1.85	33	...	7.57	87	53	1	8.81	5.04	55	...
Hyderabad Inv. Synd.	...	...	50	21.42	1.00	...	...	2.65	...	...	11.52	...	9.65	3.91	...
India Concrete	27 00	24 12	25	62.09	...	19.00	2.97	76.11	148.33	54.03	7.89	33.33	34.18	14.75	13.00
5% Cum. preference	84 75	90 0	100	29.87	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 35	5 2	5	7.50	...	...	...	...	...	...	...	...	...	...	...
Inv. Trust of India	55 00	83 0	100	10.00	30	1.78	3	1.18	...	...	10.70	...	2.48	12	...
Jappore Mining	...	...	100	4.00	2.40	31	46	10.94	6.35	1.63	36	8.83	4.18	4	...

MISCELLANEOUS												
NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	Net Profit		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second previous
SOUTHERN INDIA (Continued)												
Madras Indusl Invt. Corpn	Directors	...	...	6,37	...	...	6-54	5,43	5,29	3	3	3
Madras Safe Deposit	Kothari & Sons	...	...	46	...	2	6-56	22	7	4 1/2	4 1/2	3 1/2
Madras Vanaspathi	Kubera Vanspathi	...	...	...	...	...	4-55	-1,52	-2,01	nil	nil	nil
	Ordinary	...	...	...	...	...	...	...	...	nil	nil	nil
	5 1/2% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Manikar (Motors)	H. O. L. Marikar & Sons Pri.	1,82	...	55,77	8,87	25	3-56	1,21	86	10	9	9
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
McDowell & Co.	Directors	...	...	...	...	...	12-55	51	1,03	nil	6	6
	6% C. P.	...	...	...	...	...	...	...	...	nil	6	6
Mettur Chem & Indus. Corp.	Seshasayee Bros. Private Ltd.	10,59	58,11	96,89	9,38	1,67	3-57	19,18	16,12	7 1/2	7 1/2	6 1/2
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	Directors	...	...	...	...	...	6-56	-18	-1,12	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Mysore Chem & Fert	Directors	...	...	...	...	...	3-56	2,97	3,78	5	5	5
Mysore Chem. Manfrs.	Directors	...	27,99	31,47	...	...	3-57	4,57	2,86	20	20	20
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Mysore Chrome	Directors	...	...	5,14	1,91	...	6-56	-13	-50	6	6	6
Mysore Coffee Curing	Directors	59	1,74	4,47	...	...	12-55	1,70	1,27	10	10	10
Mysore Indus. & Test Laboratory	Directors	1,27	5,48	10,62	2,94	...	3-56	2,81	2,48	8 1/2	6 1/2	6 1/2
	Partly Paid	...	...	...	...	...	...	...	...	8 1/2	6 1/2	6 1/2
Mysore Lamp	Directors	45	56	...	...	...	3-55	1,23	1,49	7 1/2	10	10
	4% C. P.	...	...	...	...	...	...	...	...	4	4	4
Mysore Match	Directors	...	...	1,20	8	...	6-56	3	10	nil	nil	nil
Mysore Paper	Directors	13,04	40,05	68,50	5,36	...	3-55	12,72	11,99	7 1/2	7 1/2	5
Mysore Stone Ware Pipes	Mysore Indusl Develop. Co.	...	5,65	9,23	71	35	3-56	2,24	1,77	10	7 1/2	10
Mysore Veg. Oil	Directors	1,13	6,41	30,75	2,10	...	6-56	1,19	-21	nil	nil	nil
National Chemicals	Murthy & Co.	...	...	...	...	...	6-54	-89	-95	nil	nil	nil
	5% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil
Ogale Glass Works	S. P. Ogale & Co.	...	...	35,48	3,72	18	12-53	5	-2,78	nil	nil	nil
Parry & Co.	Coromandal Invt. Trust	...	...	...	...	1,58	12-54	22,19	20,38	15	15	15
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	4 1/2% Debentures	...	...	...	...	...	...	...	...	5	5	5
Punalur Paper	A. & F. Harvey	11,92	50,34	78,07	7,50	47	6-56	8,49	4,58	5	5	5
Radio & Electricals	Directors	1,64	17,44	16,66	16,50	...	12-55	2,08	1,84	9	7 1/2	nil
Radio & Electricals Manfrs.	Directors	2,57	5,03	2,24	...	...	3-56	9,07	3,10	6	20	15
Rane (Madras)	Iyer & Co. Ltd.	1,84	68,89	75,48	13,86	58	3-56	2,80	1,97	15	20	15
	7% 'A' C. P.	...	...	...	...	...	...	...	...	7	7	7
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	Directors	...	...	...	...	...	5-56	49,12	70,46	6	6	6
Spencer & Co.	Directors	39,18	218,93	296,56	...	...	6-56	25,04	19,85	15	15	15
	6 1/2% 'A' C. P.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
	8 1/2% 'B' C. P.	...	...	...	...	...	...	...	...	8 1/2	8 1/2	8 1/2
Thomas & Co. A. V.	Directors	1,89	...	7,50	...	...	12-55	2,48	2,94	10	10	10
	"B" Ordinary	...	...	...	...	...	...	...	...	10	10	10
	6% Cum. Preference	...	...	...	...	...	...	...	...	10	10	10
A.V. Thomas & Co., (India) Ltd.	Directors	32	...	3,10	1,69	...	6-56	54	1,23	6	6	6
	5% Cum Preference	...	...	...	...	...	...	...	...	nil	nil	nil
Travancore Cements	Easel Ltd.	7,93	21,58	45,63	2,79	56	12-56	9,53	10,91	6	6 1/2	6 1/2
Trav. Chem. & Manfrs. Co.	Directors	31	77	3,07	18	...	3-56	1,37	51	20	5	5
Travancore Ogale Glass	Ogale Bros. Private Ltd.	12	5,74	7,23	16	10	12-55	1,70	-60	nil	nil	nil
United Coffee Supply	T. Stanes & Co.	88	...	...	...	59	6-55	3,24	2,68	17 1/2	13 1/2	8 1/2
United Elec. Industries	Directors	...	...	12,35	30	...	12-54	45	...	6	5	5
	5% Cum. Pref.	...	...	...	...	...	...	...	...	5	5	5
Vanjinad Matches	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
	6 1/2% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Vasant Soap Works	Ramkrishna & Sons	...	...	1,40	20	6	12-55	-26	-28	nil	nil	nil
	5 1/2% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil

(a) After writing back Rs 171,052 being excess provision for Sales Tax and Rs 44,165 being excess depreciation.

(b) After transferring Rs 1,404,391 from Property Reserve and Rs 525,000 from provision for taxation and taxation contingencies.

(c) After transferring Rs 1,50,000 from Dividend Equalisation Fund.

(d) After transferring Rs 2,00,000 from General Reserve.

(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.

(f) After writing back Rs 50,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax, and Rs 10,850 being expenses and Rs 5,85,025 profit on realisation of Investments; Rs 8,45,930 surplus on realisation of stores, and Rs 34,300 surplus on sale of machinery.

(g) After transferring Rs 4,60,000 from Investment Reserve.

(h) After transferring Rs 11,00,000 from Development Reserve and Rs 4,408,341 being excess provision.

(i) After writing back Rs 276,904 being over provision in previous years.

(j) Includes Rs 292,365 being surplus arising from Devaluation.

(k) After writing back Rs 4,00,000 being part of taxation and tax contingencies not required and Rs 2,70,000 being provision for depreciation on Investments.

(l) After writing back Rs 38,40,543 being excess provision for depreciation in previous years.

(m) After transferring Rs 200,000 from General Reserve.

(n) After writing back Rs 3,60,000 being excess amount of provision for taxation.

(o) After transferring Rs 2,69,176 from General Reserve.

(p) After writing back Rs 1,24,002 being provision for taxation and including Rs 23,000 being refund of Income-tax.

(q) Bonus shares in the ratio of one fully paid ordinary share for every five ordinary shares will be issued in lieu of Dividend.

(r) Includes Rs 17,99,170 being indemnity receivable from the Government of India.

(s) After transferring Rs 1,00,000 from General Reserve and Rs 50,000 from Dividend Equalisation Fund.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1958 Rs. np.	March 1957 Rs. a.			General Rs.	Others Rs. 000	Carry Forward Rs. 0				Investments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
SOUTHERN INDIA (Continued)															
Madras Indus. Invt. Corp.	...	...	1000	127.56	...	2.75	7	5.98	...	...	36.48	9	93.58	6.22	...
Madras Safe Deposit	50 00	52 12	80	1.58	...	...	2	73	...	...	1.11	...	1	38	...
Madras Vanaspathi [a.z.] ...	15 00	15 0	100	15.00	...	-7.64	24.42	38.80	...	...	...	1.19	99	5	60
Ordinary	...	...	10	1.86	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P.	33 00	33 0	100	8.00	...	...	...	...	...	...	...	...	...	...	...
Ma. kar (Motor)	40 10	50 0	50	4.00	4.00	...	6	12.83	1.79	8	76	8.90	7.62	2.89	...
6% C. P.	45 50cd	50 0	50	1.00	...	...	...	...	...	...	...	...	...	...	...
McDowell & Co.	...	...	100	3.24	3.24	...	...	6.08	8.17	2.17	70	5.57	3.19	39	...
6% C. P.	...	...	100	3.30	...	...	...	...	...	...	...	...	...	...	...
Mettur Chem. & Indl. Corp.	9 65	9 0	10	40.50	1.21	12.42	1.11	18.31	102.51	54.73	13.76	25.37	15.01	7.65	...
6% C. P.	88 10	94 8	100	20.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	83 00	95 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	...	...	10	17.92	...	-12.63	1.42	...	5.53	2.35	2.49	2.17	7.33	2.11	2.21
6% C. P.	...	...	100	12.72	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem & Fert	6 85cd	7 14 1/2	10	24.81	6.23	89	5	19.53	53.84	31.60	2.80	16.47	9.55	1.47	...
Mysore Chem. Manfrs.	14 75	24 0	10	3.00	4.00	...	1.98	8.67	7.37	4.44	4	11.21	4.71	76	...
6% C. P.	8 72	9 4 1/2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Mysore Chrome	...	4 12	10	4.94	90	...	-1.30	4.46	6.38	1.71	33	3.38	55	7	...
Mysore Coffee curing	10 80	12 4	10	4.00	52	66	3	5.87	5.97	3.32	40	2.89	4.65	46	...
Mysore Indus. & Test. Lab	6 57	6 8	10	3.75	1.50	1.25	...	5.79	4.92	3.85	5.15	4.26	3.6	3.76	...
Partly Paid	...	...	5	5.63	...	...	...	...	...	...	...	...	...	83	...
Mysore Lamp	15 00	15 6	10	6.56	5.35	3.97	1	3.45	10.95	4.99	...	10.11	5.68	11	...
4% C. P.	5 60	6 0	10	2.50	...	...	-1.30	...	...	...	...	...	...	...	...
Mysore Match Co.	...	...	10	4.99	...	...	...	...	...	...	...	...	...	...	...
Mysore Paper	16 00	16 6	10	25.00	9.00	9.13	35	92.91	133.70	56.32	8.24	26.63	16.10	4.91	3.13
Mysore Stoneware Pipes	11 50	11 7	10	6.00	2.70	20	1	4.27	9.09	5.44	2.42	1.55	4.22	1.37	...
Mysore Veg. Oil	5 75	5 8	10	13.50	2.12	74	2	3.78	14.10	8.72	2.70	5.19	1.97	4.92	...
National Chemicals	...	...	10	6.70	...	...	-4.68	6.44	7.97	54	10	1.91	67	2	40
5% C. P.	...	...	10	2.08	...	...	...	...	...	...	...	...	...	...	...
Ogale Glass Works	1 90	2 8	5	14.87	3.60	3.05	-2.95	37.10	45.10	12.92	2.81	9.75	9.21	1.74	...
Perry & Co.	...	...	2	40.00	30.00	20	1.91	241.35	44.17	20.92	21.39	161.22	134.14	6.43	...
5% C. P.	...	...	10	30.00	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	25	2.98	5.00	14.00	2	52.93	85.73	31.91	6	22.63	9.47	1.02	...
Punalur Paper	...	...	...	15.05	...	...	...	...	...	...	...	...	...	...	...
Radio & Electricals	5 95	6 6	5	13.99	1.00	...	10	14.05	6.18	1.15	1	16.50	7.15	47	...
Radio & Electricals Manfrs.	13 00	...	10	24.45	...	...	21	22.17	24.12	8.56	...	7.31	22.14	90	86
Rane (Madras)	5 90	6 3	5	2.30	4.75	1.32	1.44	14.58	7.23	2.97	71	13.87	9.37	1.30	...
7% 'A' C. P.	4 90	5 4	5	1.75	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	4 70	5 0	5	1.90	...	...	...	...	...	...	...	...	...	...	...
Debentures	1000 00	1000 0	1000	1.47	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	...	...	10	55.00	35.50	...	18.83	214.71	109.02	50.94	12.05	112.22	138.29	3.40	...
Spencer & Co.	17 40	16 2	10	40.00	56.09	40.19	6.32	52.77	118.97	70.39	24.08	71.57	50.44	60.69	...
6 1/2% 'A' C. P.	7 25	8 9	10	23.20	...	...	...	...	...	...	...	...	...	...	...
6 1/2% 'B' C. P.	10 50	10 4	10	36.80	...	...	...	...	...	...	...	...	...	...	...
Thomas & Co. A. V (Allep.)	16 30	14 14	10	2.00	3.56	1.70	19	8.65	6.52	3.34	2.61	1.67	9.28	92	...
Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
5% Cum Preference	73 00	79 0	100	1.21	...	...	...	...	...	...	...	...	...	...	...
A. V. Thomas & Co India	3 62	3 10	10	3.00	...	...	-73	3.63	34	24	19	2.11	4.45	1.94	...
5% Cum Pref.	6 50	6 2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Tiravancore Cements	8 50	9 0	10	50.00	...	...	7.08	33.94	104.40	43.92	...	19.96	7.35	3.21	...
Tirav. Chem. & Manuf. Co.	14 12	15 12	10	3.00	...	3	2	1.28	4.39	2.25	25	70	13	1.11	...
Tiravancore Ogale Glass	2 20	3 10	10	9.98	...	...	-80	4.07	14.96	3.85	...	81	99	33	...
United Coffee Supply	...	...	15	6.00	3.00	1.85	18	9.31	6.42	4.20	3.44	10.21	3.95	54	...
United Elec. Industries	9 50	...	10	4.22	...	...	7	4.18	1.54	34	...	2.77	4.46	10	8
5% C. P.	10 00	...	...	15	...	...	...	...	...	...	...	...	...	...	...
Vanjinai Matches	...	...	6	2.70	...	...	-14	2.43	7.72	3.94	9	3.66	1.65	23	9
5 1/2% Cum. preference	...	...	10	4.50	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	...	...	100	2.25	...	...	-3.61	3.36	4.49	1.69	...	62	10	1	8
5 1/2% C. P.	...	...	100	1.21	...	...	...	...	...	...	...	...	...	...	...

COAL

NAME	Managing Agents, Secretaries	Colliery expenses	COAL		Sales	Stock	Managing Agents' Commission and allowances	Year ended	Net Profit		Dividend %		
			Rainings	Despatches					Latest	Previous period	Latest	Previous	Second
			(000) Tons	(000) Tons					Ra. 000	Ra. 000	Latest	Previous	Previous
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd.	122.49	8.53	8.55	150.83	32	1.35	3.57	(p) 13.43	15.41	12 1/2	12 1/2	11 1/2
Associated Laidih	K. L. Dutt & Co.	...	...	...	...	...	...	3.54	-23	-9	Nil	Nil	Nil
Bagdigi Kujama	Purshotam Co.	2.94	58	60	10.14	39	10	9.53	2.31	2.03	5	4	5
Bengal	Andrew Yule & Co. Ltd.	119.42	23.20	25.59	430.94	13.92	4.33	10.56	b) 73.29	85.41	17 1/2	17 1/2	15
Bengal Bhatdee	44% C. P. T.	...	43	46	8.10	47	6	12-56HY	75	93	12	12	11
Bengal Nagpur	Andrew Yule & Co. Ltd.	...	8	8	15	...	3	12-56	16	-48	Nil	Nil	Nil
Bhargora	H. V. Low & Co. Privt.	6.85	61	57	11.60	1.43	30	9.55	-1.20	-1.15	7	7	7
Bharat	Sahu Jain Ltd.	...	4.69	4.62	87.69	4.91	...	6.5	7.57	7.65	6	6	6
Bhulanbarree	44% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Bhulanbarree	F. W. Heiglers & Co. Pri. Ltd.	10.05	76	81	11.98	1.87	9	12-55 H	8	1.42	Nil	Nil	Nil
Bhulanbarree	Ram Saran Das & Rathor Pri	4.45	40	35	5.33	26	9	3-56	-29	-87	Nil	Nil	Nil
Bhulanbarree	Anderson Wright	3.98	38	47	6.93	5.84	29	12-52 H	1.47	35	Nil	Nil	Nil
Borra	F. W. Heiglers Private	...	1.46	1.44	23.24	42	31	12-56	(m) 2.59	(n) 5.72	15	20	20
Borrakur	64% C. P.	...	4.66	4.72	121.62	7.54	1.70	12-56 H	(o) 17.31	12.39	33	33	33
Central India	Hindustan Inv. Corporation	34.76	1.56	1.55	26.45	1.16	64	3-57	7.71	6.43	5	5	2 1/2
Central Kurkud	Anderson Wright	5.80	60	68	9.26	3.92	13	12-54 H	49	15	13	13	13
Churulia	F. W. Heiglers Pri.	...	...	...	...	...	...	...	...	...	...	...	...
Dhemo Main	Macneill & Barry	24.23	2.12	2.11	36.48	79	47	12-56	11	2	13	13	13
East Indian (E)	Jardine Henderson Ltd.	...	5.51	5.23	...	...	...	...	-40	(e) 3.63	Nil	Nil	Nil
Equitable	Macneill & Barry	179.05	16.85	16.85	333.70	10.72	3.33	4-56	1.09	1.50	18 1/2	22 1/2	18 1/2
Ghusick and Muslia	54% C. P.	...	...	...	...	...	...	...	22.78	26.38	15	15	15
Gourangdi	Bhatia's Agency	13.88	1.52	1.48	21.21	4.10	36	3-54	1.04	1.65	5	7 1/2	5
Gourangdi	5% C. P.	45	14	8	1.00	1.85	...	3-54	-12	-8	Nil	Nil	Nil
Guadar Kajora	Otha Brothers	85	21	15	2.24	15	10	6-55 H	45	29	Nil	Nil	Nil
Hurriladih	Macneill & Barry	20.76	1.90	1.90	32.65	55	45	12-56	2.26	5.64	15	25	17 1/2
Jaitry Central	Villiers	...	3	2	24	15	...	12-54	56	-23	Nil	Nil	Nil
Jaitry Central	Bajpai Trust Private	...	1.31	1.16	...	...	...	12-56	1.12	1.24	Nil	Nil	Nil
Kalahari	Andrew Yule & Co. Ltd.	5.52	38	34	5.42	42	11	2-57	81	73	Nil	Nil	Nil
Karanpura Collieries	Bird & Co. Private	18.20	1.45	1.45	24.92	48	17	2-57	2.71	3.67	Nil	Nil	Nil
Katras Jheriah	54% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Katras Jheriah	Directors	10.45	3.10	3.32	59.01	2.73	1.20	1-57	(f) 11.70	11.87	65	54	54
Katras Jheriah	8% Preference (q)	3.53	35	36	5.54	76	...	12-55 H	1.25	11.87	65	54	54
Kuandi	H. V. Low & Co.	3.66	33	28	4.45	1.06	18	6-56	65	94	13	13	13
Lakurka	H. V. Low & Co.	6.84	61	56	7.96	1.35	33	4-56	42	(g) 24	13	13	13
Mahabir	Daulat Rawatmull	3.57	...	...	6.21	40	13	12-55	1.65	1.36	7 1/2	10	10
Mundulpoor	44% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Nacira	Directors	4.64	...	...	5.05	1.41	...	...	...	...	...	...	...
Nacira	Jaitia Brothers Private	1.12	18	18	5.80	6	...	6-54 H	-79	...	Nil	4 1/2	4 1/2
New Beerbhoom	Andrew Yule & Co. Ltd.	21.17	4.48	4.55	75.62	1.31	37	12-55	1.36	1.40	5	5	5
New Beerbhoom	7% C. P.	...	...	...	...	...	...	10-56	5.54	9.62	7 1/2	8 1/2	7 1/2
New Churulia	Business Development	93	...	...	10	2.41	...	9-53	-1.21	-79	Nil	Nil	Nil
New Churulia	5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
New Huntodih	44% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
New Huntodih	Daulatram Rawat Mull	3.42	...	...	4.95	1.30	12	3-55	25	11	Nil	Nil	Nil
New Jorampore	5% Cumulative Preference	...	...	...	...	...	...	...	...	...	...	...	...
New Manbhoom	R. S. Das & Rathor Private	18.58	1.45	1.21	23.70	85	38	6-56 H	-8	-1.11	Nil	Nil	Nil
North Damuda	Oxycanus Steel	7.20	59	55	8.54	1.37	...	3-57	1.88	1.22	5	Nil	Nil
North West	Jaitia Brothers	22.49	1.41	1.47	26.94	...	12	1-51 H	1.33	-3	Nil	Nil	Nil
Ondal	Partly Paid Ord.	...	...	...	...	...	...	3-57	1.37	1.17	13	15	6 1/2
Ondal	F. W. Heiglers Private	...	...	...	...	...	14	12-56	1.05	1.30	7 1/2	10	10
Ondal	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Oriental	K. C. Thapar & Bros. Private	11.18	1.73	1.63	24.98	2.36	33	12-55	2.42	2.08	2 1/2	5	6 1/2
Paras	5% Debentures	10.36	1.11	1.02	15.49	29	87	12-55	3.55	2.67	10	7 1/2	2 1/2
Paras	Deepond Kishanell	...	4.64	4.63	81.91	26	1.18	3-57	10.51	9.25	20	54	54
Paras	54% R. C. P.	1.69	22	16	2.50	37	5	6-55 H	36	36	24	14 1/2	15
Paras	Debitures	...	...	...	...	...	...	...	...	...	...	...	...
Raneesung	B. N. Elias & Co. Privt. Ltd.	18.50	1.87	1.93	29.80	2.79	...	3-56 H	5.53	3.52	32	32	24
Rewa	Shaw Wallace & Co. Ltd.	...	3.85	3.88	60.70	1.35	19	12-56	7.34	5.91	12 1/2	13 1/2	13 1/2
Sania	Jaitia Sons Ltd.	23.05	2.97	3.22	56.53	38	73	12-56	(a) 7.53	9.85	15	21 1/2	21 1/2
Searsole	Directors	5.04	51	49	7.26	50	...	1-56	1.04	1.44	15	10	7
Seebpore	Andrew Yule & Co. Ltd.	2.49	82	85	13.81	26	41	12-56	(d) 4.26	6.01	32 1/2	35 1/2	28 1/2
Sendra	F. W. Heiglers & Co. Pri. Ltd.	...	...	...	...	...	3	12-56	(j) 18	(k) 11	24	24	24
Shree Mahakali	Amritlal Ojha	1.01	16	15	2.42	1	7	6-55 H	27	-14	Nil	Nil	Nil
Singerani	Debitures	...	...	...	...	...	...	...	...	...	...	...	...
South Karanpura	Industrial Trust Fund	18.30	16.82	15.66	361.84	6.93	14	12-56	50.90	51.65	10	7 1/2	7
Standard	Bird & Co. Private Ltd.	...	16.8	1.82	28.59	13	15	8-56	2.39	29	3 1/2	12	12
Talcher	F. W. Heiglers Private	4.92	55	56	8.44	5	...	12-56	1.11	(h) 32	3 1/2	12	12
Talcher	Villiers	...	...	...	...	...	...	9-55	15	23	10	10	15
Union	Williamson Magor & Co. Ltd.	9.97	76	70	11.58	83	15	12-56	1.10	-40	Nil	Nil	Nil
United Collieries	K. C. Thapar & Bros.	10.7	2.15	2.13	31.60	62	1.45	12-54	10.38	9.98	Nil	Nil	Nil
West Ghusick	5% C. B. P.	1.11	19	13	1.83	1.76	...	...	...	...	...	...	...
West Jamoria	Bhatia's Agency	17.45	1.67	1.81	28.84	1.39	...	3-54	...	...	...	...	...
West Laidih	Macneill & Barry & Co. Ltd.	1.47	13	10	1.46	8	38	12-56	-21	-5	Nil	Nil	Nil
Western Bengal	K. L. Dutt & Co.	18.87	1.99	2.02	34.25	59	29	3-57	5.43	7.16	5	5	5

(a) After transferring Rs 2.57,000 from Development Reserve Rs 16,853 from Bad and Doubtful Debt Reserve; and Rs 25,491 from unclaimed liabilities.

(b) After writing back Rs 15,43,998 from provision

for liabilities no longer required and Rs 7,37,326 being coal stock reserve.

(c) After transferring Rs 1,20,000 from Replacement Reserve.

(d) After writing back Rs 1,07,807 being provision for liabilities and Rs 15,000 from provision for taxation.

COMPANIES—(All India)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	Liquid Assets				
	March 1958	March 1957			Reserves	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. n.p.	Rs. A			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amalgamated	15 87	17 8	10	25.50	11.00	12.80	30	43.51	99.36	69.86	1.13	20.15	40.12	1.71	49
Asso. Karanpura	3 00	1 0	10	9.00	...	...	-1.89	2.19	9.98	...	...	28	26	1	28
44% R. C. preference	24 50	24 8	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Asso. Laikdi	1 62	1 5	10	8.00	...	...	-59	1.90	10.30	1.49	...	72	1.42	5	1
5% Debenture	...	...	500	1.80	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujama	4 11	4 8	10	20.00	...	90	1	3.21	21.72	4.51	...	68	3.94	...	...
Bengal	209 00	221 0	100	100.00	100.00	60.29	9.45	180.55	610.17	419.74	13.10	115.65	136.98	14.31	...
44% C. P. T.	...	...	100	20.00	...	...	...	...	...	...	...	...	...	...	...
Bengal Bhatdee	5 88	6 0	10	4.49	...	88	1	4.31	9.25	5.69	...	94	3.14	2.05	...
Bengal Nagpur	15 00	15 0	10	2.25	3.91	1.32	-1.09	5.7	24.88	22.43	3.49	...	56	1.58	...
7% C. P. ...	68 00	83 8	100	1.12	...	...	...	...	...	...	...	...	...	...	...
Bhargora	6 50	5 1	10	15.97	1.00	3.73	-2.42	14.28	47.74	22.98	...	2.86	4.88	6	...
Bharat	5 87	6 3	10	4.000	2.75	...	2	5.185	14.483	7.759	2.063	1.646	4.972	57	...
44% C. P. T.	44 00	51 4	100	3.000	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	900 00	940 0	1000	3.000	...	...	...	...	...	...	...	...	...	...	...
Bhulanbarree	13 25	14 6	10	7.15	6.61	7.68	-1.87	5.78	32.62	37.38	64	2.63	6.40	5	39
Bhulanbarree	2 00	2 0	10	10.00	...	...	-10.75	13.46	16.92	6.18	31	69	76	2	18
Bhulanbarree	13 00	12 4	10	16.00	4	16.84	-7.79	19.35	68.15	40.00	...	9.42	23.23	7	...
Bokaro & Ramgur	...	...	1000	10.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	17 00	20 5	10	7.50	6.34	17.83	20	7.68	45.38	27.11	11.01	1.42	9.62	2.91	30
Borra	86 75	100 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
64% C. P. ...	23 25	21 2	10	90.92	17.94	151.21	93	88.54	425.18	195.93	29.69	37.83	90.95	1.19	8.13
Burrakur	101 50	113 8	100	23.00	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	7 47	8 2	10	4.50	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	870 00	900 0	1000	20.00	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	6 94	6 3	10	49.97	...	...	8	10.86	46.39	12.80	1.67	7.28	14.60	3.69	...
Central India	12 00	12 8	10	8.00	45	12.85	69	9.89	49.12	33.03	...	5.69	9.65	24	...
Central Kurkend	1 50	1 15	4	6.00	1.44	...	4	15	...	...	7.28	...	25	10	...
Churulia	7 25	5 12	10	16.00	...	...	-3.37	26.34	54.02	30.95	...	2.69	13.12	9	...
Dhemo Main	20 69	26 11	£ 1	2.40	1.00	2.80	59	2.01	9.71	7.31	2.17	105	1.81	1.38	...
East Indian (£)	26 87	23 4	10	29.64	34.00	53.22	4	171.73	417.92	300.76	15.76	61.89	145.60	3.58	...
Eguitable	90 00	99 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	970 00	994 0	10	50.00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	16 12	15 12	10	10.00	2.00	16	11	13.03	10.77	3.74	3.00	8.17	11.52	...	22
Chusick & Muslis	95 00	103 0	...	5.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	6 12	7 12	10	3.75	...	...	-1.63	2.55	6.71	60	...	2.31	41	6	...
Courangdi	40 00	40 0N	100	1.25	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	...	3.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	1 69	1 8	10	6.50	...	...	-17	1.64	7.87	3.29	...	1.13	2.36	6	...
Guzlar Kajora	16 00	22 2	10	8.00	6.50	75	45	10.99	22.41	19.22	49	1.70	11.23	10.09	...
Hurrididih	1 00	2 4	28	2.42	...	...	-2.60	5.03	16.24	12.08	...	51	19	...	...
Jainiy Central	1 25	1 13	10	2.200	...	5.00	-5.48	3.80	5.029	1.033	19	...	6.29	3.27	80
Joga	30 00	45 0N	10	5.00	...	...	...	...	...	...	...	...	...	...	...
5% C.P.R.	20 09	20 0	100	3.50	4.31	1.36	-3.18	2.00	14.13	7.33	...	94	11	13	...
Kalsapahar	89 00	97 0	100	20.00	...	2.22	2	9.02	31.26	5.71	2	2.32	7.70	3.24	2.32
Karanpura	44 50	54 6	100	9.90	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	54 25	54 12	10	5.00	17.60	...	1.38	22.37	47.66	37.71	7.29	6.83	14.71	8.88	...
Katra Jheriah	3 75	3 12	10	1.58	...	...	-1.83	11.03	13.53	6.93	...	2.35	3.53	1	...
Khat Kajora	...	...	10	1.93	...	...	...	...	...	...	...	...	...	...	...
8% Preference (a)	5 00	3 12	10	11.00	68	...	14	1.94	16.87	10.94	2.95	1.58	3.26	5	...
Kuandi	2 75	2 7	10	9.00	6.82	4.50	5	7.73	28.37	22.65	8.36	1.89	11.65	49	...
Lakurka	10 12	7 0	10	4.00	1.80	...	9	4.30	6.18	3.88	1.36	51	6.81	21	...
Mahabir	10 00	12 0	10	1.00	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P.	1 50	2 4	10	5.66	85	...	-11.29	23.13	18.81	7.96	...	2.67	4.73	10	...
Mundulpoor	6 37	6 13	10	7.48	1.75	25	31	5.69	13.13	9.66	7.70	98	1.21	2.11	...
Nazira	14 37	15 2	10	17.76	...	19.52	54	32.96	124.49	91.72	4	10.57	23.49	5.91	...
New Berhoom	10 69	12 0	10	7.10	...	...	-4.20	5.52	11.76	3.92	...	3.40	87	30	2
7% C. P. ...	1 50	1 13	10	2.00	...	...	...	...	...	...	...	...	...	...	...
New Churulia	2 50	2 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	...	...	100	2.00	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	2 05	2 7	10	4.00	...	...	-2.09	6.02	7.54	1.96	...	1.39	2.57	25	13
New Huntodih	60 00	84 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	3 50	3 8	7	4.55	...	...	-2.47	21	4.66	2.70	...	3	29	2	...
New Jamshpore	10 56	10 2	10	6.00	...	...	1.43	11.25	38.01	22.04	37	2.92	4.95	23	...
New Manbhoom	0 94	0 15	24	2.50	1.00	76	-59	16.96	15.51	4.74	...	5.76	3.81	2	26
North Dandara	18 37	16 10ad	78	1.15	2.70	78	18	4.43	13.87	8.96	...	25	4.49	1.96	...
North West	13 37	14 12ad	78	1.58	...	...	...	...	...	...	...	...	...	...	...
Partly Paid Ordy	16 75	14 10	10	7.50	6.22	6.02	37	5.05	3.98	2.78	22.60	...	2.99	37	...
Ordi	95 00	108 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	8 00	8 4	10	10.00	1.10	1.04	25	24.82	41.24	19.79	2	7.54	6.01	28	5.48
Ordi	...	...	1000	5.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	13 37	13 14	10	8.34	...	10	62	10.57	18.27	8.70	75	91	10.03	4.72	...
Parasani	45 25	50 12	100	8.00	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	19 31	16 4	10	15.75	7.00	9.30	46	32.84	55.17	39.02	4.07	11.32	29.81	3.99	...
Pench Valley	7 00	6 0	10	2.50	10	10	2	2.00	7.80	2.80	60	64	1.51	7	...
Pure Sitapur	...	...	...	2.50	...	...	...	...	...	...	...	...	...	...	...
Debentures	11 00	11 6	10	24.09	7.32	12.85	23	19.09	124.35	87.36	8	7.96	17.86	60	...
Ranagumti	14 50	19 14	10	13.50	3.50	5.28	23	31.97	39.09	30.49	...	10.43	19.34	13.20	...
Rewari	12 00	12 5	10	20.00	3.50	33.62	9	44.11	85.59	22.18	3.30	4.98	29.14	49	...
Samsi	4 88	5 2	21	2.50	...	...	11	3.92	13.93	12.37	...	86	4.70	11	...
Seoran's	23 50	28 14	100	4.00	6.75	1.61	49	8.63	29.99	19.07	1.03	1.24	4.24	6.84	...
Seelapore	...	...	100	4.00	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	8 00	9 0	10	8.00	4.88	19	5	3.56	52	29	7.19	...	7.10	2.14	...
Sendra	3 00	3 0	10	5.50	...	...	-2.89	1.21	8.31	3.49	...	63	1.11	26	...
Sree Mahakali	...	...	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	100	63.21	46.45	39.33	21	316.98	519.42	273.47	8.226	145.32	64.17	2.71	...
Singareni	9 00	9 1	10	17.50	4.00	6.87	10	10.74	37.96	16.16	6	1.85	14.33	19	1.00
Singari Karanpura	9 50	9 1	10	8.00	6.81	7.20	17	4.20	1.69	27	20.10	1.29	3.51	...	...
Standard	13 75	19 14	24	10.00	...	13	-3.70	8.34	31.30	15.44	1	1.60	2.25	4	...
Talcher	1 44	2 3	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Debentures	14 00	14 8	10	3.50	2.30	50	77	3.54	18.97	14.54	...	96	5.18	14	...
Union	10 00	10 0	10	27.58	...	75	39	11.63	55.42	22.01	...	4.32	4.50	9.73	95
United Collieries	8 00	8 8	100	12.56	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	12 05	12 2	10	8.00	...	...	-85	6.82	10.82	...	...	2.14	...	9	2
West Ghusick	5 50	8 8	10	7.00	...	...	-3.20	36.10	57.46	23.79	...	69	7.43	11	...
West Jamuria	2 12	1 5	10	6.00	11	...	-58	4.13	9.86	2.05	...	27	1.56	2	...
West Laikdi	5 50	5 10	10	49.98	...	50	11	13.76	65.72	24.15	1.50	4.86	15.20		

COTTON													
NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre- vious	Second Pre- vious
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advanee	Tata Industries Private ...	49,144	1,016	85.82	144.81	58.79	...	6-57	(a)3,94	23.97	5	12	7
Ahmed Mfg. & Calico	5% Cum. preference ...	139,120	2,372	290.40	852.56	266.99	14.87	3-57	151.25	125.47	5	5	5
	Karamchand Premchand Pri.										24	24	14
	44% 1st Cum. preference ...										44	44	44
	44% 2nd Cum. preference ...										44	44	44
	44% 3rd Cum. preference ...										44	44	44
Ajji Mills	Chinubhai Naranbhai ...	25,376	513	55.23	123.57	22.95	4.81	12-56	8.15	7.94	16	14	14
	44% 'B' R. C. preference ...										44	44	44
	5% 'C' R. C. preference ...										44	44	44
	44% 'D' R. C. preference ...										44	44	44
Apella Mills	Rajputana Textiles Privt & Co.	56,468	898	97.14	226.67	30.51	1.62	12-55	11.83	1.07	92	61	124
Arvind Mills	Narottam Lalbahai ...	66,412	1,216	130.50	348.30	48.29	9.61	12-56	87.82	58.21	35	35	25
	5% Cum. preference T. ...										35	35	5
	44% Cum. preference T. ...										44	44	44
	44% R. C. preference T. ...										44	44	44
Aashu Mills	Lalibhai Dalpatbhai ...	37,368	914	94.39	207.19	...	7.06	12-55	30.51	13.38	30	22	22
	5% C. P. T. ...										5	5	5
	44% R. C. P. T. ...										44	44	44
Azam Jahi Mills	Government of Andhra ...	36,136	716	11.297	15,013	6,727	...	9-57	807	1,512	34	5	5
B. R. Cotton	Directors ...	50,596	1,021	70.59	160.31	23.61	...	3-56	4.98	-1.21	Nil	nil	44
	6% Cum. preference ...										5	5	5
	44% Debentures ...										44	44	44
Bedford Mills	B. Ram. Balchand ...	60,640	1,338	141.15	203.58	28.53	6.69	12-55	24.54	6.30	10	6	6
Bombay Dyeing	Nowrojee Wadia & Sons Private	223,552	3,984	377.38	747.15	192.69	12.18	12-56	99.38	96.55	10	10	8
Central India	Tata Industries Private ...	115,188	2,062	...	248.66	66.67	...	6-57	-20.79	(x)6.38	nil	nil	3
Century Spg. & Mfg.	5% Cumulative preference ...										nil	nil	5
Chark Spg. & Wvg.	Birla Brothers Ltd. ...	126,752	2,752	339.45	655.73	182.22	6.45	12-56	(a) 114.26	80.10	22	22	22
Dawn Mills	Cowasjee Jehangir & Co. ...	24,848	680	52.96	126.03	3.51	1.76	3-56	15.22	4.50	124	74	74
	Ramnarain Sons Ltd. ...	40,962	...	90.98	134.77	10.42	1.65	12-55	14.70	6.01	30	12	12
Edward Textiles	P. Subna Sons ...	48,718	928	130.97	228.63	68.52	71	12-56	10.24	12.99	74	9	74
Elphinstone Spg.	Director ...	41,300	886	90.51	179.73	55.50	...	12-56	12.78	15.73	10	10	74
	7% C. P. ...										10	7	7
Empire Dyeing & Mfg.	W. H. Baidy & Co. Ltd. ...			951	3,490	88	30	12-57	317	322	20	20	20
Finlay	James Finlay & Co. Ltd. ...	49,528	784	88.93	171.14	35.79	2.35	12-55	21.72	15.23	20	16	16
Gokak Mills	F. F. Campbell & Co. pri. ...	74,286		161.4	246.67	56.37	2.16	12-56	18.84	21.72	13	15	13
Gold Mohur	James Finlay & Co. ...	45,268	1,108	95.78	174.59	41.32	2.04	12-55	16.48	7.33	15	124	124
Hind Mills	Hind Ajeets Private ...	71,596	1,387	185.72	324.27	115.33	2.80	6-56	22.77	15.63	6	4	4
	5% C. P. ...										5	5	5
	Thackersey Mooljee ...	49,448	1,122	86.88	198.01	...	2.75	3-56	23.15	13.94	324	30	224
	44% R. C. P. T. ...										44	44	44
India United	Agarwal & Company ...	244,300	6,278	452.71	785.13	198.47	5.03	12-55	62.06	2.43	92	nil	62
	Deferred ...										188	9	62
	Directors ...	51,180	1,420	124.13	257.26	78.89	...	12-56	22.68	25.48	11	9	6
Khatnu Makanji	Khatnu Makanji & Co. ...	92,852	1,489	238.08	426.54	73.51	4.33	6-56	43.22	30.91	10	12	8
	4% Cum. Preference ...										4	4	4
Kobinosee Mills	Killick Industries Limited ...	120,504	1,846	27,904	52,725	13,687	180	12-57	253	5,250	18	18	18
Lalchami Cotton	Directors ...	48,996	1,219	122.01	229.56	66.82	...	12-56	27.35	21.46	17	17	17
	5% Cum. preference T. ...										5	5	5
Mafatal Fine Spg.	N. C. Purshotamdas ...	51,996	896	70.69	210.30	20.35	4.49	12-56	43.17	28.08	18	15	15
	44% 1st R. C. P. ...										44	44	44
	44% 2nd R. C. P. ...										44	44	44
Marsden Spg. & Mfg.	Marsden Bros. ...	23,508	482	67.15	157.67	...	3.44	12-55	14.20	8.08	7	5	5
Minerva Mills	N. Sirur & Company Private ...	39,896	704	87.65	139.33	40.96	85	12-56	5.39	5.19	6	6	6
Model Mills	B. A. Dadabhoj & Co. ...	52,408	952	89.83	141.66	36.34	54	6-55	4.85	-7.72	nil	nil	3
Modern Mills	N. Sirur & Company Private ...	49,000	644	93.26	186.31	52.36	1.40	10-56	10.97	12.61	16	16	10
	5% Debentures ...										16	16	10
Monogram Mills	M. Bakubhai & Sons. Private ...	27,469	528	92.11	171.70	44.74	...	12-56	13.46	14.58	...	...	...
Mararjee Goudas	Piramal Sons Privt. Ltd. ...	70,416	1,652	159.08	323.53	106.32	1.48	6-57	(n)28.43	36.15	14	15	14
	44% Cum. preference ...										44	44	44
	44% R. C. P. (2nd) ...										44	44	44
	44% R. C. P. (5th) ...										44	44	44
Mysore Spinning	N. Sirur & Company Private ...	50,480	500	129.66	167.59	60.87	1.38	2-57	9.05	8.43	18	18	18
	44% Cum. preference T. ...										44	44	44
New City of Bombay	W. H. Brady & Co. Ltd. ...	45,944	432	7.941	13,919	1,813	...	12-57	(e) 136	(m) 620	5	10	10
New Commercial	Tricumal Bhogilal ...	45,836	866	89.91	201.16	...	7.56	12-55	21.03	8.94	8	7	94
	4% 2nd R. C. P. ...										4	4	4
New Great Eastern	W. H. Brady & Co. Ltd. ...	49,012	1,018	9.716	19,744	4,046	...	12-57	(f) 225	(p) 514	nil	10	10
	54% Cum. preference T. ...										54	54	54
New Kaiser-I-Hind	Directors ...	54,052	12,67	136.28	217.08	85.26	...	3-56	19.54	(a4) 9.44	54	54	54
	5% C. P. ...										54	54	54
New Sherrock Spg	Mafatal Chandulal & Co. ...	51,100	907	108.29	223.53	12.50	6.48	12-55	32.57	28.35	28	28	28
Osmanshahi Mills	Government of Andhra ...	37,788	902	9.475	11,070	5.901	...	9-57	—(g) 13	538	nil	3	24
Padar Mills	Podar Sons Private ...	32,600	930	93.70	143.31	18.75	1.12	12-56	11.25	10.99	12	12	10
	4% Cum. preference ...										4	4	4
	54% Cum. preference T. ...	33,156	648	82.01	214.57	...	8.77	12-55	29.33	11.43	nil	4	9
	4% R. C. P. (2nd) ...										54	54	54
	4% R. C. P. (5th) ...										4	4	4
Sassoon & Alliance	David Sassoon ...	9,520	277	11.06	17.91	1	10	12-54	(*)-1.48	(k)40	...	...	...
Sassoon Spinning	M. G. Invt. Corporation Pri.	94,884	2,127	252.67	488.68	30.71	3.29	12-56	39.91	17.71	5	74	124
											20	174	741

MILLS

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreci- ation	LIQUID ASSETS				
	March 1958 Rs. np.	March 1957 Rs. as.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA															
Ahmed Advance ...	126 00	180 0	100	40.00	19.0	12.32	11	133.17	173.26	68.65	8.18	107.78	17.61	4.35	2.06
5% Cum. Preference ...	80 50	100 0	100	10.00											
Ahmed Mig. & Calico ...			125	137.50	132.27	217.38	1.18	200.19	514.70	256.08	3.65	268.26	95.10	30.55	61.66
4 1/2% 1st. cum. preference ...			125	2.00											
4 1/2% 2nd. cum. preference ...			50	8.00											
4 1/2% 3rd. cum. preference ...			50	19.33											
Ajit Mills ...			200	11.00	18.68	9.65	8	51.91	56.22	33.29	2.75	39.98	22.88	8.03	
4 1/2% 'B' R. C. P. ...			100	2.00											
5% 'C' R. cum. pref. ...			100	2.00											
4 1/2% 'D' R. cum. pref. ...			25	1.25											
Apollo Mills ...	1 16	2 9	2	50.00	38		97	46.63	90.11	43.05	9.32	36.35	4.08	1.17	
Arvind Mills ...			100	40.00	190.00	107.84	15	88.03	195.82	97.29	107.40	79.38	59.29	107.68	
5% cum. preference T. ...			100	5.25											
4 1/2% cum. preference T. ...			100	10.50											
4 1/2% R. cum. pref. T. ...			100	10.50											
Asoka Mills ...			100	12.00	57.00	61.39	70	39.54	84.57	69.65*	24.18	46.97	28.67	67.89	
5% Cum. preference T. ...			100	6.00											
4 1/2% R. C. P. T. ...			100	6.00											
Asam Jahi Mills ...	57 00	82 8	100	72.00	1,205	577	75	17,097	18,765	6,845	2,379	10,614	1,886	88	
B. R. Cotton ...	24 50	39 0	100	40.00	9,00	15	-1.99	45.96	129.15	72.26*	4 55	42.18	34.28	7	
6% C. P. ...	50 00	80 0	100	10.00											
4 1/2% Debenture ...			100	30.00											
Binod Mills ...			100	60.00	12.60	22.34	1.81	103.12	150.46	61.57	8.25	69.20	28.38	5.16	
Bombay Dyeing ...	56 70		50	250.98	50.01	262.58	2.41	181.72	598.23	351.01	73.06	207.58	90.89	128.95	
Central India ...	92 00	113 8	100	4,687	1,407	1,318		23,359	24,210	15,486	3,352	17,538	1,438	456	4,268
5% cum. preference ...	336 25	432 8	500	5,000											
Century Spg. & Mfg. ...	437 25	450 0	100	109.43	219.96	65.35	7 62	327.90	606.67	232.92	11.29	272.81	64.86	7.54	
Coorla Spg. & Wvg. ...	106 25	151 14	100	26.00	7.48	5.55	18	34.17	90.16	57.80*	74	30.79	9.10	39	
Dawn Mills. ...	86 00	97 8	50	16.00	12.63	13.31	2.17	37.92	69.11	52.46*	90	28.73	19.18	16.57	
Edward Textiles ...	250 00	245 0	200	34.00	40.06		2.28	88.58	113.54	62.28*	13.66	79.30	20.29	42	1
Elphinstone Spg. ...	47 50	62 0	50	30.00	10.00	6.71	96	74.79	120.97	78.23	50	84.90	18.75	57	
7% C. P. ...	71 30	87 0	100	25.00											
Empire Dyeing & Mfg. ...			15	900	510	447	1	657	2,114	1,535	219	171	483	1,292	
Finlay ...	282 00	304 0	100	50.00	37.04	33.08	1.67	61 30	123.38	74.17	7.63	79.15	21.12	25.98	
Cokak Mills ...	157 00	210 0	100	48.81	7.79	29.80	2	31.69	106.45	73.45	2.00	59.93	12.56	42	
Cold Mohur ...	205 00	210 0	100	50.00	22.74	28.45	36	41.01	87.77	52.92	81	69.02	15.73	22.15	
Hind Mills ...			10	50.00	4.27	5.46	25	127.39	144.07	82.06*	10	124.26	20.36	65	
5% C. P. ...			100	20.00											
Hindustan Spg. ...	4590 00	5525 0	1000	12.00	16.33	60.31	1	49.45	152.35	121.07	4.86	68.49	36.08	9.39	
4 1/2% R. C. P. T. ...	992 50	992 8	1000	12.00											
India United ...	9 96	10 8	10	200.00	58.19	6.08	-1.93	196.03	468.16	339.00*	2.84	282.78	85.65	8.80	
Deferred ...	1 32	1 10 1/2	1	50.00											
Indore Malwa ...	116 00	140 0	100	50.00	1.16	9.98	7	151.52	148 10	116.80	25.66	98.25	54.42	3.08	
Khatav Mankanji ...	158 00	191 14	100	59.85	37.47	17.63	26	159 04	237.74	203.22	14.57	175.65	47.59	3.87	
4% Cum. preference ...	72 30	77 8	100	29.92											
Kohinoor Mills ...	286 50	324 0	100	10,000	1,708	10,975	53	19,875	36,776	28,494	720	29,419	4,088	89	
Lakshmi Cotton ...	440 00	705 0	250	32.00	31.17	34.27	20	114.42	169.61	126.19	7.71	113.96	61.18	34	1 48
5% cum. preference T. ...	170 00	210 0	250	16.00											
Mafatlal Fine Spg. ...	345 00	380 0	100	58.00	40.66	82.28	1.53	47.59	169.85	120.85	74.45	45.26	50.94	38.29	
4 1/2% 1st. R. C. P. ...	86 00	92 0	100	14.50											
4 1/2% 2nd. R. C. P. ...	92 00	92 0	100	14.50											
Mafatlal Spg. & Mfg. ...			200	27.31	14.91	1.70	31	54.72	67.47	42.91*	77	30.24	16.15	27.22	
Minerva Mills ...	72 00	86 4	100	29.60	17.90	1.68	20	86.44	92.42	53.38	10.99	71.45	13.98	5.6	
Model Mills ...	170 00	180 0	250	93.34	3.92	21.99	-2.59	84.32	169.26	78.82*	25	99.68	7.89	2.72	
Modern Mills ...			50	22.13	20.00	23.07	55	66.26	122.08	64.68	1.24	79.45	5.35	59	
5% Debenture ...				12.00											
Monogram Mills ...			200	26.00	30.00	3.08	12	77.14	70.12	46.78	75	81.54	28.11	2.53	
Morarjee Goudaldas ...	205 00	227 8	100	51.75	24.70	13.75	24	165.22	264.74	183.16	12	175.58	15.13	4.99	
4 1/2% cum. preference ...			100	17.25											
Mysore Spinning ...	89 50	101 4	50	24.84	40.00	8.52	36	102.87	113.48	71.02	25.86	95.37	18.75	1.60	
4 1/2% cum. preference ...	28 50	30 0	50	7.45											
New City of Bombay ...	100 00	149 6	100	2,400	1,680	882	1	2,992	8,211	4,870	8	3,086	427	1,094	
New Commercial ...			100	63.00	11.20	12.43	3	72.15	121.37	89.25*	10.16	56.73	47.48	17.87	
4% 2nd. R. C. P. ...			100	5.25											
New Great ...	207 00	218 0	100	3,000	1,061	410	299	4,038	10,183	6,337	10	5,633	569	147	
5 1/2% C. P. ...	145 00	180 0	200	8.00											
New Kaiser-I-Hind ...	81 50	107 8	100	45.00	6.54	3.92	20	92.04	113.66	98.08*	11.64	92.11	39.69	2.36	
5% C. P. ...	80 00	90 0	100	15.00											
New Shorrock Spg. ...			125	39.00	33.15	39.38	19	57.32	132.09	98.35*	35.64	50.73	45.11	3.62	
Oamashahi Mills ...	48 00	62 0	100	8.723	3.884	46		9.683	17.383	6.786	718	9,960	934	78	
Padar ...	145 00	165 0	100	40.00	35.00	10.65	4.72	47.20	48.70	24.25	32.60	28.60	22.77	39.16	
4% Cum. Preference ...	72 00	80 0	100	10.00											
Rohit Mills ...			100	32.50	10.23	4.55	17.35	86.27	107.01	71.43*	73	86.83	30.58	1.66	
5% C. P. T. ...			100	10.00											
4% R. C. P. [2nd.] ...			100	2.00											
4 1/2% R. C. P. [5th.] ...			100	2.50											
Sassoon & Alliance ...	8 00	9 13	10	5.00	3.95	3.68	-1.72	4.57	21.22	19.01		6.93	4.35	1.97	
Sassoon Spinning ...	35 15	39 8	10	37.0	66.37	52.27	1.66	57.24	158.86	120.29	1.89	92.48	24.35	17.19	

*Depreciation Fund

COTTON

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT	Latest	Previous	Second Previous	
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000					
WESTERN AND CENTRAL INDIA (Contd.)															
Sholapur Spinning	Morarka & Co. Half. Ordry	95,332	2,234	106.34	127.51	92.54	28	3-55	-23.04	-60.15	nil	nil	nil	nil	nil
Shorrock Spinning	Mafatal Chandulal Ahmed... Founders	36,648	720	68.34	177.74	15.37	3.41	12-56	35.11	19.66	30	25	25	25	25
Shree Niwas Cotton	Marwar Textiles (Agency)...	69,070	1,640	194.59	338.12	123.56	3.59	12-53	29.32	17.34	14	12	12	12	12
Shree Sajjan Mills	G. Liladhar & Co.	17,880	440	25.75	60.56	13.77	22	3-55	1.81	42	4	4	4	4	4
Shri Ambica	H. Kalidas & Company	94,128	1,733	204.31	435.05	88.22	9.39	12-56	95.42	79.42	30	54	54	40	40
Simplex	5% Cum. preference 4% Cum. preference (2nd)...	34,846	1,274	150.05	237.11	29.25	5.65	3-56	24.38	13.19	4	5	5	5	5
Standard	F. F. Campbell & Co.	97,588	2,409	226.85	570.41	63.64	10.26	12-56	111.25	86.16	22	20	20	20	20
Swadeshi Mills	Mafatal Gagalbhai & Sons...	72,236	2,000	152.02	299.42	84.91	3.52	12-56	45.76	34.13	14	4	4	4	4
Swan Mills	4% 1st R. C. P. 4% 2nd R. C. P.	39,328	551	188.77	266.61	39.03	3.32	12-55	28.46	23.34	5	5	5	5	5
Tata Mills	Tata Industries Pri. Ltd.	65,448	1,800	128.55	265.50	67.70	1.69	12-56	28.80	27.40	14	16	16	10	10
Victoria Mills	5% Debentures	50,056	958	88.44	186.54	9.83	6.08	12-55	12.96	10.44	20	15	15	15	15
Vijaya Mills	Mangaldas Mehta	36,176	780	72.46	167.72	...	...	12-54	8.51	8.22	4	4	4	4	4
Vishnu Cotton	4% R. Cum. preference H. Achralal & Co. 4% 2nd Cum. Preference T. 4% 3rd R. Cum. Pref. T. Directors 7% Cum. preference T.	47,240	1,331	115.69	224.48	64.25	...	12-56	(a) 19.10	(h) 18.16	4	4	4	4	4
											7	7	7	7	7
NORTHERN INDIA															
Basant Cotton	Calcutta Agency	13,044	356	24.23	66.42	7.34	1.35	12-55	2.15	3.47	5	5	5	2	2
Bengal Luxmi Cotton	64% C. P. 54% Debentures	33,292	925	53.59	131.77	36.59	25	3-56	9.77	5.47	6	6	6	6	6
Bengal Nagpur	Bengal Textile Agency Pri... Ordinary Partly Paid 5% R. C. P. Directors	29,936	810	...	87.97	17.96	...	12-55	(i) 8.82	(u) 4.59	10	10	10	10	10
Birla Cotton	7% C. P.	39,896	1,088	147.50	244.19	23.53	5.33	3-56	28.42	19.16	15	30	30	30	30
Bowen Cotton	Kettlewell Bullen & Co. Ltd. 8% 'A' C. P. 7% 'B' Pref.	42,960	841	149.03	60.84	...	44	12-56	(q) 23.48	-1.64	15	7	7	7	7
Cawnpore Textiles	Begg Sutherland & Co. Private	27,016	591	92.24	125.4	5.29	62	3-57	10.07	9.47	5	5	5	5	5
Delhi Cloth	Bharat Ram Ch. Ram & Co. Pri. Ordinary	141,180	2,352	1224.47	2361.13	778.94	15.34	6-56	236.49	247.41	10	9	9	9	9
Elgin Mills	44% 1st 2nd C. P. 4% 3rd C. P. 54% 4th C. P. 54% Debenture	42,944	518	...	171.04	68.19	1.61	12-56	7.54	13.13	6	2	2	2	2
Jagatjit Cotton	Kettlewell Bullen & Co.	48,452	1,198	164.97	319.42	36.56	4.63	9-56	54.32	(a) 44.70	12	10	10	10	10
Jay Shree Textiles	Begg Sutherland	26,560	530	...	162.55	11.23	4.23	1-56	32.73	27.10	5	5	5	5	5
Keoram Cotton	K. C. Thapar & Bros. Pri. 5% C. P. P. Debentures	74,672	1,992	270.78	556.63	120.44	12.62	3-55	40.92	46.23	8	8	8	8	8
Mohini Mills	Birla Brothers Private Ltd.	23,484	435	84.24	230.24	40.29	9.21	12-56	30.52	45.01	12	12	12	12	12
Muir Mills	Chakravarti Sons & Co. Ordinary	88,640	1,834	145.19	218.04	...	60	12-55	-5.06	-10.24	5	5	5	5	5
New Victoria	5% R. C. P. Indian Tex. Syndicate 6% C. P.	70,072	1,333	127.27	224.66	41.04	67	12-55	(a2) 37.64	-3.91	nil	nil	nil	nil	nil
Oreana Textiles	J. P. Srivastava & Sons	47,728	864	129.13	208.46	47.53	36	3-53	31.12	...	nil	nil	nil	nil	nil
Ram Textiles	B. Patnaik & Co. 5% R. C. P.	34,532	600	78.45	95.15	41.24	12	12-53	-3.15	-7.13	nil	nil	nil	3	3
Sutlej Cotton	J. P. Srivastava & Sons. 64% 'A' C. P. 64% 'B' C. P.	27,340	992	120.18	302.89	62.55	6.59	3-57	72.63	105.28	60	60	60	60	60
Swadeshi Cotton	Jaipuria Brothers Ltd. Prefd. Ordry. 6% C. P.	112,216	2,081	400.01	811.72	208.72	6.52	12-56	64.23	53.72	7	7	7	7	7

(Includes Stock on hand)

(Includes Stock on hand.)

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Reserves & Surplus including latest allocation				Sundry Liabilities	Gross Block	Depreci- ation	Liquid Assets							
	March 1958 Rs. np.	March 1957 Rs. a.		Paid-up Capital	General	Others	Carry Forward				Rs. 000	Rs. 000	Rs. 000	Invest ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA (Contd.)																		
Sholapur Spinning ...	425 00	1225 0	1000	15.90	126.86	29.53	-1,70.07	253.16	293.66	204.66	19.76	118.88	55.09	1.72	...	...		
Half. Ordinary ...	...	...	500	10	...	...	...	...	...	...	...	...	...	...	...	...		
3% R. C. P. ...	...	...	100	31.96	...	...	...	...	...	...	...	...	...	...	...	...		
Shorrock Spinning ...	...	...	100	19.50	67.41	13.53	1.11	36.35	94.66	66.97	5.69	37.09	31.01	36.90	...	...		
Founders ...	...	...	25	3	...	...	...	...	...	...	...	...	...	...	...	...		
Shree Niwas Cotton ...	149 00	178 12	100	60.00	39.70	26.50	2.70	100.41	83.06	45.81	17.51	127.80	50.83	70	...	...		
4% R. C. P. ...	68 00	81 0	100	4.80	...	...	...	...	...	...	...	...	...	...	...	...		
Shree Sajjan Mills ...	...	...	100	26.15	...	27	-66	34.83	36.43	17.73*	94	38.81	1.85	27	...	...		
Shri Ambica ...	...	...	100	57.96	218.28	63.96	2.61	106.68	192.48	105.24	48.18	177.90	92.54	6.27	...	...		
5% cum. preference ...	...	...	100	5.60	...	...	...	...	...	...	...	...	...	...	...	...		
4% cum. preference [2nd]	...	...	100	7.00	...	...	...	...	...	...	...	...	...	...	...	...		
Simplex ...	160 00	176 0	50	42.00	1.14	35.44	96	49.26	98.78	73.64*	1.10	51.99	26.47	24.09	...	...		
Standard ...	445 00	448 12	100	87.80	57.97	192.85	2.93	117.97	277.89	162.09	5.57	123.93	62.71	159.60	...	...		
4% 1st. R. C. P. ...	...	...	100	6.00	...	...	...	...	...	...	...	...	...	...	...	...		
4% 2nd. R. C. P. pref.	...	...	100	6.00	...	...	...	...	...	...	...	...	...	...	...	...		
Swadeshi Mills ...	187 00	216 0	100	100.00	98.00	8	29	87.61	251.02	133.03	6.78	128.67	29.65	4.39	...	...		
5% Cum. preference ...	90 00	115 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...	...		
Swan Mills ...	355 00	410 0	100	36.00	39.06	26.27	1.51	91.30	129.00	81.53	72	107.01	38.92	3	...	...		
Tata Mills ...	42 00	47 8	25	65.48	41.50	15.25	18	95.75	201.67	80.31	3.43	100.85	20.41	9.01	...	...		
5% Debentures ...	92 50	100 0	1000	39.51	...	...	...	...	...	...	...	...	...	...	...	...		
Victoria Mills ...	227 50	370 0	100	16.00	19.90	9.68	57	50.93	67.57	46.04*	5.56	34.01	25.26	18.74	...	...		
4% R. Cum. preference	...	...	25	8.00	...	...	...	...	...	...	...	...	...	...	...	...		
Vijaya Mills ...	...	...	500	28.00	19.90	75.32	33	68.41	103.76	68.35*	7.59	53.94	50.74	1.68	...	...		
4% 2nd C. P. T. ...	...	...	100	3.50	...	...	...	...	...	...	...	...	...	...	...	...		
44% 3rd R. C. P. T. ...	...	...	100	2.80	...	...	...	...	...	...	...	...	...	...	...	...		
Vishnu Cotton ...	105 00	139 6	100	32.00	13.96	15.26	17	111.23	174.27	117.95	7.66	107.08	39.02	23	7.98	...		
7% Cum. preference T. ...	520 00	557 8	500	15.66	...	...	...	...	...	...	...	...	...	...	...	...		
54% Debentures ...	96 00%	...	...	50.00	...	...	...	...	...	...	...	...	...	...	...	...		
NORTHERN INDIA																		
Basant Cotton ...	6 31	5 1xd	10	15.00	1.00	43	43	10.68	34.93	21.84	11.45	14.15	1.50	1.02	...	...		
64% C. P. ...	7 56	7 0xd	10	5.00	...	...	...	...	...	...	...	...	...	...	...	...		
54% Debentures ...	425 0	425 0	500	8.50	...	...	...	...	...	...	...	...	...	...	...	...		
Bengal Luxmi Cotton ...	32 00	40 0	40	7.11	9.11	...	59	44.55	73.14	52.70	25	40.88	5.50	38	...	...		
Ordry partly paid ...	...	...	20	82	...	...	...	...	...	...	...	...	...	...	...	...		
5% R. C. P. ...	...	...	40	5.23	...	...	...	...	...	...	...	...	...	...	...	...		
Bengal Nagpur ...	4 25	7 12	10	27.00	6.00	...	43	30.53	77.62	56.68	37	39.61	7.23	82	...	...		
7% C. P. ...	75 00	85 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...	...		
44% Debentures ...	89 00	93 0	...	4.00	...	...	...	...	...	...	...	...	...	...	...	...		
Birla Cotton ...	34 50	35 0	10	35.00	87.72	8.26	2.77	59.69	125.01	96.70	14.69	86.93	46.98	16.54	...	...		
Bowen Cotton ...	106 00	120 0	100	24.00	1.50	...	1	114.05	108.25	51.28	53	78.85	14.20	1.01	...	...		
8% 'A' C. P. ...	127 00	140 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...	...		
7% 'B' Pref. ...	65 00	70 0	100	6.00	...	...	...	...	...	...	...	...	...	...	...	...		
Cawnpore Textiles ...	4 06	7 12	5	30.00	6.00	26.35	49	31.95	65.69	56.32	9.56	54.94	15.92	44	...	...		
Delhi Cloth ...	34 25	37 12	25	338.30	97.00	209.82	1.29	831.43	1116.22	581.67	36.56	888.98	155.73	36.37	...	...		
Ordinary ...	...	...	25	1.00	...	...	...	...	...	...	...	...	...	...	...	...		
44% 1st & 2nd C. P.	17 75	17 12N	25	20.00	...	...	...	...	...	...	...	...	...	...	...	...		
44% 3rd C. P. ...	17 75	17 12N	25	37.32	...	...	...	...	...	...	...	...	...	...	...	...		
24% 4th C. P. ...	...	...	10	11.95	...	...	...	...	...	...	...	...	...	...	...	...		
54% Debentures ...	132 00	175 0	100	19.00	26.17	...	3.50	101.28	115.17	74.68	56	82.66	25.37	89	...	...		
Osman Mills ...	13 12	24 0xd	10	65.00	5.00	88.47	79	84.09	154.58	135.58	69 00	100.35	66.06	2.14	...	...		
Elgin Mills ...	109 25	116 12xd	100	11.00	...	...	...	...	...	...	...	...	...	...	...	...		
8% C. P. ...	7 25	8 14xd	10	4.20	...	...	...	...	...	...	...	...	...	...	...	...		
5% C. P. ...	9 00	10 0	10	38.48	...	6.83	66	61.44	132.82	69.31	4.25	59.26	10.61	11.59	...	...		
Jagatjit Cotton ...	50 00	...	100	15.25	...	...	...	...	...	...	...	...	...	...	...	...		
5% C. P. P. ...	...	...	100	30.00	...	...	...	...	...	...	...	...	...	...	...	...		
Debentures ...	7 00	5 8	10	4.917	...	86	82	3.618	7.697	2.197	14	3.284	1.279	64	24	...		
Jayshree Textiles ...	...	...	1000	1.371	...	...	...	...	...	...	...	...	...	...	...	...		
54% Debentures ...	11 50	13 11	10	160.00	45.00	160.54	2.18	103.25	359.23	120.23	37.32	131.13	73.55	9.97	88	...		
Keosaram Cotton ...	91 00	116 0	100	20.00	...	...	...	...	...	...	...	...	...	...	...	...		
7% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...		
Mohini Mills ...	...	...	25	6.00	5.00	28.25	77	102.83	100.87	91.69	15.57	47.07	48.16	76.81	...	...		
Ordinary ...	...	...	10	33.96	...	...	...	...	...	...	...	...	...	...	...	12.40		
5% R. C. P. ...	...	...	10	19.96	...	...	...	...	...	...	...	...	...	...	...	...		
Muir Mills ...	64 75	75 0	100	30.00	25.00	25.00	-51.31	185.33	164.51	115.59	1.05	105.64	7.36	1.05	...	...		
6% C. P. ...	63 00	81 8	100	30.00	...	...	...	...	...	...	...	...	...	...	...	...		
New Victoria ...	1 41	1 14	25	22.90	...	46	-11.99	91.69	107.21	65.01	1.21	66.29	21.62	87	...	...		
Deferred ...	...	...	1	3.07	...	...	...	...	...	...	...	...	...	...	...	...		
6% C. P. ...	3 56	4 14	5	26.05	...	...	...	...	...	...	...	...	...	...	...	...		
Orissa Textiles ...	...	...	10	47.10	...	6.50	-3.45	210.47	188.56	50.00*	38	130.91	14.07	1.69	...	...		
5% R. C. P. ...	...	...	100	24.99	...	...	...	...	...	...	...	...	...	...	...	...		
Raza Textiles ...	...	...	10	60.00	...	62.66	-19.59	...	98.29	35.63	16.55	68.15	24.86	2.27	...	...		
64% 'A' C. P. ...	...	...	100	7.50	...	...	...	...	...	...	...	...	...	...	...	24		
64% 'B' C. P. ...	...	...	10	10.00	...	...	...	...	...	...	...	...	...	...	...	...		
Sutlej Cotton ...	70 00	90 0	10	15.00	282.00	80.61	29.40	93.18	102.21	75.33	183.59	166.91	70.53	52.08	...	...		
Swadeshi Cotton ...	11 94	12 8	10	17.50	60.00	175.23	8.36	440.81	513.52	181.84	182.31	258.04	107.33	14.65	...	...		
Pretid Ordry ...	10 31	12 5	10	157.50	...	...	...	...	...	...	...	...	...	...	...	...		
6% C. P. ...	86 00	90 4	100	35.00	...	...	...	...	...	...	...	...	...	...	...	...		

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA													
Alagappa Textiles	Ramal & Co Private.	50,000	...	55.26	87.02	20.12	...	12-55	-1'09	-5.38	nil	nil	nil
	74% C. P.	...	...	...	...	...	...	...	...	...	nil	nil	nil
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Asher Textiles	Setna & Co.	20,900	...	...	58.73	20.84	52	6-56	6.87	5.04	15	124	...
Bangalore Woollen	Binnu & Co. (Madras) Ltd.	40,608	1,157	271.62	533.80	71.74	7.99	12-56	75.30	59.87	30	30	30
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	Binnu & Co.	120,288	2,762	372.65	936.68	114.48	10.47	12-56	91.31	110.63	6	6	6
	74% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Cannanore Spg.	K. Damodaran	20,800	...	...	63.808	...	51	3-56	9.11	6.69	15	12	20
Cambodia	Peirce Leslie & Co. Ltd.	37,356	4	71.05	91.22	20.20	34	12-56	3.51	3.98	5	5	7
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Cauvery Spg.	Directors	17,600	...	40.39	54.40	16.72	49	3-56	4.96	5.96	74	64	64
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	R. Bheema Naidu & Co.	28,864	...	...	78.148	...	1.67	12-54	11.17	12.72	25	20	9
Coimbatore Murugan	T. A. Ramalingam Chettiar	23,660	100	...	57.56	15.07	1.30	12-55	6.91	7.52	20	174	9
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Kamala	R. V. L. Naidu & Co.	17,264	24	...	29.658	...	35	12-52	-2.46	1.43	44	6	5
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer	T. R. Narayanaswami Naidu	28,194	...	...	71.74	6.16	2.00	12-55	16.38	15.17	20	20	15
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	R. G. S. Naidu & Co.	22,188	407	131.17	187.80	9.88	1.52	12-56	14.96	10.13	64	64	64
Davangere Cotton	R. Hanumanthappa & Son	25,216	300	...	79.81	29.61	2.46	3-56	13.90	8.59	9	9	12
Dhanalakshmi Mills	M. Nanjappa Chettiar & Sons	38,052	201	...	92.57	45.41	2.61	12-55	22.53	20.46	30	0	20
Gnanambikai Mills	V. C. V. Gounder & Bros.	17,248	...	...	31.458	...	61	12-54	2.84	1.91	10	6	6
	64% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills	G. Venkataswami Naidu & Co.	23,784	...	...	65.11	6.19	97	12-56	5.57	4.93	64	64	64
Jawahar Mills	Umayambika & Co.	33,472	...	...	76.97	18.84	2.90	12-56	14.47	11.26	25	124	124
	5% Debentures (1st)	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures (2nd)	...	...	...	...	...	...	...	...	...	...	...	...
Kapila Textile Mills	C. P. C. & Co.	15,184	250	20.13	27.74	2.59	4	6-54	62	89	nil	nil	nil
	74% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Kasthuri Mills	C. N. V. Naidu & Co.	19,940	...	11.88	21.78	2.98	41	3-56	2.44	2.80	74	74	6
Kothari Textiles	Kothari & Sons	41,040	300	49.55	81.06	21.49	62	6-57	11.37	12.24	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% B. Preference	...	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	G. Kuppuswamy Naidu & Co.	93,160	201	137.81	272.22	...	8.27	3-56	58.40	45.51	25	25	20
	A. Class Ord.	...	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	Thiagaraja Chetty & Sons Private Ltd.	24,242	2,24	57.06	86.64	24.57	1.02	6-56	10.31	6.28	74	5	4
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	A. & F. Harvey Ltd	485,296	...	...	126,750	21,542	607	12-57	6,255	11,450	15	14	20
Malabar Spinning	Directors	22,592	100	...	27.68	12.13	...	12-56	(d) 2.60	91	4	4	...
Mettur Industries	Bordwell & Co. Private	25,656	603	73.26	151.27	40.38	3.91	3-57	37.00	48.12	20	424	35
Mysore Silk Filature	Directors	...	...	...	...	...	...	3-56	26	-1.72	nil	nil	nil
Mysore Spun Silk	Directors	...	...	...	22.59	9.44	...	3-57	3.30	42	nil	nil	nil
Palamalai Ranganathan	S. K. R. Naidu & Co.	10,016	...	...	34.97	...	18	3-56	(b) 4.22	99	6	6	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	Baghyalakshmi & Co.	41,200	...	...	77.92	23.89	1.58	12-56	2.40	7.16	30	24	24
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	C. S. R. Mudaliar & Sons	27,980	...	...	71.28	6.21	...	12-56	(c) 6.58	4.97	7	7	7
Radhakrishna Mills	A. G. Gurusamy Naidu & Co.	55,664	300	...	149.52	...	3.00	12-54	14.37	9.78	16	4	...
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills	Ramco Agencies Private	24,996	...	...	68.95	5.91	1.96	3-56	8.85	7.11	10	10	6
Rajawari Mills	Gudiyatham Textiles Pri	8,400	...	...	23.50	...	48	12-55	5.47	4.51	15	12	7
	Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Sri Rango Vilas Ginning	P. S. G. Naidu & Sons	32,128	88	50.80	65.45	...	1.76	12-55	6.22	(a) 5.14	16	12	7
Royalcooma Mills	Rajalseema Develop. Co.	14,800	...	...	41.19	...	73	12-56	8.62	8.69	10	10	9
Sri Kr. Rajendra	Directors	30,744	292	64.12	9.08	29.59	...	3-57	18.04	24.41	14	14	10
Sri Sarada Mills	V. S. Sengottiah & Bros	20,472	200	...	62.94	5.42	57	12-55	(a) 7.48	3.32	10	6	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	Emcete & Sons	...	...	95.01	193.60	61.21	3.57	12-56	66.79	52.48	7	7	...
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	4% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	Mooljee Ramjee & Sons	18,000	...	...	31.92	14.11	67	12-56	5.86	2.61	114	9	9
Vasanta Mills	R. K. S. Chetty & Bros.	44,424	...	112.87	161.06	18.97	2.22	12-56	21.86	19.92	20	20	15
	64% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills	C. V. G. Naidu & Co.	44,660	268	...	137.378	...	4.18	12-55	28.42	24.68	274	274	14
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills	Balakrishna & Co.	26,536	...	28.48	43.25	...	71	12-56	3.50	3.17	10	10	10
Virudhunagar Textile	Thiagaraja Chetty & Sons Pri	...	2.00	23.328	...	...	...	12-55	1.19	...	4	...	...
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
	Do. P. P.	...	...	...	...	...	...	...	...	...	...	...	...

(i) Includes stock on hand.

(e) After transferring Rs 120,000 from Reserve Fund Rs 268,000 from Reserve for Taxation and Rs 23,888 from excess provision not required.

(j) After transferring Rs 842,193 from General Reserve.

(a) After transferring Rs 4,45,718 from Depreciation, Renewal and Extension Fund and Rs 2,19,000 from Dividend Fund.

(b) After transferring Rs 2,49,897 from General Reserve.

(c) After transferring Rs 525,000 from General Reserve and Rs 500,000 from Dividend Equalisation Reserve.

(d) After transferring Rs 50,000 from General Reserve.

(f) After transferring Rs 730,179 from Reserve for Taxation.

(g) After transferring Rs 24,07,416 from dividend Equalisation Reserve.

(h) After transferring Rs 3,57,000 from Dividend Fund.

(i) After transferring Rs 8,00,000 from Machinery Replacement Reserve and Rs 18,400 from Reserve Fund.

(k) After transferring Rs 70,000 from General Reserve and Rs 37,500 from Dividend Equalisation Reserve.

(m) After writing back Rs 2,80,446 being excess provision not required.

(n) After transferring Rs 8,02,125 from General Reserve.

April 12, 1958

MILLS—(Contd.)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities Rs. 000	Gross Block Rs. 000	Depreciation Rs. 000	LIQUID ASSETS				
	March 1958 Rs. np.	March 1957 Rs. as.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Rs. 000	Others Rs. 000
SOUTH INDIA (Contd.)															
Alagappa Textiles	9 10	10 2	10	15.00	6.00	4.55	-11.13	40.00	60.86	29.09	3.30	22.19	21.88	28	...
74% C. P.	89 00	107 0	100	10.00	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	95 00	95 0	100	15.00	...	...	...	...	...	...	...	...	...	...	...
Asher Textiles	...	217 0	100	11.99	5.00	...	4	25.72	31.37	15.64	1.08	23.45	3.38	13	5
Bangalore Woollen	172 50cd	580 0	100	40.50	116.00	154.16	2.83	82.67	339.77	260.70	29.74	222.13	36.67	2.45	12.09
6% C	117 00	123 8	100	6.00	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	168 25cd	174 0	100	178.48	62.00	215.73	2.28	240.91	669.03	396.63	21.71	328.34	122.57	3.81	49.87
74% C. P.	135 25	143 8	100	21.30	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	990 00	1000 0	100	78.00	...	...	...	...	...	...	...	...	...	...	...
Cannanore Spg.	153 00	170 0	100	15.00	5.11	...	9	15.73	47.31	23.63	6	10.08	1.83	29	...
Cambodia	9 50	14 0	10	20.00	6.00	14.00	54	5.43	42.33	23.99	31	23.06	4.89	35	12
7% C. P.	108 00	115 0	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Cauvery Spg.	120 00	116 6	10	9.32	...	2.00	59	20.91	50.87	18.02	78	19.49	1.08	44	...
64% C. P.	95 00	96 0	100	6.58	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	15.23	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	154 00cd	355 0	100	12.00	9.00	11.60	5	17.23	30.86	24.66	18.37	15.34	7.96	2.80	...
Coimbatore Murugan	120 00	...	100	12.10	4.15	3.07	...	24.30	33.96	20.61	2.49	17.31	10.89	31	...
6% C. P.	94 00	...	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Kamala	103 50	103 8	100	3.41	3.00	...	-2.46	30.32	21.29	8.85	...	16.48	6.04	3	...
Partly Paid	50 00	50 0	50	72	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer	229 00	268 0	100	20.00	...	19.40	14	24.97	36.59	24.26	12.73	15.51	11.89	59	...
64% C. P.	98 25	104 12	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	58 00	83 8	50	20.77	...	2.05	10	92.30	124.06	88.06	...	16	61.46	17.40	20
Davanagere Cotton	...	377 0	100	24.40	12.00	33	18	44.09	67.23	34.91	13.16	34.68	13.81	20	...
Dhanalakshmi Mills	187 00cd	...	100	24.35	17.00	4.25	7	18.98	52.74	38.27	6.95	23.32	14.86	15.03	...
Gnanambikai Mills	130 00	160 8	100	9.27	2.76	...	...	11.78	16.99	8.06	...	11.49	3.04	48	...
64% Cum Preference	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills	80 00	107 0	50	8.90	8.56	2.10	...	10.75	31.40	19.97	1.20	8.21	4.12	5.35	...
Jawahar Mills	13 00cd	16 0	5	8.90	6.00	8.06	15	45.03	68.04	31.27	33	21.81	12.97	92	...
Ordinary	...	...	1000	4.16	...	...	...	...	...	...	...	...	...	...	...
5% Debentures (2nd)	...	...	10	26.99	...	...	...	27.88	43.67	1.24	...	15.65	2.05	16	3.57
Kapila Textile Mills	...	...	10	6.99	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	10	1.05	...	...	...	...	...	...	...	...	...	...	...
74% R. C. P.	...	...	2	2.00	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills	24 75	30 0	25	7.80	...	2.51	...	10.20	23.48	13.90	1.00	8.01	1.80	13	...
Kothari Textiles	10 50	15 8	10	42.00	8.00	11.25	92	61.62	105.81	38.28	3.56	57.69	79.1	1.17	3.93
6% Cum. Preference	8 40	10 1	10	12.00	...	...	...	...	...	...	...	...	...	...	...
6% 'B' Cum Preference	...	...	5	6.00	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	112 75	130 0	50	35.64	14.00	52.56	6.52	61.01	161.18	95.51	7.16	36.29	37.00	41.42	...
A. Class Ordinary	56 50	65 0	25	17.82	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	37 00cd	48 12	50	31.50	...	54	75	25.07	53.20	24.90	24	28.40	14.47	3.44	...
5% Cum. Preference	64 25	70 0	100	14.99	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	2.00	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	33 50cd	43 12	15	17.502	17.000	24.382	692	33.124	59.089	39.611	5.117	59.190	8.222	693	...
Malabar Spinning	90 00	109 9	200	12.00	3.50	17	...	9.28	29.03	18.77	60	12.94	1.13	3	...
Mettur Industries	403 00cd	427 8	100	60.00	38.00	31.14	5	49.24	65.94	45.89	57.65	56.87	29.66	14.20	...
Mysore Silk Filature	1 30	2 5	10	9.72	...	3.32	-8.27	22.24	21.76	2.59	...	4.38	3.36	8	...
Mysore Spun Silk	...	...	10	13.62	...	35	4	14.13	29.12	17.83	...	15.22	78	41	...
Palamalai Ranganathar	103 00	109 0	100	2.40	2.45	...	...	13.33	13.26	3.11	50	4.63	1.16	9	...
Partly Paid	...	...	50	1.05	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	135 00	147 0	50	4.00	1.00	12.00	9	47.64	65.46	25.36	...	25.72	5.46	43	...
'B' Ordinary	...	...	50	6.00	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	58 50	63 0	50	2.00	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	45 00	70 0	100	15.00	...	...	-9.85	45.87	34.20	18.83	8	30.27	4.61	69	...
Radha Krishna Mills	124 00	275 0	100	16.81	11.00	9.00	29	20.99	63.88	31.39	3.10	23.77	5.20	2.01	2
'B' Ordinary	62 00	140 0	50	8.41	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills	130 00	149 0	100	16.14	5.00	7.00	10	15.05	32.72	17.21	65	13.26	9.08	4.79	...
Rajawari Mills	...	...	50	8.93	1.01	1.89	3	12.55	22.90	7.74	2.00	4.63	1.96	1.68	...
Ordinary	...	...	10	1.00	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	64 00	82 8	50	15.02	6.70	9.59	21	27.14	44.80	25.54	8.17	19.90	4.96	6.22	...
Royalaseema Mills	115 00cd	150 0	100	22.32	7.50	4.90	32	15.12	49.64	21.21	1.46	16.21	3.07	98	...
Sitaram Spinning	...	...	60	7.80	4.20	1.70	3	19.97	21.50	16.08	2.41	18.64	3.20	25	...
6% Cum. Preference	...	...	15	...	...	...	...	...	...	...	...	...	...	...	...
Sri Kr. Rajendra	79 50	106 0	50	36.70	7.75	12.51	19	69.60	96.27	70.67	33.14	49.5	15.75	3.03	...
Sri Sarada Mills	...	...	100	6.35	...	...	1	25.15	27.24	9.11	11	13.60	3.44	19	...
7% C. P.	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	13 45	13 8	10	100.00	20.00	30.07	2.64	126.32	385.56	162.43	...	110.24	16.22	1.01	...
5% Cum. Preference	7 15cd	8 8	10	50.00	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	...	...	5000	21.50	...	...	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	12 60	12 14	10	13.99	2.50	7.00	63	5.53	17.50	12.41	1.02	16.18	6.72	65	...
Vasanta Mills	251 00	310 0	100	21.00	18.00	18.50	44	40.61	80.73	47.23	9.25	45.72	13.30	1.21	...
64% C. P.	104 00cd	111 4	100	3.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	92 00cd	98 0	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills	130 00	159 0	50	28.15	1.50	10.00	17	40.12	87.59	58.50	2.04	18.08	5.19	26.03	...
6% C. P.	53 00	53 8	50	50	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills	105 00	134 8	100	10.08	2.00	1.00	5	20.71	39.37	17.65	33	14.72	3.06	22	...
Virudhunagar Textile	27 50	33 8	50	11.27	...	...	-8.80	11.66	19.97	6.97	...	5.59	31	5	...
5% Cum. Preference	65 00	60 0	82 1/2	1.20	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.)	...	...	As. 4	8	...	...	...	...	...	...	...	...	...	...	...

TEA

NAME	Managing Agents/ Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. & P.	Mds.	Rs. & P.	Rs. 000		Rs. 000	Rs. 000			
Ambuckie	McLeod & Co. Ltd.	9,635	2 11 4	10,669	2 2 0	71	12-56	7.35	3.80	50	19	72
Ananda (Assam)	7% C. P. P.	7,853	2 4 9	5,868	1 10 4	...	12-56	146	25	106,044	44,64	149,62
Anandabag	Gill Arbuthnot & Co. Ltd.	7,333	3 0 0	6,260	2 7 11	53	12-56	5.11	1.51	121	10	80
Arundipore	Directors	3,788	1 11 1	3,613	2 7 11	4	12-55	60	1.83	nil	nil	nil
Atal	Goenka & Co.	4,812	...	3,165	1 11 2	30	12-53	2.50	1.36	nil	nil	nil
	41% C. P. P.	...	...	...	...	...	...	...	...	nil	nil	nil
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Beghenari	McLeod & Co.	10,453	2 6 6	9,155	2 1 11	64	12-56	5.82	1.98	25	10	35
Baitakhal	Ramdukt Rankissendass	4,715	1 12 7	...	...	13	12-55	67	2.51	5	15	10
Banarhat	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Andrew Yule & Co., Ltd.	40,646	2 47	38,367	1 99	3,06	12-56	28.61	12.87	40	23	120
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...
Baredighi	Jardine Henderson Ltd.	19,547	2 23	18,263	2 01	182	12-56	1,019	453	20	30	65
Bismatia	Andrew Yule & Co. Ltd.	7,104	2 57	7,782	2 14	33	12-56	3.60	3.36	20	15	80
Bateli	National Tea Corp.	9,862	2 4 11	9,097	1 12 7	74	12-56	6.98	4.25	60	50	80
Balgachi	National Tea Corp.	5,962	1 9 8	5,221	1 9 3	26	12-56	2.69	3.80	40	100	40
Betian	Gill Arbuthnot & Co. Ltd.	9,548	3 1 11	8,758	2 9 3	69	12-56	7.14	2.82	25	20	100
Bhatkawa	McLeod & Co. Ltd.	15,778	2 2 3	17,728	1 13 8	84	12-56	6.37	5.12	30	25	65
Bijonagar	D. C. Ghose & Co. (Private)	20,784	2 2 8	18,826	...	90	12-56	8.94	5.34	16	16	40
Birpara	Duncan Bros. & Co. Ltd.	15,537	2 2 8	13,808	2 0 3	...	12-56	(a) 5.79	2.23	25	5	20
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Williamson Magor	48,494	2 11 11	47,073	2 7 11	1,88	12-56	18.58	7.70	20	20	55
Bloemfield	Goenka & Co.	1,943	2 7 8	1,646	1 14 11	...	12-56	...	...	...	...	...
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Bokakhat	Octavius Steel & Co. Ltd.	44,50	2 8 1	44,655	2 2 0	12	12-56	68	...	...	...	...
Bormahjan	McLeod & Co. Ltd.	6,480	2 6 10	7,703	2 3 8	45	12-56	2.38	3.16	15	20	35
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Williamson Magor	7,854	2 7 7	7,597	2 3 5	19	12-56	2.22	50	15	10	35
Borpukhuri	Directors	42,966	2 12	45,093	1 94	...	12-57	18.52	16.70	171	121	471
Brooke Bond	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Carron	Duncan Bros. & Co. Ltd.	6,926	2 0 0	7,525	1 13 7	16	12-56	1.88	1.48	10	71	25
Central Cachar	Jardine Henderson Ltd.	9,946	2 28	8,738	2 02	26	12-56	323	(a) 100	5	nil	71
Chamong	Williamson Magor	2,205	3 9 3	1,809	2 14 8	12	12-56	1.19	55	7	nil	20
Chandypore	Jardine Henderson	9,718	19 75	8,846	...	9	12-56	62	50	10	4	nil
Choonabutti	Andrew Yule & Co.	13,052	2 40	13,536	1 99	90	12-56	8.43	4.49	35	20	90
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...
Chundeecherra	Octavius Steel & Co. Ltd.	8,623	2 0 0	8,251	2 1 0	57	12-56	5.36	6.64	nil	30	61
Cledon	Duncan Bros. & Co. Ltd.	6,065	2 1 4	6,347	1 14 9	18	12-56	3.89	6.61	30	55	10
Dauracherra	Duncan Bros. & Co. Ltd.	4,922	2 4 3	4,417	2 4 2	...	12-56	3.81	(b) 8.71	15	20	26
Dejo Valley	McLeod & Co. Ltd.	40,93	2 12 2	4,486	2 6 3	29	12-56	291	227	30	30	60
Dunai & Purbutta	Jardine Henderson Ltd.	14,033	2 69	14,610	2 55	78	12-56	(a) 300	(a) 217	10	10	40
Dhalekhat	James Warren & Co. Ltd.	9,018	...	7,864	...	47	12-55	10.43	12.32	25	25	15
Dhunerri	Directors	7,590	2 26	7,325	1 77	...	12-56	1.38	69	121	10	50
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
Dihrogerh	McLeod and Co. Ltd.	7,323	2 10 2	7,245	2 5 101	64	12-56	...	3.27	31	20	40
Dilaram	Directors	1,597	2 6 9	1,697	3 4 5	...	12-55	...	1.11	nil	21	nil
Dimekusi	Williamson Magor and Co.	8,527	2 88	8,688	2 24	48	12-56	4.77	1.86	30	20	60
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Dufflaghur	Williamson Magor and Co.	12,248	2 14 9	11,144	2 7 8	1,02	12-56	9.94	5.33	40	40	50
East India	Williamson Magor & Co.	13,074	2 11 51	14,424	2 15 41	83	12-56	3.25	1.98	10	10	35
Eastern Cachar	Octavius Steel and Co. Ltd.	5,009	2 1 0	4,894	1 12 6	17	12-56	...	...	...	...	...
Ellenbarrie	Duncan Bros. & Co. Ltd.	5,611	1 15 10	4,803	1 14 7	10	12-56	64	(a) 2	nil	nil	15
Engo	Andrew Yule and Co. Ltd.	2,454	1 96	2,659	1 67	3	12-56	15	...	...	...	...
Ethelbarrie	Directors	6,460	2 9 0	5,817	1 14 3	...	12-56	1.19	(c) 73	10	121	56
Gairkhat	Gill Arbuthnot and Co. Ltd.	12,938	2 5 6	10,941	1 14 1	82	12-56	3.14	(a) 49	10	nil	70
Giallo	Davenport and Co. Private Ltd.	2,852	3 01	2,947	2 11	...	12-56	52	...	...	...	...
Gillapukhuri	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Gohpur	Directors	8,247	3 0 9	7,494	2 7 2	...	12-56	4.94	(a) 3.38	30	35	80
Gopalpur	Williamson Magor and Co. Ltd.	7,460	2 11 4	7,669	2 6 6	38	12-56	3.88	2.43	25	30	50
Grob	Secretary	14,232	2 6 4	14,306	2 0 0	1,46	12-56	5.72	5.34	12	10	12
	Octavius Steel and Co. Ltd.	24,712	...	24,359	...	...	...	12.67	8.03	321	25	50
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...
Gungaram	Duncan Bros and Co. Ltd.	17,091	1 15 6	15,998	1 13 0	46	12-56	5.21	3.91	10	71	60
Hanequa	Duncan Bros and Co. Ltd.	5,773	1 13 5	5,195	1 13 7	15	12-56	1.61	1.17	10	10	25
Hantapara	8% C. P.	85,878	2 2 9	34,882	1 12 11	92	12-56	9.61	3.46	71	6	60
Hasmern	Davenport and Co. Private	71,539	2 65	75,909	2 26	3,09	12-56	25.39	(d) 10.90	221	10	60
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
Hattikhera	Octavius Steel and Co. Ltd.	16,910	1 12 4	20,455	1 8 1	91	12-56	(a) 1.81	2.68	5	71	7
Hoograjuli	Andrew Yule and Co. Ltd.	5,730	2 34	5,838	1 71	16	12-56	1.76	...	...	...	...
Hoolungoorie	Andrew Yule and Co. Ltd.	13,240	2 70	13,327	2 34	52	12-56	5.27	...	...	...	...
Huldibari	Davenport and Co. Ltd.	21,920	1 87	22,091	1 68	86	12-56	7.69	(w) 4.31	25	121	80
Jaybirpara	Andrew Yule and Co. Ltd.	6,826	2 11	5,780	1 78	20,14	12-56	2.02	...	...	...	...
Jayshree	Birla Bros Private Ltd.	...	...	...	...	...	12-56	(b) 31.50	22.91	6	nil	65
Joonktollie	6% R. C. P.	9,970	2 5 5	10,400	1 15 2	59	12-56	6.25	...	...	...	...
Julibari	Kettewell Bullen & Co.	10,594	2 12 10	8,952	2 3 1	74	12-56	4.84	3.76	115	...	120
	Gill Arbuthnot and Co. Ltd.	...	...	...	...	...	...	...	...	...	...	...
Kalti	Octavius Steel and Co. Ltd.	3,274	1 9 9	3,483	2 0 3	14	12-56	...	1.66	nil	nil	nil
Kalinugger and Khoree	Bullion Co. Ltd.	3,901	1 12 2	4,390	2 12 6	6	12-56	118	338	121	25	nil
Kilcoit	Duncan Bros and Co. Ltd.	14,691	2 2 0	12,835	1 14 10	71	12-56	6.35	3.87	20	10	41
Kingsley Golaghat	Directors	13,989	2 56	14,164	2 23	...	12-56	654	522	25	25	25
	6% preference	...	...	...	...	...	...	...	...	...	...	...
Kotamullai (m)	Duncan Bros. & Co. Ltd.	16,675	1 15 10	16,115	1 12 2	85	12-56	1.72	...	...	...	...
	6% Pref.	...	...	...	...	...	...	...	...	...	...	...
Krishnabehari	Directors	3,929	1 12 10	3,469	2 15 0	...	12-55	87	2.8	10	25	9

April 12, 1958

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COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	March 1958 Rs. n.p.	March 1957 Rs. A.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others
Ambuckie	18 62	...	100	4.46	6.71	2.98	...	14.05	12 44	5.77	15	11.19	1.74	5.68	3.51
7% C. P.	53 00	...	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	18 44	44 14	10	277	300	270	22	1,232	1,120	390	8	1,194	113	55	...
Anandabag	20 50	24 8	10	7.00	2.45	4.15	50	14.95	12.23	3.34	...	9.67	3.66	6.66	...
Arundipore	9 00	12 0	10	3.00	1.75	...	...	6.32	5.07	1.79	...	3.09	46	26	...
Atal	6 50	8 6	10	4.50	...	7	...	5.68	12.63	2.59	...	2.42	1.49	1	...
41% C. P.	6 12	4 0	10	3.00	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	...	...	1000	3.00	...	...	...	...	...	...	...	...	...	...	...
Beghenari	19 19	22 2	10	5.50	8.61	4.60	43	10.82	18.70	7.48	53	10.59	1.26	6.35	...
Baitakhal	8 75	10 8	10	4.00	2.25	...	56	2.58	7.48	2.52	50	1.94	1.14	2.35	...
5% Debentures	...	...	1000	1.50	...	...	...	...	...	...	...	...	...	...	...
Banarhat	302 00	318 0	100	27.00	29.25	...	4.50	45.11	46.89	21.43	21.64	30.94	15.58	16.26	...
54% C. P.	112 50	119 0	100	4.00	...	...	...	...	...	...	...	...	...	...	...
Baradighi	19 25	23 11	10	1,200	1,200	400	79	1,719	4,166	2,252	2	1,585	355	706	35
Basmatia	21 75	35 14	10	5.10	9.85	...	54	8.17	12.97	5.33	77	8.05	4.92	2.28	...
Bateli	18 50	25 4xd	5	3.30	3.25	1.85	1.30	9.89	12.64	7.97	...	6.59	4.80	3.52	...
Belagach	59 50	62 8	10	250	2.00	51	61	1,092	359	192	982	450	33	23	...
Betnan	22 75	26 0	10	6.40	3.70	3.70	69	19.70	11.17	3.51	...	11.28	4.23	11.02	...
Bhatkawa	21 56	25 6	10	9.00	9.00	8.75	45	13.49	20.75	10.25	54	11.79	5.32	12.44	...
Bijoynagar	...	...	25	8.69	14.25	7.45	2.22	17.89	25.87	7.17	6.18	17.51	5.98	2.15	...
Birpara	110 00	155 0	100	9.00	5.25	8.96	48	11.82	24.10	7.49	...	15.50	67	3.73	...
8% C. P.	112 00	120 0	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Bishnauth	19 87	20 12	10	33.00	7.00	6.00	3.16	49.16	63.88	28.40	3.22	52.53	5.76	1.33	...
Bloomfield	1 75	2 0	10	400	...	...	...	494	788	92	9	129	33	12	...
Debentures	15 00	25 4	10	300	2.00	50	39	7.57	11.47	2.51	...	...	...	...	...
Bokakhat	17 00	19 0	10	6.00	4.53	2.75	36	6.68	10.50	3.35	1	5.55	23	27	1.44
Bormahjan	74 00	73 0	100	1.00	...	...	...	...	...	...	...	7.78	2.47	4.84	...
6% C. P.	15 25	18 12	10	4.50	1.50	33	68	9.53	12.06	4.84	1	7.78	1.52	1	...
Borpukhuri	16 50	19 8	10	35.00	5.35	6.61	5.45	41.87	81.91	29.68	40.73	18.91	7.86	8.99	...
Brooke Bond	78 00	85 0	100	35.00	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Carron	141 00	166 0	100	6.00	4.80	3.44	26	5.06	13.14	3.82	15	9.38	31	41	...
Central Cachar	72 00	65 12	100	1,000	525	240	30	1,587	2,726	937	3	1,080	433	34	43
Chamong	10 62	15 2	10	2.80	75	50	33	1.07	3.85	74	1	1.76	19	37	...
Chandipore	67 00	65 8	100	250	...	1	34	170	58	...	2	...	196	200	...
Choonabhati	271 00	301 0	100	9.03	12.00	43	1.51	13.55	17.04	7.99	8.98	12.51	31	5.63	...
64% C. P.	114 00	125 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Chundeecherra	27 50	27 2	10	3.00	4.50	3.45	1.18	22.74	10.31	3.98	2	11.71	3.41	12.26	1.14
Cleveland	...	...	10	4.00	3.50	2.93	42	8.31	7.89	2.24	1	7.29	1.69	6.65	...
Dauchoerra	10 12	12 0	10	6.00	5.60	3.85	50	8.86	9.72	2.33	3.29	6.40	2.76	4.19	...
Dejoo Valley	50 00	50 8	10	120	200	375	33	552	705	248	1	520	74	224	4
Devi & Purbutta	270 00	296 0	100	840	650	127	69	639	2,854	1,816	...	1,352	397	342	196
Dhalekhat	22 25	21 4	10	17.53	8.75	...	43	20.66	24.60	5.11	4.79	12.69	6.49	3.91	...
Dhunerri	11 50	17 9	10	4.69	2.70	1.25	1	5.42	8.08	4.33	3	6.00	94	68	3.95
7% C. P.	2 37	3 5	3	1.20	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	23 25	23 9	100	4.50	5.26	3.50	33	9.93	10.66	2.70	52	8.09	94	5.36	64
Dilaram	149 50	190 0	100	2.00	1.07	56	...	96	3.40	1.56	1	1.11	31	1.04	...
Dinakuri	24 09	27 8	10	4.73	4.50	60	1.17	7.99	13.24	6.20	1.48	8.22	1.87	1.08	...
8% C. P.	10 50	12 10	10	70	...	...	...	...	...	...	...	...	...	...	...
Dufflaghur	29 25	34 8	10	7.01	9.00	1.50	2.21	16.47	21.35	12.83	2.06	12.06	1.20	12.35	...
East India	18 62	28 0	10	10.00	5.00	1.00	1.13	18.58	27.72	10.70	1.15	13.16	4.35	2	...
Eastern Cachar	5 06	9 0	10	7.00	...	...	...	7.01	8.82	86	1	4.35	40	56	...
Ellenbarrie	195 00	240 0	100	3.00	1.00	3.15	14	4.56	8.6	3.90	...	6.00	30	50	...
Engo	408 00	527 0	100	1.20	2.64	...	31	1.51	4.63	2.63	2	2.22	54	27	...
Ethelbarrie	10 25	13 13	10	4.90	30	30	1	12.37	8.68	2.40	2.91	7.00	1.42	27	...
Gairkhat	120 00	268 0	100	7.50	2.70	3.50	42	19.36	17.69	9.56	2	19.03	5.13	1.18	...
Gaello	9 06	25 0	10	2.00	1.76	1.24	6	1.08	7.84	2.73	48	1.39	68	34	...
6% C. P.	75 00	87 8	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Gillapukri	27 01	31 8	10	5.04	4.05	41	18	14.04	11.82	4.90	8.18	4.65	3.88	15	...
Gohpur	21 31	22 10	10	6.76	2.50	1.75	1.00	8.65	18.21	8.56	1.49	8.06	38	1.11	...
Gopalpur	20 00	40 10	25	10.50	5.00	4.98	1.32	7.66	17.66	7.49	3.12	8.26	3.94	3.96	...
Grob 'A'	22 25	30 4	10	7.42	9.00	10.83	93	31.01	35.86	8.64	5.00	27.74	4.33	1.53	...
Grob 'B'	12 87	16 4	5	3.61	...	...	...	...	...	...	...	...	...	...	...
Gungacain	115 50	192 0	100	13.44	8.60	13.53	1.04	12.10	25 00	8.55	5.57	22.07	2.23	2.29	...
Hansqua	23 75	26 6	10	5.00	5.10	5.34	17	5.25	12.48	3.54	2.71	8.17	77	26	...
Hanapara	113 00	166 0	100	36.00	15.25	23.58	1.83	23.64	59.25	18.38	5.08	44.83	5.01	5.00	...
8% C. P.	114 00	140 8	100	50	...	...	...	...	...	...	...	...	...	...	...
Hassimara	20 81	27 8	10	32.00	24.50	35.76	3.75	31.54	100.18	47.34	5.80	41 30	9.92	21.10	...
7% C. P.	109 00	128 0	100	3.00	...	...	...	...	...	...	...	...	...	...	...
Hattikihira	11 19	16 9	10	12.60	9.50	2.00	20	7.54	29.51	12.08	1	11.24	2.78	37	...
Hoograjuli	28 00	29 0	10	5.00	5.75	...	39	4.61	9.28	3.55	52	5.75	1.31	2.44	...
Hoolungeorie	176 00	301 8	100	8.70	12.30	89	96	13.28	23.90	12.44	9	15.73	5.43	3.42	...
Huldibar	20 87	23 0	10	8.25	7.00	12.66	1.02	10.25	19.13	8.83	1.65	16.24	3.07	5.92	...
Jaybirpara	17 62	23 2	10	7.00	5.15	...	12	2.92	10.30	4.58	2	4.75	1.29	3.41	...
Jayshree	10 69	11 0	100	58.57	41.00	4.17	99	78.11	108.67	...	2.75	47.09	23.66	1.99	3
6% R. C. P.	...	...	...	72	...	...	...	...	...	...	...	...	...	...	...
Joanktollee	...	...	10	1.20	12.21	4.00	1.56	12.60	12.33	7.53	2.23	7.79	1.35	14.82	...
6% C. P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
Jutilbari	17 37	25 10	10	9.00	4.25	2.60	24	14.61	15.61	3.88	...	14.78	2.57	1.61	...
Kaliti	8 25	7 2	10	2.46	...	...	25	9.81	3.03	24	2	2.93	3.18	3.11	49
Kalinugger & Khoreel	87 50	94 8	100	450	200	160	36	759	307	6	406	328	497	84	...
Kilcott	14 87	21 8	10	9.00	7.00	8.24	66	14 30	19.24	6.07	3.07	15.46	1.64	5.85	...
Kinsley Golaghat	125 00	178 0	100	3.46	930	280	80	2,070	1,371	738	1,136	1,693	450	58	...
6% Preference	92 00	98 0	100	240	...	...	...	...	...	...	...	...	...	...	...
Kotamullai (m)	12 30	27 0	5	1.80	60	...	14	33.40	21.42	1.63	2	13.70	1.92	2.20	50
6% Pref.	16 50	25 8	25	2.18	...	...	...	...	...	...	...	...	...	...	...
KrishnaBehari	11 00	16 12	10	3.00	2.1	25	3	7.85	9.31	1.53	25	2.81	2.61	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1958	March 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	
	Ra. np.	Ra. A.													
Kunchanpore	7 62	9 1	10	3,60	1,50	1,74	3	1,06	5,72	2,41	...	3,70	47	46	...
Kyung Tea Seeds	5 00	5 4	10	200	35	...	1	38	183	...	42	8	39	4	...
Lackasoorah	20 00	20 0	10	4,00	5,50	2,06	1,95	25,68	10,78	3,50	3	7,43	2,65	22,00	...
Lado	17 12	21 9	10	6,50	1,90	10,08	17	5,90	11,01	3,69	5,66	6,87	58	2,16	...
Lingia	15 75sd	25 0	10	7,00	2,00	61	54	9,06	14,03	6,33	3,58	7,26	1,54	4,13	...
6% C. P.	...	...	100	5,00	...	...	...	...	...	...	...	...	...	...	...
Longview	7 25	11 1	10	10,32	6,00	5,60	20	8,75	25,77	5,19	2,09	7,01	1,13	14	...
Loobah	5 19	5 9	10	5,64	...	58	56	7,33	6,61	83	3	2,89	3,18	1,10	...
Malhati	21 00	15 14	10	9,00	13,80	4,77	2,04	12,65	23,97	7,20	5,19	14,68	3,36	2,26	...
Manabherie	68 00	70 0	10	2,00	4,20	93	28	6,69	4,86	2,89	...	4,81	4,50	70	2,12
Manipur	...	...	100	4,20	2,10	40	-2,30	8,82	7,31	1,80	...	3,26	32	22	...
Margarets Hope	9 75	16 8	10	400	200	200	28	3,27	7,11	...	2	399	160	254	...
Marionbarrie	...	...	10	1,54	...	...	-1,93	1,054	1,049	163	2	110	55	3	...
Maud	16 62	16 8	10	8,00	90	100	7	1,031	1,384	388	194	540	137	160	...
Mathoni	16 37	18 0	10	10,00	7,00	3,80	38	11,62	20,34	5,74	2,10	12,96	2,01	1,05	10
Mitm	201 00	255 0	100	1,59	3,35	15	17	1,26	4,35	1,84	1	1,93	55	1,51	...
Mithoma	19 00	24 12	10	488	...	30	2	5,00	1,004	2,32	...	4,74	30	16	...
6% C. P.	8 31	9 3	10	320	...	...	...	...	...	...	...	...	...	...	...
Mithola	436 00	390 0	100	1,50	8,20	...	1,00	7,86	8,97	4,90	...	6,40	1,16	6,87	...
Murphulan (Assam)	30 00	33 2	10	1,75	6,55	...	39	8,13	10,14	5,76	1,02	7,31	2,32	3,80	...
Murd. Ord.	31 00	33 2	10	2,00	...	...	...	...	...	...	...	...	...	...	...
Naga Hills	34 00	35 4	10	4,00	3,36	52	6	7,15	6,68	3,90	3,93	5,95	1,26	1,14	...
Nagaiauree	115 00	190 0	100	9,60	10,15	9,60	39	6,96	23,76	8,05	4,22	12,19	85	3,14	...
Nagri Farm	20 50	22 8	10	3,00	2,50	75	66	6,12	5,97	1,71	85	3,53	57	3,83	...
Namburnadi	11 87	20 0	10	535	175	...	2	682	1,135	485	...	560	87	77	...
New Assam Valley	...	...	225	6,75	4,50	1,00	63	12,56	9,62	3,71	53	12,62	57	5,81	...
New Chumia	33 50	43 8	10	3,00	2,00	6,03	77	3,90	6,49	2,47	3,55	6,44	1,12	56	...
New Cinnatollah	100 00	105 0	100	5,80	25	1,36	5	5,29	6,65	2,81	...	7,01	29	81	...
New Doora	269 00	303 0	100	14,00	20,00	55	1,98	21,91	21,31	9,41	20,84	14,96	4,98	7,56	...
6 1/2% C. P.	112 00	121 0	100	2,00	...	...	...	...	...	...	...	...	...	...	...
New Samanbagh	19 12	18 4	10	400	400	500	99	1,371	1,160	482	1	779	235	1,177	...
8% C. P.	100 00	100 0	100	1,49	...	...	...	...	...	...	...	...	...	...	...
Nijpur Tea	...	...	100	100	60	...	41	2,88	2,31	1,16	1	2,40	15	1,68	...
North Western Cashier	100 00	210 0	100	7,00	5,00	1,50	1,22	7,49	8,25	...	...	76	12,96	84	...
Olsay	440 00	600 0	100	1,00	...	98	10	1,52	4,55	2,31	...	1,54	28	4	...
7% C. P.	93 00	100 0	100	50	...	...	...	...	...	...	...	...	...	...	...
Oodlabari	17 50	20 2	10	3,20	6,50	2,30	8	6,45	7,95	1,68	5,95	4,50	1,26	55	...
Pathemara	5 44	10 8	10	2,59	...	...	-93	8,28	4,38	54	1	5,48	31	30	...
Patrakola	128 00	162 0	100	86,00	38,00	17,35	1,88	90,23	59,89	23,58	3,05	54,42	36,16	52,71	...
Phaskowa	95 50	190 0	100	2,50	2,00	1,84	9	1,72	5,06	1,85	...	3,65	19	1,10	...
Peobang	5 75	10 2	10	3,00	1,05	1,64	1	1,29	6,18	2,39	85	2,13	20	...	...
Puassibing	8 75	10 0	10	2,05	1,13	95	-2	1,27	5,13	79	48	1,42	1,08	10	...
7% C. P.	95 00	85 0	100	2,05	...	...	...	...	...	...	...	...	...	...	...
Putinbarree	55 00	57 0	10	100	60	195	13	164	362	152	...	20	27	8	...
Rajabhat	14 5	19 14	10	600	576	525	41	836	1,284	940	54	738	149	889	4
Rajgarh	40 12	39 8	10	2,00	8,55	...	41	6,55	8,81	4,28	1,52	6,16	2,10	3,18	...
Rajnagar	11 00	15 8	10	3,20	1,00	40	1,67	3,78	7,56	4,11	1	4,19	1,36	1,04	...
Rancherra	14 87	16 6	10	7,65	7,08	6,45	25	11,40	22,08	12,97	54	12,11	3,32	6,31	...
Roopacherra	14 00	20 8	10	2,60	2,81	1,15	14	6,95	6,65	2,41	1	7,41	1,07	8	...
Rungnattee	59 50	97 0	50	5,25	5,75	5,68	36	7,89	13,23	3,64	1,42	8,94	1,81	3,17	...
Rungles Rungliet	360 00	370 0	100	1,40	2,70	2,81	20	3,20	3,90	2,02	4,02	2,41	57	94	...
Rydyak	26 62	34 8	10	493	1,804	865	52	2,809	5,234	2,940	4	1,958	168	2,494	104
Sapei	24 37	30 2	10	9,00	1,54	2	53	23,68	23,27	9,35	6,04	8,46	5,58	7	...
Saragen	32 25	37 0	10	1,46	5,25	1,73	1,08	9,86	10,38	4,93	2	9,08	2,72	4,10	...
Saujai	19 75	28 10	10	249	230	50	67	615	1,071	6,25	1	589	149	46	...
Sauyat	12 08	14 8	10	3,00	80	1,31	1	85	5,40	1,72	...	1,33	34	83	...
Solimang	...	...	10	3,00	1,05	10	22	3,43	5,84	2,03	...	2,70	94	33	...
Singoll	17 08	20 12	100	6,25	...	1	-7,35	9,04	6,91	2,09	1	1,35	1,54	17	...
Siserton	5 00	6 1	10	9,00	65	...	7	2,90	11,20	2,39	...	2,12	2,41	62	...
5% C. P.	7 12	7 4	10	3,00	...	...	...	...	...	...	...	...	...	...	...
Sutaj River	12 50	15 6	10	400	32	304	31	257	1,068	369	3	370	37	17	...
6% C. P.	93 00	100 0	100	1,00	...	...	...	...	...	...	...	...	...	...	...
Suen	25 50	26 8	10	3,00	3,00	1,10	1,26	5,07	7,09	3,60	1,49	2,06	99	5,40	...
Sungma	10 31	10 6	10	6,25	3,50	3,49	23	4,66	16,29	3,89	3	4,74	69	2	...
Taipee	...	...	10	3,00	2,05	50	12	9,02	9,89	3,60	1	9,07	1,30	3	...
Tean Ali	26 31	24 0	10	4,50	6,00	2,50	26	8,45	12,80	4,58	1,97	8,40	1,46	1,66	...
Teeata Valley	20 25	37 4	10	3,20	4,00	5,43	55	4,23	6,99	2,26	4,05	2,81	1,19	4,62	...
Tekapara	114 00	175 0	100	9,00	15,00	6,24	62	18,15	18,78	6,00	5,24	12,39	7,29	11,30	...
Telagan	22 87	24 9	10	5,98	8,54	3,45	63	10,45	12,58	4,42	...	9,95	3,15	6,54	82
Tengpani	39 00	119 4	10	8,00	2,00	2,85	43	15,03	11,51	3,30	...	10,84	3,12	6,15	...
Tepore	16 75	20 12sd	10	19,82	12,75	...	72	28,56	41,80	17,71	80	29,96	5,70	3,36	...
8% Pref. Cum. as to 5	11 12	12 4	10	2,05	...	...	...	...	...	...	...	...	...	...	...
Tilhak	8 25	12 8	10	3,75	3,75	56	-30	17,50	16,15	1,94	1	...	...	...	...
Tirrihannah	39 50	32 4	10	220	400	550	15	814	1,091	501	1	8,77	1,70	85	...
10% C. P.	14 00	12 12	10	1,00	...	...	...	...	...	...	...	1,007	133	324	43
Tangani	...	...	10	6,00	3,90	...	15	6,30	13,86	2,34	...	4,18	...	...	...
Tukvar	8 00	11 8	10	8,01	2,50	11	-2,94	11,91	16,71	4,43	2	5,44	48	17	...
Tyoon	41 75	45 8	10	5,20	10,00	11,00	87	25,79	28,41	12,46	53	16,80	1,60	16,26	1,72

(246) After transferring Rs. 2.55 lakhs from Reserve and Rs. 42,000 from surplus on Fixed Assets.

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1958	March 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Other
	Ra. np.	Ra. A.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Balarampur	6 12	8 0	5	1,400	120	1,400	58	9,040	4,184	3,112	21.85	9,138	1,309	400	108
Basti	120 50	120 8	100	12,000	9,50	19,47	25,30	105.69	52,26	34,74	...	117,42	15,36	2,43	...
Ordinary 'B.' Class	...	...	50	3,000	...	...	...	...	...	...	...	...	...	...	...
Belapur	240 00	227 0	7 1/2	70,50	75,19	43,24	3,00	90 14	150,48	198,77	22,79	116,52	14,02	87,02	...
Beland	11 00	10 12	10	15,00	6,75	1,00	73	45,99	33,76	25,31	36	45,02	19,6	1,08	...
Bharat	12 37	15 8xd	10	5,00	6,50	7,01	8	3,146	1,929	1,341	1,285	3,608	9,57	67	...
5% R. C. P. T	...	...	10	5,00	...	...	...	...	...	...	...	...	...	...	...
Bhopal	21 80	19 0	10	12,50	8,87	37	5	8,22	33,04	21,37	3,34	20,58	9,89	1,96	...
5% C. P	94 00	94 0	100	12,50	...	...	...	...	...	...	...	...	...	...	...
Buland	13 56	...	10	33,57	36,00	5,36	3	28,08	41,33	19,37	34,22	37,19	8,85	47	...
Carew	7 66	7 8	10	3,200	1,600	1,146	-223	13,652	14,522	9,894	45	13,781	3,849	226	54
6 1/2% R. C. P.	81 50	99 8	100	800	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	990 0	1000	19,50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	900 00	940 0	100	400	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	11 75	20 1	10	30,00	20,50	45,14	92	120,22	163,31	86,27	4,70	80,76	59,53	4,76	...
8% C. P.	109 50	119 8	100	10,00	...	...	...	...	...	...	...	...	...	...	...
Champaian	20 50	20 0	10	1,800	1,440	2,359	-343	10,460	8,472	5,913	37	10,482	2,400	237	...
Deccan	8 25	10 8	5	19,92	15,00	10,48	1,23	130,78	112,48	57,89	1,34	108,14	12,90	6,36	1,09
7% Preference	5 67	6 2	5	7,00	...	...	...	...	...	...	...	...	...	...	...
Deoria	9 56	10 2	10	5,99	5,04	1,15	48	15,77	24,59	15,34	10,23	9,08	2,94	18	1,75
5% Debentures	...	...	500	5,00	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	22 37	22 2	10	26,00	31,00	2,36	1,12	19,18	57,53	37,24	2,58	36,93	12,89	6,97	...
Dyer Meakin	9 30	6 4	5	16,20	13,47	4,73	8	19,43	27,27	14,69	1,24	27,49	7,15	5,09	34
E. I. D. (£)	27 42xd	27 12	£1	5,50	7,90	1,74	47	12,03	13,25	6,33	52	9,48	13,35	24	...
7% C. P.	16 15	16 8	£1	2,00	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 75	19 8	10	20,00	1,50	34,68	5	43,50	67,25	21,37*	25,73	22,57	9,38	16	...
Ganga Sugar	10 00	30 0	100	36,00	16,00	38	23	125,48	29,43	16,81*	26,12	91,24	40,49	42	1,20
Gwalior	69 25	77 0	100	15,94	...	3,09	15	48,95	40,71	23,65	1,75	46,70	12,79	1,58	...
7% R. C. P	65 00	68 0	100	6,75	...	...	...	...	...	...	...	...	...	...	...
Haringanagar	...	...	10	5,00	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	100	7,50	...	...	...	...	...	...	...	...	...	...	...
India	13 00	16 2	10	31,48	14,00	...	5,22	59,74	30,55	18,71	23,27	25,03	50,21	1,31	...
7 1/2% C. P. T	98 00	106 12	100	1,23	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	...	...	100	11,09	11,54	5,37	9,81	50,08	16,18	15,41	13,75	59,97	2,81	58	...
Lampore	13 30xd	13 6	10	10,63	10,79	1,35	6	28,27	30,05	9,80	5,35	15,76	10,68	1,27	...
5% C. P.	93 00xd	100 0	100	2,00	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	120 00xd	135 0	100	10,52	57,50	23,00	27	195,11	179,0	35,20	25,90	95,18	24,95	2,70	...
5% R. C. P	100 00xd	90 0	100	3,29	...	...	...	...	...	...	...	...	...	...	...
Deferred	132 00xd	145 0	10	2,87	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	41 00	34 0	100	11,59	...	9,58	-19,96	76,56	58,82	19,08	6,02	57,89	13,21	74	...
5 1/2% C. P.	87 50	82 0	100	5,90	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	101 8	100	34,00	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	10	2,000	...	...	-5,16	1,280	2,769	1,649	...	1,567	56	19	...
Modi Sugar	...	...	100	48,00	12,40	80	41	65,32	85,86	39,20	3,70	68,18	18,95	3,84	...
Ord. Share	9 00 N	9 0N	10	14,40	...	...	...	...	...	...	...	...	...	...	...
Mohini	3 37	4 0	10	10,00	...	...	-3,87	65,57	42,61	8,39	...	36,66	7,09	21	77
Founders	...	...	1	25	...	...	...	...	...	...	...	...	...	...	...
5% C. P	70 00	111 0	100	2,00	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	5,00	...	...	...	...	...	...	...	...	...	...	...
Murree Brewery	...	...	10	24,00	6,13	2,00	-7,88	5,52	7,56	39	4,84	6,87	4,28	4,56	2,05
Mysore	34 25xd	37 8	10	21,79	62,50	23,75	2,63	112,92	140,89	83,32	22,52	184,68	40,21	3,86	4,76
Nawabganj	60 00	108 0	100	12,00	6,30	6,00	4,65	22,66	51,02	27,68	15,63	13,97	8,40	5,30	17
'B' Class	...	...	1	5,00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	50	10,00	...	...	...	...	...	...	...	...	...	...	...
New India	22 25	36 8	10	7,89	16,50	6,00	80	78,60	48,70	2,691	1,684	6,539	1,340	3,26	...
5 1/2% R. C. P. T.	...	...	100	10,00	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. R. P. P.	101 00	132 8	100	49	...	...	...	...	...	...	...	...	...	...	...
New Savan	4 12	5 12	10	11,00	2,50	1,70	25	4,06	43,92	25,89	1,07	...	36	5	...
Nizam Sugar	...	...	25	109,88	25,02	42,42	4	334,54	258,10	138,88	32,83	211,46	109,71	5,80	68,67
5% C. P.	...	...	25	12,00	...	...	...	...	...	...	...	...	...	...	...
4% C. P	...	...	25	23,79	...	...	...	...	...	...	...	...	...	...	...
Phaltan Sugar	140 50	135 0	50	50,00	40,51	16,00	94	76,01	109,71	63,85	2,03	78,99	40,62	15,50	52
Punjab Sugar	80 00	100 0N	100	12,00	7,00	5,65	4,55	20,20	29,22	20,41	11,51	7,35	12,87	6,86	...
Purtalpor	10 19	17 10	10	9,80	2,00	17,65	21	22,22	43,99	31,54	150	30,15	13,85	13	...
10% C. P	13 62	14 14	10	6,00	...	...	...	...	...	...	...	...	...	...	...
Ramnagar Cane	22 25	24 0	10	16,60	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	94 50	100 8	100	4,00	13,00	22,00	20	29,70	56,12	29,77	...	41,09	5,61	4,84	13,56
5 1/2% Debentures	100 00	...	500	5,95	...	...	...	...	...	...	...	...	...	...	...
Reina Sugar	3 00	4 4	10	11,75	...	...	...	...	...	...	...	...	...	...	...
9% C. P.	...	...	100	39	4,08	9	-8,40	35,89	31,34	20,21	10	30,97	1,37	23	...
Ravilgaon Sugar	134 50	...	50	20,00	11,00	25,27	68	41,30	95,61	56,01	14,35	84,38	2,71	1,21	...
5 1/2% Cum Pref.	65 00	...	100	20,00	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00 N	...	10	4,00	...	...	...	...	...	...	...	...	...	...	...
Debenture	...	...	500	20,00	...	...	...	...	...	...	...	...	...	...	...
Raza	20 00	...	10	20,00	39,50	5,52	3	25,49	45,46	19,83	21,72	34,37	8,30	43	...
Ryam	19 75	20 4xd	10	8,00	1,50	4,61	13	49,17	28,73	22,67	3,54	58,25	2,80	24	...
6% C. P.	9 00	8 2	10	8,00	...	...	...	...	...	...	...	...	...	...	...
Samastipur	11 25	11 8	10	1,199	570	1,283	-221	2,489	4,454	2,513	1	1,642	1,259	209	270
Shadilal	...	...	100	857	1,100	1,319	228	14,901	12,580	5,554	816	8,749	1,986	58	513
8% C. preference	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	10 25	10 8	10	20,00	...	...	1	20,89	47,23	16,15	19,10	13,95	3,79	28	...
Debentures	...	...	...	5,00	...	...	...	...	...	...	...	...	...	...	...
Shree Chandoo	28 75	30 12	12 1/2	15,00	25,79	11,29	33	41,45	69,56	43,15	8,77	43,69	11,71	4	3,24
Shree Krishna Gyanodaya	10 19	10 8	10	39,71	19,00	3,68	16	163,86	140,85	68,35	7	149,05	31,63	1,05	5,11
6% A' Pref.	85 00	...	100	6,00	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	75 00	80 0	100	12,00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	15,00	...	...	...	...	...	...	...	...	...	...	...

MILLS—Contd.

[illegible]

(f) After transferring Rs 50,000 from Dividend Equalisation Reserve.
 (g) After transferring Rs 1,78,125 Div. Equal. Fund. (h) After writing back Rs. 1,76,359 being provision for liabilities no longer required.
 (i) After writing back Rs. 61,519 being provision for taxation no longer required. (j) After transferring Rs. 1,00,000. from Renovation and Renewals Reserve.
 (k) After transferring Rs 1,07,098 from provision for taxation.
 (m) After writing back Rs 1,75,000 from Contingencies Reserve and Rs 34,720 being adjustment of Stores, etc.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	March 1958	March 1957			General	Other	Carry Forward				Invest- ments	Stocks and Stores	Outstand- ings	Cash	Others
	Ra. ap.	Ra. a.													
Agra Elec. Supply. ...	136 00	145 0	100	19.99	17.65	21.07	50	48.71	82.15	31.34	4.12	18.22	11.54	12.49	20.73
4½ Debentures	90 00	94 0	100	10.00											
Ahmedabad Elec'ty Co. ...	95 00	93 12	100	874.72	9.39	65.65	...	94.83	1343.66	248.28	15.41	54.00	59.33	6.88	13.99
44% Debentures	1000 00N	100 0N	1000	200.00											
Aligarh ...	10 00N	10 0N	10	4.59	53	72	1	6.17	11.30	5.68	68	2.13	3.39	21	...
Amalgamated Elec'ty Co. ...	10 40	10 11	10	22.50	56	13.31	15.48	43.12	185.72	38.73	1.74	16.80	13.70	6.09	4.34
5½% C. P. ...	89 00	101 4	100	24.15											
5% C. P. ...	82 50	87 12	100	20.31											
Andhra Valley Power ...	1090 00	1192 8	1000	302.72	40.28	25.56	41	251.65	723.70	229.05	21.64	25.50	50.94	40.29	135.22
7% C. P. ...	1025 00	1085 0	1000	49.34	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	970 00	...	1000	98.28											
Bareilly Elec'ty Supply ...	12 75	14 12nd	10	8.00	5.30	7.66	17	22.32	44.92	17.32	1.62	4.84	1.68	8.93	3.79
4½ Debentures	86 00	90 0	100	5.00											
Bombay Elec'ty ...	13 62	17 3	10	17.00	15.65	19.50	38	67.22	113.92	37.40	2.79	13.77	14.62	7.67	15.36
4½ Debentures	90 00	94 0	100	12.00											
Berhampur Elec. Supply	6 15	7 12	10	7.38	...	25	43	2.33	11.83	2.88	1.98	64	1.74	9	...
6% C. P. ...	8 37	9 0	10	1.00											
5% Debentures	...	...	20,000	2.00											
Bhilai Elec. Supply ...	7 50	8 2	8	5.91	2.46	3.50	58	11.31	21.34	9.60	50	3.27	3.12	3.04	8
Bombay Suburban Elec'ty	105 00	110 0	100	175.80	3.00	36.32	...	49.50	262.21	58.57	4.44	24.03	17.12	1.32	13.25
Breach Elec. Supply ...	7 52	11 0	10	7.07	2	1.29	...	2.76	15.11	6.93	27	88	97	1.83	55
6% Debentures	...	...	...	1.51	...		...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply & ..	13 75	12 8	2 1	42.62	19.00		1.53	32.91	279.88	91.58	2.43	7.03	5.25	33	2.50
5% Cum Preference ...	10 62	8 14	2 1	19.00											
5½ Debentures	97 00	97 4	...	44.45		12									
Cochin State Power ...	9 30	11 6	7½	7.87	1.33	4.60	1.66	4.30	13.37	3.31	8	1.95	1.72	1.77	...
Cuttack Elec. Supply ...	8 00	8 12	10	6.60	2.78	1.99	68	12.59	25.58	7.48	34	2.92	2.52	2.84	71
Dharwar ...	51 00	50 0N	50	4.94	3.56	3.15	47	3.04	12.77	2.57	9	1.47	1.00	1.08	...
5% C. P. ...	...	...	100	1.73	...	...	...	...	...	...	...	...	...	...	...

COMPANIES—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID AMOUNT				
	Mearh 1958	March 1957			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Ra. n. p.	Ra. a.													
Dihargarh Power ...	81 50	94 8	100	43.20	14.00	1.50	8.29	15.84	91.91	32.18	36.28	8.14	6.43	10	15
5% 'A.C.P. ...	74 50	98 0	100	16.08											
4½% 'B.C.P. ...	84 00	88 8	100	12.00											
Ellora Electric Supply ...	10 85	12 4	10	3.00	...	37	4	2.33	6.26	1.73	18	75	61	67	1
Gourepore Electric Supply	...	...	100	50.00	14.50	10.69	94	40.87	172.10	49.39	3.64	5.65	10.46	32	22
4% Debenture	840 00	855 0	1000	25.00	...	3	3	1.03	2.01	62	6	23	38	18	1
Gudivada Electric Supply	...	...	100	1.18	...										
Jhansi Electric Supply ...	8 50	8 8	10	5.35	...	29	3	9.71	21.44	9.16	5	2.98	4.18	23	...
6% Debentures	850 00 N	950 0 N	1000	3.80	...										
Jochat Electric Supply ...	8 00 N	8 0 N	10	2.50	...	8	-17	1.48	5.88	2.44		32	82	17	1
6% Cum Preference	90 00 N	90 0 N	100	50	...										
6% Debenture	...	...	...	35	...										
Ibbulpore Electric Supply	11 50	13 5	10	22.50	10.75	10.14	27	32.36	77.90	35.59	1.47	6.75	8.15	1.49	15.88
Kanadukathan	...	...	500	5.00	...	1	10	2.14	8.92	4.35	57	81	62	11	56
Karakikal Electric Supply	9 45	9 12	10	2.10	...	35	68	79	3.12	9.97	...	42	57	71	8
Kumbakonam Elec. Supply	10 95	11 12	10	12.49	12	2.05	5	16.05	36.34	9.60	61	2.49	2.24	1.19	...
6% Cum. Pref.	8 90	9 10	10	2.50	...										
Mangalore Electric Supply	...	...	10	5.60	28	3.09	57	5.49	20.16	8.89	56	1.92	1.85	1.41	...
5% Debentures	...	...	500	1.37	...										
Mirzapur Electric Supply	8 10	7 0	10	4.85	93	1.31	81	3.56	12.21	5.58	15	2.10	1.82	1.16	...
Mozufferpore Elec. Supply	8 12	7 4	10	5.82	1.83	77	43	17.62	19.06	10.28	23	2.56	2.66	1.39	85
Muttra Electric Supply	11 50	8 13xd	10	7.00	60	1.06	15	5.92	14.28	6.97	1.33	1.62	1.63	2.77	...
Nasik Deolali	...	...	100	11.68	...	5.37	...	8.17	37.33	11.24	1.41	3.93	2.25	2.12	...
7% Cum Pref.	...	...	100	1.00	...										
6% Debenture	...	...	...	10.00	...										
Nagapattinam Electric Supply	10 60	11 0	10	3.98	...	52	2	3.02	11.15	3.61	22	86	1.13	80	...
6% C. P.	8 65	9 9	10	1.00	...										
4½% Debentures	...	...	100	2.00	...										
Patna Electric Supply	10 69	11 2	10	35.07	13.68	20.05	2.46	27.63	124.23	47.63	6.89	10.79	14.23	10.50	...
5% Debentures	450 00	477 8	500	20.00	...										
Poona Electric	119 50	128 12	100	48.89	51	28.66	1	39.51	128.62	48.22	22.92	5.96	9.78	8.97	...
7% Cum Pref.	103 60	108 0N	100	4.00	...										
6% Debentures	...	...	...	8.00	...										
Saharanpur	105 00N	100 0N	100	3.62	...	31	1	4.28	7.87	3.94	1.57	86	1.23	53	19
Partly Paid	...	...	10	14	...										
Salem ErodaElectricity	12 75	13 11	10	8.80	5.50	3.91	32	19.44	42.20	14.07	2.12	5.13	3.67	2.92	...
61½% R. C. P.	10 28	10 4	10	4.00	...										
Saugor Electric Supply	...	...	10	3.00	...	62	2	6.65	6.24	3.16	19	1.97	40	46	5.13
Shahjahanpur Elec. Supply	6 81	7 4	10	9.16	89	83	53	9.10	14.89	9.23	1.32	4.06	2.19	10.9	11
Shillong Hydraulic	4 84	6 0	9	7.73	1.66	1.56	60	9 11	21.61	9.00	21	53	3.02	88	3.46
Partly Paid	...	...	10	1.680	221	801	2	1,159	6,426	4,104	207	725	681	1,049	144
Sijua (Jherriah) Elec. supply	10 75	10 12	10	1.260	...										
5% Debentures	910 00	960 0	1000	16.74	1.10	88	18	36.27	53.94	13.65	3.19	3.37	2.91	1.01	6.15
South Arcot Electricity	...	...	100	2.00	...										
6% Cum Preference	...	...	100	2.00	...										
5½% Cum Preference	12 62	11 0	10	56.00	2.00	2.07	8	79.05	163.34	46.76	17.23	14.51	29.00	1.62	4.32
South Madras Electric	9 45	9 14	10	22.00	...										
5½% 1st Cum Preference	9 47	10 2	10	8.00	...										
5½% 2nd Cum Preference	90 00	90 0	100	2.00	...										
4% Debentures	...	...	100	4.64	...										
4½% Debentures	93 50	94 8	100	1.00	...										
5% Debentures	95 00	97 8	100	2.00	...										
5½% Debentures	105 50	112 8	100	51.24	4.00	10.16	3	33.51	102.68	30.46	1.25	18.56	8.60	2.23	1.05
Surat Electric Co.	112 50	118 0	100	5.00	...										
6½% Cum Preference	...	...	...		...										
Tata Hydro Electric	116 75	120 0	100	239.38	47.74	21.65	36	206.82	544.60	152.88	44.08	23.83	36.46	10.18	99.8
7½% C. P. T.	105 00	108 2	100	89.28	...										
Tata Power Company	1175 00	1197 8	1000	515.31	94.51	98.39	30	413.55	1327.36	294.58	34.63	72.32	92.36	46.01	228.6
7½% C. P. T.	1121 25	1131 4	1000	86.97	...										
4% Debentures	1000 00N	1030 3	...	47.73	...										
4% Debentures	847 50	852 0	...	250.00	...										
Tumavally Tuticorin Elec.	12 75	13 10	10	9.70	2.68	3.80	19	14.98	37.47	13.23	3.12	4.61	3.32	1.38	...
6% R. C. P.	9 68	10 4	10	4.50	...										
United Provinces Electric	124 00	146 0	100	56.00	20.20	45.17	84	107.24	301.73	121.90	8.96	32.13	29.64	6.02	2.86
4½% Debentures	90 00	95 0	100	30.00	...										
Upper Ganges Valley	16 25	13 1xd	10	5.98	2.40	1.30	9	16.55	19.61	8.74	79	6.88	3.61	4.12	5
Upper Jumna Valley	12 25	16 14	10	4.98	3.80	2.93	94	19.82	19.87	8.18	1.27	5.77	9.56	3.43	18
Vellore Elec. Corporation	13 50	13 12	10	4.00	48	1.57	1.45	16.94	24.17	6.57	63	2.46	2.16	2.76	9
6% Cum Preference	7 55	8 1½	10	1.25	...										
West Coast Electric	16 75	13 4	10	10.00	...	1.67	52	15.16	26.39	6.42	45	3.25	2.68	1.41	1.00
5½% Cum Preference	7 11	7 1½	10	2.50	...										

(h) After writing back Rs 1,60,000 from provision made under Clause 11(1) of the Sixth Schedule and Rs 42,800 from Deferred Income Tax Liability Account.

(a) After transferring Rs 69,000 from Deferred Taxation Reserve.
 (b) After transferring Rs 1,09,846 from Thrift and Dividend Control Reserve and Rs 44,000 from Deft. Taxation Reserve.
 (c) After transferring Rs 3,814 from General Res. (b) After transferring Rs. 8,66,000 from Dividend Control Reserve.
 (d) After transferring Rs 90,000 from provision for other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

Indian Finance

SOUTH INDIAN

SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	Coop Harvested			Sales Rs. 000	Stock Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year ended	Net Profit		Dividend Per Cent						
		Tea 000 lbs.	Coffee 000 Cwts.	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest	Previous	2nd Previous				
Alageswar Amalgamated Office	Ramani & Co. Parkins Private Ltd. 6% Cum. Pref. 5 1/2% Debentures	3.61	...	...	6.71	4.62	13 3	6-57 3-56	2.02 3.22	2.64 —24	10 nil (a)	15 nil nil	15 nil nil				
Anandam	A. V. George & Co. 7% C. P.	...	2.15	...	2.08	1.07	11	12-52	1.09	1.09	15 7	15 7	...				
Anapara	Associated Planters Private 6% Debentures	...	9	...	993	1,341	66	6-57	621	364	40	25	16 1/2				
Arthala	R. N. Kapur & Co. Ltd. 6% C. P.	3.40	...	...	9.25	70	18	6-55	1.69	50	nil nil 5	nil nil 3 1/2	nil nil 3 1/2				
Athimattam	M. Sebastian 6% Debentures	...	...	62	89	3	...	2-56	34	24	...	...	...				
Bababudin	A. V. Thomas & Co. (Mysore) 6% C. P.	...	1	...	3.32	...	8	6-55	37	2.35	17 1/2	15	7 1/2				
Badra	Young India Agencies Private 7 1/2% R. C. P.	...	3	...	4.18	3.89	23	5-57	2.15	1.58	17 1/2	15	10 1/2				
Balanoor	Young India Agencies Private 7 1/2% C. P.	4.30	2	39	13.49	3.36	46	3-57	4.54	4.71	17 1/2	25	7 1/2				
Balmadies	Planting Agencies Pri 6% C. P.	...	2	...	2.87	...	11	5-56	73	58	10	15	7 1/2				
Be Be	Mg. Director 6 1/2% C. P. T. 6 1/2% R. C. P. T.	...	...	3.17	5.67	30	...	3-56	1.35	94	6	6	6				
Blue Mountain	Kothari & Sons Agencies Pri...	10.62	14	...	50.38	...	1.38	6-57	13.07	12.18	12 1/2	15	20				
Chandramalai Chembra Peak	Directors Peirce Leslie & Co. Ltd.	2.83 13.80	1	...	27.98	6.44	66	6-56 3-57	1.39 8.73	4.21 3.87	15 20	45 10	20 20				
Cochin Malabar	Peirce Leslie & Co. Ltd. 7% C. P.	...	...	17.65	37.70	...	83	2-57	11.07	13.50	15	25	15				
Coffee Lands	Consol Coffee Estates 5% C. P.	...	...	...	31.21	...	18	6-56	17.67	9.21	25	18	25				
Consolidated Coffee	Mg. Director 6% C. P.	...	...	...	69.31	2.91	...	6-56	35.42	25.39	20	22 1/2	17 1/2				
Coonor Tea	Matheson Bosanquet & Pvt. Co. 6% C. P.	3.22	...	...	7.90	1.53	12	9-56	1.37	1.55	17 1/2	25	45				
Coorg Tea	Parkins Private Ltd. 6 1/2% R. C. P.	3.09	...	...	6.83	95	32	3-55	3.34	2.83	25	15	10				
Cottanad Plantations	Directors 7 1/2% C. P. P.	1.21	...	53	6.63	...	...	3-57	2.00	1.40	17 1/2	15	17 1/2				
Coveody	Peirce Leslie & Co.	...	2	...	4.42	51	7	6-56	2.92	...	12 50	12	12				
Davanahole Devan	Mg. Director Young India Agencies Private 7 1/2% C. P.	3.39 2.78	1	...	6.84 7.70	1.52	20	12-55 3-57	2.86 2.09	5.15 2.05	25 17 1/2	40 25	25 25				
Emerald Valley	Parkins Private Ltd.	1.18	...	...	2.57	60	11	12-54	1.67	1.02	30	25	15				
Gokul Rubber	Young India Agencies	...	...	68	1.22	23	8	12-55	69	61	10	9	6 1/2				
Haileyburia	Parkins Private Ltd. 5% C. P.	16.04	...	...	21.42	12.59	94	12-55	9.07	14.89	25	25	25				
Highland	A. V. Thomas & Co. 6% C. P.	10.18	...	...	21.08	2.44	68	12-55	6.57	11.76	20 6	25 6	12 1/2 6				
Kadur	Young India Agencies Private 6 1/2% C. P.	...	...	...	98	85	4	5-57	33	33	7 1/2	7 1/2	6 1/2				
Kallias	A. V. George & Co. Peirce Leslie & Co.	...	4.86	...	5.05	1.10	32 15	2-53 3-56	3.20 1.25	3.30 4.92	25 10	12 1/2 15	6 1/2 7 1/2				
Kalpetta	A. V. Thomas & Co. E. I. Agencies Private	2.63	...	5.19	10.98	1.81	32	4-56	2.66	2.84	20	27 1/2	25				
Karikode Rubber	6% Cum Pref 5% Debentures	...	1.42	...	1.97	78	7	12-55	97	81	12 6	9 6	9 6				
Kil Kotagiri	Peirce Leslie & Co. 6% C. P.	760	...	...	2,403	331	55	10-57	(e)833	921	15 6	20 6	20 1/2 6				
Kumergode	Peirce Leslie & Co. Ltd. 7 1/2% Debentures	...	3	...	554	...	22	10-57	277	88	25	20	20				
Kurchimala	Ipe Oommen & Co. Pr. Ltd. 6 1/2% Cum Pref.	1.69	61	...	3.27	72	14	3-57	1.34	78	7 1/2 6 1/2	6 1/2 6 1/2	7 1/2 6 1/2				
Malabar Agricultural Co.	Vimsons Ltd. 6% C. P.	3.65	...	...	7.37	1.75	...	12-55	1.39	2.88	10	7 1/2	5				
Malabar Industrial	Mg. Director 5% Debentures	...	...	...	...	...	...	...	...	...	6	6	6				
Malankara	Johnson's Estates & Agencies Vessantha & Co.	...	3.09	5.60	11.16	60	46	2-56	2.22	...	25	20	30				
Mannar	Associated Planters Private 6% Preference	88	...	195	304	147	6	6-57	1.23	3.89	32 1/2	22 1/2	22 1/2				
Morera	...	...	...	...	...	...	...	...	62	117	15 6	15 6	15 6				
Midland	A. V. Thomas & Co. Ltd. 6% C. P.	12.47	11.30	38.28	2.69	...	60	3-56	12.52	21.88	20 6	25 6	17 1/2 6				

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1958 Rs. np.	March 1957 Rs. a.			General	Others	Carry- forward Rs.000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Alageswar	2 50	3 4	2	6.00	5.25	...	26	5.90	13.39	3.25	51	2.59	3.03	95	...
Amalgamated Office	10 75	12 6	10	4.50	...	8	49	4.11	12.85	1.11	...	5.77	41	1	...
6% C. P.	7 30cd	8 1	10	4.00	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	500 00	500 0	500	4.75	...	35	28	1.36	6.31	26	72	1.18	1	24	...
Anandam	15 40	21 0	18	2.50	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	9 90	10 2	10	2.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	101 00	101 0	100	1.23	...	...	50	1,617	1,668	151	259	1,411	477	24	...
Anapara	5 00cd	4 6	2	906	530	...	...	...	...	...	...	...	...	...	...
6% Debentures	97 00	97 8	100	3.84	...	...	...	...	...	...	...	...	...	...	...
Arthala	4 00	4 0	5	3.00	11	1,20	44	8.55	7.70	98	6.03	1.06	1.34	16	...
6% C. P.	9 20	9 3 1/2	10	2.00	...	...	...	...	...	...	...	...	...	...	...
Achimattam	1 20	1 4	2	3.25	...	50	3	55	3.70	17	...	5	49	27	...
Bababuddin	11 65	11 4	5	2.00	1.75	1.00	9	92	5.56	46	...	2.15	5	1.47	...
6% C. P.	8 56	9 2 1/2	10	3.00	...	...	...	...	...	...	...	...	...	...	...
Badra	3 50	3 8	2	4.25	1.50	1.02	63	2.45	6.91	47	12	2.93	16	1.70	...
7 1/2% C. P.	10 12	10 0	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Balanoor	15 50	18 8	10	10.99	3.76	1.60	16	5.35	14.97	2.28	21	4.07	1.98	5.35	...
7 1/2% C. P.	11 00	11 0	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Balmadies	3 35	3 8	2	3.00	75	85	23	93	3.92	31	24	10	1.67	89	...
6% C. P.	9 00	9 12	10	75	...	...	...	...	...	...	...	...	...	...	...
Be Be	3 30	4 13	5	8.66	...	2.87	2	2.34	12.66	...	4.56	51	44	2	...
6 1/2% C. P. T.	3 13	3 5 1/2	5	1.43	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R. C. P. T.	6 64	7 1	10	2.86	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	3 18	5 15	2	52.50	5.00	10.00	89	16.95	68.42	9.73	11	5.07	13.78	7.68	...
Chandramalai	3 25	3 15	2	5.50	6.06	80	30	2.38	11.37	1.88	52	1.93	1.29	1.65	...
Chembra Peak	3 65	3 13	2	9.33	12.00	...	50	7.47	22.50	6.54	1	8.95	35	4.14	...
Cochin Malabar	5 05	8 6	3	17.94	24.50	...	72	16.00	52.61	5.60	...	11.09	1.26	93	...
7% C. P.	49 75	58 0	50	1.13	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	52 65	26 0	10	18.00	16.00	5.50	1.87	18.87	36.05	7.12	56	24.14	13.02	6.97	...
5% C. P.	82 50	87 8	100	10.41	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	3.00	36.25	9.63	1.12	41.96	116.23	25.14	13.11	53.79	15.20	15.81	...
Consolidated Coffee	23 85	22 0	...	7.55	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	23 75	27 12	25	18.75	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	500	10.00	...	...	...	...	...	...	...	...	...	...	...
Coonor Tea	20 40	23 12	10	3.78	3.10	1.35	7	4.71	20.59	91	3	2.06	50	20	...
6% C. P.	103 87	109 14cd	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	11 00	12 8	5	4.00	1.00	4.25	1.02	2.32	7.84	1.45	11	1.81	3.40	3.37	...
6 1/2% R. P.	4 40	5 2cd	5	2.50	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	12 25	17 6	10	4.00	1.00	5.16	7	4.26	3.58	51	...	2.05	4.59	24	...
7 1/2% C. P. P.	10 55	13 6 1/2	10	1.00	...	...	...	...	...	...	...	...	...	...	...
Cow Coody	8 10	7 12	2	2.55	2.50	...	75	1.97	1.51	35	1.49	2.88	14	2.08	...
Devasahala	19 1 d	21 8	10	6.00	3.75	1.41	12	4.15	10.41	2.16	106	93	17	4.75	...
Depot	17 25	17 6	10	4.48	2.52	1.05	49	2.63	8.93	1.57	10	2.02	1.21	2.49	...
7 1/2% C. P	104 00cd	110 0	100	2.00	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	6 65	7 4	2 1/2	1.75	1.75	1.65	62	92	3.35	49	1.00	78	19	1.87	...
Gokul Rubber	1 58cd	2 1 1/2	2	4.50	20	...	1	1.04	3.23	11	1.30	25	15	92	...
Haileyburia	18 40	23 0	10	12.50	8.50	9.00	37	14.40	31.56	4.96	4	14.81	1.65	6.46	...
5% C. P.	68 00	80 12	100	2.50	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	1000 00	1000 0	1000	2.30	...	...	...	...	...	...	...	...	...	...	...
Highland	13 50	15 0	10	18.00	4.81	5.15	47	8.45	25.80	4.94	2.61	4.25	1.85	10.30	...
6% C. P.	9 27	9 12	10	3.00	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 85	3 0	2	1.20	17	...	4	51	1.42	2	...	62	3	37	...
6 1/2% C. P	7 16	7 13	10	50	...	...	30	3.24	12.44	46	...	...	...	...	...
Kailas	4 20	5 7	2	6.00	6.00	56	73	3.18	11.74	1.10	41	2.08	10	1.38	...
Kalasa	15 22	14 14	9	5.40	5.60	...	...	...	...	...	...	2.08	65	4.57	...
7% Debentures	502 50	515 0	...	3.00	...	1.41	5	...	...	...	...	...	...	...	...
Kalpetta	20 40	26 0	10	4.00	9.53	1.27	7	4.65	18.32	2.21	23	2.57	46	25	...
Karikode Rubber	10 35	14 3	10	2.00	...	...	...	1.38	5.07	25	...	87	6	1.32	...
5% Cum Pref	8 30	9 3	10	1.50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	100 00	100 0	...	1.00	1.125	248	31	739	2,833	369	25	473	107	183	...
Kil Kotaxiri	5 90cd	6 3	2	859	...	...	...	...	...	...	...	...	...	...	...
6% C. P	9 57	10 3	10	250	...	...	...	...	...	...	...	...	...	...	...
Kumergode	7 60cd	6 1 1/2	2	200	250	90	46	215	758	82	...	206	4	115	10
7 1/2% Debentures	502 50	500 0	500	210	...	3.20	3	2.05	9.25	59	1	9	1.01	26	...
Kurchimala	6 25	8 12	10	3.45	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Cum Pref.	7 75	8 6	10	1.30	...	...	...	...	...	...	...	...	...	...	...
Malebar Agricultural Co.	8 75	11 6	10	5.00	1.80	1.00	1	5.20	16.85	1.41	2	2.36	1.13	2	...
6% C. P.	16 56	16 9	20	5.00	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1.00	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	15 00	22 4	10	4.50	61	1.96	4	4.84	6.05	17	56	73	1.80	2.98	...
Malankara	16 25	30 4	10	9.00	4.75	2.89	...	6.63	19.20	2.78	...	1.18	2	5.64	...
Manar	2 70	3 2	2	3.50	40	37	41	1.42	3.27	12	...	1.03	95	97	...
Mercara Rubber	7 0cd	8 8	5	325	250	...	4	167	728	4	...	184	61	27	...
6% Preference	8 91cd	8 14 1/2	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	16 12	17 10	10	27.00	16.60	14.51	1.07	15.47	77.71	8.84	3.47	7.18	2.81	9.52	...
6% C. P.	8 12cd	9 12	10	17.20	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIAN

SOUTH INDIAN														
NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales Rs. 000	Stock Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT			
		Tea 000 lbs.	Coffee 000 Ctns.	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest %	Previous %	2nd Previous %	
Malamalay ...	Directors 7½% C. P.	4.02	...	...	7.36	89	...	3-57	2.26	2.38	18 7½ nil	25 7½ 7	75 7½ nil	
Mysore Coffee ...	Pavan & Co. 7½% Debentures	...	...	...	3.38	...	...	12 6-55	42	1.20	...	...	...	
Mysore Plantations ...	Mg. Director 6% C. P.	1.29	...	...	3.37	1.51	...	3-56	1.18	1.49	6 6	7½ 6	...	
Neelamalai ...	A. V. Thomas & Co. 5% C. P.	12.65	...	...	28.55	9.23	89	6-55	13.30	19.58	17½ 5	17½ 5	12 5	
Nelliampathy ...	A. V. Thomas & Co. Ltd. 6% C. P.	7.60	...	75	16.07	2.28	48	6-56	3.63	8.96	10 6	25 6	12½ 6	
Nelliathanam ...	Directors 7% C. P.	22½	5*	67	...	...	...	3-52	57	65	76½ 7	7½ 7	...	
Nonmeny ...	A. V. George & Co. 7% C. P.	...	...	4.66	5.70	2.30	22	12-52	1.69	2.21	6½ 7	10 7	6½ 7	
New Glen Morgan Nilambur ...	Ramu & Co. Private Associated Planters (Private) 6% C. P. Debentures	4.15	...	1.64	5.86 3.19	78 63	23 9	12-55 12-55	94 86	2.21 8½	nil 15	nil 10	nil 10	
Nilgiri Tea ...	A. V. George & Co. 6½% C. P.	3.45	...	...	7.87	1.29	12	3-53	1.49	2.58	12½ 6½	15 6½	15 6½	
Nonmeh Tea ...	Harris & Crofield	8.20	...	...	16.90	...	...	6-53	7.38	7.85	33	35	49½	
Ouchterlony ...	Pearce Leslie & Co.	9.30	6	...	36.94	7.19	50	10-56	(b)3.62	10.07	10	20	30	
Panchura Parkside Pennam Pennamalai Periyar & Parakkanni ...	Directors Math. Besant & Co. Aspinwall & Co. (Trav.) Ltd. 6% C. P. Directors Pearce Leslie & Co. Ltd.	2.05 5.61 18.88 ...	6½ ...	...	16.07 32.68 ...	2.28 ...	48 37 ...	6-56 12-56 ...	1.13 6.00 11.77 3.55	1.08 6.27 9.89 2.16	30 15 37½ 6	40 25 35 6	30 25 55 6	
Periyar & Parakkanni ...	E. I. Agencies Private Ltd. 7½% R. C. P. 6½% Debentures	...	...	3.23	5.11	1.46	15	12-56	1.64	...	12 7½	...	...	
Pullangode ...	Aspinwall & Co. Ltd. 6% C. P.	...	...	6.12	9.53	1.32	16	3-57	3.23	3.49	5 6	15 15	17½ 6	
Puthenthottam ...	Ruby & Co. Private	1.77	...	13*	15.35	...	72	3-56	6.86	7.62	10 15	...	10	
Rajagiri ...	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	13.70	21.01	1.39	1.11	6-56	10.20	8.88	25 6	20 6	17½ 6	
Rajendra Coffee ...	Associated Planters Private 6% Cum. Pref. 5½% Redeem Cum. Pref. 6% Debentures	...	2	...	3.56	2.37	13	3-57	1.21	1.40	25 5	20 5½	15 5½	
Savamalai Shivay Stanes Amalgamated ...	Pearce Leslie & Co. A. V. Thomas & Co. (India) Ltd. T. Stanes & Co. Ltd. 5½% Debentures	...	2	...	7.26 1.17 8.64	56 8.36 1.29	6 28 57	11-56 6-56 6-56	1.37 3.27 4.99	1.19 1.20 3.98	15 10 13	10 7½	25 7½	
Talayar Tea ...	Parkins (Private) Ltd. 6% C. P.	8.08	...	...	14.48	4.67	48	3-56	4.56	7.36	12½ 6	16½ 6	12½ 6	
Teakoy ...	East India Agencies Private 6% C. P.	...	...	...	5.32	97	16	3-57	1.72	2.30	6 6	6 6	6 6	
Thamarapally ...	5½% Debentures A. V. George & Co. 6½% C. P.	...	...	2.29	...	2.14	18	12-52	1.39	1.41	25 6½	15 6½	...	
Thirumbadi ...	Pearce Leslie & Co. 7½% Debentures	...	...	8.14	11.10	1.86	11	9-56	3.63	1.79	12½ 12½	10 10	...	
Travancore Rubber Trav. Rubber & Tea ...	Directors Aspinwall & Co. (Trav.) 6% C. P.	...	...	5.43 10.32	5.55 34.92	1.57 6.29	...	12-54 12-56	2.69 8.09	2.60 14.16	20 7½	20 12½	20 15	
Tropical Plantations Twyford ...	Directors Parkins Private Ltd.	4.57 9.70	...	6.42	17.93 14.44	2.40 6.39	...	12-56 12-55	5.48 2.90	5.46 9.83	12 20	16 25	20 15	
Udayagiri ...	A. V. George & Co. 7% C. P.	...	...	1.56	2.87	62	3	12-52	—7	64	nil 7	nil 7	...	
United Nilgiri ...	6½% Debentures T. Stanes & Co.	12.95	...	...	27.73	2.40	91	3-56	10.88	13.90	20	35	23	
Vaikundam Vayitri ...	Harris & Crofield Young India Agencies Private 5½% Debentures	...	...	4.14	5.07 1.60	1.32 9	11 10	12-52 3-56	2.87 53	2.89 1.05	20 9	20 9	12½ 6	
Velmala ...	Oppoottil Kurian & Co. (Pri.) 7% C. P. 6% Debenture	48	...	4.55	6.80	1.12	29	2-57	2.41	2.62	12½ 7	15 7	10 7	
Waterfall ...	Kothari Mehta & Co. Private 6% R. C. P.	9.60	...	...	49.01	2.01	20	6-57	21.46	10.09	12½ 6	15 6	20 6	
Woodcote ...	Goodall & Co. 6½% C. P.	88	...	...	1.79	15	8	6-57	30	18	9 6½	6 6½	12 6½	
Woodlands ...	6% Debenture Directors 6½% C. P.	48	...	2.89	7.69	1.54	...	3-57	2.73	66	10 6½	12½ 6½	20 6½	
Woodlands ...	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	

*Ordanum (in lbs.).
(b) After transferring Rs 1,04,508 from General Reserve
and writing back Rs 60,000 being surplus provision in pre-
vious years.
(c) After writing back Rs 100,000 being estimated
surplus provision of previous years.

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PLANTINGS—(Contd.)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	REVENUE & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	March 1958 Rs. np.	March 1957 Rs. s.			General Rs. 000	Ot- s Rs. 000	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Mamallay	30 00	45 8	25	3.00	...	1.44	4	2.32	6.77	2.05	77	1.06	73	2.52	...
7½% C. P.	25 87	27 12	25	3.00	...	...	...	...	...	...	...	...	...	...	...
Mysore Coffee	3 10	3 1½	2	6.00	75	...	54	1.99	7.81	43	...	1.80	6	5	...
7% Debentures	...	...	500	3	...	...	...	...	...	...	...	...	...	...	...
Mysore Plantations	1 60	1 15	2	5.00	95	40	3	2.44	9.26	1.15	...	1.70	1.42	8	...
6% C. P.	7 91	7 14½	10	2.50	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	5 00	6 0	5	36.00	6.75	12.70	47	17.61	61.65	9.71	1.48	9.74	5.07	23.31	...
5% C. P.	6 25	7 10	10	18.00	...	...	...	...	...	...	...	...	...	...	...
Nelliampathy	2 95	3 3	2	12.00	2.30	2.30	5	8.83	23.43	4.22	11	4.19	1.74	4.71	...
6% C. P.	8 85	9 7½	10	4.50	...	...	...	...	...	...	...	...	...	...	...
Nelliathanam	11 75	13 0	10	1.90	...	...	19	4.42	4.40	11	1.03	24	50	54	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nonmeny	15 75	22 12	1	3.35	50	1.00	31	3.09	13.49	1.12	...	2.61	21	6	...
7% C. P.	9 60	10 1½	1	3.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	502 8	500	4.00	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	12 50	16 4	2	6.50	2.00	3.02	4	3.48	11.68	1.30	82	1.09	1.51	1.11	...
Nilambur	8 06	8 10½	10	2.00	1.20	1.49	5	1.50	5.24	51	...	80	49	62	2.59
6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Debtors	98 00	100 0	...	1.00	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	8 25	10 4	10	5.63	1.50	1.50	13	2.14	15.16	1.96	1	1.86	71	2.90	...
6½% C. P.	4 25	5 1	5	2.80	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	497 8	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Nonmeh Tea	22 25cd	22 8	10	16.50	...	10.90	19	6.35	24.18	3.64	4.68	5.05	55	3.12	...
Ouchterlony	4 82cd	4 13½	2	19.46	17.05	5.00	—76	9.03	43.87	14.24	3.49	10.06	78	5.82	...
Panchura	3 20	4 6	1	1.50	1.50	...	23	1.12	2.09	12	1.03	84	11	40	...
Parkside	16 60	16 8	10	13.54	3.50	11.82	1.16	6.73	27.87	2.43	...	4.95	43	5.93	...
Pennam	22 00	27 8	10	17.00	...	9.79	1.55	18.45	32.68	10.68	10.56	11.91	2.50	1.33	...
6% C. P.	93 50	101 0	100	1.50	...	...	...	...	...	...	...	...	...	...	...
Peninsular	19 00	28 8	10	6.00	2.40	...	61	3.93	7.41	29	1.28	3.10	21	1.28	...
Periakaramala	4 05	7 15	2	34.77	45.46	...	1.22	29.38	91.59	25.94	2.19	17.24	3.02	20.81	...
Perivar & Praekana	...	...	10	5.00	...	40	4	2.99	10.09	33	15	1.55	9	2.86	...
7½% R. C. P.	...	...	5	2.03	...	...	...	...	...	...	...	...	...	...	...
6½% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 80	2 9½	2	16.50	2.00	27	89	3.85	18.91	3.80	2.02	2.08	33	5.47	...
6% C. P.	9 25cd	9 14	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 85	3 8	2	21.00	9.50	3.50	65	9.65	29.98	1.80	1.94	9.62	1.47	3.09	...
Rajagiri	15 50	20 8	10	13.50	3.00	6.90	8	9.93	42.16	3.72	10	2.12	1.17	14.18	...
6% C. P.	7 40	9 1	10	22.60	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	10 00	11 6	5	2.00	1.35	47	31	3.40	4.84	27	1.00	2.13	2.64	18	...
6% Cum. Pref.	8 46	9 1	10	1.00	...	...	...	...	...	...	...	...	...	...	...
5½% Redeem Cum. Pref.	7 32	7 14	10	1.00	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	1000 0	1000 0	1000	1.00	...	...	...	...	...	...	...	...	...	...	...
Savamalai	4 30	...	2	3.67	3.00	50	47	1.20	3.68	78	4	96	14	70	4.09
Shervaroy	2 15	2 0	10	13.50	1.70	2.00	5	3.63	9.80	75	3.22	5.11	1.65	1.84	...
Sivas Amalgamated	14 75	18 12	10	9.00	12.00	9.25	25	6.25	23.66	5.01	3.21	3.89	1.62	1.37	...
5½% Debentures	492 50	492 8	500	2.00	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	9 00	11 6	10	12.50	6.50	6.75	25	6.67	29.40	2.35	2	7.99	3.09	3.03	...
6% C. P.	8 50	9 13	10	7.50	...	...	...	...	...	...	...	...	...	...	...
Teakoy	6 50	9 3	10	10.60	26	2.76	10	3.95	22.44	1.59	11	1.13	29	2.34	...
6% C. P.	8 25cd	9 7	10	6.00	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	100 00	100 0	100	1.74	...	...	...	...	...	...	...	...	...	...	...
Thamarapally	22 50	28 0	10	2.50	75	1.25	42	1.44	5.30	24	...	1.22	1	1.56	...
6½% C. P.	4 75	4 12	10	1.50	...	...	...	...	...	...	...	...	...	...	...
Thirumbadi	1 52	1 12	1	9.15	4.00	...	27	5.17	14.40	96	...	2.57	1.11	86	6.59
7½% Debenture	495 00	500 0	500	5.00	...	...	...	...	...	...	...	...	...	...	...
Travancore Rubber	14 80	20 0	10	6.00	...	46	4	3.29	6.38	...	...	1.99	23	1.18	...
T. R. T. & Co.	7 15	9 6	10	41.00	7.50	6.11	3.47	12.61	81.07	12.64	4.78	8.78	2.15	2.54	...
6% C. P.	7 65	9 4	10	16.00	...	...	...	...	...	...	...	...	...	...	...
Tropical Plantations	25 65	30 8	25	2.00	...	...	66	7.39	29.23	7.04	...	3.30	5	2.46	...
Twyford	13 60	18 8	10	9.00	15.50	1.00	21	6.96	21.34	1.76	1	7.67	1.45	3.77	...
Udayagiri	11 75	16 4	10	2.20	40	2.95	20	87	...	9	...	97	58	1.25	...
7% C. P.	11 00	11 3	10	80	...	...	...	...	7.71	...	...	...	...	...	...
6½% Debentures	...	...	500	3.00	...	...	...	...	...	...	...	...	...	...	...
United Nilgiris	15 50	17 12	10	13.71	11.18	6.00	1.13	13.46	38.09	10.40	5.10	4.03	3.52	5.14	...
Vaikundam	20 00cd	30 8	10	6.29	1.52	1.19	33	2.40	23.46	11	...	1.42	9	3.25	...
Vayitri	1 42	1 15½	2	4.00	75	30	20	73	5.29	44	2	16	48	47	...
5½% Debentures	...	...	100	2.2	...	...	...	...	...	...	...	...	...	...	...
Velimala	5 05	7 5	5	6.00	...	3.75	13	3.68	16.73	61	1	1.41	1.18	1.33	...
7% C. P.	9 10	10 8½	10	2.50	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	515 90	515 0	500	4.00	...	...	...	...	...	...	...	...	...	...	...
Waterfalls	3 45	6 8	2	31.50	15.00	8 00	1.09	25.46	53.40	5.24	8.54	5.71	15.54	8.09	...
6% C. P.	8 75	9 12	10	5.00	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 56	1 13	1	1.00	...	53	17	58	3.51	82	5	15	21	2	...
6½% C. P.	3 79	4 2	5	60	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	500 00	500 0	100	50	...	...	...	...	...	...	...	...	...	...	...
Woodlands	7 40	9 10	10	6.95	42	1.05	10	3.09	13.88	40	...	2.08	1.09	1.67	...
6½% C. P.	8 80	9 7½	10	2.32	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	502 50	502 8	...	...	...	...	...	...	...	...	...	...	...	...	...

ENGINEERING COMPANIES

NAME	Managing Agents/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Div or		Paid-up per Share	Reserves Including Layer Allocation				Sundry Liabilities		Depreciation	Liquid Assets					
			Latest Rs. 000	Previous Period Rs. 000	Latest	Previous	March 1957 Rs. a	March 1957 Rs. a		Paid-up Capital Rs. 000	Reserve Rs. 000	Other Rs. 000	Carry forward Rs. 000	Cross Block Rs. 000	Investments Rs. 000		Stocks and Bills Rs. 000	Outstanding Rs. 000	Cash Rs. 000	Other Rs. 000		
CALCULATION																						
Archer Butler	N. Bhat Trading Co. 7% C.P. 5% Debentures	10-54	3,45	1,71	nil	nil	5 87	10 0	10	6,00	4,00	15	4,73	12,37	12,78	9,57	6	11,99	1,68	5	6,29	82
Barker Engineering	K. C. Thapar & Brothers Deferred	3-55	—	—	nil	nil	7 25	—	9000	—	—	—	—	—	—	2,61	—	1,74	1,49	10	1,58	1,86
Bharat Elec.	Bharat Co. Ltd. Directors	12-56	28,27	19,07	12 1/2	10	14 81	14 4	10	50,00	15,00	1,00	98	64,08	10,43	66,33	36	58,30	27,63	1,66	11,851	—
Bharat Bridge & Roof	Bharat Bridge & Roof Co. Ltd. 5% Debentures	12-56	4,372	(e)4,263	20	25 1/2	25 2nd	36 0	10	5,660	2,500	4,142	182	10,164	5,978	7,01	1,861	1,297	1,376	773	11,851	214
Bharat Building	Bharat Building Co. Ltd. 5% Debentures	3-55	14,04	10,19	20	15	490 00	495 0	500	12,00	17,50	3,50	1,77	53,65	42,55	23,79	93	15,32	29,26	13,66	12,34	15
Bharat Engg.	Bharat Engg. Co. Ltd. 31% Debentures	3-55	2,94	2,23	10	5	5 62	6 12	10	10,00	5,00	2,75	17	55,98	32,72	8,02	2,20	13,63	19,91	15	18,32	—
B.I. Elec. Cons.	B.I. Elec. Cons. Co. Ltd. 31% Debentures	12-56	4,806	1,452	6	15	12 31	13 0	2000	5,00	2,100	1,842	85	13,404	7,711	3,293	2	5,037	8,215	191	3,813	254
Bura & Co.	Bura & Co. Ltd. 7% C.P. 6% C.P.	4-57	3,90	2,09	Nil	Nil	325 56	314 0	100	5,00	1,00	—	2,16	33 24	16,34	10,09	2	16,78	8,85	4	6,13	1
Handman Motors	Handman Motors Ltd. 7% C.P.	3-55	137,76	107,43	20	15	108 00	127 0	100	84,00	17,00	149,18	1,10	714,53	411,60	259,04	32,09	512,03	205,28	8,02	23,82	—
Harsh Engineering	Harsh Engineering Co. Ltd. 7% C.P.	12-56	35,64	76	12 1/2	12 1/2	7 15	132 0	10	49,13	12,50	100	5,19	247,77	356,35	94,53	14,48	268,78	192,11	12,97	—	—
India Iron	Dua Group Ltd. 7% C.P.	6-54	6,18	2,80	12 1/2	12 1/2	2 00	3 8	100	31,92	10,50	—	21	135 11	58,28	37,80	—	7,42	44,74	41	97,71	—
I. Galvanizing	Galvanizing Co. Ltd. 6% C.P.	12-56	95	1,01	nil	nil	23 00N	23 00N	100	3,13	4,35	—	90	61 05	47 08	25,18	1	53,96	28,80	1,39	—	—
Indian Iron	Indian Iron Co. Ltd. 5% C.P.	3-57	967,04	974,23	10	10	21 39	19 75	10	28,37	165,00	111,03	9,13	330,09	227,38	88,54	204,21	865,40	156,74	213,29	152,27	—
I. M. Casting	Ch. M. S. Dabir Ch. M. S. Dabir Ch. M. S. Dabir	3-55	1,38	57	12 1/2	12 1/2	4 07	7 4	100	174	40	—	6	13,18	14,22	5,70	76	7,16	5,45	14	—	—
I. S. Wagon	Marina Burn & Co. Pvt. Ltd. 7% C.P.	3-57	58,69	42,90	30	25	103 00	176 0	1000	3,00	6,50	54,05	24	601,84	93,48	61,81	2,66	161,87	121,81	15,78	336,37	5,33
I. Steel & Wire	Indra Singh & Sons, Pri Partly Paid	3-57	86,63	91,03	40	30	61 00	63 12	100	19,66	104,45	202,24	9,45	119,80	208,45	123,01	40,92	60,06	87,83	194,06	—	—
Jay. Engg. works	M. M. Shrivastava & Co. 5% C.P.	3-55	28,60	23,76	12	6	127 00	15 9	100	20,25	39,10	15,35	20	118,66	147,89	48,03*	—	79,53	51,50	4,67	—	—
Jenap & Co.	Jenap & Co. Ltd. 5% C.P.	10-56	(1)76,63	52,52	15	15	21 36	23 10	1000	42,00	43,60	26,17	13,27	285,09	119,26	56,86	74,87	62,18	205,89	81	56,58	27,28
Kumar & Co.	Big & Co. Private Ltd. 5% C.P.	11-56	18,55	8,83	20 1/2	16 1/2	8 19	8 19	100	18,43	2,75	49,57	25	56,45	68,94	24,23	2 28	42,54	40,16	48	16,93	2,94
Marshall Sons	Marshall (Dm) Pri Ltd. 4% Debentures	6-56	5,06	4,79	20	15	400 85	435 0	500	10,00	18,50	6,38	1,91	148,63	17,12	12,98	2,07	73,78	2,78	—	—	—
National Iron	Nutting & Co. Ltd. 4% Debentures	3-56	15,80	10,81	6 1/2	2 1/2	6 94	7 1	10	49,96	4,90	—	5,29	59,70	94,81	57,29	3,84	35,57	46,53	1,39	—	—
National Rolling Steel	Assoc. Indus. Develop. 6% C.P.	6-55	(1)11,13	(m) 81	5 1/2	5 1/2	9 75	10 0	1000	5,00	2,50	40	55,09	82,62	17,56	3	26,19	4,07	14	—	—	—
National Screw & Wire	S. B. Indus. Dev. Co. Directors	12-56	90	2,31	15	10	5 18	5 18	100	10,00	10,00	23	42,96	11,64	5,47	84	11,27	34,57	34	—	—	—
Richardson & Criddies	S. B. Indus. Dev. Co. 5% C.P.	6-55	33,02	31,91	5 1/2	5 1/2	54 00	54 00	100	40,00	17,01	10	118,52	50,38	13,59	13,39	52,73	85,00	1,78	24,64	51,31	
Sera	S. S																					

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B O M B A Y																				
Acme Manife.	Walchand & Co. Private 6% C.P.	6-56	3.51	1.81	nil	nil	276 25	260 0	10	2.40	18	-9.29	32.57	22.34	7.80	9	14.72	6.42	10	...
Alcock Ashdown	Turner Morrison 4 1/2% C.P.	12-55	12.64	8.80	12 1/2	10	41 00	...	100	6.00	24.50	1.14	64.93	100.22	84.49	9.29	15.13	55.69	22.20	26.17
Brady Engineering	W.H. Brady & Co. Walchand & Co. Pri. Ltd.	12-57	306	242	3	3	41 00	...	100	4.00	235	4	275	1.531	571	...	352	107	544	62
Cooper Engineering	Cooper Engineering Co. 5% R.C.P.T.	6-56	8.11	6.06	7	6	90 80	...	100	25.20	1,00	95	43 25	52.91	36.45	1.22	43.14	16.88	2.26	...
Hind cycles	Birla Bros. Ltd. 5 1/2% R.C.P.T.	12-55	18.82	13.81	10	8	132 50	...	100	30.18	6.02	8.14	9	65.03	86.39	59.25	22	66.71	23.56	5.41
Inves. Machine Tools	Invest Industrial Corpn. 4 1/2% C.P.	12-55	-1.21	-71	nil	nil	...	...	100	5.00	...	747	24.03	23.84	2.78	...	18.63	1.77	10	...
Jaipur Metals	Poonamchand & Bros. Pri. 6% C.P.	12-55	5.16	4.01	4	4	68 50	52 0N	100	10.10	50	...	...	28.90	9.66	14	43.49	19.08	2.47	...
Jeel's Engg.	Deffered 4 1/2% Debentures	...	...	...	6	6	59 50	...	100	8.00	...	...	...	...	...	...	...	...	...	...
Kanani Engineering	Directors Kanani Bros. Private	3-57	1.78	57	10	8	90 00	66 0	100	10.00	2.00	9	14.48	1.43	1.16	9	12.03	11.98	83	...
Kanani Engineering	5% C.P.	9-56	3.93	4.92	6	6	51 00	6 6	100	6.00	2.50	37	91.78	49.99	13.35	50	37.72	67.63	3.88	...
Kanani Metals	Kanani Bros. Private 5% C.P.	6-57	442	203	10	10	5 84	71 0	100	15.00	26	4	4.293	8.017	2.431	622	1.330	980	174	1,132
Kirloskar Bros.	5 1/2% C.P.	...	...	...	nil	nil	63 00	...	100	2.000	...	...	...	...	...	...	...	...	...	...
Larsen & Toubro	Kirloskar Bros. 5% C.P.	7-56	11.63	8.53	6	5	90 00	...	100	1.500	58.31	6	31.98	70.38	39.89	11.12	51.72	29.45	5.29	...
Mackenzies	Kirloskar Bros. 5% C.P.	3-57	(1)20.00	(a)16.46	10	10	14 20	15 6	25	45.00	10.00	3.23	27	267.35	17.33	9.08	19.92	118.93	68	3.17
Mahindra & Mahindra	5% C.P.	7-55	2.29	2.69	12	10	65 00	76 0	100	15.00	1.09	1.75	9	33.69	28.70	20.10	2.62	15.58	15.04	4.09
Mukund Iron	5 1/2% C.P.	...	...	...	nil	nil	...	...	100	5.50	...	...	...	...	...	...	...	...	...	...
Myers Kirloskar	5 1/2% C.P.	10-56	39.30	20.24	12	10	19 52	14 0	100	55.00	10.00	4.00	2.12	93.19	63.95	7.31	19.33	615.61	310.87	29.56
Praja Tools	6% R.C.P.	3-57	28.17	14.11	5	5	98 00	101 8	100	25.00	10.00	19.00	6	71.34	73.20	29.25	9.84	42.85	14.11	9.59
Premier Automobiles	5% R.C.P.	...	...	...	nil	nil	...	...	100	10.00	...	...	...	...	...	...	...	...	...	...
Premier Construction	5% R.C.P.	6-56	7.05	7.95	6	6	100 00N	100 00N	100	1.25	8.45	9.05	30.10	54.64	33.91	5	31.49	14.92	3.32	24
Tata Iron	Kirloskar Associates Ltd. Ord. shares	12-54	...	...	6	6	...	...	50	...	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	Indust. Trust Fund 4% C.P.	6-56	-3.09	72	nil	nil	...	...	50	69.81	...	75	13.02	36.59	64.63	...	36.09	6.24	22	1.30
Tata Locomotive	Aero. Auto Private Ltd. Walchand & Co. Ltd.	12-55	71.59	57.31	10	10	86 00	87 8	100	217.06	10.73	28.41	6.05	437.31	206.59	149.05	5.56	425.70	113.11	64
Tata Locomotive	Poonamchand & Bros. Private 6 1/2% C.P.T.	...	18.78	17.25	20 1/2	20 1/2	172 50	166 8	100	30	22.50	6.80	118.17	94	50.82	74	227.38	17	51.52	1.47
Tata Locomotive	Deffered 5% C.P.T.	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	3-57	115.93	118.46	12.67	14	180 50	169 8	100	10.00	487.30	1776.04	4.15	521.27	934.97	386.27	538.08	1353.45	1684.71	973.85
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...	...	...
Tata Locomotive	5 1/2% C.P.T. (2nd New Series)	...	...	...	64	64	84 50	94 0	100	1.31	...	...	...	...	...	...	...	...</		

GILDED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 31-3-58
GOVERNMENT OF INDIA LOANS					
Rupee Loans					
NON-TERMINABLE LOANS.					
8,93 34	4	1896-97	3 Months' notice	30-6/31-12	71-20
TERMINABLE LOANS.					
57,00,69,000	2 1/2	1946	1961	1-2/1-8	94-75
45,63,07,000	2 1/2	1946	1960	1-5/15-11	97-35
75,86,72,000	2 1/2	1947-48	1962	15-5/15-11	94-95
14,77,48,000	2 1/2	1946	1976	16-3/16-9	83-05
15,22,64,000	3	1951	1958	16-2/16-8	99-85
113,65,64,000	3	1945	1959-61	15-2/15-8	99-85
116,17,46,000	3	1938	1963-65	15-6/15-12	94-55
30,33,10,000	3	1950	1964	15-6/15-12	94-55
110,11,78,000	3	1943	1966-68	1-4/1-10	91-72
115,05,83,000	3	1945	1970-75	15-4/15-10	86-18
248,91,37,000	3	1946	1986	16-3/16	70-97
57,27,36,000	3 1/2	1956	1962	1-6/1-1	99-65
75,29,00,000	3 1/2	1954	1964	19-4-19-10	98-88
158,17,90,000	3 1/2	1955	1965	1-1/1-7	97-75
103,67,92,000	3 1/2	1956	1967	16-1/16-7	97-70
33,81,83,000	3 1/2	1956	1974	16-1/16-7	98-20
66,62,54,000	3 1/2	1957	1967	1-2/1-8	99-77
56,86,08,000	3 1/2	1957	1972	1-2/1-8	100-10
49,16,87,000	4	1926	1960-70	15-3/15-9	100-60
63,30,26,000	4				
RUPEE COUNTERPARTS					
5 85 73 000	4 1/2	1928	1958-68	1-6/1-12	100-55
STATE GOVERNMENT LOANS					
WEST BENGAL					
1 75,00,000	3 1/2	1951	1962	17-3/17-9	98-05
3,60 23,300	4	1953	1963	15-1/15-7	99-25
2,00,00,000	4	1952	1964	1-2/1-8	99-25
7,00,00,000	4	1955	1967	1-3/1-9	98-25
7,00,00,000	4	1956	1968	3-3/3-9	98-06
BOMBAY					
3,06,65,500	3	1944	1958	15-2/15-8	99-20
2,92,30,300	3	1950	1960	31-1/31-7	96-90
5,61 12,200	3	1949	1962	1-2/1-8	94-00
2,97,86,300	3 1/2	1951	1962	17-9/17-3	98-10
5,50,35,400	4	1953	1963	15-1/15-7	99-25
3,61,30,900	4	1952	1964	1-2/1-8	99-10
9,00,80,000	4	1955	1967	1-3/1-9	98-30
7,50,00,000	4	1956	1970	3-3/3-9	98-00
MADHYA PRADESH					
5,32,49,800	3	1944	1958	15-2/15-8	99-15
1,01,44,700	3	1950	1960	31-1/31-7	96-60
2,01,28,800	3	1948	1964	1-3/1-9	93-00
1,02,18,100	3 1/2	1951	1962	17-3/17-9	97-75
1,02,18,100	4	1953	1963	15-1/15-7	98-30
1,50,00,000	4	1955	1967	1-3/1-9	97-70
1,50,00,000	4	1956	1968	3-3/3-9	97-62
UTTAR PRADESH					
2,20,93,600	2 1/2	1946	1961-66	1-3/1-9	94-00
3,82,24,500	3	1944	1958	15-2/15-8	99-20
2,17,89,700	3	1945	1960	14-3/14-9	96-75
1,57,42,600	3	1936	1961-66	15-3/15-9	90-75
1,94,11,700	3 1/2	1951	1962	17-3/17-9	97-50
5,65,15,500	4	1953	1963	15-1/15-7	98-45
6,11,45,200	4	1952	1964	1-2/1-8	98-45
8,00,00,000	4	1956	1967	1-3/1-9	97-85
8,00,00,000	4	1956	1968	3-3/3-9	97-85
MADRAS					
3,81,77,200	2 1/2	1946	1961	1-3/1-9	94-32
1,07,95,800	3	1944	1958	15-2/15-8	99-25
1,25,95,600	3	1939	1959	21-6/21-12	98-50
2,78,44,800	3	1945	1960	14-3/14-9	97-00
4,38,25,400	3	1950	1960	31-1/31-7	97-10
3,01,49,000	3 1/2	1951	1962	17-3/17-9	97-60
1,03,309,100	4	1953	1963	15-1/15-7	98-60
5,24,01,200	4	1952	1964	1-2/1-8	98-56
7,00,00,000	4	1955	1967	1-3/1-9	97-75
12,50,00,000	4	1956	1968	3-3/3-9	97-78
GOVERNMENT OF INDIA LOANS					
5,99,72,900	3	1936	1956-61	20-10/20-4	99-00
2,95,85,200	4	1933	1953-63	1-6/1-12	100-75
3,33,47,200	4	1953	1963	15-1/15-7	98-40
3,25,00,000	4	1955	1967	1-3/1-9	97-70
4,00,00,000	4	1956	1968	3-3/3-9	97-70
GOVERNMENT OF INDIA LOANS					
100,00,000	3	1945	1955-58	16-6/16-12	98-00
30,00,000	3 1/2	1937	1956-61	1-6/1-12	97-75
GOVERNMENT OF INDIA LOANS					
300,00,000	4	1953	1963	15-1/15-7	97-60
4	1956	1968	3-3/3-9	96-50	
GOVERNMENT OF INDIA LOANS					
25,00,000	5	1928	1958	1-1/1-7	102-50N
26,21,000	5	1929	1959	1-2/1-8	102-50N
17,97,000	3	1958	1960	1-6/1-12	98-25
110,00,000	4	1963	1963	1-3/1-9	98-25
215,00,000	4	1964	1964	1-3/1-9	98-25
244,14,500	4	1964	1964	1-3/1-9	98-25
200,00,000	3 1/2	1950	1965	15-2/15-8	92-10
10,00,000	3 1/2	1951	1965	15-2/15-8	92-10
9,00,000	3 1/2	1956	1966	14-3/14-9	97-10
175,34,000	3 1/2	1951	1966	3-4/3-10	97-10
33,00,000	3 1/2	1952	1966	3-4/3-10	97-10
60,00,000	3 1/2	1952	1966	16-2/16-8	97-10
24,50,000	3	1936-37	1967	1-2/1-8	98-25
69,00,000	4	1947	1967	1-3/1-9	98-25
30,00,000	4	1938	1968	14-3/14-9	98-25
30,00,000	3	1939	1969	1-3/1-9	98-25
64,00,000	3	1940	1970	1-3/1-9	98-25
48,00,000	3 1/2	1940-41	1971	1-3/1-9	98-25
25,00,000	3 1/2	1941-42	1972	1-3/1-9	98-25
135,00,000	4	1943	1973	1-3/1-9	98-25
20,00,000	3 1/2	1943-44	1974	1-3/1-9	98-25
20,00,000	4	1943-44	1974	1-6/1-12	98-25
22,00,000	3 1/2	1944-45	1975	1-3/1-9	98-25
25,00,000	3 1/2	1945-46	1976	1-3/1-9	98-25
54,00,000	3 1/2	1947-48	1977	1-3/1-9	98-25
75,00,000	3 1/2	1947	1977	1-2/1-8	84-00
61,00,000	3	1949	1979	1-3/1-9	84-00
88,14,500	3 1/2	1949	1979	15-3/15-9	84-00
10,00,000	5	1920	1980	1-5/1-11	84-00
80,00,000	3 1/2	1950-51	1980	1-3/1-9	84-00
GOVERNMENT OF INDIA LOANS					
36,00,000	5	1928	1958	1-5/1-11	102-00
25,00,000	5	1929	1958	1-2/1-8	102-00
10,00,000	5 1/2	1932	1962	1-4/1-10	108-00
33,91,000	3 1/2	1935	1965	1-1/1-7	94-00
60,00,000	3 1/2	1936	1966	1-4/1-10	90-80
47,50,000	3	1938	1968	1-6/1-12	90-80
15,56,800	4	1940	1957	1-4/1-10	99-75
17,64,400	3 1/2	1942	1959	1-5/1-11	96-50
21,10,000	3 1/2	1942	1972	1-4/1-10	92-00
15,49,000	3 1/2	1951	1960	1-2/1-8	97-00
16,33,000	3 1/2	1951	1961	1-2/1-8	97-50
66,88,000	3 1/2	1951	1966	1-4/1-10	97-50
87,36,000	4	1952	1962	1-5/1-11	99-25
72,50,000	4	1954	1979	1-3/1-9	100-00
222,72,000	4	1955	1985	1-6/1-12	100-00
87,00,000	4 1/2	1958	1970	1-7/1-1	100-00
GOVERNMENT OF INDIA LOANS					
2,17,300	6	1925	1955	15-2/15-8	94-32
15,00,000	3 1/2	1951	1961	30-9/31-3	99-25
15,00,000	3 1/2	1952	1962	17-1/17-7	99-25
GOVERNMENT OF INDIA LOANS					
33,30,862	3 1/2	1947	1977	15th of each month	98-56
9,88,000	3	1947	1977	15th of each month	98-56
3,00,000	3	1949	1979	15th of each month	97-78

Month-end Quotations of companies not included in Tabulated Balance-sheets

March 1958

CALCUTTA STOCK EXCHANGE

Preference.

BANKS:

Allahabad 6% ... 100 105.50

Behar 5% ... 80 22.25

COTTON:

Jijee Rao 5 1/2% ... 100 92.00

J. K. Cotton 6% ... 100 90.00

Shreenivas 4% ... 100 88.00

CEMENT:

Jaipur Udyog 3% ... 100 40.00

CHEMICALS:

Lister Antiseptics 6% ... 100 18.00

ELECTRICS:

Kureong 6% ... 100 90.00*

MISCELLANEOUS:

Amalgam. Develop. 5% ... 100 49.25

Bharat Veg. 5% ... 100 30.00N

Calcutta Cr. Corp. 6% ... 100 50.00

Calcutta Cr. Corp. 5 1/2% ... 100 40.00

Calcutta Silk 6% ... 100 40.00

Calcutta Tanneries 5% ... 100 40.00

Calcutta Trans 5% ... 81 7.14

Electric Consn. 5% ... 100 55.00

Greaves Cotton 5% ... 100 50.00

Greaves Cotton 6% ... 100 49.00

Hall & Anderson 4 1/2% ... 100 49.50

Hindustan National Glass 4% ... 100 80.00

Indian Plastics 5 1/2% ... 100 51.50

Osier Elec. Lamps 4 1/2% ... 100 25.00

R. B. Rodda 5 1/2% ... 100 54.50

Sodapour Glass 5% ... 100 38.00

Spencer 'A' 6 1/2% ... 10 6.51

Spencer 'B' 8 1/2% ... 10 9.87

Union Tobacco 5% ... 100 22.00

OIL:

N. I. Oil ... 100 40.00

REAL PROPERTY:

Hunayan 6% ... 10 7.81

Regent 5% ... 100 32.50

SUGAR:

Jaswant 5 1/2% ... 100 75.00

Sree Hanuman 5% ... 100 60.00

Ordinary.

BANKS:

Allahabad ... 100 367.00

Behar ... 50 180.00

Bikaner ... 25 23.75

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18496 (Bombay)

New Great ...	20	17.44	Shubhlaxmi ...	100	125.00 N	Andhra B ...	10	12.24	Gujarat Investment ...	50	25.00
New India ...	15	12.50	Swadeshi (Kanpur) ...	10	12.00 N	Ashoka ...	10	8.12	Gujarat Safe ...	75	120.00
Oriental ...	200	3980.00	Swadeshi (Kanpur) P.O. ...	10	11.90 N	Bhagkot ...	10	8.82	Gwalior Rayon ...	10	12.00
Sentinel ...	50	50.00 N	Western India ...	1000	4525.00	Dalmia ...	10	10.12	Harvey & Sabapathy ...	500	415.00
Universal ...	10	13.25	ELECTRIC:			Jalpur Udyog ...	10	11.68	Hindustan Motors ...	10	7.32
Vulcan ...	10	16.76	Basel ...	10	8.50 N	Orissa ...	10	12.52	Hingirampur Coal ...	50	30.75
TEXTILES:			South Madras ...	10	10.95	STEEL:			Indian Dyestuff ...	100	96.00
Adoni ...	10	10.40	PLANTATIONS:			Indian Iron ...	10	21.40	Indian Copper ...	25h	3.30
Berar ...	200	70.00	Blue Mountain ...	2	3.00	MISCELLANEOUS:			Indian Tool ...	100	125.00 N
Bhawani ...	10	10.00 N	Highland ...	10	11.72	Amar Dye ...	100	30.00	Man. Indus. Corp. ...	100	107.50
Bradbury ...	60	160.00	Halleybury ...	10	16.12	Bombay Cycle ...	20	20.00	Motor & Genl. Fide ...	10	40.00 N
Colaba ...	100	42.00	Kalpetta ...	10	19.76	Bombay Silk ...	50	5.00	New Central Jute ...	10	13.24
Davangere ...	100	112.00	Midland ...	10	14.52	Br. Burma Petrol ...	35h	2.20	N. I. Fisheries ...	100	101.00
Hukumchand ...	100	105.00 N	Nellampathy ...	2	2.60	Br. India Corp. ...	5	3.88	Orient Paper ...	10	23.00
Indian Mfg. ...	1000	4900.00	Rajagiri ...	10	15.60	Brunton Eng. ...	10	5.00	Poly Chem ...	50	45.75
Jam. Shri Ranjit ...	1000	1450.00	Twyford ...	10	12.52	C. I. Coal ...	10	6.36	Rohtas Industries ...	10	17.00
Jiya Jeerao ...	10	9.60	Waterfall ...	2	3.66	C. I. Machinery (old) ...	10	10.00 N	Sardar Carbonic ...	100	312.50
Khandesh ...	1000	2000.00	ST. GARY:			C. I. Machinery (new) ...	10	10.00 N	Sen Raleigh ...	10	11.56
Khandesh ...	250	500.00	Cauvery ...	100	87.00 N	C. P. Railway ...	100	57.50	Shriram Paper ...	10	9.48
Kothari ...	10	14.75	Kesar ...	40	51.00	Chemo. Pharma (old) ...	25	25.00 N	Standard Batteries ...	100	105.00 N
Kothari (new) ...	10	12.00 N	Krishna Gyanoday ...	10	9.60	Chemo. Pharma (new) ...	25	25.00 N	Structural Eng. ...	100	200.00 N
Madhusudan A ...	100	97.50	Maharashtra ...	250	830.00	Commerce (1935) ...	10	25.00 N	Surat City Press ...	200	205.00
Madhusudan B ...	20	20.00 N	New Swadeshi ...	100	200.06	Dehri Rohtas ...	10	11.24	Texmaco ...	10	18.20
Mahendra ...	100	100.00	Oudh ...	100	128.50	Dena Investment ...	25	11.24	Thacker ...	50	44.00
Mahendra New ...	100	100.00	S. Behar ...	10	1.00 N	Delhi Safe ...	10	10.00 N	United Motors ...	20	19.00
Mahendra ...	40	40.00 N	Vishnu ...	100	235.00	Dhrang. Chem. ...	100	89.70	Volitas (new) ...	100	117.50
Phoenix ...	100	127.50	CEMENT:			Dhrang. Chem. (new) ...	100	91.00	W. Coast Paper ...	100	71.00
Pulgaon ...	10	10.00	A. C. C. (new) ...	100	144.00	Digvijay Tiles ...	100	60.00	W. B. Coal ...	10	5.40 N
Raja Motilal ...	100	83.00				Ferro Alloys ...	100	100.00	W. I. Veg. ...	100	90.00
Ruby ...	25	30.25							Zandu Pharmacy ...	100	109.00

Calcutta Stock Exchange

PRICE TRENDS DURING MARCH, 1958

	1st	3rd	4th	7th	10th	11th	12th	13th	14th	17th	18th	19th	20th	21st	24th	25th	26th	27th	28th
Kesoram ...	...	9.75	...	9.94	9.90	10.00	...	10.00	9.87	10.12	...	11.36	11.25	11.62	11.81	11.56	11.50	11.44	11.62
Bengal Coal ...	...	210.00	...	214.00	216.00	212.00	...	210.00	213.00	...	208.00	208.00	207.00	...	...	...	...	...	...
Burrakur ...	...	22.60	22.75	22.75	22.75	22.75	22.75	22.60	22.60	22.60	22.60	22.60	23.00	23.00	23.25	23.25	23.25	23.25	23.25
Howrah ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
National ...	...	22.75	22.00	22.00	22.25	23.00	22.25	22.10	22.00	22.00	22.00	22.20	22.20	22.20	22.10	22.15	21.95	21.80	21.90
Brooke Bond ...	...	...	16.25	...	17.31	17.31	17.44	...	...	...	...	...	...	...	...	16.75	16.37	...	16.50
Hasimara ...	...	20.25	20.25	20.37	...	...	20.31	...	20.75	21.25	21.00	...	...	...	...	...	...	...	20.81
Tezpore ...	...	...	...	...	16.00	16.25	16.50	...	...	17.12	...	...	...	...	...	...	...	...	...
S. K. G. ...	...	9.00	9.00	9.19	9.12	9.19	...	9.19	9.15	9.25	9.15	9.19	9.19	9.19	9.44	9.62	9.62	10.19	...
Braithwaite ...	...	27.12	27.00	...	...	27.00	...	...	...	...	...	...	...	...	27.06	27.25	...	...	27.00
Jessops ...	...	22.94	23.56	24.75	24.19	...	23.00	22.62	22.75	22.87	22.19	21.17	21.81	22.12	21.87	21.19	21.00	...	21.50
Indian Iron ...	...	19.45	20.36	20.48	20.85	20.56	20.76	20.36	20.55	20.78	21.16	21.18	21.17	21.33	21.39	21.38	21.49	21.16	21.42
Texmaco ...	...	17.25	17.75	17.75	17.95	17.40	17.35	17.50	17.60	18.00	18.05	18.00	18.20	18.30	18.30	18.35	18.55	18.25	18.70
Indian Copper ...	...	2.84	2.83	2.88	2.90	2.87	2.87	2.85	2.87	2.87	2.96	2.95	2.96	2.98	3.09	3.22	3.28	3.20	3.30
B. B. Petrol ...	...	...	...	1.70	1.70	1.72	...	1.64	1.64	...	1.66	1.65	1.63	...	1.73	1.85	1.90	1.90	1.97
India Pulp ...	...	...	...	...	19.37	...	19.50	...	...	...	19.37	...	...	19.37	19.44	...	19.37	19.12	19.00
Orient ...	...	25.00	25.85	25.95	26.60	26.10	26.40	26.35	27.00	27.25	28.30	28.25	28.10	28.30	28.30	28.00	28.30	28.00	28.25
Titaghur ...	...	...	34.00	34.00	34.12	34.25	34.25	...	...	...	34.25	34.25	...	...	34.62	34.56	...	34.50	34.50
B. I. C. ...	...	3.70	3.80	...	3.90	3.95	3.90	...	3.85	3.85	...	3.70	3.75	...	...	...	3.75	3.75	3.78
India Steam ...	...	12.31	12.31	12.25	12.42	12.25	11.94	12.00	12.06	12.06	12.06	12.12	...	10.94	11.06	10.84	10.94	11.00	11.00
Martin-Burn ...	...	...	...	...	23.50	23.50	...	23.62	23.62	...	23.75	24.00	23.97	...	24.06	23.87	23.87	23.75	...
Metal Box ...	...	25.00	25.37	...	...	25.87	26.02	26.00	...	...	25.75	26.00	26.00	26.28	26.50	...	26.50	26.50	26.50
Dunlop ...	...	22.25	22.14	22.50	22.75	22.69	22.84	22.50	22.56	22.81	22.75	22.62	22.62	22.69	22.68	22.94	23.50	23.81	24.00
Rohtas ...	...	16.00	16.19	16.19	16.31	16.06	16.00	16.00	16.12	16.06	16.12	16.06	...	16.56	16.62	16.75	16.62	17.06	16.50
I. Aluminium ...	...	12.87	13.00	13.03	13.00	...	...	12.75	12.94	12.94	12.89	12.75	12.69	12.69	12.78	12.75	12.81	12.75	12.75
Hindustan Motors ...	...	6.00	6.00	6.15	6.12	6.19	6.25	6.31	6.19	6.25	...	6.25	6.25	6.31	6.69	7.06	7.37	7.25	7.25
Hindustan Lever ...	...	...	21.06	20.75	...	...	...	...	...	21.62	...	...	21.50	...	21.75	21.87	...	...	...
Phillips ...	...	13.94	...	...	13.75	...	13.94	...	13.87	13.87	13.75	13.81	...	13.81	13.94	14.12	13.75	14.00	14.00
Sone Valley ...	...	...	...	5.25	5.06	5.19	5.12	5.16	...	5.16	6.19	5.12	...	5.06	...	5.00	5.06	5.06	5.06

* = xd.

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Indian Finance

Indian Finance

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Indian Finance presents,
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Indian Finance

=
Saturday

April 12, 1958

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Volume LXI No 15

=
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Particular attention is
drawn to the crop of
bank balance-sheets and
Chairman's speeches.

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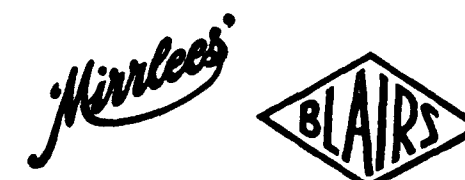


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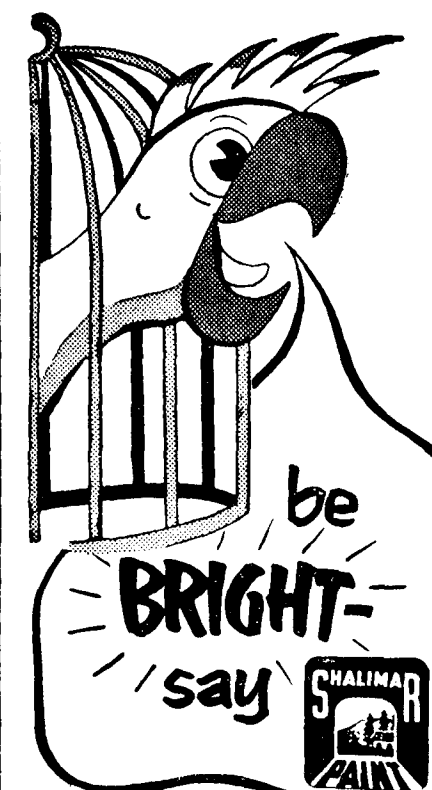
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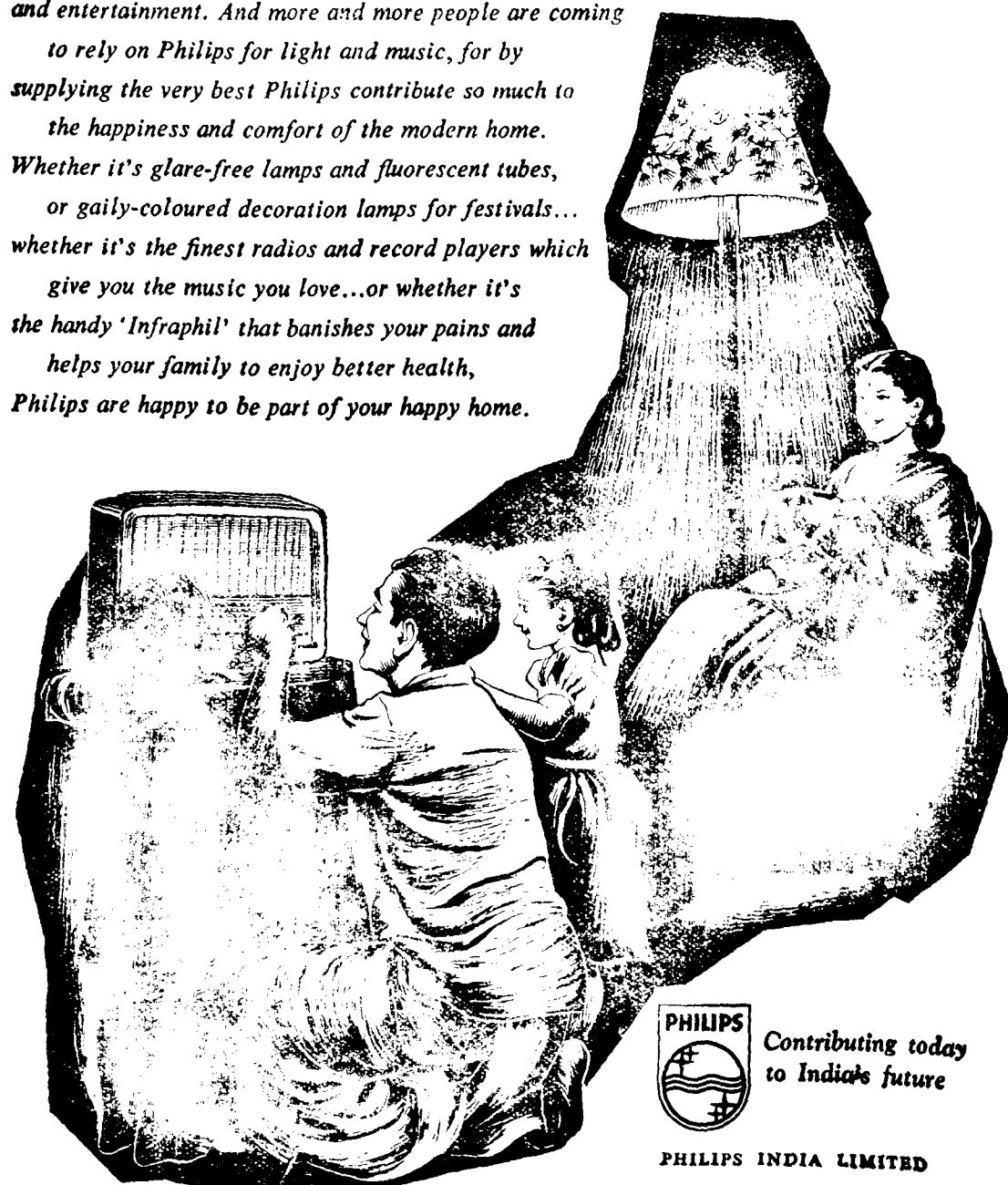
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Same Dividend from Shivrajpur

Balance-Sheet Reviews:

DESPITE a decline in earnings, Shivrajpur Syndicate Limited has maintained the total distribution for the year ended 30th November, 1957. Although ore sales are higher at Rs 1.74 crores as against Rs 1.63 crores, the net profit, before providing for Depreciation and Taxation, amounts to only Rs 33.71 lakhs as against as much as Rs 44.66 lakhs in the previous year, mainly due to the heavy incidence of the export duty on exports of manganese ore. The amount paid by way of export duty is Rs 20.35 lakhs against only Rs 5.31 lakhs.

In respect of allocations to Funds, the Depreciation amount is raised to Rs 5.89 lakhs from Rs 4.50 lakhs, while Taxation provision is reduced from Rs 21.5 lakhs to Rs 15.75 lakhs; Retiring Gratuity Reserve from Rs 1.51 lakhs to Rs 74.336 lakhs and Minging Development and Prospecting Reserve from Rs 7 lakhs to Rs 3.3 lakhs. The Dividend Equalisation Reserve gets Rs 2.00 lakhs (Rs 1.00 lakh), while no provision is made for General Reserve against Rs 1.00 lakh previously. The dividend and bonus are maintained at 50 per cent and 30 per cent respectively, making a total of 80 per cent for the year.

As transport facilities have continued to be satisfactory, despatches are higher at 114,337 tons as against 117,482 tons. The output is higher at 92,784 tons against 83,238 tons. An agreement has been reached with the consent of the Government, renewing the two estates leases for further period of 12 years, beginning from December 1, 1957.

Even though the sanction has been received for the issue of bonus shares, the company has decided to drop the proposal in view of the heavy tax liability.

Premier Construction

The Premier Construction Company Limited has earned a higher net profit of Rs 15.21 lakhs for 1957 as against Rs 12.06 lakhs in the previous year after providing Rs 9.92 lakhs (Rs 10.00 lakhs) for Taxation; Rs 28,700 (Rs 23,800) for Depreciation and Rs 4.4 lakhs (Rs 4.42 lakhs) for managing agents' remuneration. The allocation to General Reserve has been raised from Rs 1.22 lakhs to Rs 1.54 lakhs.

Referring to the scheme of conversion of Promoters' shares into Ordinary shares and capitalisation of Reserves to the tune of Rs 62.85 lakhs, the directors observe that the consent from the Government has been received by the company. They are of the view that the conversion of Promoters' shares into Ordinary shares is very necessary and they considered along with it the question of implementing the scheme up to the stage of giving one bonus share of Rs 30 for every

Lull in Upward Movement

Investment Gossip:

A LULL in the upward movement of stock exchange prices was noticeable during the last week, and this trend was to some extent helped by two breaks in the activity on Dalal Street, one of which was the result of the demise of a former Director and another a normal holiday.

Thus, speculatives lost somewhat, and the mid-week settlement considerations contributed to the easier tendency that has been obtaining. But, even after the settlement was left behind, there was no perking up in activity.

In Bombay, the focus of interest continues to be the forthcoming issue of Greaves Cotton (details of which were given in last week's Investment Notes). The subscription lists are to open next Monday, and the general expectation is that the issue will be fully subscribed well before Wednesday—the earliest day on which the lists are to be closed.

There is, however, one interesting point about the new issue which I may mention here. That is, the additional capital is being raised so that Greaves Cotton can participate in the expansion of its associated company, Crompton Parkinson (Works) Private Limited, in which Greaves Cotton has a 50 per cent stake.

The issue is not underwritten, and this reflects the confidence on the part of the promoters that the shares offered will be snapped up by investors.

Another piece of Bombay news is that Mahindra and Mahindra may also be in the market with a new issue, though there is yet no information as to the form it will take. The company's performance during the last year has enabled excellent results, and the general Government approval for stepping up the capacity for the manufacture of jeeps presages such additional capital being sought. It would appear that the foreign collaborator, Willys, would be interested in subscribing to the new capital. Similarly, M&M are also expected to go ahead with the manufacture of trailer components by an arrangement with British associates; and, in this venture, too, foreign capital from the associates is expected in the form of the equipment.

These, then, are the facts which have highlighted a lean week.

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existing ordinary share. But even this means paying Rs 8.45 lakhs as Bonus Tax, which they consider as a heavy burden on the resources of the company. They, therefore, think that it is not, in the interest of the company, advisable to implement the scheme as long as the tax burden is so heavy. Hence, the scheme may be considered as held up for the time being.

Bombay Dyeing

Despite the difficult conditions generally experienced by the textile industry, Bombay Dyeing & Manufacturing Company Limited has reported satisfactory results for last year. Sales have risen by Rs 55 lakhs to Rs 8.02 crores, thanks to larger exports. The company's good performance is further illustrated by the fact that one out of every nine yards of the increase in exports in 1957 came from its mills.

After making liberal provisions generally, viz., Depreciation Rs 48.11 lakhs (Rs 26.45 lakhs); Development Rebate Rs 45.80 lakhs (Rs 13.14 lakhs); Wealth Tax Rs 3.40 lakhs (nil) and reducing the provision for Taxation from Rs 33 lakhs to Rs 3 lakhs, the net profit comes to only Rs 1.80 lakhs as compared with Rs 41.02 lakhs in the previous year. In fact, the net profit would have been better if the company had not set aside the full amount of Development Rebate. The company had to draw upon the Dividend Equalisation Reserve to pay dividends. The dividend is maintained at Rs 2.50

per share on the Rs 25 paid-up shares.

As against the paid-up capital of Rs 2.50 crores, Reserves and surplus total Rs 3.43 crores. Fixed assets are valued at Rs 4.01 crores; Investments at Rs 34.46 lakhs and current assets at Rs 2.86 crores. Cash balances are down at Rs 13.70 lakhs against Rs 1.28 lakhs. This is attributed to the heavy expansion and replacement programme.

Buckingham and Carnatic

Because of a higher level of production and its complete marketing, it has been possible for the Buckingham & Carnatic Company Limited to prevent an appreciable decline in earnings for 1957. Exports sales have increased by Rs 25 lakhs to Rs 2.17 crores; but the profit margin had to be cut in view of the severe international competition.

The net profit, before providing for Depreciation and Taxation, amounts to only Rs 95.32 lakhs as against as much as Rs 104.46 lakhs in the previous year. Sales are higher at Rs 9.98 crores against Rs 9.37 crores. The amount set aside to Depreciation is slightly lower at Rs 35.80 lakhs (Rs 40.97 lakhs), while the Taxation provision is raised to Rs 18.50 lakhs from Rs 15.00 lakhs.

The allocations to other Reserves have been helped to certain extent by the transfer of Rs 3.71 lakhs from the Raw Materials Fluctuations Reserve and Rs 2.5 lakhs from the Income-Tax Reserve. The Debenture Redemption Reserve gets Rs 5 lakhs (same), while

Indian Finance

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RANGASWAMI JR.

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the provision for Workpeople's Gratuity is Rs 3.50 lakhs (Rs 20 lakhs). In accordance with the new regulation governing the grant of development rebate, a sum of Rs 8.1 lakhs has been transferred to this head, while the total Development Rebate, up to the end of 1956, amounting to Rs 60.14 lakhs, has been transferred from the provision for increased replacement cost of buildings and machinery.

In respect of deferred taxation, a sum of Rs 47.86 lakhs has been transferred from the last-mentioned reserve, while there is also a transfer of Rs 12.1 lakhs to this head out of the profit for 1957. General Reserve got Rs 11 lakhs on the last occasion. The total distribution on the Ordinary shares is maintained at 10 per cent.

Bangalore Woollen, Cotton and Silk Mills

The Bangalore Woollen, Cotton and Silk Manufacturing Company Limited has reported a substantial decline in earnings for 1957 despite an increase in sales from Rs 5.34 crores to Rs 5.42 crores. The net profit, after providing for Depreciation and Taxation, amounts to only Rs 19.18 lakhs as against as much as Rs 30.95 lakhs in the previous year, mainly due to various factors.

According to the directors, the incidence of high Central and State Government taxation on the textile industry, has, in general, had the effect of forcing prices to the consumer to such a level as has resulted in a considerable curtailment in demand. It has, therefore, not been possible to make adjustments in selling prices to cover the serious increase in cost of raw materials, stores, machinery parts and dearness allowance and consequently there has been a substantial fall in the profits of all departments.

Apart from setting aside a sum of Rs 3.59 lakhs for Development Rebate Reserve and Rs 30 lakhs for Deferred Taxation, the directors have reduced the Depreciation amount to Rs 12.73 lakhs from Rs 17.60 lakhs and Taxation provision to Rs 12.00 lakhs from Rs 23.75 lakhs. No provisions are made for General Reserve, Workpeople's Fund and additional provision for Depreciation as against Rs 11.00 lakhs, Rs 3.00 lakhs and Rs 4.00 lakhs respectively in the previous year. The total distribution on the Ordinary

shares is, however, maintained at Rs 10 per share.

East India Distilleries

The East India Distilleries and Sugar Factories Limited has reported all-round progress for the year ended 30th September, 1957. The quantity of cane crushed constitutes a record at 371,291 tons as against 349,247 tons in 1955-56. With the result, the quantity of sugar produced is higher at 33,413 tons against 29,574 tons.

The net profit, before providing for Taxation and Depreciation, is higher at £840,691 as against £599,772 in the previous year. Sales are much higher at £10.22 million against £6.71 million. The change on account of Depreciation is £100,161 (£94,309). Taxation accounts for the biggest slice—£505,322 (£284,756). General gets £120,000 (£100,000) and Capital Reserve £2,625 (£4,500).

The first and second interim dividends amounting to 15 per cent (same) have already been paid. The directors state that "in view of the heavy inroads made by taxation into the profits of the year under review and the necessity to conserve resources in the light of the present state of the world trade, they are not able to recommend the payment of any further dividend on the Ordinary share capital".

Parry & Company

Parry & Company Limited has recorded a marked improvement in the turnover, in the year ended 30th September 1957, to Rs 7.44 crores from Rs 5.76 crores in spite of the fact that sales of fertilizers are not included in the latest accounting period. The margin of profit on sales has, however, been lower. With the result, the net earnings, before Taxation and Depreciation, are only Rs 24.13 lakhs as against Rs 24.16 lakhs for the previous nine months. Depreciation accounts for Rs 3.10 lakhs (Rs 2.45 lakhs). The provision for Taxation is much higher at Rs 15.51 lakhs (Rs 11.38 lakhs). After transferring Rs 4 lakhs (Rs 3.5 lakhs) to General Reserve, the Ordinary dividend has been passed over. A payment of 15 per cent was made on the last occasion. The decision to pass over the dividend has, it is stated, been taken with the Board of the Holding Company in order to utilise the whole of the profit available for strengthening the company's resources.

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Challenge and Response

IN vivid, if somewhat mixed, metaphors, Mr Asoka Mehta has recently analysed certain dominant manifestations of the current national mood. We, who have been grappling in these pages with precisely these strands of collective despair, would commend to our readers a close study of Mr Mehta's reflections. Something like a blizzard of dispiritedness has struck our hopes all of a heap, and they seem to lie about the place, a frost-bitten ruin, neither dead nor alive. Mr Nehru, who is as much influenced by passing social moods, as he sets their tone, confessed recently to a sense of staleness. This casual aside has captured the sounding board of national gloom and reverberated a hundred fold. The Congress party is once again in one of its periodic fits of introspection, mostly of a gloomy kind. Elsewhere, too, people whose traditional association with enterprise ought to make them look ahead with steady optimism and courage, have by and large reversed their roles into one of shrill Cassandra's of doom. As Mr Mehta points out in his article, the most hopeful thing about the current American dip is the serenity with which entrepreneurs and business leaders are facing the situation—in striking contrast to their behaviour in the thirties. For the rest, the air is filled with confused shouts of general dissatisfaction, and social indignation, such as it is, spends itself in ineffectual posturings. And the worst of it all is that such an exhibitionistic self-laceration does not even have the therapeutic effect of a complete catharsis.

One reason for this is, of course, that the various elements of the national mood are not analysed and dealt with separately. Some of the reasons for this mood of disenchantment are of a temporary kind and others are of a more abiding sort. And there are yet others which are the result of failings on our part as individuals and as a nation. Thus, a good deal of our current mood of out-of-love with ourselves is perhaps nothing worse than the national equivalent of the "seven-year-itch", a mood of undefined and ineffectual mutiny against the state of matrimony that is supposed to afflict the unfortunates. All the anticipatory thrills that we felt on the fateful day in August 1947 have had their opportunities of fulfilment with various degrees of perfection. And now, ten years after the irrevocable commitment to love and honour till death do us part, one wonders whether one has not been too free with one's promises. But the seven year itch is a passing mood and one need not worry about it seriously.

Somewhat more serious is the fact that India is passing through a mood of readjustment and transvaluation of its values. For centuries we have had a philosophy of life that had held the things of the world, at least in theory, as of small moment. Our present commitment to a more overtly worldly pre-occupation like the fashioning of a welfare State creates problems of adjustment, a certain gaucherie, a certain awkwardness and a certain bewilderment, a confusion of values, all of which are inevitable in any such momentous shift in values. Often, it takes on the hues of disenchantment. But, though the problem is basic, it is capable of solution over a period

of years, when the adjustments do take place willy-nilly, but, for the moment, its contribution to the general confusion of the mood cannot be exaggerated.

But the most serious—and therefore most difficult to combat—obstacle to a restoration of a serene faith in our destiny as a nation is an almost perverse denial to look at facts as they are. The most fantastic thing about the Indian situation today is that exhortations of facing the facts have to come from people who feel that facts are more hopeful than is generally supposed. The ostrich burying its head in the sand is refusing to face pleasant and not unpleasant facts. Readers will find

Policy for Sugar

THE sugar industry last year not only augmented national income with a record level of output, but also contributed to foreign exchange resources with exports valued at over Rs 12 crores. Sugar now takes its place as an important foreign exchange earner, next to tea and jute and cotton textiles. A bumper crop last season was mainly responsible for the record production. The problem for the industry now, as Mr A. P. Jain, the Union Food Minister, told the annual meeting of the Indian Sugar Mills Association last week, is to devise a policy to correct fluctuations in production, consequent on seasonal factors. This would require maintenance of cane output at a level which leaves a wide margin over and above internal requirements, the disposal of the surplus sugar produced in the external markets, and an organisation which would hold the stocks and regulate the supplies available for export. The achievements of the sugar industry entitle its spokesmen to be heard with respect and attention when they speak on the problems facing the Mills and indicate the measures that will be required to enable the industry to realise its potentialities.

Like the Engineering Industry, the Sugar Industry has also doubled its production during the last 4 years. The annual production has steadily increased from about one million tons in 1953-54 to 2.026 million tons last year. This increase has been economically achieved through expansion and better utilisation of the capacity of the existing units. The new units have contributed only about 40,000 tons of the increased production. Under the First and Second Plans, it was proposed to increase the capacity of this industry by 1 million tons to bring the total by the end of 1960-61 to 2.5 million tons. 56 new factories have been licensed in addition to expansion in the capacity of 66 existing units.

Apart from increased production the Industry achieved another remarkable success last year. Indian sugar was exported to foreign markets for the first time in 1957. The total quantity exported was about 153,000 tons and most of it was consigned to our neighbouring countries. China took the largest quantity amounting to 33,624 tons. The exports have been creditably handled by the Indian Sugar Mills Association on a non-profit basis. When we consider that

ample evidence for the assertion in the current series of Clive Street Gossip in which Eaves-dropper has been strenuously digging the sand around the heads of the ostriches so that they may see the facts in their true and hopeful aspects. We commend to our readers a careful study of his assessment of the situation. Civilisations have perished in the past because they have not responded to the challenges of their times. It should not be said of us that we failed to meet the challenges of our tasks. And the first step in meeting them is to realise that they are less formidable than our eyes, bleary with pessimism, make them appear.

Indian Finance

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April 12, 1958

"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

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not advisable to prolong the crushing to the hot months. The only remedy is to expand the capacity of the factories to cope with increased production of cane.

Questions of social policy are involved in the Government's attitude to the khandsari industry. While the policy of encouraging small units is generally acceptable, this should not be at the cost of efficiency. The preference given to the less efficient mode of production at the cost of the more efficient will be reflected in increased cost, loss of competitive capacity in foreign markets and will thus be a definite loss to the community. Even the most ardent advocates of Cottage and Small scale Industries concede that the manufacturing process followed by the khandsari industries is a wasteful one resulting in a national loss. Against the recovery of 10 per cent of sugar in vacuum-pan factories, sugar recovery of the khandsari industry is only 6 to 7 per cent. The small units cannot also be expected to make adequate arrangements for economic utilisation of the by-products, like molasses.

The wastefulness of the khandsari process has been admitted by the Karve Committee on Village & Small Scale Industries. The Committee has observed that, unless it is improved, the khandsari manufacture should not be encouraged at the cost of the sugar industry. The loss to the exchequer from the growth of khandsari production should also be taken into account. Sugar factories pay 38 per cent of their total cost of production as tax. The weakening of the sugar industry by competition from the khandsari units is bound to affect its capacity to maintain the exports even at a loss. Moreover, it may not be possible to achieve the expansion of capacity envisaged under the plan if the sugar industry has to compete with khandsari in the home market. These are points which Government will have to take into consideration in drawing up a policy for sugar. There is need for rethinking over the entire range of the question of assistance to small scale units, in sugar as well as in other industries. While there is a definite place for small scale industries in the national economy, the small units will have to justify their place by their efficiency in production.

One of the important items in the industry's cost structure is the freight paid on cane. It appears that, as a result of the recommendations of the Railway Freight Structure Enquiry Committee, the industry may be faced with a general rise in railway freight, particularly over short distances. Already, the freight on cane is five times the pre-1948 figure. The Committee's recommendations, if adopted, will result in the further increase of 80 per cent over the current rates. The increase in freight will affect not only the factories, but also the cane growers, and it is to be hoped that the special aspects of the freight rates on cane will receive due attention at the hands of the Railway Ministry.

Mr Sawhney has also done well to clear the widespread misapprehensions regarding the price policy pursued by the Indian Sugar Mills. For a variety of reasons, the public have come to feel that they have been victimised on several occasions over sugar prices. The public are aware only of the increased price which they have to pay. They are not aware that the gross profits and overhead charges account for only 5 per cent of the total cost of production. The biggest item of cost is cane, which accounts for 41 per cent. Taxes consume another 38 per cent. Salaries and wages, take up 11 per cent and manufacturing expenses 5 per cent. An analysis of the different items of cost will show that the cane price and taxes which are fixed by Government account for 79 per cent of the cost of production. Again, Salaries and Wages and manu-

facturing expenses like the cost of coal are also controlled by the Government.

A comparison of the current price of sugar and the price 10 years ago will show the disproportionate increase in Government levies. During this period, the cost of cane has increased by 14 per cent from Rs 12-10-0 to Rs 14-6-0; Wages and Salaries and packing by 62 per cent; Manufacturing charges by 36 per cent; and overhead charges and gross profit has decreased by 17 per cent. On the other hand, Government taxes have increased by 344 per cent from Rs 2-15-6 to Rs 13-3-0. On this basis, it is impossible to build up a case that, at the present level of taxes, there is little prospect of reducing the cost of production. In view of the growing requirements of the Government, it is not reasonable to look forward to any substantial reductions in the taxes. The only hopeful prospect, therefore,

The Art of Interviewing

By M. SUR

THE art of interviewing has been the subject of a number of books and articles. They all say much the same thing, and in theory they appear quite sound, but how to apply them in present conditions in India is a problem.

First of all, according to the experts, it is essential that a light, airy, pleasant waiting room should be provided with reasonably comfortable chairs and a table covered with light literature to put candidates at their ease while waiting for interview. Suggest to most managements that a waiting room should be set aside for candidates for jobs, and they are likely to think you crazy! Rooms are short enough in the factory and office, you will be told, without asking for waiting rooms. As an alternative, you timidly suggest that a space should be cleared outside the labour office and some chairs placed there for candidates, but this suggestion is equally frowned upon. If you are lucky, you may get a bench or two put up in a restricted space. Light, air, comfort, why should candidates expect this? So the first principle of the treatises on interviewing cannot be applied.

Principle No. 2: Put the candidate at his ease with a few friendly remarks before questioning him. What are the friendly remarks that an officer can make to a man seeking employment? Alas, each social and industrial group lives in a watertight compartment! The candidate will either fail to understand you altogether, or will think you are making fun of him. (I recently heard a supervisor say quite seriously, "But I cannot joke with my subordinates.") And it is true that only the most free and easy type of person can do so, and on the other side the subordinates do not expect the officer to demean himself by joking with them.)

Even with the candidate for an office job, the friendly remarks tend to fall flat. The young applicant for a clerical job is usually so scared that he can hardly take in the first few sentences spoken to him. He expects you to go straight to the point. He has his answers ready. If you do not follow the line expected, he is lost. Sometimes, even, he will give you his prepared answer when you have not asked him the relevant question. You dismally register failure on Principle No. 2.

Get the candidate to talk about himself, what he knows and what he wants to do. This is Principle No. 3, and seems plain sailing, so you start brightly:

"What kind of work are you interested in?"

"Anything," comes the flat reply.

You try again: "What would you do if you had the choice? What kind of work would you like to do?"

"Anything you can give me," is the usual

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both for the industry as well as the consumers, is in increasing the efficiency of production both in the field and in the factory. In this respect, there is undoubtedly considerable scope for improvement. The average yield of cane in India is only 13 tons per acre against 21 tons in Australia, 56 tons in Java and 62 tons in Hawaii. India is also at the bottom of the list in respect of recovery of sugar per acre, which is 1.26 tons as compared with 6.44 tons in Java and 6.45 tons in Hawaii. The fact that recovery per cent of cane is only 9.73 in India against 12.25 in Cuba and 14.33 in Australia will indicate the scope for increase in the efficiency in factory operations. The efforts of the industry as well as of the Government should, therefore, be directed toward encouraging research for the development of improved practice in agricultural and manufacturing techniques.

April 12, 1958

Communist Bloc's Trade Offensive Poses Questions

By HENRY V. BURKE

Mr Henry V. Burke is an analyst and writer on Soviet affairs. This is the first of a series of three articles on the Soviet trade offensive, in which Mr Burke has attempted a reasoned and objective analysis of the implications and significance of Russian moves in this aspect of the world economy.

PART I

TRADE OR POLITICAL INFLUENCE?

THE Soviet Union, in recent months, has shown evidences of increasing the tempo of Communist bloc economic overtures in a number of strategic world areas.

Either by direct negotiation with other countries, or working through its East European satellites, Moscow is unquestionably engaged in what might be termed a "trade offensive."

Intensified Soviet bloc activities in this field have been noted in the Middle East, Africa and parts of Asia. Approaches also have been made in Latin America.

Widespread interest has been generated by these actions, particularly on the part of officials in developing nations, where foreign economic cooperation might be regarded as a key planning factor in industrial and commercial expansion.

The new Communist trend, therefore, has quite naturally prompted questions as to Moscow's long-range foreign economic objectives. Are bloc trade overtures, for example, genuine offers of lasting business partnerships? Or is there an underlying political motive which supersedes future commercial considerations?

Soviet Communist Party Chief Nikita Khrushchev admitted as much in 1955 when he said: "We value trade least for economic reasons and most for political purposes." Although Khrushchev went on to explain that trade thus could become a means of improving relationships between countries, the type of improvement envisioned by Moscow has been the subject of some pointed speculation.

The newspaper *El Pueblo* of Buenos Aires pointed out in January, 1958, that "Russia and her satellites have given repeated proofs that they consider treaties as 'scraps of paper.' Without delving too much into history, we have the experience of Amtorg (Soviet trade agency) of less than a quarter of a century ago. Consequently, we have to step lightly because behind the technicians the totalitarian countries know how to hide their commissars of the people."

"Why," the newspaper added, "shouldn't we be afraid of those countries where technicians and merchants are nothing more than instruments of a many-sided policy of anti-Christian penetration?"

At the same time, *Excelsior* of Havana, Cuba warned its readers not to forget that when the Soviet Union makes trade overtures "behind the rubles or machines or products there is the political influence."

Ettelaat, an influential daily newspaper published in Tehran, Iran, recently charged that the Soviet Union operates on the theory that "economic influence is more effective than political influence, as a first step toward decisive domination.... The Soviet Union is now watching for opportunities to infiltrate any country which may require loans or credit."

In a pointed comment on implications of the 1957 Syrian-Soviet economic agreement, the Lebanese newspaper, *Le Jour* of Beirut, said:

"The Syrian economy will be until 1970 strictly controlled by the Soviet Union, which

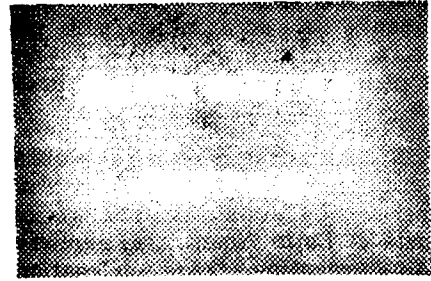
cautioned against any further "trade and payment agreements in accordance with the selling policies of countries which have a very different way of living and trading from ours."

Despite *La Prensa's* note of caution, however, the USSR demonstrated how Communist political interests are made part and parcel of trade negotiations by aiming a barrage of radio broadcasts at Latin America in January of 1958. An Argentine trade delegation arrived in the USSR for business discussions on January 18. In a single two-week period, from January 13 to 26, Radio Moscow carried more than a score of special commentaries on Argentina and Argentine-Soviet "friendship." These broadcasts equalled Moscow's entire 1956 radio output on Argentina.

Sumer is Icumen in

DURING the past week or so, Calcutta has attained its true summer form. The temperature hovers around 105 degrees in the shade, the cholera has struck, the political processions are causing additional traffic problems; the Corporation, with the water supply in areas contaminated and a resolution passed for the removal of the Commissioner, is in a still sordid mess. To this must be added the rowdism in the Assembly leading to its adjournment sine die and the student hooliganism in the School Final examination centres. About the heat, little can be done unless, of course, the artificial rain makers, of whom we are supposed to have a few, come to our help in time and not when, heavily rained on, the city is already in the grip of a sweeping cold, desperately sneezing into its last handkerchiefs. As for the cholera, it will in any case be controlled with the onset of the monsoon, and all that we can hope for in the meanwhile is that, by the time it arrives, there will be no drastic change to report in the population position. Regarding political processions, they will go on so long as there is politics and we are afraid we are unable to foretell any relief for the traffic police or the office workers in a hurry to get back home after the day's hard grind. So far as the Corporation is concerned, the only possibility that we can see is that it will go on floundering deeper and deeper in the mire, out-Hamelin Hamelin.

Let us now turn to our law-makers and our young hopefuls. Leaving aside the right or wrong of Mr Siddhartha Sankar Ray's statement on his resignation, there is little doubt that the Opposition behaved with calculated discourtesy in not allowing Dr Roy, the Chief Minister, to have his say in the House. It started the disturbance, shouting, hooting, cat-calling and table-thumping which the Congress Party was obliged, as a last resort, to return. This made it inevitable for Dr Roy to answer Mr Ray's charges at a Press Conference at the Writers' Buildings, and when the Opposition continued with its noisy tricks on the following days, the Speaker found it impossible to carry on business and closed the session. The Opposition, by its disorderly conduct, has drawn upon itself a good deal of popular opprobrium and set a dangerous example before the country. It is difficult to resist the conclusion that such uproarious misdeeds on the part of the elders does have repercussions on the student community which is getting increasingly rowdy from year to year everywhere. Calcutta students have in recent years blotted their copy-books pretty extensively, but this year they have beaten all old records, going to the shameful length of beating up some girl candidates. This type of juvenile hooliganism must be halted at all costs. Punishment, doubtless a necessary corrective, is, however, no panacea, but example may well be. Will the elders in politics help? Otherwise we shall have teddy-boys all round.



Asking for Rejection

The rejection of Dr Graham's five-point proposal by India follows logically from the stand which the Government of India have consistently maintained over the Kashmir dispute. Considering the details of Dr Graham's proposals, it is difficult to see how he could expect India to agree to accept and implement them. No proposal which attempts to by-pass the main issue of aggression by Pakistan, which India took to the Security Council for redress is likely to bring about an equitable solution. Nor can India accept the position in which the victim is placed on the same footing as the aggressor. The proposals show the great anxiety of the United Nations' representative to facilitate implementation of part I of the UNCIP resolution of 1948 and the great pains he has taken to resolve the difficulties in the way of securing the withdrawal of Pakistan's forces from the occupied territories in Jammu and Kashmir.

Dr Graham himself recognises that India had not accepted the Security Council resolution of the 2nd December 1957 appointing the UN representative and he has also given, along with his report, the reasons for Government of India's rejection of his recommendations. In the view of the Government of India, "the sole onus of performance was on Pakistan and the United Nations, which both has the

responsibility and capability for taking steps towards a peaceful approach to the situation and for resolving the difficulties between India and Pakistan." India has also made it clear that, though it could not stop Pakistan exercising its sovereignty to permit stationing of the UN forces on Pakistan side of the Kashmir border, India would regard such stationing of foreign troops, in the territory of a nation with whom it desires nothing but the most friendly relations, as an unfriendly act.

Prime Minister Nehru, at his Press conference last week, has also made it clear that, while India was willing to deal directly with Pakistan, the proposal that a meeting should be held under the auspices of Dr Graham was "totally and absolutely unacceptable." While taking this stand, India is fully aware that Pakistan's acceptance of the proposal in principle would give the Government of Pakistan a propaganda advantage. But, from the very beginning, Pakistan had enjoyed this advantage as far as the Western powers are concerned, irrespective of any stand it had taken in the dispute, so that there is no need to worry about it.

Pak Musical Chairs

The recent spectacular changes of Government in East Pakistan, and its repercussions in both the Eastern and Western winds of that country, should be matters of grave import this side of the border. For, anything which aggravates the political instability of our next-door neighbour can be a matter of satisfaction only to those who are incapable of serious thinking. The imbalance inherent in the political structure of Pakistan, has not been corrected by appropriate action in the political and administrative spheres. The Constitution has been long in the making. When the first elections will be held, is anybody's guess. In the meantime, the politicians at the centre of things seem to be engaged in an unending game of musical chairs. So long as this unsatisfactory state of affairs persists, there is slender chance of any move to settle outstanding disputes between India and Pakistan, which will continue to drag on to the disadvantage of both parties. There can be no basis of negotiations, when Governments change from day to day and one can never be sure that persons who hold office will be there to deliver the goods.

The postponement of a final settlement is, however, the least of the evils. The uncertainty in Pakistani politics will effectively inhibit any politician from identifying himself with a policy of conciliation. When the internal situation is difficult, the temptation will be irresistible to find an external target. The Muslim League has for long successfully exploited the Indian bogey to remain entrenched in Power, and may be expected to do so in order to regain the power it has lost. There are also other reactionary forces in both East and

West Pakistan, ready to exploit the situation. The conflicts between the two wings of Pakistan, and the attempts of a section of East Pakistanis to resist what they regard as Punjabi domination can make things extremely uncomfortable for the Hindu minority which remains in Pakistan because it has no alternative. They have already been singled out for punitive action in the anti-smuggling operations launched by the military. It should not be surprising if there is a renewed influx of refugees from across the border, with or without papers, at a time when refugee discontent is coming to a head in West Bengal. General Iskandar Mirza has the reputation of being a strong man who could keep the politicians on leash. Of late, he does not appear to be in complete control. It is not without significance that the newly elected League President should indulge in an uninhibited attack on the Head of the State who was elected President with that Party's support.

Farm Price Stabilisation

The session of the FAO centre which concluded in Delhi last week has given a helpful start to the evaluation of policies to support and stabilise agricultural prices. Stability of agricultural prices is of particular importance for the maintenance of national income and living standards, in India and other countries of this region, whose economies are predominantly agricultural. But the very predominance of the agricultural sector rules out the adoption of techniques used in Western countries, of subsidising agriculture at the cost of other sectors. And when, in spite of size, the total output is insufficient to meet internal demand, as in India, price stabilisation will be seen to be of greater importance than support to fixed minimum prices. But the problem is likely to be different in countries with an exportable surplus.

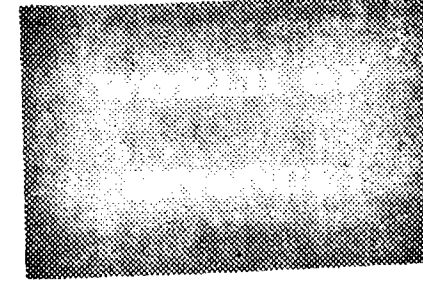
But, both the surplus and deficit countries in the ECAFE region can formulate a policy of stabilisation of rice prices to mutual advantage. In view of the low level of national income, the improvement of agricultural incomes through increased output is of as great importance as stabilisation of prices. But the latter is necessary to give an assurance to the farmers that additional investment will bring in a definite return. As Mr. M. V. Krishnappa has pointed out, a guarantee of minimum stability in agricultural prices is essential to the success of programmes aimed at stepping up agricultural yields. A sharp break in prices will have an adverse effect on the level of production in the next season. In the present circumstances, as the report of the Centre points out, objectives of support and stabilisation of prices and incomes have to be inevitably limited. Elimination of large fluctuations in prices, rather than maintenance of fixed minimum prices, should be the main objective. Improved marketing

practices, and creation of a favourable environment for agricultural expansion will be of substantial assistance in that direction.

Atomic Politics

There seem to be only two ways of how not to diplomatisise. One is not to diplomatisise at all and the other, to diplomatisise like Mr Dulles. Of this, a fresh proof was available this week when the US Secretary of State publicly reacted to the Russian decision on a unilateral ban on nuclear tests. What he said in favour of US continuing with the pre-planned tests may very well have substance. The Russians have just completed a series of tests, there is no means of checking whether they will not secretly pursue them in spite of their open avowal to the contrary, the US has long announced that its tests are scheduled for the summer—all this is true. Nevertheless, Mr Dulles has once again lost the initiative in the diplomatic warfare. Some neutral Powers, including an important section of Indian public opinion led by Mr Rapagopalachari, had been enjoining upon Russia to abandon the test even if the other nuclear Powers did not, and now it has played up and taken world opinion by surprise. It has won a decisive gambit the US is left staggering along mumbling its eternal woes. World opinion will at this juncture be perfectly entitled to ask: "When will the free world then play on equal terms or arrive at a general compact with Russia? Only when all the Russians have shaved their beards, made a bonfire of all the Red Flags and vacated the Kremlin for Mr Dulles to come and occupy it with his large staff of Far Eastern Experts?"

April 12, 1958



Changes Relating to Fiscal Year-end

SWEEPING changes in connection with the end of the fiscal year adjustments have occurred in the latest bank statements. In the first place, the Central Government had presumably to meet, in the week ended April 4, not only the commitments pertaining to the end of the fiscal year but also the payments connected with the beginning of the month. In the second place, the State Governments have been obliged to complete transactions before the end of the fiscal year, so that the relevant appropriations would not lapse. In the third place, the State Governments had also to make repayment of loans taken from the Central Government. In the fourth place, the amount to be received from the British Government in respect of the advance payment of three instalments under the Pensions Agreement was due on 1st April, and is presumably reflected in the latest Reserve Bank returns. In the fifth place, the Central Government have the right, in the first week of April each year, to tender Rupee Coin for Rs 5 crores to the Reserve Bank and obtain replenishment thereagainst. Transactions of this nature have made their impress deeply felt in the latest returns of the Reserve Bank.

In the Issue Department, it is to be noticed that the sharply stepped up tempo of governmental disbursements, together perhaps with the pressure arising from month early disbursements and busy season demands, have accounted for the steepest increase ever to have occurred in Active Notes which are marked up by Rs 40.55 crores; Notes in circulation have crossed the Rs 1600 crore mark to be placed at Rs 1619.69 crores. Rupee Coin has also gone out into circulation for Rs 1.72 crores, but this is net of the rise that presumably would have occurred if the Central Government had, under their statutory right, tendered Rupee Coin for Rs 5 crores. It is quite unlikely that outflow of Rupee Coin during the week could have been for an amount as large as Rs 6.72 crores, and hence, apparently, we are to conclude that the Central Government have not yet exercised their right in this connection. Currency has been expanded for Rs 44.88 crores against Foreign Securities by transfer from the Banking Department. There has been a contraction of currency against Rupee Securities for Rs 4.87 crores. In the result, Notes Held have been

drawn upon to the tune of Rs 2.27 crores.

Before we study the position of the Central Government, it is necessary that we should appraise ourselves of the other changes in the Reserve Bank figures. Firstly, the balances of State Governments with the Reserve Bank have been run down by Rs 47.61 crores to Rs 7.24 crores. Secondly, their Ways and Means indebtedness to the Reserve Bank has risen by Rs 16.40 crores to Rs 37.63 crores. Thirdly, in order to meet their commitments, the State Governments would also appear to have disposed of part of their holdings of Treasury Bills, since Treasury Bills purchased and discounted, as shown in the Banking Department of the Reserve Bank, are marked up by Rs 5.04 crores at Rs 12.72 crores. So, it is clear that the net adverse change in the position of the State Governments vis-a-vis the Reserve Bank is around Rs 64 crores; and this excludes the element of Rs 5 crores representing probable sales of Treasury Bills by the State Governments to the Reserve Bank. This reflects the very steep net disbursements on the part of the State Governments. Partly, such disbursements would relate to appropriations which would otherwise lapse. Partly, their balances may have been drawn upon to meet month early disbursements. Mainly, we should think, the decline in the balances of State Governments is indicative of large repayment of loans to the Central Government. It is difficult to estimate what the size of such repayment could be, but that it was considerable there can be no doubt.

Then, turning to the head of Balances Held Abroad, we may notice that the figure has declined by Rs 27.47 crores to Rs 68.34 crores. But, then, a transfer of Rs 44.88 crores has been effected to the Issue Department. Therefore, it is clear that accretions to the Foreign Exchange holdings of the Reserve Bank amounted to Rs 17.41 crores during the week. This, of course, represents the advance payment of three instalments by the UK Government in respect of the Pensions Agreement. This, together with the instalment normally payable on April 1, 1958, would have meant that the receipts of foreign exchange under this head would have totalled £16 million, or roughly Rs 21 crores. It follows, consequently, that the import surplus during the week has caused a drain of between Rs 3½ crores and Rs 4 crores.

The next point that we have to note is that Investments in the Banking Department are lower by Rs 20.33 crores at Rs 218.11 crores. In the Issue Department, as we have seen, Rupee Securities have shown a decline of Rs 4.87 crores. It is thus clear that there have been reverse ad hocs for at least Rs 25 crores.

We may now turn finally to the position of the Central Government. Firstly, the Centre's balances might have been replenished by Rs 5

crores representing tender of Rupee Coin, but we have some reason to doubt that the relevant transaction was completed during the week. Secondly, the Central Government have obviously received a large payment from the State Governments. Thirdly, their account with the Reserve Bank would have received a credit of Rs 21 crores against the payment of £16 million by the UK Government. As against such receipts, the Central Government would have also had to make large payments at the end of the fiscal year as well as meet month early disbursements. Again, the Centre would have benefited by a higher volume of receipts from income-taxes during the period. With all this, it is to be noted that the Centre's balances have improved by Rs 6.94 crores to be placed at Rs 55.27 crores; and this rise in the Centre's balances has occurred after reverse ad hocs had been instituted for a minimum of Rs 25 crores. So, overall, the net improvement in the position of the Central Government is in the environs of Rs 32 crores; and of this, we repeat, Rs 21 crores is traceable to receipts from the UK Government. This would mean that an element of Rs 11 crores is traceable to receipts from State Governments and from tax payments. The position is obscured by the fact that the Central Government have also made heavy payments; and we also wonder whether the extent of reverse ad hocs has not been concealed. At this stage, we may recall that deficit financing as at the week ended March 21 amounted to Rs 441 crores. This exceeds the revised estimate given by Mr Nehru last February by Rs 61 crores. While it is sure that the extent of deficit financing would have been reduced by Rs 25 crores on account of reverse ad hocs as traceable in the returns of the Reserve Bank as at April 4, we still think that it may be possible that the exact quantum of deficit financing during 1957-58 would not far have exceeded the revised estimate of Rs 380 crores. This is possible in two ways. On the one hand, it is possible that reverse ad hocs instituted during March 29 and March 31 were for an amount in the environs of Rs 60 crores; and then, in the subsequent days of the week, for purposes of month early disbursements, deficit financing might have again taken place. On the other hand, while only Rs 25 crores of reverse ad hocs is traceable in the Reserve Bank returns, we cannot rule out the possibility of some element of such reverse ad hocs being concealed.

We shall have to wait for the next issue of the Reserve Bank of India Bulletin before clarification in this regard is available. The Reserve Balances of member banks have improved fairly sharply by Rs 13.23 crores to Rs 81.06 crores; and, at the same time, the Scheduled Banks would appear to have reduced their indebtedness to the Reserve Bank, since the latter's Other Loans and Advances have contracted by Rs 4.48 crores to be placed at Rs 73.92 crores. While the bulk of the rise in the Reserve Balances of the member banks is accounted for by the State Bank, the reduction of indebtedness is partly on account of the other Scheduled Banks. This improvement is presumably the result of a moiety of the large scale disbursements of the Central and State Governments at the end of the fiscal year finding its way quickly into the banking system. So, it stands to reason that the outflow from the Scheduled Banks in respect of tax payments from constituents will be rather more than offset by the inflow representing receipts by constituents from the Central and State Governments.

It is in this light that we have to understand the significance of the sharp rise of Rs 15.74 crores to Rs 434.25 crores in the Deposits of the State Bank as at April 4. It is quite likely that the accretions to Deposits in the main relate to receipts against Central and State Government payments at the end of the fiscal year. In the case of the State Bank, the increase in Deposit resources has enabled the borrowings of Rs 3.28 crores to be liquidated. Secondly, with Advances declining by Rs 1.52 crores to Rs 208.99 crores, Cash Balances have improved by Rs 10.82 crores to Rs 33.96 crores. This, as we have seen, was reflected in a rise in the Reserve Balances of the member banks with the Reserve Bank.

We come lastly to the return of the Scheduled Banks for March 28. In this statement, the onward march of the busy season and the continuance of substantial accretions to Deposit resources are the two noteworthy features. On the one hand, the total of Advances has risen again by Rs 10.43 crores to Rs 962.33 crores. In the four remaining weeks of the current busy season, it seems inevitable that the total of Advances will touch the Rs 1000 crore mark. In regard to Deposits, they have risen by Rs 14.37 crores to be placed at Rs 1479.75 crores. In the relevant week, the State Bank had shown a rise of a little over Rs 4 crores in Deposits, and it is clear, thus, that it is the other Scheduled Banks which are the main beneficiaries. Notwithstanding such rise in Deposit resources, borrowings from the Reserve Bank have been stepped up by Rs 4.25 crores to Rs 42.00 crores. Also, indebtedness to the State Bank has risen from Rs 10.71 crores to Rs 11.68 crores. In the result, since the rise in Advances was of the order of Rs 10½ crores, Cash Balances have improved by Rs 6.81 crores to Rs 157.84 crores.

We should anticipate, in the next week, another sharp upsurge in the Deposit resources of Scheduled Banks. Already, the State Bank has experienced an increase under this head of nearly Rs 16 crores. It is entirely possible that, in the week ended April 4, the Deposits of Scheduled Banks will cross the Rs 1500 crore mark.

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Mr Birla Speaks on Interest Rates

Mr G. D. Birla has the happy knack of being able to utilise the forum provided by the annual general meeting of the United Commercial Bank Limited, of which he is the Chairman, for some very pungent and careful thinking of particular aspects of the banking system and its problems. His speech this year is largely taken up with the state of the Indian money market, and Mr Birla has addressed himself to a forceful depreciation of the higher trends in interest rates which are being indulged in allegedly with a view to attracting new Deposits. He has stated that he finds it "difficult to understand why banks should persist in bidding for Deposits by means of steadily mounting rates of interest", since it is clear beyond doubt that "the disbursements in connection with the Second Plan are to be seen as having a directly favourable impact upon the resources of the banking system". He has reminded shareholders that, some years ago, he had "deprecated the alarming tendency to try to attract fresh Deposits by means of higher interest rates". In reiterating his plea for "restraint in the competition for Deposits through high rates", Mr Birla points out that, in the light of the Second Plan disbursements, "the attraction of higher interest rates is unnecessary in order to induce Deposits".

This is an aspect of the banking system to which we have, in this column, been drawing reiterated attention. The experience, as Mr Birla points out, was that, during the 1957 slack season, "the favourable circumstance of an increase in Deposits, coupled with a decline in Advances, began week by week to improve the position of Scheduled Banks". In this light, there are certain important lessons that the experience during 1957 has for the banking system as a whole, but the favourable influences thus obtaining have not been made use of at all.

The more comfortable position of the Scheduled Banks in regard to resources made its impact felt on money rates, and, generally speaking, from the beginning of the 1957 slack season, money rates have tended to be within restrained levels. This is particularly so in the case of call money from banks and from the public. In such a background, it is a disquieting feature that rates for fixed Deposits should continue to hold to their high levels. The effect of this sustainedly high level of rates paid on Deposits is already threatening to jeopardise the earnings of the banking system; during 1957, while Deposits of Scheduled Banks rose by the heartening figure of Rs 292 crores, the bulk of this was accounted for by Time Liabilities, which rose by Rs 228 crores. Since the turn of the year, there has been no

improvement in this position, and we lately witnessed the overtaking of Demand Liabilities by Time Liabilities. In the case of United Commercial, the charge of interest paid has risen by roughly 50 per cent, and the experience has been the same in respect of all other major Indian Scheduled Banks. This is a development which it would be folly to ignore, and, at the moment, the incomprehensible feature is that there need not have been, in the first place, this tendency to offer steadily higher rates for Deposits.

It is time that we recognised that the expansionary influence of disbursements in connection with the Second Plan is having a directly favourable impact upon the Deposit resources of the banking system. In that recognition, we have to put an end to this suicidal Deposits war. Mr Birla had occasion some years ago to speak on this same matter, when he had decried the alarming tendency to woo fresh Deposits by means of higher interest rates.

Since then, there have been half-hearted attempts to reach agreement on calling a truce to the Deposits war, but nothing tangible has ever come of all such discussions as we have had. The Reserve Bank of India should be approached by the commercial banks generally for a round table discussion under which it should be possible to reach agreement on, if not actually an undertaking to prescribe limits, at least a convention that the rates to be offered on Deposits will be kept within certain limits with, perhaps, some measure of elasticity to cover the varying demand for money as between the busy season and slack season. Of course, such a voluntarily imposed ceiling for Deposit rates would also imply the necessity for certain minima to be observed in regard to Advances. A criticism that has been voiced against the imposition of such controls on interest rates is not really valid. The objection from certain quarters to such a scheme is that it will reduce the room for free play of competitive forces in the banking system. This view is hardly tenable, because it would imply that the measure of competition among banks is mainly in the interest rates that each of them offers. Surely, a bank proves itself, not by offering a higher rate of interest than its competitors, but, rather, the reverse. The higher the interest paid by a bank, surely, the lower its credit rating. On the other hand, the competition that banks should be engaged in is in the variety of services and facilities that they offer to their constituents. Let us by all means have competition of this nature, but let us disavow this suicidal upward spiral in the interest paid on Deposits. Again, it is not as if the higher interest is influential in or the sole reason for such accretions to Deposits as have been taking place. On the contrary, the Deposits in any case would have accrued to the banking sys-

tem, because the new money now finding its way into the monetised sector springs from Government's outlays and the private sector's disbursements on the Second Plan. All that the higher interest rates succeed in doing is to transform the character of the Deposits from Demand Liabilities to Time Liabilities.

Mr Birla has rendered signal service by thus spotlighting what is undoubtedly an emerging threat to earnings of the banking system. We wish he would do more. For, he is eminently fitted not only to give the lead in constructive thought but also to proceed with the logical next step of effective action. At this stage, merely to denounce high Deposit rates is not enough. Action at the highest level is necessary, and perhaps a roundtable discussion among the Indian Banks Association, the Exchange Banks Association and the Reserve Bank may be most fruitful.

[Note: A review of the United Commercial balance-sheet for 1957 will be published in the next week's issue.]

British Plan to Fight Depression

Paul Einzig

REPORTS arriving from the recent Washington visit of two British senior officials, Sir Leslie Rowan and Sir Robert Hall, that Britain was sounding official American circles about the possibility of a large dollar loan to reinforce the British gold reserve, need some rectification. It is now understood that the visit was connected with a much broader international financial plan. Its outlines were indicated in a speech by Mr Macmillan on March 31, in which he said that his Government was ready to apply measures necessary to prevent a slump if and when such measures should become necessary, but there were limits to what Britain could do by itself and regard must be paid to what Britain's reserves would stand. He added that collective security measures were called for in the economic as well as military field, because a slump would provide an opportunity for Communist subversion and intrigue. "A steady growth and reasonable stability in the trade of the free world are absolute necessities if the free world were to stand", he continued. "We should not secure them unless we used to the full the available mechanism of international co-operation. Organisations like the OEEC, the International Monetary Fund, and the International Bank for Reconstruction and Development must be used."

Mr Macmillan's words were undoubtedly wise, and his idea sound. If the resources of the two Bretton Woods institutions were greatly increased and mobilised in order to assist raw material producing coun-

Indian Finance

tries to overcome difficulties arising from the fall in raw material prices, there would be everything to commend such an action. But there could be no justification for an increase in the British gold and dollar resources in support of sterling under the disguise of a gigantic international transaction. Thirteen years after the end of the war in Europe Britain could and should maintain sterling without further American aid. Since the amount which the United States may be willing to contribute towards any international scheme is necessarily limited it is essential that all of it should be made available to countries which need it much more than Britain.

There could be no doubt that Britain's position in the negotiations in connection with Mr Macmillan's scheme would be incomparably stronger if the Government made it perfectly clear that Britain would not want to use any part of the proposed dollar facilities for the purpose of strengthening her own gold reserve. Such a declaration could be made much more convincing if at the same time Britain were to repay all dollar credits and cancel all dollar facilities arranged in 1956 and 1957. Since the balance of payments has a surplus such facilities are not really needed. Their original object was to meet speculative attacks against sterling. But if the domestic economic situation in Britain is as sound as is sought to be conveyed by recent official publications there is no cause for speculators to attack sterling.

It must be realised that speculators attacked sterling last summer not for their private amusement but because quite reasonably they took a very pessimistic view about the effect of the inflationary increases of wages. If it should be possible to stop that spiral speculators would have no cause for worrying about sterling, at any rate not until the next general election which is still far away.

One is permitted to wonder whether the recent outburst of official optimism in Ministerial statements and Treasury publications is likely to make it easier to hold down excessive wage demands. Until quite recently official spokesmen and publications stressed the dangers that would threaten Britain if wage inflation were to continue. Now they stress price stability during the last few months, the increase of personal savings, the increase in British output, etc. The facts and figures remained the same, but the emphasis has subtly changed. If the latest official interpretation of Britain's situation is correct speculators have no reason for distrusting sterling. In that case sterling would hold its own without any American support.

It seems likely that the manifestation of official optimism will encourage the trade unions to hold out for higher wages. The change of official emphasis from urging resistance to inflation to foregrounding measures against defla-

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tion is likely to produce the same effect, in spite of lip-service paid to the need for holding out against inflation just a little longer.

If the ill-advised change of tone of official propaganda should be followed up by the conclusion of arrangements for a powerful reinforcement of the dollar resources, trade unions would derive the utmost encouragement for pressing forward with their excessive wage demands.

There is yet another aspect of this matter. At present the odds are strongly in favour of the Labour Party winning the next general

election. The only hope for a last-minute change of heart by the majority of the British electorate would be their fear that a Socialist Government would mean a major financial crisis through a flight from the pound necessitating the reimposition of war-time controls in time of peace. But if the Conservative Government should arrange a large dollar loan the proceeds of which would become available to its successor in office, the electorate would be reassured that it would be safe to vote Labour because the Socialist Government would be enabled to proceed with

inflation and nationalisation under the protective shelter of American financial aid.

The American taxpayer could reasonably be expected to finance an increased American contribution to the reserves of the International Monetary Fund for the purpose of assisting the raw material producing countries embarrassed by the fall in prices. But it would be most unreasonable to expect him to finance socialism and inflation in Britain, even if he is asked to do so by an anti-Socialist Government which ought to know better.

From a British point of view,

dollar aid to raw material producing countries without direct British participation in the proceeds would help indirectly, as it would enable these countries to maintain their imports. Any transaction that would mitigate the scarcity of dollars would help sterling, since it would reduce the extent to which transferable sterling and the British commodity markets are misused for securing dollar commodities. To secure such indirect help for sterling would be legitimate. But to ask for a British share in the American aid would have no justification. (Copyright)

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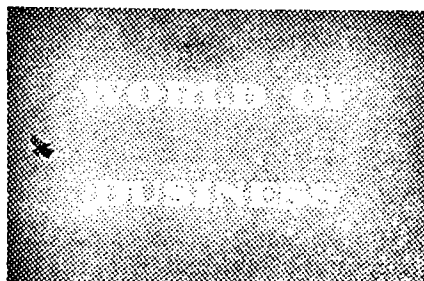
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"Aspirations of Under-developed countries"—Blaker

THE stresses and strains that industrialisation imposes upon underdeveloped countries constitute an important economic phenomenon that the world economy has witnessed during 1957. On the other hand, as far as the industrial West is concerned, the long experienced inflationary conditions appear to have been replaced at least in part by deflationary pressures and recessionary trends. This is a picture of the world economy in which the details have been admirably filled in by the Hon'ble C. Blaker in the statement relating to the accounts of the Hongkong & Shanghai Banking Corporation for 1957. Mr Blaker has succeeded in appreciating the importance of details without, however, losing sight of the whole picture. For, the Chairman has, in the statement, neatly emphasised the conclusions obtainable from the experience of particular countries or particular regions.

He has dealt first with conditions in the West, and the suggestion is advanced as to whether, in 1958, "the danger most to be guarded against is rising costs or falling production". He wonders whether inflationary tendencies are still growing or "whether a period of deflation is about to set in". Such a state of affairs imposes a particular strain upon sterling, and, when, with a view to meeting a crisis, the British Bank Rate was raised to 7 per cent, there was discussion as to whether it was advantageous "to maintain sterling as an international currency". While Mr Blaker has not tried to assert categorically upon the question of whether the world is in for inflation or deflation, he has been forthright on the matter of sterling as an international currency. Any suggestion to abrogate sterling's role could only be viewed with apprehension. Mr Blaker is surely right when he states that "no currency has yet been found able to take the place of sterling and it is difficult to see how the multitude of transactions which make up the settlement of trade in our particular area alone could be cleared without the facilities sterling and the City of London provide". Mr Blaker warns that any limitation of such facility would inevitably lead to "a return to bilateralism with all the frustrations this would involve". In brief terms, whether it

is inflation or deflation, sterling and the City of London will, for as long ahead as we can see, continue to be needed as a sort of international clearing house.

As far as Asia is concerned, a deterioration in the terms of trade has resulted in a general fall in the foreign exchange reserves of most countries in the area. Mr Blaker points out that these difficulties "were aggravated by the increasing pace of development". The Hongkong & Shanghai Corporation's Chairman refers to the necessity that the Asian countries would have to attract, to a greater extent, the flow of private capital. In the past, foreign capital has been invaluable in contributing to industrialisation and increased productivity. So, "it is now being generally realised that foreign investment is not necessarily tarred with the colonial brush"—but Mr Blaker cites the events in Indonesia as demonstrating "the disruptive effects that extreme nationalism can have on a nation's economy". Mr Blaker is fully appreciative of the urge on the part of the underdeveloped countries to industrialise as swiftly as they can, but draws attention to the problems created by rapid industrialisation, "the most difficult of which is to keep inflation under control". It is in this light, in a correct understanding of the aspirations of underdeveloped countries, that Mr Blaker concludes by saying that "any criticisms of the failings of these countries should be tempered with the realisation of the immense difficulties that they have to face and if at times they may have aimed too high, surely this is an accusation that could be levelled at many of the most successful examples of human endeavour".

Mr Blaker has every reason to be satisfied with the results of Hongkong & Shanghai for 1957. The profit for 1957 rose by HK\$ 400,000 to HK\$ 21.0 million. A sum of HK\$ 4 million is to be written off by bank premises. The interim dividend was at £2 per share, and the final dividend proposed is at £1.12.6d per share. We may note here that the final dividend is being paid on the enlarged capital. The carry forward is placed at HK\$ 2.1 million, and this is much lower than the amount brought in of HK\$ 11.0 million, because, from the last year's carry forward, a transfer of HK\$ 9 million was made to the Reserve Fund, as part of the operations to restore the Reserve Fund, from which HK\$ 25 million had been capitalised for the bonus issue, to its original level of HK\$ 128 million. Besides this transfer of HK\$ 9 million, an amount of HK\$ 16 million has also been appropriated to the Reserve Fund from inner reserves. Thus, the 1957 balance sheet shows that, whereas the capital has been doubled to HK\$ 50 million, by issue of bonus shares, the Reserve Fund has been maintained at HK\$ 128 million. This is an al-

together remarkable achievement and Mr Blaker, we repeat, has every reason to be satisfied with the Bank's accounts for 1957.

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Mr Dhandhanja Speaks out

Speaking at the fiftyeighth annual General meeting of the Bharat Chamber of Commerce, Mr K. L. Dhandhanja traversed the entire vista of the economic life of the country, as envisaged in the Second Five Year Plan.

According to Mr Dhandhanja, the country's economy, after a continuous process of growth, has reached a phase of stalemate. The rate of industrial growth has fallen to 3 per cent in 1957, as against 9 per cent and 8 per cent during 1955 and 1956 respectively. As against an increase in money supply to the tune of Rs 132 crores in 1956, the figure declined to Rs 97 crores in 1957. Expansion in bank credit to the private industry was of the order of Rs 80 crores only, against Rs 180 crores in the previous year. Stock market prices declined by a little over 20 per cent.

Mr Dhandhanja suggested a few broad outlines to counter the effects of this stalemate. He suggested that the country's economy should be, as far as practicable, diffused through smaller business enterprises. His second suggestion was that slow growth of the economy is not suitable for India at this stage, especially when there was a continuous pressure of a growing population. The third observation of Mr Dhandhanja was that short term fluctuations should be taken as a normal characteristic of an expanding economy. Temporary inflationary pressures should not be counteracted by stopping of investment, as that would usher in deflation, an equally dangerous symptom in the economic body of the country.

Speaking about the slow growth of the economy, Mr Dhandhanja observed that the target for per capita income, rising to Rs 546 in 1976, is still too low. A per capita income between Rs 1,200 and Rs 1,500, now prevailing in Italy, should be the bare minimum required for effective functioning of a democratic form of Government.

Since development is central to the aspirations of the country, the Government should, in the opinion of the President of the Chamber, first ensure the means by which the pace of investment can be accelerated. In this regard, he thought that a 6 per cent return on capital investment was not enough to attract fresh investment in industrial undertaking; and the implication presumably is that the Government should allow a higher return.

Mr Dhandhanja made out a special case for increasing savings from agricultural and allied activities. During the Second Plan period, an aggregate income of Rs 34,000 crores was expected from

the agricultural sector. Only 2 per cent saving on this income may very well cover the outlay scheduled for agriculture. He rightly pointed out the case of China, where Rs 550 to Rs 600 crores are being realised as agricultural taxes a year, as compared to the meagre figure of Rs 80 to Rs 90 crores obtained in India. Even taking for granted the higher productivity of land in China, there is still substantial scope for earning much higher tax revenues from the agricultural sector in India.

The tax structure, according to the President of the Chamber, has hit the middle class traders most, who form the backbone of a socially ically patterned state. Small traders today do not find enough capital to run their business. Lowering of tax load on the income group upto Rs 1 lakh would go a long way in strengthening the base of small trade in the country.

Mr Dhandhanja stated that, while nobody could possibly deny the necessity of having foreign aid for the development of the country at this juncture, it was still a very poor substitute for internal saving. To repay the loans over a long period by instalments varying between Rs 33 and Rs 107 crores a year would be a dead weight on posterity. He welcomed business collaboration between foreign and Indian capital.

In view of the hardship on a large number of importers, caused by import restrictions, which will have to be continued for a few more years, Mr Dhandhanja urged a fair distribution of the available foreign exchange among the traders, putting a ceiling on individual quota. He called upon the Government to follow a more liberal export policy. Mr Dhandhanja, however, cautioned the country against the probable impact of the proposed European common market and Free Trade Zone scheme in Western Europe on the future export potentialities of Jute, Tea, Vegetable oils, Mica, etc.

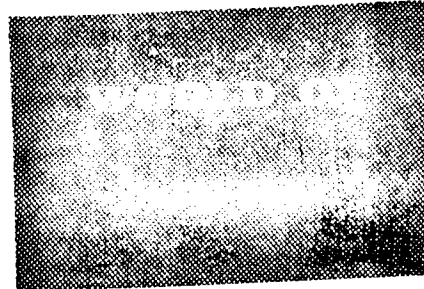
The President of the Bharat Chamber of Commerce dwelt at length on the dangers of growing unemployment in West Bengal. He called upon the youth of the State to shake off their usual apathy towards business. He also requested the business Houses to see that their doors are open for the young people of this State for employment. He suggested a planned apprenticeship scheme, through the co-operation of Chambers of Commerce and educational institutions, which could prevent creation of an army of jobless youth in the country.

Mr Dhandhanja also suggested promotion of small scale industries through State assistance as a very effective measure of combating unemployment. He welcomed the move of the State Government to create industrial estates.

To handle the economic and commercial problems of the country, the President of the Chamber suggested constituting a State advisory council as a most effective device.

Indian Finance

April 12, 1958



Hessian Stocks Decline

THE jute goods market has ruled quietly steady during the past week in the absence of fresh foreign enquiries. With the publication of the stock figures as at the end of March on Wednesday, prices especially in the hessian section steadied up as hessian stocks show a decline over the previous month. Total stocks as at the end of March are placed at 94,400 tons, made up of 24,500 tons hessian, 54,900 tons sacking and 15,000 tons other varieties. As compared with the previous month stocks of hessian are 2,700 tons lower at 24,500 tons. They are thus well below one month's production. Stocks of sacking have increased by 1,600 tons to stand at 54,900 tons. Even so, they are about one month's output only. It is, however, to be noted that sacking stocks now are the highest in the past seven months. Stocks of other varieties are the highest in the past many months. Compared to a year ago total stocks are lower by 3,300 tons, with both hessian and sacking lower by 5,300 tons and 1,600 tons respectively. Other varieties are higher by 3,600 tons. Taking the stock figures for the past three months it will be found that stocks of sacking after abruptly rising in January have remained more or less unaltered in February and have increased in March. Last year the level had been certainly higher but the trend had been one of decline from month to month. Other varieties have been steadily rising and at the end of March are substantially higher at 15,000 tons. As for hessian, the position is more satisfactory. After the rather sharp rise in January, hessian stocks have recorded a steady fall in the past two months.

In this connection it is interesting to note that hessian has fared well in the export field during the past year. In its main overseas market, USA, its performance is quite satisfactory considering the general outlook for burlap. Import of burlap into USA during the twelve month period January-December 1957 has totalled 220,500 tons as against 235,200 tons in 1956. But it is significant to note that the share of Indian hessian in the total for 1957 comes to 84.9 per cent while in the previous year such share was only 83.4 per cent.

The jute goods market opened the week with prices fluctuating in a narrow groove due to lack of interest. Hessian 40" x 10 oz Ready opened at Rs 39.56 with B Twills quoting Rs 99. July-Sept Hessian 40" x 10 oz was placed at Rs 39.86 and B Twills at Rs 100.85. With moderate interest from shippers the rates improved to close as follows: Hessian 40" x 10 oz Ready Rs 39.70, B Twills Rs 99.65; July-Sept. Hessian 40" x 10 oz Rs 40.10 and B Twills Rs 100.25. Conditions were rather dull on Tuesday as business passing was at a low ebb.

Of the total burlap imports into USA during 1957 of 220,500 tons India's share has been as much as 187,200 tons with the other coun-

tries accounting for the balance of 33,300 tons. Nearly half of this (15,000 tons) is from Pakistan. Of the continental countries Belgium's share shows a slight increase to 5,600 tons from 4,600 tons, West Germany's to 3,400 tons from 3,100 tons. Netherlands' to 1,300 tons from 1,000 tons. Japan's share has suffered a drastic diminution to 2,500 tons from 6,700 tons in 1956. Apart from the small increases recorded by some of the continental countries, the most significant feature of these figures is the increase in regard to imports from Pakistan. Pakistan's share is steadily increasing in the past three four years. From 1,900 tons in 1954, imports from Pakistan have increased to 2,700 tons in 1955. In 1956 there has been sharp increase to 13,700 tons and in the past year imports have further increased to 15,000 tons. The share of UK which has been maintained around 5,800 tons in 1955 and 1956 has declined to 3,900 tons in 1957. The competition from UK and most of the Continental countries in the US market has considerably slackened in the past year. Japan also seems to be losing ground. The only serious competitor to India now is Pakistan. Though as yet the quantum of import from Pakistan is small, indications are that it will continue to show a steady increase.

Even as regards competition from Continental countries there is no room for complacency; for with any easing of the raw material supply position these countries with their highly modernised mills may be expected to renew their efforts to increase exports. That the world jute industry may be finding an alternative source of raw material in Burma is indicated in a report issued by the Jute Bulletin of the Indian Central Jute Committee. It is reported that the Government of Burma have planned to produce over 5,000 tons of jute in the next season. The last crop in the country was only 1,500 tons. Burmese jute samples sent to Dundee for tests have obtained satisfactory grading results and the Burma Government has received a recommendation from the Director General, Agricultural and Rural Development Corporation, that all top qualities and grades of jute grown internally should be released for export.

★

Raw Jute June ruled steady throughout. The contract opened on Monday at Rs 26.30, touched a high of Rs 26.40 and closed at Rs 26.38. The lowest touched was Rs 26.14. On Tuesday the rate fluctuated between Rs 26.24 and Rs 26.12 to close at Rs 26.18. On Wednesday it was done between Rs 26.38 and Rs 26.10 to close steady at Rs 26.30.

A significant feature of the trading in the jute markets during the past few weeks is the comparative steadiness of raw jute. It would appear that raw jute holders have been encouraged to hold on to their stocks by the uncertainty shrouding the prospects for the next jute

As the trend of shipment revealed an improvement in the case of Hessian, this section ruled steadier. Shipments of sacking, however, continued to be disappointing and this factor was responsible for the quiet tendency in this section. The closing rates for the day were as follows: Hessian 40" x 10 oz Ready Rs 39.65, B Twills Rs 99.35; July-Sept Hessian 40" x 10 oz Rs 39.95 and B Twills Rs 100.65.

With the release of stock figures for the month of March, sentiment steadied up especially around hessian as hessian stocks were 2,700 tons lower. Hessian 40" x 10 oz Ready advanced to be finally placed at Rs 40 while B Twills was slightly better in sympathy with hessian at Rs 99.50. Elsewhere Hessian 40" x 10 oz July-Sept was placed at Rs 40.10 with sacking at Rs 100.75.

The raw jute market ruled steady and unchanged throughout the week. Assam Bottoms was quoted at the end of the week at Rs 25 per maund for April-May Shipment.

In the futures section, a steady undertone was noticeable. Hessian May Opened on Monday at Rs 39.76 and after touching a high and a low of Rs 39.84 and Rs 39.64 respectively, closed the day at Rs 39.80. The opening on Tuesday was somewhat subdued at Rs 39.72 and trading during the day was on a subdued tone with the range of fluctuations between Rs 39.76 and Rs 39.68. The closing was steady at Rs 39.76. An improved tone was noticeable on Wednesday and the highest level touched was Rs 40.14. The lowest was Rs 39.80. The day's opening and closing rates were Rs 39.80 and Rs 40.06 respectively.

Sacking May opened steady at Rs 100.05. After touching a high and a low of Rs 100.25 and Rs 99.65 the contract closed quietly steady at Rs 99.90. The range of fluctuations on Tuesday was between Rs 99.80 and Rs 99.50. The closing rate was Rs 99.60. The opening on Wednesday found the rate considerably lower at Rs 99.35. This was also the lowest rate touched during the day. In later dealings the rate improved to touch a high of Rs 100.10 but by close was pushed down to Rs 99.90.

Raw Jute June ruled steady throughout. The contract opened on Monday at Rs 26.30, touched a high of Rs 26.40 and closed at Rs 26.38. The lowest touched was Rs 26.14. On Tuesday the rate fluctuated between Rs 26.24 and Rs 26.12 to close at Rs 26.18. On Wednesday it was done between Rs 26.38 and Rs 26.10 to close steady at Rs 26.30.

A significant feature of the trading in the jute markets during the past few weeks is the comparative steadiness of raw jute. It would appear that raw jute holders have been encouraged to hold on to their stocks by the uncertainty shrouding the prospects for the next jute

crop. The general idea seems to be that the supply position may not be quite easy toward the end of the current season. The price level in the futures market for both the June and September contracts are above the Rs 26 mark. In Thursday's trading Raw Jute June was done up to Rs 26.62 with the September contract wanted up to Rs 26.25. In the other market Assam Bottoms April-May delivery was done at only Rs 25 per maund. Evidently operators in the futures section are influenced by the expectation that the supply position from June to September will be rather tight. The weather conditions seem to have been largely responsible for this kind of reasoning. It is said that though there have been occasional showers in the jute growing areas in the past few weeks, rainfall has not been quite satisfactory. In this regard it is naturally remembered that last year the crop had been delayed because of the late onset of the monsoon. It the monsoon is again late, then there may be some difficulty for mills in obtaining the required quantity of the raw material during the early part of the next season.

PRICE TRENDS.

	Week's Opening	Week's Closing
Hessian:	Rs.	Rs.
40" x 10 oz. Ready	39.56	40.00
July-Sept.	39.86	40.10
40" x 7 1/2 oz.	29.80	29.85
Sacking:		
B Twills: Ready	99.00	99.50
July-Sept	100.85	100.75
Heavy Coes Green	99.25	99.75
Cornacks	100.25	100.00
Oubans	124.50	125.00
A Twills	120.00	120.00
L Twills	113.50	113.00
D. W. Flour	118.00	118.00
Sugar Bags	111.00	112.25

FUTURES TRADING.

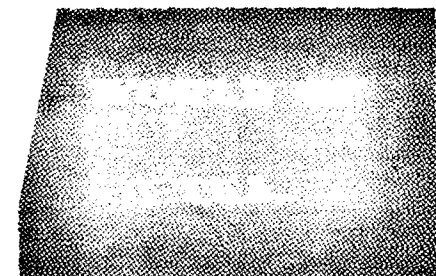
(Week Ending 10th April, 1958).			
STANDARD CONTRACT No. I.			
Hessian Cloth—42" x 10 oz. per 100 yard.		May 1958	
		Rs. n.p.	
Opening	...	...	39.76
Highest	...	...	40.24
Lowest	...	...	39.64
Closing	...	...	40.12
		May 1958	

STANDARD CONTRACT No. II.

Sacking Bags—B. Twills 41" x 26 1/2" x 2 1/2" lbs. per 100 bags.		May 1958	
		Rs. n.p.	
Opening	...	...	100.05
Highest	...	...	100.45
Lowest	...	...	99.35
Closing	...	...	100.15

STANDARD CONTRACT No. III.

Raw Jute—Upper Assam White Bottoms per maund.		June 1958	Sept. 1958
		Rs. n.p.	Rs. n.p.
Opening	...	26.30	26.15
Highest	...	26.62	26.25
Lowest	...	26.10	26.85
Closing	...	26.42	26.00



Keen Demand in Export Auctions

THE keen demand in Export auction continues; and it is now more than likely that there will be nothing left of the 1957 crop when the auctions for the current season come to a close by the end of this month. There has been a strong and general demand for Plain and Medium Broken, while the Commonest sorts are well supported by local buyers.

In Mining Lane, however, the indifferent demand and lower trend for Plain teas is generally ascribed to the adequacy of supplies of these grades. It is thought that the downward movement would have maintained itself earlier had it not been for the trouble in Indonesia and the irregular arrivals of Ceylon teas because of the labour troubles in the Colombo Port.

Meanwhile, it is officially announced that the export of Dust teas will be allowed under licence without being required to be cover-

ed by export quota rights. Applications for such licences are, however, to reach the Tea Board's office in Calcutta or Cochin, as the case may be, before the 31st October.

In the Export Sale held in Calcutta this week, offerings consisted of 58,325 packages. The strongest feature of the sale were the "teas for price", which were from 6 to 10 nP per pound dearer, while Common and Medium BPs and Fannings were from 4 to 6 nP dearer. There was also keen competition for Medium Orange Fannings and these were generally considerably dearer, while the BOPs with good cup quality were sought after; but the Low Medium descriptions with indifferent liquors were often easier.

The CTC teas, on offer, especially the poorer kinds, met with good competition and were as much as 20 nP per pound dearer. Legg-cut teas, except for the best, tended to be easier and were sold at 5 to 10 nP below valuations. Whole Leaf grades were again well supported and those with good leaf appearance were sold about 10 nP above last rates. There was comparatively little demand for the few lines of Tippy sorts on offer and these were sold at a discount. Following rates were quoted:—Clean Black Pekoe Rs 2.30 to Rs 2.35; Plain Broken Pekoe Rs 1.50 to Rs 1.54; Plain Fannings Rs 1.64 to Rs 1.68; Medium Broken Pekoe Rs 1.62 to Rs 1.66; Medium Fannings Rs 1.78 to Rs 1.82; Best Assam CTC BP Rs 2.60 to Rs 2.80

and Best Assam CTC Fannings Rs 2.80 to Rs 3.00.

In the Internal Sale, offerings consisted of 18,464 packages of Dusts for which there was a good general demand. Orthodox descriptions with a clean leaf appearance were firm and sometimes up to 6 nP per pound dearer and even more at the close, especially for the powdery kinds and where quality showed some improvement. CTC Assams were in good demand, especially the smaller powdery types and those with improving liquors, which were generally sold at dearer rates.

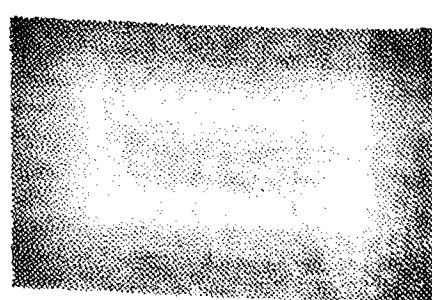
Darjeeling Dusts were a weak feature of the sale and there were occasional withdrawals, too. Following rates were quoted:—Medium Doars Dusts Rs 1.66 to Rs 1.60; Medium Assam Grainy Dust Rs 1.60 to Rs 1.64; Medium Assam CTC Dust Rs 1.85 to Rs 2.05 and Best Assam CTC Dug; Rs 2.75 to Rs 3.05 (nominal).

Also, 6,029 packages of Leaf grades were offered for internal consumption. There was a strong general demand and prices were often considerably dearer.

In the Export Quota section, the price of Special Export Licence was initially 3 nP per pound and steadily hardened to 4½ nP at the close. Likewise, the rate for non-transferable Shipping Licence hardened from 2 to 3½ nP per pound.

In the Cochin market, offerings were 1,550,000 pounds for export. Quality continued to be very useful. There was a large quantity of Nilgiri teas on offer. The sale opened against a good but irregular demand. In the absence of Russian buyers operating, best quality teas declined by 25 to 50 nP per pound. Good Mediums were, however, strong and dearer. Medium descriptions met with less competition and were barely steady. Low Medium Broken were easier; but similar coloury Fannings were dearer. Whole Leaf grades were difficult to sell. Following rates were quoted: Plain Broken Pekoe Rs 1.45; Low Medium Rs 1.55 to Rs 1.90; Medium Rs 1.90 to Rs 2.20; Good Medium Rs 2.40 to Rs 2.90 and quality Rs 2.80 to 6.00.

In the Colombo market, offerings were 6,712,714 pounds with quality frequently showing some improvement. There was a good demand for Nuwara Eitya teas. Broken grades were selling at or about valuation; but Pekoes were slightly easier. There was also good demand for high-grown teas at fully firm rates for the better sorts with prices following quality. Medium-grown teas showed an advance of 5 cents per pound. Demand for low-grown teas was, however, quiet. Small Leaf Broken were 2 to 5 cents easier, while Bold leaf Broken were often 10 to 20 cents lower. Fannings were sold at firm rates although plainer sorts were occasionally easier. There was a good demand for off-grades at firm to dearer rates except for poor stalky broken mixed.



US Notes

THE old saying, the "administration proposes, Congress disposes" has been given a novel twist this year. New forces have changes and, in fact, are still changing the complexion of the current legislative session into something quite different from what Congress itself had set out to make it.

The business downturn has spurred both the White House and Capitol Hill into a multitude of actions that are turning this second session of the 85th Congress into one of the busiest in many a year. By the time Easter recess rolls around (on April 3rd), the number of bills passed in the 13 weeks since the national legislature opened is likely to be as great as is normal for a full session. And after the recess which is usually a breathing spell for hard working law makers, the tempo—already resembling the yearly adjournment spurt—is hardly likely to lessen.

By mid-April, new economic statistics will either strengthen the administration's view that the depth of the business downturn has been passed, or fortify the argument for an invigorating tax cut. Mutual aid, reciprocal trade and other controversial issues will begin to crowd the legislative calendar. And lest Congressmen succumb to the illusion that there couldn't be anything new under the sun, they were promised this week by the President legislative proposals dealing exactly with what is new under the sun, namely with the exploration of outer space.

Two types of proposals are in the making: One for setting up national programme for space exploration; the other for setting a national agency, under civil control, to direct government activity in space.

The foundations for a space programme were laid this week in an extraordinary report by those scientists who constitute the President's Scientific Advisory Committee under chairman J. R. Killian; former President of Massachusetts Institute of Technology.

The report is a remarkable ment. Wholly free of governmental or scientific ABCs of outer space, it is able primer on man's into cosmos. Yet at the Mr Killian and his manage to outline the problems that must be

a national programme of space exploration—all of which is part of the report's extraordinary character.

For its unspoken, but self-evident purpose is to make space understood by the average citizen. Its underlying assumption is that space is now as inevitable a topic of national policy as are taxes and defence, and that the voter therefore must become acquainted with that new realm of knowledge that concerns space and will more and more enter into important national decisions.

The report charts, but it also debunks some utopian ideas. It actually foresees "contacts" with Venus, Mars and the Moon, even trips to the Moon. But those wild estimates, recently current, of a trip to the Moon within the decade are cold-shouldered by the Killian group. So are atomic explosions on the Moon.

Space satellites, on the other hand, are foreseen to become everyday affairs soon and to serve radio and television as well as weather and a new type of earth observations.

While all these things are of partial military value, and while intercontinental missiles would, of course, travel through space, the most intriguing bit of debunking presented is exactly in the field of military space utilization. The Killian report bluntly dismisses another set of wild speculations of recent date, namely those on rocket launching sites on the Moon or on man-made satellites. Such methods would be "clumsy and ineffective," as the report clearly demonstrates.

Setting out to bring space, figuratively down to earth Dr Killian has come forth with a thoroughly realistic appraisal of the space age. Fortunately, the very realism makes the report the appraisal of a promising rather than an awe-inspiring future, probably a most welcome change for Congressmen who have to deal with space legislation.

★

United States public and private programmes aiding the economic growth of developing nations were outlined Thursday by Assistant Treasury Secretary Tom B. Coughran.

US efforts in this field, Coughran told a meeting of the League of Women Voters, help bring about an improved world-wide economic picture and help provide the people of new nations with the "magic ingredient" of hope—hope that carries with it "the spirit, the strength and the will to meet difficulties and surmount them."

Coughran noted that US programmes, both public and private must necessarily be shaped by the need to "balance pressing demands from abroad with the capacity of our people to provide savings to finance both domestic and foreign investment."

He said that there are "four broad ways" in which US savings

are used for economy-spurring investments abroad.

First, he said, are the private investments—such as those made, by the oil companies, automobile manufacturers and hundreds of other well-known American firms as well as purchases of foreign securities by American investors and loans by American commercial banks.

Second, there are "the loans repayable in dollars, extended by governmental and inter-governmental institutions such as the Export-Import Bank and the World Bank."

Third, there are "loans repayable in local currencies, such as those extended by the new Development Loan Fund."

And fourth, "agricultural sales against local currencies, such as those made by the commodity credit corporation under Public Law 480."

Coughran noted that he had not attempted to cover in these categories "the grants of economic assistance which we have made and which we will continue to make in some areas."

As to private investment he noted that "United States investors added to the value of their investments abroad about \$4,000 million in 1957 and about \$13,500 million in the five years just passed. The value of private investments abroad reached a total estimated at roughly \$37,000 million at the end of last year...."

As to the Export-Import Bank, Coughran noted that "since 1934, the Export-Import Bank has made loans of more than \$7,500 million, most of which has been important in economic development overseas."

The World Bank, he continued, has, since 1946, "loaned a total of \$3,400 million...."

Turning to "the newest technique" in providing financial aid to new nations—the Development Loan Fund—Coughran said:

"The Development Loan Fund has been in operation only a few weeks and has already committed in excess of \$100 million in loans.... The Fund is currently operating with a capital of \$300 million appropriated for fiscal year 1958. It is hoped Congress will include \$625 million additional.... for fiscal 1959."

★

Britain

A world obsessed by fear of war is inclined to view the United Nations in the stark terms of its ability to preserve the peace. We view it either with despair, as the sad mirror of our conflicts and obsessions—or with hope, as the prime international instrument of peace.

Often these preoccupations make us forget that the United Nations has other important tasks, and that its members bound themselves in its Charter to take very specific

measures in many different fields, in conformity with the spirit of common responsibility which is the basis of the Charter.

An excellent example is Chapter XI, concerned with the dependent peoples of the world and the responsibilities of the countries which administer them. Communist propagandists may describe such countries as "imperialist-colonialist exploiters".

Article 73 of the United Nations Charter describes them more gently—and much more accurately—as "members of the United Nations who have, or assume, responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government".

In Article 73, the administering countries recognize the principle that the interests of the inhabitants are paramount, and accept as a sacred trust the obligation to promote to the utmost their well-being.

They undertake to ensure the political, economic, social, and educational advancement of the dependent peoples and to assist them in the progressive development of their free political institutions.

In addition, the administering Powers have accepted the obligation to transmit regularly to the Secretary-General of the United Nations, for information purposes, information on economic, social, and educational conditions in the territories for which they are responsible.

One such report, by the British Government on its dependencies, was issued by the United Nations recently. It is stuffed with figures for the edification of experts, and plainly not intended to appeal to a wider public.

In fact, the statistics hide a story of drive and progress in the economic and social development of the British dependencies in the last 18 months. Take, for instance, the section marked "Public Health".

Typhoid fever, it says, has been arrested in the territories where it prevails, such as Kenya and Hong Kong. Sleeping sickness, although a constant threat in tropical countries, has been controlled in East and West Africa. Success has also been achieved in eliminating the mosquito that carries yellow fever. It is a story of the opening of new hospitals, the extension of existing ones and, above all, of the training of personnel to carry out medical and welfare work in the British dependencies.

If disease must be conquered before peoples can advance, so also must poverty. The economic sections of the report describe striking progress in this field as well. The main effort since the war has been directed to broadening the economies of the territories, so that prosperity no longer depends on a single crop or service.

But before wealth can create wealth, much capital must be invested in communications, agricultural research, and then in factories and other installations. The

report states that during the year 1956 about £470,000,000 was invested in capital assets in the British dependencies, and this annual investment was 75 per cent higher than that in 1948.

The report draws the conclusion that of this sum, about £350,000,000 a year now comes from local sources, which is a measure of the increasing prosperity. During the year there were increases in cocoa and cotton production, more cement was produced in Kenya and Uganda; more clothes, plastics, and carpets in Hong Kong. A new copper smelter and a textile plant were opened in Uganda. Development plans in many territories are in full swing, assisted by United Kingdom Colonial Development & Welfare grants.

Although at first sight this report may look a little like a nurseryman's catalogue—which is intelligible only to the gardener—it certainly shows that the British dependencies are healthy plants, and making good progress. It shows, too, the importance Britain attaches to her undertakings in Article 73 of the United Nations Charter to promote to the utmost the well-being of the inhabitants of her dependent territories.

Coal-washing plant for the State mines near Durgapur, West Bengal, where a steelworks is being built by a consortium of British firms, will come from a United Kingdom firm which helped to equip Britain's own biggest coal washery and recently completed a 125-ton-an-hour plant for an Australian colliery.

The firm (Automatic Coal Cleaning Co. Ltd., Carlisle) is designing and making the coal-washing installation for the State mines near Durgapur on behalf of Simon-Darves Ltd., of Stockport, Cheshire.

This will be the second plant made in Carlisle for India in recent years. The first went to Lodna colliery, in Bihar, and was India's first jig washer. This washery was erected by local colliery labour under the supervision of a Carlisle engineer and was completed in five months. The plant is reported to be working very satisfactorily.

The Carlisle firm supplies plants covering the whole range of coal washing from 30 to 400 tons an hour on a single unit. The biggest plant in Britain for which the firm supplied part of the equipment is at a colliery near Rotherham, Yorkshire, and has a washing capacity of 1,320 tons an hour. The firm's plants are installed in many other British and overseas coalfields because of the need to get the best use from coal.

Supervisory posts with the Durgapur steelworks are awaiting several young Indian engineers now in training, under the Colombo Plan, with steel companies in the United Kingdom. At present junior engineers or graduate apprentices with Huddersfield Steel (Private) Ltd., their year of training will involve hard practical work with firms long famous in the British steel industry.

actively yours

Cash in hand is idle money, and idle money is the devil in the price spiral. Money put in a banking account, like energy harnessed, is actively helping the National Plan, yet all the time remaining yours.

readily yours

Money lodged with a Bank holds in reserve your purchasing power readily available for judicious spending.

faithfully yours

Money transactions through a banking account are faithfully recorded in all details, sparing you a lot of worry and bother.

ALWAYS AT YOUR SERVICE

United Bank of India Ltd.

HEAD OFFICE: 4, CLIVE STREET, CALCUTTA

Namaste, Bhai Sahib !

I am very glad to welcome you back from your tour, Bhai Sahib, and thank you very much indeed for visiting the tea gardens, our factories, sales depots and dealers. I hope you found it all interesting.

Very interesting, Shri Chairman ; I learned a great many things about the Tea Industry ; how it employs a million people and earns crores for public revenue and vital foreign exchange.

What impressed you most, Bhai Sahib ?

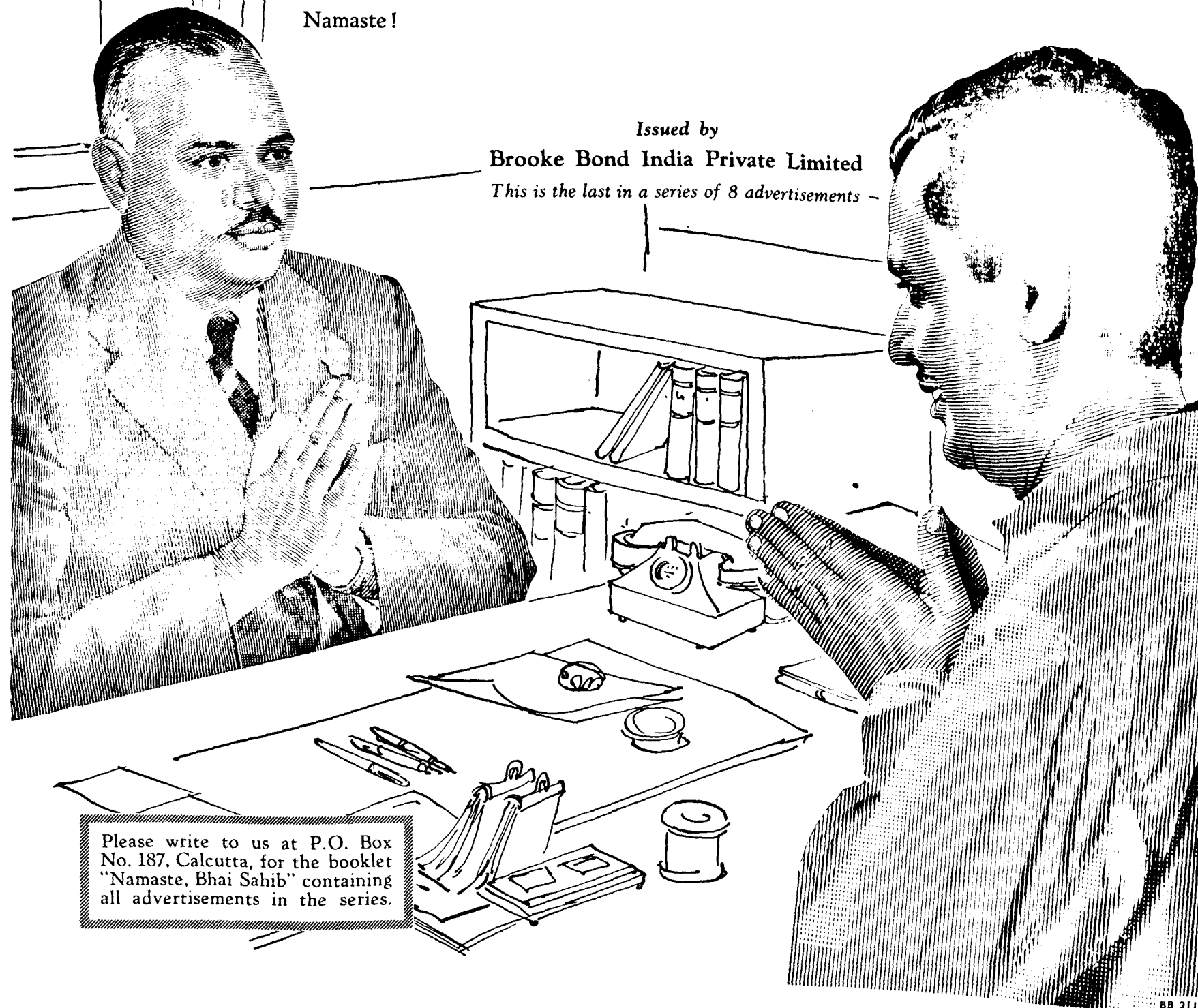
Its complexity, Shri Chairman. What a vast organization stands behind a simple packet ; and the care you take in selecting teas and packing them hygienically and the efforts Brooke Bond put in to make certain that their packets reach every shop really fresh. I look forward to telling all my friends about it.

If you get any queries you can't answer, Bhai Sahib, don't hesitate to write to me about them.

Thank you, I will.

Namaste !

Issued by
Brooke Bond India Private Limited
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April 12, 1958



IN tabulating last week the foreign assistance that we have so far secured, or that has to date been promised, I had suggested that the foreign exchange gap as originally conceived by the Plan-ners had been more than covered. I went on to add that, if we had regard for a few seeming imponder-ables, but not for that reason falling outside the scope of our legitimate expectations, even the enhanced foreign exchange gap constituted by the Indian Finance revised estimates of 1956 would not present any difficulty. I should here like to take up for examina-tion one of these imponderables, the fruits of Export Promotion, which I thought last week could be counted upon to yield an addi-tional Rs 100 crores over the Plan period.

At this stage, it is worth re-marking that, if the foreign ex-change content of the Plan appears now largely to be vouchsafed, such a happy result is not due to any strenuous efforts on our part: what energy we have bestowed on this matter has been restricted to the institution of negotiations for obtaining an appreciation of our difficulties by foreign countries, and succeeding in eliciting from them a material expression of their appreciation of India's predicament. I do not mean to belittle the statesmanship that has gone into the discussions that have been carried on with foreign countries. Indeed, this is the proper juncture at which we should render unto Mr T. T. Krishnamachari the immeasurable debt that this country owes to him for courageously and competently presenting India's case to such effect as to have triumphed in bridging the foreign exchange gap for the Second Plan. This is also where we should appositely express our gratitude to our friends overseas, who have had the unstinted generosity to come to India's assistance at a time when many of them have been facing internal economic problems of their own. But it would be disastrous if the assurance of foreign assistance on an adequate scale were to make us so compla-cent as to disable us in our own strenuous endeavours at self-help. The academic view seems to be that, in the present day world conditions, an underdeveloped country can make no headway in

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

its programmes of industrialisation without a substantial modicum of foreign aid. In my own reading of not only India's potential but proved wealth, I for my part am quite unable to accept such a thesis. For, there is about foreign assistance a certain debilitating influence which can do irreparable damage to our desire to work out our own destiny. Unaided by inner moral compulsion of the desire to stand on one's own legs, foreign assistance can demoralise us completely by destroying al-together the wholesome attribute of self-reliance. Therefore, while I am happy that the foreign ex-change gap is being covered, the manner in which it is being done gives me moments of great uneasi-ness. I put it to the reader that the only self-respecting condition on which foreign assistance on an adequate scale can be accepted is that we should set about intensi-fying our own efforts to earn foreign exchange. Apart from the moral considerations I mentioned earlier, this effort is necessary for two reasons. In the first place, it would induce the confidence in us—that is, if we succeed in our efforts—that, while the external assistance has mitigated our diffi-culties, we were quite able to fend for ourselves. In the second place, it would be the surest indi-cation to our foreign friends that this country is determined to achieve its salvation by its own efforts, and that the foreign assist-ance that we have secured has not lulled us into the feeling that no further effort is required on our part. Export Promotion is thus seen to be at once a moral duty and an inescapable practical task. Already, two years of the Second Plan have been lost, with nothing much to show for it. If the whole economy, in the current jargon, has been passing through a crisis of development, the phrase for the crisis in export promotion is a crisis of paralysis. It is time we shrugged off this paralysis, and prepared ourselves to shoulder something of the responsibilities in the sphere of foreign exchange resources.

In brief terms, it is essential that we set out to achieve a target of Rs 100 crores as additional earnings by Export Promotion, as against a total foreign exchange gap of Rs 1500 crores for the

Second Plan. This is the least we could do for the sake of self-respect. Personally, I would rather that this target was much higher. But, two years have been lost, and realism demands that we scale down our objective to Rs 100 crores. Now, it is no good our taking up a freshly sharpened pencil and a piece of blank paper and proceeding to allocate, as it were, certain arbitrary targets for increased exchange earnings. It is important that the schemes of Export Promotion are practicable. In this light, it is necessary that we have regard for the four criteria which should be satisfied in respect of any commodity whose export we wish to intensify. These criteria were drawn up by Dr D. Bright Singh in a special article in Indian Finance a few weeks ago. The criteria are:

"In the first place, the expan-sion of such industries and the increased exports of their prod-ucts should not seriously affect the pattern or level of domestic consumption."

"Secondly, the expansion should be easy in the sense that it should not involve very much strain on the economy or violent transfer of resources from other industries in the country."

"Thirdly, it is necessary that the exports should have an expanding foreign market."

"Lastly, the prices of the commodities exported should, on the whole, be free from violent fluctuations."

Dr Singh had, in particular, studied the applicability of these criteria to India's "staple" exports of tea, jute goods and cotton tex-tiles. I agree that these are the three most obvious commodities in which we could usefully strive to increase exports. As Dr Singh remarks, "it is not likely that increased production of tea would affect output in any other industry including production of food crops." Largely speaking, there-fore, tea satisfies the four condi-tions, but a fifth in this case is that the price at which tea is available to the overseas customer should be attractive enough to induce him to increase his con-sumption. This fifth condition un-fortunately does not prevail. Far from any expansion in export, India is experiencing a decline in

the offtake of common teas. So much so that the internal price stability is being adversely affected. Government would appear to be quite aware of this sorry state of affairs, but the hint by Mr Morarji Desai, Finance Minister, that some relief is proposed to be given to common teas is not enough. Time is a-wasting and the sooner that the export duties on common teas are reduced, the earlier would India in practice have instituted export promotion in tea. As for jute goods, Dr Singh remarks that "methods of increasing output sub-stantially without much adding to the capital stock are to be found". But it has been the fourth condi-tion that jute goods have been re-currently unable to fulfil. Prices of jute goods have been anything but stable in recent years. The fluctuations have done little good to anyone, except perhaps to the substitute packaging material in-dustries in other parts of the world. Now, however, with the inaugura-tion of a futures market for jute and jute goods, I am hopeful that we shall be seeing the beginnings of practical Export Promotion in jute goods. Lastly, Dr Singh has stated that it is "possible to find an expanding market for the tex-tile manufactures of India in many of the underdeveloped regions of Asia and the Far East which are industrially less advanced than India". But the trouble has been that we have so much of a para-doxical situation in regard to cot-ton textiles. On the one hand, the necessity for augmenting employ-ment opportunities compels us to accord favourable treatment to the handloom sector. On the other hand, the increasing purchasing power in the country has to be discouraged from absorbing fully any increase in the production of the organised mills sector, since it is desirable to have a larger quan-tity available for export. In effect, to both these ends, the excise duties on mill made production have un-fortunately tended to rise. An over correction in respect of dis-couraging consumption has lately induced the Government to effect a reduction in some of the excise duties. In this sphere, Export Pro-motion would lie in a total relief from excise duties in respect of all exports. I know that the industry was permitted to instal a certain number of automatic looms, on condition that the production there-from was to be kept severely apart

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&
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for export; hence penal excise duties were to be levied on such production thereof as was sold in the internal market. All this is not enough; what is required is drawback of excise duties, to the full extent of the imposts, on all exports.

Over and above the so-called three traditional exchange earners, there is a fourth, which Indian Finance has reiterated suggested as being the most important and hopeful source of future foreign exchange earnings. This fourth item is iron ore; and the Indian Finance revised Plan estimates of November 1956 placed the additional foreign exchange earnings from exports of iron ore at Rs 125 crores over the Second Plan period.

That target is still within our capacity to achieve, but I am deferring to the next week a fuller consideration of what exactly iron ore means. It has a much larger significance, as I shall show next week, than mere foreign exchange earnings.

I had expected to write this week about the departure from this country of Mr Alexander Izat on his retirement from the Allahabad Bank, but I had not anticipated that my task would also be to record his journey to a country from whose bourn no traveller returns. One day after he had formally relinquished office as Allahabad Bank's General Manager, and three days before he was due to leave for home, death

struck him down with awful suddenness. So has been heightened the shock and the tragedy, and for my part the feeling of desolation is the more. Less than a week before he died, Mr Izat had the kind thought to express his appreciation of what he called "the progressive success of Indian Finance which is now well established as one of India's leading financial publications". Mr Izat was thus not merely my personal friend, but one who identified that friendship with this journal. So, it is entirely correct to say that I feel a personal sense of sadness. But then, who are we to question the will of God? Perhaps, it was thought fitting that Mr Izat, who had spent long years in the service of Indian banking, should lay him-

Indian Finance

self down to sleep in the adopted country of his work. I shall miss him.

Another good friend that Eavesdropper has had retired recently from India. Mr R. E. Castell, who had headed the two Binnys Mills, last week left Madras for good. I wish I could relate here the personal anecdote or two that is customarily part of the scribe's chore on such an occasion as this. But the camaraderie which existed between Mr Castell and me was one in which we did not frequently meet. Mr Castell, away from his country, was in Madras most of the time; and I, away from mine, had Calcutta as my headquarters. But when we did meet, we found pleasure in each other's company, and the relationship was enriched by the high regard and respect in which we held each other. Mr Castell, too, always showed an abiding interest in Indian Finance and its progress.

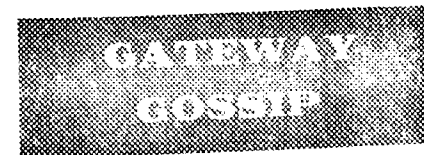
In this wise has this Journal, during the last week, lost the intimate association of two of its earliest supporters.

There is a third personality to whom India will be bidding goodbye. Mr W. R. Davis, MBE, is to leave India after a quarter century of yeoman service to the Metal Box Co Ltd, and hence to the cause of packaging in this country. Mr Davis, who has been a Director of Metal Box since 1951, has been the Technical Director and Chief Engineer of the Company, but it was inescapable that a man of his experience and knowledge would not be allowed to efface himself completely from his professional chores. For, Mr Davis has to his credit a long 40 years in the packaging industry, and, when he goes to England, he is to take up the management of the Metal Box Company Limited's new production development factory at Swindon. Mr Davis represents an example of the indispensability of the technician, for, it is generally known that, in the phenomenal progress in the development and mass manufacture of a very wide range of containers, Mr Davis has had a central responsibility.

If the exit from the Indian scene of three personalities is slightly less than cheering to write about, I am happy to be able to end on a more pleasant mood. Mr M. J. McLaren has assumed charge of the General Managership of the Allahabad Bank Limited and I welcome his appointment as an eminently suitable successor to the late Mr Izat. Still a young man, Mr McLaren has nevertheless ripe knowledge of Indian conditions. He has a keen and alert mind, a courteous manner, a quick grasp of the fundamentals in banking problems and exudes an air of charm. Under Mr McLaren, the Allahabad Bank Limited should notch up, in the years to come, further fine service in the cause of Indian banking.

EAVESDROPPER

April 12, 1958



THE non-availability of imported shaving blades and the echo heard in Parliament in this regard recently go to indicate the growing complexity of living in comparatively under-developed countries also. There are quite a few such articles which have usurped a place in the daily routine of civilised people. Some of them have got in because of the peculiar conditions of urban life while others have been adopted as a result of the impact of modern ideas. Be that as it may the fact remains that these articles have become inevitable adjuncts of modern life. The list is much longer in Western countries where modern ideas of living have a wider scope on account of the high standard of living.

A natural corollary to the multiplicity of needs of civilised people is the growth of industries which produce consumer goods. Being a lucrative field, the number of manufacturers of every one of these items is so numerous that the poor consumer often finds it quite a job to make up his mind. By and large, however, the individual forms a slightly higher preference for a particular brand than for others and usually goes in for them. But no satisfactory answer will be forthcoming to the poser what has made the individual give his vote for a particular brand. The truth of this statement will become evident if one addresses the question to oneself and tries to frame an answer.

In such a highly competitive field, the consumer goods manufacturers have to be ever active and vigilant if they are not to lose ground. The articles they want to sell have to satisfy many conditions before they can gain a fairly stable place in the housewives' list. A glance at a newspaper, a drive round the city, a visit to an exhibition of consumer goods, a visit to the picture house and a general observation of things in our environment will give us a fair idea of the wide variety of methods adopted by the manufacturers of consumer goods to put themselves in the good books of the general public.

Some time ago I had to go to a far off village all of a sudden without any preparation for the trip. For the first few days I was completely paralysed as I missed quite a number of items like my favourite brand of toilet soap, toothpaste etc. The brief sojourn has served to remind me that several items of consumer goods have become part and parcel of city dwellers. With my attention thus having been only recently focussed on consumer goods of every day use, I read the speech of Mr S. H. Turner, Chairman of the Hindustan Lever Limited, at the annual general meeting of the shareholders of the company with

Marketing Research

more than usual interest. I dare say it has been quite rewarding in that it has revealed to me that selling a product, however good it may be, is no easy matter. But for his occasional reference to his company's products, Mr Turner's speech is a layman's guide to marketing research as applied to the business in consumer goods.

Marketing research plays a vital role in the development of the business of Hindustan Lever. "All our decisions on the improvement of existing products or the development of new ones, the adoption of new selling methods and the application of new advertising techniques are the more effective for being taken in the full and intimate knowledge of our markets, which continuous research into these markets is designed to provide."

The primary task of the manufacturer is to find out how he can make his products acceptable to the greatest number of people for the simple reason that mass production is an effective method of ensuring economical working of his enterprise. Hindustan Lever does this by choosing a representative sample of the general consumer public in the country and questioning them on their opinions about their preferences. The task is not as simple as it appears to be. For a good deal depends on the type of questions put. Mr Turner points out that "the framing of our questions to ensure that the respondent is not tempted to disguise his true feelings calls for great skill". He gives a number of examples to prove the difficulties in the way of framing questions. For instance, the toothpaste manufacturers in the foreign country referred to by Mr Turner would have found themselves in an unenviable position if they had increased their production on the basis of the claim made by the consumers. In this instance it has been found that if everyone cleans his teeth as frequently as has been claimed the supply of toothpaste in the country will have been found to be much less than the demand. It is evident therefore the task of getting at the general preferences requires new techniques and Hindustan Lever has devised and is consistently devising new methods such as informal meetings of groups of housewives etc. The aim of the various methods is to pierce the "shynesses, reticences, resistances and subconscious blocks" and get at the factors influencing the decision in buying a product. It is interesting to note that marketing research has shown that factors which have nothing to do with quality, price or other characteristics of the product concerned also influence its sale. For instance it has been found that "women are quite allergic to advertising that sug-

gests that some new product will save them a lot of time in the kitchen because they feel that is the capacity as home-makers that gives them their prestige in the family; if making a home is made too easy, what will happen to the respect their husband and children feel for them?" Similarly it has been found that many of the prejudices against Dalda stem from factors which have nothing to do with the product at all.

Marketing research thus gives a fairly reliable idea about the prospects of the products in various regions, the consumer preferences, habits and attitudes. The results naturally influence greatly the decisions on the marketing side. Research enables the company to know the shape of the market and a clear picture of the market for its products is also made readily available. The company knows the region wise sale of its various products, and also knows why such and such a product is strong in a particular region. The research results will enable the company to carry out the necessary adjustments in its distribution and advertising. Mr Turner, however, points out that Marketing Research is not a panacea for all the problems of the sales department. He illustrates this by pointing to the difficulty in designing a toilet soap which will satisfy all the preferences. Marketing research has shown that "when people buy a toilet soap they look at almost anything except its capacity to clean—the luxury of its appearance, the purity of its colour and above all, the pleasantness of its perfume". It has been found that is beyond marketing research to define each and every one of the preferred qualities in clear-cut terms. In such cases it has been necessary to supplement the findings of marketing research by personal judgment.

Social and economic changes also play an important part in shaping the business. The manufacturer has to keep in close touch with these changes because these bring in their wake new communities wanting its products. Marketing research coupled with a study of the social and economic changes is also essential for the continued prosperity of the concern. The manufacturer must not only be vigilant about current needs but should ensure that his products are dynamic in the sense that they incorporate from time to time the changes in the changing consumer requirements and habits.

Market research plus personal judgment gives a fair idea of the product that is required. Then an article is produced incorporating all the desired features. But the main task will still remain to be done. It will be no good unless it is bought by a large number of

people. The public must be told that the product is exactly what it has been waiting for. It is of course essential that the manufacturer is satisfied that his product "will both do a good technical job and will also satisfy the desires, or prides which the public wants it to satisfy". The job of telling the public is most efficiently done by advertising as Mr Turner says "all consumer goods manufacturers must spend a lot of money on advertising, particularly in India, where advertising has not only the task of trying to sell a particular brand of product against its competitors, but may often be required to introduce the product-type as one which is a necessary part of a higher standard of living".

One of the main functions of marketing research is to find out why people buy and what influences them in their choice, as the success of the other steps and ultimately the success of the concern itself depends on how correct is its answer.

In view of the limitations of the direct methods of questioning the consumer to provide all the required answers, Hindustan Lever carries out widespread product tests before launching a product. Starting with the results obtained from Marketing Research, the company draws up a list of the qualities which approximate to the preferences of the public. Then sample products with the alternative qualities are prepared and tested.

Marketing Research has shown that there are no hard and fast rules governing the sale of a product. A product is bought sometimes to regale the consumer's resentment against "a world which is narrower and more difficult than it was before the war". And again there is the case of the housewife who is prejudiced against a product for a quality which the manufacturer thinks should qualify it for universal acceptance. The manufacturer may also be misled sometimes by some generally held beliefs. It is often found that a product which is expected to be popular with a certain section of people goes almost unnoticed by that section but is preferred by another section with whom its sale prospects have not even been considered by the manufacturer.

Marketing research techniques can also be applied with profit in directions other than sales promotion. They have been found useful by Hindustan Lever in arriving at a rough idea about the size of the groundnut crop which has an important bearing on the raw material cost of the company from year to year. As official estimates are usually available quite a considerable time after the start of the buying season, the company's own assessments of the crop provides a valuable guide to its buying policy of groundnut oil and seed.

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Cotton Textile Industry



The enthusiasm with which the recent announcement regarding the reduction of the rates of excise duty on all varieties of cloth has been greeted seems to have yielded place to guarded optimism in the past few days. While the concession has been generally hailed as timely help to the long suffering industry, there is a section of opinion which has been maintaining that further help will be needed to put the industry on an even keel. Such a view seems to have gained further strength during the past few days because offtake of cloth has not yet recorded the expected improvement. In this regard it is also to be noted that the reduction of excise duty cannot be considered to be the panacea for all the troubles of the industry.

Delivering the presidential address at the annual general meeting of the Ahmedabad Mill-owners' Association last Saturday, Mr Arvind Narotam has indicated the other outstanding problems confronting the textile mills in Ahmedabad in particular and the cotton textile industry in general. Mr Narotam thinks that the reduction in excise duty ought to prove a turning point for the industry but he has also pointed out that if by any chance the expectations as regards disposal of stocks do not materialise it will be incumbent on Government to adopt such appropriate measures as will firmly check the crisis in the industry.

That the crisis in the industry has stemmed directly from the steep increase in the excise duty in September 1956 is now accepted even by Government. The resultant high price of cloth met with stiff consumer resistance which was aided to some extent by the rise in prices of foodgrains. In the past fourteen or fifteen months there has been a steady deterioration in the position of the industry. The stocks of cloth with the mills have recorded a continuous upward trend. With the credit squeeze, consumer resistance in the domestic market and the severe competition in overseas markets, the majority of the units in the industry have found it extremely difficult to meet even day to day commitments. The plight of the smaller units has been pitiable and in many instances the result has been closure. Mr Narotam has said that nearly 25 mills have closed down resulting in the unemployment of about 25,000 workers. Production of cloth has also received a setback. Production of cloth in the country in February 1957 was placed at 332 million yards and "was the lowest for the corresponding month in any of the last five years".

It would appear that in the present context of the need for large funds Government will have no

other alternative but to continue the high level of taxation. Mr Nehru has made it clear that the taxation structure is inevitable and will continue to be inevitable. By granting relief to the cotton textile industry Government have shown that they are quite sympathetic toward private enterprise. But it has often happened that a relief in one direction is nullified by the imposition of other levies or the withdrawal of existing concessions. For instance after the replacement of sales-tax by excise duty on cloth, the Government of Bombay have decided to withdraw the concessions granted in respect of sale-tax leviable on raw material, machinery, packing materials etc purchased for use in the manufacture or processing or packing and to charge general sales tax on such materials. As a result, of the withdrawal of the concession the mills in Bombay have had to bear an additional burden of one crore of rupees per annum. As other units of the industry outside the Bombay State are not subject to this fresh levy, mills in Bombay State will be handicapped.

The drastic import cut has also considerably added to the difficulties of the industry. In the name of conservation of foreign exchange the genuine needs of a major industry have been grossly ignored. Authority seems to have completely forgotten that the cotton textile industry in our country can remain healthy only if it keeps in step with its development elsewhere in the world. In order to ensure this it is essential that its machinery and equipment are up-to-date. The import restrictions have rendered it extremely difficult for the industry even to obtain essential spare parts.

Sooner or later the industry has to come to a decision on the question of automation. For unless it keeps pace with the modern trends toward automation it will be left behind in the international markets. The argument that automation will result in unemployment has long been disproved. It is no doubt a matter for the amicable settlement between labour and capital but it is good for all concerned and the industry that both the parties realise the importance of an early decision on the matter.

Prohibition

Perhaps the main reason why Prohibition has been encountering severe criticism in recent years is the continued use of liquor and other alcohol preparations in Prohibition areas even though the ban on liquor has been in operation for over eight years now. It is, however, gratifying to note that the State Governments who have already ushered in this reform are firm in their resolve to continue the good work.

Inaugurating the Prohibition Week in Bombay Mr Sri Prakasa has rightly pointed out that the fact that Prohibition has failed in other countries should not discourage us in this country. For in the first place the background here is different in that that traditionally drink is considered an evil and has been held so by all the major religions of the country. Another significant factor is that intoxicating drinks have rarely found their place into the Indian home. These factors still favour the Prohibition policy. There are no doubt, a number of difficulties in its implementation. Government are experiencing difficulty in obtaining the active cooperation in the field of enforcement. It has been found that people are not readily coming forward to give information of Prohibition offences. This reluctance of the people to volunteer information has also been one of the reasons for the continued prevalence in some areas of illicit distillation.

While it is true that there are setbacks and sometimes even an increase in illicit distillation, it is not correct to conclude that the policy as a whole has failed. Leaving aside the question of addicts, it is to be noted that the younger generation has been almost completely saved from the drink evil. No one can deny the great benefits that prohibition has brought to the poorer sections of the people who were former addicts. These people who were previously frittering away almost their entire income are now able to spend their wages for the benefit of their family. Eight years of working of prohibition has shown that the enforcement of the law alone cannot bring complete success to the programme. What is required is that Government's efforts should be supplemented by a strong public opinion in favour of prohibition.

Parliamentary Democracy

Addressing a meeting of the Democratic Research League in Bombay this week, the Bhoodan Leader, Mr Jaya Prakash Narain, stated that of all the different forms of democracy, parliamentary democracy was the best in spite of its short-comings. To those who have been watching his activities, in the recent past this may seem rather inconsistent with what he had said in his earlier speech, in New Delhi, some months ago, expressing doubts about the suitability of parliamentary democracy in the country. Since then he has been considered as one among those who have been drifting away from their faith in the parliamentary system of government.

Mr Narain's specific complaint with parliamentary democracy was that it tended to stifle the growth

of the individual by its inherent tendency towards centralisation and that in its working it did not reflect the wishes of the people. Therefore he wants parliamentary democracy to be improved by devolution of authority to the village communities. His ideal is a society organised on the lines of Sarvodaya principle of self-sufficient village communities who would look after almost their entire affairs including food clothing housing and even settle their own petty problems and disputes. Thus he is a minimalist so far as State Control is concerned and wants the State to be responsible for only such affairs as managing railways, posts and telegraphs and constructing major projects.

As an example of such communities he cites the instance of the 200 families in Vile Parle, a suburb of Bombay where according to him the people have made a small beginning in community life by resolving that no one among them would go without medical aid and no child among them would go without education. In this connection he criticises the tendency among the people to depend on the Government too much for solving their problems.

Calcium Carbide Industry

Though the Calcium Carbide industry is enjoying protection since 1956, its progress in the last two years has not been satisfactory. Production of Calcium Carbide which stood at 2890 tons in 1956 shows only a small increase at 3,596 tons in 1957. There is only one unit which is producing this article on a commercial scale. Calcium Carbide is in great demand from the iron and steel industry. Other industries which require it are plastics and synthetic organic chemical industries. With the rapid expansion of industry in general and the iron and steel industry in particular the demand for calcium carbide will record a further increase. There are plans for expansion of the existing units and also to set up new plants. It is estimated that when the expansion programme has been fully implemented, the installed capacity of the industry will rise to about 40,000 tons. At present the demand for the commodity is largely met from imports.

Opening the public inquiry into the continuance of protection to the industry in Bombay early this week, Mr K. R. Damle, Chairman of the Tariff Commission, has pointed out that the calcium carbide industry has a bright future as the demand for the commodity is bound to increase sizably with the completion of the steel projects.

WORLD OF COTTON

IMPORT houses in Bombay were, for long, awaiting the Government's announcement with regard to quotas for imports of cotton from the sterling area countries. The Government of India have now decided to permit the import of 30,000 bales of cotton stapling of 1 3/16" and above from all soft currency areas. This decision, though belated, has been generally welcomed by the spinners of superfine counts, who cannot use any cotton other than these imported varieties as it affects the quality of yarn produced by them. It appears that the authorities had decided to import about one lakh bales; but the present decision to allow imports in piecemeal is perhaps with a view to taking advantage of prices obtaining abroad at present.

Cotton from the sterling area has already gone cheaper by about Rs 300 per candy during the past few months. In an attempt to outbid each other, both Sudan and Egypt have now reduced their export duties. Egypt has already raised the discount rate to Indian mills by 8 per cent to 21 per cent. This has made Egyptian cotton cheaper than Sudan by about Rs 25 per candy. Importers feel that the present is an opportune time to enter those markets and that the current world price trends will help the Indian textile industry to improve sales of fine and superfine cloth.

The above decision by the Government has come at an opportune time and mills from Ahmedabad are eager to enter the African markets for their requirements of higher-staple cotton. Business to the tune of 20,000 bales is reported to have been already put through, subject to licences. Importers are, however, expected to go in mainly for Sudanese cotton on account of its relative cheapness and the availability of last year's good quality stocks.

In this connection, it will be interesting to study the trend of cotton imports. The quantity licensed for import of foreign cotton into India, during the first six months of the current season, aggregated 160,347 bales, while actual arrivals amounted to 185,174 bales. It may be recalled that only recently a fresh allocation of 70,000 bales of East African cotton was announced. At the present average monthly rate of consumption of about 50,000 bales, requirements of mills come to 6 lakhs bales for the whole season. The carry-over of foreign cotton, at the beginning of the present season, both with the mills and the trade, was 2.90 lakhs bales. This, together with the actual arrivals of about 1.85 lakh bales and the expected arrivals of about 1.70 lakhs bales, will bring the total supplies to 6.45 lakhs bales.

More Import Quota

Although this may be just sufficient to meet the normal consumption of mills during the current season, it will leave a very negligible carry-over at the end of the season or none at all. But, the present decision to allow more imports has saved the situation.

FUTURES MARKET:

Meanwhile, prices in the cotton futures market developed a sagging tendency under unabated selling pressure. The sharp fall was attributed to the delay in the announcement of an export quota for cottons of staple length 3/4" and below, stocks of which have started accumulating, while the demand from mills has not been encouraging. As against this, the price level for good quality cotton in the terminal markets has also started falling which has its effect on the futures market. ICC Jharilla May moved down to Rs 663.25 and August delivery to 671.50 after opening at Rs 674.50 and Rs 681 respectively.

SPOT MARKET:

Conditions in the Spot section ruled easy with prices declining moderately, reports of increased arrivals in the Southern markets influencing sentiment. Since many mills have already covered their requirements, the market is now facing a shortage of buyers. Moreover, the textile situation has not fully improved as some units are still complaining of an accumulation of cloth stocks. To make matters worse, spinners from the South are reported to be inclined to cut their yarn production by about 25 per cent.

In the export section, only moderate demand was noted for Oomra Deshi. Shippers were reluctant to go in for any business as they were still sceptical about the export announcement. Many of them were busy finding overseas buyers for Bengal and other varieties, which were allowed for export last month.

CROP REPORT:

Reports from upcountry centres have indicated that the season is gradually coming to a close in many parts of the country. Arrivals in Gujarat and Saurashtra are reported to be still good. Activity in Madhya Pradesh, Rajasthan and Gaorani areas is, however, considerably declined. The season has started in the South; but arrivals in the principal markets are still not very heavy.

NEW YORK COTTON MARKET:

After a sharp setback at the commencement, prices on the New York futures market became steady,

being influenced by the demand in nearbys and short-covering in new crops finding offerings limited. Middling Spot was quoted at 36.05 cents per pound.

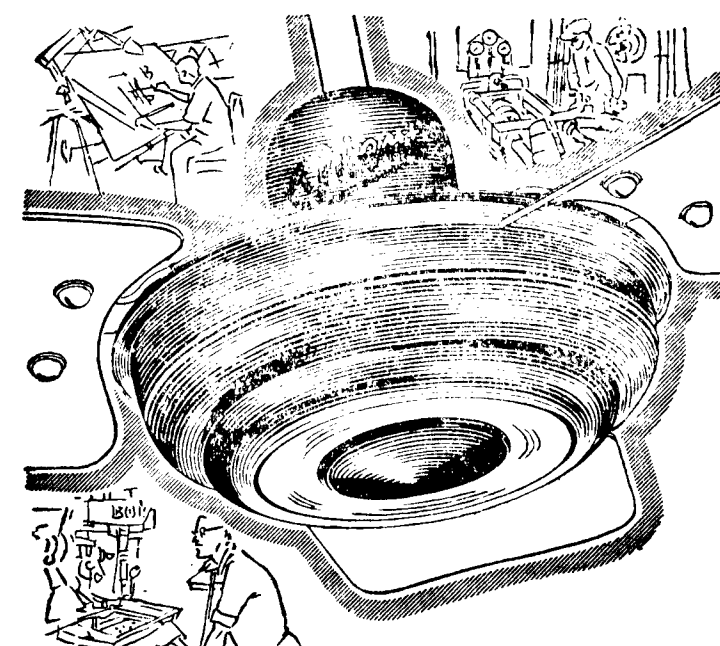
The Agriculture Department, Washington, has announced the sale of 69,448 bales of United States Government-owned cotton. This cotton was sold for unrestricted use. The price paid is not revealed; but probably close to the domestic cash price. Bids for the next sale of cotton for unrestricted use will be received on April 14.

CLOTH AND PIECEGOODS

Activity in the Bombay cotton Piecegoods market improved substantially and demand from the consuming centres broadened consi-

derably; but prices remained unchanged. Interest was evinced in almost all varieties of cloth, being more pronounced in superfine, fine and medium qualities. Enquiries for coarse varieties were, however, reported to be subdued.

Although appreciable relief in excise duties has been given to the units producing superfine, fine and coarse categories of cloth, market circles say that no relief is given to the mills producing medium cloth except for sarees and dhoties. As the bulk of the manufacturing units are producing medium category of cloth, where ample relief is not given, it is feared that the crisis facing such mills will not be averted by the relief already announced by the Government.



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BOMBAY REVIEW

Business in Non-Ferrous Metals Regulated

THE Government of India have issued an order regulating, with immediate effect, the purchase and sale of Non-Ferrous Metals, viz., copper, zinc, lead and tin, in different forms at a price not exceeding an amount, represented by an addition of 3½ per cent to its landed cost. In the first instance, the order will apply to imported copper only. The Government may, however, extend the order to cover any other imported non-ferrous metals by notification. The order requires importers to notify to the Controller any quantity of a non-ferrous metal imported or cleared after April 3, 1958.

The price control has become necessary, because of the steep artificial rise in prices, especially in copper, which is now quoted around Rs 176 per cwt, while the landed cost is reported to be only Rs 128.

In fact, the Government have been forced to step in and take the above action, because the importers of copper and other non-ferrous metals failed to implement the solemn undertaking given by them not to charge more than 3½ per cent on the landed cost. It is gathered that importers and traders had already sold substantial quantities of copper on forward shipment basis. Doubts have been expressed whether these contracts will hold good in view of the present order by the Government.

The country's requirements of copper are estimated around 45,000 tons per year, while the Government have granted licences to the extent of 24,000 tons in addition to imports of copper to the extent of 7,500 tons under the Colombo Plan. The country's output is placed around 7,000 tons. Even then,

there is a deficit of 6,500 tons. The supply and demand position in the case of other metals is said to be manageable. Zinc is quoted at Rs 51; Lead at Rs 63 and Tin at Rs 129 (per quarter).

Under the Colombo Plan, Canada has agreed to supply 10,000 tons of aluminium; 7,500 tons of copper and 500 tons of nickel to India. Imports of these metals, the value of which will be Rs 5.75 crores, are to be completed as early as possible. The allocation of funds for these quantities of metals is based on the current prices. In case prices go up, the quantities to be supplied may have to be modified to keep within the total allocation. The actual consumers of these metals are to be allowed to import the allocated quantities. They will be given the option of indicating the prices on the basis of average (London Metal Exchange) prices for the month of shipment or the LME price prevailing on the date of shipment.

On the London Metal Exchange, Copper is quoted around £176½; Zinc at £62; Lead at £72½ and Tin at £730 (all per ton).

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Oils & Oilseeds

Prices in the Oils and Oilseeds markets showed a mixed trend. Castor seeds suffered a sharp landslide under heavy selling by a prominent speculator to the tune of 15,000 candelas. The absence of anticipated relief in castor oil export, and the continued silence on the part of the UK and USA were also contributory factors. Rumours of business in castor oil with Russia periodically pepped up the market, but failed to bring about a significant change, in sentiment since the rumours could not be confirmed. At the same time operators were not in a mood to take an aggressive bearish trend in view of the insufficient arrivals in the major producing areas. May delivery finished at Rs 150.87 after touching a high of Rs 153.75. Ready rate was quoted at Rs 30 and Castor Oil commercial quality at Rs 15.69.

[At the time of going to Press, it was learnt that the Government of India had decided to reduce the export duty, leviable on Castor Oil, from Rs 175 to Rs 100 per ton and, on Nigarseed, from Rs 150 to Rs 50 per ton, with immediate effect. The reduction in the export duty on Castor Oil had no marked effect on castor futures as operators were all along hoping for a total abolition of the impost. From the export angle, the measure is not expected to bring about any significant change in the country's position in world markets. Exports to the US will continue to be impossible, while the outlook is stated to be less discouraging as far as business with the UK is concerned. The reduction in the export duty on Nigarseed has almost been ignored since Indian prices conti-

nue to be higher by at least £7 per ton even after the relief. Besides, Bombay does not have enough supply to think of exports]

The Groundnut, section ruled comparatively steady, reflecting continued support from crushers. With the season approaching its end, the inflow of ready groundnut declined noticeably at terminal centres, while the demand from vanaspathi manufacturers remained satisfactory. May delivery changed hands at Rs 164.12 to Rs 164.62, while the ready rate was quoted at Rs 33 for the bold quality and Groundnut Oil at Rs 18.06.

Prices in the Linseed section were confined to a narrow range. May delivery moved between Rs 30.62 and Rs 31.06, while ready rate was quoted at Rs 33.44 and Linseed Oil at Rs 16.25.

In the Cottonseeds section, May delivery, after opening at Rs 108.50, eased off at the close to Rs 108.00.

★

Gold & Silver

The Bombay Bullion Exchange maintained, on the whole, a very steady undertone. In the initial dealings, Gold eased for lack of support, but short-covering, aided by better off-take, paved the way for a partial rally at the close. Forward delivery opened at Rs 111.75 and, after touching a low of Rs 111.56, improved towards the close to Rs 111.94. Ready changed hands at Rs 111.75 to Rs 112, while Sovereign was rather quiet at Rs 70.50. Arrivals and off-take amounted to 3,000 and 5,000 tolas respectively.

Although sentiment in the forward Silver section was generally depressed, encouraging spot advice checked the decline. Arrivals and off-take were estimated at 14 and 15 bars respectively. Forward delivery changed hands at Rs 195.44 to Rs 195.69 and ready at Rs 197.25 to Rs 197.56.

★

Yarn

The Yarn market was extremely disappointed at the continuation of the ban on imports of Art Silk Yarn through traders for another six months. There was, therefore, a sudden around improvement in prices on fears that the scarcity of Viscose yarns would be acute in the coming months.

Staple-Fibre yarns moved up in sympathy. Earlier expectations of the Government liberalising import of this yarn for the current six months having not materialised, most operators preferred not to part with their goods.

Trading in the Cotton Yarn section, however, remained listless in the absence of any support. Reports from South India have indicated that many spinners have inclined to cut production by 25 per cent.

Mr Nehru's Press Conference

AT the best (or worst?) of times, your correspondent cannot complain of absence of significant news from the Capital to comment upon. His problem, on the other hand, has always been one of selection. This week, this problem has assumed the proportions of an embarrassment of plenty. It is not as though some of the items will keep. For instance, there is the ill-fated Graham Report on Kashmir. Though it is depressingly familiar in its being another attempt at chasing shadows, leaving the substance well alone, it has to be dealt with since Kashmir is one of our problems with international complications (mostly, as some would say, of our own making). Secondly, there were Congress leaders shaking their heads worriedly over the state of their party discipline in the States. There were the usually colourful exaggerations about the precise degree of the party parousness—some went, reportedly, to the extent of comparing it to the state of the Wafdists in Egypt before the present regime took over. Slightly farther from home, there was the announcement by the Soviet Union of its unilateral renunciation of nuclear tests, and the woefully routine reaction of Mr Dulles thereto. Whether propaganda or a genuine gesture of peace, the credit of having been the first to take such a momentous step, in however qualified a form or fashion, cannot be denied the Russians. Anyway, it is a subject that should any day qualify for comment from any one whose duty it is to be a sounding board to opinion in the Capital.

And finally, as a sort of last straw, one of the perennial subjects that correspondents keep for lean days has cropped up in a rather sharp form in a week that is already over-crowded. I refer to the subject of "After Nehru—Who?", or, as some gloomy people put it, "After Nehru—What?" Fortunately, there is a sort of focal point from which all these questions can be viewed. Mr Nehru addressed a press conference last Friday in which all these subjects came up. It should be possible to deal with them in brief by taking the cue from the PM.

It was the PM himself who has given rise to animated discussion of a substitute for him. As usual, the position is tantalising. Arising out of a question regarding his recent feeling of "tiredness", given expression to in his letter to the Chief Ministers, Mr Nehru clarified the position by saying that he was healthy enough in body, but that he was feeling "rather flat and stale" after more than a decade of office. He thought he needed "freshening up". Some dark hints from correspondents, of hopes in the right wing circles of Congress that Mr Nehru's retirement would

make things easier for them, brought the prompt reply from the PM that the opposite result might follow from his retirement. If the right wing really does think that Mr Nehru is the person who is encouraging left wing extremism in Congress thinking, it must be very pitifully ill-informed. It is Mr Nehru who is keeping the ardour of the more starry-eyed among his followers in some control. The centrality of Congress socialism is very much Mr Nehru's creation, and it would be a sad day when right wing miscalculation plays into the hands of the extremist elements in the Congress and the country.

An error of the opposite sort by those whom, for lack of a better word, we must call radicals, has equally short shrift from Mr Nehru. Some fanciful comment that Mr Nehru's "staleness of mind" was responsible for his stand on Hungary and the Chagla inquiry and so forth elicited from Mr Nehru the sharp retort that his stand on these matters revealed, on the contrary, a "freshness of mind". It is easy enough to see how the criticism of the two extremes cancels each other out. In any case, to equate freshness of mind with an uncritical radical enthusiasm is a gross improper use of words. However evocative of youth the notion of fresh mind may be, it would be wrong to equate it to a green mind. Maturity, though evocative of autumn, can and should coexist with freshness. And that is the whole point of Mr Nehru's comments on staleness and flatness. He feels that, for the kind of creative tasks he has to perform, he needs all the resources of the human mind. Maturity is certainly one such attribute. And a second attribute is a capacity for thinking in a way different from the routine way in which the best minds are in constant danger of slipping.

Mr Nehru did not disclose, or perhaps has not made up his mind about, how he was going to get his freshening up. There has been a lot of speculation about how he was going to do it, and suggestions of how he should do it. One suggestion is a long holiday, with only the important decisions being referred to him. Another is that he should divest himself of all formal responsibilities except that of the Prime Ministership, and concerning himself only with the function of coordination. A third suggestion is that he should take over the Congress organisation, leaving some one else as the Prime Minister. This suggestion finds favour with people who take an extreme view of the ill health of the party, and who think that only Mr Nehru can bring back to it some of its earlier vitality. Present indications are that, whatever Mr Nehru does, it will not be theatrical and spec-

tacular. It may be that he will have a Deputy (a post that was abolished after Sardar Patel's death) and divest himself slowly of those aspects of his work which are merely of a routine character. Anyway, the whole subject of a second line of leadership is now ripe for serious consideration.

Mr Nehru tended to make light of the "crisis" in which the Congress party was now finding itself. He said amidst laughter that it has always been in the middle of a crisis, and advised his listeners to read some of his letters to Gandhiji in the thirties. It was, however, clear that the Congress leadership is seriously exercised about the unseemly way in which petty squabbles and personal rivalries and factional considerations manifest themselves in the activities of the regional party politics. It is reported that the discussion was more searching than the announced decisions on party discipline indicate. The Congress, as the party in power for over a decade, has to contend with the inevitable unpopularity of those in power, not to mention the kind of "staleness and flatness" that Mr Nehru mentioned in his personal context. The time has come to set this tendency right. For, the next elections are only three years away.

On the question of Kashmir, Mr Nehru was completely forthright. Any approach to the Kashmir problem which sought to put Pakistan, the aggressor, on a footing of equality with India, the aggressed, would be unacceptable. Mr Nehru also ruled out a meeting between him and the Prime Minister of Pakistan for two reasons. First, such meeting can be held only if there were any possibility of any useful discussion. With Pakistan and its leaders taking the tone they have been in recent months and years, such an atmosphere for useful discussion does not exist. Secondly, Dr Graham's suggestion is that the two Prime Ministers should sit on either side of him, and he acting as a sort of umpire; totally unacceptable. It will be seen that Dr Graham is still hamstrung by a past that has no relation whatever to the present, and he is trying his ingenious best to evolve a solution within a framework that will not work at all. The rejection of his proposals was, therefore, quite inevitable. It is not unlikely that this rejection by India will be followed by a spate of comment from Britain and the US about the unreasonable and intransigent attitude of India in the matter. But these are comments that we need not take seriously, because they are either partisan or ill-informed about the true nature of the problem.

Mr Nehru touched on a number of other questions, as is his wont in such press conferences. On the

subject of Russian gesture in the matter of nuclear tests, he hoped that the decision was an irrevocable one, and that other countries would follow suit. He deplored the supply of nuclear arms to West Germany, and said that the Rapacci plan for a neutral zone deserved serious consideration though, admittedly, it would not solve all problems. About the significance of the ascent of Mr Khrushchev to the top of the Soviet hierarchy, Mr Nehru was rather non-committal. But he seemed to believe that Mr Khrushchev's success represents the continuance of the liberal trends in Russian politics brought about by pressure from below and at the top. On Indonesia, the other international event he touched upon, he was very cautious, and beyond saying that his information was that some of the arms supplied to the rebels were from Formosa, he did not comment on the charges and counter-charges.

On the language issue, on which also he was asked to comment, he reiterated his earlier view that nothing should be done without willing cooperation from others, and that there should be no rigidity in regard to dates and so forth. But he stuck to the original view that the Constitution needs no revision. He spoke persuasively about the need for cultivation of English in the coming generations and the role of the regional languages in the future set up. But he fell into the popular error of equating official language with the National language, and said that "it was beyond my most distant conception that English should be called the National language of India". Now, Mr Nehru is boxing with shadows here, for, it is nobody's case that English is our National language. All that Rajaji says is that English should continue indefinitely to be used for the official purposes of the Union and for inter-state correspondence where the States desire it. There may be room for controversy whether this should be permitted indefinitely. Mr Nehru himself has no particularly rigid views about it, except that it should be allowed to continue only as long as the non-Hindi people desire it. But clarity in controversy is not gained by not defining our terms and loosely equating National language (whatever that may mean) with official language, whose import is clear.

I might add here that Rajaji has been proved right in the campaign that he waged for unilateral renunciation of tests by the nuclear powers. There is always something of the weird hunch in all of the elder statesman's campaigns, and it is certain that his stand on the language question will in due course be found to be impeccably correct—even by those who oppose him today.

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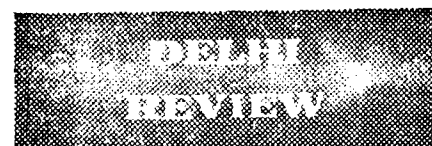
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With the encouraging trend in the production of coal in the country, the prospects for realising the targets for coal production in the Second Plan have improved considerably. While production in the private sector had increased from 33.8 million tons in 1955 to 38.20 million tons in 1957, production in the public sector increased from 2.8 million tons to 3.38 million tons. In percentage terms the increase was to the tune of 4.35 per cent in the private sector and 21 per cent in the public sector, the overall increase in coal output being 14 per cent. The increase in the production from the Singareni collieries was from 1.5 million tons in 1955 to 1.92 million tons in 1957.

The target for coal production in the Second Plan has been fixed at 60 million tons and the gap in production is therefore about 20 million tons. The yearly increase needed to attain the target during the next three years, is a little over 6 million tons. Considering that the increase during the last two years was only of the order of 6 million tons the problem of achieving the target of about 20 million tons in the next three years looks more difficult than would be admitted. But the Minister for Steel, Mines Fuel, Sardar Swaran Singh is confident of the target being realised, and has given an assurance that every possible step would be taken to ensure the realisation of the target.

In the course of his speech in the Lok Sabha, Sardar Swaran Singh also stated that the target for coal production for the Third Plan has been provisionally fixed at 100 million tons. Development of new coal fields such as Korba, Korea and others, according to the Minister, would ensure the achievement of this high level of production. The Minister also dispelled pessimism about the availability of technical personnel and stated that the question of availability of technical personnel is being examined.

In the interest of balanced regional economic development it is necessary that development of the fuel resources of the South be given high priority. The Singareni collieries and the lignite project in Neyveli hold great potentialities for starting heavy industries in this region and for putting the Peninsular region on a level with the other industrialised areas of the country. The Minister's indication of the possibility of setting up few more steel plants in the South is in this context reassuring.

Rice Supply

A few of what Mr. A. P. Jain, the Union Food and Agriculture Minister, has disclosed as the prevailing uneasy position in regard to the availability of rice in the country, possibilities of improving the supplies position in

regard to food would seem to be limited to the substitution of wheat for rice in States suffering from a shortage of rice. Three-fourths of the food shortage of West Bengal is expected to be met in this way.

The difficulties in the supply of rice chiefly arise from the inability of the Burma Government to supply rice to India to the full limit of its commitment, consequent on the failure of rice crop in Burma. Only 2½ lakh tons of rice are expected from Burma as against 5 lakhs tons originally agreed upon between the two Governments. Though purchases from other countries could make up for the shortfall in the supplies failure of rice crops in various parts of the country which in the case of Bihar was as much as 40 per cent of its rice crop seems to have widened the gap in the internal availability of rice. The shortfall in the production of rice has been estimated at about 3.5 million tons.

However the position in regard to wheat is considered bright, present stocks in the two States of Uttar Pradesh and Bihar being estimated at 50,000 tons and 2 lakhs tons respectively. The stock position in respect of wheat is further expected to be improved with the import of wheat from the United States under a fresh agreement for which a proposal has been mooted at present. The overall position in regard to food for the coming year is therefore considered satisfactory. The improvement is reflected in the present position in regard to stocks of both rice and wheat with the Government. As against a stock position in January 1, 1957, of little more than two lakhs tons of rice and wheat, on March 15, 1958, the stock position according to Mr. Jain was 1,471,000 tons of rice and wheat, of which rice alone amounted to 4,14,000 tons.

The need for improving the machinery for the procurement of foodgrains from surplus areas is also obvious. The setting up of an extension wing in the Food Ministry to keep in close contact with the State Governments, to arrange timely supplies and to cut down delays in sanctioning would contribute greatly to the efficiency of administration. Measures for efficient procurement are more important for rice than for wheat in which the supply position is relatively easier.

Sugar Industry

With the disappearance of the abnormal conditions in the world sugar market which ruled in the last year and the consequent lowering of world prices for sugar, possibilities of India selling sugar in the world market without loss have receded. Exports in such circumstances can be envisaged only on the basis of a reduction of

the Indian prices to the competitive rates ruling in the world market which would necessarily involve considerable loss to the indigenous industry.

Speaking at the 25th annual meeting of the Indian Sugar Mills Association, Mr. A. P. Jain stated that at the present level of prices India could export only at a loss of ₹20 per ton. The desirability of sugar exports in spite of the loss this involves to the industry rests on the need to retain market captured last year which might otherwise remain inaccessible for future occasions. The argument for maintaining exports of sugar is also strengthened by the need to accumulate foreign exchange in which unexpected difficulties have been experienced. Realisation of foreign exchange from export of sugar last year was to the tune of ₹12 crores.

In presenting the case of the industry for permission to export at a loss, Mr. Balmokand Shah Sawhney, has pointed out that export at a loss is not a phenomenon peculiar to India and that subsidization of export of sugar is almost the rule in most of the sugar exporting countries. While subsidy as a short-term measure could certainly do much to stabilise the conditions of the industry, to argue for subsidy on a permanent basis is only to take a complacent attitude on the scope for improvement of the conditions of the industry in the country. In this connection Mr. Jain himself has indicated that the gap between world and the Indian price for sugar cane be narrowed by about ₹4 to ₹6 per ton if only the Indian manufacturers produce sugar which satisfies the requirements of foreign buyers in regard to standard and quality. Production of bold grain sugar would in this connection seem to hold great possibilities.

Ultimately, the prospects for exports of Indian sugar as a permanent feature, would rest on the measures taken to reduce the cost of sugar. The needs of the expanding public sector limits the scope of relief from the fiscal burden which the industry is at present made to bear. In the absence of rapid improvements in the cultivation of sugarcane it is difficult to foresee a bright future for export of sugar from India.

PNB's Phenomenal Year

The Punjab National Bank Limited has recorded a phenomenal year of progress. The balance sheet for 1957 discloses a rise of ₹18.22 crores to ₹124.61 crores in Deposits. Fixed Deposits are higher by nearly ₹12 crores at ₹60.06 crores. Savings Bank Deposits have been marked up by ₹2.75 crores at ₹30.37 crores. Current Accounts show an improvement of ₹3.47 crores to ₹33.28 crores.

This improvement in resources has enabled the Punjab National Bank to reduce its borrowings from ₹2.36 crores to a nominal figure of ₹16 lakhs. Also, the Bank has been able to expand its Advances portfolio by ₹13.10 crores to ₹67.96 crores. This rise has taken place under the head of Loans, Cash Credits and Overdrafts, with Bills showing a small decline of just over half a crore to ₹8.25 crores.

Nevertheless, it would appear that the Bank has not re-invested in gilt-edged maturing loans that it might have held during last year, or that, during 1957, it sold some part of its gilt-edged holdings. For, securities of the Central and State Governments held by Punjab National have declined fairly sharply from ₹45.68 crores to ₹36.48 crores.

Consequently, Cash Balances reflect both the increase in Deposit resources and the disinvestment in gilt-edged. Cash Balances have nearly doubled from ₹12.39 crores to ₹24.48 crores.

According to the Profit and Loss Account, the income by interest and discount has risen steeply by ₹1.17 crores to ₹5.18 crores. Commission, Exchange and Brokerage, have also fetched more at ₹1.06 crores against ₹9.20 lakhs.

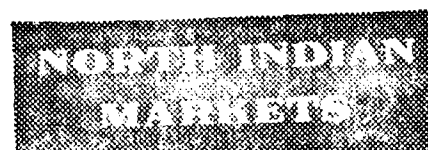
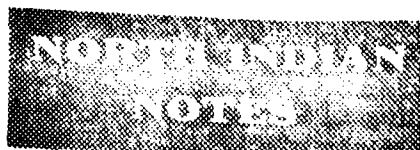
The interest paid on Deposits has climbed to ₹2.67 crores from ₹1.93 crores; and Salaries and Allowances also absorbed more at ₹2.17 crores against ₹1.80 crores.

The balance of profit is very sharply higher by ₹23.25 lakhs, at ₹1.11 crores. The provision for income-tax is ₹50 lakhs, and compares with ₹27.50 lakhs last year. The Reserve Fund gets a transfer of ₹22.50 lakhs or ₹5 lakhs less than in 1956. Charity Account gets ₹1 lakh, the same as last year. The bonus to Staff Account gets the much higher allocation of ₹16 lakhs against ₹13 lakhs; but the grant to Staff Account, which received ₹1 lakh last year, does not get any appropriation from 1957 profits.

During the year, the share capital was increased by a bonus issue, from the share premium account, of ₹37.5 lakhs to ₹1.25 crores. The ad interim dividend absorbs ₹8.75 lakhs against ₹7 lakhs last year. The final dividend on the increased capital takes up ₹12.50 lakhs against ₹7.00 lakhs. Thus, as against total dividend distribution of ₹14 lakhs for 1956, the amount absorbed in 1957 works out to ₹21.25 lakhs.

With the current year's transfer, the Reserve Fund is placed at ₹1.10 crores against ₹1.25 crores last year; but then, thereafter, an amount of ₹37.50 lakhs was capitalised for the bonus issue.

All in all, we repeat, Punjab National's performance in 1957 is phenomenal.



Decline in Shellac Exports

EXPORTS of Shellac, during last month, were disappointing with shipments of only 28,830 packages as compared with as much as 38,758 packages in February. The decline in exports was shared by all grades. Out of the total exports, shellac accounted for 13,274 packages (19,290); Seedlac 13,082 packages (16,715); Buttonlac 487 packages (623) and other varieties 1,987 packages (2,130), the figures shown within brackets being February figures.

With the prospects of a recession in commodity prices gaining momentum, the shellac market has presented an easier tone. The rate for Pure TN quality has receded further to ₹69.50 from ₹74 per maund quoted in the previous week.

On the London market, prices are ruling easier in the absence of any sustained demand. Britain is reported to be a buyer of forward months although buyers show no interest in prompt material. June delivery is quoted lower at 173sh per cwt.

Sugar

Prices in Sugar markets remain generally firm on reports that some of the factories in Western Uttar Pradesh have stopped crushing. Following mill-delivery rates (per maund) are quoted in the Hapur market:—Khatauli (C-29) ₹36.56; Iqbalpur (C-29) ₹36.50; Mansoorpur (B-29) ₹37.81; Shamli (B-29) ₹36.55; Daurala (B-29) ₹37.12; Mowana (B-29) ₹37.12 and Modinagar (C-29) ₹36.25.

It is understood that the Government of India are taking steps to avoid fluctuations in the production of sugar from year to year and to put the industry on a stable basis. In this connection, the Union Minister for Food and Agriculture, has stated that world prices of sugar have now returned to the normal levels. On the basis of the prevailing prices, sugar can be exported from this country only at a loss of about ₹20 per ton.

The two schemes, submitted by the ISMA for exporting sugar at a loss, have been carefully considered by the Government. The Union Minister has stated that it is not possible to allot quotas for export under the existing laws. The question of enacting a suitable legislation for the purpose is receiving the Government consideration and the scheme will soon be finalised.

Gur

After the recent spurt, mostly manipulated by bulls to lend support to the futures section, Gur

prices have reacted slightly. The rate is now quoted at ₹15.50 per maund—the highest touched so far being 16.75.

In the Hapur market, arrivals averaged 750 to 1,000 maunds, while stocks were estimated at 1.40 lakhs maunds, the corresponding figure for last year being 97,000 maunds.

Khandsari

Good demand from the consuming centres have accounted for steady conditions in the Khandsari market. Production, however, shows a downward trend due to fall in supplies of cane to the crushers. Prevailing rates are ₹27 to ₹33 per maund, according to quality.

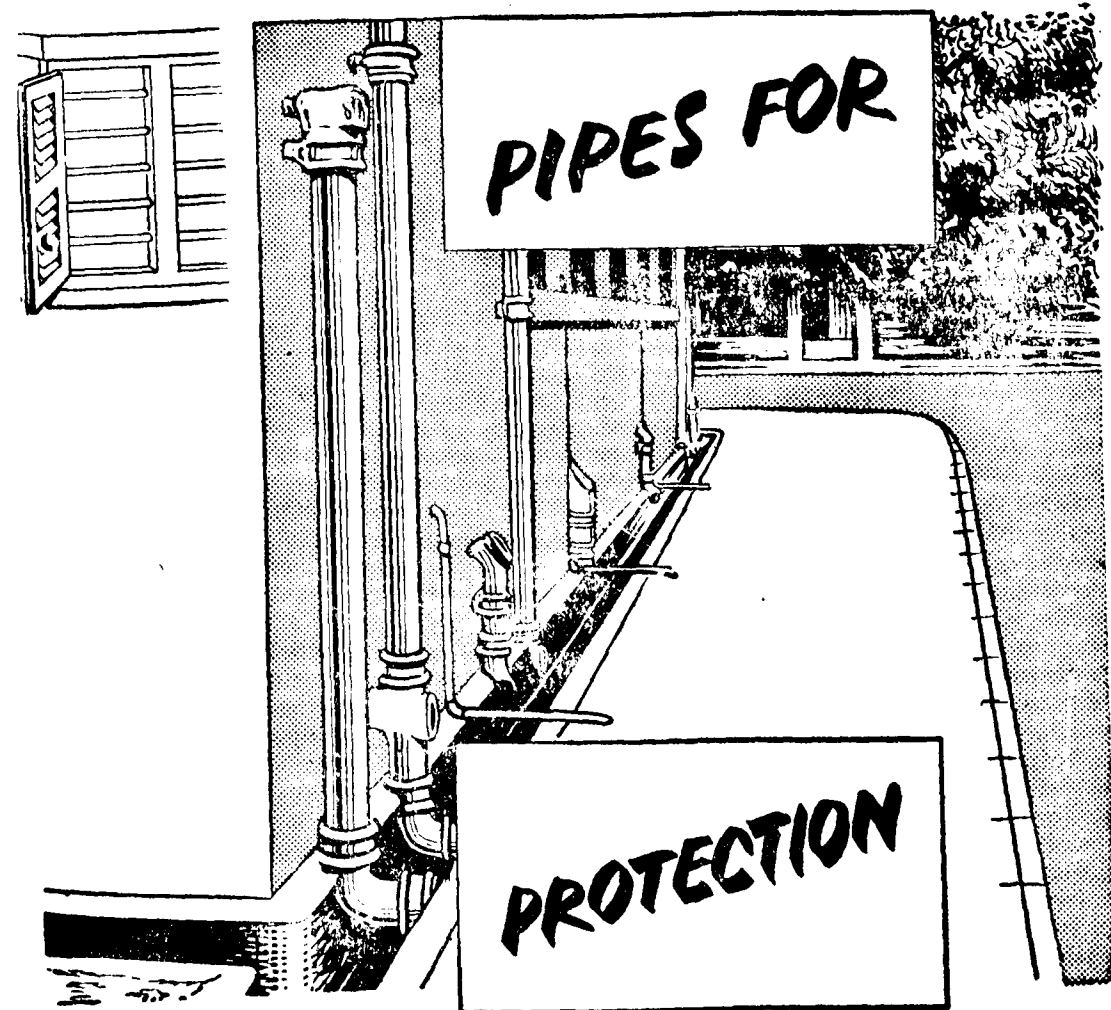
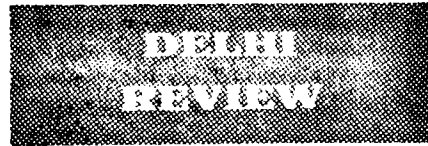
Foodgrains

Conditions in the Hapur Foodgrains market remain generally quiet on lack of fresh support. Wheat has recorded a modest dec-

line, average quality quoting ₹15.25 and the farm variety at ₹17 per maund. The market for Rice continues to rule steady following reports of overall shortage in the country. With the beginning of arrivals of the new crop, Gram prices are a shade easier. The markets for Bareilly and Bejher have ruled steady, thanks to good consumer demand and the arrivals of the new crop being still far from normal. Despite heavy arrivals, Peas have continued steady following strong support from stockists. Moong prices are firm on advices from the South.

In the Delhi grains market, wheat prices have shown a small setback owing to decreased buying activity, induced by discouraging outside advices. Barley has softened slightly in sympathy. A further fall of about 50 p to ₹1 per maund has been recorded by Rice following lower upcountry advices. Among Coarse grains, Bajra has recorded a rise of 75 p due to increased offtake.

Continued strength in Rice provided the main feature of trading in the Bombay grains market. The anxiety about the stock position mounted further following reports that Government had reduced the supply, distributed to consumers under the family card system. It was felt that the situation would worsen with the passage of time if the present policy regarding imports was not suitably modified. In the Coarse grains section, Jowar became cheaper by about ₹5 per candy following increased arrivals. Trading in Bajra indicated a steady undertone. Trading in Pulses was highlighted by Moong rising by ₹15 to ₹20 per candy. With the season drawing to an end, the inflow in the growing areas was reported to have dried up during the past few days.



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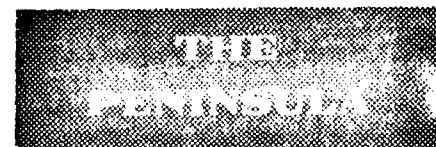
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GROWTH of industries in the Madras State, in recent years has been rapid enough to warrant optimism about progress on a bigger scale in the years to come. The policy and programmes of the State Government as contained in the recent speech of Mr R. Venkataraman, Minister for industries, in the Legislative Assembly are such as would give a further impetus to this process of industrialisation. And the speech has left nothing to be desired by way of encouragement to industries in the State. In the perspective of the Second Plan it is only natural that industrialisation should figure prominently in the economic policy of all the State Governments in the country.

Perhaps the major step in improving the scope for industrialisation in the State was taken when the Neyveli lignite project was started in the South Arcot district last year. This has brought within the reach of the State a source of fuel in the absence of which the scope for industrialisation and especially for the starting of heavy industries would have been greatly reduced. Close on the heels of this major undertaking, several new industries such as the phosphate factory have been started which have greatly added to the industrial strength of the State. Schemes for the establishment of a raw photographic film factory at Ootacamund and of a cement factory in Ramanathapuram district in the private sector are according to Mr Venkataraman awaiting finalisation.

Prospects for the early realisation of the schemes for the starting of some heavy industries in the State have brightened with the indication, by Sardar Swaran Singh, Union Minister for Steel, Mines and Fuel, in the Lok Sabha, last week, of the possibility of setting up a few steel plants in the South. Mr Venkataraman has himself stated that four applications for licences to set up pig iron plants in the State were pending with the Government of India. In the light of the Union Minister's statement, there is ground for hope that the schemes submitted by the State Government would receive the sanction of the Centre.

No less important than the schemes for the establishment of some more pig iron plants, is the one to exploit the bauxite ores in the Salem district which was rendered feasible by the opening up of the Neyveli lignite project. This, according to Mr Venkataraman, has been entrusted to Burn and Company which is expected to start a factory in Salem at an estimated cost of Rs 70 lakhs for

Industrialisation of Madras

the manufacture of refractory bricks employing over a thousand workers.

In view of the great potentialities thrown open by the Neyveli lignite project, it is only fitting that the exploitation of lignite should be accorded top priority in the economic plan of the State Government. It was revealed by Mr Venkataraman in the course of his speech that upto the end of 1955-56 an expenditure of Rs 189 lakhs had been incurred on it, while the expenditure incurred in 1956-57 was Rs 4.19 lakhs. The expenditure for 1957-58 has been estimated at Rs 400 lakhs while the provision for expenditure for 1958-59 is about Rs 700 lakhs.

The industrial policy of the State Government has been such as to subserve the needs and requirements of industrialisation in the State. Mr Venkataraman has in this connection invited participation of the private sector in the development of industries in the State and has assured provision of the appropriate facilities that might be needed for the starting of new industries by private industrialists. The efforts of the Government in associating Burn and Company in the exploitation of the magnesite in Salem is a concrete example of the attitude of the State towards private capital and should have dispelled doubts about the sincerity of the Government's appeal for co-operation.

The role played by the State Government in the promotion of industries in the State is reflected in the activities of the Madras Industrial Investment Corporation. The latter had during 1957-58 issued loans to the tune of Rs 63.08 lakhs and had guaranteed loans to the tune of Rs 9.5 lakhs under a scheme recently evolved for the guaranteeing of loans from other sources such as scheduled banks. If the role of the Corporation has not belied expectations it is largely because of the patronage extended by the State Government to the institution by way of temporary advances from time to time, such outstanding advances being estimated at about Rs 60 lakhs. It has been revealed by Mr Venkataraman that provision for such temporary advances during 1958-59 was to the tune of Rs 40 lakhs. The need for efficient functioning of the industries has been recognised and provided for by the setting up of the State Industries Development Committee which is expected to make project reports on the basis of the surveys which the eight sub-committees of this body would make.

Central assistance is perhaps the biggest factor in the achievements

so far made in the industrial field, and the lignite project at Neyveli affords ample testimony to the impartiality of the Central Government in the allocation of projects to the various State Governments. The goodwill of the Central Government is further vindicated by the possibilities of setting up small steel plants in the South indicated by Sardar Swaran Singh in his recent speech in the Lok Sabha. Development of the Tuticorin port has been figuring in recent discussions between the Central Government and the State representatives as a possible field for Central assistance under the Second Plan. The Centre has already promised assistance of their experts to the port Administration to expedite work on boring tests now being carried on.

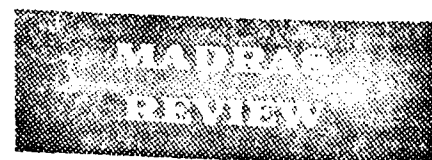
In the face of such tangible assistance from the Central Government it is only unfortunate that cries of discrimination against the Madras State in the matter of industrial development should persist. In the recent debate in the Madras Legislative Assembly such complaints were made not only by the members of the D.M.K. but also by the leader of the Opposition who is supposed to represent a party which professes non-sectarian principles. While the attitude of the D.M.K. can be understood in terms of its anti North stand, that such points should be treated as grist for its political mill by the I.N.D.C., to which party the leader of the opposition belongs can only be explained in terms of the tactical value of such propaganda to a party whose single objective is to discredit the party which the present Government of the State represents. To persist with cries of discrimination in spite of positive proof to the contrary is only to be blind to the limitations, financial and physical that operate on a national scale precluding a higher rate of progress in the whole of the country.

Success in the development of small-scale industries has been equally remarkable. The programmes in the field of small-scale industries include the setting up of four small industrial colonies in Tirunelveli, Tiruchirappalli, Madurai and Coimbatore at a total cost of Rs 24.21 lakhs and a small colony in Marthandam at a cost of Rs 2.91 lakhs. The other schemes include one for the demonstration of the use of narrow strips of wood now going to waste by use of quick setting resin glues, a saw mill and servicing plant at Guindy, departmental cycle assembling unit at Vellore as an adjunct to the General Purpose Engineering Workshop, a departmental servicing centre at Guindy etc. Sales emporia for

marketing the articles produced by the artisans are also proposed to be started for each of the districts in the State.

More imperative is the need to put the handloom industry in the State on a profitable footing and this calls for effective measures for the release of the huge stocks which have accumulated with the weavers. While the value of such accumulation in the case of weavers in the cooperative fold is about Rs 1.30 crores, the value of stocks outside the cooperative field is, according to Mr Venkataraman one and a half times greater than in the former, the total value of accumulations being estimated at about Rs 4 crores. The favourable prices of mill-made cloth is held to be at the root of the troubles facing the handloom industry at present. Mr Venkataraman has indicated the increase in the rebate on the sale of handloom cloth from one anna to two annas as offering a possible remedy for the accumulation of stocks. While it can be hoped that the Government would take suitable steps to enable the handloom industry to tide over the present crisis, the fact that such crisis has been a regular feature of the handloom industry calls for measures for putting the industry on a permanently stable footing.

The problem being one of co-existence between the handloom industry and its more modernised rival, i.e. the mill industry, the position of the handloom sector can only be safeguarded on the basis of real improvements in the handloom industry which raise its capacity to compete with mill made cloth. The need for raising the efficiency of the handloom industry and reducing the cost of production, has therefore overwhelming importance. That there is scope for reducing cost of production in the handloom industry is a fact which has been admitted even by experts in the industry. The remarks of the Textile Enquiry Committee in regard to the scope for raising the technical efficiency of the handloom industry is also highly significant. The Committee's conclusion was that "at a pace at which there will not be too drastic a disturbance of the economic and social fabric, the handloom industry has to be made technically more efficient by converting the handloom either into a semi-automatic loom and or into a powerloom, as power becomes available more generally in areas where the handloom industry is widely prevalent". A measure that promises improvements in productivity in the handloom industry and raise the status of those engaged in the industry, deserves better consideration at the hands of the authorities than what it had so far received.



Though rapid development of the village economy is the proclaimed goal of all the State Governments in the country, evolution of the proper administrative machinery at the village taluk and district levels to speed up development works, has been marked by varying levels of tempo and progress in the different States. The formation of village panchayats and similar bodies at district and taluk levels to undertake development works in close collaboration with the community development and national extension service blocks is the pattern of administration prescribed by the Planning Commission and generally accepted as suitable for the conditions in the country. The Bill for the reorganisation of the local bodies in the Mysore State while it follows the general pattern set by the Planning Commission comes a year after legislation on similar lines has been passed in the neighbouring States of Madras and Andhra Pradesh.

The Bill provides for the replacement of the existing District Boards by Taluk Development Boards and District Development Councils, while at the lowest rung Village Panchayats are proposed to be constituted for single villages or groups of villages with populations between 1,500 and 10,000. The function of the Taluk Development Boards as defined in the bill is to supervise the working of the Panchayats and to act as advisory bodies for the NES blocks in their area. The supervision of the Taluk Boards is a charge on the District Development Councils which besides would afford guidance or assistance and coordinate the work of the Boards. The membership of the Council includes the Deputy Commissioner of the district, the members of Parliament and the State Legislature, the President of the Taluk Boards, the officers of the development departments of the Government and the representatives of Scheduled Castes and women.

To meet the financial needs of the various local bodies, the Bill has provided for allocation of a certain percentage of the land revenue collection to them, the basis being 15 per cent of the land revenue collection of the village and 10 per cent of the land revenue collection of the State. The total amount payable on this basis to the Village Panchayat and the Taluk Development Boards has been estimated at Rs 190 lakhs which works out to about half of the total land revenue collection of the State. As against this the amount now being paid as land revenue assignment to Panchayat and District Boards in the State is only Rs 5.7 million. Though the extra cost of implementing the measures for the reform of local bodies thus works out to about Rs 1.32 crores, the constitution of these

Rural Self-Government

bodies is credited with the possibility of relieving the Government of commitment for expenditure to the tune of Rs 77 lakhs.

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Reorganising Agriculture

While the general attitude towards cooperation as a method of reorganising Indian agriculture is one of comparative apathy in many of the States, the success achieved by the Madras Government in extending the cooperative principle in all the important aspects of agriculture especially in the sphere of credit should be a matter for profound satisfaction. Speaking in the Madras Legislative Assembly, Mr R. Venkataraman, Minister for Industries, pointed out that cooperative banks in the Madras State covered about 77 per cent of the villages, giving credit facilities to about 31 per cent of the population. The new schemes for the coming year in the field of agricultural credit, according to Mr Venkataraman, include the starting of 60 new cooperative banks which would bring the total of banks to 300, and would give loan facilities to nearly 40 per cent of the population in the State. The other schemes relate to the opening up of about 200 small-size societies and five land mortgage banks. The completion of these schemes is expected to increase the amount that would be available to the cultivators as loans to Rs 13,50,000.

The number of primary land mortgage banks at present existing in the State is estimated at 76 and the total loan amount dispersed by these banks in the current year at Rs 51 lakhs. The loan amount is further expected to reach the target of Rs 70 lakhs in the coming year. With a view to augmenting the resources of these banks the Madras Government have in view a proposal made by the State Cooperative Central Land Mortgage Bank for floating short-dated seven year debentures. The proposal is aimed at attracting rural investors who are reluctant to lock up their money in long-dated securities. Subscriptions to this seven year debentures would naturally enhance the capacity of the land mortgage banks to provide medium-term loans but the success of the scheme would largely depend on the nature of the criteria for the granting of such loans. The restriction of such credit for purely productive purposes which hold early prospects of increase in productivity is vital for the success of the scheme.

In the field of marketing the formation of an Apex Cooperative Society has been announced. The society as envisaged at present would undertake export and import of agricultural produce, and therefore marks an important step in the improvement of the chaotic

marketing structure in the State. The establishment of the Madras State Warehousing Corporation has filled up a vital gap in the marketing structure of the State.

★

Mysore's Finances

The Finance Minister of Mysore who would have expected favourable comments from the opposition at the surplus budget he had produced would have been disappointed at the reaction of the opposition parties to the budget proposals he had presented. Without a solitary exception all the opposition parties expressed themselves, in the course of the debate on the budget, vehemently against the record of the Government. Even the very basis of the budget is, the estimates of revenue was called in question by a few members, the budget being characterised as a statistical camouflage by a member.

The chief criticism against the budget was that the surplus which it revealed was fictitious being based on overestimates of receipts from land revenue and other sources such as agricultural income taxes and motor vehicle taxes. While such criticisms are sweeping in their nature and beyond reasonable answer, it has to be conceded that receipts from agricultural income taxes would only go down in the context of the land reform measures recommended by the Jetti Committee and which the Government are keen on implementing.

Another point of criticism against the financial position of the State was that the public debts contracted by the State were of a huge order which could not be properly serviced at the present level of income from the industrial enterprises of the Government. While it cannot be denied that there is scope for improvement in the working of some of the State-owned industries in the State, the complaint about the level of the public debts is obviously based on orthodox ideas of development and excludes in the reckoning the long-term benefits that would accrue from the projects for which such debts have been incurred. The observation of the Minister that such schemes as the Tungbhadra Project could not be interpreted in terms of rupees, annas and pies, was only apt, and would have met the points raised by the opposition members about the weak financial position of the State.

While the financial position of the State does not appear to be as bad as the opposition parties have sought to make it, that there is scope for improving the revenue resources in various directions

cannot be denied. Reorganisation of sales tax structure alone is credited with great revenue potentials. The fact that Mysore which covers a larger area than Madras was not collecting as much from sales tax as the latter is a measure of the scope for improvement in this direction.

★

Indian Bank

The Indian Bank continues to make satisfactory progress, and, in the accounts for 1957, the balance sheet discloses a rise in Deposits from Rs 32.56 crores to Rs 35.21 crores. In common with most Indian Scheduled Banks, this rise has occurred under the head of Fixed Deposits, which are marked up by Rs 1.61 crores to Rs 12.29 crores. Savings Bank Deposits are also higher at Rs 6.93 crores against Rs 6.07 crores. However, the Current Accounts show a small decline of Rs 0.12 crores to Rs 11.25 crores.

The accretions to resources have been sufficient to enable the bank to liquidate its borrowings from Rs 1.93 crores as shown in the 1956 balance sheet.

Investments show no material change at Rs 10.04 crores against Rs 9.99 crores. On the other hand, in accordance with the official policy of credit restraint, Advances of the Indian Bank are placed lower at Rs 19.98 crores against Rs 23.69 crores. In the result, Cash Balances are sharply higher at Rs 7.18 crores against Rs 3.87 crores.

The income by interest and discount has improved by Rs 0.17 crores to Rs 1.43 crores. But Commission, Exchange and Brokerage have brought in less at Rs 64.28 lakhs against Rs 75.46 lakhs.

Interest paid is marked up by Rs 6.61 lakhs at Rs 83.81 lakhs. There is a sharper jump in Salaries and Allowances, which are higher by Rs 10.65 lakhs at Rs 68.35 lakhs. In the result, the balance of profit is sharply lower at Rs 32.07 lakhs against Rs 45.71 lakhs.

According to the Appropriation Account, taxes absorbed Rs 15 lakhs against Rs 18.50 lakhs; Reserve Fund gets half a lakh more at Rs 10.50 lakhs; the transfer to Sinking Fund is doubled to Rs 1.50 lakhs; and there are other transfers amounting to Rs 1.25 lakhs against Rs 1.80 lakhs last year.

The ad interim dividend, including bonus, was maintained at 6½ per cent, but absorbed slightly more at Rs 4.22 lakhs against Rs 3.91 lakhs. The final dividend, including bonus, is also maintained at 6½ per cent, absorbing Rs 4.30 lakhs against Rs 4.06 lakhs. To commemorate the Golden Jubilee, a special dividend of 2 per cent is to be paid, taking up Rs 1.83 lakhs.



THE UNITED COMMERCIAL BANK LIMITED.

(INCORPORATED ON 6TH JANUARY, 1943)

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Balance Sheet as at 31st December, 1957

CAPITAL AND LIABILITIES.		PROPERTY AND ASSETS.	
Ra.	Ra. nP.	Ra.	Ra. nP.
1. CAPITAL		1. CASH:	
Authorised Capital: 8,00,000 shares of Ra. 100 each	8,00,00,000 00	In hand and with Reserve Bank of India and State Bank of India (including foreign currency notes)	4,45,98,484
Issued and Subscribed Capital: 4,00,000 shares of Ra. 100 each	4,00,00,000 00	BALANCES WITH OTHER BANKS: (including Foreign Government Treasuries)	18,87,061
Amount Called up: 4,00,000 shares at Ra. 50 per share	2,00,00,000 00	(i) In India	2,79,42,530
2. RESERVE FUND AND OTHER RESERVES:		(ii) Outside India	6,80,000
Reserve Fund (including that under Section 17 of the Banking Companies Act)	1,15,00,000	On deposit account:	6,80,000
3. DEPOSITS AND OTHER ACCOUNTS:		In India (Staff Security)	Nil
Fixed Deposits	29,47,89,454 87	3. MONEY AT CALL AND SHORT NOTICE	7,80,88,089
Savings Bank Deposits	5,81,28,236 10	INVESTMENTS (at below market value):	
Current Accounts, Contingency Accounts, etc.	25,76,26,964 18	(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments	17,86,34,313 67
4. BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC.:		(a) Fully Paid Preference Shares	7,89,462 50
(i) In India	17,00,000 00	(b) Fully Paid Preference Shares	3,77,150 00
(ii) Outside India	17,08,556 17	(c) Fully Paid Ordinary Shares	30,06,328 00
PARTICULARS:		(iii) Debentures or Bonds	8,50,000 00
(i) Secured:		(iv) Securities of the U.S.A., Burma, Malaya and Pakistan Governments and Foreign Trustee Securities	1,57,74,612 83
(a) By Part of Investments	Ra. 32,20,658 94	(v) Gold	1,57,74,612 83
(b) By Part of Bills Discounted and Purchased	34,05,556 17	5. ADVANCES:	
(ii) Unsecured	34,05,556 17	(other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors)	
5. BILLS PAYABLE	1,06,51,068 10	(i) Loans, Cash Credits, Overdrafts, etc.:	
6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE as per contra:		(i) In India	19,03,16,638
(i) Payable in India	3,82,57,387 99	(ii) Outside India	3,60,34,880
(ii) Payable outside India	7,06,45,167 61	(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments):	
7. OTHER LIABILITIES:		(i) Payable in India	9,01,23,391
(i) Branch adjustments	1,37,41,484 58	(ii) Payable outside India	6,90,57,911
(ii) Unclaimed Dividends etc.	4,13,983 54	PARTICULARS OF ADVANCES	
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra	15,75,09,621 58	(i) Debts considered good in respect of which the banking company is fully secured	31,08,22,116
9. PROFIT AND LOSS:		(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	3,55,21,181
Profit as per last balance sheet	14,29,419 68	(iii) Debts considered good by the directors on the basis of the personal liabilities of one or more parties in addition to the personal security of the debtors	8,81,88,832
Less Dividend	29,419 58	(iv) Debts considered doubtful or bad, not provided for	Nil
Add Profit for the year	59,70,012 50	(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	1,29,910
Less Appropriations made:		(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents	2,83,79,002
To Reserve Fund	Ra. 19,00,000 00	(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or manager or officers of the banking company or any of them either severally or jointly with any other person	2,01,894
To Provision for Taxes	Ra. 18,50,000 00	(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners, or managing agents or, in the case of private companies, as members	2,92,84,701
To Bonus to Staff	Ra. 7,00,000 00	(ix) Due from banking companies	14,41,455
10. CONTINGENT LIABILITIES:		6. BILLS RECEIVABLE BEING BILLS FOR COLLECTION as per contra:	
(i) On Partly Paid shares	Ra. 3,95,000 00	(i) Payable in India	3,25,36,141
(ii) Claims against the banking company not acknowledged as debts	3,02,781 36	(ii) Payable outside India	6,61,77,784
(iii) Guarantees given on behalf of customers and Correspondent Banks	Ra. 6,45,20,839 57	7. CONSTITUENTS' LIABILITIES FOR ACCEPTANCES per contra	18,17,29,613
(iv) On Foreign Bills Re-discounted all of which have run off by 1-3-1958	Ra. 66,140 65	8. PREMISES LESS DEPRECIATION:	
(v) Forward Exchange Contracts outstanding for the purchase and sale of Bills and Telegraphic Transfers of which upto 1-3-58 Rs. 14,96,77,872.24 have been delivered	Ra. 29,23,23,195 21	Cost as per last balance sheet	18,37,189
(vi) Bonus given to employees for 1950, 1951 and 1952 not acknowledged as debts and reported by the Bank before the respective Tribunals		Additions (Rs. 1,35,52,139) Less (Rs. Nil) during the year	5,13,821
(vii) There is a liability for outstanding bills, not certified by the architects, in respect of construction of the Bank's building at New Delhi.		Less depreciation written off to date	23,41,009 94
(viii) A demand of Rs. 26,13,502.81 has been made for assessment year 1952-53 by the Income-tax Officer assessing the Bank in India by adopting a totally new method. The Bank has appealed against the assessment disputing the very basis of assessment and contending that there is no liability whatsoever. No provision has, therefore, been made for this demand. Accordingly, provision for later years has been made on the basis adopted all along in the past and accepted by the Department.		9. FURNITURE AND FIXTURES LESS DEPRECIATION: (including vehicles and equipment)	
		Cost as per last balance sheet	69,55,094
		Additions (Rs. 7,68,491-11) Less deductions (Rs. 2,17,810-80) during the year	3,44,787
		Less depreciation written off to date	62,99,881
		10. OTHER ASSETS, INCLUDING SILVER:	
		(i) Land and Buildings:	
		Cost as per last balance sheet	21,83,126
		Additions during the year (Premises under construction)	8,97,220
		Less depreciation written off Ra. 1,98,927 43	30,10,345
		11. NON-BANKING ASSETS ACQUIRED IN SATISFACTION OF CLAIMS	
		(i) Silver	7,80,000
		(ii) Interest accrued on Investments	1,81,069
		(iii) Estimated amount of return and advance payments of Tax (computed for six years 1952 to 1957 not yet completed)	28,29,256
		(iv) Stamps and Stationery	18,30,127
		(v) Silver	37,35,655
		12. PROFIT AND LOSS	
		Profit as per last balance sheet	7,80,000
		Add Profit for the year	59,70,012 50
		Less Appropriations made:	
		To Reserve Fund	Ra. 19,00,000 00
		To Provision for Taxes	Ra. 18,50,000 00
		To Bonus to Staff	Ra. 7,00,000 00
		TOTAL Ra.	90,22,60,998 91

We have audited the foregoing Balance-Sheet of The United Commercial Bank Ltd. as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the Branch returns audited by the Statutory or other Auditors in accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-sections (3) of Sections 211 and 227 of the Companies Act, 1946, the Balance-Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1946; they are, therefore, drawn up in conformity with Form A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that—
(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank;
(c) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of these books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
(d) the Bank's Balance-Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts and the returns.
(e) in our opinion and to the best of our information and according to the explanations given to the auditors, the said accounts give a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

REPORT
OF
THE AUDITORS
TO THE
SHAREHOLDERS

G. P. KAPADIA & CO.
K. N. GUTGUTIA & CO.
RAY & RAY

Chartered Accountants.

Calcutta, 4th March, 1958.

Indian Finance

April 12, 1958

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UNITED COMMERCIAL BANK LIMITED, BALANCE SHEET—(Contd.)

Profit and Loss Account for the Year Ended 31st December, 1957

31-12-1956.			31-12-1956.		
Rs.	EXPENDITURE.	nP.	Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions).	nP.
1,17,81,166	1. Interest paid on deposits, borrowings, etc. ...	86	1,81,96,309	1. Interest and Discount ...	74
85,84,702	2. Salaries and allowances and Provident Fund (Salary, allowances and bonus of General Manager Rs. 93,000.00) ...	03	1,20,13,920	2. Commission, Exchange and Brokerage ...	23
47,712	3. Directors' (Rs. 37,300) and Local Committee members' fees and allowances ...	00	1,20,320	3. Rents ...	33
12,92,829	4. Rent, Taxes, Insurance, Lighting, etc. ...	36	.....	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserve or any particular Fund or Account) ...	.....
50,724	5. Law charges ...	28	.....	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	.....
5,49,187	6. Postage, Telegrams and Stamps ...	00	.....	6. Income from non-banking assets, and profit from sale of, or dealing with, such assets ...	.....
95,420	7. Auditors' fees for statutory and periodical audits ...	61	3,624	7. Other receipts ...	2,065
6,75,842	8. Depreciation on, and repairs to, the Banking Company's property ...	64	.....	8. Loss ...	.....
7,99,106	9. Stationery, Printing, Advertisement, etc. ...	74	.....		
.....	10. Loss from sale or, or dealing with, non-banking assets ...	.....			
8,07,827	11. Other Expenditure ...	28			
56,51,658	12. Balance of Profit (Subject to Taxation) ...	50			
	The above expenditure includes, besides leave salary of Rs. 96,000/-, a sum of Rs. 50,856.02, being gratuity payments by way of allowances for ex-General Manager.				
3,03,36,173	TOTAL Rs. ...	30	3,03,36,173	TOTAL Rs. ...	30

G. D. BIRLA,
Chairman.

I. P. GOENKA
A. C. LAW
J. L. BANGUR
P. D. HIMATSINGKA
R. L. NOPANY
M. L. SHAH

Directors.

M. R. RUIA
M. L. DAHANUKAR
M. L. TAPURIAH
Y. N. MAFATLAL
O. D. KOTHARI
T. S. RAJAM

S. T. SADASIVAN,
General Manager.

P. R. SESHAN,
Chief Accountant.

The United Commercial Bank Limited

Continued Progress Achieved During 1957

Higher Interest Rates Unnecessary for Inducing Deposits

Need to Restore Profitability to Industry by Fiscal Reliefs

Review of the Indian Economy by Mr G. D. Birla, the Chairman

Statement of Shri G. D. Birla, Chairman circulated to the shareholders at the Fifteenth Ordinary General Meeting of the Bank held on 9th April, 1958.

Gentlemen,

The Balance Sheet and Profit & Loss Account of the Bank have been in your hands for some time and you would, no doubt, have noticed with pleasure the continued progress achieved by the Bank during the year to which the accounts relate.

DEPOSITS

You will notice that the total of the current, savings and fixed deposits and other accounts at the end of 1957 stood at Rs. 61.07 crores as compared with Rs. 52.15 crores at the end of 1956. The increase in deposits of Rs. 8.92 crores represents a rise of 17.1 per cent, which is a higher rate of increase than 9.3 per cent recorded in 1956 and compares with the rise of 16.9 per cent in the deposits of scheduled banks other than the State Bank of India, for the year

1957. The rise in the deposits of the State Bank of India was much higher than that of the banking system by reason of certain adventitious factors to which reference is made in the report of that bank.

CASH

Cash on hand and with banks and money at call and short notice amounted to Rs. 8.28 crores and represented 13.5 per cent of our deposit liabilities.

INVESTMENTS

The Investments of the Bank in Government and other approved securities at Rs. 19.94 crores were only Rs. 50 lacs higher than our holding at the end of 1956. The additional resources which accrued to the bank from the increase in deposits were utilised primarily to repay the loan taken from the Reserve Bank of India during the 1956-57 busy season, thereby enabling the bank to work within its own resources. The cash balances and unencumbered investments together amounting to Rs. 27.92

crores give a ratio of 45.7 per cent to total deposits.

BILLS

The amount of bills discounted and purchased decline from Rs. 15.92 crores to Rs. 13.00 crores but the high figure of bills at the end of 1956 was due to the conversion of advance accounts into bills for "rediscount" with the Reserve Bank of India under the Mill Market Scheme. The figure at the end of 1957 is the normal figure and does not include any created bill. This self-liquidating asset forms 21.3 per cent of the deposits of the Bank.

LIQUIDITY RATIO

The total of our liquid assets, cash on hand and with banks, money at call and short notice, unencumbered investments and bills represents 67 per cent of our deposit liability which, you would agree, is a highly satisfactory liquidity ratio.

ADVANCES

Our advances at Rs. 24.69 crores are roughly 40 per cent of our deposits. There is a decline in the

total of our advances and bills in conformity with the policy of credit squeeze pursued during the second half of 1957.

FOREIGN EXCHANGE BUSINESS

The foreign exchange business of our Indian and overseas branches continued to expand and our London branch shows considerable increase in its activity and usefulness.

The credit for the excellent results of the working of the Bank goes primarily to the General Manager, Mr. S. T. Sadasivan and his able deputies and assistants, to whom I take this opportunity of offering the thanks of myself and of the Board of Directors. I wish also to record our thanks to the other members of the staff of the Bank for their contribution in achieving these results and I look forward to greater co-operation from them in the current year and the years to come.

BANK RATE

The official Bank Rate of the Reserve Bank of India was raised

April 12, 1958

on the 15th May 1957 from 3½ per cent to 4 per cent, but the rate for advances to scheduled banks against Government Securities, which had earlier been raised from 3½ per cent to 4 per cent, was left unchanged. At the same time, the stamp duty on usance bills of exchange, which was intended to act as a surcharge on interest rate and which was raised to 2 annas per cent for 3 months or part thereof, was reduced to 1/5 of 1 per annum. As a result of these changes, loans against Government Securities cost the scheduled banks 4% while loans against bills cost a minimum of 4-1/5%.

MONEY MARKET

Monetary conditions during the earlier part of 1957 were, as a result of the severity of the 1956-57 busy season as well as the already fully extended position of the banking system, extremely stringent, and the demand for accommodation from trade and industry imposed a severe strain upon the resources of the commercial banks. In addition to the need to satisfy this seasonal demand, the banks were called upon to finance the heavy imports of steel, which were at the time being made. Fortunately, the Reserve Bank of India, which has displayed a sensitive awareness of its role in the monetary sphere in terms of the implementation of the Second Plan, suitably anticipated the difficulties that might be presented during the 1956-57 busy season, and, by substantially liberalising the bill market scheme, under which it approved lines of credit totalling approximately Rs. 150 crores, thereby giving the banks all the money they asked, enabled the commercial banks to tide over this period of stringency. Borrowings from the Reserve Bank of India against both Government Securities and bills reached a peak of Rs. 103 crores at the end of March 1957, and this figure would have been much higher but for the receipt by the State Bank of India of extraordinary deposits arising from the sale of U.S. surplus commodities under P. L. 480 which enabled the bank to dispense with borrowings from the Reserve Bank of India altogether. At about the same time, but gathering momentum in the second half-year, the deposits of commercial banks also began to rise and eased the strain under which they were functioning. But during the great part of the year scheduled banks, other than the State Bank of India, and, in particular, the Exchange Banks, had to resort to heavy borrowings from the central banking institution and also to sell off a part of their holding of Government Securities.

CREDIT SQUEEZE

It was during the slack season of 1957 that the favourable circumstance of an increase in deposits, coupled with a decline in advances, began week by week to improve the position of scheduled banks. On the one hand, early in June, the Reserve Bank of India,

in pursuance of its policy of selective monetary control and with a view to bringing down prices and discouraging speculative holdings of stocks, directed the commercial banks to reduce the level of advances against foodgrains. A few days later the Reserve Bank advised the banks generally to reduce the volume of advances and gradually to lower the advances-deposits ratio from the high level that it had reached at the peak of the busy season, so that the banks could, while regaining normal liquidity, find themselves in a better position to take on the next season's demand for finance without undue dependence on the Reserve Bank for accommodation. Towards the close of the year, the Reserve Bank made it known to the scheduled banks that the facilities under the bill market scheme would not be as liberal as they were at the beginning of the year and that the banks should, normally, try to work on the basis of their own funds and only with a modest resort to central bank credit. These measures, which should be construed to be tantamount to a "credit squeeze", succeeded in bringing about a reduction in the level of scheduled banks' advances from the busy season peak of Rs. 939.87 crores to Rs. 839.98 crores at the end of November 1957. On the other hand, the process of augmentation, throughout the period, of the deposit resources of scheduled banks gathered momentum. During 1957, deposits of all scheduled banks rose from Rs. 1101 crores to Rs. 1369 crores. Even if the State Bank were left out of the reckoning, by reason of its extraordinary receipts, the improvement in the deposits of the other scheduled banks, still, amounted to the considerable figure of Rs. 145 crores.

INTEREST RATES ON DEPOSITS

It is clear that the disbursements in connection with the Second Plan are to be seen as having a directly favourable impact upon the resources of the banking system. Set against this fact, I find it difficult to understand why banks should persist in bidding for deposits by means of steadily mounting rates of interest. The published accounts of banks reveal how steeply the figure of interest paid on deposits has risen. I had occasion some years ago to speak to you on this same matter when I deprecated the alarming tendency to try to attract fresh deposits by means of higher interest rates. I would like to reiterate here my plea for restraint in the competition for deposits through high rates. If it is conceded that the Second Plan disbursements by themselves result inevitably in the flow of new deposits, it follows logically that the attraction of higher interest rates is unnecessary in order to induce deposits.

THE ROLE OF THE RESERVE BANK OF INDIA

It is a matter of pride to hear the Indian central banking institu-

tion being described as one of the most efficient in the world. This is no exaggeration, for, the selective monetary control instituted by the Reserve Bank has succeeded in keeping at bay the inflationary pressures which this country had to face during 1957. While it is true that the inflationary potential in deficit financing was partly offset by the contractionary influence of a balance of payment deficit, the fact, nevertheless, remains that, by timely directives, the Reserve Bank has played a considerable part in imbuing the Indian economy with stability and in preventing the price situation from getting out of hand.

INTERNATIONAL ECONOMIC SCENE

I shall now turn my attention, albeit briefly, to the international economic scene. After a long tussle with inflation, dear money enthusiasts in the rest of the world have finally won the battle so well as to have induced deflation! The result is that many countries are trying to change into reverse gear, but the process appears to be difficult, and recession in the United States of America is threatening to become an invisible export to other countries. The United States unemployment has reached a 16 year peak of 5.1 million, and other economic indicators also presage a difficult time for the economy. This recession is sought to be got over by a number of programmes, including the easing of credit. For the third time in recent weeks, the Federal Reserve Bank approved a reduction in the discount rate, and the latest cut of half per cent brings the rate down to 2½ per cent. The Bank of England has also followed the general trend and reduced the bank rate by 1 per cent to 6 per cent. Among other countries which have effected a reduction in the discount rate is West Germany, where the Deutsche Bundesbank reduced the bank rate by half per cent to 3½ per cent. This is the fourth successive reduction since the autumn of 1956. The Netherlands Bank also cut its bank rate by half per cent to 4½ per cent. Quite suddenly, it seems to me that the bogey of inflation has yielded place to the reality of recession. While I shall not presume to advocate a world-wide cheap money policy—after all, conditions in the various countries differ widely, and the level of Bank rate must be consistent with trends in the internal economy of each country—I should nevertheless, point out that we seem to have reached a stage where we may be exaggerating the effect of inflation in present-day conditions. A study has to be made of the extent to which a rise in prices is not necessarily evidence of inflation. After all, when there occurs an improvement in the standard of living, some element of increase in the price level is inescapable. And it is true to say that never before in economic history have so many countries

participated in so general a rise in the standard of living. Finally, I should like to say that, in our pre-occupation with the so called dangers of inflation, we should not allow ourselves, as the rest of the world had during 1957, to become oblivious to the even greater danger of recession.

CAPITAL MARKET

The prices on the Stock Exchange continued to decline and the downward trend was accentuated by the budget of May 1957 which introduced several new taxes and still further reduced individual and corporate saving capacity. A few new issues of capital and offers for sale were successfully put through, but these issues were rather exceptional, and conditions in the Stock Exchange have remained wholly unfavourable for the raising of any capital for new enterprises. The yield on industrial securities rose from 5.75 per cent (tax-free) at the beginning of the year to 7.26 per cent (tax-free) at the end of the year and this factor also contributed to the difficulty of existing companies in procurement of fresh capital by way of debentures or preference shares at reasonable rates. The Industrial Delegation which visited the United States and Europe has pointed out that the limiting factor in getting credit from abroad is not so much the reluctance on the part of foreign institutions and suppliers to give credit as the difficulty of raising internal capital in India itself. It is really the quantum of Rupee capital available in India which would appear to determine the finance that could be obtained from abroad. Broadly speaking, it would be necessary to raise 20 per cent of the capital to be used for the purchase of equipment for any project and the whole of the rupee counterpart of the expenditure on the project before foreign credits could be sought for the rest of the capital. If the minimum rupee capital which, thus, would come to about 50 per cent of the entire cost of a project could not be raised in the country, there would be no basis for seeking credit from abroad. In view of the fact that it is almost impossible to raise any substantial amount of rupee equity capital, industrial expansion in the private sector will have to come to a stop unless the profitability of industry is restored to a reasonable level through fiscal reliefs.

It is gratifying to learn that the efforts of the Government of India to raise Dollar credits in the United States of America have been successful and that loans of \$150 million from the Export Import Bank and \$75 million from the Development Loan Fund have already been arranged, part of which is available for utilisation by the private sector in cover of 100 per cent of the cost of purchase from the United States. These arrangements imply that if the private sector is to derive benefit from these loans it should be able to raise immediately the rupee

capital required for the full cost of any project and not merely 50 per cent of the cost which would have sufficed under schemes of deferred credit or foreign participation.

ECONOMIC SITUATION

I now turn to the review of Indian economy, and, in doing so, I have inevitably to deal with the Second Five-Year Plan, the execution of which has become a subject of controversy. There are those who vehemently insist that the plan be implemented in toto irrespective of the cost or availability of resources, while others urge that the plan be pruned or rephased without stating how or to what extent the re-planning should be done. People are apt to forget that the plan is not an end in itself but only a pointer to certain objectives, viz., greater production, fairer distribution and increased employment.

The plan envisages an outlay of Rs. 4,800 crores in the public sector and Rs. 2,400 crores in the private sector, making a total of Rs. 7,200 crores which, in subsequent estimates, has been still further increased to allow for increased costs and additions to projects. But, sticking to the original estimate of expenditure in the public sector, the main provisions are: Rs. 2,300 crores for transport, communications, power and irrigation; Rs. 340 crores for agriculture and Rs. 690 crores for industry and mining in the public sector (total Rs. 3,330 crores), and Rs. 700 crores for industry, mining and plantations in the private sector. The projects covered by these allotments constitute the core of the plan, the rest of the plan expenditure being for community projects, social services and the like. In insisting that the plan shall be put through at all costs, the Government is more figure-conscious than performance-conscious, more insistent on the amount of plan expenditure than on the achievement of the planned rise in production or planned increase in employment. The public sector is faced with difficulties in the matter of both spending to the target limit as well as in achieving the production and employment targets. On the other hand, it would appear that the private sector is almost certain to complete its assigned task and invest its full quota of earmarked resources well before the end of the plan period. Mr. T. T. Krishnamachari, whose exit from the Finance Ministership I deeply deplore, speaking before the Annual Meeting of the World Bank on September 25, 1957 said:

"Private enterprise is, in fact, playing a vital role in India. Indeed, its development has never been more marked or varied at any previous period than during the past ten years. To some extent our recent difficulties stem from the very sizeable boom in private investment that has been under way. We do not regret this boom as it

takes us a step forward towards our objective of higher levels of living".

The physical targets assigned to the private sector are also well on the way to fulfilment. The index of industrial production has risen from 100 in 1951 to 168.5 in June '57.* Privately owned collieries are already producing coal at an annual rate of 40 million tons as against a target of 48 million tons in 1961. Textile mills were briskly moving towards the plan target of 8500 million yards, but there is not enough cotton available to enable this quantity of cotton textiles to be manufactured, and as both internal consumption and exports have dwindled, the plan target will have to be lowered. Expansion of manufacturing capacity in cement is lagging behind on account of foreign exchange shortage, but enough progress has already been achieved to make the supply position turn easy. Steel is an easy winner. Owing, however, to factors, all too familiar, of shortage of foreign exchange and lack of internal capital, the tempo of industrial expansion is slowing down and the goal of 8 million new jobs is receding. It, therefore, behoves the Government to reappraise the situation and initiate policies calculated to reactivate the industrial sector and to increase the foreign exchange earnings on our export trade.

THE NEED FOR FOREIGN CAPITAL

Our foreign exchange needs will, for years to come, exceed our earnings. But I am averse to the idea of continued borrowing from abroad because, ultimately, the problem of repayment would become acute. Already, we have piled up future liabilities at an average rate of Rs. 90 crores per annum for a four-year period beginning from 1960-61. It would be better to create a favourable atmosphere in which foreign capital would feel encouraged to invest in our enterprises. Such foreign participation in equity capital would contribute to the creation of new wealth and the question of repatriation of capital would normally not arise so long as private enterprise is allowed to function with a reasonable degree of freedom. In this connection, I should like to bring to the notice of the Government of India the note handed to the Indian Industrial Delegation by the Department of Commerce Washington, listing the factors which are considered to constitute some of the obstacles to U.S. investment in India and to appeal to the Government to take action to remove the deterrents.

AGRICULTURE

The weakest feature of the Second Five-Year Plan is the imbalance between agriculture and industry. Agriculture occupies a

*The index number for June 1957 is taken because it was at that time that sugar factories ceased production for the season.

key position in our economy. At the end of the Second Plan period our total national income is expected to rise to Rs. 13,500 crores of which nearly 46% is expected to come from agriculture. If agricultural production is not increased substantially, the purchasing power of the countryside will, in relation to industrial production, be reduced and the latter will ultimately have to go down. Increased food production would abolish scarcity conditions with attendant whole-some effect on the psychology of the masses and creation of conditions favourable to higher production. This should be emphasised from another angle also for, it is difficult to contemplate with equanimity, in view of the deteriorated foreign exchange situation, continued imports of between two and three million tons of foodgrains a year for as far ahead as we could visualize. While production of grains in absolute figures is not declining, the increase in output is not commensurate with the addition to population. Even after allowing for the vicissitudes of the monsoon and the failure of rains in some parts of the country it should be possible with greater utilisation of available water in other parts and through more intensive cultivation, to produce a higher yield of foodgrains per acre. But unfortunately, the cut in fertiliser imports is likely to reduce agricultural production still further. We cannot afford to build steel mills at the risk of jeopardising food supplies. The least that should be done is to erect more fertiliser factories at the same time as steel mills.

Increased production of cash crops could also alleviate our foreign exchange position. An additional 1 million bales each of jute and cotton, per annum would mean an annual gain of almost Rs. 55 crores in foreign exchange. There is a scarcity of vegetable oils all over the world and the prices of copra and oilseeds have either remained steady or only slightly declined in the commodity markets of the world while other internationally traded commodities have been sagging. Our production of oilseeds and the yield of oilseeds per acre have remained static and a 25% rise in the output of oilseeds would enable us steadily to export to foreign markets vegetable oil which is so much in demand. We were successful last year in exporting about 160,000 tons of sugar earning valuable foreign exchange. Again if only we could increase the production of foodgrains by 10% and improve the export of tea and ores, we could achieve a diversification of our exports and substantially improve our foreign exchange earnings with resultant benefit to our foreign exchange reserves. I would go to the length of suggesting that exports of sugar and other commodities in international demand should be encouraged even at the risk of such commodities becoming somewhat scarce in the country or of subsidising such exports.

Indian Finance

TAX RELIEF

I feel happy to conclude my speech on a note of favourable import. Government have recently announced certain fiscal reliefs by way of repeal of the compulsory deposit of reserves relating to the year 1958-59 and reductions in excise duties on various qualities of cotton textiles. While it has been hoped that those concessions might have formed part of the budget proposals themselves, it is heartening to note that, on due representation being made to them, Government have seen the validity of the requests for relief and have accorded it. If, as I hope, this is indicative of the willingness on the part of the Government to study each situation dispassionately, and not merely from the point of view of revenue, we may look forward to revisions being announced and implemented by Government at timely junctures.

NEW FINANCE MINISTER

I have great pleasure in welcoming the appointment of Mr. Morarji Desai as Finance Minister. He has held charge of the Ministry of Commerce & Industry with great distinction and he brings to his new and onerous task a reputation as an extremely able and efficient administrator. I am sure that finance is in the hands of one who will safely steer this important portfolio through the remaining difficult years of the Second Plan period.

Note:—This does not purport to be a record of the proceedings of the Annual General Meeting.

Glass Industry

Availability of coal and its transport in time to the factory sites remain the major problems of the Glass industry. In respect of both, there is scope for improvement. The president of the Indian Glass makers association, Mr. O. M. Somany, told its annual meeting that increasing requirements of the industry for coal have not been met by corresponding increase in quotas. As regards transport, he gave the warning that the industry was about to lose its markets as a result of transport bottlenecks. To remedy this unsatisfactory state of affairs, he has suggested the development of the canal system linking Calcutta with the coal fields. That will take time to be completed. For the immediate future, pending development of railways carrying capacity, he has suggested movement of coal by road. Apart from bottlenecks in the supply of materials, the industry is faced by the problem of mechanisation which, however, is necessary to maintain quality and competitive efficiency. The export performance of the industry has fallen far short of the Second Plan estimates. The high cost of production of Indian glass is the main inhibiting factor, for, in respect of quality and variety, Indian glassware can now compete with the products of other countries.

April 12, 1958

MAHINDRA & MAHINDRA LIMITED

NOTICE

The 12TH ANNUAL GENERAL MEETING of the Shareholders of MAHINDRA & MAHINDRA LIMITED will be held at the Taj Mahal Hotel, Apollo Bunder, Bombay 1, on Monday, the 12th May, 1958, at 4 p.m. to transact the following business:—

- (1) To receive and adopt the Directors' Report, the audited Balance-sheet and Profit and Loss Account for the year ended 31st October, 1957.
- (2) To declare dividend on Preference and Ordinary Shares.
- (3) To appoint a Director in place of Sir Dhiren Mitra who retires by rotation under Article 110 of the Articles of Association and who, being eligible, offers himself for re-election.
- (4) To appoint a Director in place of Mr. H. C. Mahindra who retires by rotation under Article 110 of the Articles of Association and who, being eligible, offers himself for re-election.
- (5) To appoint a Director in place of Sardar H. S. Malik who ceases to hold office by virtue of Article 116 of the Articles of Association and who, being eligible, offers himself for re-election.
- (6) To appoint a Director in place of Mr. Stephen A. Girard who ceases to hold office by virtue of Article 116 of the Articles of Association and who, being eligible, offers himself for re-election.
- (7) To appoint Auditors for the current year and to fix their remuneration.
- (8) To consider and if thought fit to pass the following resolution with such modification, if any, as may be agreed upon at the Meeting—the relative explanatory note as required by Section 173 of the Companies Act, 1956, is annexed hereto:—

"RESOLVED that the Company's Authorised Share Capital be increased by Rs. 3,50,00,000 and that Clause 5 of the Memorandum of Association be altered so as to change" Rs. 1,50,00,000 (Rupees One crore and fifty lacs) dividend into 12,50,000 shares of Rs. 10/- each and 25,000 shares of Rs. 100/- each" into "Rs. 5,00,00,000 (Rupees Five crores) divided into 40,00,000 shares of Rs. 10/- each and 1,00,000 shares of Rs. 100/- each."

- (9) To consider and if thought fit to pass the following as a special resolution with such modification, if any, as may be agreed upon at the Meeting:—
- "RESOLVED that Article 3 of the Articles of Association

of the Company be deleted and the following substituted therefor.

"ARTICLE 3: The Capital of the Company is Rs. 5,00,00,000 (Rupees five crores) divided into 40,00,000 Ordinary Shares of Rs. 10/- each, 75,000 Preference Shares of Rs. 100/- each and 25,000 Redeemable Cumulative Preference Shares of Rs. 100/- each.

The said 75,000 Preference Shares of Rs. 100/- each shall have such preferential rights privileges and other conditions attached thereto as may be determined by the Board at the time of the issue of this capital.

The said 25,000 Redeemable Cumulative Preference Shares shall confer the right to a fixed cumulative preferential dividend at the rate of 6% per annum without deduction of Income-Tax on the capital for the time being paid up thereon, and the right in a winding-up to payment off of capital and arrears of such fixed dividend, whether declared or earned or not, accrued up to the commencement of the winding-up in priority to the Ordinary Shares, but shall not confer any right to participate in profits or assets. The Company shall be entitled on or at any time after the 1st day of November 1965 to redeem the whole or any part of the said Redeemable Cumulative Preference Shares for the time being issued and outstanding out of any moneys which may lawfully be applied for the purpose at par plus a premium of Rs. 5/- per share upon giving to the holder of the shares to be redeemed not less than three months, previous notice in writing.

In the event of the Company determining to redeem a part only of the said Redeemable Cumulative Preference Shares for the time being outstanding, the particular shares to be redeemed shall be selected by a drawing which the Company shall cause to be made by one of its officers at its registered office in the presence of a representative of the auditors of the Company for the time being.

Every such drawing shall be made in such a manner as the Company shall (subject to the approval of the auditors) determine as convenient for selecting the number of shares required to be drawn.

The said Redeemable Cumu-

lative Preference Shares shall confer the right to attend and speak at General Meeting of the Company but shall not confer any right to vote except when—

- (i) the cumulative preference dividend is passed over in any year or has remained in arrears for more than six months from the date it is declared; or
- (ii) any resolution affecting the rights, privileges or interests of the holders of the said Redeemable Cumulative Preference Shares is proposed; or
- (iii) any resolution for the winding up of the Company is proposed.

None of the funds of the Company shall directly or indirectly be employed in the purchase of, or lent on the security of shares of the Company."

Notes:—

- (a) The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the special business under items 8 and 9 set out above is annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER.
- (c) The Transfer books of the Company will be closed from 28th April, 1958, to 12th May, 1958, both days inclusive.
- (d) Dividends, if sanctioned at the Meeting, will be made payable to those Shareholders whose names are on the Company's Register on the 12th May, 1958, and the dividend warrants will be despatched to them on and after the 19th May, 1958.

By Order of the Board,
KESHUB MAHINDRA,
Director.

19th March, 1958.
Gateway Building,
Apollo Bunder,
Bombay 1.

ANNEXURE TO THE NOTICE

Explanatory Statements as required by Section 173 of the Companies Act, 1956.

Items No. 8 and No. 9: The Company's original programme for manufacture of Jeeps was limited to a volume of 2,500 units a year. The Tariff Commission reporting in 1956 forecasted a progressively increasing demand for Jeeps reaching to 5,000 units by 1960-61. Government in accepting the recommendations of the Tariff Com-

mission called upon the manufacturers to elaborate and adjust their respective programme in accordance with the conclusions indicated by the Tariff Commission. The Company accordingly presented an application for the doubling of its programme of production and preliminary approval of Government has been received. This will necessitate a considerable expansion of Company's manufacturing operations, and of the assembly facilities.

The Tractor Division of the Company is also being expanded, and it is hoped that the Tractor manufacturing proposals will receive Government approval shortly.

It is anticipated that substantial additional capital will be required for these various expansion schemes. As a first step, it is proposed to increase the authorised capital of the Company from Rs. 1,50,00,000 to Rs. 5,00,00,000 as set forth in the Resolution. The alterations of clause 5 of the Memorandum of Association and of Articles 3 of the Articles of Association are therefore proposed for Shareholders' approval as required by Section 31 and 94 of the Companies Act, 1956, and Article 50 of the Company's Articles of Association.

By Order of the Board,
KESHUB MAHINDRA,
Director.

Bombay,
19th March, 1958.

To All Shareholders of the Company and in particular, Mr. B. B. Auty, Ethiopia; Mr. Mangalbhai Nathabhai Patel, Tanganyika; and Mr. M. V. Shirodkar, Baltimore, U.S.A.

S. E. RLY TENDERS

Sealed tenders (Tender No. GM/S1/S/8) are invited for entering into a contract to cut up condemned Rolling Stock and other units of condemned stock at the South Eastern Railway Reclamation and Mathurakati Scrap Yards at Khargpur for a period of two years from 1-6-58 to 31-5-60.

Tender forms are obtainable from the Controller of Stores (Sales Section), Garden Reach, Calcutta-23 on remittance of Rupees five only (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, South Eastern Railway, Garden Reach by local firms.

Earnest money of Rs 1,000/- is to be deposited with the Railways' Chief Cashier and the receipt obtained thereof should accompany the tender without which the tender is liable to be rejected. Tenders will be opened at 12 noon on 12-5-58 in the office of the General Manager.

S3 GENERAL MANAGER

(Incorporated in Hongkong with Limited Liability)

BALANCE SHEET AT 31st DECEMBER, 1957

MICHAEL W. TURNER
Chief Manager.

REPORT OF THE AUDITORS TO THE MEMBERS OF THE HONGKONG AND SHANGHAI BANKING CORPORATION.

We have examined the above Balance Sheet with the books of the Corporation kept in Hong Kong, with the audited Accounts of the London Office and with the Returns received from the other Offices. We have obtained all the information and explanations we have required for the purposes of our examination. The above Balance Sheet gives the information required by the United Kingdom Companies Act, 1948 in the manner prescribed for a Banking Company and on that basis, in our opinion, is a full and fair Balance Sheet properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs at 31st December, 1957, according to the best of our information and the explanations given to us and as shown by the books kept in Hong Kong and the Returns received from the other Offices.

LOWE, BINGHAM & MATTHEWS } Chartered Accountants,
PEAT, MARWICK, MITCHELL & CO. } Auditors.

Hong Kong, 26th February, 1958.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

	Hong Kong Dollars		Hong Kong Dollars	
Amount to be written off Bank Premises .. ...	.....	\$4,000,000	Balance brought forward from 31st December, 1956	\$11,039,578
Interim Dividend of £2 per share on 200,000 shares paid 10th August, 1957, £400,000 at 1/2 13/16	\$ 6,481,013		Less: Amount transferred to Reserve Fund	9,000,000
Proposed Final Dividend of £1-12-6 per share on 400,000 shares £650,000 at 1/2 13/16	10,531,645	17,012,658	Profit for the year, after providing for taxation on profits earned to date and after making transfers to the credit of Reserves for Contingencies, out of which provision for diminution in value of assets has been made	2,039,578
Balance carried forward to next year .. ..	.....	2,062,463		
Special Administrative Expenses, including Chief Manager's emoluments, Directors' Fees and London Committee Fees amounted to HK\$972,221.				21,035,543
		\$ 23,078,121		
				\$ 23,075,121

The Hongkong and Shanghai Banking Corporation

Asian Countries Face Foreign Exchange Difficulties

The Problems Arising from Rapid Industrialisation

Is Inflation the Danger, or Deflation?

Survey of the Eastern Scene by the Hon. C. Blaker, the Chairman

The Ordinary Yearly General Meeting of the Shareholders of The Hongkong and Shanghai Banking Corporation was held on 14th March, 1958, at the Head Office of the Corporation, No. 1, Queen's Road, Central, Hongkong.

The following is the statement by the Chairman The Hon. C. Blaker, M.C., E.D.—

During the past year there was very little improvement in international relations throughout the world. The outstanding problems in the Middle East seemed no nearer solution and in spite of discussions on disarmament and proposals for high level talks, the main issues between the two sides still remained unresolved. In the scientific field, on the other hand, there were two remarkable developments which seem likely to have a major influence on the future progress of the human race—the launching of the Russian earth satellites and the first steps in the control of thermonuclear reactions. Although the latter may prove, in the long run, to be the more important, the immediate impact of the former was very much greater, showing as it did the lead that Russia has now gained in intercontinental missiles. There is no disguising the fact that the west and the United States in particular, have suffered a severe political reverse due to the strategic consequences of the Russian advances in technology. It would seem doubtful whether the present policies will meet this changed situation and the demand for a more positive approach to break the deadlock seems likely to gain in intensity.

The economic picture has been somewhat mixed and it is not clear whether in 1958 the danger most to be guarded against is rising costs or falling production; whether in fact the inflationary tendencies that have been so much a feature of the postwar era are still growing or whether a period of deflation is about to set in. Whatever the future may hold the present situation, with the increasing cost of manufactured goods and a considerable drop in commodity prices, has pressed heavily on the balance of payments of the eastern countries in which we operate and this must inevitably slow up their progress. The heavy cost of modern industrial development has intensified the world capital shortage and this, coupled with an

overall fall in the dollar reserves, has resulted in a growing use being made of the drawing facilities member countries enjoy with the International Monetary Fund. During the year many currencies suffered a period of considerable strain and in Europe the problem was aggravated by the strength of the Deutsche Mark, the weakness of the French Franc and the rise in wages and prices in the United Kingdom. Sterling once again had to bear the brunt of the speculative pressure and in September the bank rate was raised to 7%, the highest since 1921, with restrictions on both bank advances and expenditure by local authorities. These measures halted the drain on the sterling area reserves and as a result the short-term position has greatly improved, but judgement must be deferred as to whether or not the over-riding problem of keeping British costs in line with those of her competitors has been solved.

These recurring currency crises have evoked serious consideration as to whether it is advantageous to the United Kingdom to maintain sterling as an international currency. Those who argue against have drawn support from the fact that the drain last year took place at a time when the country was paying its way, and various estimates have been made to show that the foreign exchange earnings of the City are much less than has been generally supposed. While this is not the place to enter into this interesting discussion, I should like to say this, that from the point of view of a bank such as ours, mainly concerned with the financing of international trade, any suggestion that sterling should abrogate the role it has held for so long, can only be viewed with apprehension. Notwithstanding periods of distrust from time to time in recent years, no currency has yet been found able to take the place of sterling and it is difficult to see how the multitude of transactions which make up the settlement of trade in our particular area alone could be cleared without the facilities sterling and the City of London provide. This applies also to other parts of the world and a return to bilateralism, with all the frustrations this would involve, would seem to be the inevitable result of any serious limitation in the use of these facilities.

The common market, composed of France, Western Germany, Italy and the Benelux countries, officially came into being on 1st January 1958 but the wider free trade area, which is to be established around these countries and which is intended to comprise most of Europe as well, has still many bridges to cross. Progress seems likely to be slow, as, although there is a growing agreement on the general advantages of such an area, when negotiation turns to particular problems the extent of the difficulties is revealed.

ASIA.

The political situation in the Far East shows little outward change. Many outstanding problems still remain unsolved but while it would be unwise to be complacent at a state of affairs with so many explosive possibilities, the fact that local disturbances have not spread gives ground for satisfaction. Deterioration in the terms of trade, which has resulted in a general fall in the foreign exchange reserves of most countries in the area, is the most disturbing economic feature. Admittedly these difficulties were aggravated by the increasing pace of development but administrative weaknesses in several cases have quickened the trend and have delayed the taking of appropriate action to reverse it. It would be unfair to criticise the various countries concerned unduly, as very few other countries have been free from balance of payment difficulties at one time or another in recent years. Nevertheless it is unfortunate that this state of affairs should have occurred at a time when most of the various development programmes require outside capital, the demand for which throughout the world is so acute. Actually considerable amounts of capital have been granted to the area during the past year through such media as the International Bank, various United States agencies and the Colombo Plan, but there are signs that these supplies are not unlimited. It would therefore seem to be necessary to attract to a greater extent the flow of private capital but Asian countries should not forget that there is already considerable competition from other areas for what is available. In their annual report the Consultative Committee of the Colombo Plan point out "the advantage of the region in

this competition is that it offers potentially large and growing markets" but go on to warn that "the attractions of the region, however, can be counter-balanced by such factors as apprehensions as to the security of investment, difficulties with administrative and financial procedures and restrictions and uncertainties about the incidence and weight of taxation." I hope that this advice, coming as it does from a gathering of representatives of the governments concerned, will be given careful consideration. Foreign capital has in the past done much to assist the industrialisation of many countries and continues today to increase the productivity of those that are most advanced. It is now being more generally realised that foreign investment is not necessarily tarred with the colonial brush but recent events in Indonesia have shown the disrupting effects that extreme nationalism can have on a nation's economy.

HONG KONG.

On the last day of the year, to the traditional sound of Chinese firecrackers, Sir Alexander and Lady Grantham left Hong Kong after a governorship of over ten years. By 1947 the Colony had repaired the worst of the damage and neglect left over from the occupation and had resumed its pre-war role as an entrepot for South China but the development of the local industries, which were to provide employment for the growing number of refugees, still lay ahead. These were not easy years but, amidst the numerous trials and tribulations which afflicted this part of the world, Sir Alexander stood firm and by his leadership guided the energetic people of Hong Kong along the path to the thriving metropolis we now see today. Greatly assisted by his lady, he instilled members of the community with a feeling of social responsibility, which was not always to be found in earlier days, and the numerous charitable organisations in the Colony today owe much to their interest and encouragement.

The pressure of population continues to be the most serious problem facing the Colony and the concentration of such large numbers of people, in the urban areas of Kowloon, places a heavy burden on all the public services and in particular on the police force. The recent remarks of the Governor

and the Financial Secretary on the water situation give some idea of the difficulties that have to be overcome in the provision of this basic requirement. It seems clear that even if the Shek Pik scheme on Lantau Island should prove workable, this will not be sufficient to meet the growing demand of industrial development and improved standards of housing. The government announced at the end of the year that they had appointed a firm of consulting engineers to survey certain areas in the New Territories with a view to exploring the possibility of building self-contained new towns. This proposed development will naturally take time but the necessity of housing and finding work for the large number of Chinese refugees is still a major problem. The General Assembly of the United Nations recently considered this question and appealed to member countries to give all possible assistance to alleviate distress. It would, I think, be optimistic to expect any large response to this appeal but it is naturally a matter for regret that Hong Kong seems likely in the future, as in the past, to be required to tackle this problem from her own resources. I hope, however, that the needs of the refugees will not be forgotten and that there will be some relief from abroad.

All the indications are that the population will continue to grow which will necessitate considerable future industrial development and I sometimes wonder whether this will be forthcoming. We have been fortunate in recent years in the inflow of capital, much of which has built up new industries, but it would be unwise to rely on this continuing indefinitely. In spite of the progress of local industries the adverse balance of trade continues to grow; granted in an entrepot this is not too reliable a guide, but the fact remains that the time may come when the invisibles will not be sufficient to make up the difference. If this should happen, private enterprise might not be tempted to invest to the extent that it has done in the past and a more positive approach by the government might be necessary to fill the gap. The economic position in the Colony has been so favourable in recent years, and so much praise has been expressed abroad at the progress that has been made, that it is easy to become complacent. The dangers I have hinted at may not be so far away as people like to think and it would therefore be wise to consider some preliminary planning to avoid being taken unawares.

Business activity remained at a high level throughout the year and although there are signs of a slight contraction there seems no doubt that the number of new buildings springing up all over the Colony is a fact the amount spent on building last year was the highest since the war. Visitors are to be amazed at the speed with which these are constructed

and even residents, after a short absence, comment on the changes that can be seen. The supply of flats for the more well-to-do members of the community has probably now reached saturation point but there is an ever-growing demand for smaller flats for the lower income groups. The recently completed North Point Estate, one of the largest state-aided housing projects in Asia, containing nearly 2,000 flats, will help to supply part of this need. A great deal more, however, will require to be done and it is good to know that plans for further housing estates are already under way.

It was announced in November that the Royal Naval Dockyard would be closed down progressively over a period of two years. This decision has been taken as part of the British Government's recent defence policy which includes the reorganisation of naval forces and their shore support throughout the world. Other dockyards are being closed in the United Kingdom and we must accept this decision. It is nevertheless a matter for regret, as not only has this raised the problem of re-employment of the workers but it must inevitably weaken to a certain extent the close connection which has existed for so long between Hong Kong and the Senior Service.

On the recommendation of Sir Alexander Grantham, a committee has been formed, composed of ten members representing trade and industry, to consider the advisability of setting up a Federation of Hong Kong industries. This organisation, it is hoped, will assist with industry's problems of management, training and overseas trade relations. Technical training is a most important adjunct to modern industrial development and Hong Kong's new technical college was opened at the end of the year. It is hoped that in a few years this will be one of the finest technical colleges in this part of the world.

HONG KONG'S TRADE.

Hong Kong's trade in 1957 was higher in total than that of the previous year but this was due to a rise in imports as exports showed a slight decrease. Total trade was around HK\$9,000 millions with imports at HK\$5,600 millions and exports at HK\$3,400 millions. China remained the principal source of the Colony's imports followed by Japan and the United Kingdom. Exports to Indonesia, Thailand, Japan and South Korea were much reduced and increases to other areas, including the United Kingdom and the United States, were not sufficient to offset this loss.

Exports of Hong Kong products at nearly HK\$794 millions represented a small increase over the figure for 1956. The United Kingdom continued to be the largest customer but purchases of local products by the United States increased by almost 100%. A large

part of which was due to the efforts of the garment industry. Although the registration of new factories showed a fall, local industry is becoming more diverse and new lines continue to be actively developed.

Business on the Stock Exchange showed a similar trend to last year and decreased by about 30% over the year. Considering the sharp fall in security values that have taken place throughout the world, the market on the whole stood up very well. Land values remained fairly steady although prices in certain parts of Kowloon continued to rise. There are no longer so many first class sites available in the central district and this has caused buyers to turn to smaller properties, many of which are old and are long overdue for re-building.

The bank clearing figures for the year increased by about 11% and reached a total of nearly HK\$17,000 millions, to come close to the record figure of 1951. Increasing velocity of circulation has been much in the news recently in the United Kingdom. It is interesting to note that in the last two years, here in Hong Kong, a similar trend has been evident.

FINANCES OF HONG KONG

The financial position of the Colony continues to be very satisfactory and a surplus of just over HK\$1 million for the current year is now estimated as opposed to the original deficit of HK\$54 millions. Even this revision seems to be an under-estimate and the Financial Secretary considers it likely that the final result will show a much larger surplus.

For the financial year 1958/59 revenue is expected to remain at about the previous year's level but expenditure shows a considerable increase and a deficit of HK\$87 millions is estimated. The provision for public works non-recurrent at HK\$183 millions is the main reason for this rise, including as it does expenditure on new schools, hospitals, reservoirs and the air port. It is notoriously difficult to estimate accurately expenditure under this heading but, even if all this money is in fact spent, the Financial Secretary considered it perfectly sound to finance this capital expenditure out of reserves and no increase was made in taxation.

At the meeting of the Legislative Council at which the Budget was presented, the Governor announced that the Secretary of State for the Colonies had further relaxed the financial control which he exercised over Hong Kong and that the annual estimates and supplementary provisions would no longer require his approval. "This is a very important and considerable extension of our financial independence" as the Governor pointed out but I think that when one considers the conservative way in which our finances have been managed over the last few years there should be no cause for anxiety.

Indian Finance

CHINA.

On looking back over the events in China during the past year it is clear that a number of stresses have developed, both political and economic. Evidence of this is not difficult to obtain and a study confined to official pronouncements could only lead to the same conclusion. Indeed it would be surprising if all had gone smoothly, when one considers the profound changes that have taken place in the whole Chinese way of life in such a short time, with the collectivisation of the farms and the great strides that have been made in industrial development. A policy of such rapid growth must rely on a considerable degree of austerity in the present for the sake of the future, and is bound to raise doubts amongst certain sections of the population; the extent of these doubts became evident when the much publicised speech of Chairman Mao Tse-Tung, indicating that a greater degree of freedom of expression was to be allowed, touched off a wave of critical comment. This period did not last very long and soon press reports from Peking were once again full of confessions by counter-revolutionaries while it became clear that a campaign against "rightists" was actively under way. The extent of the criticism was no doubt embarrassing to the government but there is no evidence to suggest that it was more than just that or that it has in any way changed the declared policy of pushing ahead at as rapid a pace as possible with the industrialisation of the country. This remains the aim which will, I am convinced, be carried out resolutely and will be limited much more by the results of the harvest than by the opinions of disaffected groups. It may be that agriculture will not be able to play the part allotted to it as nature will continue, as in the past, to be a dominant influence. If this should prove to be the case the part of the national cake that is devoted to capital development may require to be smaller but there seems no doubt that it will still continue to be a sizeable slice.

The higher targets which were decided upon after the bumper harvest of 1955 proved too great a strain on the country's economy when last year's crops did not come up to expectation. The reduction in the allocation for economic construction in the budget was one of the signs that the authorities appreciated that the pace was too swift, while a number of official pronouncements show that it is now realised that many of the targets were too ambitious. The shortage of food has been the subject of much comment in the Chinese press and in December pork joined grain, vegetable oils and cotton cloth as a rationed commodity. Speculators, laxity of officials and errors of judgement are all blamed for the present state of affairs but the problem of a balanced distribution of food in a

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country the size of China, particularly subject to the vagaries of the weather, would seem to be almost insoluble. Mistakes in the running of collective farms are now being freely admitted and agricultural development seems likely to be concentrated on improving on the existing model without as yet the introduction of mechanical aids. In an endeavour to raise the standards of rural conditions the movement of government employees from the towns to the countryside is being vigorously directed.

It is against this background that the decision of the United Kingdom and other governments to bring the list of goods which may be exported to China into line with the Russian list must be viewed. In association with British merchants interested in the China trade, we have been urging this relaxation for some time and we are happy to see that action has now been taken. It would, however, be unwise to expect any great immediate benefit but the visits of both the Parliamentary Secretary to the Board of Trade to China and the Chinese Economic and Technical Mission to the United Kingdom have, I hope, laid the foundations on which a growing exchange of goods may be based. The present volume of British trade with China is not very large and there would seem to be no reason why this should not be materially increased, even if a slowing down of development in China should be found necessary.

The period of the first five-year plan has now ended and it is claimed that industrial output greatly exceeds the original estimate. This is, I think, most likely as considerable strides have been made in the production of steel, coal, electric power and cement, to take a few examples, while the bridge at Wuhan, the first to span the Yangtse, is not only a considerable engineering achievement but will greatly assist communications between north and south. There are, however, signs that the pace has been uneven—too fast in some directions and too slow in others—which has resulted in overall production being slowed down. Action aimed at the elimination of these bottlenecks would seem to deserve high priority in the next five-year plan.

JAPAN

In our review last year I was able to report that Japan had a satisfactory year of economic expansion despite considerable political difficulties. This year the reverse seems to be true, as, although the inherent weaknesses in Japan's political structure remain unaltered and factional differences are still as strong as ever, it is economic problems rather than political that have given most cause for concern. The industrial expansion, which had been such a noteworthy feature of 1956, continued during the first half of 1957 with no slackening in investment de-

mand, but although exports increased they were unable to keep pace with the growing volume of imports and this caused a steady deterioration in the balance of payments. The raising of the discount rate by the Bank of Japan, an increase in import margins and a reduction of public and private investment programmes were some of the measures taken to reverse this trend and in October the drain on the foreign exchange reserves was halted after having reached the somewhat alarming total of U.S.\$600 millions for the first nine months of the year. Fortunately, with such heavy pressure on the balance of payments for the import of industrial materials, the rice crop turned out to be the second highest in Japan's history. Taking the year as a whole the net deficit was U.S.\$533 millions as compared with a surplus of U.S.\$293 millions in 1956, with exports higher by 14% and imports by 32%.

It would seem that the tide has been turned and that the deflationary policy has succeeded in slowing down the too rapid expansion which threatened to exhaust the reserves if allowed to continue. Falls in the index of production, increasing stocks of goods in the hands of importers and lower wholesale prices are evidence of this; on the other hand advances by the Bank of Japan to the banking system at the end of December were four times what they were a year previously and it is doubtful whether consumer demand has been seriously reduced. When one looks back on conditions in Japan over the last few years, with the rapid swings of the pendulum from one extreme to the other, it is tempting to speculate whether a way can be found to prevent such quick changes in the economic climate. This poses a difficult problem, faced as Japan is with a steadily rising population which necessitates a growing increase in her exports to keep her industry running and avoid the dangers of severe unemployment. No wonder there is pressure to increase industrial production particularly as there has been a change in the pattern of the export trade with less demand for consumer goods. This has resulted in activity in markets where there is already strong competition from other suppliers, many with old established connections, which makes the economy particularly vulnerable to any recession abroad. The shipbuilding industry is a case in point. Last year Japan reached the highest peacetime output of any nation but with the fall in world demand for shipping, particularly tankers, it seems unlikely that this level can continue. Other industries will undoubtedly suffer also but raw materials are continuing to come forward and it is not so easy to turn off the tap. It may be that action was not taken in time but, with the danger of unemployment always present, it is not surprising that the monetary

authorities are sparing in the use of the deflationary weapon lest the cure be worse than the disease. Taking everything into account it seems likely that Japan's economy will continue for some time to be subject to considerable variations unless there is renewed and sustained world-economic expansion.

The political situation remained uneventful during the year and very little positive action was taken in internal affairs apart from the financial measures already mentioned. Mr. Kishi retained the cabinet he inherited from his predecessor until July but, when the new cabinet was formed, it bore signs of the usual compromise between the different factions, with their varying personal loyalties. The Prime Minister was absent from Japan for a large part of the year making two tours of Asia and visiting the United States and Australasia. During these tours he propounded his plan for a South-East Asian Development Fund, which was given a mixed reception. This plan was somewhat vague in outline but the original intention was to set up a fund in U.S. currency available for the supply of industrial equipment from Japan to South-East Asia; when it became clear that U.S. currency was unlikely to be forthcoming a yen fund was proposed. Time alone will tell how valuable these tours were but the signing of the peace treaty with Indonesia and the settlement of the reparations issue gave a successful outcome to the last of these. Japan continues to maintain the most cordial relations with the United States but economic necessity alone would prevent neglect of her large neighbours. A trade pact was successfully concluded with Russia in December but although the Japanese have followed the United Kingdom in their relaxation of the embargo on trade with China, progress in the negotiations with that country was slow and trade in fact fell off. Arrangements have recently been announced for the sale by Japan of steel products to China in exchange for coal and iron ore and the resumption of this traditional trade must be in the interests of both countries.

Rearmament still remains far from popular and although the Constitution Research Council has been formed the opposition of the Socialists makes it unlikely that the controversial article in the Constitution, relating to rearmament, will be revised in the near future. Japan's election to the Security Council will, however, enable her to press more vigorously her objections to the holding of nuclear tests in the Pacific.

Now that she is once again a member of international organisations, Japan has been feeling her way searching for a policy which will suit her particular geographical position and satisfy her needs for export markets. For this reason I do not think that the last has been heard of the South-East Asian Development Fund.

PHILIPPINES.

The sudden death of President Magsaysay in the early part of the year was a severe blow to the people of the Philippines where he was greatly loved and respected. This tragedy, coming as it did in election year, made the contest more open but the Nacionalista Party were once again successful in the presidency although they lost the vice-presidency to the Liberal Party. President Carlos P. Garcia and Vice-President Diosdado Macapagal were duly inaugurated on 30th December and they have assumed office at a critical time in the affairs of the young republic.

This is mainly due to the deteriorating economic situation and the new administration are faced with a number of very grave problems. To quote from the President's recent State of the Nation Address these comprise "food insufficiency, unemployment, rising prices, dwindling international reserves, decreasing revenue collections and increasing budgetary requirements." This is indeed a formidable list and a reduction in consumption would seem to be an essential ingredient for any medicine that is prescribed. Certain steps to this end have already been taken. The rediscount rate was raised in September from 2% to 4½% and in December importers were required to deposit cash margins—in some cases up to 200%—before letters of credit could be opened and these were restricted to essential commodities. Without the repeal of the "No-Dollar Import Law", which permits barter trade, the monetary authorities are somewhat handicapped in their efforts to impose austerity on the import programme and it is to be hoped that Congress will follow the President's recommendation and re-examine this legislation at an early date. The measures adopted so far will no doubt result in a slowing down of the immediate drain on the foreign exchange reserves but they are in no way a lasting cure. For this reason it is not surprising that the suggestion for a devaluation of the peso is finding a growing number of adherents and it is true that by many standards the currency is overvalued. Nevertheless it does not seem to me that devaluation of itself is the answer to the problem and in fact there is the danger that once tried there will be the temptation to repeat the experiment. The immediate necessity is the implementation of a strict fiscal and monetary policy to drain the inflation out of the economy and curb unnecessary expenditure. Once the inflationary tendencies begin to weaken then the time might come to reconsider whether the present value of the peso was advantageous to the country as a whole but this should be decided upon as a matter of deliberate policy and not as a rescue operation.

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VIETNAM

The Republic of Vietnam has now achieved a considerable degree of political stability and what might be described as the first stage in the task of resettlement is almost completed. Great credit for rescuing the country from the disturbed conditions which previously existed is due to the President, Ngo Dinh Diem, and his administration, in which far from easy task American advice and assistance has greatly contributed. Consolidation will be the next step and this may prove more difficult, requiring as it will the stabilisation of the present political structure and the building up of a viable and independent economy.

Imports during the year have continued at a high level and the market is heavily overstocked. There is no doubt that import licences were granted on too lavish a scale but the tight money conditions caused by the delay in utilising counterpart funds has greatly hampered sales. These counterpart funds are obtained by the government from the importers of goods under the American Aid programme and can only be utilised on approved projects. Unfortunately delay in formulating such projects has resulted in a large amount of money still being immobilised with the Banque Nationale du Viet-Nam at a time when its use would not only improve the country's future productive capacity but by putting purchasing power back into circulation would have the immediate effect of speeding up the disposal of stocks.

More decisive action can be found in the rural areas where the improvements in farming equipment and techniques have produced higher yields, while work is proceeding on clearing highland areas and bringing more land under cultivation. Rice exports were resumed and totalled about 200,000 tons for the year but it is hoped to improve on this figure during 1958. Negotiations on reparations continue with Japan and the gap between the two sides is being narrowed. It seems likely that the building of a hydro-electric system on the Danhim river will be included in the final settlement.

CAMBODIA

The National Assembly has been dissolved and pending the result of the new elections a provisional cabinet has been formed. On the whole the political situation remains little changed and Cambodia continues to adopt a foreign policy of strict neutrality. Trade increased over last year with imports and exports more in balance due to a substantial rise in exports of rice. Various light industrial projects are under consideration and efforts are being made to develop a deep-sea fishing industry in the Gulf of Siam. Clearing of the jungle to make a road from the capital to the port of Kompong Som proved more difficult than had been expected but it is hoped that this road will be completed some-

time during 1959. The opening of this deep water port will lessen Cambodian dependence on communications by the river through Viet Nam.

THAILAND

The general elections which were held at the beginning of last year touched off a series of events which have somewhat changed the characters on the political scene. Although the Seri Manangasila party won a comfortable majority, the way in which the elections were run left a feeling of public dissatisfaction which grew more vocal as time went on. In September a bloodless coup d'etat, led by Field Marshal Sarit Thanarat, resulted in a caretaker government being established and the withdrawal from the country of Field Marshal Pibul Songgram and General Phao Sriyanond. Fresh elections were held in December and a government was formed from members of the new National Socialist Party. It remains to be seen how this new party, which is in fact a coalition of three other parties, will fare in internal politics especially as, with Field Marshal Sarit Thanarat's departure for medical treatment to the U.S.A., the three personalities who have dominated Thailand's politics for so long are for the present at least absent from the stage.

Although the import market has been somewhat overstocked, which has resulted in difficult trading conditions with some business failures, the year on the whole has not been unsatisfactory. In spite of the necessity to impose restrictions on the exports of rice during the second half of the year the volume exported during 1957 at one and a half million tons was the highest since the war. This is unlikely to be repeated this year, as the new crop is below average, and the exportable surplus is not expected to exceed one million tons. Teak exports were considerably reduced due to competition from Burma. The budget, which was delayed pending the formation of the new government, is expected to be presented shortly.

A survey mission from the International Bank is at present in Thailand to plan a long term development programme and a loan has been granted by this bank for the first stage of the Yarnhee Hydro-electric project.

FEDERATION OF MALAYA

Malayan independence was proclaimed on 31st August at a colourful ceremony in the new Merdeka Stadium in Kuala Lumpur in the presence of representatives from many nations. The Duke of Gloucester, representing the Queen, handed over a specially bound volume containing the constitutional instrument providing for the withdrawal of British protection over the Malay States and of the Crown's sovereignty over the settlements of Malacca and Penang. The Federation of Malaya thus became the tenth nation in the Commonwealth and subsequently was elec-

ted the eighty-second member of the United Nations. The final arrangements for the transfer were completed swiftly in a spirit of goodwill on both sides; while the constitution followed to a great extent the recommendations of the Reid Report and seems to be a workable compromise which provides an opportunity for the development of democratic government. The ruler of Negri Sembilan State was elected by his fellow rulers as the first Constitutional Sovereign of the Federation and at the state opening of the Legislative Assembly outlined the policy of the government. Their first duty would be to safeguard the independence of the Federation and to protect the constitution, the initial threat to which came from the communist terrorists. The government would not dissipate the resources of the country in large armed forces or an elaborate foreign service but would concentrate on home affairs and aim "to maintain confidence in the financial standing of the Federation as a field for investors at home and overseas." The Anglo-Malayan Defence and Mutual Assistance Treaty, which was signed in October, permitted the United Kingdom forces to be stationed in the Federation to assist in external defence and to provide "for the fulfilment of Commonwealth and international obligations."

The Prime Minister made no alterations in his Cabinet and the Alliance Government which, under his leadership, had done so much to enable the change-over to be completed smoothly, continued to guide the destinies of the country. This was in accordance with the wishes of the majority of the population, as, although ripples of discontent can be deduced from the result of some recent elections, the country as a whole is still strongly behind the present administration. The only disturbing feature has been found in some Chinese schools where the dislike of certain members of that community for some aspects of the government's education policy resulted in outbreaks of indiscipline which in some cases led to violence. It would be unreasonable to expect this honeymoon period in the political arena to last indefinitely and some more vigorous form of opposition is bound to emerge, perhaps before long. Following historical precedents, this would seem likely to come from the left, but there is hope that this may be multi-racial in character and thus avoid issues being decided on a purely racial basis.

In an effort to bring an end to the emergency the government, in September, made a final offer of an amnesty to the terrorists with the option of either remaining in the Federation or returning to China with their families. Over one hundred terrorists took advantage of this offer by the end of the year when it was due to expire and the period was extended to 30th April. There are signs of definite cracks in the terrorists' organisation and

there is now more ground for hoping that the ten-year old emergency may be ending.

A White Paper was issued in the early part of the year setting out the general plan of capital and development expenditure for the period 1956-1960. This envisaged the utilisation of part of the reserves which "will require strict control over the ordinary budget to ensure that revenue is maintained at levels sufficient to protect the reserves so that they can be used to finance part of the capital budget and are not unduly depleted by deficits on the ordinary budget." With revenue dependent to such a large extent on the price of so volatile a commodity as rubber and with future calls of the Emergency so difficult to forecast, it is unlikely to prove easy to maintain a continuing surplus of revenue. For the current year a deficit of M\$119 millions is forecast and although estimated deficits have tended not to materialise in recent years, the low price of rubber will make this more difficult this year. A separate capital budget is expected to be introduced shortly and it may be that some of the projects will be slowed down as present high interest rates make either the flotation of a loan or the selling of investments particularly unattractive.

Discussions on the formation of a central bank for the Federation have continued during the year and Mr. W. H. Wilcock, of the Commonwealth Bank of Australia, has been appointed banking adviser and is now in Kuala Lumpur. I do not think it would be appropriate to make any comment on this subject until some definite proposals are announced.

TIN AND RUBBER

The test of the effectiveness of the International Tin Agreement came earlier than was expected and judgement must be reserved as to whether this experiment will prove successful. At the meeting of the International Tin Council in March, the price range was raised and due to the decline in the market price, in sympathy with other commodities, the floor price of £730 per ton was reached in October. Both the second and third contributions were subsequently called for from subscribers and restrictions on exports were imposed in December and the period extended in January. The price at which the manager of the buffer stock could sell was lowered and the producing countries recommended the creation of a special fund to be put at the disposal of the buffer stock. These measures will in time reduce the supply but meanwhile the pipeline has to be cleared and the increased exports from Malaya in January show that this may take longer than was originally expected.

Both production and exports decreased slightly compared with 1956.

The price of rubber declined slightly during the year and the

average for 1957 was 88½ cents as compared with 97½ cents in 1956. In spite of the downward tendency doubts about the arrival of stocks from Indonesia caused a sharp temporary rise in December and this factor continues to make its influence felt. Exports were higher than the previous year and exceeded one million tons. The most notable feature was the considerable rise in exports to Japan.

SINGAPORE

The talks in London last year were successfully concluded and the way is now clear for the granting of the new constitution to the State of Singapore and the holding of elections for the fifty-one member Legislative Assembly. Any doubts which existed concerning the attitude of the government of the United Kingdom in this connection should have been allayed by the assurance given by Mr. Macmillan on his recent visit. Registration of citizenship under the recently enacted ordinance which provides automatic citizenship for those born in Singapore, with residential qualification for others, has recently been completed and the new electoral rolls are being prepared. The new constitution will provide for full internal self-government with the sole responsibility for maintaining law and order and preventing subversion but the United Kingdom will look after external relations and defence and will have the right to the use of bases in the island. A consultative body, the Singapore Internal Security Council, will be established with certain advisory powers, composed of three members each from Singapore and the United Kingdom and one from the Federation. It is hoped that this body will iron out any difficulties that may arise due to the interrelation of internal security and external defence.

In view of this impending change in the form of the administration, it is not surprising that disturbances in Chinese schools and strikes in the docks and among the telephone workers have attracted considerable attention abroad. Many shareholders are no doubt wondering what the future course of events will be but although I do not propose to attempt to give any forecast, there are a few significant pointers which I will mention. In August a White Paper was issued showing the extent of Communist activity and penetration in unions and political parties which was becoming a serious threat to the maintenance of law and order. At the same time, a series of arrests of active subversionists was made which was followed a few weeks later by the detention of a number of students. These strong measures had their effect, and conditions in the schools and relations with labour have greatly improved. The City Council elections were held in December, at which only a third of those eligible recorded their vote, and resulted in a sharp swing to the left. The behaviour of the supporters of some of the delegates

in the early sessions certainly hardly augured well for the smooth working of democratic government, but recent meetings have been quieter and there are signs that the Council are now getting down to business. It is not difficult to find cause for misgiving from some of these recent events, but it would, I think, be premature to look only on the dark side, and dangerous to exaggerate the fears for the future. The responsibility of office has usually made politicians in other parts of the world view things in a different light, and there is no reason to suppose that this will not happen in Singapore. Nevertheless, it is not surprising that there is a feeling of uneasiness as the economy of an entrepot is so vulnerable to outside influences that any lack of confidence abroad would have disastrous consequences.

In what seems likely to be his last budget address, the Financial Secretary, Mr. T. M. Hart, looked back on what has been achieved in Singapore since the war. During this period M\$600 millions have been expended on development by the government and the City Council and recurrent expenditure is now more than four times what it was in 1947. A large part of this increase is due to the ever growing demands of education, public health and social welfare but the organisation of the police force to its present high state of efficiency has not been achieved without cost. In spite of all that has been done, development must still go on and it will not be as easy in the future as in the past to obtain the required capital from either surplus revenue or institutional investors. Already the government are relying to a large extent on loans from the Central Provident Fund Board, which are naturally limited in amount, and for this reason the pace of future development is likely to be increasingly governed by financial considerations. This will necessitate a degree of co-ordination and the government have set up a Planning Committee to integrate development plans of the various authorities to the extent of the funds available. The current position is not unsatisfactory and increases in taxation this year were confined to the raising of the petrol duty to the same level as that of the Federation and a few minor adjustments but a rise in taxation must be looked for in the future. In fact, it seems likely that some new forms of taxation may be introduced shortly and although this is no doubt inevitable, I hope that these will not include any measures which will damage the free port status.

Malayan total external trade showed a rise of 2.7% over 1956 but there was an adverse balance of M\$209 millions compared with a surplus of M\$13 millions in 1956. This was caused by an increase in imports of over 5% with exports at about the same level as the previous year. It must of course

be remembered that there are a number of invisible items such as British military expenditure not included in these figures which make the position not as bad as it looks.

NORTH BORNEO

The racial problem across the sea is not without its influence on North Borneo, where the administration are moving slowly in the admission of the Chinese labour which could be so beneficial to future development. The Governor, in his annual report to the Legislative Council, made it clear that "there is no intention of sacrificing the future to our present needs." Under existing conditions I should hesitate to criticise such a decision but it will inevitably result in progress being slow, which is naturally disappointing to all interested in trading conditions in this area. In Jesselton the building programme has gathered momentum and projects completed during the year include the new market, new government offices and an up-to-date hospital. In Tawau, development of the Quoin Hill area should in time decrease the dependence of the port on the barter trade while in Sandakan the construction of new buildings and roads is being pushed ahead. In Labuan there is little sign, as yet, of expansion but the new Shell installation has been completed which will be the main distribution depot for North Borneo. Trade continued at about the same level as in 1956, and for the first time timber and copra exports combined exceeded rubber in value.

Both the Governor of North Borneo and the Governor of Sarawak have recently broadcast a suggestion that their two territories together with Brunei should consider some form of closer association. No concrete proposals have been put forward and for the present all that is being attempted is to ascertain whether there exist "bodies of opinion in favour of federation sufficiently substantial to make it workable." It will be interesting to see how the people of these territories react to the proposed federation.

BRUNEI

Draft constitutional proposals were announced by the Sultan providing for the replacement of the State Council by the Privy Council, Executive Council and Legislative Council. Unofficial members of the Legislative Council will be nominated, but the majority of these will be elected by the District Councils. This proposed constitution seems to have received general support but it is strongly opposed by the Peoples Party.

The State continues to be in a very happy financial position. The surplus for 1958 is expected to be M\$68 millions and investments total M\$450 millions.

A considerable amount of building is in progress and the trunk road connecting the capital with

the oilfields is expected to be completed by September of this year.

INDONESIA

Indonesia has passed through troubled times since my last report and, whatever the outcome, it is difficult to see much hope of improved trading conditions in the immediate future. The lack of agreement between influential political figures in the capital steadily weakened the control of the central government over the outer islands where many of the local commanders to a large extent acted independently, merchanting local produce to pay and supply their troops. This not only made the chances of any political settlement more difficult but deprived the central government of the revenue and the foreign exchange which would normally have accrued to them. As a result the economic situation deteriorated rapidly with an increase in the note issue, steadily rising government borrowing from the Bank Indonesia and a dwindling of the foreign exchange reserves. These tendencies, which had been evident to a greater or lesser degree during the year, gathered momentum in December when it was decided to expel the Dutch in whose hands so much of the country's trade still remained. The disruption of coastal shipping which followed this move was a particularly serious matter. Many leading personalities in Indonesia expressed doubts about the wisdom of this action, which was in fact less strictly enforced in the outer islands, and relations between Java and the rest of Indonesia continued to deteriorate. Although political differences played a large part in the growing dissension, the main cause has been economic. Java with its large population has always required more of the country's resources than she has been able to contribute and although this is to a certain extent inevitable, the outer islands have felt that they were not getting their fair share. Whatever the outcome of recent events may be it seems clear that the previous method by which foreign exchange resources were allocated is unlikely to be resumed. Meanwhile barter trade of various types enables necessary supplies to be obtained but the terms of a great deal of this trade are far from favourable and do not benefit the economy of the islands as a whole.

INDIA

In August, India completed the first decade as an independent country during which period she has developed a considerable degree of political maturity and now exercises a profound influence on neighbouring Asian countries. The elections resulted in the expected victory of the Congress Party, although they suffered a number of setbacks, particularly in Kerala where a Communist administration took office. This has necessitated certain problems of adjustment at the centre but the

Congress supremacy over the country as a whole has not been seriously challenged. Relations with Pakistan unfortunately show no signs of improvement, with the Kashmir problem still outstanding and the dispute over the irrigation rights in the Indus valley no nearer solution. Trouble still continues on the border of Goa but a settlement has been reached in respect of the Naga areas. On the whole, the political scene shows little change.

The most conspicuous feature of the economic scene has been the steady deterioration in the foreign exchange reserves. When the Second Five-year Plan was drawn up it was anticipated that there would be a foreign exchange gap which would develop towards the middle of the period and it was hoped to meet this by borrowing abroad. Due to a large extent to the rise in world industrial prices the drawing down of the sterling balances occurred earlier than was expected and in fact the rapid decrease during the summer was one of the strains which resulted in the weakness of sterling. In spite of a loan in U.S. currency from the International Monetary Fund of the equivalent of £45 millions, the sterling balances dropped from £400 millions at the end of 1956 to £220 millions at the end of 1957, which by any standards is a sizeable fall. In October it was in fact found necessary to reduce the foreign assets which were required by statute to be held by the Reserve Bank of India. It was India's misfortune that this deterioration in the balance of payments should occur at a time when capital was in short supply and it soon became obvious that assistance would be difficult to obtain. The amount required seems likely to be considerable as, even after paring down the plan to its bare essentials and discarding all the frills, it is still expected that there will be a shortfall on external account of over £500 millions. Recently the U.S. Government has announced a loan of approximately £80 millions and has promised to provide surplus agricultural products, while other countries will grant credit on a smaller scale. As a result, the immediate outlook is more promising but the problem of providing sufficient food for internal consumption still gives cause for concern. It had been hoped that food imports were a thing of the past but the harvests have not come up to expectation nor has production increased fast enough to meet the increased demand and it has been found necessary at times to use valuable foreign exchange for the import of food. Imports of other commodities have been cut to the bone and all types of expenditure requiring the use of foreign exchange are being rigorously curtailed.

It will be seen that active steps have been taken to reduce the foreign exchange drain but this has resulted in the index of indus-

trial production starting to decline, having moved steadily upwards since 1951. This is probably due to a certain extent to a shortage of industrial raw materials and I am glad to see that it has recently been announced that the import of capital goods will not be made at the expense of raw materials. I hope that this policy will be strictly adhered to as, necessary though new industrial investment is, there will be no overall benefit to the economy if existing industries are forced to curtail production.

Last year I pointed out how important it was for the future of parliamentary institutions in Asia that India should succeed in her efforts towards increased industrialisation and this is as important now as it was then. In spite of the difficulties I mentioned above a great deal has already been done and the available capital has on the whole been wisely spent. Progress is being made in the construction of the three new government steel plants and the expansion of the two that are privately owned, while many other projects are completed or nearly so. The industrial delegation, led by Mr. G. D. Birla, which recently visited North America and Europe found genuine sympathy for India's aspirations and willingness to help as far as possible. The delegation, however, was impressed by the serious misgivings which were felt about some of the country's fiscal and economic policies and these criticisms are similar to many that have been made from time to time by industrialists both in India and elsewhere. In particular, the slow growth of domestic savings, which has resulted in a shortage of local capital, could have an unfortunate influence abroad. High taxation is blamed for this shortage and the recent widening of the taxation net by the inclusion of the wealth and the expenditure tax is unlikely to make the position any easier. "Without profits there can be no savings, without savings there can be no investment and without domestic investment no seeking of capital abroad," the delegation declare in their report and these are words which could with advantage be seriously considered not only by India but by many other countries in the world today.

In conclusion, it is clear that the country faces a difficult time in the immediate future with the probability that things will get worse before they get better. The outlook is, however, not entirely black and if it is possible to surmount the troubles of the next few years the increasing industrial investment should begin to make its influence felt.

BURMA.

Burma also recently celebrated the tenth anniversary of the attainment of independence and this coincided with a growing improvement in the internal situa-

tion. It had been clear for some time that the restoration of law and order must take precedence over economic development and in June the Prime Minister, U Nu, promised that in future this would be his government's policy. The increased expenditure in the budget on the police and defence was practical action along these lines while the surrender of several regional commanders of the terrorists with their followers was evidence that the more vigorous measures adopted were having their effect. Little progress, however, was made in the border dispute with China over territories in the Kachin State.

The general financial outlook is far from promising. The foreign exchange reserves fell from £40 millions to £30 millions notwithstanding a loan from India; while the failure of the rice crop in certain areas will result in the exportable surplus being only a little over half of the two million tons shipped last year—admittedly a post-war record. Tea output which was running at about 50% over the previous year's figures is expected to continue to improve and exports increased by about one fifth. The fall in the world price of non-ferrous metals will, however, result in lower earnings from this source. In view of the deteriorating state of the foreign exchange reserves it is not surprising that action has been taken by the exchange control and import licencing authorities to bring about a reduction in imports.

The semi-government organisations which I mentioned last year now handle a large part of the import trade and were set up with the intention of reducing the cost of living. In this they have had a limited success as although some prices have fallen they have run into difficulties over distribution and have not always arranged their orders to meet the market demand. In fact faulty procurement has resulted in the arrival of imports being uneven and this has at times caused delays at the port of Rangoon. Reconstruction of the port is continuing but a great deal still remains to be done.

Although it has not been found possible to push ahead with industrialisation with as rapid a speed as was once hoped, quite a large number of projects have been completed and the joint venture arrangements between foreign concerns and the government are working well. Until it is clear that the terrorists' organisation has been broken the pace of future development may be slow but a favourable rice crop this year would alter the economic outlook very rapidly.

CEYLON.

During the year the government were able to implement a number of their election promises. The British bases were handed back, a compromise was reached on the

language issue and a select committee was set up to examine the question of revising the constitution. Nationalisation on the other hand is not being rushed although the bus transport system came under public ownership on 1st January, 1958, and it seems likely that the port of Colombo will follow suit. The tenth anniversary of the attainment of independence, however, finds the political situation uneasy with considerable rivalry between the various groups which make up the People's United Front. This has mitigated against resolute action being taken to deal with some of the outstanding problems, the most important of which is the continuing labour unrest, particularly in the port of Colombo. The movement of exports has naturally been hampered and the delays in the port have caused a number of ships to bypass Colombo.

Ceylon is fortunate in having a comfortable cushion of external assets but the terms of trade moved against her in 1957 and the reserves fell by Rs. 236 millions, the first year in which they have declined since 1953. The tea crop was a record and in spite of the delays in the port of Colombo, exports of tea for the first eleven months increased both in value and volume, as did exports of rubber. Trade as a whole was greater but as imports showed a larger increase there was an adverse balance of Rs. 85 millions. A number of measures have already been taken to restrict withdrawal of capital and import duties on luxury goods have increased but it remains to be seen whether or not stricter control of imports will be necessary. The recent floods, although not quite so devastating as had been reported in the press, are bound to increase government expenditure for relief work and repairs; a deficit had already been estimated in this year's budget which seems likely to be increased.

The future economic outlook is somewhat uncertain as is always the case with this country when the price of her export commodities is low. While external events dictate the level of these prices, the other unsatisfactory feature of the economy, namely, the disturbed labour relations, is a problem which must be tackled internally. I hope that action will not be too long delayed.

CONCLUSION.

Once again I come to the end of my survey of the eastern scene and I am afraid this year it has not been possible to paint quite such a rosy picture. It may be that the post-war boom is ending and that a period of recession is setting in. On the other hand this may be merely a pause before the advent of a further upward surge of world economic expansion. Time alone will tell but meanwhile I think it would be wise not to count on any rapid improve-

Indian Finance

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ment in the conditions of the countries which I have been discussing. Commodity prices are still very weak and the resulting adverse reaction has been accentuated by the large development plans most of them have undertaken. Their problems are on the whole similar; growing populations, a large part of which have a comparatively low standard of living, with their economies dependent to a large extent on agricultural commodities subject to severe fluctuations in price. It is not surprising that there is the urge to expand local industry in

order not only to raise the standard of living but also to make the economy less susceptible to the vagaries of world demand. But rapid industrialisation has its own problems, the most difficult of which is to keep inflation under control. As the projects get under way employment rises and with it demand, particularly for food and basic clothing. Prices go up and it is found that the available foreign exchange is earmarked for the imports of machinery and industrial raw materials. Imports of consumer goods which would restore the level of prices have to

be limited due to payment difficulties but the internal demand still grows. It can be seen that striking the proper balance among the conflicting claims on the resources available is by no means easy and to point out what is wrong is easier than to show the way of putting things right. No doubt development can be slowed down but this takes time as it is obviously uneconomic to stop enterprises already half completed. Raw materials must continue to be imported to keep existing industries running and the failure of a harvest or a rise in prices

abroad may completely upset even the most conservative of calculations. I am not suggesting that errors have not been made nor that administration has not at times fallen down due to inexperience or even more blameworthy causes. Nevertheless any criticisms of the failings of these countries should be tempered with the realisation of the immense difficulties they have to face and if at times they may have aimed too high, surely this is an accusation that could be levelled at many of the most successful examples of human endeavour.

The Indian Sugar Mills Association

Impressive Performance of the Industry

Exports—A Significant Land Mark

The Presidential Address of Mr Balmokand Shah Sawhney

In his presidential address at the 25th Annual General Meeting of the Indian Sugar Mills Association held at New Delhi on 3rd April last Shri Balmokand Shah Sawhney reviewed the achievements of the sugar industry in the field of production and exports during the last year and also dealt with the various problems facing the industry such as growing competition from tax-free khandasari, high tax burden, low yield and quality of cane etc.

Following are extracts from Sri Sawhney's speech:—

SUGAR INDUSTRY'S IMPRESSIVE PERFORMANCE

I am sure sugar industry's performance last year would be viewed with satisfaction. With sugar production at 20.26 lakh tons, we have for the third successive year surpassed the previous records as will be evident from the following figures:—

Year	Production (lakh tons)
1953-54	.. 10.01
1954-55	.. 15.90
1955-56	.. 18.62
1956-57	.. 20.26

It will be seen that over a short period of four years, sugar production in the country has doubled itself. I doubt if any other established industry has such a promising record to show. The achievement of the industry will be further appreciated if we take into account the fact that almost the entire increase in production has been achieved by the existing units, the new units contributing only 40,000 tons.

SUGAR EXPORTS

A significant landmark in the history of the sugar industry's development is our emergence for the first time as an exporter of substantial quantities of sugar. The total quantity exported during

the year has been about 153,000 tons, destination-wise details of which are:

Name of country	Quantity exported (Tons)
China	.. 33,624
Malaya	.. 20,837
Singapore	.. 5,096
Burma	.. 11,643
Ceylon	.. 8,158
Aden	.. 8,050
Iraq	.. 13,085
Saudi Arabia	.. 1,247
Other destinations in West Asia	.. 5,045
Sudan	.. 14,847
East Africa	.. 29,454
U.K.	.. 1,002
North Vietnam	.. 823

Considering our precarious foreign exchange position, the export of sugar has been a welcome development and is expected to contribute materially towards the success of the Second Five-year Plan. This year, its earnings have been over Rs. 12 crores of foreign exchange which compares well with the earnings from the other commodities exported regularly, and perhaps would rank only after tea, jute and cotton manufactures.

EXPORTS HANDLED BY I.S.M.A.

When Government agreed in December, 1956 that sugar should be exported outside India, they entrusted this work to our Association. It was a unique case of an Industrial Association taking up actual business and that too on a non-profit basis.

The Association had to start working almost from scratch in a sphere which was quite new to it. Indian sugar was an unknown commodity in the world markets and we had to contend against the natural hesitancy on the part of the foreign buyer. We lost no time in contacting the prospective markets through sending our re-

presentatives and otherwise, and gradually Indian sugar came to be accepted in competition with the world's finest sugars like British Refined and Formosan. It is noteworthy that though new in the export market, Indian sugar has so established itself that it is not grouped among the cheaper varieties like Brazilian or Argentine sugars which have been known to the markets for a long time.

As our business started taking shape, the competition from the well-established exporters became formidable. In fact, there have been instances of organised competition from world's established sugars to oust Indian sugar and we had to sell in competition with them, and it should be a matter of satisfaction to the members that we were able to secure in good many cases business from international tenders. Indian sugar is now well-known throughout the world export markets and even though sales for exports have been presently suspended, enquiries continue coming, not only from our neighbouring markets but from such far off countries as Germany, Finland, etc. Internationally reputed brokers have also begun to look forward towards the supply of Indian sugar to the various markets.

In some cases they personally visited this country to gather first hand knowledge of our quality and packing and arrangements for storage and shipments at ports. These visits proved to be very helpful in their gaining the necessary confidence in the Association's ability to effect shipments according to their requirements which resulted in increased business with them.

Undeniably, the efforts of the Association have enabled Indian sugar to find a permanent market in the neighbouring countries in East and West Asia as well as in Africa. That Indian sugar has now

come to stay as a strong rival to other well-known sugars in the world export markets is amply borne out by the remarks of the Chairman of Tate & Lyle, London, at the Annual General Meeting of the Company, when he described the Indian sugar industry's achievements as "a threat to wrest some of our business". This is fairly indicative of the Association's achievement and of the future possibility of the export of Indian sugar.

EXPORTS IN FUTURE

The world sugar market has, however, now come down appreciably mainly because of better crops in Europe and Cuba and exports are now possible only at a loss. This is not a phenomenon peculiar to India alone. Most of the sugar exporting countries subsidize their exports in one form or another. We will also have to find some way of meeting the loss on exports to be able to export sugar on a permanent basis.

The country's growing needs for foreign exchange necessary for importing heavy machinery etc. for rapid industrialisation makes it incumbent on us to explore all avenues of furthering exports to earn more foreign exchange. In fact, as the Prime Minister said in course of his budget speech last February, "we must try to produce more, export, more and save more to find the resources for implementing the Plan". Already, last year, we earned over Rs. 12 crores of foreign exchange by export of sugar.

Apart from the undoubtedly urgent need of foreign exchange, export of sugar is also necessary for continued health and development of the industry and welfare of the cane-growers. For, sugar industry, in common with all other industries based on agriculture and

therefore on vagaries of nature, cannot plan its production within narrow limits. A plan for exports will alone be able to insure against periodical plenty and scarcity.

Fortunately, because of our geographical position, we have an easy access to a number of sugar importing countries which are in our neighbourhood. Of the total world exports of about 12 million tons, 1.2 million tons are consumed in the neighbouring markets.

That we have already sold substantial quantities to most of these markets can be seen from the figures given by me earlier. It is only reasonable to expect that with the experience gained, this year it will be possible to step up our exports to them. This matter, I know, is as much in the minds of Government authorities as it is in ours, and I hope some scheme will be devised without any further delay to start export of sugar on a permanent basis.

DISQUIETING DEVELOPMENT OF KHANDSARI

I have referred to the achievements of the industry in the field of production and exports. And while these developments were expected to gather further momentum a dark cloud has gathered on the horizon which may upset all our calculations and do incalculable harm to the sugar industry with serious repercussions on the national economy, growers' well-being and the Governmental revenues. I refer to the fast growing khand-sari industry which is developing under, what may be called, entirely artificial conditions created by the growing tax burden on factory sugar as compared to complete immunity of khand-sari units from such burden. The sugar factories have to pay Rs. 10/11/- per maund as excise duty, Rs. 2 as cane cess and about As. 8 as co-operative societies commission, bringing the total tax burden to Rs. 13/3/- per maund, which forms 38% of the total cost of production. This high tax burden has placed the factory sugar industry at a disadvantageous position vis-a-vis the khand-sari units. With its production at under one lakh tons, khand-sari has so far played only a minor role as a sweetening agent when compared to the vacuum pan sugar. The position has, however, lately been undergoing a change and with indirect assistance resulting from Governmental measures, khand-sari units are fast expanding particularly in the U.P., the foremost sugar producing State in the country. Prior to March, 1955, khand-sari had a relative advantage of Rs. 5.36 per maund (Rs. 2/12/- excise duty, 2/- cane cess and .7/6 co-operative societies commission). But with successive increases in the excise duty the relative tax advantage to khand-sari has, as stated by me earlier, risen to Rs. 13/3/- per Md.

Apart from this, khand-sari units have also the advantage of being free from any regulations on the

minimum cane price and quota releases. These exemptions from statutory regulations further add to the indirect protection that this industry gets.

The wide margin of the concessions, and other advantages have given a spurt to khand-sari and its production is expected to reach 3 lakh tons this year; and there are reports of large scale diversion of cane from factories to khand-sari which will adversely affect sugar production.

A WASTEFUL PROCESS

I am conscious that cottage industries have a definite place in our industrial set-up. But they are meant to supplement and not supplant the work done by the large scale industries. Besides, I don't think, it is the Government's policy to encourage an industry whose manufacturing process is a wasteful one and involves a national loss. But that is what the khand-sari industry is. Its sugar recovery is 6% to 7% against 10% of the sugar industry. This is equally true if we compare the yields between khand-sari and gur. Therefore, any expansion in the khand-sari industry whether at the cost of the factory industry or the gur industry would not be in the larger national interest. The Karve Committee on Village and Small Scale Industries also testified to its being based on a wasteful process and observed that unless it is improved it should not be encouraged at the cost of the sugar industry.

The considerable waste involved in khand-sari production will be appreciated when we realise that in the additional production of 2 lakh tons of khand-sari we lose about 1.3 lakh tons of extra sugar which would be recovered if the cane were crushed by the sugar factories. That is, against the expected production of 3.3 lakh tons in vacuum pan factories, the khand-sari output is estimated at 2 lakh tons only for the same quantity of cane crushed. In terms of money value this would mean a loss of over 12 crores of rupees. On the basis of production of 3.3 lakh tons, the loss to the State Exchequer would work out to Rs 10 crores by way of central excise duty and Rs. 2 crores by way of cane cess. Surely, this is a considerable loss resulting from the inherently wasteful process of khand-sari manufacture.

There is another aspect of the matter also. The Second Five-year Plan envisaged a bold programme of expansion for the sugar industry and for this purpose provided Rs. 50 crores for the expansion of capacity and another two crores for the expansion of sugar machinery plants. All this expansion of capacity and the expenditure on the same was based on the assumption of an increased level of sugar consumption resulting, among others, from shift from gur and khand-sari consumption to sugar.

With the expansion of khand-sari now occurring, entirely against the

Plan premises, the rate of consumption of sugar will not be as expected and, in fact, a contrary trend of shift from sugar to khand-sari is likely to develop. As a result, it may not be possible to effectively utilise the increased capacity of the industry which we hope to build up at a great cost. I am sure no one will view a situation like this with equanimity.

It should also be realised that with increasing production of khand-sari the prospects of export of sugar would be considerably reduced. For, in any scheme of exports which the Government might adopt, the basic consideration would be that any loss on exports would be made up from the internal market. This in turn, presupposes a steady demand for sugar within the country even at higher prices resulting from the passing on of loss on exports to the internal market. But this cannot be the case with continuous supplies of cheaper khand-sari flooding the markets. Any attempt to increase exports to meet the situation would not succeed and we shall find ourselves in a vicious circle of higher prices and shrinking demand. I firmly believe that successful implementation of an export programme would depend, on the one hand, on increased production of sugar in the country; and on the other, on its effective demand. Increased production of khand-sari will, however, affect adversely both production and consumption of factory sugar and thus also exports.

URGENT NEED FOR REMEDIAL MEASURES

Keeping in view these various facts, I hope Government will appreciate the industry's anxiety. In fact, it had expected that Government would at the last budget time announce some steps in the form of suitable excise duty on khand-sari sugar to curb the unplanned growth of this wasteful industry. But the absence of any such proposals in the budget has been a great disappointment.

I would urge with all the emphasis at my command for speedy and effective action in this behalf, in any case, well in advance of the next crushing season.

DIFFICULTIES OF EAST U.P. AND BIHAR FACTORIES

The sugar industry in the East U.P. and Bihar has not made any head-way despite the progress of the industry as a whole. It might interest the members to know that in Bihar which is the second important State in the matter of sugar production, sugar output last year amounted to 3.12 lakh tons which though about the highest for the last several years is lower than the production achieved during the year 1939-40. In the matter of sugar recovery also the position instead of showing any improvement has deteriorated over the last several years. Against a recovery as high as 10.9% in 1942-43, the last three years' figures at 10.22, 9.76 and 9.36,

show a steady decline. The position in the East U.P. is also very serious as the mills there are not able to get even an economic crush. The production of 3.28 lakh tons achieved by these mills during the last season exceeded by only about 4000 tons their output of 3.24 lakh tons in the season 1936-37. From the point of view of market also, these mills are at a serious disadvantage in that there is no important market where they enjoy preference of any sort. Their production has to be sold in far off places in competition with others more favourably situated.

The important role that this industry plays in the economy of this region needs no emphasis. Here sugarcane is primarily grown for supply to sugar mills, and if they are allowed to stagnate, as has been the case, I venture to say that the development of the entire region will suffer. Perhaps there is no other part of the country where the dependence of agricultural economy on the sugar industry is so marked. I shall, therefore, urge upon the Government of India and the two State Governments concerned to pay special attention to the problems of the industry in this region.

CANE DEVELOPMENT

Speaking of the difficulties of the East U.P. and Bihar factories in the matter of cane development, I am mindful of the fact that the position with regard to cane development in the country as a whole requires much more concentrated attention, than has perhaps been given so far. The poor yield and quality of our cane is a malaise from which the industry as a whole suffers. This is the main problem facing the industry. Though the authorities themselves are conscious of the leeway to be made and have also undertaken some positive steps in the last few years, the problem is so big that all the efforts done so far have made little impression on the overall position.

It is a truism that sugar is grown in the fields and so long as we do not get from the fields what they are capable of yielding both in terms of yield and quality of cane, so long will our industry remain in an unenviable position.

Our Association had suggested that in order to give a stimulus to the working of the Research Institutes, it would be better to bring all the main institutes under an autonomous Sugar Research Board on which the industry and the growers would be represented. But somehow the Government have not seen their way to agree to this suggestion so far. It is true that the Indian Central Sugarcane Committee on which the industry and the growers are represented has as one of its functions the supervision of the sugarcane institutes. But in view of its multifarious activities, it would be advisable if the research institutes are placed under an autonomous Board devoted exclusively to research work. This

Board would also take over the National Sugar Institute, Kanpur, presently not under the Indian Central Sugar Cane Committee, which would help better co-ordination between agricultural and technical research.

LAND CEILINGS

While the need for improvement with regard to cane development is realised on all hands, the policy of some of the State Governments in regard to land holdings, I am constrained to say, is not proving at all helpful in this behalf. It is well known that in the main cane producing countries, the efficiency of sugar industry is to a great extent determined by following what is known as plantation economy. In India, although this is not the rule, yet wherever sugar factories operate large scale cane farms, these farms render a signal service as models and extension services for the cane growers in the neighbouring areas. The Planning Commission acknowledged the utility of these farms and recommended their exemption from ceilings. But some of the State Governments seem to follow a different policy. The U.P. Government have, for instance, by passing the U.P. Large Land Holdings Act and making it applicable to the sugar factory farms also, imposed a very high rate of tax on larger farms. Such a measure will in all likelihood lead to disintegration of the farms and loss of their valuable service to the industry and growers. In Mysore also, a Committee appointed some time back, has recommended application of ceilings to factory farms. If this position continues, other States may follow suit.

Such a development will prove harmful not only to the sugar industry but to the economic development of the country as a whole. For, any diversity in approach or policy between the Planning Commission and the State Governments will stand in the way of speedy and integrated development for which the country has sought to make planned efforts.

LICENSING POLICY

The two Five-Year Plan envisaged an increase of 10 lakh tons in the capacity of the sugar industry to bring the total capacity by the end of 1960-61 to 25 lakh tons. Necessary licences have already been issued for establishment of 56 new factories and substantial expansions in the capacity of 66 existing units. These cover the entire additional capacity targetted for. Of the new units licensed, four went into production in 1955-56 and five in 1956-57. Another 2 units were expected to start this year, but only 9 have actually started working. 30 existing factories have also expanded their capacity and others are expected to complete their expansion in due course. The total additional capacity thus brought into effect is 4 lakh tons. There has, however, been a set back in the installation of new

factories, due to delayed shipments of machinery and payment difficulties.

As members are aware, in the matter of licensing of additional capacity, we have been urging upon the Government to first meet the requirements of the existing units. For, it would cost much less both in terms of money and time if preference is given to the expansion of existing capacity wherever cane availability and other facilities permit the same. It may be pointed out that the expansion of existing units will largely be achieved with machinery manufactured within the country and will not require much foreign exchange. However, Government have not seen their way to agreeing to the same. The foreign exchange difficulty now further underlines the need of exploring avenues of expanding the capacity at as little cost as possible. I would, therefore, again appeal to Government authorities that wherever the units already licensed have not come up according to programme, the capacity thus released should be re-distributed among the existing factories depending on the scope of expansion of such units.

SUGAR PRICES

Earlier, I have referred to the progressive increases in the sugar excise duty in recent years and their serious repercussions on the industry. These increases in the excise duty have tended to push up the price of sugar to an unduly high level now ruling when consumers' resistance is apparent. This is, however, not related in any way to the working of the sugar mills but is a direct result of high taxes levied by the Government. It, therefore, comes to us as a surprise when the current prices are misconstrued to imply high profits. It is not uncommon to observe in the press or in the observations of persons occupying responsible position in the country's life, uninformed and unfounded criticism of the industry. I am not against criticism and would welcome it provided it is based on facts. Even a cursory glance at the cost structure of Indian sugar as adopted by the Government will at once convince any body of the fact that neither is the sugar mill industry responsible for the present level of prices nor does it benefit from them.

NEED FOR TAX RELIEF

In recent years the cost structures has undergone considerable variations. While the Government levies show a phenomenal increase of 344%, the cost of cane has also gone up by 14%. Similarly, other items of cost have also gone up reflecting the higher prices of raw materials and increased labour charges. In sharp contrast to the increases on all these items, the single item which has shown a decline and that too by a fair percentage of 17% is in respect of overhauls and the gross profit margin allowed to the industry.

It is, therefore, not understood how in the face of these facts allegations against the industry of high prices or high profits can be sustained.

Before I pass on to another matter, I would like to invite Government's particular attention to the sharp increase in the tax burden on the industry. Since 1946-47, the Central Excise Duty has been raised from Rs. 2/3/- to Rs. 10/11/- per Md. Of this increase Rs. 2/7/- accounts for replacement of sales tax by additional excise duty effected last December, which may normally not be taken as an additional burden. But the position with regard to Sales tax was that it was paid by the trade and in the final analysis, by the consumer. But the additional excise duty has to be shouldered initially by the industry with the prospects of its passing on to the consumer depending on market conditions. And with unfavourable market conditions such prospects look rather dim.

The State Governments of U.P. and Bihar have also raised the cane cess from -1/- to -3/- per Md. Along with this, the Co-operative Societies Commission in these States also went up from -1/3 to -1/9 per Md. of cane. All these together amount to a high figure of Rs. 13/3/- per Md. of sugar.

I would submit that such disproportionately high rate of taxation on this industry is bound to stifle its future development. Admittedly, if the industry has to fulfil the Plan targets and also maintain increased exports, it is necessary that a rising tempo of production and consumption of sugar within the country is maintained; these are like the two needles of a clock and should function in close harmony. But the present rate of taxation, as I have shown is adversely affecting both production and consumption of factory sugar. There is thus an urgent need for granting an appropriate tax relief to this industry, and I appeal to the Government, to give due consideration to our request.

REHABILITATION AND MODERNISATION

While on this subject, I would also invite Government's attention to the financial requirements of the industry for rehabilitation and modernisation of the existing plants which have a close bearing on their efficiency and production. The Planning Commission has assessed its cost during the second Plan period at Rs. 50 crores. The profit margin now available to the sugar mills industry hardly permits of such heavy investments specially with the prices of machinery parts ruling 4 to 5 times of the pre-war level. The industry has already brought this fact to the notice of the Government and I hope that some solution will be found to enable the industry to proceed with rehabilitation and modernisation of the plants now overdue.

CANE FREIGHT

I would also take this occasion to draw Government's attention to the recommendations of the Railway Freight Structure Enquiry Committee which envisage a general rise in railway freights, particularly for short distances. The sugar factories particularly in U.P. and Bihar depend to a large extent on cane supplies from distant centres. In the absence of good roads in the factory areas, this cane has to be transported by railways and any increase in the railway freight will further add to the industry's cost structure thus making it uneconomical to crush distant cane. This will adversely affect both sugar production and the interests of cane growers who may have to utilise their cane for less remunerative uses. I hope, while considering the Freight Committee's recommendations, the Railway Ministry will give due consideration to the peculiarities of this case and decide against any further increase in cane freight.

THE HIND BANK LIMITED.

Notice is hereby given that the Fifteenth Annual General Meeting of the Shareholders of The Hind Bank Limited will be held at the Registered Office of the Bank at 4, Brabourne Road, Calcutta, on Saturday, the 10th May 1958 at 11-30 A.M. to transact the following business:—

1. To receive the Report of the Directors and the Audited Accounts for the year ended 31st December, 1957.
2. To declare a Dividend.
3. To elect Directors in place of those retiring by rotation.
4. To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board,
S. D. PARDIWALLA,
General Manager.

Calcutta,
7th April, 1958.

Note:

- (i) A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a member.
- (ii) The Transfer Book of the Bank will remain closed from Thursday, the 1st May, 1958 to Saturday, the 10th May, 1958 inclusive.
- (iii) The dividend, if sanctioned, will be payable on or after Monday, the 12th May, 1958 to those shareholders whose names appear in the Register of Members on Saturday, 10th May, 1958.
- (iv) Dividend Warrants will be posted to shareholders at their registered addresses or in accordance with their mandates. Shareholders are requested to advise changes in their addresses, if any.

Hindustan Lever Limited

The Importance of Marketing Research

Influence on Development of Business

The Impact of Social And Economic Changes

The Speech of Mr S. H. Turner, the Chairman

The Annual General Meeting of Hindustan Lever Limited was held in Bombay on April 7, 1958. The following is the text of the speech made at the meeting by the Chairman, Mr. S. H. Turner.

I have great pleasure in welcoming you to this Annual General Meeting of the Company.

The Annual Report and Accounts have been with you for some time and I shall take them as read. As I have also circulated to you my review of their salient features, I do not wish to dwell on them further in my speech to-day.

I would like to tell you about a particular activity of our Company which has an important influence on the development of our business that is, Marketing Research. Marketing research involves a study of consumer preferences, habits and attitudes. Thus it helps us to decide how our immediate market operations should be directed. It also involves an examination of trends, so that its findings indicate the future pattern of the market and assist us in shaping our forward policies. All our decisions on the improvement of existing products or the development of new ones, the adoption of new selling methods and the application of new advertising techniques are the more effective for being taken in the full and intimate knowledge of our markets, where a continuous research into these markets is designed to provide.

To large manufacturers of consumer goods—and we must rank among the largest in India—economies come largely from mass production and mass selling of standardised lines. This standardisation is only successful if the resultant products appeal in properties and performance to the greatest number of people. We have many millions of customers. They vary widely in their tastes. They are conditioned by different social, cultural and religious background. We must have products which are acceptable alike to the rich and the poor, to the educated and the uneducated, to the Punjabi and the Tamil.

To discover what preferences are most general in this variegated pattern of consumers we choose a

representative sample of them and find out what their opinions are by questioning them. The result is intended to reflect the opinion of our universe of potential customers. The size of this sample is determined mathematically once we have postulated the number of categories of people it shall contain to fulfil the particular purpose in view. The combined opinions and attitudes of the individuals composing this sample will be representative of our universe within a calculable margin of error, provided the questions we put to them are so phrased as to evoke the respondent's true opinion and not an opinion adapted to please the questioner or to express what the respondent thinks it is respectable to say rather than what he really thinks.

The framing of our questions to ensure that the respondent is not tempted to disguise his true feelings calls for great skill. For example, people who believe that good form requires them to have a bath every day sometimes sincerely think they have a bath every day, whereas in fact they only have a bath four times a week when the weather is cold. In a foreign country it was once found that if everyone cleaned his teeth as frequently as was claimed, the toothpaste manufacturers would be unable to supply the total demand. Similarly we find that in Kerala people are inclined to say they take a bath four times a week, and some may even claim to do so twice a day, whereas in Saurashtra nobody minds confessing to washing himself and his clothes only once a week or even much less frequently. The mental attitude to washing in Kerala is conditioned by an abundant supply of water. The habits in Saurashtra have been formed by a geography in which water is scarce and precious. In Northern India there are still women to be found who will not admit to eating vanaspathi because it is socially more estimable to eat ghee. And in most U.P. households both the wife and the husband will treat the choosing of anything, whether cooking fat or soap, as the prerogative of the male, despite the fact that the investigator may often have an uncomfortable suspicion that when

it comes to the point the wife makes the husband's choice for him.

These shynesses, reticences, resistances, sub-conscious blocks or what you wish to call them, run through the whole of our work. Nowadays, therefore, in addition to the straightforward technique of so phrasing the questions that they are completely neutral, a great many techniques have been devised to set people's subconscious at ease, to get at the facts below their lapses of memory and to allow for their desire to conform to convention. We may, for instance, ask a group of housewives in for a cup of tea and get them sufficiently relaxed so that they will talk freely and even admit the prejudices which, in answer to formal questions, they might feel were too ridiculous to mention. These are obvious examples. Beyond them lie the more surprising discoveries that have been brought out by touching the deeper layers of the mind. Women are, for instance, quite often allergic to advertising that suggests that some new product will save them a lot of time in the kitchen because they feel that it is their capacity as home-makers that gives them their prestige in the family; if making a home is made too easy, what will happen to the respect their husband and children feel for them? Or, again, we have done some investigations which suggest very strongly that many of the prejudices people have about Dalda do not really have anything to do with Dalda at all but are only a way of venting their resentment against a world which, for many professional class people, is narrower and more difficult than it was before the war. Buying Dalda instead of ghee is a very good way of economising, so they transfer to Dalda the resentment they feel that the world has now become a place where they have to watch every rupee.

Another technique is to try simply to get the housewife to talk freely with the investigator doing no more than listen sympathetically, prompting only when the flow stops. In that way we can sometimes discover what the associations are which really

matter in people's minds. These are not always either predictable or logical; for instance, it is not necessarily the rich woman who buys Sunlight; it may be the poor woman who values its lather and the ease with which she can do her washing with it; the rich woman whose washing is done for her by servants quite often feels that they are so wasteful of soap anyway that it is best to buy for them the cheapest brand on the market.

I have not attempted to describe marketing research techniques in detail, or with the accuracy of a textbook. I have only been trying to give you some idea of the principles on which a marketing research department works. I would now like to try and tell you something of how we use the results of marketing research in order to influence the decisions we have to make from day to day in the running of our business; and nowadays there are hardly any decisions on the marketing side which we can make without taking into account our research results.

We begin with a picture of our market. Who is it who buys our products? We know they are not bought equally over the country. Dalda, for instance, is bought far more in the hard fat areas of the North than in the oil areas of the South. Sunlight is specially strong in Eastern India. We have to find out exactly what the map is like for each product and whether the reason for its strength or weakness in particular areas is due to the habits of the local people or to something in the product. For instance, Dalda sells well both in Maharashtra and in the Punjab, but that in itself gives no guidance on how we should split our advertising between the two. Marketing research shows that we have a much lower percentage of the total hard fat market in the Punjab and that therefore the Punjab is much more likely to reward a major advertising effort than Maharashtra. Again, Sunlight sells quite satisfactorily in the Punjab, but marketing research shows that whereas in Eastern India it is used largely as a general laundry soap, in the way we hope it will be used, in the Punjab it is used

mainly for washing particularly good cloths. The Punjab therefore offers an immense opportunity for the expansion of Sunlight's use into general washing.

Until we know the shape of the market we do not know where to strengthen our distribution or how to split up our advertising. We may even find sometimes that we have reached saturation point, that any further consumption of our products can be only attained by a quite disproportionate expenditure, and we might then even slacken our advertising or make our distribution less intensive. And of course if marketing research shows that our product is bought only by the professional class because it is suitable only for the educated, we would not spend a lot of money advertising it in publications read only by farmers or industrial workers.

We not only have to find out who buys our products and where. We have also to find out what they think of them. We have a very clear idea in our own minds of what our products can and cannot be expected to do, and the temptation is always to think that our image of them is so based upon technical fact that the public must think of them in exactly the same way. Sometimes this is not so. It is no consolation that we are right and the public are wrong. The public's beliefs are a fact. We do not expect mountain of public opinion to go to the Mohamed of our knowledge. On the contrary, I hope you have all noticed we are at pains to bring the Mohamed of our knowledge to the mountain of consumer opinion.

With a product we have had on the market for a long time, Marketing Research is only one of several ways of knowledge. We can, for instance, cross-check a great deal of what Marketing Research tells us from our sales figures, which tell us quite as clearly as Marketing Research can whether we sell more in U. P. than in Mysore or in Malabar Hill than in Parel; and, though the figures themselves will not tell us why, sometimes we can find that out too from what our dealers and our shopkeepers and our salesman tell us; or sometimes we can guess what is giving us our sales from the laboratory's reports on the performance and quality of the product. We know that the law does not permit Dalda to have the taste of ghee and are not surprised when we find that Dalda is not used for those purposes where it is the ghee taste which is essential.

Marketing Research is not a panacea. It does not provide an answer to every question. Sometimes people find it so difficult to define what they mean that we are driven back on our own personal judgement.

For instance it was discovered a long time ago that when people buy a toilet soap they look at almost anything except its capa-

city to clean—the luxury of its appearance, the purity of its colour and, above all, the pleasantness of its perfume. The reason is obvious. Every toilet soap will wash the dirt off one's face. Thus far Marketing Research gave a perfectly clear answer, but when we then tried to find out which colour or perfume or wrapper people like, we very rapidly got frustrated. One cannot get adequate explanations out of most people for why they like the perfume or colour they like; their reasons are too intangible, too indefinable, perhaps too deep in the subconscious. The standard way of praising a perfume is to say that it is nice, and since different people call perfumes of almost every not and composition nice, that is very little help. If one presses them they may say 'strong' or 'weak'. But since different people have different definitions of 'strong' and 'weak', one tends to find that the same perfume is being praised for both qualities. Equally, people will talk of the purity of a colour or of its whiteness. 'Pure' is a word of clear meaning when applied to ghee or to morals; but what is a pure as against an impure blue? And white is a colour or infinite shades. One has to use one's judgement of which shade of colours or perfumes the public would probably like, and then, within the narrow range thus selected, make a final choice by asking people their preferences as between, at the most, three or four blank tablets, the only difference between which is the perfume or colour or whatever the variable is one is testing. Moreover, as people's preferences are usually accurate only between two products at a time, even to test four is a pretty elaborate business. To test the whole possible range is simply impossible.

Thus a large part of our marketing research effort is Product Testing. Recently we were faced with a problem in marketing Rinso. We had to decide whether we should choose for the powder a soap base which would give a superlative lather provided warm water was used, or an alternative base which, though giving a less spectacular lather, would dissolve well in cold water. We prepared experimental powders with the alternative bases and gave trial packets of both to a selected sample of housewives. The majority preference was in favour of the cold water-soluble product and as a result of this we were able to formulate Rinso to be most suitable for a country where the water is rarely heated for washing.

In the spring of 1957 we introduced our Lather Shaving Cream—Erasmic. Before launching this product we carried out widespread product tests, and the results were measured by marketing research to ascertain that the product was of sufficiently high quality.

Social and economic changes have the most important bearing on our business. For example, the

development of new industrial colonies like Chittaranjan and Sindri where the habits of the villagers living on a subsistence level change quickly when they become industrial workers with regular pay and modern amenities. Their standard of living rises suddenly and they begin to consume products which they could not afford before. A study of these new dynamic townships that are growing up shows that they are likely to create a strong demand not only for our main products but also for our special lines and toilet preparations.

Besides research into our current products and people's existing habits and preferences, a growing and important use of our research is looking into the future to study possible modifications and changes in products to make sure that we keep pace with shifts in consumer requirements and habits. It is as much our responsibility to investigate future demands of consumers as to satisfy their present demands. In a free economy consumers' wishes are never static, and it is for us to look ahead and find out what consumers are likely to want in the future. This is particularly important in a country like India where society is changing fast and will change perhaps even faster in the future.

In recent years we have applied marketing research techniques to estimating the size of the groundnut crop. The official figures do not come out until the end of February, and since the heaviest buying season of the year is in December, January and February, we must form our own assessment of the crop to guide our buying policy of groundnut oil and seed. We take a very rough sample of roadside farmers and confine ourselves to a few simple questions. The margin of error with such a technique is obviously considerable, but we have found that we get an answer which is reasonably near the final official answer, and also that we get an idea, which the official figures give only months later, of where the crop has been good and where the crop has been bad, which has a very considerable influence on the relative prices our different factories will have to pay.

When we are satisfied that we are making the right product, a product which will both do a good technical job and will also satisfy the desires or prides which the public wants it to satisfy, there still remains the question of how to tell the public that this desirable product is there to be bought. The answer is advertising, and therefore all consumer goods manufacturers must spend a lot of money on advertising—particularly India, where advertising has not only the task of trying to sell a particular brand of product against its competitors, but may often be required to introduce the product-type as one which is a necessary part of a higher standard of living.

We should naturally like to find out whether our advertising money is being spent to the best effect. That is not easy. When people buy something they very rarely remember why they first bought it. Very few people ever say that they first bought Sunlight Soap because they read in a news paper on the 15th January that it washes white and bright. Partly this is because they do not know that that is what happened. Advertising comes to them from many angles—shops displays, cinemas, press, posters—and it is hard to identify just what sparked the final decision to buy. Partly it is because people like to think they make their minds up for themselves and resent the idea that they were moved by the pretty girl in the advertisement.

Because of all this it is not easy to test how effective advertising is in making people buy. What we can test is whether people have seen our advertisements and whether they remember what the advertisements said. In these respects the results of the tests we have done on our own advertising are generally satisfying. Lifebuoy advertisements, for instance, have been seen and remembered by about half the people we have asked. Cinema-goers seem to be receptive to advertising films and ours have normally been well remembered. In a recent enquiry Rexona shop display material was recalled by a high proportion of respondents.

Though it may be difficult to assess how effective any particular advertising campaign or subject has been in creating a sale, nevertheless, we have constantly to develop our judgement in them. Motivation research attempts to supplement intuition with scientific enquiry. It involves investigation of consumer attitudes and behaviour and particularly of the reasons why people buy. We feel that if we can establish the reasons (whether they be conscious or unconscious) why people buy and what influences them in their choice, then we will be in a better position both to give them the products they want and also to present and advertise them in a convincing way.

Our function as a Company is to try and give the consumer products which he will like and which will do the job he wants them to do. Before we can do that we must find out what the consumer will like, what is the job he wants them to do, as distinct perhaps from the job we think he ought to want them to do, whether the products we can make come near enough his ideal—one never achieves perfection—and whether our methods of telling him about them are adequate. For all these purposes there is no tool more valuable than marketing research.

Note:—This does not purport to be a record of the proceedings of the Annual General Meeting.

One Hundred and First Report

7. The Directors regret to report the sad demise of Mr. C. Krishnamoorthy Mudaliar, Director of the Bank on 21st December, 1957. Mr. C. Ramanatha Mudaliar, who was co-opted in his place died on 14th February, 1958. The Directors desire to record their great appreciation of their valuable services to the Bank.

Indian Bank Buildings,
Madras, 12th March, 1958.

**Includes investment of staff security deposits.

48,00,46,714 69

Corresponding figures.		PROPERTY AND ASSETS—(Contd.)				Rs.		nP.		Rs.		nP.	
31st Dec. 1956.													
Rs.	nP.												
3,86,94,361.84		Brought forward ..								8,18,36,724.10			
		Ceylon Government Terminable Loan Face Value Rs. 11,56,000 ... (Market Value Rs. 11,56,026.25)			11,58,336	00							
		Ceylon Development Finance Corporation Shares ...			50,000	00							
		Paid up Value Rs. 50,000.00 (Market Value Rs. 40,000.00)											
		(v) Gold ..						Nil					
		(Provision in Sinking fund and non-statutory Reserve fund as per contra Rs. 15,00,160.03 towards depreciation on investments).											
9,98,70,581	82									10,08,53,799	38		
		5. Advances:—(Other than bad and doubtful debts for which provision has been made to the satisfaction of auditors).											
		(1) Loans, Cash Credits, Overdrafts, etc.											
		(i) In India (Rs. 15,13,23,327.01)											
		(ii) Outside India Rs. 1,06,62,025.89						16,19,85,352	90				
		(2) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments).											
		(i) Payable in India Rs. 2,41,67,478.50											
		(ii) Payable outside India Rs. 1,36,01,121.72						3,77,68,600	22				
23,68,29,277	58									19,97,53,953	12		
		(Particulars as per separate statement).											
		6. Bills Receivable being Bills for Collection as per contra:—											
		(i) Payable in India ..			3,17,41,187	77							
		(ii) Payable outside India ..			92,39,300	22				4,09,80,467	99		
5,77,70,510	62												
		7. Constituents' Liabilities for Acceptances, Endorsements and other Obligations per contra ...								1,86,41,240	55		
3,99,96,691	21												
		8. Premises:—											
		At cost as at 31st December, 1956 ...			Rs.	8,18,729.06							
		Additions during the year ...			Rs.	2,43,220.07							
3,24,509	82							10,61,949	13				
		Less Depreciation written off to date ...						5,28,009	54			5,33,939	59
		9. Sates, Furniture, Fixtures, etc.											
		At cost as at 31st December, 1956 ..			Rs.	13,22,666.32							
		Additions during the year ..			Rs.	3,07,606.62							
								16,30,272	94				
		Less Deductions in the year ...						65,814	70				
								15,64,458	24				
		Less Depreciation written off to date ...						7,00,658	06			8,63,800	18
7,03,974	86												
		10. Other Assets, including Silver:—											
		Books and Stationery ...						5,37,209	34				
		Sundries Receivable (including advance income-tax amounting to Rs. 17,54,301.08) ..						22,37,463	54				

THE INDIAN BANK LIMITED, MADRAS, BALANCE SHEET—(Contd.)

Profit and Loss Account for the year ended 31st December, 1957

Corresponding figures.	EXPENDITURE	Rs.	nP.	Corresponding figures.	INCOME	Rs.	nP.
31st Dec. 1956.				31st Dec. 1956.			
Rs. nP.				Rs. nP.			
77,20,328 35	1. Interest paid on deposits, borrowings, etc. ...	83,81,317	46		INCOME (Less provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions).		
	2. Salaries and allowances, Provident Fund, Bonus, Golden Jubilee Bonus and Gratuity, excluding Rs. 75,000/- paid to Ex-Secretary to the debit of Special Gratuity Fund ...	68,35,797	41	1,25,76,865 42	1. Interest and Discount ...	1,43,16,637	60
57,70,318 22	(Salary and Allowances paid to Ex-Secretary till date of retirement Rs. 6,820.16; Secretary Rs. 54,232.04).			75,46,218 74	2. Commission, Exchange and Brokerage ...	64,27,867	17
	3. Directors' and Local Committee members' fees and allowances ...	1,07,121	00	1,06,150 96	3. Rents ...	91,822	46
1,12,962 96	4. Rent, Taxes, Insurance, Lighting, etc. ...	5,90,219	57		4. Net profit on sale of Investments, gold and silver, land, premises and other assets. (Not credited to Reserves or any particular fund or account) ...		
5,55,943 57	5. Law Charges ...	25,900	62	NH	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets. (Not credited to Reserves or any particular fund or account) ...		
8,273 03	6. Postage, Telegrams and Stamps ...	4,80,744	36		6. Income from non-banking assets, and profit from sale of or dealing with such assets ...	3,969	25
4,24,286 54	7. Auditors' Fees ...	20,909	00	NH	7. Other receipts ...	2,85,978	08
20,720 72	8. Depreciation on and repairs to the banking company's property ...	1,50,509	15				
1,39,244 13	9. Stationery, Printing, Advertisement, etc. ...	4,77,854	74	2,03,394 58			
4,53,759 87	10a. Loss from sale of or dealing with non-banking asset ...						
NH	10b. Net loss on sale of investments ...						
5,091 53	11. Other Expenditure (including Golden Jubilee Expenses) ...	8,04,616	78				
6,51,049 08	12. Balance of Profit ...	32,01,184	42				
45,70,651 70							
2,04,32,629 70	Total ...	2,10,76,174	51	2,04,32,629 70	Total ...	2,10,76,174	51

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the above Balance Sheet of the Indian Bank Limited as at 31st December 1957 and also the above Profit and Loss Account of the Bank for the year ended on that date with the books of account of the Head Office and Branches, other than those in Malaya and with certified returns from Malayan Branches and report that:—

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- Such information and explanations have been found to be satisfactory;
- The returns received from the branches have been found adequate for the purpose of our audit;
- The transactions of the Bank as have come to our notice have been, in our opinion, within the powers of the Bank;
- In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required;
- In our opinion:
 - the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December, 1957;

- The Profit and Loss Account gives a true and fair view of the Profit or Loss for the year ended that date and shows a true balance of profit for the period covered by the audit; and
- proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books; and
- The Bank's Balance Sheet and the Profit and Loss Account dealt with by the Report are in agreement with the books of account and Returns.

V. SOUNDARARAJAN & CO.
KARRA DAKSHINAMURTHY
BRAHMAYYA & CO.
B. PURUSHOTTAM & CO.
SUNDARAM & SRINIVASAN

Auditors.

Madras, Dated 13th March 1958.

Chartered Accountants.

Particulars of Advances referred to on the Assets side of the Balance Sheet as at 31st December 1957.

PARTICULARS OF ADVANCES	AMOUNT.	Rs.	nP.
(i) Debts considered good in respect of which the Banking Company is fully secured ...	16,16,14,787	42	
(ii) Debts considered good for which the Banking Company holds no other security than the debtor's personal security ...	3,11,02,791	00	
Advances under Joint and several Promotes including Bills Discounted and Purchased ...	2,02,76,891	90	
Advances to individual parties including Bills Discounted and Purchased ...	1,08,25,899	10	
(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	62,29,478	92	
(iv) Debts due on temporary overdrafts and other advances ...	8,06,895	78	
(v) Debts considered doubtful Or had not provided for ...	NH		
Total ...	19,97,53,953	12	
(vi) Debts due by Directors or officers of the Banking Company or any of them either severally or jointly with any other persons (of which Rs. 2,36,749 35 is fully secured) ...	2,44,849	05	
(vii) Debts due by companies or firms in which the Directors of the Banking Company are interested as directors, partners or managing agents or in the case of private companies, as Members (of which (a) Rs. 46,97,923.80 is fully secured and (b) Rs. 60,89,327.05 is due by a company where a director of the Banking Company is an ex-officio director and the advance is guaranteed by a State Government) ...	1,15,96,242	46	
(viii) Maximum total amount of advances, including temporary advances, made at any time during the year to Directors or Managers or officers of the Banking Company or any of them either severally or jointly with any other persons (of which Rs. 2,96,888.47 is fully secured) ...	3,06,622	51	
(ix) Maximum total amount of advances, including temporary advances granted during the year to companies or firms in which the directors of the Banking Company are interested as Directors, partners or Managing Agents or in the case of private companies, as members (of which (a) Rs. 41,03,213.03 is fully secured and (b) Rs. 82,96,756.24 is due by a company where a director of the Banking Company is an ex-officio director and the advance is guaranteed by a State Government) ...	1,32,20,371	12	
(x) Due from Banking Company ...	14,37,878	51	

DIRECTORS:
M. A. M. MUTHIAH CHETTIAR
R. K. VENKATACHALAM
R. SUNDARAM IYER
T. S. KACHAPIKESHA MUDALIYAR
O. M. SP. L. M. MEYYAPPA CHETTIAR
M. A. MUTHIAH CHETTIAR
M. R. GURUSWAMI MUDALIAR
K. ARUNACHALA MUDALIAR
L. ALAGUSUNDARAM CHETTIAR
P. V. RM. KULANDAYAN CHETTIAR
K. BALASUBRAMANIAM IYER
E. M. MUTHAPPA CHETTIAR

S. MUTHUSWAMI,
As. Chief Accountant.

A. K. PRABHU,
Deputy Secretary.

D. P. PARTHASARATHY,
Secretary.

THE PUNJAB NATIONAL BANK LIMITED

Directors' 111th Report to the Shareholders for the Year ended 31st December, 1957

The General Board of Directors begs to submit to the Shareholders the audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1957. The transactions for the year under report have resulted in a profit of Rs. 1,17,26,903.52 (including Rs. 6,20,272.48 brought forward from the previous year's account) after contribution of Rs. 9,31,830.00 to Gratuity Fund Trust. The following amounts have been appropriated for the undermentioned purposes:—

	Rs.
1. Transferred to Income-tax Provision ...	50,00,000.00
2. Transferred to Reserve Fund ...	22,50,000.00
3. Transferred to Bonus to Staff Account ...	18,00,000.00
4. Transferred to Charity Account ...	1,00,000.00
5. Ad-Interim Dividend at Rs. 2.50 per share free of income-tax paid ...	8,75,000.00
	1,00,25,000.00

The Directors recommend that the balance of Rs. 17,01,903.52 be disposed of as follows:—

	Rs.
(a) Dividend at Rs. 2.50 per share free of income-tax on the increased capital as on 31-12-1957 ...	12,50,000.00
(b) Carry forward to the next year's account ...	4,61,903.52

The Directors consider that the working of the Bank has been satisfactory.

By Order of the General Board of Directors,
S. P. JAIN
Chairman.

March 7, 1958.

Balance Sheet as at 31st December, 1957

1956	CAPITAL AND LIABILITIES.	AMOUNT	TOTAL	1956	PROPERTY AND ASSETS.	AMOUNT	TOTAL
Rs.		Rs.	Rs.	Rs.		Rs.	Rs.
2,00,00,000	1. Capital:			937,86,062	1. Cash:		
	Authorised Capital:		2,00,00,000.00		In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes) ...		11,05,52,633.93
	8,00,000 Shares of Rs. 25 each ...				2. Balances with other Banks:		
87,50,000	Issued, Subscribed and Paid-up Capital:		1,26,00,000.00		Current/Ac. Deposit/Ac. Rs.		
	5,00,000 Shares of Rs. 25 each ...			20,17,746	(i) In India 20,93,962.63	8,00,00,000.00	
	Of the above shares, 1,50,000 shares are issued as fully paid-up by way of bonus shares which include 927 shares pending export to non-resident Shareholders.			86,52,885	(ii) Outside India 1,99,81,466.84	NH	10,20,75,429.47
	2. Reserve Fund and other Reserves:			1,05,70,631	(Includes Rs. 3,75,761.77 with State Bank of Pakistan).		
60,00,000	(i) Reserve Fund as on 1-1-1957 ...	87,50,000.00		1,95,66,898	3. Money at Call and Short Notice ...		3,22,20,102.93
27,50,000	Add: Amount transferred from Profit and Loss Account ...	22,50,000.00			4. Investments at or below Cost:		
87,50,000		1,10,00,000.00		45,68,06,816	(i) (a) Securities of the Central and State Governments ...	36,47,87,476.22	
37,50,000	(ii) Share Premium Account as on 1-1-1957 ...	37,50,000.00		1,21,60,855	(b) Other Trustee Securities ...	1,08,80,020.00	
1,25,00,000	Less: Amount utilised for issue of bonus shares 37,50,000.00	NH	1,10,00,000.00	46,89,66,871	(Estimated Market Value Rs. 37,49,34,185.20)	37,56,76,496.22	
48,06,76,084	3. Deposits and other Accounts:				(ii) Shares:		
28,11,78,207	Fixed Deposits ...	60,05,79,657.36		4,000	Fully Paid-up Partly Paid-up Rs.		
29,81,37,653	Savings Bank Deposits ...	30,86,75,297.29		39,86,268	Preference 3,000.00	NH	
38,66,257	Current Accounts, Contingency Accounts, etc. ...	33,28,02,018.21		39,90,265	Ordinary 34,81,265.10	1,25,000.00	36,09,265.10
1,06,38,58,201	Employees' Security Deposits (held by the Bank itself) ...	40,41,485.28	1,24,60,98,458.14		(Estimated Market Value Rs. 26,51,383.60)		
	4. Borrowings from other Banking Companies, Agents, etc.:			55,42,965	(iii) Debentures of Indian Joint Stock Companies ...		54,36,758.41
2,36,51,111	(i) In India ...	16,21,553.30			(Estimated Market Value Rs. 51,08,050.00)		
NH	(ii) Outside India ...	NH	16,21,553.30		(iv) Other Investments:		
2,36,51,111							
2,36,51,111	Particulars:			6,75,000	Pre-Partition Punjab Bonds held in India ...	6,75,000.00	
2,36,51,111	(i) Secured by part of Government Securities lodged ...	16,21,553.30		12,54,550	Pre-Partition Punjab Bonds and other Pakistan Govt. Securities held in Pakistan ...	12,37,280.62	
	(ii) Unsecured ...	NH		30,00,000	Burma Govt. Securities held in Burma ...	15,00,000.00	
7,41,12,809	5. Bills Payable ...		7,38,67,960.46	1,80,110	Rangoon Municipal Debentures held in Burma ...	1,80,110.00	35,92,390.62
	6. Bills for Collection being Bills Receivable as per Contra:			51,09,780	(Estimated Market Value Rs. 35,97,691.95).		
8,83,31,939	(i) Payable in India ...	9,20,83,289.85		NH	(v) Gold ...		38,83,14,910.35
32,50,454	(ii) Payable outside India ...	51,88,417.59	9,72,71,707.44	48,30,09,661			
9,15,82,393	7. Other Liabilities:				5. Advances:		
1,47,814	Dividend and interest on Advance Calls unclaimed ...	1,06,058.61			(Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)		
5,996	Rebate on Bills Discounted ...	8,381.46	1,14,439.97	45,80,88,305	(1) Loans, Cash Credits, Overdrafts, etc.:		
1,53,807				27,47,688	(i) In India ...	59,42,34,747.14	
13,43,90,970	8. Acceptances, Endorsements and other Obligations as per Contra ...		7,59,65,662.52	46,08,35,993	(ii) Outside India ...	28,84,131.82	59,71,18,878.96
				7,49,84,015	(2) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)		
				1,27,80,517	(i) Payable in India 7,30,62,214.92		
				8,77,64,533	(ii) Payable outside India 94,07,818.25	8,24,70,033.17	67,95,88,912.13
				54,86,00,526	(Particulars of Advances—As per Schedule attached)		
1,40,89,99,291	Carried over ...	1,51,81,39,781.83	1,15,55,33,798		Carried over ...		1,31,27,51,988.21

THE PUNJAB NATIONAL BANK LTD., BALANCE SHEET—Contd.

Rs. 1956.	CAPITAL AND LIABILITIES—(Contd.)	AMOUNT Rs.	TOTAL Rs.
1,40,89,99,291	Brought forward ...		1,31,81,39,781.83
9,85,108	9. Profit and Loss Account:		
	Profit as per last Balance Sheet ...	13,20,272.48	
7,00,000	Less: Final Dividend at Rs. 2 per share free of income-tax for the year 1956 ...	7,00,000.00	
2,35,108		6,20,272.48	
87,85,165	Add: Profit for the year brought from the Profit and Loss Account ...	1,11,06,681.04	
90,20,273		1,17,26,953.52	
	Less: Ad-Interim Dividend at Rs. 2.50 per share free of income-tax paid ... Rs. 8,75,000.00		
7,00,000	Transferred to Provision for income-tax Rs. 50,00,000.00		
27,50,000	Transferred to Charity Account ... Rs. 1,00,000.00		
1,00,000	Transferred to Bonus to Staff Account ... Rs. 18,00,000.00		
13,00,000	Transferred to Gratuity to Staff Account ... Rs. ...		
1,00,000	Transferred to Reserve Fund ... Rs. 22,50,000.00	1,00,25,000.00	17,01,903.52
27,50,000			
77,00,000			
13,20,273			
	10. Contingent Liabilities:		
81,56,365	(i) Claims against the Bank not acknowledged as debts ...	30,80,273.29	
NIL	(ii) Guarantees given on behalf of Directors or Officers ...	NIL	
87,17,928	(iii) Guarantees given on behalf of others ...	1,81,99,027.79	
3,50,316	(iv) Bills of Exchange re-discounted ...	2,34,591.12	
11,02,084	(v) Outstanding Forward Exchange Contracts ...	3,98,304.76	
	(vi) Liability for calls on partly paid shares of Rehabilitation Housing Corporation Ltd. and Central Warehousing Corporation ...	6,00,000.00	
8,78,000	Note:—Contingent Liability exists in respect of—		
	Contracts for the construction of Bank's premises and agreement to purchase building for Bank's use.		
1,41,03,19,564	TOTAL ...	1,51,98,41,685.35	1,41,03,19,564

Profit and Loss Account for the year ended 31st December, 1957

1956 Rs.	EXPENDITURE	AMOUNT Rs.	1956 Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	AMOUNT Rs.
1,92,99,544	1. Interest paid on Deposits, Borrowings, etc. ...	2,06,71,836.63	4,01,61,733	1. Interest and Discount ...	5,18,45,096.49
	2. Salaries and Allowances and Provident Fund (includes Rs. 66,774.12 paid to the General Manager besides payment of bonus amounting to Rs. 6,236.50 and use of Bank's Car; includes Rs. 9,31,930 being contribution to Gratuity Fund Trust) ...	2,16,71,335.02	89,29,934	2. Commission, Exchange and Brokerage ...	1,06,42,096.32
1,79,95,854	3. Directors' and Local Committee Member's fees and allowances ...		10,24,645	3. Rents ...	11,22,712.65
18,470	4. Rent, Taxes, Insurance, Lighting, etc. ...	19,463.50	NIL	4. Net Profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserve or any particular Fund or Account) ...	NIL
12,78,781	5. Law Charges ...	14,12,121.96		5. Net Profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserve or any particular Fund or Account) ...	NIL
2,11,875	6. Postage, Telegrams and Stamps ...	18,74,627.32		6. Income from non-banking assets and profit from sale of or dealing with such assets ...	NIL
15,94,066	7. Auditors' Fees ...	12,000.00		7. Other Receipts ...	
8,000	8. Depreciation on and repairs to the banking company's property ...	8,49,019.12	26,17,818		
7,40,057	9. Stationery, Printing, Advertisement, etc. ...	12,49,202.19	5,27,34,130		
10,56,357	10. Loss from sale of or dealing with non-banking assets ...	NIL			
NIL	11. Other Expenditure ...	20,23,934.55			
17,46,231	12. Balance of Profit (subject to taxation) ...	1,11,06,681.04			
87,85,165					
5,27,34,130	TOTAL ...	6,70,27,298.49		TOTAL ...	6,70,27,298.49

1956 Rs.	PROPERTY AND ASSETS—(Contd.)	AMOUNT Rs.	TOTAL Rs.
1,15,55,33,798	Brought forward ...		1,31,27,51,988.21
8,83,31,939	6. Bills Receivable being Bills for Collection as per Contra:		
32,50,454	(i) Payable in India ...	9,20,83,289.85	
	(ii) Payable outside India ...	51,88,417.59	9,72,71,707.44
9,15,82,393			
13,43,90,970	7. Constituents' Liabilities for Acceptances, Endorsements and other Obligations as per Contra ...		7,59,65,662.52
39,63,998	8. Premises Less Depreciation:		
1,800	Balance on 1-1-1957 (at cost) ...	36,49,856.69	
39,65,798	Additions and transfers during the year ...	3,25,690.19	
		89,75,536.88	
3,15,942	Less: Transferred to Property not used as Bank premises ...	NIL	
36,49,856	Depreciation written off to date ...	4,88,958.40	34,86,578.48
4,29,792			
32,20,064	9. Furniture and Fixture at cost less Depreciation:		
80,42,809	As per last Balance Sheet ...	89,21,710.07	
10,39,908	Additions and adjustments during the year including transfers from Branches ...	10,34,191.22	
90,82,712		98,55,901.29	
2,61,002	Less: Sales, write offs and adjustments during the year including transfers to Branches ...	2,33,841.31	
88,21,710		96,22,059.98	
40,88,246	Less: Depreciation written off to date ...	45,91,660.87	50,30,399.11
47,39,464			
50,21,537	10. Other Assets:		
16,14,530	(a) Interest accrued and outstanding and dividends due on investments ...	45,43,189.07	
9,44,806	(b) Prepaid expenses advance payments and amounts recoverable ...	29,20,941.32	
4,74,426	(c) Property not used as Bank premises less depreciation ...	20,37,268.39	
4,25,527	(d) Land purchased for constructing Bank premises ...	4,23,530.19	
9,76,047	(e) Library, Motor Cars, Cycles and other Vehicles less depreciation ...	5,04,590.83	
35,082	(f) Stationery and Stamps ...	11,46,392.92	
1,97,500	(g) Deposits with Electric Supply Companies and Government Departments ...	36,218.88	
50,81,000	(h) Amount remitted for purchase of Trustee Securities ...	49,50,000.00	
77,165	(i) Remittances in transit (since received) ...	56,06,573.06	
59,06,180	(j) Amount paid towards purchase of 2½% U. P. Z. A. C. Bonds and fully paid shares of Companies in liquidation ...	NIL	
	(k) Income-tax deducted at source on yield of investments ...	1,19,69,006.10	
2,07,53,770	Less: Provision for Taxation Account ...	89,07,646.09	30,61,360.01
			2,52,30,064.65
1,06,105	11. Non-Banking Assets acquired in satisfaction of Claims:		
	Balance as per last Balance Sheet ...	1,05,104.89	
	Less: Depreciation ...	19.75	1,05,084.94
	(The book value is less than the realisable value).		
1,41,03,19,564	TOTAL ...		1,51,98,41,685.35

THE PUNJAB NATIONAL BANK LTD., BALANCE SHEET—Contd.

SCHEDULE OF PARTICULARS
Required by the Banking Companies Act, 1949, (Act X of 1949) attached to and forming part of the Balance Sheet as at 31st December, 1957

1956 Rs.	Particulars of Advances:	Rs.	Rs.
51,73,58,002	(i) Debts considered good in respect of which the banking company is fully secured ...		63,15,72,423.12
2,21,18,189	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security ...		2,94,78,240.50
91,24,335	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...		1,85,38,248.51
NIL	(iv) Debts considered doubtful or bad, not provided for ...		NIL
54,86,00,526			87,95,88,912.13
	(v) Debts due by Directors or Officers of the banking company or any of them either severally or jointly with any other persons:		
NIL	Directors ...	NIL	
3,23,153	Officers ...	3,77,109.21	3,77,109.21
3,23,153			
1,46,77,289	(vi) Debts due by companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or in the case of private companies, members ...		3,32,93,841.68
3,61,004	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the banking company or any of them either severally or jointly with any other persons ...		3,86,394.79
1,74,10,499	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or in the case of private companies, as members ...		3,37,52,514.14
32,07,522	(ix) Due from banking companies ...		24,05,780.68

R. K. CHAWLA,
Chief Accountant.
S. L. VERMA,
Assistant Secretary Accounts.
V. SANKAR AIYAR & CO.,
Chartered Accountants.
March 7, 1958.

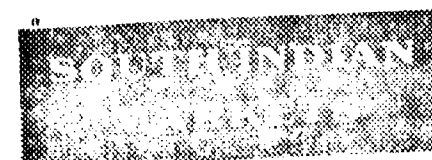
MOHAN SINGH,
Deputy General Manager.
R. L. TULI,
Secretary & Deputy
General Manager.
A. M. WALKER,
General Manager.

S. P. JAIN,
Chairman.

C. L. BAJORIA,
SHITAL PRASAD,
MAHARAJ KRISHNA KAPUR,
J. N. BHAN,
KAMALNAYAN BAJAJ,
D. D. PURI,
MOHAN SINGH,
Directors.

NEW DELHI, March 7, 1958.

V. SANKAR AIYAR & CO.,
Chartered Accountants.



US Enquiry in Pepper

PEPPER markets have continued to display strength, thanks to renewed speculative activity on firmer advices from New York. The deteriorating political situation in Indonesia appears to have changed the buying ideas of the US importers. Their earlier hopes of replenishing their stocks with Indonesian supplies are not bright now. They have, therefore, been purchasing Indian pepper for the past few days even by paying a higher price.

According to one report available in the market, nearly 500 tons of "afloat" Indian pepper were bought by them at the rate of 25 to 27 cents per pound. They are reported to have placed more orders at still higher prices. The US is stated to be in a vulnerable position; for she has allowed her stocks to run down on the hope of replenishing them at short notice. The non-availability of the commodity from other sources has forced her to buy Indian pepper.

Another factor that has given rise to some speculation is the low rate of arrivals in the termi-

nal markets in India. This is interpreted, in certain quarters, as an indication of a smaller crop. In the Alleppey market, the rate is quoted at Rs 650 per candy for superior Palai variety and Rs 637.50 for inferior Thekkan variety. In the New York market, Malabar/Lampong spot and "awaiting release" are quoted at 26 cents per pound. In the London market, Black Sarawak is quoted at 19d per pound.

Ginger

The market for Ginger remained practically unchanged with the rate quoted at Rs 225 per candy.

Indian shipping companies, operating on the West Coast, are stated to have effected a cut in their freight rates for pepper and dry ginger from April 1. The rate for pepper from any point on the Malabar coast to Bombay has been reduced from Rs 99 to Rs 65 per ton. The rate for ginger is down from Rs 54.50 to Rs 50. The rates have been reduced due to the competition from country boats.

Groundnut

Conditions in the Madras Groundnut market ruled generally steady. Arrivals were 30 to 40 tons per day, local crushers and Calcutta interests taking up most of these arrivals. The rate was quoted around Rs 146 per candy.

According to reports, summer crop fields in the South are in need of one or two good showers.

In the Groundnut Oil section, the rate for the ready position was quoted around Rs 303 per candy. Calcutta parties were reported to be buying sizable quantities, while sellers were scarce as they were unwilling to commit themselves due to increased power-cut in hydel areas.

Hides and Skins

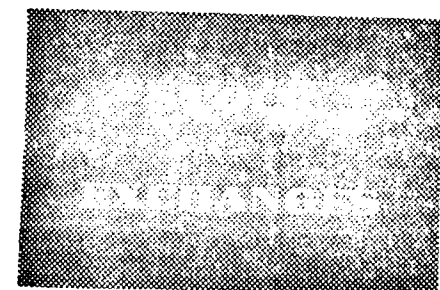
In the Madras Tanned Hides market, arrivals of Cow hides were on the same level as in the previous week; but prices were generally lower by 3 to 6 nP pound. There was no change in the arrivals of Buff hides. In the Calf

section, arrivals of Cow Calf particularly were small.

On the export front, trading with the UK was reported to be difficult as importers were unable to support the market, in spite of the offers at reduced prices. In inferior fifties Cow hides, light weights were still maintaining last levels. In Calf, only a small amount of business was reported done at slightly reduced prices in view of the heavy shipments of buff calf.

In the Tanned Skins section, arrivals of both Goat and Sheep skins were moderate, while clearances were somewhat restricted. Prices of sheep were lower by 12 to 31 nP and goat by 12 to 18 nP per pound.

In the export section, a small amount of business was reported done in prime class goat skins at prices 3d to 6d cheaper as compared to pre-auction levels. Continental support was restricted with Germany adopting a cautious policy for fresh contracts. In the sheep skins section, a small amount of business was concluded in primes and semi-primes.



A Pause

Watch-Dog Writes:

ACTIVITY in stock markets has generally been at a low ebb during the week under review. Lack of fresh support coupled with small selling has resulted in prices developing a slightly easier tendency. The technical position of the markets is, however, sound, weak holders being eliminated by profit-taking.

Trading on the Calcutta Stock Exchange was dull with price movements narrowly irregular in the absence of any fresh influence.

The Bombay Stock Exchange had a dull week, turnover being limited.

On the Madras Stock Exchange, Planting shares depicted a steady trend, while prices in other counters were almost maintained.

Wall Street closed heavy with a fair representation of losses ranging to a dollar or more.

Calcutta

DULL but quietly steady conditions prevailed on the local Stock Exchange last week when prices developed a slightly easier tendency due to profit-taking and small selling by weak holders in the absence of any fresh incentive. Enquiry from investors was also not large and such business, that

was put through, was mainly of a speculative nature.

Various factors contributed to a sudden change in market sentiment. Uncertainty revived about whether the relief in export duty, which was expected to be announced, would apply to only Common teas or all varieties. The delay in the decision about an increase in the selling price of coal resulted in a tendency on the part of operators to hold off until something definite was known. Sentiment was also affected by the oppressive tax on bonus shares. The market was reminded of this by the decision of certain companies to abandon or shelve their proposals to issue bonus shares. Operators also showed some anxiety over the conditions of the clause pertaining to the Development Rebate to the industries which, it was felt, would cause considerable difficulties.

The recent improvement in the Gilt-edged market made further progress on sustained demand for some of the short and long-dated issues. The shortage of stocks also accelerated the rise in prices. 3 per cent 1986 Conversion Loan opened at Rs 71.05 and, after advancing at one time to Rs 71.30, receded at the close to Rs 71.20 on modest profit-taking.

Bank shares were fully steady. Hind met with good demand at rates varying from Rs 50.00 to Rs 50.75, while United Commercial were nearly maintained at Rs 62.25.

Despite profit-taking at higher levels, Jute shares ruled fairly steady. Reports were going around that several mills had done well and that the working results, due to appear shortly, would be encouraging, thanks to the effects of modernisation and rationalisation programmes. Anglo-India had buy-

ers upto Rs 147 from Rs 144, while Alliance were well maintained at Rs 65 despite the passing over of the dividend for eleven months ended 31st May, 1957. National turned ex-dividend (75 nP) at Rs 22.00, while Kelvin were offered at Rs 162 against Rs 172. Nuddea were taken upto Rs 35.25; Howrah upto Rs 14.56 and Reliance upto Rs 6.32, to finish slightly lower at Rs 34.00; Rs 14.31 and Rs 5.94 respectively on profit-taking. New Central had buyers at Rs 13.50 to Rs 13.75, while India after spurring at one time to Rs 117 from Rs 109, receded at the close to Rs 112. Belvedere were a steady feature at Rs 80.00.

There was only limited activity in the Coal section. Operators were generally inclined to await the Government decision with regard to the selling price of the commodity, before entering into fresh commitments. However, prices ruled very steady following the news of the Government taking all steps to raise production and achieve the Second Plan target. Burrakur turned ex-dividend at Rs 22.75, while Amalgamated were taken upto Rs 17.00 from Rs 16.87; East Indian upto Rs 22.19 from Rs 21.56 and Western Bengal upto Rs 5.87 from Rs 5.75. Central India, after dropping down to Rs 7 from Rs 7.87, recovered partially at the close to Rs 7.56. South Karanpura turned quiet at Rs 9.87 against Rs 10.12.

General interest in the Tea section tended to peter out in view of the inordinate delay in the announcement of the reduction in the export duty. Doubts were also expressed in some quarters as to whether the relief, to be recommended, would be an overall reduction or apply only to Common teas. But, the sustained support lent to a few selected scrips was mainly due to the sound statistical position of the industry and the reports that only a small surplus would be left over from the current season's sales. Most prominent scrips were Baghmari changing hands at Rs 18.87 to Rs 19.25; Brahmapootra at Rs 3.00 to Rs 3.15; Brooke Bond at Rs 17.12 to Rs 17.57; Bishnauth at Rs 19.62 to Rs 19.94; Dhelakhat at Rs 22.12 to Rs 22.31; Hantapara at Rs 110.50 to Rs 111.00; Jayshree at Rs 10.75 to Rs 10.94; Methoni at Rs 16.75 to Rs 17.19 and Tezporo at Rs 15.70 to Rs 16.06.

Sugar shares continued to meet with selective demand in view of the brighter prospects for the industry during the coming season. Balrampur were enquired upto Rs 6.12 from Rs 6.00 c.d., Belsund upto Rs 11.06 from Rs 11.00; Champaran upto Rs 20.37 from Rs 20.12 and S.K.G. upto Rs 10.00 from Rs 9.87. Cawnpore were on offer as low as Rs 10.37 against Rs 11.75.

Trading in the Textiles section was limited as operators were inclined to await a definite improvement in the conditions of the cloth and piecegoods markets. Cawnpore were offered at as low as Rs 3.75 against Rs 4.06, while Elgins had

sellers at Rs 13.06 against Rs 13.12 following a reduction in dividend from Rs 1.25 to Re 1.00 per share for last year. Kesoram were, however, slightly better at Rs 11.50 against Rs 11.37, while New Victoria were maintained at Rs 1.44.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to settlement considerations till mid-week. The release of encouraging production figures for the year ended 31st March 1958 had no effect on sentiment; and, against the weekend closing of Rs 21.53, Indian Irons opened lower at Rs 21.49 and receded further to Rs 21.18 at the close. In sympathy, TEXMACO were marked down at one time to Rs 17.90 from a high of Rs 18.25; G.K. Williams to Rs 30.37 from Rs 30.50 and Jessop to Rs 19.75 from Rs 21.12, to improve at the close to Rs 18.05; Rs 30.69 and Rs 20.25 respectively. Britannia changed hands at Rs 11.56 to Rs 11.75 x.d., Kumardhubi at Rs 8.37 to Rs 8.56 and Marshalls at Rs 5.56 to Rs 5.62. Burn lost nearly Rs 10 at Rs 326.

Despite profit-taking at bulges, the Miscellaneous section provided many firm features, thanks to sustained investment demand. Most prominent were Dunlop having sustained support upto Rs 24.75 from Rs 24.56; National Carbon upto Rs 25.19 from Rs 25.00; Indian Aluminium upto Rs 13.75 from Rs 12.87; Aluminium Corporation upto Rs 10.75 from Rs 10.31; Rohtas upto Rs 17.00 from Rs 16.75; Alkali Chemicals upto Rs 14.75 from Rs 14.37; Indian Cable upto Rs 29.37 from Rs 29.00 and India Steamship upto Rs 11.12 from Rs 10.87. The news of a strike at the company's Ghatsila mines caused a sharp setback in Indian

S. E. RLY. TENDERS

Sealed tenders are invited for the following items:—

(i) Tender No. PA/COS/4/464/IP/GB10 for supply of 99 Cwts. Cane China Best picked (1st quality) in lengths of not less than 15 to 16' ft each with knots not less than 9" distances apart. The thickness of the cane should not be less than 3" or more than 4".

Tender forms are obtainable from the Controller of Stores, Garden Reach, South Eastern Railway, Calcutta 23 (PA Section) on remittance of Rs. 2/- per copy per tender (not refundable) by money order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, South Eastern Rly., Garden Reach, Calcutta-28 by local firms. Earnest Money against the tender is Rs. 1500/-. Closing date of the tender is 29.4.58 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid income-tax clearance certificate along with the Earnest Money receipt with the Tender.

S5 CONTROLLER OF STORES.

April 12, 1958

Copper to Rs 3.11 from Rs 3.25. Metal Box scored another half point at Rs 27.75 on sustained buying, while Martin Burn were enquired upto Rs 24.00 from Rs 23.69. BBP turned a shade quieter at Rs 2.17 against Rs 2.28; Philips at Rs 13.87 against Rs 14.12 and Indian Oxygen at Rs 17.37 against Rs 18.00, on lack of fresh support. Among Paper shares, Orient, after touching a high of Rs 28.75, declined towards the close to Rs 27.90 on renewed selling pressure. Tita-ghur remained very firm at Rs 35.25, while India Pulp met with good support at Rs 19.50 to Rs 19.62; Shree Gopal at Rs 15.00 to Rs 15.19 and Sirpur at Rs 9.25 to Rs 9.56.

Bombay

THE Stock market has ruled quietly steady with prices showing a declining trend on balance. It would appear that a general inclination to book profits has been mainly responsible for the slowing down of the tempo of activity. Marketmen also seem to be somewhat disappointed by the performance of the cloth market in the past few weeks. It has been generally expected that offtake of cloth will show a marked improvement after the reduction of excise duty on all varieties of cloth. But so far there is no indication of a broadening of interest. Offtake is reported to be as slow as before. The decline in steel production in the two steel companies in the past year and rumours about increase in stamp duty have been other depressing influences.

STEELS:

Steel shares after earlier steadiness developed a sagging tendency in later dealings. Indian Irons after having been done upto Rs 21.60 closed quietly steady at Rs 21.28. Tata ordinary receded from Rs 182.25 to close at Rs 180.75.

TEXTILES:

Textiles were generally subdued. Bombay Dyeing opened at Rs 56.30 but eased to Rs 55.70. Century was pushed down to Rs 430 from Rs 439.50. Kohinoor was marked down to Rs 281 from Rs 286. Central to Rs 89 from Rs 93 and Simplex to Rs 156 from Rs 159.50.

MISCELLANEOUS:

In the miscellaneous section Scindia Steam was a firm spot improving to Rs 17.36 from Rs 17.16. National Rayon was well maintained at Rs 223.50. Premier Construction was another bright spot and advanced to Rs 182.25 from Rs 174.25. Bombay Burmah after earlier firmness closed quiet at Rs 546.

Madras

CONDITIONS on the Madras Stock Exchange ruled generally steady although profit-taking erased some of the gains at the close.

PLANTINGS More popular shares in this section were able to maintain their last levels. Coffee shares were an active counter where Consolidated Coffees were taken upto Rs

23.55 and Coffee Lands upto Rs 33.00. Ouchterlony were a steady feature at Rs 5 c.d., while Badra gained 25 nP at Rs 3.75.

Among Tea shares, there was support for Chembra Peak and United Nilgiris at the market rates. Halleyburias were taken upto Rs 18.60; Periakaramalais upto Rs 4.15 and Kalasag up o Rs 15.35. Coorags were done at Rs 11.75 c.d.

In the Rubber group, there was enquiry for Kalpetas at the improved rate of Rs 21.50, while Nilamburg met with good demand at the market rate. T.R.Ts. were done at Rs 7.10; Thirumbadls at Rs 1.53 and Valkundams at Rs 21.75.

TEXTILES This section ruled generally quiet in the absence of any definite improvement in the cloth market. There were selling enquiries for Metturs at Rs 400, while Adonis, Bangalore Woolfens, Lakshmis and Coimbatore Pioneers at the market rates. Loyals were on offer at Rs 36.75. Maduras met with good business at Rs 33.60 x.d. and Coimbatore Cottons Rs 151.

MISCELLANEOUS Prices in this section showed a mixed trend. REMCO improved to Rs 13.25 and Mysore Stonewares to Rs 11.75 on better support. India Cements had some buyers at Rs 27.00 to Rs 27.25, while Andhra Cements found sellers at the market rate. Travancore Cements met with some business at Rs 8.62. FACTs remained practically unchanged at Rs 5.30 and Ashok Leylands at Rs 4.06. Mysore Paper were done at Rs 16.25; Ralis at Rs 28.50; Textools at Rs 178; Mysore Chemical Fertilizers at Rs 6.85 c. d. and Mettur Chemicals at Rs 9.62. Aluminium Industries changed hands at Rs 13.55 to Rs 13.67.

New York

WALL STREET showed a fair representation of losses ranging to a dollar or more. Signs of rallying powers proved rather feeble and short-lived. While various quarters felt that the list was entitled to a better show of hardening on technical grounds alone, buyers continued to move cautiously, because of the weight of unfavourable news, especially from the key industries such as steel and motors. Anaconda Copper was quoted at \$42½; General Motors at \$34½ and US Steel Common at \$55½.

Investment Notes:

With the growing pace of the company's expansion programme, the output of saleable Steel by the TISCO have, once again, suffered a setback. Production, for the year ended 31st March 1958, has recorded a drop of 12,900 tons to 786,600 tons. Pig Iron output has fallen from 1.151 million tons to 1.099 tons, while the outturn of Steel Ingots has shown a rise from 1.071 million tons to 1.104 million tons.

The expansion programme, which is now being carried out by the Indian Iron & Steel Company Limited, is fully reflected in the

until the end of 1959, represents a business of Rs 1 crore.

According to the resolution of the directors of the Halleyburia Tea Estates, which is reported to have received the sanction from the Government, holders of the company's recent right issue are also eligible for the bonus issue of 31,250 shares of Rs 10 each in the proportion of one for every five shares held.

Kalpetta Estates have decided to issue bonus shares in the ratio of one for one, subject to the Government sanction.

Investment Brief:

Among Jute Mills, National Company has maintained the Ordinary dividend at 75 nP per share for the year ended 31.10.1957, while Alliance has passed over the dividends, both on the Ordinary and Preference shares, for the 11 months ended 31.5.1957.

Elgin Mills have reduced the dividend from Rs 1.25 to Rs 1.00 per share for the year ended 30th September, 1957.

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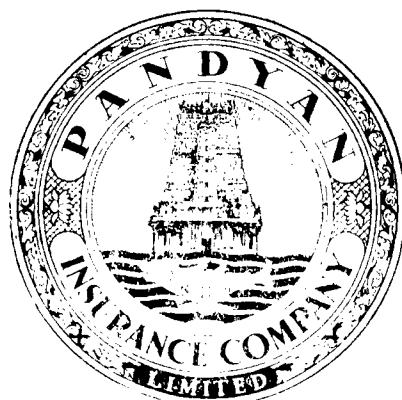
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Indian Finance

FACTS AND FIGURES

INDEX NUMBERS OF SECURITY PRICES
(1949-50 = 100)

Week ended	23-3-57	15-3-58	22-3-58
Government and semi-Government securities—All-India			
TOTAL	89.9	89.3	89.4
Government of India	89.7	89.0	89.1
State Governments	96.4	96.5	96.5
Municipal, Port Trust, etc.	90.4	90.0	90.0

Debentures of industrial securities—All-India

TOTAL	98.9	97.2	97.2
Electricity	98.8	98.5	98.5
Jute	97.0	93.1	92.2
Plantations	98.5	97.8	97.8
Sugar	98.5	96.4	96.4
Coal	90.6	84.8	84.8
General Engineering	100.0	98.0	98.0
Shipping	101.8	99.1	99.1
Others	100.1	94.1	94.1

Preference shares—All-India

TOTAL	79.7	71.0	70.9
Electricity	88.0	84.3	84.4
Cotton	79.3	67.0	67.2
Jute	74.0	68.0	69.3
Coal	82.1	72.8	72.7
Iron & Steel	82.4	78.3	78.3
Sugar	79.6	69.5	69.5
Paper	79.6	74.2	74.2
Plantations	98.6	86.9	86.9
Miscellaneous	75.0	66.8	66.9

Variable dividend industrial securities—All-India

TOTAL	111.5	96.2	96.8
Financial: Total	92.2	98.1	97.9
Banks	94.6	101.5	101.0
Insurance	81.8	88.0	90.1
Investment Trust	78.0	64.7	65.0
Public Utilities: Total	111.0	103.9	103.9
Electricity	109.4	101.6	101.4
Shipping & other Transport	124.0	119.7	119.9
Railways	77.5	67.6	67.8
Manufacturing Industries: Total	117.7	98.1	99.4
Cotton, Woollen & Silk	124.3	93.0	94.1
Jute	59.5	48.5	48.1
Iron & Steel	126.3	124.9	128.1
Paper	240.1	189.4	190.0
Cement	155.2	132.3	135.9
General Engineering	167.5	145.6	148.8
Sugar & Breweries	100.2	97.2	97.5
Chemicals	134.3	129.2	130.3
Non-Manufacturing Industries: Total	137.6	108.0	108.2
Coal	71.1	65.4	65.0
Mining & Oil	186.1	148.4	149.7
Plantations	157.3	116.9	117.0
Miscellaneous	90.1	68.9	68.4

Government and semi-Government securities—Regional

Bombay	89.4	88.7	88.8
Calcutta	89.8	89.2	89.2
Madras	90.2	89.5	89.6

Debentures of industrial concerns—Regional

Bombay	99.0	96.5	96.5
Calcutta	98.6	97.3	97.3
Madras	99.6	97.4	97.4

Preference shares—Regional

Bombay	84.2	79.5	79.5
Calcutta	73.8	63.0	62.8
Madras	94.1	84.0	84.0

Variable dividend industrial securities—Regional

Bombay	122.5	111.8	113.1
Calcutta	97.5	82.7	82.7
Madras	126.6	109.1	109.2
Delhi	117.5	116.6	118.1

BULLION PRICES

Week Ended	29-3-57	21-3-58	28-3-58
GOLD—			
Spot—			
Highest	106 06	112 28	112 34
Lowest	105 12	111 75	110 75
Average	105 72	112 07	111 53
1st Settlement—			
Highest	106 06	112 41	112 53
Lowest	105 19	111 87	111 00
Average	105 74	112 30	111 56
SOVEREIGN—			
Average	69 15	72 00	71 33
SILVER—			
Spot—			
Highest	180 37	195 25	195 87
Lowest	174 56	193 69	194 56
Average	177 93	194 65	195 16
1st Settlement—			
Highest	180 94	195 31	195 87
Lowest	175 25	194 06	194 56
Average	178 54	194 78	195 09

SHORT-TERM MONEY RATES

(Per cent per annum)

	22-3-57	14-3-58	21-3-58
Call Money—			
Bombay	3 1/4	4 1/4	4 1/4
Calcutta	4 1/4	4 1/4	4 1/4
Madras	4 1/4	4 1/4	4 1/4
From Public—			
Bombay	4 1/4	4 1/4	4 1/4
Calcutta	4 1/4	4 1/4	4 1/4
Madras	4 1/4	4 1/4	4 1/4
Fixed Deposits—			
3 Months—			
Bombay	4 1/4	4 1/4	4 1/4
Calcutta	4 1/4	4 1/4	4 1/4
Madras	4 1/4	4 1/4	4 1/4
6 Months—			
Bombay	4 1/4	4 1/4	4 1/4
Calcutta	4 1/4	4 1/4	4 1/4
Madras	4 1/4	4 1/4	4 1/4

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fcs. to Rs. 100	1041	1040
"	"	1040	1041
"	"	1041	1040
France	Fcs. to Rs. 100	8800	8795
"	"	8795	8800
Switzerland	Fcs. to Rs. 100	8790	8780
W. Germany	Mks to Rs. 100	95 1/2	91 1/2
Italy	Lire to Rs. 100	13015	13010
"	"	13010	13015
"	"	13015	13010
Denmark	Kroner to Rs. 100	144 1/2	144 1/2
"	"	144 1/2	144 1/2
Sweden	"	108 1/2	108 1/2
U. S. A.	Ra. to \$ 100	475.25	475.75
"	"	475.75	475.25
Canada	"	487.75	488.25
"	"	488.25	487.75
"	"	487.75	488.25
Philippines	Ra. to pesos	238.25	238.50
"	"	238.50	238.25
Netherlands	Guilders to Rs...	79 1/2	79 1/2

STERLING TRANSACTIONS OF THE
RESERVE BANK OF INDIA

Week Ended	22-3-57	14-3-58	21-3-58
Forward Contract—			
Purchases	£ ('000)	875	3,817
"	Rs ('0,000)	1.17	5.09
Sales	£ ('000)	75	...
"	Rs ('00,000)	10	...
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	30	275
"	Rs ('00,000)	4	37
Sales	£ ('000)	3,930	20
"	Rs ('00,000)	5.24	3
Against forward contracts—			
Purchases	£ ('000)	1,845	3,151
"	Rs ('0,000)	2.46	4.20
Sales	£ ('000)	...	...
"	Rs ('00,000)	...	...

PRICES AND YIELDS OF SELECTED
CENTRAL GOVERNMENT SECURITIES

	29-3-57	21-3-58	28-3-58
	Price	Yield	Price
	Ra. nP	%	Ra. nP
3% 1958	99 62	3.28	99 75
3 1/2% 1962	97 81	3.71	97 90
3 1/2% N.P.B.1967	98 50	3.67	97 65
3% Dev. 1970-75	87 31	4.24	86 19
3 1/2% 1974	98 51	3.87	98 20
3% (Con.) 1986 or later*	74 31	4.03	71 03

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES
BY GROUPS AND SUB-GROUPS
(Base: 1952-53 = 100)

Group and Sub-Group	15-3-55	8-3-58	15-3-58	16-3-57
Food Articles—				
Cereals	102.4	101.7	100.8	102.6
Pulses	95	94	94	100
Fruits & Vegetables	78	76	76	86
Milk & Ghee	96	99	95	111
Edible oils	105	103	100	98
Fish, Eggs & Meat	118	117	117	124
Sugar & Gur	104	103	99	93
Others	112	111	110	93
Liquor and Tobacco	126	126	128	124
Tobacco	95.2	95.8	96.7	87.8
Fuel, Power, Light & Lubricants	94	94	95	86
Industrial Raw Materials	114.8	114.8	114.8	106.5
Fibres	111.2	110.3	112.0	117.8
Oilseeds	110	110	113	111
Minerals	113	111	111	119
Others	108	108	109	107
Manufactures	110	109	110	107
Intermediate Products	107.7	107.7	107.5	106.2
Finished Products	107.4	106.4	105.4	109.1
Textiles	107.7	107.9	107.9	105.7
Cotton	106	107	106	107
Jute	117	117	117	115
Woollen	86	87	88	95
Silk & Rayon	103	103	103	100
Metal Products	92	93	90	87
Chemicals	142	142	142	131
Oil cakes	99	99	99	97
Machinery & Transport Equipment	112	110	111	110
Others	102	102	102	100
All Commodities	112	112	112	102

April 12, 1958

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended	4-4-58	28-3-58	5-4-57
LIABILITIES:				
Notes in Banking Dept.	7,94.43	10,21.14	7,88.29	
Notes in Circulation	1619,68.82	1579,13.39	1563,56.90	
	1627,63.25	1589,34.53	1571,45.19	
ASSETS:				
A Gold Coin & Bullion:				
(a) In India	117,76.03	117,76.03	117,76.03	
(b) Outside India	...	...	...	
Sterling Securities	216,06.93	171,19.43	412,51.91	
Total of A	333,82.96	288,95.46	530,27.94	
(B) Rupee Coin	127,57.38	129,28.66	126,20.06	
Rupee Securities	1166,22.91	1171,10.41	914,97.19	
	1627,63.25	1589,34.53	1571,45.19	

BANKING DEPARTMENT:

	Week Ended	4-4-58	28-3-58	5-4-57
LIABILITIES:				
Capital Paid-up	5,00.00	5,00.00	5,00.00	
Reserve Fund	80,00.00	80,00.00	5,00.00	
National Agricultural Credit (Long-term Operations) Fund	20,00.00	20,00.00	15,00.00	
National Agricultural Credit (Stabilisation) Fund	2,00.00	2,00.00	1,00.00	
Deposits:				
(a) Central Govt.	55,27.22	48,33.31	60,59.44	
(b) Other Govt.	7,23.89	54,85.01	7,90.31	
(c) Banks	81,05.86	67,83.27	59,99.65	
(d) Others	116,32.46	117,51.52	74,49.09	
Bills Payable	25,66.09	29,41.08	17,93.83	
Other Liabilities	40,37.06	41,04.73	116,36.49	
	432,92.58	465,98.92	363,28.81	

	Week Ended	4-4-58	28-3-58	5-4-57
ASSETS:				
Notes	7,94.43	10,21.14	7,88.29	
Rupee Coin	3.98	10.68	4.47	
Subsidiary Coin	2.73	2.76	5.69	
BILLS DISCOUNTED:				
Internal	...	...	...	
External	...	...	...	
Govt. Treasury Bills	12,71.74	7,67.89	15,23.63	
Balances held abroad*	68,34.29	95,81.03	112,82.31	
Loans & adv. to Govt.	37,63.08	21,23.24	15,65.46	
Other Loans & Adv.	73,92.35	78,40.12	106,04.34	
Investments	218,11.09	238,44.47	91,97.49	
Other Assets	14,18.89	14,07.59	13,57.13	
	432,92.58	465,98.92	363,28.81	

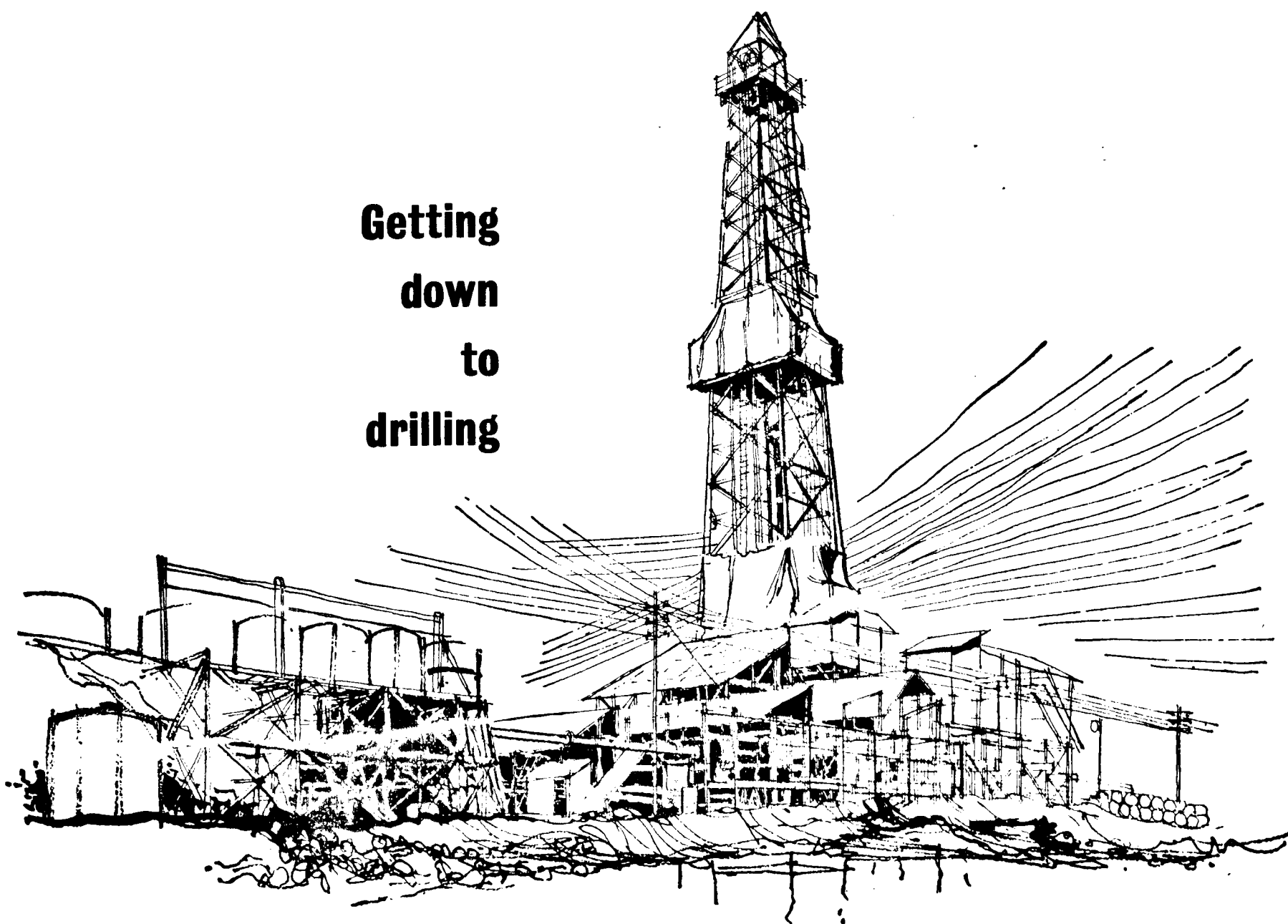
(1) The item "Other Loans and Advances" includes Rs. 24,19,00,000 ad. raised to scheduled banks against advance bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	Week Ended		
	28 3-58*	21 3-58*	29-3-57
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	15,26.28	12,14.05	8,27.28
(ii) Other demand liabilities	729,99.00	728,73.68	703,60.67
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	14,85.50	16,05.50	1,97.00
(ii) Other time liabilities...	719,64.22	708,45.20	471,68.96
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities ...	10,77.54	9,86.30	11,60.47
(ii) Time Liabilities ...	90.00	85.00	...
Borrowings in India from the R. B. I. ...	42,00.26	37,75.56	103,16.08
Cash in India ...	37,20.92	36,90.13	33,98.17
Balances with the Reserve Bank of India ...	67,78.10	63,85.81	54,27.96
Balances with other banks in current account in India	11,16.70	11,29.79	11,31.34
Money at call and short notice in India ...	41,68.26	38,97.33	11,61.70
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts ...	440,35.92	440,25.74	347,18.33
Advances in India ...	805,88.93	796,33.60	723,60.13
Inland Bills Purchased and Discounted in India ...	116,59.60	114,62.67	117,52.00
Foreign Bills Purchased and Discounted in India ...	39,84.40	40,94.04	58,91.50

Getting down to drilling



The oil driller's derrick looks imposing and strange as it stands silhouetted against the sky, but it is merely a sturdy steel support for lowering and raising jointed lengths of heavy pipe into and out of the well during the drilling operations.

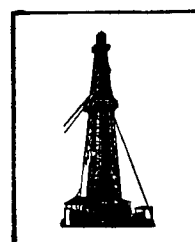
In modern drilling, a sharp-toothed bit is first attached to a length of steel pipe called the drill pipe. The drill pipe, held vertical by a giant block and tackle system in the derrick, is lowered into a pilot hole and revolved by means of a turntable on the derrick floor. The turntable is rotated by powerful engines behind the derrick. As the pipe is turned, the bit cuts a hole in the earth's rocks and lengths of drill pipe are added as the hole becomes deeper.

When the bit becomes worn the entire length of drill pipe must be removed, unjointed, and stacked in the derrick.

After the new bit is attached the pipe is joined together and drilling begins again.

All during drilling, specially-prepared mud is pumped down inside the drill pipe. It passes through perforations in the bit and is forced back to the surface outside the drill pipe. This mud has many useful functions. It flushes rock cuttings back to the surface for examination, cools the bit and plasters the walls of the hole to prevent them from caving in. As drilling progresses the hole is lined with successive lengths of steel pipe called casing.

An oil well has been drilled to a depth of four miles, but a 10,000 foot well is still considered deep. Drilling at such depths is an extremely delicate operation, requiring great skill and long experience. Only by drilling, however, can the oil prospector prove the presence of mineral oil.



Assam Oil

A full-scale petroleum industry

This is one of a series of informative advertisements about the petroleum industry.



Indian Finance

HIGHLIGHTS OF THIS ISSUE

Indian Finance

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Saturday

April 19, 1958

=

Volume LXI No 16

=

Price: Rs 1.50

The splitting of the atom sets off a chain reaction.

This phenomenon is not without a certain beneficent aspect: the atom can serve all mankind.

It is in this sense that we cannot denigrate all chain reactions as constituting a threat to our continued existence on earth.

In the current week's Gossip, Eavesdropper describes one such chain reaction which should spread all round prosperity: Promote the export of iron ore.



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Chairman:

SRI JADU NATH ROY

Branches:

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and Narayangunge

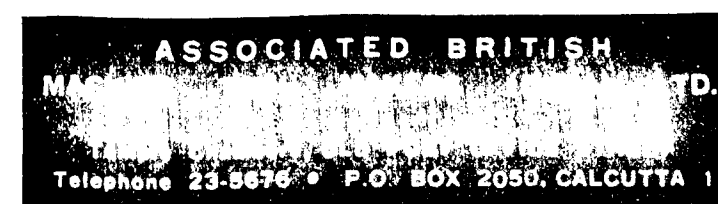
M. K. BHATTACHARYYA,
C.A. I.B. (Lond.)

General Manager.



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BOMBAY-8

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Branch Office & Works
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(INCORPORATED IN INDIA)

The Liability of the Members of the Company is Limited



AD. 1850

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MARINE

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Principal Agents: JARDINE HENDERSON LTD. 4, Clive Row, Calcutta

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(Incorporated in England by Royal Charter 1853)
(Liability of Stockholders Limited)
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Head Office:
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West End Branch, London:
28, CHARLES II ST., S.W.1.
and at
MANCHESTER, LIVERPOOL, NEW YORK and HAMBURG.
Branches of the Bank are established at most centres of commercial importance throughout Southern and South-Eastern Asia and the Far East.
Branches of The Eastern Bank Limited, a wholly-owned subsidiary of The Chartered Bank, are established in Iraq, Bahrain, Qatar (Persian Gulf), Lebanon and Hadramaut and in India, Pakistan, Ceylon, Aden, Singapore and Malaya.
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Subscribed Capital - " 30,60,750 Reserve Fund - " 28,00,000

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Bombay Office:—44, HAMAN STREET, FORT and JAI HIND ESTATE, BHULESHWAR
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Branches:—Anjad, Bhopal, Dhar, Khargone, Mhow, Ratlam, Sanawad, Shujalpur, Mandi, Tarana, Ujjain.
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N. D. JOSHI, Manager.

MARTIN BURN LIMITED

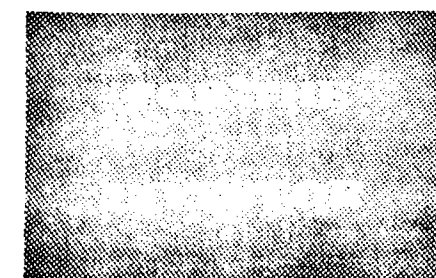
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April, 19 1958



Development Rebate Reliefs

Investment Gossip:

MARKETS have forged ahead. Mr. Morarji Desai did not a little to help, with his announcement, at the close of the week, of two concessions in respect of Development Rebate. Indian Irons have consequently touched a new peak.

I may state frankly that the reliefs granted in themselves do not amount to much. All that has happened is that, where the profit is inadequate for providing the full extent of Development Rebate, the required provision is to be restricted to the available profit; and, as in the case of losses, the shortfall in Development Rebate provided can be carried forward for eight years.

The second concession is that the compulsory transfer to a Special Reserve need now be for 75 per cent of the Development Rebate, instead of being the full amount. This would imply that 25 per cent of the Development Rebate becomes "freed" for payment of dividend, etc.

However, as always, the most important gain is in the hawa. The Finance Minister has indicated that, except for a specific ban on the use of such Reserve for payment of dividend, companies will generally be permitted to utilise the Development Rebate Fund in any way necessary for the running of the business.

It is this more than anything else that has contributed to the fresh rise in share values; and except that holidays are once again interrupting market activity, it could safely have been assumed that the Stock Exchanges are headed for a sustained improvement in prices.

But it can be taken as reasonably certain that, when the market recommences activity, the trend will, as in the last few weeks, be once again upward.

In a word, I reiterate what I said some time ago: the bear phase has yielded place to a bull reign.

£R\$

Reader C. V. Narahari Rao
writes from Coimbatore:

Investment Forum:

I have read the interesting suggestion of Mr. K. V. Iyer in Indian Finance of April 5 that, for the convenience of income-tax assesses, it would be better if a

company holds the annual general meeting in the same calendar month every year and declares dividend at that meeting. Mr. Iyer himself has admitted that companies enjoy a certain latitude in the matter of time for holding the meetings. Section 166 of the Companies Act, 1956 states that, except in the case of the first annual general meeting and the one following it and where the Registrar of Companies has allowed an extension of time, there shall not be more than fifteen months' interval between two annual general meetings. It seems impracticable to prescribe statutorily, or even adopt for practice, the rule that a company shall always hold its general meeting in the same month year after year, although, generally, there may not be many days' difference. For instance, the audit will have to be completed, the Board of Directors will have to meet to draw up or approve of the Balance Sheet or consider the Auditor's report, a convenient day will have to be fixed thereupon for the general meeting, and so on. Obviously, therefore, there can be no rigid practice observed in this matter. The broad limit of the interval prescribed in the Act seems a wholesome rule.

With regard to the other suggestion of Mr. Iyer that dividends should be made payable immediately on the date of declaration or soon after and that a three months' delay should not be allowed, I have to refer him to Para 87 of the report of the Companies Act Amendment Committee, where it has been stated, "the law should not lend countenance to excuses resorted to for delaying payment of dividends after they are declared" and a recommendation has also been made that a new sub-section (2) to section 207 of the Act may be added as follows: "Within seven days of the declaration of a dividend, the company shall deposit the total amount of the dividend payable in a Scheduled bank in a separate account and the dividend warrants shall be made payable out of such account". A penalty is also recommended for not making such deposit.

Hereafter, it may, therefore, become necessary for companies to earmark a certain portion of their profits (roughly computed before audit) at the end of the financial year and spend it for business purposes so that they may keep liquid cash to make the bank deposit for payment of dividend a few months hence, as in any case an annual general meeting will have to be held within nine months after the expiry of the financial year. As dividends are to be normally declared out of profits earned, the Companies Act Amendment Committee seems to have thought that its recommendation in this respect will not cause undue hardship to most companies run on sound lines while, at the same time, it will benefit the shareholders.

Dividend Cut by National Carbon

Balance-Sheet Reviews:

THE National Carbon Company (India) Limited has reduced the dividend from 15 to 14 per cent for the year ended 25th December, 1957 due to a decline in earnings. Sales are higher at Rs 5.35 crores against Rs 5.19 crores; but the net profit, after providing for Depreciation and Taxation, amounts to only Rs 40,62,672 as against Rs 46,79,975 in the previous year. The principal reasons for the decline in net profit are increase in the cost of a number of the raw materials used in the manufacture of the company's products, a significant decline in demand for flashlight batteries during the last half of the year and increases in wages and other costs which were not offset by increased selling prices.

Apart from setting aside a sum of Rs 5.40 lakhs for Development Rebate Reserve and Rs 1.50 lakhs for Wealth Tax, the Depreciation amount is raised to Rs 12.03 lakhs from Rs 9.12 lakhs, while the provision for Dividend Tax is reduced to Rs 1.79 lakhs from Rs 4.45 lakhs.

According to the directors' report, substantial progress has been achieved in the company's expansion programme. The greater part of the production equipment for the Eveready Flashlight Company, division of the National Carbon Company (India) Limited, has been received and installed at Lucknow. It is expected that this unit will reach rated output during the current year. The construction of the Chemicals plant, involving a capital investment of over Rs 3.5 crores, was delayed by the restriction placed on imports of capital goods, other than on deferred payment basis, in the early part of 1957. Satisfactory arrangements have been made for foreign credits to the full extent required to construct and equip this unit. Negotiations for the supply of raw materials have reached an advanced stage. It is planned that construction will commence during 1958 and the plant be completed in about two years' time.

£R\$

Burrakur Coal

Despite a decline in earnings, Burrakur Coal Company Limited has maintained the dividend at 37 nP per share for the half-year ended 30th June, 1957. Sales have risen to Rs 1.13 crores from Rs 1.07 crores, while the net profit, after providing for Depreciation and Taxation, amounts to only Rs 8,69,157 as against as much as Rs 12,39,378 in the previous year.

Regarding allocations to various Funds, the directors have set aside Rs 5.31 lakhs (Rs 5.77 lakhs) for Depreciation; Rs 8.50 lakhs (Rs 5.05 lakhs) for Taxation; Rs 2.30 lakhs (nil) for Wealth Tax; Rs 77,000 (Rs 45,200) for Taxation

Contingency Reserve; Rs 25,000 (same) for Debenture Redemption Fund; Rs 65,000 (Rs 18,000) for Development Rebate Reserve and Rs 2.67 lakhs (Rs 5.90 lakhs) for provision against payments under Appellate Award. Both raisings and despatches are higher at 4.84 lakh tons and 4.93 tons against 4.66 lakh tons and 4.72 lakh tons respectively.

According to the directors, a directive has been received from the Government sanctioning the company's plans for expansion on a modified basis. Pegging targets for coking coal were increased by about 10 per cent overall.

£R\$

Elgins Mills

The difficult conditions generally experienced by the textile industry are fully reflected in the working results of the Elgins Mills Company Limited for the year ended 30th September, 1957. Although sales have risen from Rs 3.19 crores to Rs 3.61 crores, the net profit, after providing for Depreciation and Taxation, amounts to only Rs 21.86 lakhs as against Rs 23.32 lakhs in the previous year. The directors have, after allocating Rs 6.50 lakhs (Rs 6.00 lakhs) to Depreciation; Rs 26.50 lakhs (Rs 22.50 lakhs) to Taxation; Rs 2.50 lakhs (nil) to provision for Taxation for previous years; Rs 3.00 lakhs (Rs 15.00 lakhs) to Rehabilitation Reserve and Rs 9.00 lakhs (Rs 2.00 lakhs) to General Reserve, reduced the dividend on the Ordinary and Vendors shares to Re 1.00 from Rs 1.25 per share.

£R\$

National Company

This company, in Andrew Yule jute group, has reported better working results for the year ended 31st October, 1957. Although sales have declined from Rs 1.36 crores to Rs 1.29 crores, the net profit, after Depreciation and Taxation, has improved to Rs 1,21,765 from Rs 42,535 in the previous year. Apart from setting aside a sum of Rs 78,000 for Wealth Tax, the Depreciation amount is raised to Rs 1.65 lakhs from Rs 61,000. Provision for Taxation is reduced to Rs 1.15 lakhs from Rs 1.56 lakhs. The dividend on the Ordinary shares is just maintained at 75 nP per share.

With a view of having direct contacts with overseas markets, the directors, together with the directors of other jute mills under the same group management, have resolved to a firm company under the style of Budge-Budge & Allied Jute Mills Export (Private) Limited. Each of the participating jute mill companies has subscribed equally to the company.

According to the directors' report, orders were placed for the supply of modern spin-draft spinning machinery to meet the requirements of the factory. Installation of this machinery is now almost complete. The directors have now applied for import licences to enable orders to be placed for spinning machinery for Hessian Warp yarn.

Indian Finance

Managing Editor:
C. S. RANGASWAMI

Editorial Adviser:
P. R. SRINIVAS

Editor:
C. SWAMINATHA
RANGASWAMI JR.

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Special: The advertisement rate for Supplements is Rs 500 per full page and Rs 300 per half page. Colours extra, at Rs 100 per colour. Booking for the Yearbook may be made from July 1, 1958.

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London and Overseas Representatives: Baptist Smith, Keith & Slater Ltd, Napier House, 24/7 High Holborn, London W.C. 1. Telephone: Holborn 5022.

Alliance Jute

Alliance Jute Mills Company Limited, in McLeod group, has however, incurred a loss, after providing for Depreciation, of Rs 5.68 lakhs for the eleven months ended 31st May 1957 as against a loss of Rs 2.76 lakhs in the full year ended 30th June, 1956. The Depreciation amount is reduced to Rs 1.38 lakhs from Rs 1.68 lakhs. Dividends, both on the Ordinary and Preference shares, have been passed over. The debit balance carried over to next year is as much as Rs 5.74 lakhs.

In order to run the mills on a more economical basis, the directors considered it advantageous to close down the North Mill with effect from the 6th May 1957; and the loom-hours of this mill are being utilised by the South mill, which is now working on double shift.

Waverley Jute

Waverley Jute Mills Company Limited, in the same managing agency group, has also reported a loss of Rs 4.26 lakhs for the eleven months ended 31st May 1957 as against a loss of Rs 1.68 lakhs in the full year ended 30th June, 1956. Sales are lower at Rs 74.99 lakhs as against Rs 99.35 lakhs. The Depreciation amount has been raised to Rs 1.37 lakhs from Rs 70.250. Dividends, both on the Ordinary and Preference shares, have been passed over. The debit balance carried forward to next year is Rs 4.15 lakhs.

The directors have considered advisable to sell the working loom-hours of the mill, which will enable the company to earn a profit. With the sale of these loom-hours to other mills within the McLeod group, this company has still a liability for various gratuity payments to the workers to the extent of Rs 1.01 lakhs.

National Rayon Corporation

The National Rayon Corporation Limited of Bombay has maintained the dividend at Rs 14 per share for 1957. Despite substantial increase in sales from Rs 4.22 crores to Rs 5.37 crores, the gross profit for the year has gone down from Rs 144.94 lakhs to Rs 139.58 lakhs. The net profit works out to only Rs 52.59 lakhs as against Rs 58.33 lakhs in the previous year, after raising the Depreciation

amount to Rs 75 lakhs from Rs 60 lakhs and reducing Taxation provision from Rs 26.61 lakhs to Rs 12.00 lakhs. The setback in the profit is to be attributed to the rise in the cost of production in general and the heavy burden of the excise duty in particular.

The allocation to General Reserve is raised from Rs 7.00 lakhs to Rs 13.35 lakhs, while the allotment to Debenture Redemption Reserve has been maintained at Rs 10 lakhs. The allocation to Deferred Taxation Reserve, which claimed Rs 10 lakhs in 1956, has been skipped.

WIMCO

Despite a substantial rise in gross sales of the order of 25 per cent to Rs 12.84 crores, the net profit of Western India Match Company Limited has shown a setback from Rs 37.22 lakhs to Rs 27.18 lakhs for 1957. This is mainly to be attributed to larger provisions comprising Rs 16.26 lakhs for Depreciation against Rs 9.66 lakhs; Rs 7.44 lakhs for managing agents' remuneration against Rs 7.33 lakhs and the higher burden of Taxation, which necessitates an increased allocation of Rs 36.80 lakhs against Rs 29.90 lakhs.

Of the net profit, to which has been added the excess provision of taxes for previous years to the extent of Rs 6 lakhs and the balance brought forward of Rs 8.59 lakhs, making a total of Rs 41.78 lakhs, dividend absorbs Rs 30.25 lakhs, the same as in the previous year. General Reserve nil against Rs 4 lakhs; managing agents' extra commission on 1956 profits Rs 3.57 lakhs against Rs 4.07 lakhs and additional taxation for 1956 Rs 7.06 lakhs against nil. A sum of Rs 89.860 is carried forward.

Binny and Company

Binny & Company (Madras) Limited has more or less maintained its earnings for 1957. The net profit is Rs 29.01 lakhs as against Rs 29.80 lakhs in the previous year. The provision towards Depreciation is Rs 77.317 (93.689) and Taxation Rs 17.72 lakhs (Rs 17.81 lakhs). A sum of Rs 1.05 lakhs (Rs 1 lakh) has been transferred towards Pension and Gratuity Fund. The final dividend on the Ordinary shares has been maintained at Rs 6 per share which, with the interim dividend of Rs 4, makes a total of Rs 10 per share, same as previously.

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Cotton Textiles

THE year in which the Indian Cotton Textile industry achieved a record level of output is also, by a strange irony, the most disappointing year in the experience of the industry during the last two decades, in the estimation of its authoritative spokesmen. During 1957, Indian Cotton Mills produced 5,315 million yards of cloth and 1,779 million pounds of yarn as compared with 5,307 million yards of cloth and 1,671 million pounds of yarn in 1956. A high rate of production was maintained for the best part of the year. The output for 1957 would have recorded a substantial increase if production had not declined in the closing months of the year, as a result of unexpected difficulties in marketing the product. Having successfully overcome the hurdles in the way of production, the industry was brought to a standstill by the difficulties of selling the cloth produced at remunerative prices, to which the fiscal policies of the Government also made a notable contribution. The serious impact of these policies on the financial position of the industry can be seen in the balance sheets for 1957.

The year began with a heavy burden of excise duties, which were sharply scaled up in September 1956 in a bid to restrict consumption against an apprehended shortage of stocks. The year closed with heavy accumulation of stocks with all the mills in the country, leading to curtailment of production. A number of mills were forced to resort to distress sales and some of them had to be closed down. It is estimated that, by the beginning of the current year, 26 mills had closed down depriving 25,000 workers of their means of livelihood. Most of the mills are obliged to hold stocks equivalent to two months' production. At current prices, this constitutes an intolerable burden on the industry. The President of the Bombay Millowners' Association has estimated their value at Rs 66 crores.

The accumulation of cloth stocks affords a measure of the impact of the shortfall in agricultural production on the purchasing power of the population. While, in 1956, there was a shortage of cloth and demand had to be curbed in order to hold the price line, there was a glut in the succeeding year, though production was only slightly higher. Failure of crops in particular areas, and consequent rise in prices of foodgrains all over the country, have reacted on the effective demand for cloth. As Mr Ramnath A. Podar has pointed out in his presidential address to the annual meeting of the Bombay Millowners' Association, the steady increase in cloth consumption, "noticed throughout the First Plan period has been arrested and the consumer, who is forced to divert the bulk of his earning towards the purchase of food is finding it difficult to meet even his normal clothing requirements." The heavy excise duties which were imposed in 1956 have achieved their object, but at great cost to the industry. The concessions allowed last month afford relief to the industry of about Rs 15 crores a year; but their effect on

the demand for cloth has yet to be evaluated. The handloom sector, which is even more vulnerable to the fluctuations in demand for cloth, is also faced with the problem of disposing of the accumulated stocks. While appropriate measures should be taken to help the handloom weavers in their plight, the suggestion put forward by five members of the All India Handloom Board to peg mill production at a lower level will be decidedly against the national interest. Curtailment of production will react on the availability of cloth both for exports and domestic consumption. One favourable monsoon will be enough to convert a domestic surplus into a shortage. Restriction of production will also react on the national income. The solution of the problem of accumulating stocks should be sought in ways which do not reduce the national output.

Seasonal fluctuations of agricultural production, as indicated already, have a direct bearing on the fortunes of the textile trade and industry as is the case with the Sugar industry. And like the latter, the textile industry should also seek to stabilise its production schedules by pushing exports even at a sacrifice. Success in this enterprise will evidently depend on the ability of the Indian mills to offer competitive prices to the foreign buyer. They have to market their products abroad against the formidable competition of the highly modernised Japanese industry. On the other hand, Mr Podar has drawn attention to the fact that India's oldest industry is also operating with antiquated equipment. This reacts both on the productivity of the industry as well as on the ability of the industry to pay wages at a level necessary to ensure a contented labour force. The industry has not been able to make much headway with modernisation. While the Kanungo Committee had recommended that half the existing loomage should be converted to automatic looms, little progress has been made even in respect of the installation of the 18,000 looms sanctioned for producing cloth for export. Apart from shortage of funds for replacement of old equipment, most of the mills are reluctant, in the present uncertain state of the export markets for cotton textiles, to take the risk of guaranteeing to export the production from these looms over and above their normal exports. Perhaps, a relaxation of the conditions for the installation of automatic looms will be helpful in preparing the ground for a successful export drive, by facilitating the modernisation of plant and equipment. Mr Podar has stressed the duty of the units of the industry to take necessary steps to ensure productive efficiency. Government can also hasten the process by offering appropriate incentives.

Achievement of the targets for cloth exports fixed in the Second plan is necessary both for maintaining the stability of the industry as well to meet the country's requirements of foreign exchange. And improved productivity through modernisation of plant and machinery is the essential condition for a successful export drive. This will also be helped by attention to the cost structure. The President

Indian Finance

Established 1928

April 19, 1958

"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

of the Millowners' Association has indicated the elements which account for its rigidity. Cost of cotton and wages account for eighty per cent of the manufacturing charges. Both have increased in recent years. Cotton prices have increased by 17 to 20 per cent over the levels of 1955. The additional dearness allowance paid by Mills in Bombay since that year amounts to Rs 3.42 crores per annum. While any suggestion to curtail dearness allowance, at a time when the cost of living is going up, is bound to provoke defensive action by organised labour, it must be conceded that Mr Podar has made out a case for calculating dearness allowance on a more realistic basis than obtains at present. The merging of the dearness allowance with the basic wages, as suggested by some spokesmen of labour, appears to offer a way out of the problem by rectifying the anomalies in dearness allowances. The Wage Board for the Textile Industry will have to take this into consideration along with the need for adjustment of workloads and wages. The possibility of maintaining and improving on the present level of wages depends on rationalisation of the industry's productive equipment and methods. It should not be impossible to persuade workers to see the advantage of cooperating in hastening the process.

Availability of raw material within the country is one of the favourable factors in pushing Indian textiles in foreign markets. With their present level of productive efficiency, the Indian Mills may not find it economic to compete with Japan with textiles manufactured out of imported cotton. The position regarding availability of cotton shows a very satisfactory improvement in recent years. Internal production has increased from 1,767,000 bales (of 392 pounds) in 1949 to 4,723,000 bales in 1957. During the same period Mills have reduced their consumption of foreign cotton from 1,224,000 bales to 567,000 bales. Along with increased output, satisfactory progress has also been made in improvement of quality and staple lengths. Production of long staple cotton in India, which was only 15 per cent in 1947, has been stepped up to 38 per cent in 1955-56. Preliminary estimates for the 1957-58 season place total output at over five million bales, so that Mills are not likely to be handicapped by shortage of raw materials in developing the export potential.

In view of the importance of exports for maintaining stability of output and prices for domestic consumption, it is worth while considering whether it is not time to replace the scheme of subsidising handloom production for the home market at the cost of the organised mill sector, by one designed to provide adequate incentives for exports both by the mills as well as by handlooms. The industry's contribution to the Central and State revenues is estimated at over Rs 115 crores a year, more than a quarter of the value of the annual output. In view of the heavy burden of taxes, the possibility of a tax rebate on exports merits serious consideration.

Changes in the Ownership of Plantation Companies—I

By Dr R. M. AGARWAL

THE Plantation industry comprises coffee, rubber and tea. Coffee produced in the country is just sufficient to meet domestic requirements and only a little is left for exports. Rubber, on the other hand, is still in short supply and a good quantity is imported

from abroad for internal consumption. Quite against these, tea plays a vital role in the trade and commerce of the country as it happens to be the second largest item of the country's exports which, during the last few years, have been as under:—

Year	Tea Exports from India		Total Exports from India	Percentage of Indian Tea Exports to			
	Quantity (M. lbs.)	Value (Rs. crores)		Tea Exports to Total Exports from India (%)	USA & Canada (%)	Others (%)	Value (%)
1951-52	425.87	93.98	2.2	729.07	12.89	15.5	11.3
1952-53	427.39	80.88	1.9	572.34	14.13	12.1	12.5
1953-54	470.41	102.19	2.2	525.81	19.43	10.7	11.6
1954-55	452.52	147.74	3.2	588.47	25.11	11.0	12.0
1955-56	403.58	109.14	2.7	590.85	18.47	10.6	10.5
Average	437.35	106.79	2.4	601.31	17.76	11.0	11.6

Out of the total production of tea in India, exports and domestic consumption respectively accounted for 65.2 per cent and 27.7 per cent in 1950, 71.6 per cent and 28.8 per cent in 1951, 66.8 per cent and 38.3 per cent in 1952,

80.8 per cent and 28.8 per cent in 1953 and 69.2 per cent and 27.9 per cent in 1954.

This is as regards India. Even in the world set-up, the country's tea industry holds a position of pre-eminence as indicated below:—

Year	Tea Acreage in India as Percentage of World Acreage	Tea Production in India as Percentage of World Production	Tea Exports from India as Percentage of World Exports
1939	38.38	43.48	37.7
1947	44.91	54.91	53.6
1952	40.52	47.91	45.0
1953	40.25	48.08	48.3
1954	40.50	46.20	38.9

This important industry, employing about 915,000 workers, is concentrated in foreign hands, an idea about which could be had from the following table:—

Type of Ownership	No. of Companies	Capital Invested (%)	Acreage (%)	Production (%)	Exports (%)
1. Sterling Companies	...	23.2	64.2	50.4	66.6
2. Non-Indian Rupee Companies	...	21.4	...	16.4	19.5
3. Indian Rupee Companies	...	55.4	35.8	24.2	13.9
Total during 1953 for which figures are available	...	100.0	100.0	100.0	100.0

TABLE 'A'						
Types of Ownership/Management	No. of Companies (No.)	Yield per Acre (lbs.)	Average Cost per 100 lbs. (Rs.)	Average Price per 100 lbs. (Rs.)	Net Profit per Acre (Rs.)	Net Profit per Acre (Rs.)
Sterling Companies. (Controlled by Managing Agents/Secretaries, etc.)	95	874	169.75	230	0.69	230.42
1. Non-Indian Managing Agents Control	...	...	...	...	...	...
(a) Non-Indian	25	852	129.33	180	0.80	343.38
(b) Partly Indian and Non-Indian	51	846	140.16	200	0.95	632.36
2. Indian Managing Agents Control	...	...	...	...	...	...
(a) Indian	19	1018	135.08	200	1.18	983.46
(b) Partly Non-Indian and Indian	11	857	147.00	190	0.94	474.12
3. Outside Managing Agents Control	...	...	...	...	...	...
(a) Public Limited Indian	43	907	93.83	160	1.16	286.11
(b) Private Limited Indian	3	677	107.47	170	N.A.	N.A.
Total	247	875	155.20	210	0.81	317.42

TABLE 'B'						
Types of Ownership/Management	No. of Companies	Increase in Assets in 1953 over 1946 Amount (Rs. Crores)	Amount Ploughed Back into Fixed Assets, Total (Rs. Crores)	Working Fund per Acre (Rs.)	Net Profit per Acre (Rs.)	Net Profit per Acre (Rs.)
Sterling Companies (controlled by Managing Agents/Secretaries, etc.)	95	23.62	60.07	3.04	117.90	706.15
1. Non-Indian Managing Agents Control	...	...	...	...	...	...
(a) Non-Indian	25	1.20	35.47	0.73	332.87	378.51
(b) Partly Indian and Non-Indian	51	3.41	51.68	0.48	103.61	712.76
2. Indian Managing Agents Control	...	...	...	...	...	...
(a) Indian	19	1.13	55.33	0.19	174.86	1175.83
(b) Partly Non-Indian and Indian	11	0.57	63.19	0.18	241.45	516.58
3. Outside Managing Agents Control	...	...	...	...	...	...
(a) Public Ltd. Indian	43	2.58	68.95	0.59	219.21	855.11
(b) Private Ltd. Indian	3	0.04	45.72	0.01	175.04	551.90
Total	247	32.56	58.05	5.21	140.63	708.18

Indian Finance

Besides this, the London Auction still accounts for two-fifths of the total sales, which is almost equal to the sales through the Calcutta Cochin Auctions.

However, there recently has been a tendency for the foreign companies to change hands and, since 1947, a good many companies have already passed from non-Indian to Indian management. But that alone does not or rather cannot solve the problem. Actually, managerial disintegration has given rise to another problem, perhaps more serious, which may become a source of potential danger in the not distant future. It has been noted that all such non-Indian Managing Agents as have parted with their companies in India have started plantations in South East Africa which, combined with their vast financial resources, years of experience, and Government encouragement are fast emerging as the greatest rival to India's tea exports. Moreover, our tea exports face competition not only from alternate sources of supply but also from substitutes like coffee and cocoa. Already, the percentage of Indian exports to total world exports has declined from 53.6 per cent in 1947 to 38.9 per cent in 1954, which, if it continues unchecked, may bring the Indian tea industry to a position of comparative insignificance. Yet, there is no cause for anxiety, but a sense of awareness and caution is required. We have merely to keep an eye over the quality of the tea produced and the prices at which they are made available to our foreign buyers.

This naturally leads us to a study of the working efficiency of our tea companies. This also leads us to a comparative evaluation of the Indian and the non-Indian Companies and how far the transfer of the non-Indian companies to Indian management has affected their performance. Here, I cannot but draw heavily from the Report of the Plantation Enquiry Commission, which has analysed no less than 247 companies, 76 Indian and 171 non-Indian, covering approximately 47.0 per cent of acreage and 53.0 per cent of production in India. If, on the basis of these studies, it is established that the Indian Companies have not done well in comparison with the non-Indian companies, then, it could reasonably be argued that the efficiency of all such companies as have changed hands has deteriorated. If, on the other hand, it is found that the working of the Indian companies has been better than the working of the non-Indian companies, then, it can safely be assumed that all those companies which have been transferred from non-Indian management to Indian management are being looked after properly.

The efficiency of tea companies depends on a number of factors, the most important of which are the yield of tea per acre, the quality of tea manufactured and the cost of production per pound, the price of tea per pound and the net profits per pound of tea produced. Table 'A' clearly demonstrates the comparative position of the 247 companies during 1953.

From Table 'B' it could be noticed that the Indian Companies have done better than the non-Indian Companies, both Sterling as well as Rupee Companies. It is true that the quality of tea produced by non-Indian companies compared favourably with the tea produced by Indian Companies and that it fetched a higher price in the market, but the increase in the cost of production was more than proportionate with the net result that the profit per pound was more in the case of the Indian companies. It is no doubt correct that Indian companies should devote greater attention toward improving the quality of tea they produced, but they cannot afford to neglect the rising cost of production, and it is here that their record is reassuring.



The British Budget

The British Chancellor of the Exchequer, Mr Derick Heathcoat-Amory, could hardly have relished the presentation of the Budget for 1958-59. For, Britain is so queerly placed as to render nebulous the composition of the threat the economy might be facing. On the one hand, there is the monotonous and unceasing evidence of the recessionary trends in America; and it would not be surprising if the British monetary authorities have had a heart-in-mouth apprehension of deflation striking the British economy. On the other hand, the Conservative Government are committed to continuing the battle against an inflation that allegedly still obtains. Partly, it is no doubt true that, in the peculiar circumstances of the British economy, the state of overful employment contains in it the hazard of incipient inflation. So, the British Chancellor was called upon paradoxically to urge caution against any relaxation in the battle against inflation, the while that he announced a series of tax concessions which, all too clearly, are intended to be anti-deflationary. Our own view is that the tax concessions were inevitable, that the anti-inflationary battle has succeeded only too well, and that a further cut in the Bank Rate must be deemed to be imminent. It is to be hoped that the American recession, to which the Chancellor has

referred, will have one useful by-product: perhaps, in the future, there will be less fear of prosperity. We may also hope that a new study will be made of economic conditions in which there will be an assessment of the extent to which a rise in prices is not necessarily indicative of inflation.

"Indian Shipping"

Indian shipping interests have reacted strongly to the proposed legislation to amend the law relating to merchant shipping especially the provision regarding the definition of "Indian Ship". The new definition, it has been pointed out, goes back on the recommendations made by the Policy Committee on Shipping in 1947, as well as the resolution adopted by the Government on these recommendations. The Policy Committee had recommended that Indian shipping should be defined as shipping owned, controlled and managed by Indian nationals. While conceding that this definition would be the ideal and should be the ultimate objective, the Government considered that a rigid application of the definition would come up against practical difficulties and resolved that the criteria to be satisfied by companies to qualify as Indian Shipping Companies should be (1) that at least 75 per cent of the shares and debentures of the companies should be held by Indians in their own rights; (2) that all the Directors should be Indians (3) that the Managing Agents, if any, should be Indians.

The reasons why, ten years after adopting this resolution, Government have come forward with legislation which would broaden the definition of Indian ship, have not yet been satisfactorily explained. The new bill provides that an Indian ship is a ship owned by an Indian company as defined in the Companies Act, 1956. As the Chairmen of the two leading Indian Shipping companies have pointed out, it will be open to any foreigner to register a company with cent per cent foreign capital and a ship owned by such a company will be regarded as an Indian ship and will be entitled to the same treatment and privileges as are accorded to Indian ships at present. This constitutes a major change in shipping policy, and it is surprising that circumstances justifying the change have not been set forth in the statement of objects and reasons attached to the Bill.

Indian shipping has more than justified the limited support accorded to it by the State, both in adding to the tonnage and in opening new services. The introduction of foreign interests at this juncture, when the indigenous shipping industry is getting established, will lead to conflicts and weaken the position of Indian shipping as a whole in international conferences. Indian shipping is already facing serious

difficulties on account of the highly competitive conditions prevailing in the freight market. Till recently, ships could dictate their own terms and tramps were making substantial profits. But there has occurred a total reversal of the situation and, at present, even the liners, not to speak of tramps, are getting worried as sufficient freight is not available for economic runs. This is, however, a field in which legislative interference designed to help Indian shipping is likely to cut both ways. Government could arrange that Indian ships are not deprived of their legitimate share of the freight on the heavy import programme on Government account.

Atomic Power

The Prime Minister's speech in the Lok Sabha on the demands of the Atomic Energy Department indicates that the work done by the department is no longer a matter of purely academic interest. The department will soon be in a position to make a substantial contribution to augment the nation's supplies of power. The Prime Minister revealed that it was possible that the first atomic power station might go into operation in 1962. Of even greater practical significance is the estimate of the cost at which atomic power will be available. It was expected that the cost of power from atomic stations would be about 2.6 nP per unit, which compares favourably with the cost of generation from thermal stations in most parts of the country. In view of the absolute limitation of available supplies of conventional fuels, and their uneven distribution which makes coal a costly fuel in most parts of the country, development of atomic power has a direct bearing on the pace of industrialisation. The Prime Minister has indicated that a policy decision has already been taken for the construction of an atomic power station. The utilisation of atomic energy will be limited less by the cost of materials than by the availability of technical personnel. It will be necessary to take on hand a programme for the creation of an adequate force of highly trained technicians. This is a field where the Atomic Energy Commission can work in close cooperation with the Universities in spotting and directing scientific talent. Fortunately, in India, the problem of training in nuclear technology is not complicated by security considerations. Since Government are interested in the peaceful utilisation of nuclear energy, they can pay due respect only to merit and therefore to recruit workers from a broad field.

Communist Transformation

The extraordinary Congress of the CPI at Amritsar, which has transformed the party's constitu-

tion and organisation, has been followed with keen interest in India and abroad. This is the logical sequel to the party's success in Kerala. It is also a recognition that elections in India have been conducted with scrupulous impartiality, so that a party's return to legislature and power depends on the volume of popular support it is able to mobilise rather than on control of the machinery of administration. The Communists have learnt the value of the ballot box. Will they respect its sanctity once they have utilised it to establish themselves in seats of power?

In view of the party's past record and its ideology, affirmation of adherence to peaceful means and democratic convention has naturally been received with a strong dose of scepticism. While caution is necessary in evaluating the party's professions, it can be carried too far. The party's practical programme has always been determined by pragmatic rather than ideological considerations. The change in the party's tactics is a belated recognition that a policy of subversion will serve to consolidate the reactionary elements instead of bringing revolution nearer. The lesson has been driven home by the experiences in Telengana and in Kerala. It is also not impossible that change of tactics stems from a more fundamental change in outlook. Many of the party's most effective members have graduated to Communism through the path of Gandhian discipline, and if they have really succeeded in giving a new turn to party line, the word co-existence, which has been very freely used, will cease to have a hollow ring, at least in the Indian context.

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INDUSTRIAL PRODUCTION

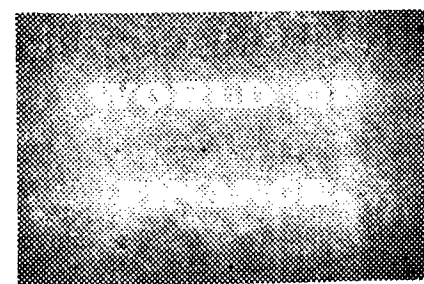
Items and Unit.	1956												1957					
	1952*	1955*	1956*	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	
Coal (000's Tons)	3,019	3,184	3,286	3,177	3,323	3,678	3,627	3,519	3,653	3,726	3,794	3,330	3,331	3,376	3,647	35,55	39,30	
Iron Ore (000's Tons)	324	355	354	401	379	418	375	377	408	391	419	369	318	341	374	392	...	
Sugar (000's Tons)	125	133	155	12	98	335	361	356	376	277	153	39	10	8	8	17	106	
Tea (00000's Lbs)	512	557	556	1,003	600	121	81	76	116	327	431	796	892	1,006	1,048	1,068	6,01	
Salt (000's Mds) ...	6,405	4,756	7,407	1,801	1,047	1,720	1,879	4,819	8,706	16,484	24,704	22,533	6,066	4,719	3,145	2,310	15,27	
Vegetable Oil Products (Tons)	15,901	21,732	21,301	16,379	16,178	26,715	28,648	25,022	27,907	25,361	26,835	25,653	22,897	21,187	20,930	23,465	25,438	
Cigarettes (00000's)	16,766	19,024	21,919	20,895	23,520	23,393	25,350	22,670	23,360	23,119	25,350	22,290	25,410	83,700	25,050	225,90	...	
Cotton Textiles:																		
(a) Yarn (00000's Lbs) ...	1,208	1,350	1,393	1,425	1,395	1,562	1,564	1,432	1,505	1,537	1,500	1,370	1,502	1,441	1,509	14,91	14,91	
(b) Cloth (00000's Yds) ...	3,832	4,245	4,422	4,434	4,301	4,793	4,837	4,351	4,533	4,644	4,531	4,196	4,589	4,206	4,437	4,154	43,15	
Jute Textiles:																		
(a) Hessian (000's Tons) ...	26	34	35	35	37	38	39	35	36	36	36	32	36	34	34	32	33	
(b) Sacking (000's Tons) ...	51	48	51	41	42	41	44	40	43	45	45	42	45	43	47	47	53	
Footwear leather (000's Pairs)	431	462	544	517	621	598	706	589	585	690	497	599	731	584	619	432	6,57	
Paper & Paperboards (Tons)	11,450	15,407	16,117	16,020	16,008	17,570	17,493	15,970	17,290	16,874	17,276	16,786	17,511	18,015	15,593	18,297	...	
Footwear (Rubber) (00000's Pairs) ...	19	29	30	29	35	35	36	35	38	31	25	23	32	28	33	31	36	
Tyres (Automobiles) (000's)	60	74	78	57	86	83	88	82	82	91	85	78	84	83	90	88	83	
Paints & Varnishes (Tons) ...	2,681	3,256	3,467	3,257	3,951	3,617	3,645	3,347	3,295	3,612	3,803	3,252	2,847	2,870	2,899	3,476	3,709	
Matches (000's Cases) ...	52	51	51	46	48	48	51	45	52	56	46	39	47	47	45	42	...	
Soap (Tons) ...	7,196	8,250	9,188	8,858	8,290	9,727	10,500	9,200	9,420	10,076	8,960	8,740	9,365	8,490	8,100	8,899	...	
Glass & Glassware (000's sq ft)	754	3,969	3,969	4,726	4,778	5,317	5,182	4,354	4,642	3,970	2,633	974	1,789	5,010	5,035	53,01	...	
Cement (000's Tons) ...	295	374	411	411	412	459	459	425	492	456	448	393	425	450	442	520	5,74	
Ceramics (000's Tons) ...	20	23	27	26	28	30	30	26	29	29	30	30	29	35	30	30	...	
Iron and Steel:																		
(a) Pig-Iron & Ferro-alloys (000's Tons) ...	155	188	163	169	168	174	166	155	167	158	158	147	150	155	156	1,64	...	
(b) Finished Steel (000's Tons)	92	105	112	110	114	113	126	104	117	112	111	101	110	113	113	109	...	
Non-ferrous Metals:																		
Brass (Tons) ...	699	1,087	1,132	1,314	1,249	1,262	1,367	1,278	1,535	1,569	1,553	1,359	1,406	1,494	1,465	1,731	...	
Gold (Fine Ounces) ...	21,105	17,622	17,438	18,002	17,128	15,888	14,300	15,484	15,464	15,744	13,981	14,736	15,530	13,838	15,437	14,474	15,279	
Hurricane Lanterns (000's) ...	294	457	432	420	459	510	418	373	524	362	364	383	316	315	263	1,70	...	
Enamel Ware (000's Pieces) ...	641	1,310	1,268	1,341	1,215	743	1,216	1,011	1,152	1,035	1,180	1,098	1,158	1,281	1,175	9,10	...	
Automobiles (Nos) ...	1,274	1,924	2,678	2,828	2,638	2,881	3,014	3,153	3,176	2,664	2,299	2,347	2,882	2,273	2,713	3,350	2,491	
*Monthly average.																		

*Monthly average.

MONEY SUPPLY WITH THE PUBLIC						STOCKS OF PRINCIPAL COMMODITIES WITH INDUSTRY.					
(In lakhs of rupees)						(In lakhs of rupees)					
	1952-53	1955-56	1956-57	January 1957	January 1958		October	November	December	January	
Money Supply	176471	218432	231289	222147	232085	Raw Cotton—Indian (000 bales)	779	751	825	...	
Total Currency with the Public	119925	150509	155650	150990	155562	Foreign (000 bales)	206	190	172	...	
Notes in Circulation	111906	142423	148320	144263	148629	Yarn (million lbs.)	84	88	43	36	
Circulation of rupee coin	12522	12345	11830	11532	11487	Cloth (million yds.)	587	594	676	559	
Balances held at Treasuries	734	114	531	1016	659	Raw Jute (000 bales)	764	900	1221	...	
Cash on hand with banks	3769	4145	3970	3789	4195	Hessian Cloth and Bags (million yds.)	108	97	88	...	
Total Deposit money with Public	56546	67923	75639	71157	76523	Sacking Cloth and Bags (million yds.)	92	86	93	...	
Net demand liabilities with banks	54895	68722	74474	70080	74922	Coal at Pithead (000 tons)	...	...	...	...	
Other Deposits with Reserve Bank	1651	1201	1165	1077	1601	With Industries (000 tons)	...	...	...	...	
Total variation in money supply	-3908	+26369	+12857	+4282	+4523	Cement with Producers (000 tons)	124	106	109	...	
Currency	-1732	+19332	+5141	+2456	+2877	Finished Steel with Producers (000 tons)	...	...	...	...	
Deposit Money	-2176	+7037	+7716	+1826	+1645						

RECEIPTS, EXPENDITURE & PUBLIC DEBT OF THE CENTRAL GOVERNMENT.

(In Lakhs of Rupees).											
	Customs.	Union Excise duties.	Corporation tax.	Income-tax.	Total revenue receipts from railways & posts & telegraphs.	Defence drawings.	Revenue expenditure.	Capital expenditure (net).	Debt incurred.	Debt discharged.	Debt outstanding.
1956:											
July	1,179	1,371	86	436	3,326	338	1,206	2,216	-385	20,574	3,51,786
August	1,342	1,435	275	656	6,067	76	1,179	1,860	356	24,239	3,07,311
September	1,512	1,523	760	2,016	6,077	-494	1,318	1,564	-129	13,581	3,00,721
October	1,404	1,585	227	-2,098	1,300	-1,244	1,356	2,384	407	48,368	3,06,006
November	1,453	1,321	268	292	3,506	49	1,183	1,518	475	26,676	3,15,656
December	1,641	1,941	788	2,873	7,056	-850	1,372	2,055	2,125	12,644	3,15,286
1957:											
January	1,872	2,019	417	869	5,426	-296	1,420	2,777	2,985	31,412	3,19,620
February	1,413	1,387	425	297	3,918	80	1,275	2,263	2,851	39,862	3,22,977
March	1,749	2,128	1,612	2,188	8,349	-922	2,330	7,931	2,053	2,26,896	3,34,251
April	1,625	1,656	149	314	3,744	479	1,628	1,932	1,684	27,925	5,45,208
May	1,470	2,050	147	312	4,242	-198	1,321	1,391	1,318	41,296	2,51,489
June	1,364	2,000	408	1,331	5,326	606	1,333	2,195	2,001	24,967	...
July	1,593	2,071	202	441	4,071	1,132	1,356	2,750	1,717	36,682	...
August	1,688	2,198	141	-64	4,224	-725	1,364	1,908	2,321	33,638	...



Deposits Cross New Landmark

THE impress continues to be felt of the heavy governmental disbursements pertaining to the end of the fiscal year, and, consequently, the impact of the year-end transactions is, at it were, partly carried over into the returns of the Reserve Bank for the week ended April 11. Moreover, the return of the Scheduled Banks for April 4, as anticipated in this column, is significant for its revelation of the Deposit resources of member banks crossing the Rs 1500 crore mark. Also, as anticipated last week, the special transaction of the Central Government relating to tender of Rupee Coin by the Central Government and the replenishment thereagainst, which we had suggested had been deferred, is discernible in the returns of the Reserve Bank for April 11. There is also evidence of the busy season, for its part, continuing its course, although the severity of the busy season has been mitigated by large scale accretions to Deposits. It is broadly speaking these aspects of the money market which we shall study with the aid of the banking returns.

According to the latest returns of the Reserve Bank, Active Note circulation has registered a further increase of Rs 18.52 crores to Rs 1638.21 crores; this no doubt is due partly to beginning of the month disbursements and partly to fiscal year-end outlays of the Central and State Governments being carried over into the second week of the month. Secondly, there is an apparent return of Rupee Coin from circulation for Rs 3.76 crores; but it can be taken as reasonably certain that the Central Government will have, during the week, exercised their statutory right of tendering Rupee Coin for Rs 5 crores to the Reserve Bank and obtaining replenishment thereagainst. In this light, it will be seen that there actually would have been outflow of Rupee Coin for Rs 1.24 crores.

Currency has been expanded for Rs 10 crores against Foreign Securities and for another Rs 10 crores against Rupee Securities. While the expansion against Foreign Securities is obviously by transfer from Balances Held Abroad in the Banking Department, some element of mystery surrounds the rise that has occurred in Rupee Securities. As a result of all these, notes held by the Reserve Bank are marked up by Rs 5.24 crores at Rs 13.18 crores.

The mystery deepens when we take up the study of the Banking Department. The changes may first be enumerated:

(1) The Centre's Deposits have declined by Rs 6.04 crores to Rs 49.23 crores.

(2) Balances of the State Governments have improved by Rs 6.39 crores to Rs 13.63 crores.

(3) But the indebtedness of State Governments has risen more sharply by Rs 8.96 crores to Rs 46.59 crores.

(4) The Reserve Balances of member banks are lower by Rs 3.22 crores at Rs 77.84 crores.

(5) But then, indebtedness of the Scheduled Banks would appear to be sharply lower since the Other Loans and Advances of the Reserve Bank have declined steeply by Rs. 18.39 crores to Rs 55.53 crores.

(6) Significant in this regard is the fall of Rs 5.13 crores to Rs 19.06 crores in the advances against usance bills.

(7) Balances Held Abroad are marked down by Rs 16.33 crores at Rs. 51.82 crores.

(8) Investments are also lower by Rs 2.17 crores at Rs 215.94 crores.

(9) Government Treasury Bills Purchased and Discounted are unusually higher by Rs 13.20 crores at Rs 25.91 crores.

There is only one change that does not require extensive explanation. The decline in Foreign Balances is accounted for to the extent of Rs 10 crores by transfer to the Issue Department. The balance of the decline may be said to reflect the import surplus during the week.

Dealing first with the State Governments, it is clear that the improvement in their balances is at least in part due to the rise in the Ways and Means Advances taken from the Reserve Bank. Furthermore, there is reason to believe that the sharp rise of Rs 13.20 crores in the holdings of Treasury Bills in the Banking Department may conceivably relate to sales of Treasury Bills by the State Governments to the Reserve Bank. It is not improbable that, in order to meet the spill-over of cheques relating to the end of fiscal year payments, as they were presented during the second week of April, the State Governments were compelled to liquefy some of their resources, and the easiest way that this could be done was to effect sales of Treasury Bills held by them. There is one other possible explanation for the steep rise under the head of Treasury Bills, but we propose to reserve the discussion of this alternative hypothesis to a future occasion. At the present moment, the thesis that we have advanced appears to be satisfactory.

By the same token, the Central Government had also to meet the spillover of cheques being presented for payment which had been

issued as relating to the end of the fiscal year transactions. Thus, in spite of the fact that the Centre's Balances would have benefited from the tender of Rupee Coin for Rs 5 crores in favour of the Reserve Bank, the Centre's Balances have declined by Rs 6.04 crores. At the least, thus, the net disbursements of the Central Government have exceeded Rs 11 crores.

The next set of changes relates to the Scheduled Banks. There is, as we have seen, a decline of Rs 3.22 crores in the Reserve Balances. But it is obvious that the Reserve Balances have been partly run down in order to liquidate substantially the indebtedness of the member banks to the Reserve Bank. The very large size of the decline in Other Loans and Advances would suggest that the Scheduled Banks experienced, in the relevant week, considerable accretions to their resources. Thus, it may be stated that the heavy disbursements of the Central Government and State Governments have had their immediate impact upon the banking system, thus enabling the Scheduled Banks to reduce their borrowings from the Reserve Bank.

Lastly, we have to explain the decline of Rs 2.17 crores to Rs. 215.94 crores in Investments side by side with the increase of Rs 10 crores in Rupee Securities in the Issue Department. Thus, the Rupee Securities held by the Reserve Bank in both the departments have risen by Rs 8 crores during the week. The only possible explanation seems to be a further dose of deficit financing to account for a rise in Rupee Securities of this size; and such deficit financing would indeed be probable since the Central Government might have experienced a large draft on their balances. But the complicating factor arises in that the rise in Rupee Securities in the Issue Department is for exactly Rs 10 crores. Heretofore, whenever deficit financing has occurred, this has usually been reflected in a rise in Rupee Securities net of the relevant interest, which was deducted. If, for this reason, this rise in Rupee Securities is not indicative of deficit financing, the only conclusion that we can reach is that the securities in question presumably relate to marketable securities sold by institutional investors. It may be that the holdings by some government departments or the State Bank or the Life Insurance Corporation or even the Scheduled Banks have been sold to the Reserve Bank. So, on the one hand, there could have been deficit financing; on the other hand, there could have been sales of marketable securities by other entities. There is no fresh evidence to indicate which of these hypotheses is the more likely.

The return of the State Bank for April 11 discloses a drop of Rs 6.90 crores to Rs 427.35 crores in Deposits. Cash Balances are practically unchanged at Rs 33.68

1956 balance sheet, are shown to be at a nominal Rs 34 lakhs in the latest accounts.

According to the profit and loss account, there is considerable increase in the income from interest and discount, from Rs 1.82 crores to Rs 2.57 crores. Commission, Exchange and Brokerage, have fetched less at Rs 1.08 crores against Rs 1.20 crores.

If, to some extent, the higher money rates during 1957 could be said to account for the improvement in revenue from interest and discount, this fact also explains the sharp rise in the interest paid on Deposits, which has moved up from Rs 1.18 crores to Rs 1.63 crores. Salaries and allowances have also absorbed more at Rs 96.11

lakhs against Rs 85.85 lakhs. In the result, the balance of profit has moved up by Rs 3.18 lakhs to Rs 59.70 lakhs.

The provision for taxes absorbs Rs 18.50 lakhs against Rs 16 lakhs last year. The transfer to the Reserve Fund is Rs 1 lakh less, but continues to be at the massive figure of Rs 19 lakhs. Bonus to staff absorbs half a lakh more at Rs 7 lakhs.

The dividend has been stepped up to Rs 3.75 a share, the distribution absorbing Rs 15 lakhs, against Rs 14 lakhs relating to 1956.

It is interesting to note that the United Commercial can claim to have a set of ratios in respect of its figures which typify sound

banking. Cash Balances account for 13.5 per cent of Deposit liabilities. Cash Balances and unencumbered Investments work out to Rs 45.7 per cent of Deposits. Bills Discounted and Purchased are placed at 21.3 per cent of Deposits. If the three are taken together, the "liquidity ratio" works out to a high 67 per cent. Advances—this excludes Bills Purchased and Discounted—are placed at 40 per cent. There can be little doubt that the UCO Bank Chairman, Mr G. D. Birla, is perfectly correct in asserting that "the credit for the excellent results of the working of the Bank goes primarily to the General Manager, Mr S. T. Sadashivan and his able Deputies and Assistants".

Indian Finance

UK labour conflict

Paul Einzig

THE National Railway Wages Tribunal decided against the wage claims of the 450,000 employees of British Railways. If the unions concerned should decide to strike they are likely to be reinforced by the employees of other transport services whose claims have been or are likely to be rejected. So the long-expected "showdown" may take place in the near future. Yet there was very little sign of uneasiness in financial circles about the prospects of a strike which is liable to paralyse industrial activity and which might easily develop into a general strike. Indeed the announcement of the Tribunal's award and the publication of the reaction to it among the Trade Unions concerned did not even prevent a further rise of sterling on the day after the announcement.

A major strike would have the advantage of acting as a highly drastic disinflationary influence. There would be a sharp fall in the demand by millions of strikers and workers dismissed because of the breakdown of the transport system. It is true, local shortages in various goods would cause sharp rises in prices, but this tendency would become reversed as soon as normal conditions of transport and production are restored. Wage and profit incomes would fall by hundreds of millions of pounds. The decline in the output, on the other hand, would be largely offset by a decline in exports and an increase in imports, so that there would be no decline in the supply of goods corresponding to the decline in the demand.

This means that it would be safe for the Government to allow industry to go ahead without running the risk of causing inflation. It would become possible to relax the disinflationary measures, because the strike and its consequences would effect all the disinflation that is needed. Even those not directly affected by the strike would be inclined to exercise caution in their future expenditure, so that there would be no longer any need for the Government to restrain consumption or capital expenditure.

Moreover, a prolonged major strike would drain the financial resources of the Trade Unions concerned and would damp the fighting spirit of all Trade Unions. A much-needed sharp lesson in the form of an unsuccessful strike would greatly improve Britain's economic prospects. The question is, however, whether at the last moment the Government would not decide after all to take the line of least resistance and decide to subsidise British Railways in order to avoid a conflict. This was done four years ago, with disastrous effect on the attitude of the Trade Unions.

British public opinion has not been prepared adequately for the conflict. Neither the Government nor the Conservative Party nor

April, 19 1958

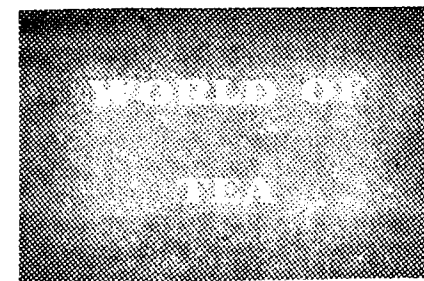
employers' organisations, nor the press, nor the economists have taken the trouble to enlighten the British public about what is really at stake. The one major effort to that end, the Report of the "three wise men" of the Cohen Committee, has been an almost complete failure. It is too long and too technical to be intelligible for the layman. It is couched in too tactless language, so that it unnecessarily antagonises trade unionists. And it overloads some of the most effective points. The Government hastened to dissociate itself in public from its findings, instead of trying to popularise it by the publication of abridged and simplified editions.

The increase in the cost of living by some 4 points during the past 12 months has been entirely due to the wage increase granted to the Trade Unions last year. The increase of 5 per cent given to the employees of British Railways a year ago was the first of a series of increases which more than nullified the effects of the fall in raw material prices and of the Government's disinflationary measures. If wage increases are now conceded on the ground of the increase in the cost of living last year, the resulting increase in the cost of living would give rise to another similar claim by the same unions next year, to compensate their members for the rise in prices caused by their previous wage increase. And this would go on indefinitely.

Economists ought to have explained to the Trade Unions politicians and newspapers depending on them for guidance that, in the absence of further increases in wages the rise in prices is bound to become reversed, for the simple reason that there would not be enough purchasing power to maintain the demand on the basis of the higher price level. In addition to this argument, based on a combination of supply and demand theory and simple arithmetic, economists ought to have explained that, if only Trade Unions restrained their greed for a little longer, the resulting stability of prices would enable the Government to call off its disinflationary measures, so that manufacturing industry would be able to make full use of its expanded producing capacity. This would mean a reduction of the cost per unit of output, and in the absence of wage increases prices would be reduced.

But this solution does not suit the more extremist Trade Union leaders. It would mean that everybody would benefit by the expansion of production. And Trade Unions want to reserve the entire benefit to their own members. If only this selfish attitude were adequately exposed, public opinion would range itself wholeheartedly against the strikers fighting for such short-sighted and selfish ends. And although the Trade Unions represent many millions of people, even they could not afford to ignore the pressure of public opinion.

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Export Trends

A complete picture is now available of the pattern of distribution of North-East Indian tea in the twelve months ended March 31. Out of a fall of nearly 78 million pounds to 342 million pounds in 1956-57, the bulk of the shortfall of about 72 million pounds was due to the UK's reduction in her off-take from 296 million pounds in 1956-57 to 224.4 million pounds in 1957-58. Other out-markets accounted for the balance of the shortfall in shipments from 124 million pounds to 117 million pounds. That Russian buying in the Calcutta market was less aggressive was shown by a reduction in her off-take from 17 to 12 million pounds. There were slight declines in the off-take by West Germany, Canada and the USA; but these were substantially offset by increases by Turkey, Iran and, to some extent, Egypt.

According to the figures released from Chittagong, tea exported to foreign countries, during the period from 1st April, 1957 to 28th February 1958, totalled 5,131,302 pounds as compared with 5,637,827 pounds during the corresponding period of 1956-57. Exports to the UK amounted to only 4,000,206 pounds as compared with 23,037,329 pounds in the corresponding period of 1956-57. Exports to Karachi were, however, at higher 34,802,532 pounds as compared with only 24,920,628 pounds.

According to trade sources in Calcutta, regular sales of North India for the 1958 season will commence on the 9th June. Two supplementary sales of New Season's Darjeeling teas will, however, be held in May. Sale "A" will be held on the 12th May followed by sale "B" a fortnight later. There will be no Export Sale during the week commencing on April 21; but a final clearing-up sale of the 1957 season's tea is scheduled to be held on April 28.

Domestic buyers are expected to remain active as their stocks are on a hand-to-mouth basis due to credit stringency. The crop reports are encouraging so far and, in Assam, in particular, quality is likely to improve. Temporarily, the size of the crop is restricted by drought; but rains are expected soon. Planters are anxiously awaiting the Government's announcement relating to export duty relief. As no working formula has so far been worked out satisfactorily for giving relief in duty to only Common teas, it will not be surprising if the export duty is generally cut by 12 nP per pound.

In connection with the reports of closure of some gardens in Assam, the Union Minister for

Commerce has stated that only six gardens have been closed down for a short time and this not an alarming feature as there are 6,500 tea estates, covering an area of nearly 7 lakhs acres. He adds that, apart from the question of adjustment of duty on Common tea which is under active consideration, efforts are being made to evolve a certain procedure by which finance will be available to tea gardens through State Finance Corporations. The matter is under discussion between the various interests concerned.

The existence of the Common tea producer in India, whose position is already marginal, appears problematical in the absence of any agreement between the larger producing countries for the regulation of exports, but also of further expansion in planting. Any early relief in this direction appears unlikely however, and it would seem that each country must face individually its own problem. While the overall picture may appear distressing, there are some more hopeful aspects. The present low prices for poor quality tea must result in an improvement in plucking and manufacturing from which may follow some reduction in crop this season, particularly from Ceylon.

In the Export Sale held in Calcutta this week, offerings were as much as 58,199 packages for which there was again a strong and general demand. The strongest feature of the sale were "eas for price", which were from 6 to 10 nP per pound dearer. Plain Broken Pekoes and Fannings advanced by 6 to 8 nP, particularly the latter. Medium BPs and Fannings were 2 to 4 nP dearer. The brighter liquoring BOPs and OFs were fully firm to dearer; but BOPs with ordinary liquors generally realised prices below valuations.

CTC teas, particularly those with seasonal quality, were well supported and were dearer. The more ordinary sorts, however, did not receive the same attention and, at times, realised prices below valuations. Brown Doars teas met with good demand. Whole Leaf grades were generally easier, particularly the ordinary Pekoes. The limited quantity of Tippy teas, on offer, were about steady at last rates. Following rates were quoted: Clean Black Pekoe Rs 2.25 Rs 2.30; Plain Broken Pekoe Rs 1.54 to Rs 1.58; Plain Fannings Rs 1.68 to Rs 1.72; Medium BP Rs 1.64 to Rs 1.68; Medium Fannings Rs 1.80 Rs 1.84; Best Assam CTC BP Rs 2.60 to Rs 2.80 and Best Assam CTC Fannings Rs 2.80 to Rs 3.00.

In the Internal Sale, offerings consisted of 20,665 packages of Dusts. Although a good general demand prevailed which strengthened as the sale progressed, prices for most sorts tended easier. The orthodox descriptions, at the start, were often 6 to 10 nP per pound easier; but prices appreciated as the sale progressed and, at the close, were only 2 to 4 nP easier. Powdery descriptions were well supported and, towards the close, were fully firm and sometimes dearer. Best CTC Assams

were fully firm, while Medium types, in this category, with autumnal liquors enjoyed a very satisfactory sale and often realised prices above valuations. The poorer types, however, were generally easier.

The limited quantity of Darjeeling teas, on offer, were the weakest feature of the sale. Following rates were quoted:—Medium Doars Dust Rs 1.54 to Rs 1.58; Medium Assam Grainy Dust Rs 1.58 to Rs 1.62; Medium Assam CTC Dust Rs 1.90 to Rs 2.10 and Best Assam CTC Dust Rs 2.75 to Rs 3.05 (nominal).

Also, 4,627 packages of Leaf grades were offered for internal consumption. There was a fairly strong general demand. Prices for all descriptions advanced with the exception of a few invoices of Green Teas, which tended easier.

In the Export Quota section, the rate for Special Export Licence developed a hardening tendency to 4½ from 4 nP per pound. The rate for non-transferable quota remains practically unchanged at 3½ nP per pound.

In the Internal Sale held at Cochin, offerings were 650,000 pounds. There was only a fair demand and prices were generally lower by 10 to 15 nP per pound. Best Nilgiris came to a selective market and were irregular and generally easier. Good Mediums met with fair support at a drop of up to 15 nP per pound. Mediums from Travancore were weaker and declined by 10 to 15 nP, while Wynad descriptions were sold at barely steady prices. Milled and residual Dusts declined fully by 10 nP. Black grainy descriptions followed the downward trend of the market.

The first sale, after the Easter holidays, was held in London this week when offerings were 23,849 packages, including 20,417 packages of Northern India teas. Prices were decidedly dearer for all grades, the best colour Fannings being the dearest and prices showing sometimes as much as 8d per pound. Good Doars were 2d to 4d dearer, according to quality. But, buying was very selective. Plain types were fully firm to dearer; but some of the thin liquoring kinds met with a little less demand. Plain Common Broken Pekoe was quoted at 3sh 5d per pound.

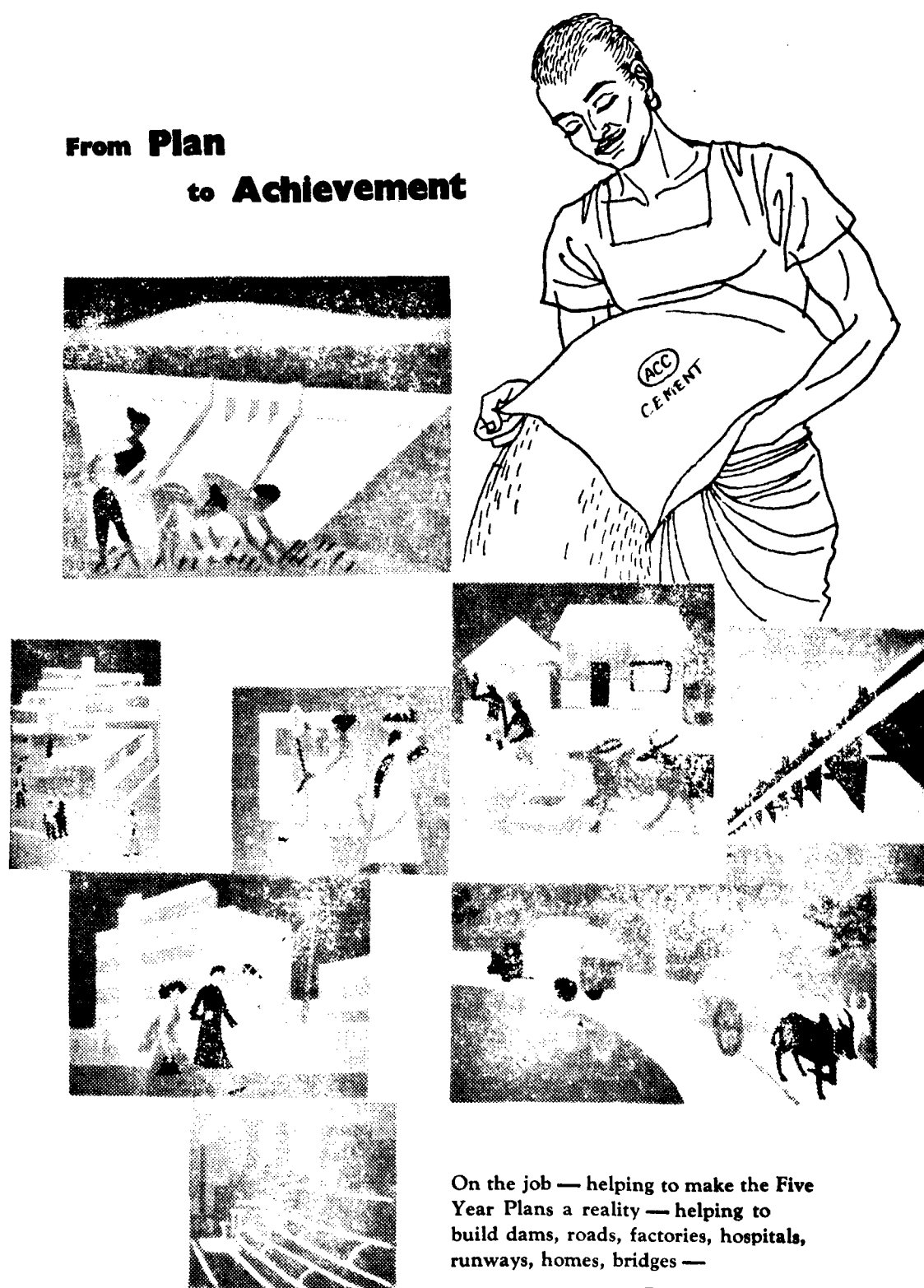
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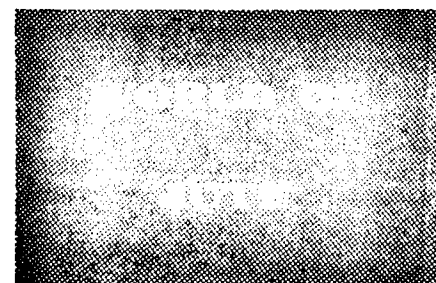


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Firm Undertone

FIRM conditions have prevailed in the jute markets during the past week. The main impetus seems to have come from the large number of fresh enquiries received in the past few days. Egypt is reported to have made enquiries for the supply of cotton packs and there has been an order for sacking from the Government of India. Toward the close of the week there have been reports that enquiries have been received from USA, Argentina and the UK for hessian. As is to be expected the hessian section has fared well because of its additional advantage of a decline in stocks as at the end of March. The sacking section has also recorded a sizable gain initially in sympathy with hessian and later on the strength of fresh enquiries. B Twills Ready which was quoting at Rs 99.50 a week ago is now placed at Rs 104.00. Hessian 40" x 10 oz. Ready has advanced from Rs 40.00 to Rs 41.56.

One of the favourable factors for the recent improvement in sentiment in the jute goods market has been the announcement that US burlap consumption in March has totalled 71 million yards. This shows that there has been a slight improvement over February when such consumption stood at 70 million yards. Taking the first quarter of the current year as a whole, US burlap consumption has totalled 212 million yards as against 210 million yards during

the corresponding period of last year. Stocks in US, however, continue to be somewhat at a high level, the figure for March-end being 242 million yards. This shows an increase of 2 million yards over the previous month's level. But compared with the corresponding date of the previous year (Stocks at March-end 1957: 262 million yards) the position must be deemed to be quite satisfactory. Though the improvement in March is only small, it has nevertheless aroused keen interest in the trade because it was generally believed that with the US said to be in the grip of a recession, burlap consumption may also have been adversely affected. It is now clear that burlap consumption has been well maintained during the past three months which are generally considered to be slack months. The outlook for hessian seems to be quite bright.

A strong contributory factor for the firmness of the jute goods market has been the keen demand and the consequent improvement in the prices of raw jute. We have already noted the disparity in the price levels in the ready and forward markets in raw jute. Operators seem to be of the view that the supply position in the first few months of the next season will not be quite easy. It would appear that holders in the ready section have also been successful in persuading mills to believe that the supply position is already tight. As a result Assam Bottoms April-May shipment which was selling at Rs 25 per maund a week ago is now quoted at Rs 26.50.

Production of jute goods during March has totalled 85,300 tons, the same as in the previous month. Mills, however, have worked 5½ hours more than in February. Output of hessian at 30,400 tons is 300 tons higher; but compared with the corresponding month of a year ago is 5,600 tons lower. Pro-

duction of sacking at 49,500 tons is also higher by 200 tons as compared with February but as compared with the corresponding month of a year ago is 6,400 tons higher. Other varieties at 5400 tons in March 1958 show only slight variation.

Production so far this year is higher than in the corresponding period of 1957. Output in the quarter ended March 1958 amounts to 268,900 tons as against 253,700 tons for the first quarter of 1957. Sectionwise, production of hessian has been lower at 94,900 tons as against 103,800 tons. Production of sacking is higher at 156,100 tons as against 126,200 tons. It is clear that the shift in emphasis from the production of hessian to the production of sacking made from the middle of last year has continued unaltered.

★

The jute goods market ruled firm during the past week. In earlier dealings sentiment was aided by the steadiness of the raw jute section but in later dealings prices were pushed up on the strength of fresh enquiries from a number of foreign countries. The slight increase in the burlap consumption in US during March as compared with February was also a contributory factor.

The market opened on Thursday on a steady note in sympathy with the raw jute section and with mills showing only small interest prices firmed up by close. Hessian 40" x 10 oz Ready was finally placed at Rs 40.00 while B Twills ready reached the Rs 100 mark. Elsewhere Hessian July-September was quoted at Rs 40.37 with B Twills at Rs 101.25.

Prices further firmed up on Friday on reports of enquiries from Egypt and the Government of India. Mills took interest at the higher levels. The market closed the day steady as follows: Hessian 40" x 10 oz Rs 40.20; B Twills Rs

100.15. July Sept Hessian 40" x 10 oz Rs 40.55 B Twills Rs 101.75. Though no fresh overseas business was reported done on Saturday the undertone remained fully steady and prices made some further headway on bear covering. Hessian 40" x 10 oz Ready advanced to Rs 40.40 while B Twills was done at Rs 100.75. Elsewhere 40" x 10 oz July-Sept. was placed at Rs 40.75 with B Twills marked at Rs 102.25.

The market reopened on Thursday after the holiday on a slightly easier undertone but within a short time again firmed up on speculative buying which had been influenced by the firmness of the raw jute section and reports of fresh foreign enquiries. Hessian 40" x 10 oz Ready was stably higher at close at Rs 41.15. B Twills was similarly firm at Rs 102.55. July-Sept Hessian 40" x 10 oz was placed at Rs 41.45 and B Twills at Rs 104.20.

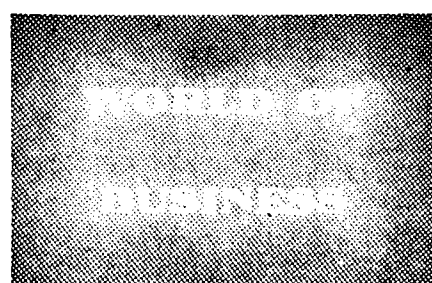
Brisk activity with a further improvement in price levels characterised trading on Wednesday. There were persistent reports that enquiries had been received from the UK, US and Argentina. Mills were also keen sellers at the higher levels but the sales had been well absorbed. Sentiment had also been aided by the report that US burlap consumption in March had totalled 71 million yards. The following are Wednesday's closing rates: Hessian 40" x 10 oz Ready Rs 41.56; B Twills Rs 104.00. July-September, Hessian 40" x 10 oz Rs 42.00 B Twills Rs 105.50.

With mills evincing sustained interest the raw jute market firmed up considerably during the past week. Assam Bottoms April-May shipment gaining 1½ points in the course of the week to be finally placed at Rs 26.50.

The futures market ruled firm. Hessian May opened the week at Rs 40.36 and was steadily pushed up to touch a high of Rs 41.92 to be finally placed at Rs 41.70. Sacking May opened steady at Rs 100.65 and at one time was done up to Rs 105.15 to close at Rs 104.10. Upper Assam June was throughout a strong feature. Opening at Rs 26.80 this contract touched a high of Rs 28.44 on Thursday to be placed at the end of the day at Rs 27.60.

PRICE TRENDS.

	Week's Opening Rs.	Week's Closing Rs.
Hessian:		
40" x 10 oz.		
Ready	40.00	41.56
July-Sept.	40.37	42.00
Sacking:		
B Twills:		
Ready	100.00	104.00
July-Sept.	101.25	106.50
Heavy Ceers Green	100.25	102.50
Cornacks	100.50	104.50
Cubans	125.00	128.00
A Twills	120.00	123.00
L Twills	113.50	115.75
D. W. Flour	118.25	122.00
Sugar Bags	112.00	114.50
Raw Jute:		
Assam Bottoms (April-May)	26.00	26.50



Crisis in Oil Industry

India is one of the largest oilseed producing countries in the world, standing third in order of preference, China and America having occupied the first and second positions respectively. But undoubtedly, India produces the greatest varieties of oilseeds. Of the total world production of groundnuts, sesamum, linseed and castorseed, India accounts for 30 per cent, 25 per cent, 11 per cent, and 37 per cent, respectively.

It has been estimated that there are near about 8,175 power driven oil mills in the country, besides about 450,000 village ghanis operated by animals. The installed capacity of the oil mills can be safely estimated at 7,865,000 tons and that of village ghanis at 2,00,000 tons. The total of all the capacities would come to the neighbourhood of 10 million tons. As compared to this installed capacity, India's production of oilseeds is lagging far behind and is estimated at about 6 million tons. But, strangely enough, according to the Indian Central Oil Seeds Committee, nearly 1.7 million tons of oilseeds of all varieties were crushed by oil mills in India during 1955-56. The All India Khadi and Village Industries Board is of the opinion that the village ghanis throughout the country crush nearly 1 million tons of oilseeds every year. Taking the mill and village sectors into account, the total quantity of oilseeds crushed in the country is hardly 2.7 to 2.8 million tons. Thus, we see that less than 50 per cent of the total oilseeds produced in the country is being crushed for the purpose of extraction of oil. In other words, only a fraction of the total installed capacity of the oil crushing industry is being utilised.

It is a matter that requires research and investigation as to why such a small percentage of the produced oilseeds is crushed, while such a large percentage of the installed capacity of the oil mills remains unutilised. There is no reason why 80 per cent, of the oilseeds grown in the country should not be crushed by the oil mills, keeping aside 20 per cent as farm stocks and for edible purposes. During the second Five-Year Plan, the target for oilseeds production has been fixed at 7.6 million tons, an increase of about 1.6 million tons over the production, hitherto recorded.

Oil Mills in India are extremely backward from the point of view

machinery and implements. Almost all the mills are equipped with age old ghanis. The expellers used by the mills are mostly outdated and the oil cakes are left with oil contents varying between 8.0 and 8.5 per cent, as compared to the modern expellers, which are capable of extracting another 4.0 to 4.5 per cent of oil from oilcakes. In western countries, this kind of expellers is in extensive use. Due to the use of outmoded expellers, the Indian oil millers are incapable of reaching a competitive price structure in the overseas market. We refrain from discussing about the village ghanis, whose oilcakes are left with oil contents as high as 18 per cent. No one can deny that the working of the village ghanis is extremely uneconomic. The emphasis that the Government have been laying on the development of the village ghani industry, has to be judged from the point of view of its employment potential. It has to be examined in detail as to whether the Government should at all subsidise an outmoded industry, at the cost of the power driven sector.

It is evident that the utilisation of the unutilised crushing capacity of the oil mills in India depends on the increased per capita consumption of oil as well as the export promotion of the commodity. The nutrition advisory committee has recommended a per capita consumption of 2 oz of oil per day. Taking even a consumption of 1 oz per day, the consumption of edible oils would rise to 3.7 million tons a year as against only 1.85 million tons now consumed in the country.

Oil has been a very reliable foreign exchange earner over the past years. Stepping up of exports would not only cause the oil mills to run all the year round, but would also help the country in bridging the foreign exchange gap. During 1955-56, India exported oils to the value of Rs 34 crores. Unfortunately, due to various factors, export of this important commodity has declined considerably in subsequent years. During the first six months of 1957-58, the value of exported oils amounted to only Rs 9.2 crores, as against Rs 14.7 crores in the corresponding period of the previous year. This presents a very discouraging and dismal picture of the trade. A close analysis shows that the main reason leading to the fall in exports, is the inability of the Indian exporters to compete in the world market.

Castor oil, which has had a very good market in the USA, has fallen back owing to the competition from Brazil. Linseed, another major exportable oil, has suffered a similar reverse due to the Argentine having had a bumper crop last year. The UK and other countries are now rallying behind the Argentine for their requirements for linseed oil. Quite recently, the Trade Ministry of the Argentine declared that Soviet Russia had decided to purchase

30,000 tons of linseed oil from that country, which means that the Russian enquiries, which were so long being sent to India, will now be diverted to the Argentine. Groundnut oil may have a very good overseas market, provided, the Government of India find out a suitable substitute for home consumption and allow its exports more liberally. A move has been taken in the right direction by the Government, by laying emphasis on the development of cotton seed industry. The Chairman of the Vanaspathi Manufacturer's Association of India, while presiding over the annual general meeting of the Association, declared that the Vanaspathi Industry had no prejudice against the use of cotton seed oil, if it was of a good bleachable quality. It was further learnt from the Chairman's speech, that the Vanaspathi Industry had voluntarily decided to use cotton seed to the extent of 2½ per cent of the total oil requirements during 1958. This, it is believed, would find a ready market for 7,500 tons of cotton seed oil. Once the cotton seed industry is developed, groundnut will be free for exports and this would give a great impetus to the export trade.

Besides developing the markets for Castor, Linseed and Groundnut, sufficient emphasis should also be laid on minor oils like Kardi, Niger, Mohua, Tobacco, Kapok, etc., which may have lucrative overseas markets. In order to find out the varied uses to which these oils might be put, intensive research work should be undertaken in the country.

The oil milling industry of India is extremely conservative and does not generally take to crushing of oilseeds other than those being crushed for ages. There are very few oil mills in the country, which undertake any research work on their own. It is, therefore, necessary that research and investigation about new oils should be undertaken by the Government and the results disseminated to the oil mills free of any charge. The purpose could be better served, if every State could maintain a research laboratory of its own.

The oil interests of the country have been suggesting abolition of export duties on all exportable oils as the most important precondition for export promotion. The decline in the export of linseed oil has been attributed to the refusal of the Government to abolish the export duty on the commodity, till September 1956, by which time the established markets of the exporters were lost. Due to continuous pressure from the trade, the Government have recently reduced the duty on Castor oil from Rs 175 to Rs 100 per ton and that on Niger seed from Rs 150 to Rs 50 per ton. The trade is of the opinion that, in view of the serious competition in the world market, nothing short of complete abolition of duty would meet the requirement. One has got to admit that the policy of the Government in respect of abolition or reduction in

export duty on oils has been extremely non-responsive to the requirements of the trade. The Government have always been following delaying tactics, and by the time something has been done, the trade has had already lost its out markets.

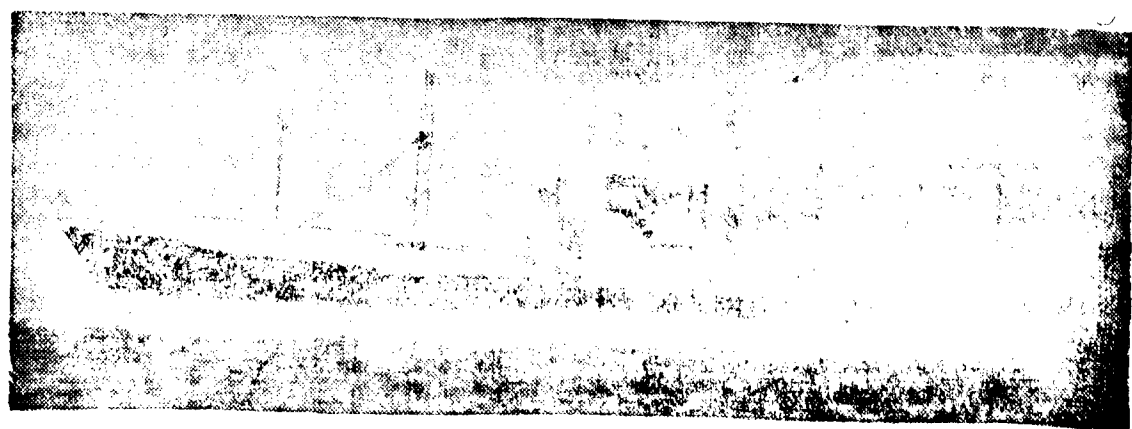
Full refund of Excise duty, wagon priority for oilseeds carried from centres of production to centres of crushing and treatment of oilseeds on the same level as food grains, as far as Railway freight is concerned, are some of the important measures that have been recommended by the Indian oil exporters, as essential preconditions for stepping up exports.

It is equally important that new markets for Indian oils are sought out by the Government through trade delegations. Somehow or other, the market has so long been limited only to a few countries, and naturally, any untoward developments in those countries are liable to give rise to violent reactions in the Indian oil milling sector.

In the past, there has been an erratic growth of oil mills in the country, mainly due to the fact that the industry, in some parts of the country, is regarded as a seasonal one, and except for the few months that crops are available in plenty, most of the oil mills situated in these areas remain closed. The Oilseeds Crushing Industry Enquiry Committee, appointed by the Government, recommended that no fresh licenses for oil mills should be granted, so that the existing installed capacity of the mills can be better utilised. In view of the fact that only a small fraction of the capacity is utilised at the moment, this recommendation will have far reaching consequences.

The general pattern of the oil industry in India is that of small industries run by power on cottage industries scale. Most of these units are unable to operate throughout the country, owing to severe fluctuations in the oilseeds prices. Until such time as these units may have the opportunity of drawing their seed requirements from either Government or co-operative store houses, they will not be able to work properly and economically. As for the bigger units, introduction of solvent extraction process and installation of latest machineries are the only way out. Financial assistance from State Financial Corporations or similar organisations set up for the purpose is very essential for bigger units to carry out the innovations.

It is a matter of great regret that the power driven mills of the country are not receiving half the attention of the Government as is the case with village ghanis. It has been proved beyond doubt that the village oil industry, by itself, is not capable of meeting the requirements of the country. To what extent the oil industry of India may thrive in the future, depends entirely on the attitude that the Government take up with regard to its future development.



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US Notes

IN the State of Colorado technical experts from countries of the Middle East, Asia and Africa are sharing American experience in what has been called the "greatest drama of all times: the drama of water, land and people."

The story of Colorado itself vividly points up this drama. Slightly more than 100 years ago, the total assessed valuation of the state's agricultural industry might have been two oxen, a wagon and some meager personal possession. Colorado is now a wealth-producing state with an annual income from agriculture exceeding \$500 million.

Water conservation and use is literally a matter of life and death in many areas of the world. While it may lack the spectacular urgency of political issues, it is one of the most important long-range problems facing the United States and many other parts of the world today.

The United States has not, by any means, dealt with all problems concerning proper use of its natural resources. But it has made tremendous advances in the field of reclamation during the past century. It is to study these advances that engineers and other technicians from many countries come each year to the Denver Engineering Laboratories of the US Bureau of Reclamation. These visitors gain practical experience at one or more of the US reclamation projects that are still under construction in the West. The training is part of the programme of the US International Cooperation Administration (ICA).

Many of the problems now faced in newly-developing countries are the same problems that are a part of America's agricultural history.

The picture of America's early settlers finding an abundance of fertile land simply waiting to be turned by a plow is not the true picture of the development of the US west. In large areas west of the Mississippi river the dry soil would not produce much more than the native buffalo grass and home grains. There were no summer rains to keep crops growing to maturity. And in the truly arid west, the need for an artificial water supply was a matter of absolute survival. Some areas there receive as little as two or three inches of rainfall during an entire year with virtually none during the summer. Yet in the high mountain precipitation of as much as 100 inches is deposited in snowbanks during the wintertime, and in the summer melting snow water once flowed down rivers

while crops in nearby fields died from lack of moisture. The history of western states is replete with struggle against drought, flood and dust, grasshoppers (locusts) and the capriciousness of water.

Insufficient rainfall and the wasteful use, destruction and rapid depletion of land resources made a dreary prospect of America's west during the first half of the 19th century. Many otherwise farsighted American statesmen looked upon it as a worthless area of deserts and mountains, unfit for any use.

Some 100 years later, in 1956, the total harvest from all reclamation projects constructed and financed by the federal government was valued at more than \$951.6 million, an average of \$148.69 per irrigated acre. This figure does not cover state and private reclamation efforts. Nor does it include the value of the livestock concerned—the "meat crop" made possible by irrigated areas.

Early and modern pioneers in reclamation found the answer to once disastrous flood and drought, as well as to the expanding need for electric power. And reclamation has taken most of the arid west out of a non-crop economy and permitted diversification where the farmer can shift his production to meet market demands.

And major reclamation areas in the western states had a humble beginning—a few irrigated farms from which has grown an economic giant. Early efforts were carried on by individuals and cooperative groups, the earliest dating from a day in 1847 when settlers in what is now the state of Utah first diverted the waters of a creek to their sunbaked fields. The Federal Government has participated in reclamation work since 1902. All efforts combined have resulted in a fourfold increase in irrigated acreage in 17 western states on their own in addition to committing themselves to pay back most of the Federal investment.

The gigantic size of some of the Bureau of Reclamation's projects may give the visitor the impression that the Federal reclamation programme could not be adopted to the small, simple irrigation project. Actually, the reverse is true. Bureau engineers have indeed proved capable of solving such problems as those involved in constructing the Hoover Dam, the world's tallest; drilling the 13-mile tunnel through the continental divide on the Colorado big Thompson project, the country's longest; building river-size canals like those of the central valley of California and the Columbia river basin project in the state of Washington. However, most of the Bureau-built projects are small in size and involve relatively simple engineering structures.

These are some of the factors that make American experience in reclamation of value to less-developed countries. Another factor is the attitude of US reclamation experts here and at the Bureau in Washington. These men stress the mutuality of efforts in this field. They refer to knowledge obtained

by America from other countries. And they obviously are proud that what has been accomplished in America can now be of help in meeting the pressing needs of friends.

Britain

Last year the United Kingdom had a current surplus of £237,000,000. Although the surplus was slightly lower than in 1956, it compares well with the outcome of most years since the war.

As the events of last August and September showed, a balance of this size does not, by itself, prevent temporary severe pressure against sterling. But, over the year, the country's overseas monetary position—that is, the relation of its reserves to its short-term liabilities—improved. These are two outstanding features disclosed in the Balance of Payments White Paper published earlier this month.

The provisional estimate of £237,000,000 for the 1957 surplus (£115,000,000 for the first half and £122,000,000 for the second half of the year) compares with the revised 1956 estimate of a surplus of £266,000,000. The decline may seem disappointing, but it is possible that the estimate may be increased if further information comes to light on relatively large balancing items.

As usual, the United Kingdom had a deficit on visible trade (trade in merchandise), which was more than covered by a large surplus on invisible transactions (including shipping, banking commissions, interest, overseas oil transactions, Government expenditure and receipts). The deficit on visible trade as calculated for balance-of-payments purposes was £97,000,000 in 1957—£36,000,000 more than in 1956—but less than in any other year since the war. This result should be considered against trends in world economy.

Three developments were outstanding in 1957. First, the rate of growth in world trade and production showed signs of slowing down; but the fourth quarter the American economy was in recession. Secondly, commodity prices were declining. Thirdly, many countries (other than the Federal Republic of Germany and the United States of America) suffered serious losses in their reserves, making it more difficult for them to meet temporary deficits.

The United Kingdom benefited from the steep fall in import prices from May onwards, coupled with the continued rise in export prices during the first eight months of the year. It is particularly gratifying that in spite of the US recession, United Kingdom exports to the dollar area were at much the same level in the second half as in the corresponding period of 1956. Exports to member countries of the Organization for European Economic Co-operation (OEEC) however, fell off, though

imports from these countries went up further.

The surplus on invisibles rose from £327,000,000 in 1956 to £334,000,000 in 1957, mainly in consequence of higher earnings from shipping and oil and a reduction in net overseas expenditure by the Government. The net earnings from interest, profit, and dividends were somewhat lower than in 1956, although annual interest payments on the US and Canadian loans were again deferred.

The United Kingdom is, traditionally, not only a trader but also an investor. The net outflow of long-term capital was £189,000,000 in 1957, as against £231,000,000 in 1956, but there was an unusual drop from £168,000,000 in the first half to £21,000,000 in the second half of last year.

The small size of the deficit in the second half was due to Government transactions—the drawing of £89,000,000 from the line of credit granted by the U.S. Export-Import Bank (in addition to the deferment of interest already mentioned). It is believed that in spite of tighter monetary conditions in the United Kingdom, the normal outflow of private capital was about the same as in recent years, especially to the colonies. Government assistance to underdeveloped colonial territories was higher than in previous years.

The balance on current and long-term capital transactions combined, which reflects the United Kingdom's activity as a trader and an investor, showed a surplus of £48,000,000 in 1957, against the surplus of £35,000,000 in 1956. This surplus is balanced by the "financing" items which reflect the United Kingdom's function as a world banker and indicate the changes in its overseas monetary position (that is, its reserves and liabilities). It is noteworthy that, in spite of the pressure on sterling following the exchange adjustment of the French franc, the overseas monetary position improved over the year by £239,000,000.

Overseas sterling holdings decreased by £178,000,000—partly offset by the increase of £11,000,000 in the debt to the European Payments Union. On the other hand, the reserves increased by £50,000,000, and the official holdings of OEEC currencies by £22,000,000. Of this improvement, £189,000,000 was due to special transactions which, in fact, replaced short-term by long-term liabilities. But even if these transactions are taken into account, there remains a real improvement of £50,000,000.

The sterling holdings of the rest of the Sterling Area fell by £226,000,000 in the second half of the year after an increase of £69,000,000 in the first half. The holdings of non-sterling countries decreased by only £1,000,000 in the second half (after a rise of £4,000,000 in the first). This unexpectedly small decline would have been much larger but for the £67,500,000 deposited by Germany against future debt payments.

Indian Finance

April, 19 1958



INDIA

Oberoi Imperial, New Delhi • Oberoi Maidens Delhi • Oberoi Swiss, Delhi • Oberoi Cecil, Simla • Oberoi Clarkes, Simla • Oberoi Palace, Srirangar • Oberoi Grand, Calcutta • Oberoi Palm Beach, Gopalpur-on-sea • Oberoi Mount Everest, Darjeeling • Oberoi Mount View Chandigarh

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IF my reaction to authority's helplessness acquiescence in a mood of despair about the prospects of the Plan is one of impatience, my reaction to its obtuseness over the question of iron ore export is one of exasperation. In one sense, of course, the two facets of Government's attitude are related: for, a good deal of the gloom about the Plan's prospects, especially in the matter of obtaining the foreign exchange needs of the Plan, will get automatically dissipated if there was a more wideawake and enterprising attitude toward possibilities of exchange earnings by export of iron ore. Conversely, the general loss of revenue largely accounts for the pusillanimity toward export promotion. Apart from the foreign exchange aspect, the ancillary benefits likely to flow from a vigorous ore Export Promotion programme are so obviously attractive that it passes my comprehension why there should be such lack of enthusiasm for pursuing it.

Nearly four and a half years ago, Indian Finance had mooted a comprehensive scheme for iron ore exports. If ever there was a scheme that would have had a many sided beneficial impact on the economy of the country, it was that scheme. For some reason which I am unable to fathom, authority does not seem to have taken to it. Not that, let me add in fairness to Government, there have been no efforts to promote export of iron ore. But such efforts have been of a half-hearted sort and have every appearance of being responses to importunities from outsiders. Protracted negotiations with Japanese interests, for instance, have been more indicative of that country's awareness of its own needs than of our sense of urgency in Export Promotion. This is evidenced also by the fact that it was Japan which took the initiative in the matter of negotiation for the creation of adequate port facilities for the export of iron ore from India. It was Japan, again, that seized upon the idea of seeking an appropriation from the US President's Special Fund for a foreign exchange loan under which port facilities could be expanded. It was only recently that the information that India was also to make an approach to the US Administration for the

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please!"
—As You Like It.

same purpose was vouchsafed. What does all this reluctant activity add up to? Only to the hope, as expressed by the State Trading Corporation some months ago, that we shall be supplying to Japan some twelve million tons for the entire Second Plan period; and, at a slightly longer range, the promise of equipping Vishakapatnam for export, from 1964, of iron ore on a larger scale. This is the sum of the official response to Indian Finance's suggestions.

Now, I should perhaps feel heartened by the fact that one of Indian Finance's suggestions is thus in the process of being accepted. On this matter, however, I cannot honestly profess such a gratification. For, I am depressed by the fact that the cue has been taken, not by India, but by Japan. Recurrently, this journal had suggested the availability of the President's Special Fund for exploring iron ore potentialities. It is a sad commentary on the lack of a spirit of venture on the part of the Indian authorities, that it is the Japanese interests which all along seized the opportunities that were offering themselves.

As I remarked last week, Export Promotion is both a moral duty and an inescapable practical task. If this country is to accept the massive foreign assistance that is now in sight, without loss of self-respect, it should display the initiative and enterprise that would be comprised in an inspired plan for exports. So, let us not think that such arrangements as we have concluded with Japan have already exhausted the possibilities of iron ore.

The iron ore resources of India, the proved reserves, make us potentially the most powerful country in the world. True, the measure of a country's industrial might lies in steel rather than in iron ore. It is in this light that, now and then, the rather specious argument is sometimes advanced that India should not export iron ore, because such export will impoverish the Indian potentiality in the form of steel to that extent. I do not deny that it would be far more advantageous if India were to export steel; alas, all these are very much in the realms of hope. Indeed, by the same token,

I would wish India to export not steel, but finished steel goods, heavy machinery and so forth. It will be a decade or two before we shall figure as a prominent exporter of steel; and, as an exporter of heavy machines, our hopes are deferred even farther. The status of a predominantly industrial economy, with manufactures figuring largely in what we have to offer in the world markets, is at the moment a distant vision. Presently, our problem is to intensify the process of industrialisation. This means a large outlay in capital goods and machinery that we today do not possess, and which have to be paid for in foreign exchange. Such imports play havoc with our balance of payments, and, as has happened in the last two years, we find ourselves face to face with an inadequacy of foreign exchange resources.

If we are to pay for what we buy, we must seize upon some commodity which we can spare without difficulty, and for which there is a world demand. Such a commodity is iron ore. At this stage, my mind hearkens back to a talk that I had, some thirty years ago, with Jack Keenan, who was the General Manager of the Tata Iron & Steel Company. At that time, I do not remember who the contracting party of the other part was, but there was an enquiry for the import from India of something like 50,000 tons of iron ore. Jack Keenan vetoed the idea. He said: "If you export the iron ore today, you will be deferring the time when the world's steel producers will be flocking to you and begging you for the iron ore that you possess so richly. Do not export today; and there will be no limit to what you will be able to export 30 or 40 years hence." That prophecy of Keenan's has come true. Japan, Czechoslovakia, Poland, East Germany and Hungary are all countries which today would be only too happy to get India's iron ore. With such impressive evidence of contending suitors, bashfulness on our part is entirely misplaced. As I said earlier, official hopes at the moment are no larger than 3 million tons annually at the end of the Second Plan. This seems to me to be pitifully small. What we must aim at is export in the environs of

10 million tons or more by the end of the Second Plan. I shall be satisfied with nothing less, and, as the reader will see, the export of iron ore on such a scale is in the nature of a panacea for almost all of India's economic ills.

On a rough and ready basis, we shall be able to get something like \$10 a ton for the high grade iron ore. Thus, export of 10 million tons would fetch roughly Rs 50 crores of foreign exchange annually. By the end of the Third Plan, this figure could rise to Rs 100 crores annually. This extra earning, from iron ore, could make all the difference in our balance of payments. If, by the end of the Second Plan, we are able to achieve the targets that we have postulated, we shall experience no difficulty even in the so-called hump years between 1960 and 1963, when heavy foreign exchange commitments will fall due. So, I wish to suggest in the first instance that, if for no other reason, then, solely for the sake of ensuring that we shall not fail to meet our foreign exchange commitments, we should immediately proceed with Indian Finance's iron ore programme.

Consider how this will impinge on our self-respect. We shall have maintained our record as having never defaulted in our international debts. We shall have the satisfaction of having met these commitments, not from a perennial flow of foreign aid, but from our own efforts. We shall have shown the world that, if there are some things that we need, there are others that we can spare and which the rest of the world needs. We could justifiably take pride in the fact that Indian iron ore is being transmuted, all over the world, into the capital equipment that goes to raise the standard of living of all peoples everywhere. This is the kind of chain-reaction that should be particularly pleasing to us.

There is another aspect of the matter. The Railways have a plan of their own to implement, if the movement of goods on an accelerated tempo is to be accomplished. In a sense, the success of the Railway Plan is a prerequisite to the success of the Second Plan as a whole. In grudging recogni-

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tion of this fact, the allocation for the Railways in the Second Plan, after having been cut, has been restored to the original figure. If the Railways could earn more on freight than planned for at the moment, and if such earnings could be achieved without undue strain, then the Railways would not only be increasing their own internal resources, but also reducing the pressure on general revenues. This is precisely what the programme of export of iron ore offers as a mere by-product. Movement from mine site to port of ten million tons of iron ore

annually will earn enough freight for the railways to solve their problems of finance. In other words, the movement of iron ore on the scale suggested will ensure the implementation of the Railway Plan. If the Railway Plan is a prerequisite for the success of the Second Plan, then, somewhat similarly, the iron ore export plan could be considered to be a prerequisite for success attending the Railway Plan. On this score alone, if on nothing else, we cannot afford not to go ahead with the programme outlined for intensifying iron ore exports.

Of course, you could not put through the scheme for iron ore exports unless you created the additional port facilities. Let us not clutter up the issue by speaking about the comparative advantages of Vishakhapatnam or Paradip as ports suited for this purpose. The fact is, that the Hooghly is geographically the best located for shipment of iron ore. The fact also is that the Calcutta port is overstrained with the cargo that it has to handle in respect of the industrial programmes that lie in Calcutta's hinterland. Whatever it is, a subsidiary port is, therefore,

inescapable. Such a port would, besides handling the export of iron ore on a grand scale, also help to reduce the congestion at Calcutta port by being an offloading centre for some of the heavier cargoes. It may be said, and it is certainly no exaggeration, we must pursue the iron ore export programme if only that it will, by reducing the congestion at Calcutta port, vouchsafe the speedy implementation of the industrial schemes in the potential Ruhr of India. (The latest developments in this regard are heartening. There is a move in Parliament to propose the creation of a subsidiary Port at Geonkhali or south of it. Mr Raghunath Singh, Mr Satish Chandra and Mr Upendranath Burman are to be congratulated for having taken the initiative in this matter).

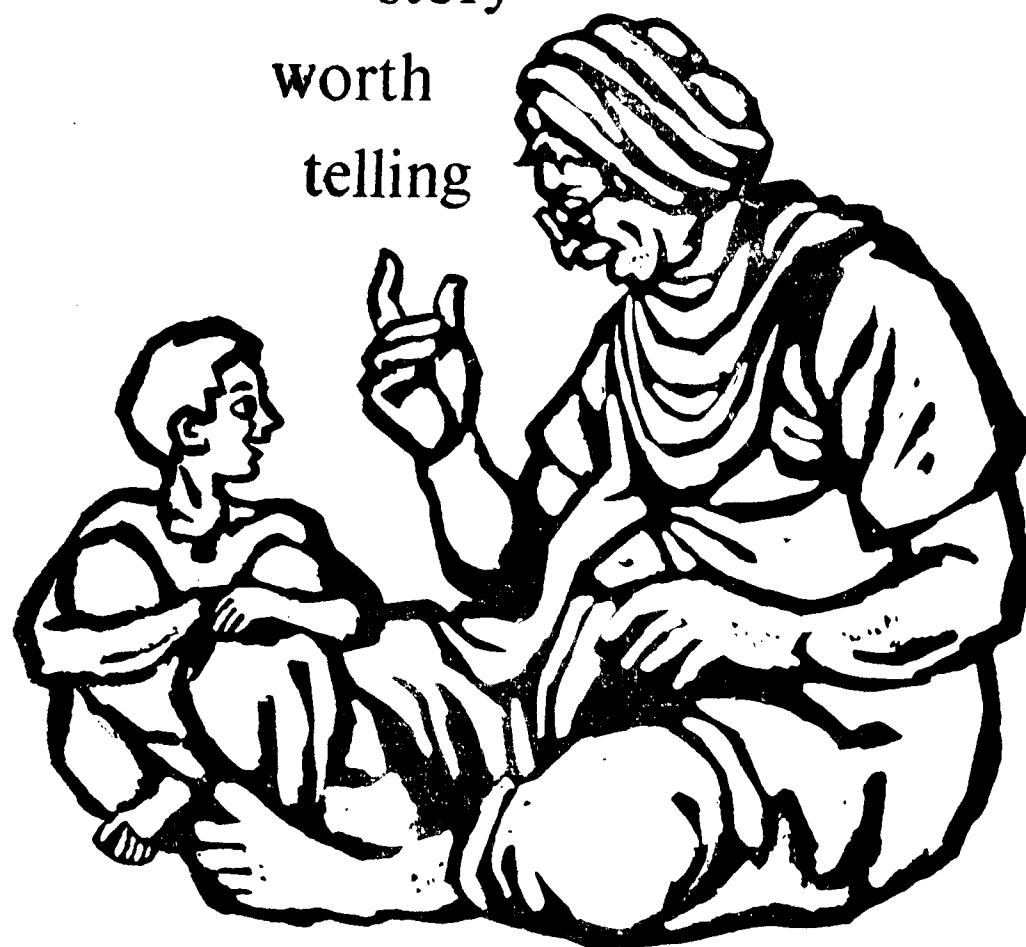
I come lastly to what is perhaps one of the most important basic inspirations behind the Second Plan. And that is to increase the purchasing power at the lowest strata and to provide employment for the millions that are unemployed. It is all very well to talk of steel and cement and machinery to make machines as the foundation of industrialisation. It is true that such an orientation will pave the way for a general improvement in the standard of living. There can also be no doubt that the implementation of such schemes will have a pronounced impact on the national income figures. But there is today's misery to be combated even while you lay the foundation for tomorrow's happiness. Such misery commonly takes the form of unemployment. Now, if Government really desire to increase employment opportunities, let them examine what export of iron ore has to offer in this regard. If Rs 50 crores are going to be earned in foreign exchange, then, the bulk of this Rs 50 crores will be disbursed among the hundreds of thousands of workers at the sites, who will be mining the iron ore. Employment opportunities will be created, without raising auxiliary problems as is the case in respect of the Ambar Charka. This is a consequence whose attraction can hardly be exaggerated.

What does it all add up to? Foreign exchange earnings on a vast scale; vouchsafing of self-respect; furtherance of the Railway Plan; the relieving of congestion at Calcutta port; new job opportunities; and freshly generated purchasing power. And the cost? In financial terms, a sum not exceeding Rs 50 crores, of which at least Rs 30 crores will easily be secured by way of foreign exchange credits from such countries as are interested in getting the ore from us. But in organisational terms, the scheme will certainly be more demanding. But where and when in this world has there been a thing that is worth doing that has not also been difficult?

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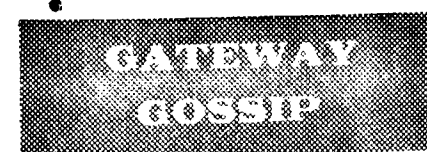
a story worth telling



Textile Machinery

Corporation Limited

April, 19 1958



INDIA has no doubt taken great strides in many directions in the past one decade. But the work that remains to be done is still enormous and as such requires sustained effort. The First Five Year Plan symbolises the first rung of the ladder of the nation's progress. The targets set under this plan have been achieved and we are in the midst of the Second Plan which is naturally much bigger than its predecessor. Within a short time of its commencement, however, the Second Plan has begun to encounter rough weather in the shape of paucity of foreign exchange. In other words the Plan has come to depend for its success on a factor over which we have little or no control. No amount of eloquence about our determination to go ahead with the Plan or the fact that we have been able to obtain a large proportion of our requirements in this regard through foreign assistance can hide this.

Another probable reason why our planned endeavour is meeting with serious difficulties is our attempt to do too many things all at the same time. The task is not a little complicated by the formulation of a socialistic pattern of society as the objective of the nation. The cumulative effect of the simultaneous initiation of effort in diverse directions can be seen in such phenomenon as our equally deep interest in the development of the Ambar Charka and atomic reactors.

The objective of socialism has given us an industrial policy which has divided industrial activity into two sectors. Though it is maintained that the public and the private sectors are complementary, there is nevertheless mutual suspicion and distrust between the two. The coal industry is the first to experience the full impact of the new industrial policy. The life span of the private sector in coal has been well defined. It will last as long as coal reserves in its existing collieries will last. In the meantime it is hemmed in all sides by diverse controls so that the people who are engaged in raising coal which is so essential for the success of the nation's endeavours, are going about their task without much enthusiasm.

Another industry that has also come to be reduced to a state of suspended animation under the new dispensation is the cotton textile industry. The fact that the handloom sector has a large share in cloth production has been seized upon to find a solution to the problem of unemployment. The result is the Ambar Charka programme and the pegging of production of the organised sector. It is still a moot question whether the handloom sector will be able to meet the anticipated increase in

the demand for cloth in the country in the next few years.

The situation in both the sectors of the industry at the present juncture is something that is quite different from what has been anticipated. Both complain of lack of demand and a heavy load of unsold stocks. Government have responded to the call of distress by a reduction of excise duty on all varieties of mill made cloth and a rebate for handloom cloth for two months. But no one is prepared to say confidently that the remedial measures will solve the problem of mounting stocks to any appreciable extent. The fact that offtake of mill cloth has not improved to any marked extent after the reduction of excise duty seems to indicate that the problem is much more complicated than has earlier been thought of.

According to the five non-official members of the All India Handloom Board "permitting unabated production of cloth, surpassing the domestic requirements and exports are leading to a glut in textiles". Production in textiles, they say in a joint statement, has outstripped consumption by leaps and bounds and has caused the present crisis in the industry. They point out that the mill sector during the first year of the Second Plan itself has reached the figure of 5,306 million yards with 5400 million yards in the second year as against a target of 5000 million yards fixed for it to be attained by the end of the Second Plan period. The solution they offer is a voluntary cut in its production by the organised sector. The reason that has prompted them to advocate this seemingly retrograde measure is that cloth consumption within the country has not grown as anticipated by the planners and the prospects for export are not bright.

Mr E. D. Sheppard, Chairman of the Kohinoor Mills Company Limited also seems to think that the difficulty of the industry has stemmed mainly from a lack of demand for cloth in the country. Speaking at the 63rd annual general meeting of the shareholders of the company last week he has drawn attention to the fact that despite "an ever-increasing population and greater earning capacity in the industrialised areas of the country, the demand for cloth has latterly fallen off." The explanation is to be sought in the food situation in the country. After pointing out that "it is an established fact that food prices and cloth prices are very closely linked and that if the price of food goes up, the demand for cloth goes down" he goes on to explain how the obvious first choice of the majority of the population in times of economic stress will fall on food with the purchase of cloth postponed for better times. This then

is the correct explanation for the mounting stocks with the mills and the handloom sector. Last year has been a bad year for the farmer and consequently for the entire population who have had to pay high prices for their foodgrains. That is to say that a goodly portion of their earnings has been consumed by food purchases leaving little to be spent on other necessities. Mr Sheppard's reasoning yields the logical conclusion that "until such time as the food position becomes easier with consequent lower prices, it is hard to foresee any real improvement in the Textile industry". He touches the crux of the problem when he says that "it is the financial position of the man in the street and agriculturist that dictates what prices can be obtained and what profits can be made by your mill and the whole industry".

While the consumer's inability to buy an adequate quantity of cloth has been mainly responsible for the accumulation of stocks with mills, the movement of cloth has also been retarded by the reduced holding power of wholesale and retail trades at all levels. The Wealth and Expenditure taxes coupled with the credit squeeze have rendered it extremely difficult for traders to invest in hard moving goods. Moreover, with the Government frequently altering the rates of excise duty merchants are chary of carrying large stocks due to the fear of incurring sudden losses.

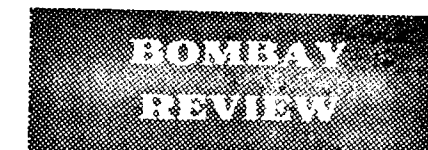
The inevitable consequence of the fall in demand has been the piling of stocks in mills' godowns. But there is a limit even to the holding power of mills. For sooner or later they will exhaust their cash balances and will be left with no other alternative but to find the cash for payment of wages and purchase of raw material and stores by somehow selling their finished products. Such a situation has arisen in the case of some mills during the past year as they have been forced to sell off a portion of their stocks at below cost price. Though it is true that not all the mills have been obliged to take recourse to this extreme step, the effect of the distress sales by some units has nevertheless been felt by the industry as a whole because lower prices offered by some have resulted in depressing the price level in the entire market.

Units which are engaged in the manufacture of sewing thread and yarn and those which produce coarse and medium variety cloth seem to have been the worst sufferers in last year's crisis. The fine count mills have had the advantage of catering to a section of the people who are not very much affected by the rise in food prices. Yarn production has been

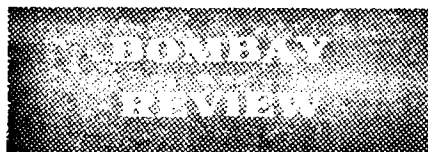
in excess of demand even in 1956. This overproduction has been largely brought about by the uncertain yarn export policy of Government. While the domestic industry has been unsuccessfully trying to cope with the vagaries of Government policy, the foreign consumer has turned to other sources of supply for his yarn requirements, and in recent years Pakistan and Hongkong have established themselves as suppliers of yarn in many markets previously served by India.

The continued uncertainty in the supply of cotton has also been a contributory factor for the difficult position of the industry. As import licences are given on a piecemeal basis advance planning has become difficult. The present quota system has turned out to be better than the former system but it has not much reduced the uncertainty. The need of the hour is a far-reaching system of import licences. The proper way would appear to be to work out an import policy for a 12 month period. The quantity that may have to be imported in a year can be arrived at as the country's resources and the mill industry's needs in a particular year can be forecast fairly accurately.

It may be argued that when such an important prerequisite as an increase in demand is absent, it will be idle to find fault with other factors for the present crisis in the cotton textile industry. The objection is quite valid as none can deny that the lack of adequate consumer demand has been the root cause of the trouble of the industry. It is, however, maintained that had it not been for the fiscal and monetary measures taken by Government in the past few years and especially during last year the industry would have weathered the storm successfully. As it is the new pattern of taxation has imposed a crushing burden and mills have had to draw from their reserves to pay the taxes. Mr Sheppard says that the Kohinoor Mills is called upon to pay taxes equal to 114 per cent of its assessable profit for the year. He finds no justification for the Dividends Tax. In his opinion it is the most regressive and inhibiting of the taxes. It not only penalises companies which have ploughed back their profits into the business in the past years but also directly affects the interests of the investors. With an additional direct tax on the return from their investments, it is not a matter for surprise that investors have shown little enthusiasm in fresh investments. Mr Sheppard accepts that taxation is inevitable but he says that "there is no reason why their form should not be simple and equitable".



Problems of Cotton Textile Industry



Progress of Automobile Manufacture

Production of automobiles in India continues to be well below the installed capacity. Against total assembling capacity on single shift basis of about 50,000 vehicles, the production in 1957 was only 30,604 vehicles. The growth of the industry is conditioned by the level of demand which continues to be low. Apart from the low level of income, taxation policy also tends to inhibit sales and output. Taxation in this field has passed the stage of diminishing returns, as indicated by Mr Lalchand Hirachand in his presidential address to the last annual meeting of the Automotive Manufacturers' Association of India. Within the limitations indicated above, the industry has made encouraging progress. From 13,926 vehicles in 1953, production has increased to 30,604 in 1957. It is expected that the industry in the current year will be manufacturing nearly 70 per cent of the components of cars and trucks. Ancillary industries for the manufacture of components like pistons, spark plugs, leaf springs, diesel equipment, etc., have been established and have made some headway.

The adoption of the recommendations of the Tariff Commission regarding levy of higher rate of duty on imported components, which Government have not seen their way to accept, will help indigenous manufacturer. The present rate of duty, Mr Hirachand points out, is hardly conducive to the development of the industry, as firms which have made some progress in the manufacture of components remain at a disadvantage. Progress in this direction will also be accelerated by a more liberal licensing policy in regard to the import of capital goods and raw materials required for the manufacture of a wider range of components. Such a policy will also make for economic utilisation of foreign exchange, as the expenditure incurred on equipment and materials will be compensated by savings on imports of components. Policy for automobiles should keep in view its important role in the development of road transport as well as its contribution toward the development of ancillary industries with a large employment potential.

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The Way Out

The merger of the Congress and the PSP parties has been advocated by Mr Jayaprakash Narayan in Bombay this week. He has, however, pointed out that the initiative in this regard should come from the Congress and particularly from Mr Nehru. The crisis in the national and international spheres requires a strong party enjoying the fullest confidence of the people at the helm of affairs in the country. Such a Government can be formed only by the joint efforts of the

Congress and the PSP parties. The principle enunciated by Mr Jayaprakash Narayan is that all democratic parties must merge to form a single party. But when the criterion of a democratic structure is applied to the major parties in the country, only the Congress and the PSP pass the test. Though the Communist Party seems to have become democratic in structure, its past history makes it necessary for the country to wait and see whether the change is real. As for the Jan Sangh, it appears to be quite alright on the outside but in reality it is a communal organisation and hence stands disqualified.

From the points of similarity between the Congress and the PSP it is rather surprising that the two parties are not already merged. Mr Narayan has pointed out that the two parties have a great deal in common. Each believes in the democratic way of life and each attaches significance to the dignity of the individual. Each wants to bring in socialism with a view to raising the living standard of the people and assuring them social justice and adequate opportunities for development.

Speaking a day earlier and at Ahmedabad Mr Asoka Mehta has dwelt on a similar theme. The PSP leader has warned the Congress that if the prevailing economic and political crisis in the country is to be resolved the Congress Party should first rejuvenate itself. Too many cracks have appeared in the organisation in recent months that it is almost a certainty that the mighty edifice will crumble to pieces if urgent remedial action is not taken by the leaders of the party. It is time Congressmen realised that they have lost touch with the masses.

That the Congress Party is not having a smooth time is becoming increasingly evident. The reverses in the bye-elections, the elections to the Council and the emergence of rival blocs each ever ready to pull down the other in the State Congress parties have demonstrated clearly that the main preoccupation of congressmen has become the quest for power. It is no wonder that they have lost touch with the people at large. But this tendency is not at all good for the party as congressmen will be judged by people in the next election not only by their record of achievement but also by their behaviour.

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Improving Investment Climate

It is generally accepted in the country that Government are now more sympathetic toward private enterprise than they appeared to be a year ago. The budget for 1958-59 together with the concessions announced by Mr Nehru during the general debate on the budget in the Lok Sabha has clearly demonstrated that Govern-

ment have started to think in terms of reliefs to the private sector. In the first place it has been made clear that the worst in taxation during the Second Plan period has already been seen. Secondly, Government have realised the need for taking measures which will enable the private sector to function efficiently. Small but significant concessions have been given in the shape of increase in the development rebate to shipping companies and a favourable revision of the regulations regarding the levy of excess dividend tax in the case of Section 23A companies. These have been followed by the abolition of the profit Deposit Scheme and the reduction of the excise duty on all varieties of cotton textiles. Above all the investor has derived considerable satisfaction from the welcome change in the attitude of Government toward private enterprise in general.

The cumulative effect of the various indications of Authority's better understanding of the problems facing private enterprise has been seen in the sizable improvement in the undertone of the stock markets during the past one month. While it is true the concessions given have served to revive confidence in the stock markets, it cannot be confidently asserted that all is well with the investment climate. For instance the amendment made in the regulations regarding the development rebate does not seem to be conducive to a broadening of interest in equities.

According to the deputation of the representatives of the Bombay Shareholders' Association which met Mr Morarji Desai, Union Finance Minister, last week in Bombay, a few more measures would be necessary in order to restore the confidence of investors. The Wealth Tax, it is contended, is inequitable and as such is reacting adversely on capital formation. The bonus tax of 30 per cent is prohibitive and the Excess Dividend tax has also a similar effect as that of the Wealth Tax. As is to be expected, the Finance Minister has not given any definite assurance but he is understood to have stated that the new situation arising out of the amendment of the regulations regarding the development rebate is under the active consideration of Government. But the deputationists should have derived considerable comfort from the fact that the Union Finance Minister recognises the importance of the investment market as an instrument in promoting the development activities with regard to the Five-year Plan. It is also significant to note that he has assured them that Government will be willing to consider and remedy the position wherever genuine difficulties appear in the way of industry and business.

New Pattern of Taxation

Speaking under the auspices of the Forum of Free Enterprise last week in Bombay, Mr Morarji Valdia, has pointed out that with the high level of taxation in the country it has become almost impossible to obtain the requisite risk capital. The new pattern of taxation has placed such a heavy burden on small and medium scale industries that the small man who finances the ventures is barely left with 6 per cent return on his investment. The fact that at the same time Government loans are yielding more than 5 per cent tax free has been largely responsible under the prevailing circumstances for the reluctance of people to invest in private enterprise.

The fallacy of the argument that the new taxation pattern aims at minimising the disparity in wealth will be seen if one remembers that the direct effect of the new taxation policy is the slowing down of private enterprise of all kinds. Mr Valdia says that of India's industrial labour, more than 45 per cent is employed by small and medium scale industries. Government's fiscal and monetary policies have adversely affected this sector also.

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Private Sector

Though it is maintained by Government spokesmen that Authority is equally interested in the development of both the private and public sectors, they do not seem to have achieved much success in convincing the business community of Government's impartiality. For, the spokesmen of private enterprise point out that if Government really want to see the private sector function efficiently they would not have imposed such intolerable burdens in the shape of new taxes. Addressing the members of the Federation of Indian Chambers of Commerce and Industry in Bombay early this week, Sir Homi Mody has pointed out that though the hard facts of the economic situation have induced a sense of realism in planning in the country in recent months, the tendency to ignore "considerations of men, materials and resources" in drawing up plans for the future continues unchanged.

The Second Plan has been drawn up on the basis of certain estimates in regard to foreign exchange, internal savings, deficit financing and production targets. These estimates have now turned out to be incorrect. Though Government seem to have decided to revise the Plan in the light of the new development, no clear cut programme has so far been chalked out. According to Sir Homi Mody even if all the financial targets are to be achieved, it is doubtful whether the physical targets can be realised in view of the rising costs and uncertain world conditions.

WORLD OF COTTON

THE smart recovery, witnessed after the reduction in excise duty on mill-made cloth, has proved short-lived. A feeling of uncertainty now prevails in the cloth and piecegoods markets, as the outlook has still not improved to the desired level. Dealers consider the modest setback in business as a normal reaction to the brisk turnover witnessed in the preceding weeks. Reports from the consuming areas, however, indicate that offtake is satisfactory. It is, therefore, hoped that replacement buying from these centres will revive in the near future.

In this connection, the Chairman of the Bombay Millowners' Association has stated that it is wrong to make any distinction between sold and unsold stocks lying with the mills, because so long as even sold stocks remain unlifted, the mills have to bear the burden of nursing these stocks. Again, there seems to be a wrong impression that two months' production is after all a normal and reasonable quantum of stocks. This might have been the case when prices were on the low side as in pre-war years. But, today, the value of two months' production will amount to as much as Rs 66 crores as against only Rs 10 crores in the pre-war years. He is, therefore, of the opinion that the prevailing cloth accumulations ought not to be viewed lightly and that any stock in excess of six weeks' production should be regarded as abnormal.

Meanwhile, the output of cloth, in March 1958, is provisionally estimated at 410 million yards. This compares with 453 million yards in the corresponding month of last year and 392 million yards in February, 1958. The production of mill-made cloth, during the first quarter of this year, has shown a decline to 1,239 million yards as against 1,371 million yards in the corresponding period of 1957.

Conditions on the export front have continued to be unsatisfactory as enquiries from foreign countries have not yet broadened. The unsatisfactory business conditions are reflected in the lower level of exports in the first quarter of the current year.

Shipments from Bombay, during the period January-March, 1958, amounted to only 165.62 million yards as against as much as 255.29 million yards in the corresponding period of last year. This shows a setback of nearly 90 million yards. It is even feared that the overall exports for the year may not reach last year's level unless shipments in the following months pick up considerably.

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FUTURES MARKET:

Prices in the cotton futures market developed a sagging tendency on renewed liquidation as

operators were reluctant to augment their stocks for the time being. Turnover was 15,000 bales. ICC Jharilla May delivery, after touching a new low of Rs 654.50 from Rs 659.25, finished better at Rs 654.75. August delivery moved between Rs 666.50 and 670.50, to finish at the former level.

The current situation in the market is expected to come up for consideration before the meeting of the Cotton Advisory Board on Thursday. Traders expect that the Board will recommend to the Government the export of 2" cotton and the extension of other export incentives. A suggestion to raise "floor" price by Rs 55 to Rs 550 per candy for the next season may also be considered at the meeting.

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SPOT MARKET:

In sympathy with futures, the Spot market also ruled quiet with modest demand noted for Jaydhar, Laxmi, Surti and Kalyan varieties. Cotton-growers and traders were perturbed over the reports of some mills reluctantly considering a curtailment of their output. Financial stringency, damage to the Vijay and Surti varieties and the absence of demand for exportable varieties also aggravated the situation. There were even reports that some mills were again in the market to dispose of their previous purchases of cotton. These factors made buyers to be cautious in their commitments, resulting in a decline in prices to the extent of Rs 50 pr candy. The fall in prices is reported to be heavy at upcountry centres, particularly in Andhra and Mysore. The marketing of the new crop in these two centres is reported to be in full swing, while Saurashtra and Gujarat have yet to market 30 per cent of their produce. The season has just commenced in Madras.

On the export front, shippers were disappointed to see that the export demand had not broadened and they were not able to put through sizable business with overseas buyers during the past two weeks.

In the foreign cotton section, listless conditions continued to prevail. The long-awaited announcement for the import of 30,000 bales of soft currency area cotton, stapling 1 3/16" and above, had fallen flat since earlier expectations were up to one lakh bales.

It is reported that importers have been asked to approach the State Bank of India for the payment procedure relating to Egyptian cotton. A clear picture of the procedure is, however, not yet available. With the result, many importers have not been able to put through any business. The general impression is that a discount of 21 per cent will be given to Indian mills for the purchase of

Egyptian cotton; but it has not been officially confirmed.

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STATISTICS:

Exports by rail from 1st September 1957 to 3rd April 1958 amounted to 164,758 bales. Estimated mill consumption in Bombay during the same period was 776,350 bales as against 790,164 bales in the corresponding period of last year. Estimated stock of raw cotton, held by exporters, dealers and mills in Bombay, on the 3rd April, was 606,769 bales as against 579,493 bales on the corresponding date of last year.

According to reports from Surat, 90,000 bales of cotton are lying unsold with ginning factories in Surat and Broach districts. The total cotton crop yield in this zone is expected to be about 1.40 lakh bales as against the normal crop of 2.25 lakh bales. Mostly co-operative ginning factories are reported to be holding stocks.

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KARACHI COTTON MARKET:

Conditions in the Karachi cotton market ruled steady. The steadiness was influenced by the expectation of the removal of export duty (Rs 80 per bale) on Deshi styles following the recommendation of the Pakistani Central Cotton Committee. The expectations

induced good buying support and cotton futures registered a modest rise. The rise would have been more marked, but for the continued slackness of foreign demand.

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NEW YORK COTTON MARKET:

Prices on the New York cotton futures market drifted lower as traders found only few incentives to influence the market. Light New Orleans and commission house selling caused prices to touch new lows for the week with final prices down by 35 to 65 cents a bale. Further switching developed from old crop May to deferred deliveries. Middling Spot was quoted at 36 cents per pound.

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LIVERPOOL COTTON MARKET:

Prices in the Liverpool cotton futures market continued to be depressed under the prospect of still larger unsold shipments of CCC cotton to this market between now and the end of July. Some longs were, however, transferring from the near delivery into more forward positions. The mixed contract came under light hedging pressure and the market closed quiet and steady. The Sudan contract remained unchanged and, with no fresh business, conditions remained inactive.

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Authorised Capital ..	Rs.	6,30,00,000
Subscribed Capital ..	Rs.	5,76,66,125
Paid-up Capital ..	Rs.	3,14,54,250
Reserve Fund & Other Reserves ..	Rs.	4,03,60,820
Deposits as at 31-12-57 ..	Rs.	1,55,14,50,664

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BOMBAY
REVIEW

BULLISH fervour has hit the Oil-seeds market with prices of both Castor-seeds and Groundnuts touching new high levels after several months. Although Linseed and Cottonseed reflected an easy trend early in the week, prices staged a smart rally towards the close.

Castor-seeds received fillip on brighter prospects of business in oil following the relief in export duty. There were even reports that some export business had already been put through. Shippers had been able to put through business for about 700 tons of commercial castor oil with the UK at prices ranging from Rs 114 to Rs 116 per ton. Although business with the USA, one of the major buyers, continued to remain out of question on account of the persisting disparity, operators were hopeful that the export picture would change for the better. Sentiment was also aided by the reports of a possibility of trade with Russia and East European countries and by the sharp rise in groundnut. Castor-seed May delivery, after touching a high of Rs 156.62, finished the week at Rs 156.50. Ready was done at Rs 30.25 and Castor Oil, commercial quality, at Rs 16.00.

The enforcement of margin at the rate of Rs 25 per candy in

Bullish Fervour Hits Oilseeds

Groundnuts did not deter the "longs" from exerting their pressure in view of the fact that the spot market continues to be buoyant with consistent good upcountry demand along with enquiries from vanaspati manufacturers. Continued firmness in Sarson and other edible oilseeds had its sympathetic effect, while there were indications that consumption trend in vanaspati continued to be higher. May delivery touched a high of Rs 170.50 and a low of Rs 168.75, to finish at Rs 169.50. In the ready section, bold quality was quoted at Rs 34.25 and Groundnut Oil at Rs 18.56.

Trading in Linseed was devoid of any special feature and prices generally followed the trend set by castor-seed and groundnut. May delivery changed hands at Rs 30.75 to Rs 31.06, while the ready rate was quoted at Rs 30.19 and Linseed Oil at Rs 16.06.

In the Cotton-seed section, May delivery moved between Rs 106.50 and Rs 107.50.

Gold & Silver

On the Bombay Bullion Exchange, Silver displayed considerable strength with values hitting new highs for several years. Bulls tightened their grip, as floating

stocks depleted with frantic covering by shorts accentuating the upward trend. Arrivals and off-take were balanced at 14 bars. Forward rates moved between Rs 198.12 and Rs 198.31, while ready changed hands at Rs 200.37 to Rs 200.56.

In the Gold section, prices after ruling firm early in the week, developed a slightly easier tendency towards the close due to profit-taking. Turnover was moderate. Arrivals and off-take were estimated at 4,000 and 3,000 tolas respectively. Forward rates moved between Rs 112.37 and Rs 112.44, while ready changed hands at Rs 113.00 to Rs 113.12. Sovereign was rather quiet at Rs 71.00.

Yarn

The recent sharp rise in Art Silk Yarn prices has not only revised the demand for increased imports, but has also led to appeals to indigenous manufacturers to maximise their yarn production and to ensure equitable distribution of yarn to actual users. While both National Rayon and Century Rayon have been permitted to expand production and also offered other facilities, Kohinoor Mill is ex-

pecting permission to associate itself with a Dutch firm to start a nylon plant.

As regards equitable distribution to actual users, the manufacturers point out that they have neither put up their prices nor withheld stocks. Only a few days ago, representatives of manufacturers, actual users and also Government decided on an agreed scheme of distribution which, they say, is being scrupulously observed.

After the natural excitement during the first week of this month, dealers and consumers have come to realise that the present level of prices for Art Silk Yarns in particular, have been unnatural, artificial and dangerous and that the rise was more due to unbounded speculation in the market amongst the dealers and not due to any genuine purchases.

As regards Staple-Fibre yarns, there has been a decline to the extent of 6 to 9 np per pound in almost all counts and qualities for ready delivery. June delivery is, however, quoted at a premium of Rs 9 per bale. The turnover has been much restricted and the future tendency is uncertain.

Imports of art silk yarn in Bombay, during March, were considerably lower at 11,35,466 pounds. Cotton yarn imports were 96,792 pounds; woollen yarn 3,068 and spun silk 99 pounds. There were no imports of staple-fibre and its yarn. Thus, imports of art silk yarn, during the first quarter of 1958, totalled 47,15,825 pounds; staple-fibre yarn 11,969; woollen yarn 3,064 and cotton yarn 2,224,208 pounds. Exports of cotton yarn from Bombay, during March, came to 838,245 pounds and cotton sewing-thread 33,551 pounds.

Non-Ferrous Metals

Trading in the Bombay Non-Ferrous Metal market continued to be at a standstill. The Government of India have named the Chief Industrial Adviser and the Development Officer, both at New Delhi, as officers empowered to issue permits for acquiring Copper. Enquiries made have, so far, not been able to throw any light on the delegation of powers to any officer stationed locally to issue such permits. However, it appears that buyers of copper will have to go to New Delhi for securing such permits.

On the London Metal Exchange, Copper is quoted at £172 per ton—the highest level touched being £175 on the 10th April. Zinc is quoted around £61 3/8. Lead remained very steady at £72 1/8; and there has been no change in the basic position of the metal. The Tin market remains inactive with the rate ruling unchanged at £730 per ton.

The New Communist Line

"I WILL aggravate my voice so that I will roar you as gently as any sucking dove; I will roar you as 'twere any nightingale". So, Nick Bottom, the weaver in Shakespeare when one of his obtuse fellow craftsmen objected that his rendering of the roar of a lion might frighten the Court ladies gathered to witness his play. Indian Communists in session in Amritsar last week would at first sight appear to have shown a similar concern for the more hysterical among their countrymen. As you may have read in the daily papers, the Communists have given their party a new constitution which mitigates to a great extent the strident roar of Proletarian dictatorship that was the avowed party line so far. Scepticism about the sincerity of the new changes will naturally be widespread; after all, the zig and the zag of Communist professions have a way of eating each other like the planet Rahu, which, according to the Indian imagination, is a serpent eating its own tail. But it is something of a miracle that, even as a blind, the party constitution should give formal respectability to peaceful means and parliamentary institutions. And what is even more of a miracle, and is not capable wholly of explanation in terms of the "thaw" since Stalin's demise, is the recognition of the right to form other political associations within the country. If this indeed represents the true mind of the Communists in India and elsewhere—for after all, Communism is nothing if not international—then the one tenuous justification for Mr Dulles in politics would have been removed. Even if the whole thing was a colossal pretence, it is some gain that formal homage for free institutions and peaceful means should have been wrested from those whose contempt for these things is part of a creed.

How far is the new line of the Communists a genuine change of faith? As I said, it is a legitimate question and none with even a bare acquaintance with endless resources in sophistry of the Communists—let alone active bad faith and practical double-cross—can accept these professions readily. For, what the changes add up to is nothing less than the complete disappearance of Communism as we have so far known it. The preamble of the new constitution discards the expression "dictatorship of the proletariat" and describes the party's aim as "the achievement of power by the working people, the establishment of people's democracy led by the working class and realisation of Socialism and Communism". More importantly, the preamble recognises that the party can achieve

this goal by "developing a powerful mass movement, winning a majority in Parliament and by backing it with mass sanctions". Of course, this is perhaps one of those rare instances in Communist doctrine where you come across theory following fact, instead of facts being sought to be bent on a prior reasoning. (Indeed, many would consider this return to the so called scientific method the most fundamental change in Communist theory and practice). Here again, doubts about the genuineness in the revolution in methodology will assail the cautious. With the example of Kerala before them, the Communists have perhaps learnt for the first time what others have known long before, that parliamentary institutions can be used effectively for bringing about basic changes in society. Indeed, the new policy statement is stated to be the result of integration of the theory of Marxism-Leninism with the realities of the Indian situation, with the experience of Indian history, with the tradition of the Indian people, with India's national peculiarities. If so, Indians can be proud of having "destroyed" Communism by peaceful means.

But most interesting of all, the preamble makes a bid to remove the force of the charge of political intolerance levelled against Communist parties of the world. It states that the party stands for "the right of political organisations for all, including those who oppose the government so long as they abide by the constitution". This avowal is interesting for a number of reasons. Firstly, it embodies a respect for the constitution which, in the light of experience elsewhere, sounds startling. (In justice to the Indian Communists, it should, however, be admitted that, in the last four years, their conduct in this regard has been exemplary. After the first futile attempts at fomenting contempt for the constitution in 1950 and one or two years thereafter, they have changed their line completely).

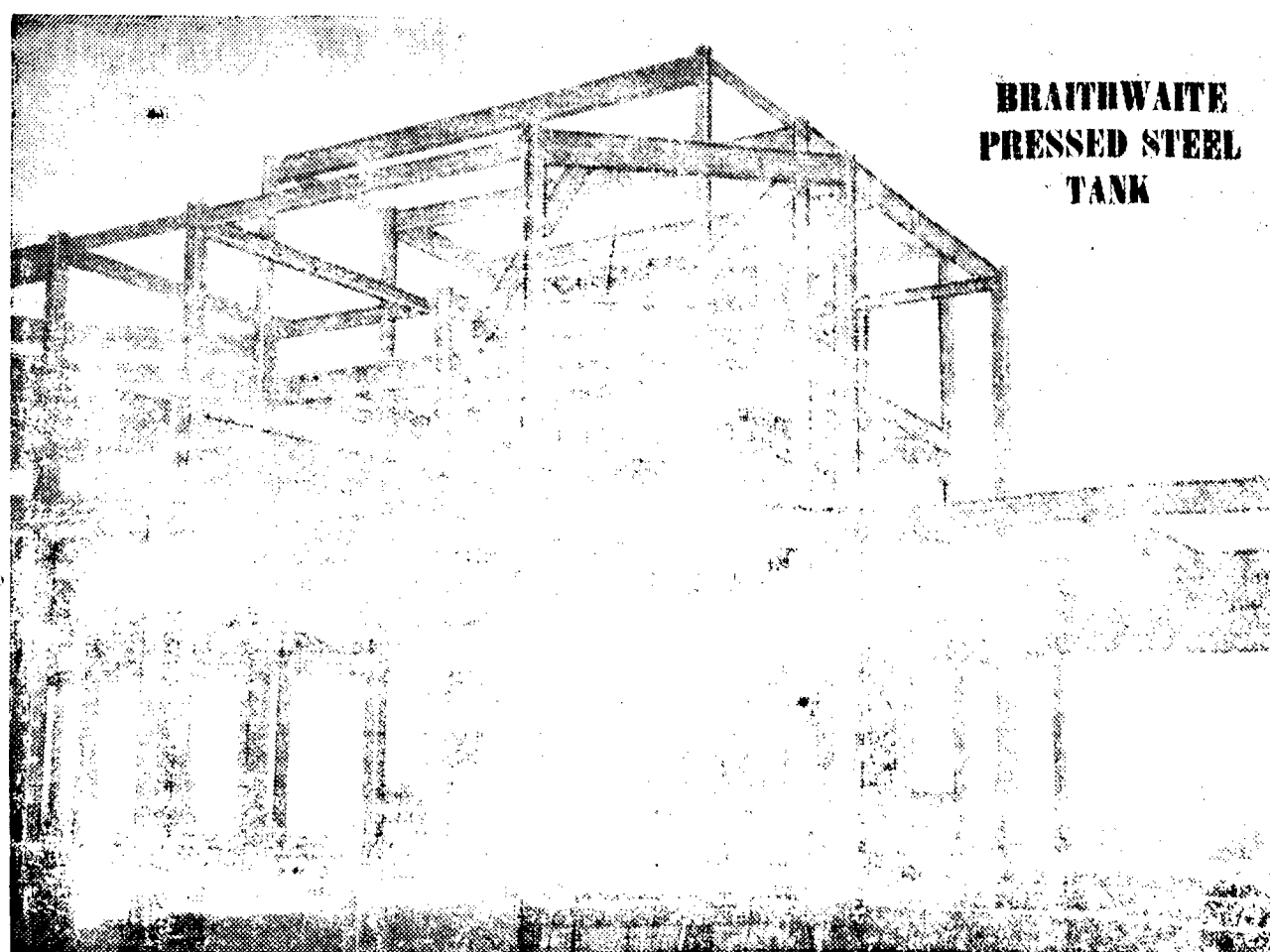
The second interesting fact is that the preamble talks of a right to form an opposition to the Government. It may be said that, since the Communists are still in the opposition at the national level and in all the States except one, nothing need be read into it. But that will be giving the statement a much less significance than it deserves. In the first place, even a theoretical assertion of the right to form an opposition is heresy according to Communist canon. Secondly, there is already a government by Communists in the country and therefore the recogni-

tion of right to oppose includes the right to oppose that government also. It is no answer to say that Communists dare not, situated as they are at the moment, suppress the other parties in Kerala. For, there was no need to write all this into the party constitution, and they have done it, which takes me on to the third point I wish to make in this context.

There is in this statement an assumption—how far conscious is more than I can say—that the Communists will soon be "The Government". And partly to indicate their policy when that happens and partly to induce people to vote them to that status by showing how reasonable they are, this undertaking to allow political opposition is given. In this connection, the present Communist mood in the country is exceedingly interesting to watch. It would appear to the outsider that this mood alternates between extremes of hopes and fears. The hopes are built partly on the fact that they have already formed a government, a fact whose effect on their psychology can hardly be overestimated. (In one sense, it can be argued, though I have no space for it here, that "Kerala" is a landmark in communist thought, both Indian and international, that is as decisive as the disgrace of Trotsky). But the principal nourishment feeding the hopes are what, according to the Communists, constitute the signs of disintegration of the Congress party. In a purple patch in their resolution, which is partly wishful thinking, the Congress is described as "increasingly isolated from the advanced democratic masses, corroded from within by dissensions and factional squabbles." The Congress, according to the Communist party, "is in a state of political and moral decline, in a state of chronic crisis which has deepened after the general elections". There is a good deal of force in the description of the state of health of the Congress party, as recent evidence of squabbles in the various Pradesh Congress Committees showed. But the Communists have a lurking fear that, firstly, the Congress prestige may still endure and may even be enhanced by fresh effort by the party itself and that they may have exaggerated the state of decline of the Congress. Secondly, they fear that the decline of the Congress does not automatically mean their stepping into the shoes vacated by the Congress. In this connection, the recent looking up in the fortunes of the PSP and the prospects of socialist unity must have been distinctly unpleasant news to them. As

against this, the Amritsar congress has shown a distinct improvement in the relations among the leadership of the party. Unlike at Palghat, when the throes of birth of the new policy brought to the fore sharp differences between the die-hards and the "liberals", at Amritsar there was marked unanimity of views. The adjustments following the change of party-line have attained a certain degree of permanence, and consensus has solidified itself in favour of the "liberals". Thus Dange and Joshi—the latter perhaps the only really genuine liberal in the Communist camp—vied with each another in supporting the new changes instead of fighting, as at Palghat, a bitter behind-the-scenes battle. There is, therefore a real chance that organisational streamlining will now follow this new accord among the leadership. And if there is one thing that the Communist party in India and elsewhere does better than others, it is organising. It is therefore, likely that, with the possibility of forming government three years from now, the Communist party machine will work with great vigour. Moreover, attempts to consolidate unity with the so called left forces in the country will become more strenuous. Here, the Communist expectations will be very modest, for the simple reason that the one real "left" alternative to the Congress, other than itself, is the PSP, and that party does not, even as a joke, consider the possibility of collaboration with the Communists. The PSP is apparently not impressed by all these attempts at giving a "face-lift" to party dogma. It thinks that the new look is but an attractive talcum powder that hides the same old ugly skin, and it will be a fool to be seduced by it.

As for the Congress, its general secretary has already come out with a statement that it is not impressed by all the new changes in the party line. But one detects a certain smugness in Mr Sriman Narayan's denunciation of Communist tactics. Despite last month's deliberations over the state of the party's health, the public has not yet felt any sense of urgency among Congress leadership. On the other hand, one senses a profound ennui, an unwillingness to set about reforming the organisation. There is an unmistakable tendency to allow things to drift in the hope that everything will turn out all right. Unless Congress leadership pulls itself together and does something to restore the vitality the party has obviously lost, the Communists will be able to sell their new line more easily than they themselves hope.



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DELHI REVIEW

Mr K. D. Malaviya, Minister for Oil, disclosed in the Parliament that the oil Companies operating in India, did not yet agree to a price cut of petroleum products as proposed by the Central Government. The Minister declared the intention of the Government to take recourse to other means to have the prices of these products reduced, if the interests concerned did not ultimately agree to their proposal.

The burden of Mr Malaviya's speech indicated that the Government were pretty serious in taking up a most ambitious programme for prospecting and processing of oil with immediate effect. He made it clear that prospecting of new oil fields was of vital importance for the country not only to meet the ever increasing requirements of an expanding economy, but also to conserve the much needed foreign exchange, drained out every year on this account. It was learnt that the Government proposed to undertake drilling at four places in the country, Cambay, Hosierpur, Janauri and Sibsagar, during the coming year. The Minister was very hopeful about the drilling operation undertaken at Jwalamukhi, where work was temporarily impeded by an accident.

Speaking about the two proposed refineries in the public sector,

Mr Malaviya declared that the refinery at Gauhati, with a capacity of 1 million tons, was expected to go in for production by 1960. The one proposed to be set up at Barauni would take some more time, as refining could be undertaken only after the pipe line was extended from Nahorkatiya to Barauni.

It was learnt that the Government were desirous of having Kerosene and Diesel base for both the refineries, in as much as the demand for Kerosene and Diesel was expected to go up by leaps and bounds during the next few years. In fact, the Government could visualise the prospect of Kerosene produced in India being insufficient to meet the growing demand. According to a moderate estimate, a million tons of crude oil would produce only 22 per cent of the total requirements of Kerosene. The Government were trying to find out if the wax content of crude oil could provide a suitable substitute for Kerosene. Mr Malaviya dispelled the fear that the Government had any intention of handing over the management of the proposed refineries to outsiders. He emphasised that they were determined to keep the control in their own hands, as the price policy was to be fixed up by them.

Oil Prospecting

Manpower Planning

Manpower planning is of recent origin in India. Its importance to a country which aspires for rapid industrialisation needs no stressing. For without increases in per capita efficiency which adequate manpower planning alone can bring about, the pace of progress in industrial development will remain tardy and slow. Manpower planning has been defined by Mr John Haillard, manpower consultant from the Ford Foundation as a rational development and efficient utilisation of the human resources of a nation to attain the major objectives to which the nation had committed itself.

In India the need for manpower planning has been recognised and provided for by the establishment of a Cabinet Sub-committee, of a Manpower Directorate at the Centre and of its counterpart in the various states. In relation to the needs of the developing economy and as compared to the achievements of some of the advanced countries of the West, the scope for intensifying efforts to increase efficiency is very great. Against a total number of 6,00,000 engineers in USA and 7,00,000 in the U.S.S.R. the number of engineers in India was only about 70,000.

Only, provision of increased facilities for training in scientific and technological lines could ensure an adequate number of trained personnel. Speaking at the conference of Manpower Officers of State Governments in New Delhi, Pandit Pant, Union Home Minister, stressed the need for mobilisation of the technical resources of the country in the interest of raising efficiency.

In its negative aspect the problem of manpower planning involves the abolition of waste and duplication of efforts at all levels of national activity and therefore calls for effective correlation of programmes of development and training of personnel. As pointed out by Pandit Pant this can only be ensured through proper change in the educational curricula in the various States to suit the needs of planning and development.

It is of the essence of manpower planning that it involves rational assessment of the requirements of future, and provision of the needed facilities. According to Pandit Pant the success of manpower planning in our country depends on the correct assessment of the situation in the States and he has therefore suggested that the States should confer among themselves so that their resources could be pooled to meet their needs for different kinds of technical manpower.

Tribal Welfare

Progress in the welfare of the scheduled castes and tribes, in spite of the many schemes that have been launched to expedite it, has been deplorable. The report of the Commissioner for scheduled castes and tribes for last year which revealed great gaps in the schemes for the welfare of these people and the actual implementation of the programme, brought this into high relief. The report was generally critical of the attitude of the State Governments in the matter of implementation of the programmes meant for the advancement of the backward people in their States and underlined the need for greater attention to be paid to these matters.

So, it would be only with a guarded sense of optimism that the latest scheme prepared by the Central Government for the welfare of the tribal people would be received. The scheme is intended to achieve rapid improvement in the economic and social standards of the tribal people, and envisages setting up of 43 special multi-purpose development blocks each costing Rs 27 lakhs in the States and Union territories.

The important schemes include the setting up of training institutions, and establishment of cottage industries and training cum production institutions. While nearly 825 cottage industries centres are sought to be established, the target for training covers about 11,000 persons. In addition, 87 industrial and technical training centres are also programmed to establishment.

A plan to start shifting cultivation control scheme is proposed for weaning the tribal people away from the harmful practice of felling trees in the hill districts. This plan is meant to benefit about 27,000 tribal families and is estimated to cost Rs 3 crores over the Plan period. Special housing schemes are an important part of the Second Plan development projects for scheduled castes and other backward classes. The target for the Second Plan in this field is construction of 325,000 houses and 20 colonies as against the construction of 9,000 houses and establishment of 31 colonies already achieved under the First Plan.

The most important feature of the development work contemplated under the Second Plan is the setting up of five technical institutions for tribal students each costing Rs 15 lakhs and offering training in mechanical and civil engineering. On the whole, a rapid improvement in the economic and social status of the tribal people is expected in the course of the Second Plan, and the total allocation for this purpose amounts to Rs 91 crores against Rs 39 crores in the First Plan.

NORTH INDIAN MARKETS

April, 19 1958

NORTH INDIAN MARKETS

ACCORDING to the latest reports, the Sugar manufacturing season is gradually coming to a close and about 50 per cent of the factories will stop their crushing operations this month. At the same time, the continued availability of sugarcane in certain tracts and the remunerative price structure for the sweet commodity may enable some factories to work till June 15. On balance, the total output of crystal sugar is expected to be around 20.6 lakh tons, a little higher than that of the last season.

Production and despatches of indigenous sugar amounted to 17.13 lakh tons and 8.08 lakh tons upto March 31 in the current season as against 15.44 lakh tons and 8.37 lakh tons respectively in the corresponding period of last year. Stocks with the factories, as on the 31st March 1958, stood at 13.34 lakh tons as compared with 12.35 lakh tons on the corresponding date of last year.

With an assured internal market for about 18 lakh tons and comparatively stable prices throughout the season, it is generally expected that the industry will have another good year. It appears that the Government are not still inclined to do away with the practice of monthly releases in view of the fact that the gap between production and demand is not so large as to rule out cornering of stocks.

So far as the export prospects are concerned, the sharp fall in world prices has caused a substantial element of uncertainty about the fulfilment of the export target. It is understood that the Food and Agriculture Ministry is considering proposals for increasing internal prices of sugar to subsidise exports to enable the industry to compete in foreign markets where prices have lately fallen sharply. Should an increase be decided upon by the Government, it is unlikely to be more than Re 1 per maund. But, the Indian Sugar Mills Association had suggested a compulsory levy on factories of Rs 2 per maund of production to build up a fund to subsidise the exports. Final decision in this regard is, however, expected only by the end of this month.

The resultant rise in internal prices, it is stated, is not going to be more than a rupee per maund. If the Government take a decision, the consumer will have to pay only 2½ paise more than what he is paying now. The proposed small increase in the internal prices of sugar will not, therefore, cause any undue strain on the consumer. This is a sacrifice which the consumer can readily make in order to enable the country to earn more of the much-needed foreign exchange.

Meanwhile, sugar markets are ruling quiet as the supply position

Outlook for Sugar

is reported to be satisfactory. Following ex-mill delivery prices (per maund) are quoted in the Hapur market:—Meerut (D-28) Rs 35.69; Khatauli (B-29) Rs 37.62; Iqbalpur (C-29) Rs 36.37; Rampur (B-29) Rs 36.75; Mansoorpur (B-29) Rs 37.75; Daurala (B-29) Rs 37.00; Amroha (B-29) Rs 34.94 and Bijnore (E-29) Rs 34.87.

Khandsari

The market for Khandsari continues to rule steady, thanks to good demand. Production is reported to have increased considerably this season in Uttar Pradesh and Bihar, which is expected to be around 3 lakh tons as against 1.5 lakh tons last season. Rates are moving between Rs 28.00 and Rs 32.50 per maund, according to quality.

Gur

The Gur market in Hapur rules rather quiet in the absence of fresh demand, the rate having declined to Rs 15 from Rs 15.75 per maund. Arrivals have declined to an average of 500 to 600 maunds daily, while stocks have continued to be unchanged at 1.40 lakh maunds.

Total arrivals, from the beginning of the season, are put at 3.90 lakh maunds as against 4.5 lakhs maunds in the corresponding period of last season.

In the Muzaffarnagar market, prices have developed a slightly easier tendency and arrivals average 2,000 maunds. Total arrivals up till now are estimated at 8.75 lakh maunds, while stocks are placed around 3.00 lakh maunds. Chakku Minja is quoted at Rs 16.75 to Rs 17.75 and Ruskat at Rs 12.50 to Rs 13.50 per maund.

Foodgrains

Quietly steady conditions have prevailed in the Hapur Foodgrains market. Wheat, average quality is quoted at Rs 15.25 and farm variety at Rs 17.00 per maund. New crop arrivals are higher at an average of 150 maunds daily and the entire arrivals are being lifted by consumers. However, arrivals of new Barley are scanty, while Bejher arrivals have improved to an average of 125 maunds daily. Prices are ruling steady as both these grains have been attracting good consumer demand. Other Coarse grains remain almost unchanged. Heavy arrivals, both locally and from East Uttar Pradesh, coupled

with the credit squeeze by banks have accounted for the fractional fall in the prices of Peas. Arrivals of new Arhar have begun in small quantities.

In the Delhi grains market, wheat prices were soft due to some arrivals. The market for Gram also rules quiet, following better supply in the main producing areas. Rice rates have registered small losses due to continued good supply. Among Coarse grains, Jowar is easy on lack of marked enquiry against better arrivals. The Pulses market rules generally firm on improved demand.

The Bombay grains market has disclosed an easy undertone and the setback in prices is attributed more to the subdued consumer interest than to any other significant developments. The Rice section presented an easy appearance, mainly due to the improved supply position and unusually small demand. In the Coarse grains section, Bajra has become cheaper by about Rs 5 per candy, while Jowar prices have moved down by Rs 2 to Rs 3 per candy in sympathy. Pulses have reflected an all-round easiness. The decline is attributed to selling pressure induced by liberal supplies.

How banking serves the SPICES INDUSTRY

There is tremendous demand throughout the world for pepper and cardamoms, and South India produces the bulk of these spices. One-third of the entire world demand for pepper is grown between Karwar and Cape Comorin; and in 1951-52, India's exports earned more than Rs. 27 crores.

Within the last ten years there has been a remarkable increase in cardamom growing, particularly in the South Indian states of Mysore and Coorg, and the districts of Madurai, Tirunelveli, Malabar and Coimbatore.

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Education in Madras

THE current budget session of the Madras Legislature has many achievements to its credit most notable of which has been in the educational field. The budget has made provision for expenditure on education for a sum of Rs 12.04 crores which amounts to about 20 per cent of the total revenue receipts of the State Government. The division of this total as between different types of education in percentage term is 53 per cent for primary schools including higher elementary schools and Basic schools, 21 per cent for Secondary Education, 15 per cent on University Education and 7 per cent for teacher training schools. In the course of the general debate in the Legislature on the educational policy of the Government almost all members expressed satisfaction at the increased sum set apart for expenditure on education.

The review of progress of education in the state as given by Mr Subramanian in the course of his speech on the educational policy of the Government reveals tangible improvement in the facilities and the number of candidates in the different grades. While in the first year of the Second Plan the number of children in the elementary schools increased by 1,17,000, the number of students in the primary schools increased from 22.03 lakhs in 1953-54 to 27.76 lakhs in 1957-58. The number of teachers employed in all the primary schools is also shown to have increased from 79,900 in 1956 to 86,300 in 1957.

As regards collegiate education progress was confined to conversion of the old system of education into the new pattern of a three year degree course with the pre-University course. The total number of institutions in this sphere comprised 18 in the pre-University

and Intermediate level and 35 degree colleges. Programme for expansion of technical education envisages development of the five Government Polytechnics, starting of two more post graduate courses in the Engineering College at Guindy and the establishment of a Higher Technological Institute for which sanction has been given by the Centre.

The Government have also introduced some new measures to give a fillip to education in the State, such as the provision of free mid-day meals to children and pension schemes for teachers. While the first one is intended to spread literacy among the poorer sections of the people, the latter is aimed at improving the quality of education by attracting qualified teachers to the profession. This latter measure has particular importance in view of what Mr Subramanian has revealed as the paucity of trained teachers in the State. The number of trained teachers has according to Mr Subramanian declined consequent on the recruitment of the non-trained S.S.L.C. teachers in single-teacher schools.

The policy of the Government in regard to primary schools has been indicated by Mr Subramanian as one of converting them into Basic schools in accordance with a phased programme and at a pace consistent with the availability of teachers trained in basic education. The number of schools that have been so far selected for conversion into basic schools is 1,000.

While in regard to elementary education, the record and policy of the Government are above criticism, the same could not be said about the state of affairs in the secondary and university education. Though the number of students in the secondary stage has shown an

increase from 4.4 lakhs in 1956 to 5.2 lakhs in 1957 and is further expected to increase to 5.8 lakhs at the end of 1957-58, the public in general have been aware of a general deterioration in the standard of education in the Secondary level. Paucity of trained graduate teachers, which according to Mr Subramanian himself almost reached a critical point last year is believed to be at the root of this defect. Mr Subramanian has attributed this to the reluctance of graduates to join teacher training institutions. Whether the extension of the pension scheme to the teachers in the secondary schools as announced by Mr Subramanian would be sufficient incentive in improving the strength in the training colleges remains to be seen. But a better course would have been to raise the pay of the teachers to a level which gives inducement for them to choose the teaching profession.

In the collegiate level Mr Subramanian has referred to the problem of lack of sufficient finance needed for the smooth and rapid transition from the old system into the new one of three-year degree course. Further he has also referred to the decision of the Government in favour of a changeover in the medium of instruction in the University level from the English language to the mother tongue, and in support of this he has stated that there is no longer any controversy or difference of opinion on the need for this changeover.

Unless he bases this on mere popular sentiment the claim made by Mr Subramanian about the non-controversial nature of the demand for the grafting of the mother tongue as the medium of instruction in the Universities is rather untenable. Leading men in public life in the State including educationalists have been generally in favour of retaining English as the medium of instruction at least in the University stage and have warned against deterioration in the standards of education which would result if the present system is discarded. If in contravention of the opinion of those who could assess better, the merits of the different media of instruction the Government should plump for the mother tongue this only suggests an emotional approach which is more capable of hindering education than helping it.

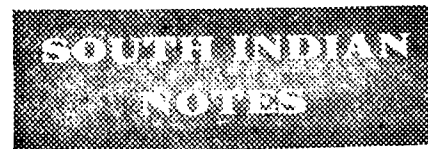
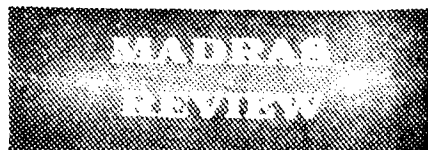
The introduction of the mother tongue as the medium of instruction is envisaged in two stages, Humanities being favoured for the experiment in the first instance, to be later extended to the scientific studies. The effect of this experiment would be to place students of Humanities at a disadvantage in the matter of job opportunities as compared with students in Science. For during the period when mother

tongue is the medium of instruction only in Humanities, job opportunities for the former would be confined to the State alone, while science students would certainly enjoy an all India market. The narrow scope for employment which education in Humanities at present provides would thus be still further reduced for the students in Humanities in Madras.

But the most important of the problems which the educational authorities as well as the State Government are faced with is the outbreak of indiscipline among the student community. The public in South India as well as the University authorities for whom the safe conduct and good behaviour of the students in the South was a facile assumption were rudely shaken in their belief by the recent happenings in the Annamalai University. The whole incident was set off by what is believed to be the misbehaviour of a watchman towards a section of students and culminated in the closure of the University and the postponement of the University examination.

Though this was the first and only instance of such indiscipline to occur in the South, the nature of the crisis and the result to which it led have considerably perturbed the general public. It is the triviality of the cause which started the trouble that has been the real source of worry to men in general. In the Legislative Assembly the leader of the P.S.P. group confessed to a sense of sorrow that the students should have so deplorably deviated from their earlier record of fighting for worthier causes. The leader of the Communist group though he was inclined to find fault with both the students and the University authorities for this unhappy incident did not fail to stress the need for keeping discipline among the students.

There is a section of opinion in the State which would explain this in terms of party alignments among the student community in the South, and the influence of the DMK in the Annamalai University is further mentioned as a strong factor in this situation. Though this offers no basis for apportioning blame especially when there is no evidence of overt encouragement, the need to keep the students away from party politics is obvious. As pointed out by Mr Subramanian the full return for the money spent on education would only be got when educational institutions were run as handmaidens of power politics. The move to appoint a Committee of the leaders of parties in both the houses of legislature, as suggested by Mr Subramanian, to go into the whole matter is therefore to be welcomed.



The stability of the cashew industry, mainly an export industry, earning foreign exchange of about Rs 14 crores annually, is a matter of vital importance not only to the economy of Kerala but also to that of the whole country. But a variety of factors of which shortage of raw materials is the most important has left the industry in a state of impaired efficiency.

The shortfall in internal production of raw materials on the basis of the requirements of the factories for full working has been estimated at a little more than 1 lakh tons. While the estimate of raw materials needed by the industry is of the order of about 2 lakh tons, internal production amounts to less than 70,000 tons. Even imports which in the last year were placed at about 93,000 tons, were insufficient to meet the needs of the industry for raw materials fully. The effect of this on the working of the industry in Kerala was to leave a wide gap between capacity and utilisation.

Though, thus, the need for increasing indigenous production of raw materials is great, prospects for an early increase of production to the full extent of the present gap do not seem bright. Speaking at a conference of the representatives of employees' and employers' associations in the cashew industry at Trivandrum, Mr K. P. Gopalan, Minister for Industries in the Kerala Ministry, pointed out that while at least 40,000 acres of additional land would have to be brought under cashew cultivation to ensure self-sufficiency in raw materials, the scheme for additional cultivation of cashew in the Second Plan covers only 13,000 acres.

The formation of a trading corporation as suggested by Mr Gopalan, for procurement and distribution of raw nuts is therefore to be welcomed. Competition for raw materials which is bound to arise in conditions of limited supplies can be allowed to continue only at grave risk to the stability of the industry. The utility of the corporation would be greatly enhanced if marketing of processed kernels is also brought under its operation. Uneven expansion of the industry in such circumstances could only lead to more difficulties by aggravating raw material shortage and therefore such expansion has to be controlled with reference to possibilities of enabling the industry to utilise its idle capacity. The extension of the Industries (Development and Regulation) Act of 1951 to the cashew industry as suggested by Mr Gopalan has justification in this need to prevent unregulated growth of the industry.

Diversification of exports of cashew is another field in which

much remains to be done. The present dependence on the US for 80 per cent of exports has according to Mr Gopalan adversely affected prices for processed nuts in the Kerala State. It is therefore gratifying that new markets are being explored in such countries as France, Italy, Switzerland and the U.S.S.R.

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Regulated Markets

Regulated markets for agricultural produce is an important line of agricultural reform in which progress has not corresponded to expectations. Basic legislation for the regulation of markets is still absent in a number of States including Assam, West Bengal, Bihar, Uttar Pradesh, Rajasthan and Kerala. The number of wholesale markets in the country remaining outside the purview of such regulatory measures is about 1,300.

The object of the scheme of regulated markets is to eliminate the malpractices current in most of the markets for agricultural produce and thus to reduce the spread between the price received by the producer for his produce and the price paid by the consumer. This price spread which at times is as much as the price received by the producer and which is appropriated by middlemen is a measure of the extent of the parasitic living which unregulated marketing has encouraged.

But marketing regulation intended to secure to the cultivator his due share of the price paid by the consumer depends for its success on measures for standardisation and grading of produce by the producer. The Agmark scheme is intended to supply such standards and grades for various agricultural produce. Implementation of the various schemes for the regulation of markets, promotion of grading and standardisation etc also calls for adequate technical personnel to undertake the work relating to reform of the marketing structure.

The Government of India have opened two such training centres one at Sangli in the Bombay State and the other at Hyderabad in the Andhra Pradesh. Inaugurating the training Centre at Hyderabad Mr Thimma Reddi, Minister for Agriculture urged the need for taking effective steps to see that the regulated markets fully benefited the farmers and secured them a high share of the price paid by the consumer. With this view he made the suggestion that the market committees should make available to the producer-sellers market intelligence in a form that could be understood by them.

Cashew Industry

Bharat Electronics

The review of progress of the Bharat Electronics as made by Mr A. K. Ghosh, the retiring Managing Director of the company in the course of a press conference which he held at Bangalore, is largely disappointing. As against a production target of Rs 50 lakhs worth of equipment in the first year of production, 1956, and Rs 200 lakhs and 300 lakhs in the second and third year respectively, actual production figures were only for Rs 1.47 lakhs Rs 20.42 lakhs and Rs 48.33 lakhs worth of equipment for the years 1955-56, 1956-57 and 1957-58 respectively. Difficulty in obtaining orders was, according to Mr Ghosh, the reason for this lag in production.

The capital expenditure incurred by the company also reveals a gap as compared to the original estimate of such expenditure made at the time of sanctioning the scheme six years ago. While the estimated capital expenditure was Rs 700 lakhs, the expenditure so far incurred, according to Mr Ghosh, was Rs 243.48 lakhs.

The important items in the production list of the company at present are a general purpose receiver, a transmitter, and a man-pack VHF trans-receiver. While these are of French origin, the company also, according to Mr Ghosh has two items of indigenous origin viz, a Rawin transmitter designed and developed at the Bharat Electronics and some studio equipment being produced in collaboration with the engineers of All India Radio.

The redeeming feature of the working of the Bharat Electronics is the cheap production of transmitters. While, according to Mr Ghosh, the French imported ones cost Rs 47,000, the BEL transmitter was offered at about Rs 35,000. Mr Ghosh also envisages cheap manufacture of radio valves in the Bharat Electronics, and has pointed out that while a set of five valves of foreign make cost Rs 25, the BEL could manufacture them at a cost of Rs 12.5-0.

The proposal for the manufacture of valves is according to Mr Ghosh awaiting the sanction of the Central Government. This is credited with great possibilities for providing largescale employment to Indians, and preventing the large drain of money from out of the country. The target for the manufacture of radio valves is about 15 to 20 lakhs a year. The manufacture of X-Ray tubes is also indicated as a possibility.

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Development Works

Kerala being one of the backward States in the country, developmental works have great importance for the economy of the

State. The satisfactory progress of these development works as disclosed in a recent review of the activities of the Kerala Government Public Works Department is therefore a matter for gratification.

The noteworthy feature in the progress of the development works was the inauguration of the four new major irrigation schemes namely Kattampally, Cheerakuzhi, Thannirmukham regulator and Pothundy. The Thannirmukham scheme has as its object the protection of the Kuttanad area from danger from floods and salt water and is expected to benefit an area of 1,21,000 acres. The other major irrigation schemes such as the Periyar valley scheme, and the Malambuzha scheme are also reported to be progressing satisfactorily.

Anti-sea erosion works and inland navigation constitute the other lines of developmental activity. The Government have plans for improvement of inland navigation on the basis of the report recently made into ways and means of improving inland navigation in the State. Greater progress in this field is envisaged for which a special circle has been formed to study the potentialities of the rivers in the State. About 21 works amounting to Rs 3.41 lakhs are reported to have been sanctioned by the State Government upto January, apart from those included in the budget.

As regards power, the Government have a programme for electrifying 1,344 additional village areas during the present Plan period. For the year 1958-59, the target is to extend electric supply to 396 new centres at a cost of Rs 1.20 crores. The electrification of 396 villages during 1958-59 is expected to benefit nearly 22,805 consumers and also provide 10,963 street lights in the State. In its electrification policy, the need to remove the disparity between T.C. and Malabar has also been kept in view. While only those places which yield more than 6.5 per cent as revenue return have been selected from the T.C. area, places which yield 5 per cent and more have been selected from Malabar for electrification.

To meet the growing requirements of Malabar extension of transmission lines from the Hydro-electric system in the State has been proposed. The three important schemes in this connection are the transmission line from Trichur to Palghat, another from Chalakudy to Kozhikode and the third from Cannanore to Kasargode. While the two latter schemes are expected to be commissioned by 1959-60, the transmission line from Trichur to Palghat has nearly been completed.



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M. J. MacLaren
General Manager.

SUBSIDY INDIAN MARKETS

THE Rubber Board has announced its revised replanting scheme, which provides for the replanting of Rubber in 70,000 acres of land. The scheme is in the process of being implemented from 1957. The subsidy to be granted under the scheme will be on a slab basis. Apart from the subsidy, additional financial assistance will be given to small growers whose estates are not more than 10 acres in extent.

The minimum planted area, to be replanted in a year, should be either one acre or part of an acre if that part is the only area remaining to be replanted in the estate after replanting either under the scheme or otherwise. If the number of trees standing on any one acre of land in an estate is less than 30, that area of land is not eligible for subsidy.

The weather is now reported to be favourable to rubber production, which is expected to increase over last years. This increase will not, however, offset the increase in demand, as manufacturing plants have been expanding and their consumption requirements are well ahead of any likely increase in estate production. One of the largest expansions in manufacturing capacity is Firestone's at Bombay. Steady enlargement of other factories has also been going on.

Coffee

The high expectations of a record Coffee crop of over 50,000 tons for the coming year are now defin-

Revised Rubber Planting Scheme

tey on the wane as seasonal conditions are causing anxiety. According to a Coffee Board Press release, blossom showers have been delayed and have, in some cases, occurred very scantily. The current crop, just harvested, is estimated to reach very nearly 40,000 tons as against the Board's estimate of 27,000 tons.

The Board exported for sale, in April, only 1956-57 stocks in order to close the Pool accounts for 1956-57. Total export sale, out of the 1957-58 crop, till the end of March, were placed at 1,650 tons. Prices realised have not, however, been satisfactory. This factor is causing most concern among growers. The margin over internal prices is also reported to be narrowing down with each successive sale and the latest of the series has brought prices to quite near internal levels. The Marketing Board is, it is understood, said to have voted against a more realistic price fixation for releases from the Pool. If export prices fall, the subsidy, now allowed for fixing internal prices, may have to go.

Contrary to expectations, the offer of 2,000 tons to East Germany, through the State Trading Corporation, has not yet materialised. The exportable surplus with the Board is now estimated at 9,256 tons.

Pepper

Pepper markets, which had been ruling very steady during the past few weeks, turned a shade quieter, mainly due to lack of fresh sup-

port. Buyers from the USA are reported to be showing very little buying interest now, as most of their requirements are fulfilled by Lampong, which is underselling Malabar. Further, sizable unsold consignments from India as well as from Singapore are reported to be on the way and consequently, the New York market, except during the last week's boomlet, is always ruling below the replacing parity.

The Indian crop is rather exaggerated in official estimates. According to producers and trade sources, the upper reach of the crop may be about 25,000 tons; but the average is not far above 23,000 tons.

Groundnut

Prices in the Madras Groundnut market firmed up last week on higher Bombay advices. Arrivals were about 200 tons, while local crushers and Calcutta interests took up sizable quantities. The rate improved to Rs 151 from Rs 147 per candy. According to some reports, the summer irrigated crop in South Arcot district needs good showers.

In the Groundnut Oil section, the rate for the ready position improved to Rs 307 from Rs 303.50 per candy. Calcutta interests were active and lifted sizable quantities in the ready position.

Hides and Skins

Conditions in the Madras Tanned Hides market ruled generally quiet. Enquiries from London were rather restricted as operators were anxious to await the British Budget. Another factor was the approach of the Ramzan holidays.

There was no change to record in the arrivals of Cow hides. Clearances were slow with no change to report.

On the export front, enquiries were restricted and were mostly for fifth selections. In the Calf section, business was very slow and prices, especially of Buff Calf, were slightly weak on account of heavy shipments made last month.

In the Tanned Skins section, arrivals of both Goat and Sheep skins were moderate. There was fair clearance at rates varying from 12 to 18 nP pound lower.

In the export section, business in Goat skins was sporadic, while Sheep skins were quiet.

In the Raw Hides section, there was a further decline in prices by about 50 nP per piece.

In the Raw Skins section, prices remained unchanged.

Tobacco

The first forecast, issued by the Madras State, states that the area

sown with Tobacco, upto 25th December 1957, is estimated at 45,000 acres as compared with 44,900 acres in the corresponding period of the previous year. Compared with the average of 40,000 acres, calculated for the five years ended 1956-57, the present estimate shows an increase of 11.4 per cent.

Cotton

The area sown with Cotton, in the Madras State upto 25th November 1957, is estimated at 683,600 acres as compared with 655,100 acres in the corresponding period of the previous year. Compared with the average area of 612,600 acres, calculated for the five years ending with 1956-57, the present estimate shows an increase of 11.6 per cent.

Bangalore Silk

Prices in the Bangalore Silk market, for the week ended 5th April, presented a distinctly quiet trend. Kanakapura and Channapattana, in the Filature section, tended to rule at a lower level as compared to the rates that prevailed in the previous week. In contrast, T. Narasipur and Kisan Filatures maintained their firmness. Kollegal was the exception with its prices moving up by 50 nP.

In the case of Charka Silk, all the varieties saw lower levels. The price trend in respect of Reeling Coccons also reflected a declining value, while those of Seed Coccons recorded distinct gains over the week.

The price of Silk waste, which had remained unchanged since 22nd February, have been quoted lower since 31st March.

In the Foreign Silk section, Japan 20/22A f.o.b. price was quoted at Rs 19.45 and Italy 20/22A at Rs 28.30, landed cos's being Rs 30.89 and Rs 43.70 respectively.

For Service & Security

PANDYAN BANK LTD.

Central Office: MADURAI

Madras Office: 121, ARMENIAN STREET

Paid-up Capital ... Rs. 10,00,000

Reserve Fund ... Rs. 10,25,000

Working Funds as on 31-12-1957 ... Rs. 3,27,81,916

55 Convent Office in Southern Districts

Banking Business of every description transacted

S. N. K. SUNDARAM; Mg. Director

MANAGING DIRECTOR'S SPEECH

THE DUNLOP RUBBER CO. (INDIA) LTD.

Mr. John Luckham's Review

The 32nd Annual General Meeting of The Dunlop Rubber Co. (India) Ltd., was held in Calcutta on the 18th April. Mr. John Luckham, Managing Director, said:

Gentlemen,

The Directors' Report and Accounts for the year 1957 have been in your hands for some time, and with your permission I will take them as read.

It is with great regret that we have to record since our last Meeting the loss which we have suffered in the passing of two of our Directors.

Mr. George Morgan died in Calcutta on the 26th June, 1957. Mr. Morgan originally came to Calcutta in 1889 and the experience which he gained during his distinguished career was of very great value to your Board of which he was a member since 1945.

On the 19th January this year Mr. Kanai Lal Jatia, who had also been on your Board since 1945, died from a heart attack at his Calcutta residence. His wise counsel was at all times made freely available to the interests which he so earnestly served, and he will be greatly missed in the industrial field with which he was connected.

You will have seen from the notice convening the Meeting that it is proposed to appoint Mr. E. H. Morris to the Board. Mr. Morris first came to India in 1933, and apart from service in this country, has had many years of service with the Dunlop Rubber Co. Ltd. in the Far East. He returned to India in 1956 as General Sales Manager following the untimely death of Mr. Guy Stack. The Company's business is expanding so rapidly that your Board feel it necessary to have a wholetime Director at the head of the Company's selling organisation and Mr. Morris is recommended for this appointment.

THE YEAR'S TRADING:

During the year production increased in nearly all lines, but even so we were not able to meet the demand for all our products. The Government permitted limited imports to help relieve some of these shortages, but particularly in respect of cycle tyres and rims sufficient quantities have not been available to meet requirements.

During the past year the road transport industry has been undergoing tremendous changes and expansion, particularly long distance goods transport. The modern truck now engaged in this work requires tyres capable of carrying heavy loads at high speeds over long distances. Such tyres must be built with the best available materials and using the latest manufacturing techniques. It is in this respect that your Company is particularly

fortunate in having available to it the full resources of the Dunlop world-wide research, technical and engineering organisations.

We have continued to retain our premier position in the car tyre market. The progress which the motor car industry has been making in recent years is in danger of slowing up owing to the difficult licensing situation of the imported components. The reasons for this are too well known to everyone and unfortunately these are likely to persist for some time.

The bicycle industry has continued to grow very rapidly and the demand for our products has been well in excess of supply. I will deal separately with our expansion plans to meet this situation.

During 1957 the installation of plant for the manufacture of large earthmover tyres was completed and production commenced early this year. The demand for this type of tyre is increasing.

Good progress was made in our Industrial Rubber products range and in particular the demand for conveyor belting has exceeded all expectations.

The popularity of Dunlopillo for all its various uses continues to grow and the additional capacity which was installed during the year was utilised to the full.

EXPANSION PLANS:

I am happy to be able to tell you that satisfactory progress is being made at your new factory at Ambattur, near Madras, and we are hopeful that everything will be ready for the production of bus, truck and cycle tyres to commence at the beginning of next year. The construction of the main buildings is well under way and plant and machinery are beginning to arrive in the country.

Expansion is also continuing at Sahaganj and in particular increased production of giant tyres, cycle tyres and cycle rims is well in hand.

I advised you at the Annual General Meeting last year that an issue of further share capital would form the basis of the Board's plans for raising additional capital. As most of you will be aware, in July 1957, 14 lakhs of new Ordinary Shares of ten rupees each at a premium of five rupees were offered to the Ordinary Shareholders in the proportion of 7 for 8 existing shares. It is gratifying to be able to report that in spite of the difficult conditions this issue was an unqualified success. The net proceeds of the issue amounted to Rs. 203 lakhs. As a result of the issue the Subscribed Ordinary Capital now stands at Rs. 3 crores as against Rs. 160 lakhs at the end of 1956.

RAW MATERIALS:

The raw materials supply position was generally satisfactory although on several occasions during the year our stock position became dangerously low in some of our main requirements. There was a period when the congestion in Calcutta port seriously delayed clearance of vital cargoes but the position improved very considerably towards the end of the year. Our production planning problems would be considerably lessened if Government could grant import licences for essential raw materials on a longer basis than six months at a time.

There was virtually no improvement in the production of raw rubber in India during 1957 as compared with the previous year. On the other hand, consumption of rubber reached a new record, with the result that we had to rely on considerable imports. In my report last year I mentioned that import licences for raw rubber issued after August, 1956, were subject to a cess if the imported rubber landed at a cost less than the local price. On imports during 1957 we paid nearly Rs. 11 lakhs to the Rubber Board on this account, and we also had to absorb Rs. 2 lakhs on rubber which was imported at a price higher than the local price.

Prices of raw materials were stable throughout the year but there were increases in import duty on a number of raw materials and machinery parts.

As I have already said, our production is due to expand very considerably in the near future to meet the essential needs of the road transport industry which is so vital in this country. This expansion has, of course, the full support and approval of the Government and we are therefore confident that licences to import increased quantities of raw materials will be granted.

PROFIT & LOSS ACCOUNT:

The net profit for the year after providing for depreciation, interest and taxation was Rs. 80,67,449 compared with Rs. 55,09,999 for 1956. In the face of the high level of taxation and the rapid expansion of our business, the building up of our internal resources continues to be of paramount importance. The Directors are, therefore, proposing the transfer of Rs. 30 lakhs to General Reserve. This will increase the General Reserve to Rs. 2,38,83,000 and you will see from the Balance Sheet that the increased Ordinary Share Capital is covered more than one and a half times by the total Reserves and Surplus. The rate of Ordinary Dividend was maintained without change at 15% from 1951 to 1956 and in view of the improved results the Directors consider there should now be a modest increase. They are, therefore, recommending a final Ordinary Dividend of 8½%, which with the interim dividend paid in June, 1957, gives a total

of 16½% for the year and absorbs Rs. 38,25,000. The surplus carried forward will then be Rs. 22,23,000.

BALANCE SHEET:

The additions to Fixed Assets during the year amounted to Rs. 97 lakhs, most of which was in respect of building and plant additions at your Sahaganj factory, but this also included Rs. 17,80,000 expended on the new Ambattur factory. The amount of depreciation written off in 1957 was Rs. 27,69,000. A special provision of Rs. 6,60,000 made in previous years has now been transferred to Special Depreciation Reserve, and after allowing for this the net value of fixed assets has increased during the year by Rs. 69 lakhs to Rs. 382 lakhs.

Stock Inventories at Rs. 486,84,000 higher than at the close of the previous year, but even so finished goods stocks were abnormally low owing to the ever-increasing demand for the Company's products. Sundry Debtors were up by Rs. 83,66,000 due to the greater sales turnover.

Turning to the liabilities side of the Balance Sheet, I have already commented on the increase in Ordinary Share Capital and Reserves. Compared with the end of 1956 the bank borrowings have been reduced by Rs. 42,79,000 and the unsecured loans of Rs. 76,07,000 have been repaid. In spite of substantial increases in Sundry Creditors and Provision for Taxation there was an overall reduction in current liabilities of Rs. 56,46,000 resulting from the additional share capital subscribed during the year.

EMPLOYEE RELATIONS:

The standards of our welfare facilities and working conditions have been well maintained throughout the year. General labour relations remained cordial and I am sure you would like to join with the Directors in thanking the staff and operatives for their loyal and willing service throughout the year.

NOTE:—THIS DOES NOT PURPORT TO BE A RECORD OF THE PROCEEDINGS OF THE ANNUAL GENERAL MEETING.

THE BENGAL FLOUR MILLS CO., LTD.

The Board of Directors has decided to recommend to the forthcoming Annual General Meeting of the Company a final dividend of 12½ per cent for the year ended 31st December, 1957.

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

D. MANSON,
Secretary,
Managing Agents.

21, Netaji Subhas Road,
Calcutta.
11th April, 1958.

ANOTHER STEP FORWARD

31st December 1957

Deposits Exceed Rs. 124 Crores

Working Funds Exceed Rs. 151 Crores

The above figures are a positive indication of sustained public confidence in this pioneer national banking institution.

THE PANDYAN NATIONAL BANK LTD.
S. N. K. SUNDARAM, Mg. Director

THE HIND BANK LIMITED

BALANCE SHEET AS AT 31st DECEMBER, 1957.

31-12-1956	CAPITAL AND LIABILITIES	Rs.	nP.	31-12-1956	PROPERTY AND ASSETS	Rs.	nP.
2,00,00,000	1. CAPITAL:			45,63,552	1. CASH:		
1,00,00,000	Authorised Capital:	Rs. nP.		83,951	In hand and with Reserve Bank and		
50,00,000	2,00,000 Shares of Rs. 100/- each	2,00,00,000 00		38,00,235	State Bank (including foreign		
3,75,000	Issued and Subscribed Capital:			38,84,186	currency notes) ...	50,37,299	98
58,75,000	1,00,000 Shares of Rs. 100/- each	1,00,00,000 00			2. BALANCES WITH OTHER BANKS:		
	Amount Called Up:				In Current Account—		
	1,00,000 Shares at Rs. 50/- per share	50,00,000 00			(i) In India ...	72,241	10
	Share Premium Account ...	3,75,000 00			(ii) Outside India ...	48,74,634	61
		58,75,000 00				49,46,875	71
	2. RESERVE FUND AND OTHER RE-			30,00,000	3. MONEY AT CALL AND SHORT		
	SERVES:				NOTICE ...	27,00,000	00
26,00,000	Reserve Fund (including under				4. INVESTMENTS (at below market		
	Sec. 17 of the Banking Companies				value):		
1,76,41,586	Act) ...	27,75,000 00		1,10,72,468	(i) Securities of the Central and		
22,50,586	Savings Bank Deposits ...	2,10,28,294 44			State Governments and other		
3,12,85,148	Current Accounts, Contingency Ac-	27,18,609 93			Trustee Securities, including		
5,11,77,322	counts, etc. ...	2,68,76,011 84		8,501	Treasury Bills of the Central	94,21,640	84
		5,06,22,916 21			(ii) (a) Joint Stock Companies		
	4. BORROWINGS FROM OTHER			2,10,000	Preference Shares fully	2,20,145	00
	BANKING COMPANIES, AGENTS,				Paid up ...	1,54,179	27
	ETC.:			3,35,000	(b) Joint Stock Companies		
	(i) In India ...	95,626 91		2,22,000	Preference Shares partly	2,80,000	00
	(ii) Outside India ...	95,626 91			Paid up ...	2,22,000	00
	Particulars:			9,97,562	(c) Joint Stock Companies		
5,58,242	(i) Secured ...	5,92,718 29			Ordinary Shares fully	14,96,312	50
	(ii) Unsecured ...	5,92,718 29		1,28,45,531	(d) Debentures or Bonds ...		
					(e) Pakistan Government Securi-		
	6. BILLS FOR COLLECTION BEING				ties ...		
9,56,903	BILLS RECEIVABLE as per contra:				(f) Gold ...		
98,970	(i) Payable in India ...	6,99,661 63				1,17,94,277	61
10,49,873	(ii) Payable outside India ...	15,61,968 14					
		22,61,629 77					
	7. OTHER LIABILITIES:						
21,883	(i) Unclaimed Dividends ...	25,529 00					
1,959	(ii) Rebate on Bills ...	9,246 44					
	(iii) Branch Adjustments ...	5,20,932 92					
23,822		5,55,708 36					
	8. ACCEPTANCES, ENDORSEMENTS						
1,80,28,281	AND OTHER OBLIGATIONS per						
	contra ...	80,24,317 89					
	9. PROFIT AND LOSS:						
4,66,278	Profit as per last Balance Sheet	4,61,946 00					
3,00,000	Less Dividend ...	3,00,000 00					
1,66,278		1,61,946 00					
12,10,668	Add Profit for the year brought	7,80,538 77					
	from the Profit & Loss Account	7,80,538 77					
13,76,946		9,22,484 77					
	Less Appropriations:						
3,75,000	Amount transferred to						
4,50,000	Reserve Funds ...	1,75,000 00					
90,000	Provision for Taxation ...	2,65,000 00					
	Bonus to Staff ...	95,000 00					
		5,35,000 00					
9,15,000		3,87,484 77					
4,61,946							
27,898	10. CONTINGENT LIABILITIES:						
	(i) Claims against the Banking						
	Company not acknowledged as						
	debts Rs. 8,41,112.00 (Includes a						
	demand of Rs. 813,687 on ac-						
	count of proceedings under the						
	Income-tax Act in respect of						
	Fixed Deposits received in the						
	year 1947 by the bank in its						
	normal course of business—						
	liability denied by the Bank						
	and the matter is under appeal)						
28,91,318	(ii) In respect of Guarantees issued						
	on behalf of constituents						
	Rs. 25,29,153.52 (out of which						
	the Banking Company is secured						
	to the extent of Rs. 13,24,360.52						
	—the securities include un-						
	quoted shares taken at paid up						
	value Rs. 10,90,000.00)						
7,92,74,286	Carried over ...	7,07,90,402 20		5,92,30,184	Carried over ...	5,87,58,827 85	

April, 19 1958

THE HIND BANK LIMITED—(Contd.)

31-12-1956	Rs.	nP.	31-12-1956	Rs.	nP.
7,92,74,286			7,07,90,402		20
2,50,000	(iii) On partly paid up Preference				
	Shares Rs. 2,50,000.00				
15,20,985	(iv) Liability on Bills of Exchange				
	rediscounted—Nil				
6,05,81,858	(v) Liability on account of out-				
	standing forward exchange				
	contracts Rs. 4,34,14,858.82 of				
	which Rs. 1,61,63,634.69 have				
	been delivered upto 15-2-58.				
	NOTE:—Provision to the full extent for				
	future gratuities to staff has not				
	been made—the liabilities for which				
	have not been ascertained.				

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the annexed Balance Sheet of THE HIND BANK LIMITED as at 31st December, 1957 and also the annexed Profit and Loss Account of the Bank for the year ended on that date, in which are incorporated Branch returns audited by Statutory or Local Auditors.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-section (5) of Section 211 and Section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account of the Bank are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are, therefore, drawn up in conformity with forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

- we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- the transactions of the Bank which have come to our notice, have been within the powers of the Bank;
- in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
- the Bank's Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

K. N. GUTGUTIA & CO.,

Chartered Accountants.

DALAL & SHAH,

Chartered Accountants.

Calcutta, the 28th February, 1958.

K. P. GOENKA,

Chairman.

B. KUMAR BIRLA

N. L. KANORIA

N. D. BANGUR

B. L. JALAN

S. P. HUTHESING

B. V. JACOB

Directors.

S. D. PARDIWALLA,

General Manager.

T. N. GANGULI,

Chief Accountant.

7,92,74,286 Total Rupees ... 7,07,90,402 20

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

31-12-1956	Rs.	nP.	31-12-1956	Rs.	nP.
12,01,567	1. Interest paid on deposits, borrowings, etc.	12,02,017 41	24,20,752	1. Interest and Discount	23,12,706 93
8,80,349	2. Salaries and Allowances and Provident Fund	8,85,549 00	11,35,446	2. Commission, Exchange and Brokerage	9,18,113 14
4,550	3. Directors' (Rs. 4,750.00) and Local Committee	5,350 00	1,994	3. Rents	.....
1,26,540	4. Rent, Taxes, Insurance, Lighting, etc.	1,28,480 08		4. Net Profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	.....
3,423	5. Law Charges	6,145 54	96,038	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	.....
30,982	6. Postage, Telephone, Telegrams and Stamps	33,195 80		6. Income from non-banking assets and profit from sale of or dealing with such assets	.....
11,200	7. Auditors' Fees (including periodical audits)	11,850 00		7. Other Receipts	193 00
37,845	8. Depreciation on and repairs to the banking company's property	51,295 31		8. Loss	.....
17,449	9. Stationery, Printing, Advertisement, etc.	71,493 82			
76,006	10. Loss from sale of or dealing with non-banking assets	75,117 34			
12,10,668	11. Other Expenditure	7,60,538 77			
	12. Balance of Profit				
	NOTE: Salaries and allowances of the General Manager amount to Rs. 24,600.00				
36,54,569	Total Rupees	32,31,013 07	36,54,569	Total Rupees	32,31,013 07

BALANCE SHEET 31st DECEMBER 1957.

Dr.		PROFIT AND LOSS ACCOUNT FOR THE YEAR 1957		Cr.
To Interim Dividends, less Income Tax	...	...	£ 693,869	
„ General Reserve	...	...	500,000	
„ Reserve for Future Contingencies	...	...	500,000	
„ Final Dividends, less Income Tax (subject to confirmation by the members)	...	...	696,970	
„ Balance to be carried forward	...	...	826,712	
Note. Directors' emoluments amounted to £78,519 (1956: £77,058), including £8,325 (1956: £8,549) paid to certain Directors by subsidiary and other Companies and £2,500 (1956: £2,500) pension to a Director in respect of past services as Chairman.				
			£3,214,451	
				£ 712,060
				2,502,391
				£3,214,451

(Continued on next page).

LLOYDS BANK LIMITED—(Contd.)

BALANCE SHEET OF THE INDIAN BRANCHES OF LLOYDS BANK LIMITED AS AT 31st DECEMBER 1957

CAPITAL AND LIABILITIES		Rs.	nP.	Rs.	nP.
Capital—					
Deposit with Reserve Bank of India under Section 11(2) of the Banking Companies Act 1949.					
2½% Loan 1961	Rs. 25,00,000 @ Rs. 94.45	...	...	23,61,250.00	
Reserve Fund And Other Reserves:				Nil	
Deposits and Other Accounts—					
Short Deposits and Deposits at call	...	...	...	5,83,30,313.87	
Fixed Deposits	...	...	...	5,14,03,799.58	
Savings Bank Deposits	...	...	...	10,90,73,382.27	
Current Accounts, Contingency Accounts, etc.	...	...	...	22,01,12,720.62	
				43,89,20,216.34	
Borrowings from other Banking Companies, Agents, etc.					
(I) In India	...	...	...	1,35,30,000.00	
(II) Outside India	...	...	...	Nil	
				1,35,30,000.00	
Particulars:—					
(I) Secured by Central Government Securities per contra	50,30,000.00				
(II) Unsecured	85,00,000.00				
				1,35,30,000.00	
				29,94,125.16	
Bills Payable					
Bills for Collection being Bills Receivable as per Contra—					
(I) Payable in India	...	...	...	3,15,75,678.69	
(II) Payable outside India	...	...	...	73,06,249.46	
				3,88,81,928.15	
Other Liabilities—					
Inter Branch Adjustments—Branches in India	...	...	...	2,30,678.85	
Staff Provident Fund	...	...	...	46,63,206.25	
				48,93,885.10	
Acceptances, Endorsements and other Obligations—per Contra					
				5,69,37,208.19	
Contingent Liabilities—					
Liability on account of outstanding Forward Exchange Contracts	...	...	...	15,07,09,962.66	

AUDITORS' REPORT ON THE INDIAN BRANCHES OF LLOYDS BANK LIMITED UNDER SECTION 30 OF THE BANKING COMPANIES ACT, 1949

* We have audited the Balance Sheet of the Indian Branches of Lloyds Bank Limited, dated 31st December, 1957 and above set forth and the annexed Profit and Loss Account for the year ended 31st October 1957 with the books and accounts as kept at the Chief Managers' (Eastern Branches) Office, Calcutta, in which are incorporated certified returns from the ten Indian Branches and also with the books and accounts kept at the Calcutta Branch.

In accordance with the provisions of Section 29 of the Banking Companies Act 1949, read with the provisions of Section 211(1), (2) and (5) and Section 227(5) of the Companies Act 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with Schedule VI of the Companies Act 1956. The accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule of the Banking Companies Act, 1949.

We report that:—

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

(b) In our opinion proper books of account as required by law have been kept by the Chief Managers' (Eastern Branches) Office and the Calcutta Branch so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the 9 Branches not visited by us.

(c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the certified returns.

(d) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Branches as at 31st December, 1957 and the Profit and Loss Account gives a true and fair view of the profit for the year ended 31st October, 1957.

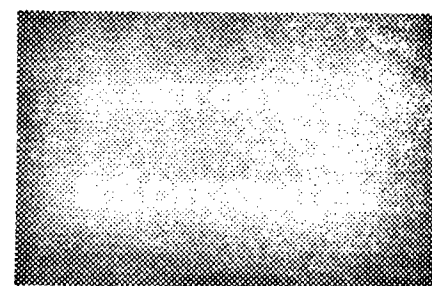
Calcutta,	PRICE WATERHOUSE & CO.,
25th March, 1958.	Chartered Accountants.
	Rs. 55,61,57,365.94

PROPERTIES AND ASSETS		Rs.	nP.	Rs.	nP.
Cash—					
In hand and with Reserve Bank of India and State Bank of India (including foreign Currency Notes) 2,61,51,391.43					
Balances with other Banks—					
Current Accounts—					
(i) In India	...	...	...	1,51,641.92	
(ii) Outside India	...	...	...	15,29,157.68	
				16,80,799.60	
Money at Call and Short Notice 1,97,00,000.00					
Investments—At or under Market Value					
(I) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments (of which nominal value Rs. 8,63,60,400.00 are lodged as security for borrowings from other Banks and for other accounts) 11,54,23,903.07					
(II) Shares 6,63,100.00					
(III) Debentures or Bonds Nil					
(IV) Other Investments Nil					
(V) Gold Nil					
				11,60,87,003.07	
Advances—					
(Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors).					
(I) Loans, Cash Credits, Overdrafts, etc.—					
(i) In India	...	...	...	26,90,83,861.40	
(ii) Outside India	...	...	...	Nil	
				26,90,83,861.40	
(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—					
(i) Payable in India	...	...	...	84,03,541.79	
(ii) Payable outside India	...	...	...	1,26,39,325.15	
				2,10,42,866.94	
				29,01,26,728.34	
Particulars of Advances—					
(i) Debts considered good in respect of which the banking company is fully secured 21,19,97,497.47					
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security 4,01,56,200.54					
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors 3,79,73,030.33					
(iv) Debts considered doubtful or bad, not provided for Nil					
				29,01,26,728.34	
(v) Debts due by Directors or Officers of the banking company or any of them either severally or jointly with any other persons 1,11,090.00					
(vi) Debts due by companies or firms in which the Directors of the banking company are interested as Directors, Partners, or Managing Agents, or in the case of private companies, as members Nil					
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the banking company or any of them either severally or jointly with any other persons 1,53,204.00					
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or, in the case of private companies, as members Nil					
(ix) Due from banking companies 26,87,937.77					
Bills Receivable Being Bills For Collection—As per Contra—					
(i) Payable in India	...	...	...	3,15,75,678.69	
(ii) Payable outside India	...	...	...	73,06,249.46	
				3,88,81,928.15	
Constituents' Liabilities For Acceptances, Endorsements, and other Obligations—Per Contra 5,69,37,208.19					
Premises Less Depreciation—					
Original Cost	...	...	...	10,09,787.44	
Less Depreciation	...	...	...	1,34,424.00	
				8,75,363.44	
Furniture And Fixtures Less Depreciation—					
				Nil	
Other Assets, Including Silver—					
Inter-Branch Balances—Net—					
Head Office and Branches outside India	...	...	...	40,13,393.28	
Income tax Advance Payments	...	...	...	1,86,571.19	
Interest, Exchange, Commission, Discount and Expenses	...	...	...	15,16,999.25	
				57,16,963.72	
(No adjustments made as at 31st December, 1957 for the two months, November and December for accrued Interest and Exchange receivable and payable and Commission receivable).					
Non-Banking Assets Acquired in Satisfaction of Claims Nil					
J. A. BROUGH & E. S. TIBBETTS Chief Managers (Eastern Branches).					
				Rs. 55,61,57,365.94	

LLOYDS BANK LIMITED—(Contd.)

PROFIT AND LOSS ACCOUNT OF THE INDIAN BRANCHES FOR THE YEAR ENDED 31st OCTOBER, 1957.

EXPENDITURE.		INCOME	
	Rs. nP.	(Less provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions).	Rs. nP.
To Interest paid on deposits, borrowings, etc. ...	76,72,270.80	By Interest and Discount ...	1,83,72,887.16
„ Salaries and Allowances and Provident Fund (includes Chief Managers (Eastern Branches) Rs. 91,121.92) ...	86,07,188.23	„ Commission, Exchange and Brokerage ...	50,71,206.06
„ Directors' and Local Committee Members' Fees and Allowances ...	—	„ Rents ...	16,044.00
„ Rent, Taxes, Insurance, Lighting, etc. ...	7,70,085.91	„ Net Profit on sale of Investments, Gold and Silver, Land, Premises and other assets ...	—
„ Law Charges ...	11,989.68	„ Income from non-banking assets, and profit from sale of or dealing with such assets ...	—
„ Postages, Telegrams and Stamps ...	1,25,012.82	„ Other receipts ...	—
„ Auditors' Fees ...	13,500.00	„ Loss ...	—
„ Depreciation on and repairs to the banking company's property ...	4,06,050.21	J. A. BROUGH & E. S. TIBBETTS,	
„ Stationery, Printing, Advertisement, etc. ...	3,82,102.11	Chief Managers (Eastern Branches).	
„ Loss from sale of or dealing with non-banking assets ...	—		
„ Other Expenditure (including proportion of Head Office Expenditure) ...	11,55,836.29		
„ Balance of Profit (subject to Indian Income Tax and Super Tax) ...	43,06,091.17		
	Rs. 2,34,60,137.22		Rs. 2,34,60,137.22



Improvement in Sentiment

Watch-Dog Writes:

STOCK markets have exhibited a cheerful sentiment during the week under review. Turnover, however, remains restricted. But, the sustained support lent to the market suggests that operators have not yet revised their ideas about the more favourable turn in the investment outlook.

Speculative issues making a steady advance on renewed support provided the main feature of trading on the Calcutta Stock Exchange.

Sentiment on the Bombay Stock Exchange was more cheerful this week as selected scrips staged a marked recovery from the recent low levels.

On the Madras Stock Exchange, business was mostly confined to Planting issues.

Budget proposals were well received on the London Stock Exchange.

Wall Street closed heavy with a fair representation of declines ranging to a dollar or more.

Calcutta

THE local Stock market, which remained dull last week, took a turn for the better. Although business remained restricted, selective support was lent to the speculative and miscellaneous scrips. The main inspiration was provided by the Finance Minister's proposal to grant two new concessions to the industry in respect of development rebate. Hopes were also entertained that the relaxation of restrictions by the Government on the terms of partnership with foreign firms would stimulate large-scale flow of American capital into India. Another contributory factor was the substantial expansion in notes in

circulation, as revealed by the latest returns of the Reserve Bank.

The Gilt-edged market ruled very firm, the shortage of stock having continued to give further emphasis to the steady rise in prices. A major influence was the Reserve Bank's operations by way of preparing the stage for the Central Government's borrowing programme. The sustained fashion in which the Bank has been endeavouring to create a favourable climate in the market suggests that the issues are scheduled to come some time in the latter half of next month. Meanwhile, 3 per cent 1986 Conversion Loan, after opening steady at Rs 71.40 and advancing steadily to Rs 71.45, finished the week at Rs 71.25.

Bank shares ruled steady. The United Commercial had buyers at Rs 59.50 to Rs 60.00 following the publication of a satisfactory report. Punjab National changed hands at Rs 52.75 to Rs 53.00, while Hind were enquired upto Rs 52.00 from Rs 50.75.

Jute shares lost some of the gains recorded earlier though, in some cases, prices were remarkably well maintained on expectation of better working results for last year and in view of the sound statistical position of the industry. The news of the slight increase in burlap consumption in March also suggested that the American recession had not yet affected the offtake ofessian in the USA.

The most active scrips were National, Howrah and New Central having sustained support upto Rs 24.00; Rs 14.06 and Rs 13.87 from Rs 22.10; Rs 13.87 and Rs 13.56 respectively. Despite the passing over of dividend, Alliance were well maintained at Rs 64, while Anglo-India changed hands at 143 to Rs 147.50; Barnagore Rs 81.00 to Rs 83.00; Birlas Rs 15.00 to Rs 15.31; Standard at Rs 80.50 to Rs 81.00 and Union at Rs 113.00 to Rs 113.50.

Despite the inordinate delay in the announcement of the Government decision with regard to the increase in the selling price of the commodity, Coal shares ruled remarkably steady. It was generally felt that, if the targets for coal production had to be raised, the private sector would be allotted a bigger slice for development. Ben-

gal had buyers upto Rs 219 from Rs 12 and Western Bengal upto Rs 5.78 from Rs 5.69. New Beerbhoom and Burrakur were well maintained at Rs 14.50 and Rs 22.75 respectively, while Central India changed hands at Rs 7.06 to Rs 7.56.

The Tea section appeared to be marking time, waiting for the Government to make up their mind about whether the tax relief for the industry should be an overall reduction of export duty or whether it should apply only to Common teas. However, the satisfactory statistical position of the commodity gave rise to hopes that the industry would do well in the current year. Brooke Bond changed hands at Rs 16.50 to 16.62; Hasimara at Rs 21.62 to Rs 21.63; Hatikhtra at Rs 9.81 to Rs 10.00; Huldibari at Rs 21.12 to Rs 21.37; Jayshree at Rs 10.91 to Rs 11.00 and Patrakola at Rs 121 to Rs 124.

Sugar shares attracted limited interest with prices developing a slightly easier tendency on profit-taking at the recent high levels. Operators were generally inclined to await the Government's decision regarding exports. Only firm feature was Raza/Buland having forged ahead to Rs 14.19 from Rs 13.69. Carew turned quiet at Rs 7.12 against Rs 7.81; Ramnugger at Rs 21.44 against 22.12 and SKG at Rs 9.81 against Rs 10.00. Dyer Meakin were practically unchanged at Rs 9.56.

A general disposition to await a definite improvement in the conditions of the cloth market, caused Textile scrips to rule quiet. Jayshree were cheaper at Rs 6.94 against Rs 7.13; Kesoram at Rs 11.46 against Rs 11.50 and New Victoria at Rs 1.37 against Rs 1.44. Cawnpore showed a partial recovery to Rs 4.06 from the recent low of Rs 3.75, while Elgins changed hands upto Rs 13.50 from Rs 13.06.

Price movements in the Engineering section were mainly influenced by the speculative activity in Indian Irons. Against the weekend closing of Rs 21.18, Indian Irons opened higher at Rs 21.42 and advanced steadily to Rs 21.96, to finish the week at Rs 21.85 on profit-taking on higher Bombay advices. Despite a small reduction in dividend from Rs 2.06 to Rs 2.00 per share, G. K. Williams firmed up to

Rs 31.00 from Rs 30.37 in view of the brighter prospects for the company and on expectation of a higher dividend during the current year. TEXMACO were taken upto Rs 18.45 from a low of Rs 18.15; Burn upto Rs 322 from Rs 319.50; Jessop upto Rs 20.75 from Rs 20.12 and Britannia upto Rs 11.44 from Rs 11.31. Indian Standard Wagon remained firm at Rs 100 with Marshalls changing hands at Rs 5.12 to Rs 5.47 and Brathwaite at Rs 25.25 to Rs 25.31.

The Miscellaneous section continued to provide many firm spots, thanks to sustained investment buying. Most prominent were Dunlop changing hands at Rs 24.50 to Rs 24.87; Indian Aluminium at Rs 13.62 to Rs 13.81; Aluminium Corporation at Rs 10.56 to Rs 10.75; Indian Oxygen at Rs 16.81 to Rs 17.50; Indian Cable at Rs 29.19 to Rs 29.62; India Steamship at Rs 10.81 to Rs 11.00; Alkali Chemicals at Rs 14.19 to Rs 14.25 and Rohtas at Rs 16.87 to Rs 17.12. The news of the strike at the company's Gha'sila mines had an adverse effect on Indian Copper which, after touching a low of Rs 3.11 improved to Rs 3.26. Phillips India were nearly maintained at Rs 14.12. NICCO were enquired upto Rs 23.87

JESSOP AND COMPANY, LIMITED

Notice is hereby given that the Directors have sanctioned payment, on 1st May 1958, of the Dividend on 5 per cent Cumulative Preference Shares of the Company for the half year ending 30th April 1958, without any deduction in respect of Income Tax which is payable by the Company.

The Preference Share Transfer Register will be closed from 29th April to 30th April 1958, both days inclusive.

Dividends will be paid only to the Registered Shareholders or their Mandataries.

By Order of the Board,
D. D. MARKAN,
Secretary.
63, Netaji Subhas Road,
Calcutta-1,
Dated the 17th April, 1958.

April, 19 1958

from Rs 23.75 and National Carbon upto Rs 25.37 from Rs 25.12. In the Paper section, Orient staged a marked recovery to Rs 28.85 from a low of Rs 27.90, while Titaghar were taken upto Rs 36.00 from Rs 35.37; Shree Gopal upto Rs 15.12 from Rs 14.69 and India Pulp upto Rs 19.50 from Rs 19.25.

Bombay

After a subdued start, the stock market displayed a rallying tendency to close the week on a steady note. The initial quiet trend had been caused by the disappointing level of production in Jamshedpur during March. The reactionary movement was aided by reports that a section of workers of TISCO would serve a strike notice on the company during the week. From midweek the undertone became steadier mainly on hopes that some concessions in regard to development rebate would soon be announced. A contributory factor was the decision of the directors of Bombay Burmah to capitalise reserves to issue one bonus share for every four shares.

STEELS:

In the steel section, Tata Steel was rather depressed in earlier dealings on announcement of lower production figures for March and due to apprehensions of labour unrest at the company's works. Toward close the price level steadied up a little on the expectation that labour dispute would be amicably settled. The scrip closed the week at Rs 182. Indian Iron met with good support from midweek onwards, from speculative interests and consequently closed higher on balance at Rs 21.68.

TEXTILES:

Textile shares were generally subdued though toward close selected scrips met with buying support. It would appear that the fact that the recent reduction in the excise

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED
(Incorporated in England)

Notice is hereby given that the Board of Directors of this Company have declared payment of a Final Dividend on the Company's Preference Stock at the rate of £2-10-0 per cent net for the year ended 31st March, 1958. Payment will be made on 15th May, 1958 to those stockholders whose names are registered in the Company's Stock Register on 6th May 1958.

Applications for transfers received in this office before 12 O'clock noon on Tuesday, the 6th May, 1958, will if otherwise satisfactory, be registered at that date for the purpose of participation in the above dividend.

By Order of the Board,
I. A. MACPHERSON
Agent.
Victoria House,
Calcutta,
16th April, 1958.

on all varieties of cloth had not brought about any marked improvement in the offtake of cloth had diminished the enthusiasm in the section. Bombay Dyeing after initial hesitancy moved up to close higher on balance at Rs 57.40. Century was steadier at close at Rs 436. Kohinoor was easier at Rs 278.

MISCELLANEOUS:

In the miscellaneous section Bombay Burmah was an outstanding feature following announcement of bonus issues. The scrip which opened at Rs 543 improved up to close at Rs 564.50. Tata Locomotive advanced to Rs 167 from Rs 160 on sustained support. Premier Construction was a bright feature at Rs 189. After initial setback National Rayon recovered to close steady at Rs 219.50.

Madras

WHILE there was practically little change in the market behaviour, there was steady absorption of selected Planting issues.

TEXTILES: This section accounted for only a small volume of business. Sellers were seen for Coimbatore Spinnings; Coimbatore Marugans; Lakshmis; Travancore Rayons and Ranga Vilas at the market rates. Malabar Spinnings receded to Rs 85 on selling pressure, while Cambodias were done at Rs 9.00 to Rs 9.10.

PLANTING: Buying support in this section was confined to only a few shares as investors were, it seemed, bidding time. Coffee shares ruled generally firm. Consolidated Coffees had buyers upto Rs 23.50; Shevroys upto Rs 2.15 and Ouchterlony upto Rs 4.90 x.d.

In the Tea group, there was large absorption of Periakaramalais around Rs 4.10. There was some demand for United Nilgiris at the market rate, while Chembra Peaks and Coorgs found some sellers at quoted rates. Nonsuch were active, having buyers upto Rs 22.75.

Among Rubber shares, there was good support for selected scrips. Prominent were Kalpettas having demand upto Rs 21.75 and Thamrapallis upto Rs 23.00. There was good turnover in T.R.Ts. around Rs 7.05 and Kil Kotagiris upto Rs 6.20 c.d.

MISCELLANEOUS: Cement shares accounted for only a small turnover. India Cements were done at Rs 27.35, while Andhra Cements changed hands on cum-rights basis at Rs 11.50. A. V. Thomas, General Papers and Mysore Stonewares met with some demand at market rates. Offerings were, however, seen in FACTs at Rs 5.30. T. Stanes met with some buying at Rs 20 x.d.; Spencer at Rs 17.12 to Rs 17.15; Aluminium Industries at Rs 13.30 to Rs 13.40 and Mettur Chemicals at Rs 9.50 to Rs 9.55.

London

THE Budget proposals were well received on the London Stock Exchange. There was a general rise in prices which was, however, to some extent, due to adjustments to the

new single Profit Tax rate of 10 per cent. The shares of those companies, which are likely to benefit from the concessions, were supported and gaining in some instances were fairly substantial.

Property shares were outstanding and showed gains of several shillings. Rubber shares continued to move ahead on dividend hopes, while Tea shares ruled quietly steady. Gilt-edged securities were quietly supported and closed firm.

New York

PRICES on Wall Street generally developed an easier tendency following a flood of largely unfavourable first-quarter corporate reports. In addition, sentiment was affected by the news that President Eisenhower had indicated that he still saw no need for tax-cuts. The reaction was led by Industrials, notably Chemicals, Electronics, Oils, Papers, Steel and Motors.

Investment Notes:

The issue of 35,000 shares of Rs 100 each, at par, by Greaves Cotton & Company is reported to have had a good response. It is stated that Bombay alone has already accounted for the full amount offered.

TELCOs have firmed up to Rs 165.25 from Rs 158.50, thanks to sustained buying support. The main inspiration

has been derived from the reports of excellent working during the year ended 31st March, 1958 which, it is felt, will enable the company to raise the dividend from Rs 8 to Rs 9 or Rs 10 per share for the year.

The Bombay Burmah Trading Corporation has decided to make a bonus issue by utilising the Share Premium Account. The issue will be on the basis of one fully paid Rs 125 share for every Rs 125 fully paid share held and one fully paid Rs 125 share for every ten Rs 125 partly-paid shares. An application has been made to the Controller of Capital Issues.

It is understood that Mahindra and Mahindra Limited has applied to the Controller of Capital Issues for increasing the authorised capital of the company from Rs 14 crores to Rs 5 crores.

Walchandnagar Industries have indicated a move to raise fresh capital to the tune of Rs 50 lakhs with a view to financing expansion activities, especially the sugar machinery manufacturing project.

Investment Briefs:

Guest, Keen, Williams Limited has recommended a final dividend of Rs 1.20 per share for 1957. This, with the interim of 80 nP, makes a total of Rs 2.00 per share for the year as against Rs 2.06 in the previous year.

Belsund Sugar has maintained the dividend at Re 1 per share for the year ended 30th September, 1957.

Rawanwara Collieries have passed over the dividend for the year ended 30th September, 1957.

Vijay Mills, Ahmedabad, has proposed to reduce the dividend from Rs 50 to Rs 40 per share for 1957.

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FACTS AND FIGURES

INDEX NUMBERS OF SECURITY PRICES
(1940-50=100)

Week ended	6-4-57	29-3-58	5-4-58
Government and semi-Government securities—All-India			
TOTAL	90.0	89.4	89.4
Government of India	89.7	89.1	89.2
State Governments	96.4	96.6	96.6
Municipal, Port Trust, etc.	90.4	90.0	90.0
Debentures of industrial securities—All-India			
TOTAL	98.9	97.2	97.2
Electricity	98.8	98.5	98.5
Cotton	97.0	92.2	92.2
Jute	98.4	97.8	97.8
Plantations	98.5	96.4	96.4
Sugar	90.6	84.8	84.8
Coal	100.0	98.0	98.0
General Engineering	101.8	99.1	99.1
Shipping	100.1	94.1	94.1
Others	100.1	94.1	94.1

Preference shares—All-India

TOTAL	78.9	70.4	70.5
Electricity	87.3	84.7	84.4
Cotton	72.8	67.7	67.8
Jute	81.8	72.2	72.7
Coal & Steel	80.8	78.3	78.7
Sugar	79.6	69.5	69.6
Paper	79.4	74.2	72.9
Plantations	98.2	86.8	86.6
Miscellaneous	74.7	65.0	65.5

Variable dividend industrial securities—All-India

TOTAL	107.5	97.9	98.8
Financial: Total	90.5	97.8	98.2
Banks	92.4	100.7	100.9
Insurance	82.6	65.3	68.7
Investment Trust	77.2	65.3	68.7
Public Utilities: Total	107.5	104.1	105.1
Electricity	107.3	101.4	102.7
Shipping & other Transport	116.5	120.5	121.3
Railways	77.2	68.4	67.8
Manufacturing Industries: Total	112.6	100.9	102.0
Cotton: Woollen & Silk	119.5	96.0	96.0
Jute	56.2	49.0	51.9
Iron & Steel	118.5	129.1	130.8
Paper	235.5	190.8	193.4
Cement	146.1	137.1	137.9
General Engineering	160.2	150.9	154.0
Sugar & Breweries	97.3	99.2	98.9
Chemicals	133.1	130.7	133.7
Non-Manufacturing Industries: Total	134.3	111.2	113.6
Coal	70.3	65.3	65.6
Mineral & Oil	180.9	156.8	164.6
Plantations	153.3	120.2	121.3
Miscellaneous	84.8	69.2	68.2

Government and semi-Government securities—Regional

Bombay	89.3	88.8	88.9
Calcutta	89.9	89.2	89.2
Madras	90.2	89.6	89.6

Debentures of industrial concerns—Regional

Bombay	99.0	96.5	96.5
Calcutta	98.6	97.3	97.3
Madras	99.5	97.4	97.4

Preference shares—Regional

Bombay	82.9	79.6	79.8
Calcutta	73.2	61.9	61.9
Madras	93.4	83.7	83.9

Variable dividend industrial securities—Regional

Bombay	116.5	114.4	115.9
Calcutta	94.8	83.4	84.1
Madras	120.1	110.2	109.4
Others	114.1	119.5	120.4

BULLION PRICES

Week Ended	12-4-57	4-4-58	11-4-58
GOLD:—			
Spot—Highest	106 06	111 75	113 62
Lowest	105 00	110 41	111 16
Average	105 57	110 84	112 30
1st Settlement—Highest	105 94	111 69	110 97
Lowest	105 00	109 91	110 72
Average	105 43	110 50	110 94
SOVEREIGN—			
Average	69 08	70 69	70 37
SILVER—			
Spot—Highest	180 44	196 06	198 44
Lowest	178 44	194 56	196 06
Average	179 19	195 19	197 48
1st Settlement—Highest	180 50	196 00	197 94
Lowest	178 56	194 31	196 06
Average	179 34	195 11	196 84

SHORT-TERM MONEY RATES

(Per cent per annum)

	5-4-57	28-3-58	4-4-58
Call Money—			
From Banks—			
Bombay	3 1/2	3 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
From Public—			
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
Fixed Deposits—			
3 Months—			
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
6 Months—			
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	From	To	Date of change
France	Fcs. to Rs. 100	8795	8800	5-4-58
"	"	8800	8795	9-4-58
"	"	8795	8790	10-4-58
"	"	8790	8795	11-4-58
Switzerland	Fcs. to Rs. 100	914	914	10-4-58
Netherlands	Gulden to Rs. 100	791	791	10-4-58
U. S. A.	Rs. to \$ 100	475.00	475.25	10-4-58
"	"	475.25	475.00	11-4-58
Canada	"	489.25	490.00	5-4-58
"	"	490.00	490.50	7-4-58
"	"	490.50	491.75	10-4-58
"	"	491.75	491.25	11-4-58
Denmark	Kroner to Rs. 100	144 1/2	144 1/2	11-4-58
Italy	Lire to Rs. 100	13010	13015	5-4-58
"	"	13015	13010	9-4-58

STERLING TRANSACTIONS OF THE
RESERVE BANK OF INDIA

Week Ended	5-4-57	28-3-58	4-4-58
Forward Contracts—			
Purchases	£ ('000)	715	443
Sales	Rs. ('00,000)	95	59
Deliveries—	£ ('000)	50	...
Spot Transactions—	Rs. ('00,000)	7	...
Purchases	£ ('000)	...	...
Sales	Rs. ('00,000)	3,560	450
Against forward contracts—	£ ('000)	4.75	60
Purchases	Rs. ('00,000)	1,155	440
Sales	Rs. ('00,000)	1.54	59
Deliveries—	£ ('000)	...	...
Sales	Rs. ('00,000)	...	270
Deliveries—	£ ('000)	...	36

PRICES AND YIELDS OF SELECTED
CENTRAL GOVERNMENT SECURITIES

	12-4-57	4-4-58	11-4-58
3% 1958	99 45	3.64	99 65
3 1/2% 1962	97 80	3.72	97 88
3 1/2% N.P.B. 1967	98 45	3.68	97 65
3% Dev. 1970-75	87 28	4.25	86 25
3 1/2% 1974	98 50	3.87	98 20
3% (Con.) 1986 or later*	74 30	4.03	71 00

*Running yield

INDEX NUMBERS OF WHOLESALE PRICES
BY GROUPS AND SUB-GROUPS
(Base: 1932-33=100)

Group and Sub-Group	15-3-55	8-3-58	15-2-58	16-3-57
Food Articles—				
Cereals	102.4	101.7	100.8	102.6
Pulses	95	94	94	94
Fruits & Vegetables	78	76	76	111
Milk & Ghee	96	99	95	98
Edible oils	105	103	100	124
Fish, Eggs & Meat	118	117	117	93
Sugar & Gur	104	103	100	93
Others	112	111	110	124
Liquor and Tobacco	126	126	128	87.8
Tobacco	95.2	95.8	95	86
Fuel, Power, Light & Lubricants	94	94	106.5	106.5
Industrial Raw Materials	114.8	113.8	112.0	117.8
Fibres	111.2	110.3	113	111
Oilseeds	110	110	111	119
Minerals	113	111	109	107
Others	108	108	110	107
Manufactures	110	109	107.5	106.2
Intermediate Products	107.7	107.7	105.4	105.7
Finished Products	107.7	107.9	106	107
Textiles	106	107	117	115
Cotton	117	117	117	95
Jute	86	87	103	100
Woolen	103	103	103	87
Silk & Rayon	92	92	142	131
Metal Products	142	142	142	97
Chemicals	90	90	99	97
Oil cakes	112	110	111	110
Mchy. & Transport Equipment	102	102	102	100
Others	112	112	112	102
All Commodities	105.5	105.0	104.8	105.8

* = Estimated.

† = Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	11-4-58	4-4-58	12-4-57
LIABILITIES:			
Notes in Banking Dept.	13,17.98	7,94.43	6,61.73
Notes in Circulation	1638,21.48	1619,68.82	1574,41.90
	1651,39.46	1627,63.25	1581,03.63
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	226,06.93	216,06.93	412,51.91
Total of A	343,82.96	333,82.96	530,27.94
(B) Rupee Coin	131,33.59	127,57.38	125,85.26
Rupee Securities	1176,22.91	1166,22.91	924,90.43
	1651,39.46	1627,63.25	1581,03.63

BANKING DEPARTMENT:

	5-00.00	5-00.00	5-00.00
LIABILITIES:			
Capital Paid-up	80,00.00	80,00.00	5,00.00
Reserve Fund	...	...	...
National Agricultural Credit (Long-term Operations) Fund	20,00.00	20,00.00	15,00.00
National Agricultural Credit (Stabilisation) Fund	2,00.00	2,00.00	1,00.00
Deposits—			
(a) Central Govt.	49,23.35	55,27.22	53,60.13
(b) Other Govt.	13,63.15	7,23.89	1,54.28
(c) Banks	77,83.98	81,05.86	69,83.19
(d) Others	116,56.02	114,32.46	74,34.51
Bills Payable	19,19.33	25,66.09	15,93.82
Other Liabilities	39,95.13	40,37.06	117,27.98
	423,40.95	432,92.58	358,53.91
ASSETS:			
Notes	13,17.98	7,94.43	6,61.73
Rupee Coin	10.73	3.98	3.33
Subsidiary Coin	2.75	2.73	5.47
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	25,91.46	12,71.74	18,40.50
Balances held abroad*	51,81.57	68,34.29	184,20.30
Loans & adv. to Govt.	46,59.30	37,63.08	18,74.46
Other Loans & Adv.	55,53.49	73,92.35	104,39.62
Investments	215,94.22	218,11.09	92,90.99
Other Assets	14,29.46	14,18.89	13,17.51
	423,40.96	432,92.58	358,53.91

(1) The item 'Other Loans and Advances' includes Rs. 19,05,00,000 ad. vanced to scheduled banks against unsecured bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	Week Ended		
	28-3-58*	21-3-58*	29-3-57
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	15,26.28	12,14.05	8,27.28
(ii) other demand liabilities	729,99.00	728,73.68	703,60.67
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	14,85.50	16,05.50	1,97.00
(ii) Other time liabilities...	719,64.22	708,45.20	671,68.96
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities ...	10,77.54	9,86.30	11,60.47
(ii) Time Liabilities ...	90.00	85.00	...
Borrowings in India from the R. B. I. ...			
Cash in India ...	42,00.26	37,75.56	103,16.08
Balances with the Reserve Bank of India ...	67,78.10	63,85.81	54,27.96
Balances with other banks in current account in India ...	11,16.70	11,29.79	11,31.34
Money at call and short notice in India ...			
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts ...	440,35.92	440,25.74	347,18.35
Advances in India ...	805,88.93	796,33.60	723,60.18
Inland Bills Purchased and Discounted in India ...			
Foreign Bills Purchased and Discounted in India ...	116,59.60	114,62.67	117,52.05
	39,84.40	40,94.04	58,91.51

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Indian Finance

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Swadeshi Cotton Mills Co. Ltd.
Pondicherry, S.I.

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Anandnagar, Dist. Gorakhpur,
U.P. (N.R.)
Shree Anand Sugar Mills Ltd.
Khalilabad, Dist. Basti, U.P.
(N.R.)

COAL MINES:

Samla Collieries Ltd.

Collieries at:

Samla, Chhatrisghanda, Kendra, Ramnagar, Rly. Stn. Panda-
veswar (E.R.)
Jaipuria Kajora Collieries Ltd., Rly. Station, Ondal (E.R.)

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The Berar Swadeshi Vanaspati, Shegaon, Berar.

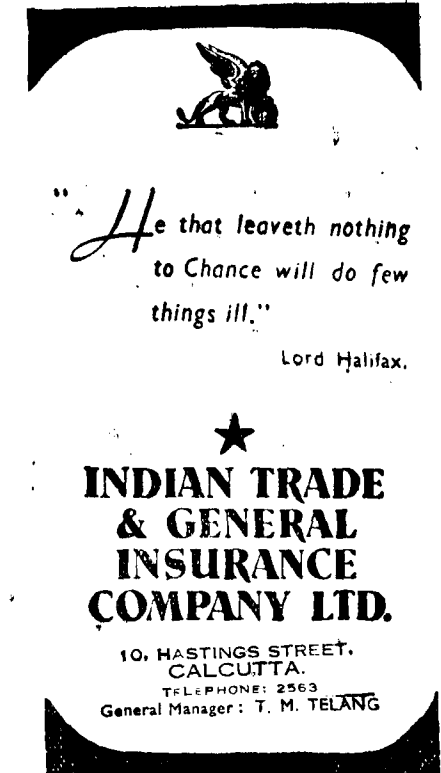
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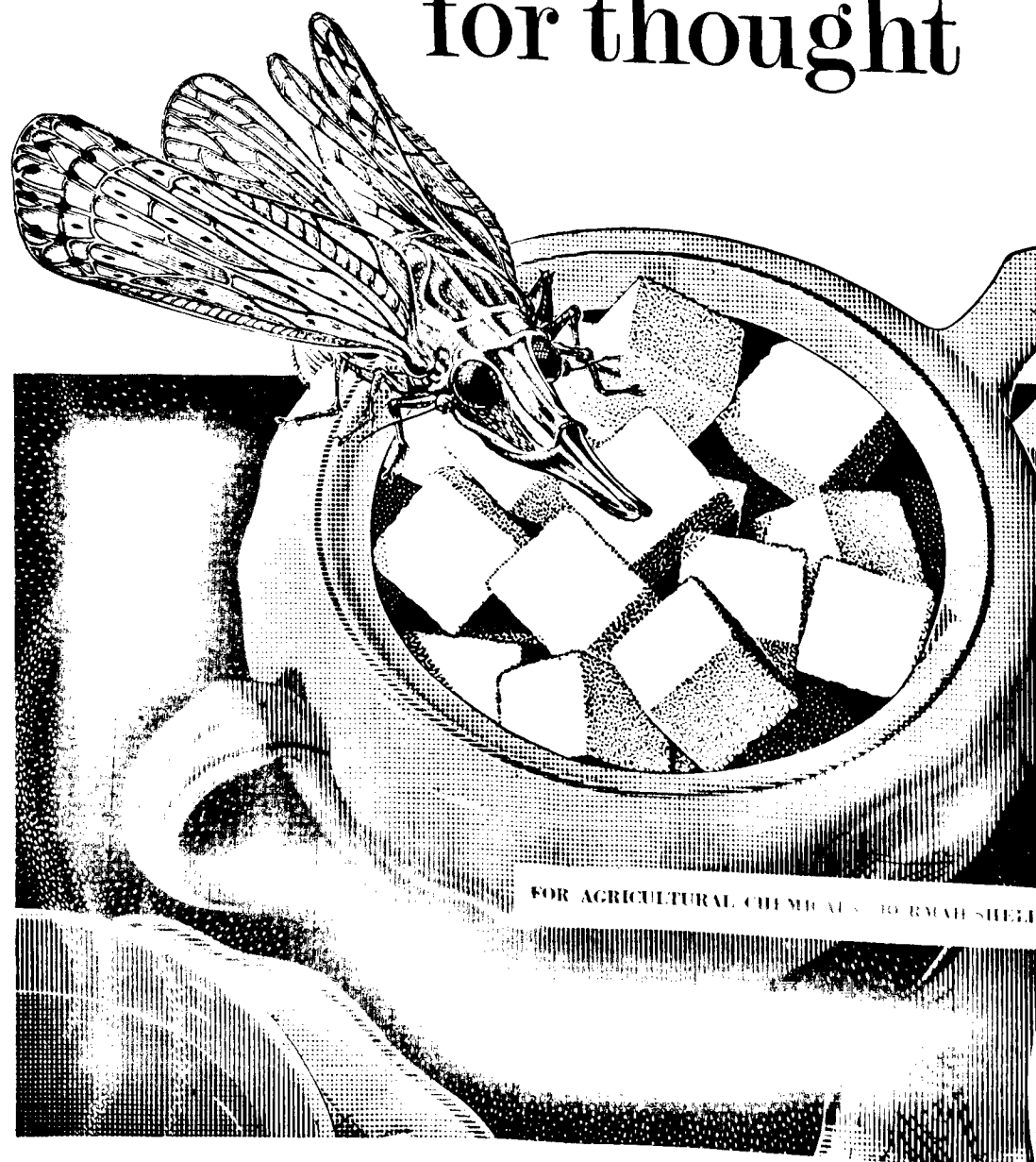
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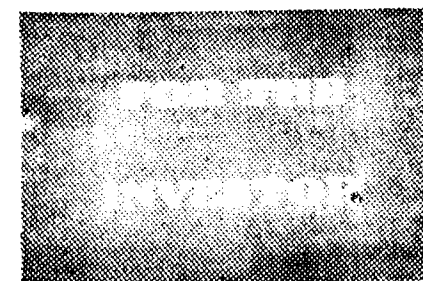
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More Cheerful Expectations

Investment Gossip:

A GOOD many months have passed, certainly more than a year, since Indian Irons have officially touched Rs 22; and it is to the credit of the current week that such barrier was pierced. There is now a more hopeful and cheerful assessment of prospects, and the bull trend may be said to appear established. Since the Budget, Indian Irons have put on Rs 2.36 to touch the new peak of Rs 22.12.

What now? Well, for my part, I do not see that any particular crystal-gazing is necessary to have a clear view of the future. I have always maintained that the Second Plan should be synonymous with an improvement, with a sustained rise in stock exchange values. Unfortunately, in the first two years, the overshadowing factor was the institution of the tax effort necessary in behalf of the Plan, so much so that, until recently, the market was in the grip of a bear phase. But the future now appears reasonably certain.

Firstly, the prospect for steels is assured. There can be no gain-saying the rise in the break-up value of the steel scrip. It is an undeniable fact that the profits will be rising quite sharply. No slump is expected, in the sense that supplies might exceed demand. It can be taken for granted that Government will take steps to export steel, when production reaches a sufficiently high level. The expansion programmes of the two private sector producers have been practically completed. One of the companies has received permission to capitalise from the Share Premium account; and there is the lively expectation, hardly likely to be belied, that IISCO, too, will be allowed to return, in the form of a bonus issue, the premium that Government insisted should be levied on the rights issue. The current yields offering on the steel shares are what would be expected on investments that had no growth prospects. In the light of such growth, the yields obtaining may be said to be too high; and a correction in this regard will mean that prices will inevitably be taken up.

Secondly, take cotton textiles and jute goods. A Parliamentary committee is now in process of investigating why resources available from the National Industrial Development Corporation are not being utilised for the avowed purpose of modernisation of the two industries. In view of the doldrums in

which the two industries recently found themselves, we can henceforth expect, with some improvement in their prospects, greater attention being paid to modernisation. Which means more economic working. As far as cotton textiles are concerned, the reduction in the excise duties may soon prove fruitful. There are some in the trade who expect a gradual improvement in offtake, and there are not a few who expect demand to be well up by the Pujas. Cotton textiles had a tough time of it in 1957, and the beginning of 1958 has been scarcely better, but a real improvement is, in my view, in the offing. As far as jute goods are concerned, there is already greater stability in prices, with the inauguration of futures trading. It should be a matter of time before purchases of jute goods themselves stabilise; and the world-wide steps being taken to set back recession should mean that the world oftake of jute goods will remain largely unaffected. Recently, prices in both sections have been, as it were, in the basement; and we may look forward to a steady recovery.

Thirdly, the engineering industries; and if there is one section that does not need any comment, it is this. Except for the shock administered by l'affaire Mundhra on Jessops and Richardson and Crundas we should have had an unbroken rise in engineering scrip.

Fourthly, tea; which are, anyway, investors' shares, and one poor year will more often than not be offset by another when earnings go up incredibly.

Cement? Sugar? Rubber? Prospects good. There is hardly any section in the Stock Exchange in which it is unreasonable to expect some modicum of rise in quotations.

By way of post-script, I have two things to add. Firstly, the money market is very well supplied with funds, and the all round denunciation of the high interest rates being paid on Deposits presages the possibility of action being taken statutorily to control them. Any move to effect a reduction in the rates on Deposits will automatically cause yields on Stock Exchanges to decline. Secondly, the information was given out by the Finance Minister that deficit financing during the Second Plan was likely to amount to the original estimate of Rs 1200 crores, rather than the lower pegging by Mr Krishnamachari some time ago. Deficit financing is normally a bull point for stock exchange activity; that the amount is being raised should make it more so.

£RS

Lloyds Bank

The Indian balance sheet of Lloyds Bank Limited discloses a smart rise in the balance of profits. Deposits and Other Accounts have moved up by nearly Rs 4 crores to Rs 43.89 crores from Rs 39.93 crores. This has enabled Lloyds Bank to keep its borrowings much lower at Rs 1.35 crores against Rs 6.36 crores. Cash Balances, including money at call, have im-

proved from Rs 3.69 crores to Rs 4.75 crores. There is a small shrinkage in the gilt-edged portfolio from Rs 12.61 crores to Rs 11.54 crores. There is also a decline of Rs 1.83 crores to Rs 29.01 crores in the Advances of Lloyds Bank.

The income by Interest and Discount has improved substantially from Rs 1.57 crores to Rs 1.84 crores. The income by commission, exchange and brokerage is also higher at Rs 50.71 lakhs against Rs 48.02 lakhs. Though it is true that interest paid is also higher, by Rs 19.07 lakhs at Rs 76.72 lakhs, the other main item of expenditure has been kept well under control. Thus, salaries and allowances are shown to be at Rs 86.07 lakhs against Rs 87.67 lakhs. In the result, the balance of profit is up sharply from Rs 28.64 lakhs to Rs 43.06 lakhs.

The sterling balance sheet shows that Deposits and Other Accounts have moved up from £1,197 million to £1,257 million. Loans and Advances are slightly lower at £327 million against £337 million. Cash Balances have improved by £28 million to £275 million. The profit and loss account shows that the profit for the year is more or less unchanged at £2.50 million against £2.54 million. The interim dividends absorb £693,869 against £640,495. General Reserves get the same appropriation of £500,000. The reserve for future contingencies is also maintained at £500,000. The final dividends absorb £693,870 against £747,244. The amount carried forward is £826,712 against £712,060 brought in.

The Indian balance sheet of Lloyds Bank shows clearly that the exchange banks operating in India can continue to thrive and improve their performance.

£RS

Companies and Notice of Trusts

By C. V. NARAHARI RAO

Investment Special:

Companies' managements are often puzzled about the procedure they have to adopt in recognising (or not) equitable trusts in the records of their share registers. There are apparent inconsistent provisions in the Companies Act, 1956 between section 153 on the one hand and sections 4 (3), 42, 49, 226 (3) and 307 on the other, which have left the law dubious. Section 153 relates to trusts and states that "no notice of any trust, express, implied or constructive shall be entered on the register of members or of shareholders or be receivable by registrar". The other sections have recognised the holding of shares in the names of a nominee or nominees of the real owner.

There was a Press Note in June 1957 which stated that shares in a company being the property of a trust can be held in the names of its trustees being individuals, corpo-

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on buildings and construction activity and introduction of a profit tax in Norway. To mop up excess consumer purchasing power, indirect taxes were raised in the United Kingdom as well as the Scandinavian countries.

The slowing down of the rate of growth was inevitable in such circumstances. In England, the increase in the volume of the gross national product in 1957 has been estimated at 1½ per cent and was among the lowest in Western Europe, while the index of industrial production was only 2 per cent above the 1956 level. In the Benelux countries, the volume increase in the gross national product was only 2½ per cent which was below the comparatively small increase achieved in 1956. Suspension of the investment allowance, increase in turnover tax and restriction of bank loans to private firms were the chief factors responsible for the decline in the rate of growth. The increase in fixed investment, which was to the tune of 4 per cent, was considerably below that of 1956.

Where, as in France, maintenance of currency reserves was not the criterion of State policy, the growth of economic activity was unimpeded and it increased at a faster pace than in the previous year. While, in 1956, the increase in national product was only to the tune of 4 to 5 per cent, in 1957 the increase was as much as 6 per cent. Considerable advances in productivity fostered by the high rate of investment in the previous two years and migration of labour from agriculture to industry explain the higher rate of increase in gross national product in France.

However, some of the measures that have been adopted by the French Government during the last year are expected to have a contractionist influence on economic activity for the coming year. Restraint on personal consumption, decrease in military expenditure, suspension of import liberalisation, reduction of public investment outside the nationalised industries are the measures that preclude a rate of growth similar to the one witnessed in 1957.

In West Germany, the gross national product, which, in 1956, increased by 6 per cent, increased only by 4½ per cent in 1957, constant fixed investment and falling off in private consumption being the main causes for the decline in growth. Another important factor which contributed to the same result was the fall in exports. The decline in exports was a feature common to almost all the West European countries in this year and was as much the effect as the cause of decline in economic activity noted earlier.

Leadership

By M. SUR

FASHION changes rapidly in the theory of industrial management these days, and just as industry is becoming used to a new phrase, the jargon changes. "Industrial relations" is being replaced by the term "human relations in industry", but already some of the American experts are attacking this conception and one has gone so far as to declare that it leads to a distortion of the basic concepts of democracy.

Does this mean that all the time devoted to research and writing by the experts is wasted? Probably, what really matters is that the outcome of all this ferment of ideas is to keep people thinking on their relationships with their colleagues and their subordinates, and to prevent industry from drifting into the position of viewing all new developments from a fixed, traditional point of view, which is the least conducive to settlement of problems.

Conditions in the East European countries during 1957 were, however, different and were marked by record agricultural crops in almost all the countries, with the exception of East Germany, and Czechoslovakia, and excess of industrial production over planned levels. Production of cereals in Western Europe is shown to have exceeded that of 1956 by more than 8½ million tons. In East Germany and Czechoslovakia, harvesting losses due partly to labour shortage on large farms and in the machine and tractor stations were responsible for poor results. These two countries, therefore, continue to depend heavily on imports of foodgrains, present imports being estimated at about 20 per cent of grain consumption and 10 per cent of meat consumption for both of these countries.

As regards industry, with the exception of East Germany and Czechoslovakia, the plans envisaged slowing down of the rate of industrial growth. In the event, actual production turned out to be higher than the planned levels. In Poland, as against an increase of 10 per cent in 1956, the plan for 1957 envisaged only an increase of 3½ per cent which, however, in actual working, registered an increase of 9½ per cent. Similarly, in the Soviet Union, while the planned increase was only 7.1 per cent, the actual increase in production worked out to about 10 per cent.

Improved supplies of materials from imports which a good agricultural season permitted and flexible allocation of the materials were the crucial factors in the bettering of the 1957 plans in Eastern Europe. Metal consumer goods and textiles were the two industries which benefited most from the improved supply position of materials. Output of consumer durable goods such as washing machines and refrigerators recorded similar increase especially in the Soviet Union. The restoration of the cuts in the imports of fibres in Eastern Europe put production of textile goods back at the level of 1955.

Shortages of energy in both Eastern Europe and the Soviet Union are the major threat to future expansion of industries. The energy surplus of the six East European countries in 1957 has been estimated at 7 million tons. Most of the countries in this region are dependent on the Soviet Union for supplies of energy fuels, the extent of East Germany's dependence being more than one million tons of hard coal equivalent. Slow progress in the generation of electric generating capacity is another serious bottleneck, which, if it is not removed, would adversely affect future prospects for industrialisation.

So, in this context, it is interesting to study changing conceptions of industrial leadership. We are used to hearing that executives should be chosen for their qualities of leadership, that schemes for management training (or development, which is the current phrase) should endeavour to bring out the qualities of leadership, and that, though some may argue that leaders are born and not made, the characteristics of a leader can be developed in the right kind of candidate.

What are the characteristics of leadership required in an industrial organisation? There is now a controversy on this point. In the UK, the question being raised is: How is it that, when industry has been selecting its supervisors and managers for their power of leadership and has been training them to be leaders, the term "the men's leaders" is invariably used, not of the management, but of the elected officials of the trade unions?

Has selection been wrongly made? Does election rather than selection throw up the leaders? Col. Urwick, in his book "Leadership in the 20th Century", published last year, pointed out that if, when people speak of "the men's leaders", they mean trade union representatives, then there is something lacking in supervision and management.

Enquiring into the meaning of leadership in the 20th century, Col. Urwick describes two kinds of leaders: the explorer type who leads men out into the unknown, and the tribal chieftain, master craftsman or priest, whose long experience and understanding of custom and practice fits him for the task of preserving them and protecting ordinary men and women from the discomfort of change. He holds that industry should choose its leaders from the first group. Can it be said, then, that the trade union leaders are drawn from the second group by the system of election? It is certainly difficult to select the first type in the early stages of their careers, and they somehow rarely come to the top by election.

Other students of this problem, however, do not agree with Col. Urwick that industry requires the Nelson touch. They regard leadership as "a social process intimately connected with the structure of the group and the individual members who are being led." They say there is no single characteristic of leadership, but only a series of capabilities which have to be related to the particular situation:

"It would seem that the leader in any group is produced as much by the pressure of the personalities which surround him, as by his own conscious efforts, and the capacity for leadership would seem to be as integral a part of his make-up as would be a tendency to colour blindness, or an allergy to shell fish. Not all men with the natural flair emerge as leaders, but no man without it can be completely successful as a leader."

In the old days, the leaders came from a class of society with breeding and education and accustomed to giving orders. They were "men who attracted loyalty to themselves rather than to the causes which they espoused". But present democratic ideals have changed all this, and, in a society where all men are regarded as equal, the first reaction to the potential leader is one of resentment. The leader in modern society, therefore, has to realize that his authority is by consent and that people will respond to persuasion but not to dictation. His objective must be "not so much to make people do things as to make people want to do those things."

Mr William H. Whyte, Assistant Managing Editor of Fortune, after three years' research on American ideas of personnel and social values, says in his recent book, "The Organisation Man", that, if all that has been learnt so far about the industrial employee as a member of a group is to be followed to its logical conclusion, then a strong personality will be viewed with overwhelming suspicion and the ideal leader should be the "well-rounded" individual, who is reasonably extrovert and has no fixations, and whose dominant characteristic is a cheerful acceptance of the status quo. This is the man who will achieve his object, not by pushing his employees around or arguing with them, but by adjusting them. It is a matter of communications and method of approach, and adaptation to environment is more important than adaptation of environment.

This seems somehow rather discouraging, but is borne out by two recent studies in the UK. One was an enquiry into the qualities required by industry in University graduates

*Mr A. R. Cooper, Divisional Controller, N. West Division of the Central Electricity Authority.

April 26, 1958

as candidates for executive posts where it was found that leadership came very low in the list and drive lower still. The other was an enquiry into the type of executive wanted by other sections of management, and it was noticeable that personnel officers came down heavily in favour of the "well-rounded" individual rather than the "explorer" type. Commenting on this in a recent lecture at the Bengal Chamber of Commerce and Industry, Professor N. C. Hunt of Edinburgh University said he felt that industry would lose much in the future if the personnel officers' views prevailed and executives were chosen only because they were well-adapted and not likely to cause friction in the organisation. On this assumption, industry would lose the type of man who in the past had been the successful entrepreneur.

Perhaps, the answer is that we need both types, or that at different stages we need

different types, but this makes the problem of selection even more difficult. However, there is no doubt that those in charge of industry should be pondering on these things, and that the problem of leadership is equally relevant in the political as in the industrial sphere. Someone once said that, to attend a Cabinet meeting under Winston Churchill was like being a witness to a historic event, whereas Clement Attlee, though not a dominant personality, was the ideal chairman and co-ordinator of views.

Perhaps the great explorer should be followed by the adapter. Baden-Powell always said that the man to follow him as head of the Scout movement must be an entirely different personality, for, while he had initiated, his successor must co-ordinate the results. Perhaps this is the way to approach the great problem of today: Who is to follow India's first Prime Minister?

Communist Block's Trade Offensive Poses Questions

By HENRY V. BURKE

Mr Henry V. Burke is an analyst and writer on Soviet affairs. This is the second of a series of three articles on the Soviet trade offensive, in which Mr Burke has attempted a reasoned and objective analysis of the implications and significance of Russian moves in this aspect of the world economy.

PART II

HOW DEPENDABLE ARE COMMUNIST TRADE OFFERS?

A PART from questions concerning the political nature of Soviet bloc economic dealings with other nations, there is an equally basic consideration—the matter of business reliability.

This subject often arises in discussions of the many complexities involved in world trade, and the natural desire of all nations to safeguard their investments in foreign commerce.

It is perhaps significant that comment on the Soviet bloc's business record includes a definitely skeptical attitude on the part of some observers.

The widely-read Iranian newspaper Ettelaat, of Tehran, reported at the end of 1957, for example, that "the Russians are very stiff in their dealings with Iranian businessmen, and for that reason many of the Iranian merchants were reluctant to trade with them this year."

On January 22, 1958, the Ceylon Daily News found it necessary to explain that trade negotiations between the USSR and Ceylon were "deadlocked" because proposals were "tilted heavily" in Moscow's favor.

In a later comment touching on certain perils involved in long-range barter or other economic agreements with the USSR, the Times of Ceylon said past experience raised the possibility that Ceylon "would be compelled willy-nilly to accept Russian goods for which quite possibly no market could be found in this country—or to wait for long periods of time before receiving payment on the balances outstanding in our favor."

"It is also worthy of note," the Times added, "that both Burma and Indonesia have been pushed by similar considerations into modifying their earlier predilection for barter arrangements."

Burma discovered in 1955 that the barter aspects of Soviet trade pacts, particularly, can boomerang. After agreeing to exchange almost 400,000 tons of rice for Soviet bloc products, Burma soon ran into a series of formidable obstacles. Many items on the Communist "available" products list proved to be "unavailable," and it was necessary to take substitute goods in exchange for the rice.

Later it was estimated that Burma had paid from 10 to 30 per cent more for the Communist-made goods she obtained than would have been necessary in non-Communist markets.

How the cement phase of this barter deal proved almost disastrous is now a well-known story. Soviet freighters dumped some 42,000 tons of cement in Rangoon alone, filling all available warehouse space and blocking the unloading of badly needed consumer goods from other areas. Much of the cement was ruined by exposure to the elements, while Burmese efforts to halt or even slow down the Soviet deliveries were ignored by Communist representatives.

An ironic commentary on the erratic nature of Soviet economic policies was seen in reports that at the very time the USSR was flooding Burma with unwanted quantities of cement, the same commodity was virtually unobtainable in Moscow.

Meanwhile, Burma's bartered rice was being re-exported by Soviet bloc recipients in direct competition with Burma's normal trade. Communist China, in particular, took advantage of its middle-man position to profit on Burma's rice by reselling the commodity to Burma's regular customers.

The Rangoon newspaper, Nation, on February 1, 1956, reported another complaint by Burmese businessmen—that Chinese Communist suppliers often raised prices from 10 to 15 per cent after exchange terms had been signed.

As a result of these events, there was comparatively little surprise when the same Rangoon newspaper, in May of 1956, quoted Burma's Prime Minister U Nu as commenting: "A man who takes barter when he can get cash must be out of his mind."

Another warning of the hazards involved in barter arrangements with the Communist bloc was implied in the Ceylon Daily Observer's late 1957 report that products from Communist China were going begging on local markets.

Although 20,000 tons of cement had been imported from China four months before, the Observer said, no buyers could be found. The cement "was offered below cost to buyers of one thousand tons or over," the newspaper

added, "but still the establishment has no offers." At the same time, according to the Observer, there was "no difficulty in disposing of British or Japanese cement."

A January 22, 1958 news report from Bangkok quoted a delegate to the Economic Commission for Asia and the Far East (a United Nations organization) as saying he doubted that most nations would be interested in new Soviet barter proposals. This delegate based his conclusion on the widespread impression made by Burma's unhappy experience in bartering rice for cement and the Communist bloc's custom of re-exporting the goods it receives at great potential damage to its "partners" regular trade outlets.

International trade annals are full of examples casting doubt on the dependability of both Communist-made products and Soviet bloc promises.

Syrian importers, two years ago, found that a shipment of automobiles made in Communist East Germany was of such poor quality that many had to be returned. Other Syrian importers complained that when they ordered crystal glassware from Czechoslovakia they received inferior, substitute products.

In 1956, discussions of a Soviet-Netherlands trade accord included a Dutch question as to why Soviet proposals contained no provision for buying meat, cheese and butter from the Netherlands. The Soviet answer was that the USSR no longer imported such items. When confronted with evidence that the Soviet Union had just agreed to import these same commodities from Denmark, the Soviet reply indicated how political motivation can override purely business considerations. The Soviet answer was simply that, after all, the Premier of Denmark had recently paid a visit to Moscow.

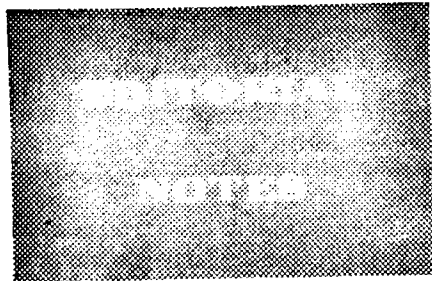
In July of 1956, it was disclosed that Soviet agents were using trade channels to finance subversion in Iran. It was also brought out that the USSR was manipulating the volume of its textile and rice imports from Iran to create sharp fluctuations in the market. Iranian publisher Abbas Shahenah charged that these tactics proved "the Soviets are playing, not trading, with Iran, and this play is always at the cost of numerous merchants' bankruptcy and despair among the northern farmers."

Earlier, Greek merchants complained that their imports from the USSR had included farm and industrial machinery that proved to be of substandard quality and from five to 15 years out of date. Other items rejected as unusable included shipments of dyes, photographic equipment, radios and coal.

Afghanistan had these experiences: cement imported from the Soviet Union proved to be "mostly sand," deliveries of Soviet gasoline totalled only one-sixth of the promised volume, Soviet-made trucks proved to be 50 per cent defective and Soviet export prices, on later comparison, were found to be about one third higher than free world rates.

In 1955, Communist East Germany undertook to build 40 oil storage tanks in Sweden, getting the contract by submitting an extremely low bid. Two years later, however, only four of the tanks had been completed. Contracts for nine tanks were cancelled and Swedish firms were forced to finish 17 others in a general fiasco caused by inexperienced Communist workmanship and faulty materials.

Argentina's 1957 coal purchases provide another example of how Soviet bloc agreements sometimes work. Faced with the problem of sizeable credit balances remaining from a bloc trade agreement negotiated three years before, Argentina agreed to take 100,000 tons of Polish coal as one way of settling the account. This coal, however, was priced at \$31.50 per ton—some \$8.70 more than the cost of comparable coal then being sold in Europe at \$22.80 per ton.



Refugees Afloat

While nearly 3 million of East Bengal's displaced continue to suffer incredible hardships, the Opposition leaders go on, rather Neromically, arguing that these people must be absorbed by West Bengal and should not be sent out without their consent. This seems as wrong-headed as Dr Roy's acquiescence seems weak-kneed. Why should not these unfortunates go, for example, to Dandakaranya, where there is ample room for them and excellent opportunities can be created for their resettlement? Firstly, the population pressure on this State, with nearly 1,000 persons per square mile, is the highest in India. Secondly, if the Punjabi dishabilitated could spread all over the country, why can't those from East Bengal? It is, of course, natural that the latter should be anxious to be settled in a milieu to which they were born. But things are difficult, the country has been partitioned and an unforeseen upheaval has taken place. When the disease is desperate, only desperate remedies can do any good. Besides, if the refugees move in large numbers and the Government provide them with all the promised facilities, they ought to be able to create their own milieu. Why does the Opposition stand in the way and incite them not to take the Government assurances? By being where they now are, under the canopy of the sky and

in overcrowded hells called camps, they are being gradually devitalised and losing the power to create a new life for themselves. How long can they go on? Why should they continue to be the prey of politicians and lose everything in the process? Certainly, there is a reason for all this. And that is the Government's inability to do things quickly. The description of the resources with which Dandakaranya seems to abound is pretty attractive. If those can be tapped, new fortunes are there for all comers. But the point is that the refugees, after all their bitter experience of the past few years, can no longer pin any faith on the Government's capacity to deliver the goods. This faith must be re-created. Despite the Opposition leaders and despite the refugees themselves, the Government should push on with the Dandakaranya scheme, and if even a handful of refugees can be persuaded to go there and find that life there holds prospects of comfortable re-settlement, they will act as decoy ducks to their fellows. Then they will not be here in West Bengal merely to suffer and dance to the tune of designing politicians.

The Government seem to believe in making mistakes in a series. Dr Roy should not have yielded to the Opposition's demand not to move the refugees out of the State; and Mr Khanna has shown a peculiar pig-headedness in the Lok Sabha by maintaining that the refugees in West Bengal's camps are comfortably off. Even if we forget about the consequences of the refugees' dissatisfaction on the next general elections, sheer humanity demands that these unhappy people should not be left as they are, that they should be helped in re-establishing themselves in normal life, within West Bengal if possible, without if not. Let the Government be firm and act with confidence and speed. This alone will revive the refugees' faith in the Government's professed goodwill. Nothing else will. As days pass in idle debate or in dilly-dally, the Opposition's hold strengthen.

Disparity in freight rates

In a Memorandum issued by the Bengal Oil Mills Association to the Railway Ministry a case has been made out against the disparity existing between oils and oilseeds imported into West Bengal from up-country. The memorandum says that West Bengal, being chronically deficient in the production of oilseeds, has to depend on the UP, Punjab, Gujarat and other States for the supply of oilseeds. It is estimated that the State imports nothing less than 4 million maunds of mustard seeds alone from the above mentioned States every year. Huge quantities of linseed, groundnut and other seeds are also imported.

Along with the heavy quantities of oilseeds, West Bengal also imports very substantial quantities of finished oils from the UP. The average yearly imports of mustard

oil into West Bengal from different Stations of the UP stand nearly at 1 million maunds. Such being the position, a very serious competition exists between the oils manufactured in West Bengal and those imported from out-stations.

The Memorandum of the Association points out that, in the fitness of things, the Freight Rate Parity between oilseeds and oils should be 1:3, taking into account the basic factor that 3 maunds of seeds make one maund of oil. But, contrary to this basic pattern of the freight, the Railway authorities have been charging much lower freights for oils as compared to oilseeds. Citing an example of the disparity, the Oil Mills Association has mentioned the case of Aligarh from where large quantities of oilseeds and oils are being imported into West Bengal. Whereas the freight of 1 maund of mustard seed from Aligarh to Howrah is Rs 1-10-3, the freight on 1 maund of mustard oil imported from the same station is only Rs 2-6-5. To enable the West Bengal oil mills to compete with their counterparts situated at Aligarh, the freight rate on 1 maund of mustard oil should have been Rs 4-14-9. Thus, the oil mills of Aligarh have the opportunity of imposing a clear handicap of Rs 2-8-0 per maund of oil on the mills of West Bengal.

Fixation of an ethical freight parity between centres producing both raw materials and finished products and centres producing only finished products by importing raw materials from centres of production, has been one of the most fundamental problems before the Railway Administrations all the world over. In the interests of the industries situated at both the points, the demand for fixation of a reasonable freight parity between oilseeds and oils deserves the immediate attention of the authorities.

Sugar Statistics

It is a familiar habit with persons speaking on agricultural topics to quote comparative figures output in India and elsewhere for the edification of the audience. Whether it is output of rice, wheat, potato or dairy produce, the speaker reels off a long list of figures of production in different countries, and invariably India comes at the tail end of the list. The speakers, if they happen to be Indians, seem almost to derive a masochistic pleasure in proclaiming the low productivity of Indian agriculture. And the speech made by Mr A. P. Jain, while inaugurating the 25th annual meeting of the Indian Central Sugarcane Committee last month, was no exception. It will be understandable if students of agronomic problems, who have no direct responsibility or power to influence activities in the field, indulge in these comparisons in order to draw attention to the scope for improvement. But we expect something more than

comparative statistics from the Union Minister of Agriculture. Statistics would have been more illuminating if he had also indicated the environmental factors which prevent the average output of cane in this country from reaching the standards set elsewhere. The fact that average output in north India is only one-third of the output in the South indicates that climate and crop seasons may have something to do with such large variations. And climate cannot be made to order. Even when increased output is possible through improved techniques adopted in research institute, it does not follow that methods which satisfy certain technical standards will be economically feasible in the field. Recognition of these facts will endow official pronouncements on agricultural topics with greater realism. While Mr Jain indicated the possibility of increased output which is necessary to maintain exports, the President of the ICSC, Mr T. C. Puri, stated that 30 per cent of the total area under cane had been brought under development schemes. He was also hopeful that the Second Plan target of 78 million tons would be achieved ahead of schedule. It is satisfactory to note that yield in the areas covered by development schemes has responded to the intensive manuring programme, with increased output varying from 9 to 37 per cent. That gives a proper measure of additional yields that may be reasonably expected. It is proposed that the development schemes will cover the entire area under sugar cane by the end of the Second Plan. The work done at the Coimbatore Sugar Cane Breeding Institute and the chain of research stations will also help to increase productivity, but over a long period.

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April 26, 1958



“No Inflation Worth the Name”

DEFICIT financing in 1957-58, by inferential admission of the Finance Minister, exceeded substantially the revised estimate of Rs 380 crores, and there is reason to believe that the amount may have been as large as Rs 460 crores. In this wise, within the first two years of the Plan, the total of deficit financing has amounted to Rs 700 crores. Mr Morarji Desai has also stated that, as things stand, deficit financing during the Second Plan is likely to amount to the Rs 1200 crores postulated by the Planning Commission rather than the Rs 700 crores to Rs 800 crores as indicated by Mr T. T. Krishnamachari. Undoubtedly, this assertion by the Finance Minister will let loose a fresh onslaught on the Second Plan, with the charge that deficit financing of such proportions will contribute greatly to inflationary pressures. Thus, the warning uttered by certain sections will be that, if inflation is to be avoided and if, therefore, the quantum of deficit financing is to be kept at a lower figure, Government will inevitably need to reduce the size of the Plan. It is in this background that we may examine broadly the impact of deficit financing as reflected in the monetary indicators.

Between March 1956 and March 1958, during a period when deficit financing aggregated Rs 700 crores, Active Note circulation has risen by Rs 112.49 crores to Rs 1579.13 crores. Secondly, during the same period, Deposits of Scheduled Banks have risen very steeply by Rs 428.73 crores to Rs 1479.75 crores. Also during the same period, the Advances of Scheduled Banks have gone up by Rs 201.09 crores to Rs 962.33 crores. Finally, between the end of March 1956 and the last Friday in March 1958, Investments of Scheduled Banks have increased by Rs 80.46 crores to Rs 440.36 crores. It is, thus, noteworthy that the impact of deficit financing upon Active Notes has been relatively negligible. For, a rise of Rs 112 crores is more possibly in response to and mirroring of the accelerated tempo of economic activity than any result of deficit financing as such. It may, however, be remarked that quite conceivably, expansion in Active Notes would have been much sharper were it not for the contractionary influence of the balance of payments deficit which, in the first two years of the Second Plan, was in the environs of Rs 575 crores. In broad terms, the expansion in Note circulation plus the drain in the

foreign exchange reserves are roughly equivalent to the quantum of deficit financing. It may be true to say that the deficit financing during 1956-57 and 1957-58 might have proved inflationary, except for the balance of payments deficit. It would ostensibly follow that, during the remaining three years of the Plan, the estimated deficit financing of Rs 500 crores may prove to be inflationary to the extent that the balance of payments deficit may prove to be smaller. But then, it is a safe assumption that the import surplus during the remaining three years of the Plan will certainly amount to Rs 500 crores, and will, in all probability, quite considerably exceed such a figure. In that case, it is reasonable to suggest that deficit financing even of the order of Rs 1200 crores may not substantially affect Active Notes; and, to that extent, we are unlikely to have evidence of inflation as reflected in any large increase in Note circulation.

Secondly, it is possible to suggest that deficit financing for Rs 700 crores, as reflecting steep governmental disbursements, has had more direct impact upon the Deposit resources of Scheduled Banks. As we have seen, Deposits rose by Rs 429 crores. Such a rise in Deposits could be construed either as an indication of inflation or a factor contributory to inflationary pressures. But this is to overlook the fact that very nearly 20 per cent of the increase in Deposit resources has been applied to the purchase of gilt-edged by Scheduled Banks. Thus, roughly Rs 350 crores of Deposits remain which could be inflationary in character. They could be inflationary in the sense that increased banking resources were available for credit, which could be utilised for holding up stocks or goods in short supply. In fact, Advances of the Scheduled Banks have, as we have seen, risen by Rs 200 crores. But by no stretch of imagination could this expansion in Advances be construed as having contributed to inflationary pressures. For, the selective monetary control wielded by the Reserve Bank has expressly withheld banking credit from those sectors of the economy in which there appeared to be the opportunity for speculative activity.

The index number of wholesale prices, it is true, shows some rise. With 1952-53 as base, the index has gone up from 99.2 in the last Saturday of 1955-56 to 106.1 in the last Saturday of March 1958. The rise is hardly of the order of 7 per cent, and, while we should not understate the fact that there has been some element of upward pressure on prices, it is as important to stress that neither deficit financing for Rs 700 crores nor expansion in Scheduled Bank credit for Rs 200 crores has resulted in an alarming degree of inflationary tendencies. Indeed, Mr Desai has emphasised this point, when he remarks that there has been no inflation worth the name in India. “though we have shouted very loudly about the rise in

prices”. The important thing to remember here, a point that has been reiterated stated by Indian Finance, has been given expression to by Mr Desai when he says that, with the increase in the standard of living of the Indian people, some element of price rise is inevitable. It would be worth our while to consider whether we should not indeed welcome, not a large, but a small rise in prices in the sense that such a rise would be an index of an improvement in the standard of living.

The conclusion is that, while Government must always be vigilant about the price situation, with a view to providing checks in sectors of the economy wherein a speculative pressure arises from a shortage in supplies, we need not, at the same time, worry over much about the possibility of deficit financing for Rs 1200 crores leading to run away inflation.

Deposits Again Steeply Higher

According to the returns of the Reserve Bank for April 18, there has been a contraction of Rs 10.44 crores to Rs 1627.77 crores in active Note circulation. Rupee Coin has also returned from circulation for Rs 0.24 crores, and the Reserve Bank's cash in the till is consequently marked up by Rs 10.69 crores to Rs 23.87 crores.

There is a mysterious contraction of currency for Rs 1.32 crores against Rupee Securities, with a countervailing expansion of currency against Foreign Securities. Why there should have occurred such a small adjustment under these two heads cannot easily be explained. Perhaps, the decline in Rupee Securities represents partly the debiting of interest against the expansion in Rupee Securities which occurred in the Reserve Bank's returns for April 16, when deficit financing, it is now clear, was taken recourse to for Rs 10 crores without, however, any apparent deduction of interest. Also partly, the decline under Rupee Securities may relate to the debiting of interest in connection with sales of ad hoc Treasury Bills in favour of the Reserve Bank during the week under review. For, according to the return of the Banking Department, Investments are marked up by Rs 14.20 crores at Rs 230.14 crores.

The Centre's Balances would have benefited by this deficit financing for between Rs 10 crores and Rs 15 crores. The Central Government's Deposits are, however, found to be only Rs 3.22 crores higher at Rs 52.45 crores. The drop of Rs 5.47 crores in Government of India Treasury Bills Purchased and Discounted, as shown in the assets of the Banking Department, is probably indicative of a commitment in respect of maturing bills which the Government had to meet and for purposes of which deficit financing was instituted.

Balances of State Governments are practically unchanged at Rs 13.09 crores; however, the Ways and Means Advances obtained from the Reserve Bank have risen again by Rs 4.58 crores to Rs 51.17 crores.

The member banks have substantially improved their position vis-a-vis the central banking institution. The Reserve Balances of Scheduled Banks have risen considerably by Rs 13.15 crores to Rs 90.99 crores. Since, in the relevant week, the State Bank reports an increase in Cash-in-Hand and with Reserve Bank of only Rs 2 crores odd, it is clear that the improvement in the Reserve Balances is owing mainly to the other Scheduled Banks. The indebtedness of Scheduled Banks to the Reserve Bank also appears to be reduced, with the Other Loans and Advances of the Reserve Bank declining by Rs 1.16 crores to Rs 54.37 crores. In this regard, it is noteworthy that the Reserve Bank's Advances against usage bills are lower by Rs 1.73 crores at Rs 17.33 crores. The sharp rise in the Reserve Balances would indicate that the Scheduled Banks experienced a further accretion to their Deposit resources during the week ended April 18—a week during which the State Bank, as we shall presently see, suffered a depletion in Deposits of nearly Rs 6 crores.

Finally, the import surplus is reflected in a further decline in Foreign Balances. While there has been a transfer of Rs 1.32 crores to Foreign Securities in the Issue Department, Balances Held Abroad show a drop of Rs 9.34 crores to Rs 42.48 crores. The net drain in foreign exchange resources thus amounts to Rs 8.02 crores during the week.

According to the return of the State Bank for April 18, Deposits have been marked down by Rs 5.80 crores at Rs 421.55 crores. Cash Balances, however, have improved by Rs 2.05 crores to Rs 35.73 crores. Advances are slightly lower at Rs 208.02 crores against Rs 209.35 crores. The decline in Deposits did not affect the cash position of the State Bank because Other Assets have been run down from Rs 17.80 crores to Rs 9.74 crores.

A further sharp rise in Deposit resources of Scheduled Banks is revealed in the return for April 11. With a rise of Rs 21.47 crores, Deposits are placed at Rs 1532.07 crores, and the accretions in the course of the last two weeks exceed Rs 52 crores. It is particularly noteworthy that, in the week ended April 11, the State Bank had shown a decline in Deposits of Rs 6.90 crores. It is thus clear that Deposits of other Scheduled Banks rose in the relevant week by over Rs 28 crores. This has enabled the Scheduled Banks to reduce borrowings from the State Bank to a figure of Rs 8.77 crores from Rs 11.31 crores. Furthermore, indebtedness to the Reserve Bank has been very sharply cut by Rs 15.78 crores to Rs 22.16 crores. This figure of

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Rs 22.16 crores contrasts with indebtedness to the Reserve Bank, in the corresponding week of last year, at Rs 80.94 crores. Besides, the Scheduled Banks have added to their Cash Balances by Rs 4.64 crores to Rs 185.02 crores. Lastly, there appears to be evidence of the abatement of the busy season, since Advances are lower by Rs 7.21 crores at Rs 962.20 crores. This is the first decline in Advances which has occurred during the currency of the 1957-58 busy season. However, we should warn against any facile assumption that the decline in Advances in the latest week is proof positive of the relaxation of the busy season's rigours. In the 1956-57 busy season, the Advances of the Scheduled Banks marked a decline—though a small one—in the week ended April 19, 1957. But, thereafter, Advances showed a rising trend for the next five weeks, until the peak of Advances was touched during the week ended May 24.

Hind Bank

In its accounts for 1957, the Hind Bank has reported a small decline in Deposits from Rs 5.12 crores to Rs 5.06 crores. A similar decline is marked by Advances, which have fallen from Rs 3.49 crores to Rs 3.43 crores. Investments are placed at Rs 1.18 crores against Rs 1.28 crores. Cash Balances are shown at Rs 1.27 crores against Rs 1.14 crores.

According to the profit and loss account, the income by interest and discount is lower at Rs 23.13 lakhs against Rs 24.21 lakhs. Commission, Exchange and Brokerage have also fetched less at Rs 9.13 lakhs against Rs 11.35 lakhs. On the other side of the ledger, interest paid is practically unchanged at Rs 12.02 lakhs; Salaries and Allowances have moved up slightly to Rs 8.85 lakhs from Rs 8.80 lakhs.

In the result, the balance of profit stands reduced to Rs 7.61 lakhs from Rs 12.11 lakhs. The provision for taxation is reduced to Rs 2.65 lakhs from Rs 4.50 lakhs. The transfer to Reserve Fund is Rs 2 lakhs lower at Rs 1.75 lakhs. Bonus to staff, however, is placed higher at Rs 95,000 against Rs 90,000. The dividend, unchanged at Rs 3 per share, absorbs Rs 3 lakhs, and the amount carried forward is Rs 84,485 against Rs 1.62 lakhs brought in.

Socialist Attitude Towards Sterling

Paul Einzig

THE interest aroused in the country by Mr. Heathcoat Amory's first Budget on April 15 was overshadowed two days later by the disastrous rout of the Conservative Party at the London County Council election. The losing party at local elections usually argues that results at such elections are influenced by local considerations and do not reflect the country's attitude towards the Government of the day. Nevertheless, such a landslide as

occurred in London and, to a more or less extent, in other countries, must be regarded as an indication of the political trend. It is true, the general election is not imminent. Mr Amory's Budget is certainly not an electioneering Budget. It is evidently the Government's intention to have at least one other Budget before Parliament is dissolved, so that there will be an opportunity for making a bid for popularity by means of appropriate tax concessions. Even so, the outcome of the local elections cast gloom over business circles. The Stock Exchange boomlet resulting from the reduction of the tax on distributed profits from 30 to 10 per cent was nipped in the bud. Which is perhaps as well, because any evidence of big profits made by investors and speculators on a rise in equities would not make it any easier to settle the wage disputes on reasonable terms.

That profits tax concession was in any case a mistake—one of the many mistakes made by Mr Amory in his very first Budget. The replacement of the rate of 30 per cent on distributed profits and of the rate of 3 per cent on undistributed profits by uniform rate of 10 per cent would have been the correct measure in an ideal world, but it was a grave error of judgment in our existing world. Trade unions which were hoping for some face-saving device to enable them to retreat without loss of dignity regard it as an act of provocation. Since it is bound to lead to a number of dividend increases it will be much more difficult to persuade the unions to restrain wage demands.

The Budget is inflationary also because it deliberately increases the Budgetary deficit through various tax concessions amounting to £50 million. That amount is admittedly not excessive; indeed most people think Mr Amory could and should have given away much more revenue. But it is a legitimate argument to say that a Government which preaches disinflation on the ground that the time has not yet arrived for a reversal of its economic policy should not have incurred an additional deficit even to the moderate amount of £50 million.

Perhaps the most deplorable mistake made by the new and inexperienced Chancellor of the Exchequer was the decision to issue new Defence 5 per cent Bonds repayable in seven years at 103, the premium of 3 per cent being free of tax. This new Bond gives a yield of about 5½ per cent—even more for investors in the higher income groups—which is quite unnecessarily generous. It greatly reduced the chances of a further rise in the gilt-edged market, and it will force local authorities to continue to pay 5½ per cent, and even 6 per cent on their new loans. The only conceivable reason for giving such expensive terms is that the Government is anxious to show a spectacular increase in the figures of savings. Yet Defence Bonds are not usually held by workers; they are favoured by upper middle-class investors.

The high interest will attract very little genuine new saving. All that will happen is that investors will switch into the new Bonds from other forms of Government loans they already hold. The same will happen as a result of the increase from £600 to £1,000 of the maximum permissible individual holdings of the tax-free Saving Certificates. These measures will certainly not induce many individuals to refrain from spending in order to save more. All they will do is to increase the published figure of new savings. This may be considered useful and necessary for propaganda purposes abroad, to impress opinion overseas about the degree of improvement in the economic situation. But to the extent to which this effort is successful it will further increase the difficulty of inducing the trade unions to adopt a reasonable attitude. They are sure to argue that if such a high proportion of the increased wage incomes is neutralised by an increase in savings then wage increases could not after all be so inflationary. It will be difficult to convince them that the increased savings represent middle class money and not even new savings at that.

Mr Harold Wilson, Chancellor of the Exchequer-designate to the next Labour Government made a solemn declaration that the defence of sterling has first priority in the Labour Party's programme. This is certainly a change of attitude, for until recently the official line was that full employment must be given first priority. The explanation of the change lies in the realisation of the danger of a sweeping flight from the pound on the eve of the next general election, in anticipation of a Socialist victory. Remembering the experience of 1931, Socialists are doubtless aware that such a flight might induce many people to vote Conservative. It is, therefore, to the interests of the Labour Party to make an effort to discourage such a flight, even if in doing so it assists the Conservative Government in the defence of sterling.

Since in this instance Party considerations happen to be identical with patriotic considerations, there is no reason to doubt the sincerity of the Socialist attitude. But its practical effect in preventing a run on the pound on the eve of the general election is likely to be negligible. After all, the Socialist Government devalued sterling in 1949, after having declared many times its determination to maintain the parities. And even if the next Socialist Government should be genuinely determined to defend sterling, its inflationary policies are bound to result in a devaluation eventually. It would be a different matter if Mr Wilson's declaration of the prior claim for sterling's defence had been accompanied by a renunciation of the inflationary policies of the Socialist Party. But in this respect there is no change of policy.

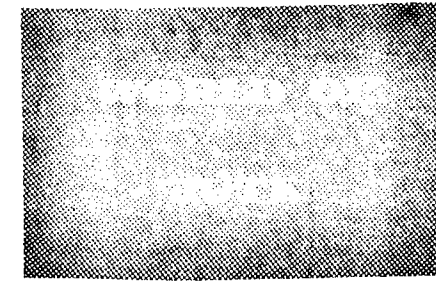
The Labour Party is as strongly against credit restrictions as ever. All Socialist speakers during the debate advocated a resumption of

economic expansion regardless of its inflationary effects. They all refrained from saying anything that might be interpreted as disapproval of wage demands in excess of increase in productivity. The Labour Party has not abandoned or reduced its ambitious plans for increased public expenditure, especially on capital projects. The private sector of the economy, too, would be pressed to increase investment expenditure under a Socialist Government. On the basis of such policies the Socialists' newly found faith in sterling's priority is not likely to impress many people abroad about a Socialist Government's ability to defend sterling.

Evidently there are two conflicting attitudes. Socialists still feel that there must be full employment and expansion even at the cost of inflation. Conservatives feel that inflation must be stopped even at the cost of economic stagnation and a moderate degree of unemployment. It did not occur to any speakers on either side that there is a third alternative. If only the trade unions could be persuaded to agree to the principle that the extent of wage increases in any one year must not exceed the increases in productivity during the previous year, it would be possible for the Government to remove immediately any credit restrictions and to encourage the maximum of expansion without running the risk of inflation. This is true not only for Great Britain but also for the United States and other industrial countries.

The trade unions could remove the danger of increased unemployment by accepting the formula of confining wage increases to within the limits set by increases in productivity. But unfortunately trade unions are more interested in trying to increase labour's share in the output of goods than in making it possible to increase the total output. In the absence of the disinflationary measures forced on the Government by excessive wage increases, it would have been possible in Britain to raise the standard of living of the worker by at least ten per cent during the last two years, as a result of an increase in the output. As it is, money wages have increased by far more than ten per cent, but most of it has been cancelled out by the rise in prices caused by the unearned wage increases, so that the standard of living of the workers advanced only slightly duly.

But no trade unionist would ever admit these obvious facts. All they are concerned with is to secure the maximum of increases in money wages at the expense of the rest of the community which has to bear the consequences of the resulting increase in prices. So long as this is the labour attitude, the alternative solution indicated above remains impossible, and the choice will continue to rest between expansion at the cost of inflation and stability at the cost of stagnation. And since the former policy is more popular the chances of the Conservative Government to survive the next general election must be regarded as negligible. —Copyright.



Raw Jute Supply

THE jute markets have been somewhat subdued during the past week. Barring the hessian section which has maintained a steady undertone, the other sections of the market have displayed an easier trend. The comparative steadiness of hessian is of course due to its good statistical position, and the better enquiries for this category of goods from foreign countries.

It would appear that the sagging tendency that has characterised trading during the past week has largely stemmed from the weakness of the raw jute market. Following news of favourable weather conditions in the jute growing areas, sellers of raw jute have become keen for business. A contributory factor to the offerings at a lower price level has been the larger arrivals of raw jute into Calcutta and Mill stations during March as compared with the corresponding month of the previous year.

Raw jute arrivals during the last month totalled 494,100 bales as compared with 554,000 bales in February and 481,000 bales in the corresponding month of the previous year. Arrivals from Pakistan during the last month have amounted to only 18,700 bales as against 21,000 bales in February and 40,000 bales during March 1957. Though arrivals of raw jute of Indian origin at 475,400 bales are lower when compared with the previous month, they are higher as compared with the corresponding month of the previous year when such arrivals totalled only 441,000 bales. During the period July-March 1958 a total quantity of 5,081,100 bales of jute has reached Calcutta and Mill stations made up of 4,559,400 bales of Indian jute and 521,700 bales of jute of Pakistani origin. Such arrivals during July-March 1957 amounted to 5,111,000 bales comprising 4,585,000 bales of Indian origin jute and 526,000 bales Pakistani.

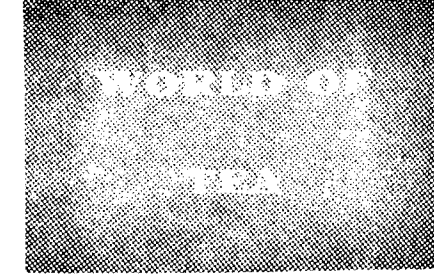
According to official estimates, production of raw jute and mesta during the current season is placed at 5,254,000 bales. Production of mesta at 1,166,000 bales shows a decline of 245,000 bales as compared with the previous season. Thus the total availability of jute and mesta of Indian origin amounts to approximately 70 lakh bales (Indian production plus Mills' opening stocks and Indian carryforward). So far this year raw jute to the tune of about 5 lakh bales has been received from Pakistan. This will raise the total availability of raw jute in the country to 75 lakh bales. As against this the total demand during the period is placed at 64.2 lakh bales. These calculations have not included the quantity of raw

jute that may be received from Pakistan during the last three months of the current season.

After a steady opening the jute goods market turned quiet especially around the sacking section. The hessian section ruled comparatively steadier. In the absence of fresh foreign enquiries the market had been solely under the influence of news regarding the new jute crop. Reports from most jute growing areas indicated that weather conditions had turned favourable for preparations for the new crop, and consequently sellers in the raw jute section were obliged to discount rates. With raw jute prices declining higher price levels could not be held in the goods section. B Twills which was quoting at Rs 103.60 at the beginning of the week came down to be finally placed at Rs 100.75 at close on Wednesday. Hessian 40"×10 Oz after quoting around Rs 41.40 in the first half also developed a sagging tendency toward close to be done at Rs 41.12.

Despatches of jute goods during March totalled 86,000 tons as compared with 85,800 tons during the previous month and 84,000 tons during the corresponding month of the previous year. The slight increase in despatches is due to an improvement in internal offtake which accounted for 20,465 tons during March as against 18,400 tons in February. Exports are lower at 65,535 tons as against 67,400 tons in the previous month. Of exports, hessian has recorded an increase from 30,800 tons to 31,267 tons while sacking has shown a decline from 35,300 tons to 32,757 tons. Of the total internal offtake, both categories show an improvement with hessian at 2,257 tons and sacking at 15,794 tons.

The jute goods market opened on Thursday on a steady note following reports of further foreign inquiries but eased off toward close on profit-taking to close quietly steady as follows. Hessian 40"×10 Ready Rs 41.45 and B Twills Rs 103.60. The undertone was again quiet on Friday and prices continued to display a sagging tendency. The sacking section was particularly depressed. Hessian 40"×10 oz Ready was fractionally lower at Rs 41.40 while B Twills declined rather sharply to Rs 102.85. B Twills staged a recovery on Saturday but otherwise conditions were generally unchanged. Hessian 40"×10 oz Ready was unchanged at Rs 41.40 B Twills however rallied to close at Rs 103.20. Reopening on Tuesday after the holidays the market displayed a firm undertone in earlier dealings. But in the absence of follow-through support and on reports of favourable weather conditions in most jute growing areas prices in later dealings declined sharply. While hessian 40"×10 oz ready did not suffer much damage as it closed at Rs 41.20, B Twills Ready recorded a steep fall to Rs 101.45. The reactionary trend gained further momentum on Wednesday as foreign enquiries continued to be conspicuous by their absence. Hessian 40"×10 oz Ready thus closed the week at Rs 41.12 and B Twills at Rs 100.75.



Production Forecast

DISCUSSING the outlook for Tea in an interesting section of their monthly review, Messrs Carritt Moran & Company (Private) Limited, a well-known firm of tea brokers, have stated that, although world tea markets were depressed in the 1957 season due to increased supplies, the new season's crop would come to a market, which would be short of tea. While the overall crop from India in 1957 showed little change from the previous season, production from Ceylon made a further substantial increase and increased quantities of tea, largely in the Common category, reached the London auctions from a number of countries, such as Iran and Argentina.

The review adds that, with the continuing expansion of tea growing in East Africa and new ventures in Mauritius, the Cameroons and other places, tea production appear to be increasing faster than world consumption and the existence of common tea producers in India, whose position was already marginal, appears problematical in the absence of any agreement between the larger producing countries for the regulation, not only of exports but also of further expansion in planting.

While this overall picture may thus appear depressing, the review states, that there are some more hopeful aspects. Taking into account the disturbed conditions in Indonesia, it seems reasonable to forecast that there will be no increase in world tea crops during the year. In this event, world consumption may well be in close balance with production during 1958-59 as there are indications that the large crop of 1957 will not have to be added to world stocks.

No Export Sale was held in Calcutta this week. The final clearing-up sale will be held on the 28th April.

In the Internal Sale, offerings were 20,466 package of Dusts. There was a strong general demand and price for most sorts were firm to dearer. Towards the close, however, some descriptions tended to be slightly easier. Clean leafy orthodox types were the strongest feature of the sale and their prices showed an advance of 6 to 10 nP per pound, while others, in this category, were generally sold 4 to 6 nP above valuations.

The very best CTC types and Medium descriptions with useful liquors were in good demand but the remainder tended to be easier. Following rates were quoted:—Medium Dooars Dust Rs 1.64 to Rs 1.68; Medium Assam Grainy

Dust Rs 1.68; Medium Assam CTC Dust Rs 1.90 to Rs 2.10 and Best Assam CTC Dust Rs 2.80 to Rs 3.10 (nominal).

Also, 4,416 packages of Leaf grades were offered for internal consumption. These met with a good general demand and most sorts were generally firm and often dearer.

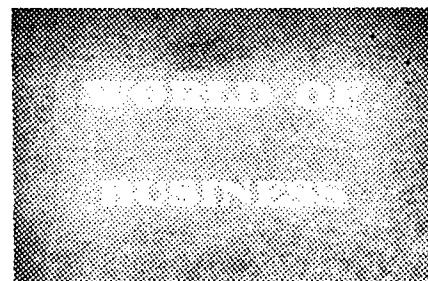
In the Export Quota section, there were buyers of Special Export Licence at 2½ nP; but sellers were not interested below 3½ nP per pound. Business was done in Non-transferable Shipping Licence at 3½ nP. Towards the close, however, the rate declined to 3 nP per pound.

In the Cochin market, twenty-two lakh pounds were offered for export. Quality showed a phenomenal decline; but there was still a useful selection on offer. The sale opened with a limited demand from the exporters and the demand lessened considerably as the sale progressed. Low Medium descriptions declined by 15 to 20 nP per pound with good medium and medium teas declining by 20 to 30 nP. The best liquoring teas were sold at rates up to one rupee per pound lower than last price. Whole Leaf grades met with less competition and were quoted 15 to 20 nP per pound easier than in the previous week.

In the Colombo market, there was a good general demand for all better liquoring teas. There was an active demand for Nuwara Eliya teas at dearer rates. Among high-grown teas, top quality Broken were irregular following quality. There was, however, strong demand for medium-grown teas. Best Broken were fully firm; but those below the best were generally 5 to 10 cents per pound dearer. There was slightly less demand for low-grown teas.

In London auction, offerings were 23,162 packages, including 12,379 packages of Northern India teas. Bidding was again brisk and the market for all teas with colour was dearer. Buyers were more selective than of late and were willing to pay for the better quality types. Dooars generally met with a firm market and again the better autumnal teas were commanding the best prices. There was no plain tea on offer and the rate for these types were nominally quoted 3sh 6d per pound.

Tea stocks in London, as on the 11th April, were 137.17 million pounds as compared to 136.36 million pounds in the previous week. The total quantity to be landed on the same date was 7.50 million pounds. Deliveries totalled 9.13 million pounds and landings 16.46 million pounds. Total afloat was 36.71 million pounds including from Calcutta 21.43 million pounds; from Chittagong 168,520 pounds; from Cochin 2.97 million pounds; from Colombo 10.50 million pounds and from other Ports 1.64 million pounds. The average price realised, at the auction during the week ended 11th April, was 57.02d per pound as against 55.42d in the previous week and 43.08d a year ago.



Ferro-manganese Plant at Joda

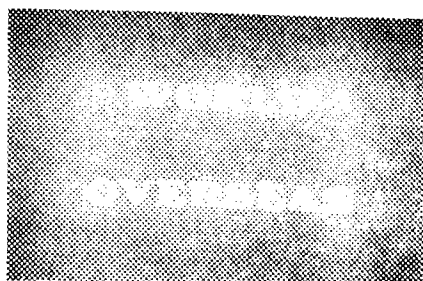
THE inauguration of the Ferro-manganese Plant at Joda, in Keonjhar District in Orissa, is important in more respects than one. The completion of the plant ahead of schedule has been made possible by the hearty cooperation between the public and the private sectors. In his welcome address, Sir Jehangir Ghandy has acknowledged the assistance received from the Hirakud dam authorities, the local officials and the Railways. The area where the plant is situated had no rail, telegraph or postal communications. The Railways not only agreed to build an 18-mile link from Dangaposi, but also went to work in right earnest so as to complete it simultaneously with the work on the plant. The Hirakud dam authorities "went out of their way to expedite the transmission line that brings power to this plant." The assistance of the State Government and the local authorities was continually available before and during the construction of the plant. The State Government are constructing an all-weather road which will be a valuable supplement to the railway and be a safeguard against the uncertainties of a newly built railway line. This picture of cooperation in actual working is in refreshing contrast to the tiresome verbal warfare indulged in by the spokesmen of the private and public sectors. It also strengthens the hope that the mixed economy will be successful in delivering the goods in terms of the Plan targets, provided the task is approached without mutual recrimination. "The leadership in India," as Dr Mahatab, the Chief Minister of Orissa, has pointed out in his inaugural address, "is not obstinate enough to think only of ideologies; its aim is quick national development."

Though India is a leading producer of manganese ore, the bulk of it is exported. Only a small quantity is converted into ferro-manganese at the two steel plants for their own use. The product made in the blast furnaces is not readily acceptable in foreign markets on account of its comparatively low manganese content and high proportion of phosphorus. With the availability of cheap electric power, it has become practicable to manufacture ferro-manganese for export, opening the way to larger export earnings. The Second Plan has set a target of 160,000 tons of ferro-manganese of which 60,000 tons will be needed for internal consumption, leaving 100,000 tons

available for export. Exports of ferro-manganese of this order are expected to bring in Rs 9 crores in foreign exchange. Exports of ore will also continue in addition to exports of ferro-manganese. At present, about a million tons of ore valued at Rs 10 crores are exported every year.

In connection with the exports of ore, Sir Jehangir has drawn attention to the need for conservation of high grade ores. Until a process for beneficiation of low grade ores is developed, it will be necessary to conserve the reserves of high grade ore required by the ferro-manganese industry. This question of conservation is of some urgency as deposits of high grade ores are limited; in Orissa, 50 per cent of the ore has a manganese content of 30 per cent or less. While investigations in the use of low grade ores and their upgrading through beneficiation, which will be useful both to exporters as well as to the ferro-manganese industry, are being pursued, it will also be necessary to intensify systematic exploration for locating new deposits. Exploration of minerals is a field in which there is scope for pooling the resources of the public and private sectors so as to speed the progress. Though distinct regions have been marked out for the public sector and private sector, Government, as the State Governor pointed out in his address to the Assembly, are willing to associate private firms in the exploitation of minerals in the regions reserved for the public sector. Metallurgical industries could not function without the assurance of continued supplies of raw materials for a number of years. Sir Jehangir has drawn attention to the claims of these industries to special consideration in the matter of grant of mining leases.

Tatas have for long been pioneers in the field of metallurgical enterprise. It was the Tata Steel Works at Jamshedpur which first manufactured ferro-manganese in India in 1915. It is, therefore, no surprise that Tatas have again set up a new record by being first in the field to establish a plant in India to manufacture ferro-manganese by use of the electric process. The Joda plant at present has two 9,000 kVA electric furnaces capable of processing 13 tons of raw materials, (ore, coke and limestone,) every hour into four tons of ferro-manganese. Forming part of Tata Steel's Rs 120 crore project to raise steel output to two million tons, the Joda plant has been erected at a total cost of Rs 17.5 million, of which the foreign exchange component amounted to Rs 7 million. The plant provides employment to 150 men. It is certainly a matter for gratification that, in spite of the numerous difficulties of establishing an industrial plant in an out of the way place ill-served with communications, its erection by an Indian firm of consulting engineers, Messrs M. N. Dastur and Sons, has been completed ahead of schedule.



US Notes

Statistics, it has been said, can be interpreted in many ways. And the latest government figures on the employment situation in the United States—those for March—certainly fit this time-worn adage.

For they show a sizable increase in employment as well as a negligible increase in unemployment, and are thus cited to prove either that the economic situation is improving or that it is worsening, depending on how you look at the statistics.

The figures themselves appear to be somewhat on the optimistic side. Employment rose 323,000 during March to a total of more than 62.3 million, while unemployment rose only 25,000 to hold about level at 5.2 million. Thus, the economy showed a marked ability nearly all the new jobseekers that usually swell the labour force at this time of year.

The March employment rise was by far the smallest month-to-month increase since the number of persons out of work began increasing last November. On the employment side, March was the first month since last October in which the number of persons gainfully employed showed any increase.

On the other hand—and this is where some of the differences in interpretation come in—employment usually rises noticeably in March, and unemployment usually declines. Thus, on a seasonally adjusted basis, the job picture is not quite as bright as the figures seem to indicate.

In addition, the increase in employment stemmed largely from a seasonal rise in agricultural jobs. Most categories of non-agricultural employment were down from February, with the number of manufacturing jobs showing the greatest decline.

It should be noted, however, that the decline in manufacturing employment is not exactly new. It has, in fact, been going on for some fifteen months straight, in good times and bad. March factory lay-offs, moreover, were centered mainly in the automobile, machinery and metals industries. Non-durable goods industries showed a much more moderate employment dip, with nearly half of it attributable to a brief strike in the garment industry.

This seems to substantiate the view that the economic adjustment has so far been concentrated to a large degree in certain manufacturing sectors, and some major areas of employment have been affected only slightly, if at all.

A look at the year-to-year employment picture appears to reinforce this view. Total non-farm

employment this past March was down only 1.75 million, or 3.5 per cent, from March a year ago, when the country was at the height of its prosperity. Nearly three-fourths of this decline—1.25 million jobs—was in the durable goods manufacturing industries. Such fields as wholesale and service trades, finance, insurance, real estate and government, actually have experienced increases in employment over the year. Interestingly enough, these were among the areas showing employment gains last month.

Those seeking comfort from the past recall that in only one other post-war year did the number of jobless rise during March. That was in 1954, also a year of economic adjustment. Only a few short months later, by the middle of 1954, the economy was showing unmistakable signs of resurgence.

This does not mean that exactly the same pattern will apply this year. The 1958 dip has been somewhat deeper than that of 1954. But it does point to the strong possibility of an upward movement in the not-too-distant future.

If one wishes to take an even longer-range view, there is this further evidence of sustained US economic growth. Over the past two decades, the US population has climbed rather steeply, from 139 million in 1938 to 173 million today—a rise of 33 per cent. But during the same period, total employment has climbed from 44 million to more than 62 million—a rise of forty per cent.

The Rockefeller Brothers Fund, a prominent private American study group, says the growth potential of the American economy should double real wages in the next 30 years and make possible a "tremendous advance in human welfare."

The study group, in a recent report said American public spending for education, social insurance and health, and for such projects as new housing, water supplies and highways will probably double in the next ten years.

The report, the second in a series of important national questions, was entitled: "The Challenge to America: Its Economic and Social Aspects." The panel that wrote it was headed by Thomas B. McCabe, former Chairman of the Federal Reserve Board and now President of the Scott Paper Company.

The study expressed confidence in the nation's ability to cope with the current downturn and then to plan for the future in a way that would take fullest advantage of the basic dynamism of the American system.

Selecting the next ten years as a base, the report outlines what the nation might expect from creative leadership and broad scale planning.

The group's findings coincided with a Commerce Department report showing that the average family income last year was more than \$6,100—nearly 50 per cent higher than ten years ago. The Department noted that the rise in living costs in the ten-year period made the real income increase about 20 per cent.

INDIA

Oberoi Imperial, New Delhi - Oberoi Maidens
Delhi - Oberoi Swiss, Delhi - Oberoi Cecil,
Simla - Oberoi Clarkes, Simla - Oberoi Palace,
Srinagar - Oberoi Grand, Calcutta - Oberoi
Palm Beach, Gopalpur-on-sea - Oberoi Mount
Everest, Darjeeling - Oberoi Mount View,
Chandigarh

PAKISTAN

Oberoi Cecil, Murree - Oberoi Flashman,
Rawalpindi - Oberoi Greens, Peshawar - Oberoi
Falestis, Lahore.

OBEROI HOTELS
INDIA & PAKISTAN

IN the last three gossips, my endeavour was to reassess the extent of external resources available for the purposes of the Plan. This week, I shall try to examine the question of internal resources. The picture that emerges at the end of scrutiny of the relevant figures is more cheerful than is allowed (or realised) by those who have been arguing that our economy is bursting at the seams because of the impossible demands made by the Plan. In other words, a study of the figures reveals that the likely resources in the shape of taxes, borrowings, funds from other budgetary sources and from estimated deficit financing are much more than what is estimated to be the needs of the Plan. So, unless there has been a gross underestimate of the Plan, or something catastrophic happens, the present worry about the Plan failing for lack of internal resources will prove to be unfounded.

Let us consider the figures. The Second Plan's original estimate of total outlay on the Plan was Rs 4800 crores. This was later felt to be an underestimate and, in November 1956, Indian Finance estimated the cost at Rs 5200 crores. A more recent estimate of the cost has been around the figure of Rs 5400 crores for the whole of the original Plan. But the Plan has shed some of its original projects and it has, finally, been decided that the Plan is to cost no more than Rs 4800 crores. Let us not waste our time discussing whether this reduction in the target of the Plan expenditure was justified or not, since such a discussion would be merely academic. Instead, let us attempt the more practical task of trying to see how we are to find the Rs 4800 crores needed for the pruned Plan.

As you will recall, the Plan itself had given a rough indication of its own financial expectations from various sources. Since the financial targets for the original Plan and the pruned Plan are the same, we could profitably begin with the Planning Commission's anticipation in the matter of resources. Briefly, the Planning Commission hoped to finance the Plan in the following way: (i) Surplus from current revenues: Rs 800 crores. (Of this Rs 350 crores

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

expected to be the surplus from the then existing taxes at the rates for 1955-56, and Rs 450 crores were to come from additional taxes). (ii) Public borrowings: Rs 1200 crores (of which small savings would account for Rs 500 crores). (iii) Other budgetary sources like surplus from Railways and Provident Funds, etc.: Rs 400 crores. (iv) Resources to be raised externally: Rs 800 crores. (v) Deficit financing: Rs 1200 crores. This left a final gap of Rs 400 crores to be covered by internal resources.

The present position, however, is somewhat different. The Plan itself is to cost Rs 4800 crores, of which the foreign exchange content is, as indicated in the earlier gossips, to be Rs 1500 crores. I have already shown how this part of the Plan's needs is abundantly provided for. We are, therefore, left with the finding of Rs 3300 crores internally. You will notice that the final effort for procuring internal resources is thus less than what the Plan originally estimated. For, what we have to get from internal sources is only Rs 3300 crores against the Plan's estimate of Rs 4000 crores. The question is whether we can and should achieve this modest figure.

The last sentence refers not only to our ability but also to our obligation of obtaining the necessary internal resources for a very good reason. And that is that we owe it to our self respect to make the maximum effort by ourselves before we ask and deserve the foreign assistance we require for the Plan. I know I have been saying this over and over again, and only last week I said it in the context of Export Promotion. But there is really no getting away from that obligation, and I for one would like to remember it all the time. Even apart from the moral obligation in the matter, no foreign Government would be interested in a Government that does nothing by itself for obtaining the maximum resources from within.

On the question of our ability to achieve the target for internal resources, the present position would appear to be as follows. I shall presently explain how the figures are arrived at, but the

overall picture is somewhat like this:

	In crores Rs
(i) Receipts from additional taxes by the Union Government. (This does not include increased yield from taxes already in existence in 1955-56 estimated by the Plan at Rs 350 crores)	703
(ii) Market borrowings (both Union and State Governments) and small savings on the basis of the annual average for the last two years (Gross Rs 1225 crores) net	825
(iii) Other budgetary resources. As per Plan's estimate	400
(iv) Deficit Financing according to Mr Morarji Desai's recent statement	1200
(v) Counterpart Funds in respect of certain projects available for Rupee capital—an estimate	300
Total	3428

This reckoning needs a number of amplifications. In the first place, this is the minimum expectation we can have in many of the heads under which the expectations have been tabulated. Under the head taxes, for instance, no credit has been taken for the surplus from taxes that existed at the beginning of the Plan at the rates then prevailing. Secondly, no credit has been taken for tax efforts by the States, the yield from which the Planning Commission put at Rs 225 crores. And, thirdly, the figures of market borrowings given above are on the basis of the admittedly disappointing performance of the last two years. This depressing performance has been, in my oft repeated view, due to faulty strategy in borrowing. In any case, with phenomenal increase in funds that are more or less statutorily to be invested in gilt-edged (like a portion of Scheduled Bank Deposits, insurance funds and provident fund accumulations) the estimate of market borrowings has to be far higher than what is indicated in the table above. I shall deal with this aspect of the matter in detail

ATLAS
WEIGHING MACHINES
PLATFORM, CART,
TRUCK, LORRY
&
WAGON WEIGHBRIDGES

Makers:
THE INDIA MACHINERY
CAMPANY LIMITED
Dassnagar, Howrah.

on a subsequent occasion, but I think the gross loan expectation should be nothing less than Rs 1600 crores leaving a net figure of Rs 1200 crores (this includes small savings of Rs 500 crores). Taking into account the additional factors, the situation will be as follows:

	In crores Rs
Union Government additional taxes	703
Surplus at 1955-56 rates as per Planning Commission	350
Market borrowing (gross Rs 1600 crores) net	1200
Other budgetary sources	500
Deficit Financing	1200
Counterpart Funds, etc.	300
Total	4253

So, against estimated requirements of Rs 3300 crores we have, on the above basis, funds to the tune of Rs 4253 crores. This, again, does not take into account the tax effort by the States. If this indeed is the position, why should there be any disquietude about resources? On the other hand, the prospect of availability of nearly a thousand crores over what we need, should make it possible for us to keep deficit financing at the level of Rs 700 crores suggested by Indian Finance. This will have to be done in the later period of the Plan by the technique of reverse ad hoc. And even when the deficit financing is pegged down at Rs 700 crores, we shall still have "found" internal resources in excess of "requirements" to the extent of approximately Rs 450 crores. Therefore, there is really no need for all this flurry about resources. Indeed, this prospect of excess should make us think whether incentive for greater effort should not be provided by giving appropriate relief in taxation.

As a matter of fact, it seems to me that those people who are urging upon Government the need for lessening tax burdens are employing the wrong strategy and the wrong kind of arguments. Most of the people who complain of heavy taxation are also people who say that the Plan is too ambitious and the resources for the Plan cannot be found. This they say, presumably with the object of persuading the Government to give up some of the tasks of the Plan, so that, with much less to perform, the burdens

on them can be correspondingly reduced. But this is a strategy that is sure to misfire in the circumstances in which we are placed. For certain reasons, the Plan is "sacrosanct", in the sense that it is the minimum we can attempt. And it is no use ridiculing that idea: we "must" find the resources for it. If that position is accepted, then the Government will say that we must find the money willynilly and, therefore, even on your own showing, the tax burden cannot be lightened. On the other hand, you have greater chance of convincing

the Government, if you couch your arguments in these terms:

"Far from not having the money you need, you have more than you know what to do with. Indeed, it would appear, on Indian Finance's figures, that you have about Rs 450 crores more than you need. If you streamline your tax machinery and collect all the money that is being evaded, you will not even need the extra taxes. In any case, here is a clear case of your budgeting for more than you need. Why don't you ease up a bit and

let us keep the money you don't need? We have a hundred uses for it, whereas you have none. Indeed, we can even offer it for your own use. For instance, we may voluntarily invest it in gilt-edged about which you yourself are so chicken-hearted. Or we may invest it in our own business from whose extra profits you will have your due share."

Put this way, it appears to me that the case for reduction in the tax burden is irresistible. It is bad strategy to put off a man who is

having false hunger at midnight by telling him that he is not likely to get anything to eat at that hour. That will only add to his frustration. It should be explained to him that, only an hour earlier, the doctor had diagnosed his trouble as due to overeating. If that is done, he may after all be convinced that this is a false malady.

In any case, one thing is clear. The worst of the tax nightmare is over. It is quite inconceivable that Government should have further levies up their sleeve. Let us consider the figures again. 1956-57 Budget's new taxes were estimated to yield extra revenue of Rs 34 crores annually. This means a total of Rs 170 crores for the Plan period. Mr Krishnamachari's Mid-1956 excise levies and customs duties are expected to yield, for the Plan period, Rs 195 crores. (This is after taking into account the reductions recently announced.) New levies of the 1957-58 Budget were expected to yield an annual revenue of Rs 80 crores which means a total of Rs 320 crores for the Plan period. Mr Nehru's Budget for the year 1958-59 let us all off lightly with the mere Rs 6 crores annually. This means a total of Rs 18 crores for the Plan period. All this adds up to the figure of Rs 703 crores in the table. In the light of what has been said earlier, there is no need whatever for any fresh levy in the rest of the Plan period. On the other hand, there is a case for an intelligent readjustment of the tax burden so that incentive for greater production may be created among the public.

In his second speech as Managing Director of Dunlops, Mr John Luckham was in a position to give continued good news to the shareholders at the annual general meeting of the company. At a time when some industries are complaining of supplies overtaking demand, Mr Luckham could assert that, in spite of increased production in nearly all lines, "we were not able to meet the demand for all products." In keeping with the progress charted out in the Second Plan, Dunlops can claim to have installed plant for the manufacture of large earthmover type tyres; and production has commenced. Work at the new factory at Ambattur is making satisfactory progress, and "everything" is expected to be ready for production to commence at the beginning of next year. Expansion is also the keyword at Sahaganj. The rights issue during the year was "an unqualified success". The best news for shareholders is that the profit has risen sharply by nearly Rs 25½ lakhs to Rs 80.67 lakhs. Since profits have to be conserved for the expansion programme, a transfer of Rs 30 lakhs has been made to the general reserve. But the shareholder also participates in Dunlops' prosperity: the ordinary dividend, which has been maintained at 15 per cent from 1951, has been stepped up to 16½ per cent.

EAVESDROPPEN

in a valley called Joda

Amid the silence of the Joda hills in the Keonjhar district of Orissa, a Rs. 17.5 million plant has gone into operation to produce ferro-manganese—a vital requirement in steel-making.

Served by an 18-mile rail link just completed, and power from Hirakud, this new plant starts with an initial capacity of 36,000 tons a year, to be stepped up by stages to 100,000 tons.

This plant has been speeded to completion eight months ahead of schedule, thanks to the invaluable assistance received from the State Government, the Hirakud Dam project and the Railways.

Life in the little-known village of Joda has turned a new chapter, reflecting the increasing importance of ferro-manganese as India strives towards a four-fold increase in steel capacity.

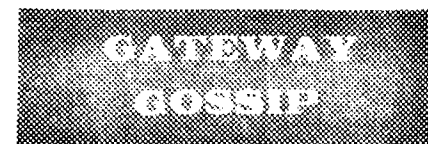
TATA STEEL

ON TO TWO MILLION TONS

Joda Ferro-Alloys Private Limited
(a subsidiary of The Tata Iron & Steel Co., Ltd.)



TN 2027



SIR HOMI MODY was in rare form when, recently, he addressed the members of the Federation of Indian Chambers of Commerce and Industry at a luncheon meeting held in the Gateway city. There was wry humour, for such of his audience as possessed a sense of humour. (Alas! business is getting these days so businesslike, that a good deal of the sparkling wit no longer is to be found). There was acidulous comment, for such of those who hoped to hear forthright criticism of Government policies. (I fear the greater part of those listening fitted into this category). Finally, there a sharp-tongued denunciation of the black sheep in the fold, and it is to be hoped there were at least a few who welcomed Sir Homi's remarks in this context. I wish I could say that I am in entire agreement with Sir Homi; and I can indeed say that Indian Finance will gladly endorse much of what he said. But, here and there, and at least to this scribe, it appeared as if Sir Homi had got carried away, and that some part at least of his criticism could have been considerably toned down. This, however, is a minor qualification to what was altogether a refreshing experience.

Sir Homi's opening remarks set the tone of his speech. In asserting that the function must have cost the organisers "a bit of money", Sir Homi uttered the gentle warning that he hoped the organisers would not regret it. Then came some good-humoured chiding. Such luncheon meetings added to "the harassments of life". He thought that "members talked enough as it was". He was not "frightfully fond of hearing my own voice". Making speeches was a tiresome occupation. And Sir Homi feared that, one day, he might be "emulating the performance of a well-known Victorian statesman who once yawned in the course of his own speech in the House of Lords".

Then Sir Homi got down to business; which was to deliver a broadside at the Second Plan. A sense of realism had been introduced, not as a result of the pleas and warnings of critics, but by the hard facts of the economic situation. There was no room for complacency, because the hard core of the Plan had yet to be defined; no clear cut programme appeared to have been framed; no assurance had been given that fresh commitments had been halted; finally, the "imbalance inherent in the Plan... will still be there".

Sir Homi then had some provocative questions to ask. Did the planners realise that the difficulties being experienced at the present time were not "of a transient character"? Or that "a radical rethinking on the programme for the future is called for"? In referring to the Explanatory Memorandum, in which the information is vouch-

safed that the steel production target for the Third Plan would be 15 million tons, Sir Homi states that, if the statement is taken seriously, "we can only conclude our Planners are living in a world of their own, in which considerations of men, materials and resources do not seem to worry them much".

It is this last point on which I beg to disagree with Sir Homi. Granted, all that he says about the Second Plan could be reasonable criticism; but it is not surely being over-ambitious to think of 15 million tons as the target for steel production at the end of the Third Plan. In fact, I remember Mr Pheroz Kutar, of Tatas, as having said somewhere that it would not be out of place for India to think in terms of steel production rising, in not too distant a future, to 100 million tons. But this is by the way. If, in the Second Plan, steel production can be expected to be trebled—the expansion is to be 4 million tons—it is not being unrealistic on planning to touch 15 million tons, a rise of 9 million tons. One important point in this regard is that the heavy machine making plant will be "delivering" by then, and this could turn out a steel plant in two years. Nor am I worried about resources, in money, foreign exchange, materials or men. For, I should think that, in the process of increasing production to 6 million tons, we should have gained the experience and trained the men for taking on the additional expansion during the Third Plan. So, in this regard, I must confess to living in a world with the Planners; but then, I would have—I presume—Mr Kutar for company.

Sir Homi's point is well made when he attacks those whose "persistent refrain of hostility to capitalism" is cause for anxiety. This stems partly from the loose talk about India's social aims. And loose talk, which was rightly charged to have caused death during the war, is proving to be as lethal in peace—and particularly in India. There is needless controversy and avoidable misunderstanding. Nothing is gained; what is lost is the feeling of camaraderie (may be, this is not too happy a choice of words) that is necessary for our industrial advancement.

Such critics, as Sir Homi points out, have no understanding of modern capitalist society. "A society in which vast strides towards the attainment of a just social order and wider diffusion of well being have taken place in the course of the last half a century". The tragedy of it is that, on the basis of the stigma that once was attached to it, capitalism, for all that it bears no resemblance to the early nineteenth century species, is often decried by those whose con-

cept of socialism relies just as much on exploitation. It is palpably absurd that they should preach that the "happiness of the masses cannot be attained except by the uprooting of all that capitalism stands for". Sir Homi is right in wondering "if these makers of a new heaven on earth realise that the Socialism of their thinking is as outmoded as the capitalism of the nineteenth century".

Humour, irrepressible, crept in once again when Sir Homi remarked that he had saved the theme of his talk to the end, "as a sort of post script"—but then, the post script is something which "women are apt to treat as more important than the body of a letter". This was indirectly his way of saying that he felt the remarks that followed as being important. Sir Homi posed the question: "Where does the business community stand in the political and economic set-up of today?"—and then went on to answer it.

Pushed about a lot, often described in unflattering terms, looked down upon as parasites, the business community has had belittled "the part we have played, and are still capable of playing, in the economic development of the country". Sir Homi is a scrupulously fair man, and he acknowledges that, amongst the leaders at the top, "there is no such bias against free enterprise; on the contrary, there is a real recognition of the part it can play in a planned economy".

Inferentially, Sir Homi was calling upon the business community to state its acknowledged place in the country; and it is indeed on this point that he concluded his speech. There was a good deal for which business could claim credit legitimately; if an industrial structure exists today, it is by the efforts of the business community in the past, despite all discouragements and handicaps. But what is it that the business community is fighting for? In Sir Homi's words,

"We are not fighting for an outmoded concept of capitalism; or for the opportunity to enrich ourselves at the expense of the community; or for exploiting any section or class of the people; or for the concentration of wealth or power in a few hands. We unreservedly accept the social objectives which the country has adopted

through its Government and Parliament. We fully accept the obligations cast on us to implement these objectives and help to create a social order in which there shall be equality of opportunity for all and a more equitable distribution of the good things of life."

In this light, the business community has a duty which it cannot forsake. That duty is to achieve a closer understanding with Government. But selfishness and subservience must be eschewed, and then it could make itself felt by proving by action that Government could always "count on the knowledge, experience and cooperation of the commercial and industrial community". It is thus that "we have an assured and honourable future".

What I consider is the meatiest portion of Sir Homi's speech lies in his asseveration that "we have to put our house in order"; and this presumably is what Sir Homi was not quite sure that the magnates gathered at the lunch would relish. But then, Sir Homi is a scrupulously fair man, as I said; and he was the first to originate the idea, some years ago, of Nation First Industrialists. On that occasion, he urged the upright elements to disclaim and dissociate themselves from the black sheep, who had indulged in blackmarketing and profiteering. He has reverted to this subject, and "the abuses and irregularities in which a section of the business community, however small, is indulging cannot be too strongly condemned".

If, on the side of Government, loose talk is straining relations, the existence of base elements in the private sector creates "a prejudice against our class as a whole" and is the cause of all the rigours of legislative and administrative controls.

Bluntly, Sir Homi says that "we can have no truck with such people", and he has come up with the suggestion "whether we cannot devise some internal sanctions against those amongst us who have been found guilty of fraudulent practices or gross abuse of trust".

So, as I said earlier, Sir Homi's speech is to be wholly welcomed. And I think it would have been a more effective one if his criticism of the Second Plan had been somewhat tempered.

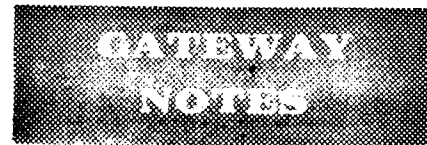
BOMBAY REVIEW

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Speaking in Bombay last week Dr B. V. Keskar, Union Minister for Information and Broadcasting, has advised the film industry to reorganise itself on a new basis in order to cope with the situation that has arisen as a result of the drastic cut in the import of raw films. Raw film imports were cut by 40 per cent in last June and now a further cut of 20 per cent has been imposed. Dr Keskar seems to think that if film producers abandon the idea of long films the industry may not find the restrictions very irksome. He has, however, pointed out that in allotting the available foreign exchange to the national industries it is essential to ensure that no industry suffers grievously. It would appear that this criterion has been ignored when Government have decided to impose a further cut on the import of raw films.

Spokesmen of the industry have pointed out that the drastic cut in import of raw films will result in large scale unemployment in the industry because many producers will be forced to suspend work for want of an adequate supply of raw films. As a result of the first cut of 40 per cent in imports stocks in the country have almost been exhausted. There is thus an acute shortage of raw film and unless sizable imports are allowed work in most studios will come to a standstill. It is said that the size of the import that is now allowed will be inadequate to complete even a fraction of the productions on hand.

A point that is to be borne in mind is that the supply of raw film plays a vital part in the working of the Indian film industry. Though the industry has taken rapid strides in recent years, it is entirely dependent on imports for its raw film requirements. Despite this fundamental defect it has grown into a major industry and today it is the second largest industry in the country providing employment to a large number of people. With the supply of raw film drastically cut there will be a corresponding fall in production and as it is said that the present stringency is likely to continue for sometime, the industry will be left with no other alternative but to retrench. It is, therefore, incumbent on Government to consider whether the saving of foreign exchange is so very important that it is of no consequence to them that a large number of people are deprived of their only means of livelihood.

It would appear that Authority has not taken all the relevant factors into consideration while imposing the cut on raw film import. It is obvious that the ban has been decided upon with a view to conserve foreign exchange. But it has evidently been forgotten

that finished films from India are already in good demand in Ceylon, Burma, Malaya, Siam, Indonesia and South Africa. It is said that the amount of foreign exchange earned through export of finished films is much larger than the amount of foreign exchange spent on the import of raw films.

Primary Education

THOUGH the problem of providing adequate educational facilities for the people has been receiving considerable attention in recent years in our country, we have yet to go a long way to reach our objective. The main obstacles in the way of a rapid progress are the limited resources at our disposal and the need to expand educational facilities in numerous directions. With the increasing tempo of development activity it has been found that a large number of technical personnel will be required to service the new projects and enterprises which are rapidly springing up all over the country and which are in the offing.

The expansion of facilities for technical education has, therefore, come to be given a high priority in the educational programme. At the same time it has been recognised that the emphasis on the rapid spread of primary education should not be lessened. For without the mental development of the younger generation, progress attained in other spheres of the national life will become largely ineffective. But the task of providing facilities for primary education of all children of the school going age is so stupendous in our country that the available resources are far too inadequate. The problem, therefore, resolves itself into how to derive the maximum benefit out of the available funds.

It is often taken for granted that an essential prerequisite to the rapid spread of primary education in the countryside is a suitable building to house the rural school. Hence it will be idle to talk about providing educational facilities in a village without making sure there is a building to accommodate the school. Construction of a building means quite a large outlay of money. Without buildings, rural primary education has little chance of forging ahead.

Speaking in Bombay last week, Mr Jawaharlal Nehru has indicated a way out of this impasse. He says that if we abandon what he calls the PWD approach to primary education in the countryside the problem will not be as intractable as it seems to be. The trouble has arisen because we think that there should be a building for a school to function. This is a fallacy because in rural areas schools can very well function in the open or under the trees. What

Film Industry

is however essential is a teacher and a well paid one at that. Instead of worrying about the absence of a building the concerned authorities can straightaway start schools in the rural areas taking care that they give good and well paid teachers. The only necessary item will be a simple structure to house the equipment of the schools.

Development of Transport

Speaking in Bombay last week Mr H. N. Haji, Chairman of the All India Manufacturers' Association has pointed out that in view of the fast pace of the country's trade, we would require at least about 2.5 million GRT of Indian shipping. The present position is not at all satisfactory because even as on the 1st March 1958 Indian shipping has not even reached the target set for the First Plan. Thanks, however, to the vigorous steps taken to acquire shipping tonnage in the past two, three years, it is expected that good progress would be made in coming months. With the ships that are to be delivered during the current year we will be moving toward the Second Plan target of 9 lakh tons. But it would appear that with the available resources it will be possible to attain only about 7 lakh tons by the end of the current Plan. Government spokesmen have, however, declared that necessary arrangements are under way to enable the industry to attain the target within the scheduled time it has been further stated that there is every possibility that the target will be exceeded.

Mr Haji has suggested that to fill up the gap it will be quite in order, to invite foreign capital. The principle of permitting foreign capital in Indian industry has already been accepted by our country. There is no reason why such participation should not be allowed in the shipping industry also. As a matter of fact it would appear that this is the only course now open to us if we want to develop our shipping industry rapidly. In the first place there is not enough internal resources and secondly, our foreign exchange position is so acute that it is not possible to think of self-help for some time to come. In this regard Mr Haji has pointed out that though the Indian Merchant Shipping Bill fulfills a long-felt need of the shipping industry in our country, it requires some modification in the matter of the definition of "Indian Ship." In order to safeguard the interests of Indians, an Indian ship should be defined as one owned by citizens of India or by a Joint Stock Company having a majority of Indian shareholders and Directors. Further it is also important to stipulate that the principal place of business of the company should be located in India.



Price Trends in Gold and Silver

PRICES on the Bombay Bullion Exchange, after recording fresh higher levels early in the week, developed a slightly easier tendency towards the close due to some selling pressure on apprehensions that the Board might decide to introduce stricter margins.

For the first time after a lapse of seven years, spot Silver prices pierced the level of Rs 200. It may be recollected that the market touched an all-time high level of Rs 207.75 in June 1951, while, in the next year, i.e. in December 1952, it recorded a low of Rs 140.75. Since then every year, the market has continued to establish new high levels.

The general sentiment in the white metal has continued to be bullish following depletion in floating stocks as well as excellent seasonal offtake, while receipts of Tibetan coins have dwindled considerably. There is still another month for broadened offtake in view of the harvests in North India. Reports from upcountry centres, especially in North India, have revealed a scramble, the all-India daily offtake ranging from 75 to 100 bars.

On the other hand, the receipt of the metal has fallen markedly in the past two months, thanks to the drying up of imports of Tibetan silver coins. In these conditions, the all-India supply has fallen from more than 2,000 bars to as low as 1,200 bars with Bombay accounting for about 450 bars. With at least three weeks of seasonal demand ahead, buyers are in no mood to relax their grip; and this was amply reflected in the heavy backwardation charge of Rs 1.62 as against only 75 up a few days ago.

Meanwhile, arrivals and offtake, during the week under review, were estimated around 13 and 12 bars respectively. Forward silver, after touching a high of Rs 197.44 and a low of Rs 196.44, finished at Rs 196.50. Valsakh and Jeth deliveries were quoted at Rs 194.62 and Rs 193.81 respectively. Spot changed hands at Rs 198.75 to Rs 119.62.

Gold, which had recently gone down, has once again rallied in sympathy with silver. Arrivals and offtake were estimated at 6,000 and 4,000 tolas respectively. Forward rate touched a high of Rs 112.06 and a low of Rs 111.84, to finish at 111.94. Valsakh delivery was quoted around Rs 111.06. Spot changed hands at Rs 112.3 to Rs 113.06, while Sovereign remained practically unchanged at Rs 71.50.

There has been a fresh revival of rumours about the possibility of an upward revision of the official price of gold. Although the USA has been inclined to discount any revision in the current price of \$35 per ounce, holders of dollars in several countries are, it is reported, tending to argue that the economic recession in the US has strengthened the prospect of a change in the American policy in regard to the gold price.

As a result, the market price of gold, in terms of the dollar, moved above the official figure in the last few months and recently touched \$35.13, the highest for many years. This has, however, led to substantial sales by the Bank of England and prices have since then stabilised at lower levels.

Oils and Oilseeds

Prices on the Bombay Oilseeds Exchange showed a mixed trend. However, trading was limited as operators were inclined to be cautious in view of lower commodity advices from Uttar Pradesh and the Punjab.

Business in Castor futures and ready was small with prices developing an easier tendency. The setback was attributed to aggressive selling by Gujarat operators on reports of larger arrivals in Bihar and Uttar Pradesh. The situation on the export front also failed to provide much comfort. While the trade with the UK and the Continent continued to be absent on account of disparity in rates to the extent of about £7 per ton, offers from India failed to evoke response from the USA. It is felt that, with Brazil and Africa continuing their offers of cheaper castorseed, prospects for India are not encouraging. Also, New York reports suggest that Indian oil is now about 2 cents per pound higher than the Brazilian product. Buyers have, therefore, stepped up their acquisition of Brazilian castor oil. May futures closed at Rs 154.00, while the rate for the ready position was quoted at Rs 30.25 and Castor Oil, commercial quality, at Rs 16.06.

The uncertain behaviour of the Groundnut section continued to be in evidence. The Forward Markets Commission is understood to have asked the Bombay Oils and Oilseeds Exchange to find out the volume of outstanding business in groundnuts non-transferrable delivery contracts. The Commission, it is understood, intends to apply Section 18(3) of the Forward Contracts (Regulation) Act to the groundnuts, which empowers the Commission to regulate trading in such contracts so as to discourage unhealthy speculative nature of business. May delivery was quoted at Rs 172.75, while the ready bold was quoted at Rs 35.25 and Groundnut Oil at Rs 18.81.

The Linseed section lacked strength as the export trade in linseed oil remained absent. Hence, there was little inclination on the part of buyers to be aggressive.

May delivery changed hands at Rs 30.31 to Rs 30.81, while the ready position was quoted at Rs 30.12 and Linseed Oil at Rs 15.81.

Yarn

Sentiment in the Yarn market remained depressed. Both staple-fibre and rayon yarns declined further in the absence of support. Turnover was limited as most operators preferred to be cautious in extending commitments. Although mill's complained of heavy accumulation of yarn stocks. Cotton Yarn showed some improvement on reports of better offtake at Coimbatore.

There has been a sharp increase in stocks of unsold yarn, as is clear from the following table for the first quarter of this year as compared with the position for the

corresponding period of 1957 (in bales of 400 pounds):—

End of:	1958	1957
January	89,200	27,445
February	94,500	39,214
March	1,11,800	45,724

It is not, therefore, surprising that leading mill interests in the South have begun to complain about heavy accumulation of yarn as also of over-production of yarn in the country.

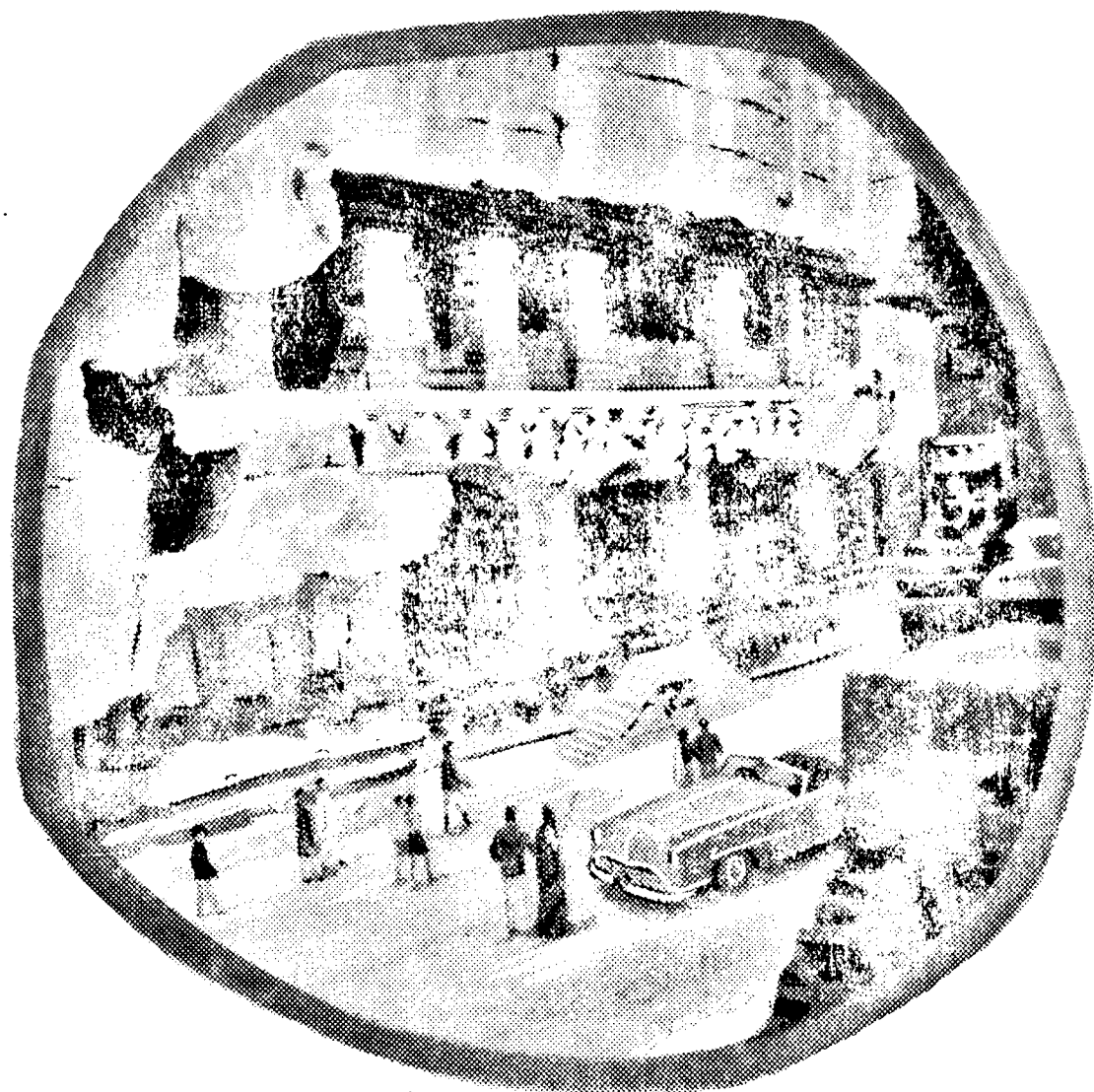
Non-Ferrous Metals

The United States Administration, it is reported, has endorsed a Senate Bill to restore import duties on Copper and the likelihood that this will be done in unsettling the London copper market. There is still a substantial world surplus of this metal (which is keeping prices down);

but most of the surplus is in the USA. Prices there are higher than in London and this encourages the import of copper into the USA from European producers.

If the United States tariff proposal is put into effect, the result will be an easing of the surplus in America and the reappearance of a substantial surplus in Europe. Copper, now being shipped to America to take advantage of the higher prices, will then remain at home. European dealers say that, if the tariff were not re-imposed, one of the main uncertainties currently affecting the London market would be removed and prices would rise. This, it is argued, will make the American prices less attractive.

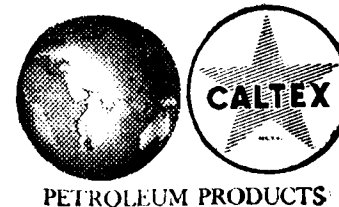
Meanwhile, On the London Metal Exchange, Copper is quoted at £175½; Zinc at £62; Lead at £72 and Tin at £730 (all per ton).



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BOMBAY
REVIEW

CAB's Recommendations

THE Cotton Advisory Board, by a majority decision, recommended to the Government of India that they should release immediately for export 50,000 bales of cotton with stapling not above 3 inches. The recommendation also included the raising of the "floor" price of cotton by Rs 55 to Rs 550 per candy. The Board resolved that no change should be made in the present "ceiling" price of cotton. Except for the majority decision on the export of cotton, all other recommendations of the Board were unanimous.

The Board expressed the view that unutilised export licences for cotton should be re-issued to those who had utilised their quotas. A pool might be made of these unutilised quotas before re-issuing them. No extension should be

granted to those who did not utilise their quotas in time.

The Board recommended that Punjab 320F cotton with stapling 27/32 inches should be included in the Textile Commissioner's schedule of prices and that the staple length of Vijay should be changed from the present 25/32" to 26/32". The Board also recommended to the Government that the import policy of cotton should be announced for the whole period of six months. The Board also requested the Government to expedite the finalisation of the payments procedure for the import of Egyptian cotton.

Details of the scheme for importing Egyptian cotton are now announced. The memorandum, issued by the State Bank of India, called on cotton importers to contact

shippers of jute and tea to negotiate the discount that could be applied to Egyptian cotton imports. Exporters would invoice tea and jute goods at a premium and would thus be able to sell Egyptian pounds to cotton importers at a discount equivalent to the premium earned.

The rate of exchange between the Egyptian export pound and Indian rupee will be mutually decided by exporters and importers. Although the State Bank will collect the Egyptian pounds in the "export account", the risk in regard to fluctuations in exchange rates will have to be borne by shippers. Mills and import houses have, however, found the system very complex and will soon approach the Government for a simplification of the procedure. In this connection, it may be added that the Indo-Egyptian payments agreement is purely temporary and attempts will be made to retain the barter character of the agreement. In other words, the advantages provided by jute and tea exports will be passed over to cotton.

X

FUTURES MARKET:

The immediate reaction to the Cotton Advisory Board's recommendations was favourable as was evident from the improvement noticed in cotton futures early in the week. Jharilla May advanced at one time to Rs 659.50 and August to Rs 671 from Rs 656 and Rs 668 respectively. Towards the close of week, however, prices developed a reactionary tendency due to resumption of liquidation and profit-taking. The rates closed at Rs 655.50 and Rs 668 respectively.

X

SPOT MARKET:

The Spot section witnessed another dull week. Prices of domestic styles, both in Bombay and in the interior, were marked down following a break in the futures market and small spinner demand. Mills' interest was almost confined to good quality cottons, because of the lack of demand for coarse cloth.

On the export front, all varieties were quoted lower. The only exception was Bengal Deshi, which was quoted steady and attracted limited buying from shippers.

In the foreign cotton section, a small shipment business was reported to have taken place in top Egyptian Menoufi and medium to higher Karnaks. These sales were made by some importers whose shippers were understood to have offered cotton, calculating at a discount of 21 per cent—any variation on sellers' account. Interest in other foreign growths was negligible. There was, however, a small turnover in spot lots of El Paso cotton.

WORLD OF
COTTON

STATISTICS:

The declining trend in cotton prices is due less to reversion of crop estimates than to the continued anxiety about cloth offtake, which has affected consumption of cotton. According to the figures released by the Textile Commissioner, cotton consumption, during the first half of the current season, amounted to 22.96 lakh bales of Indian cotton and 2.93 lakh bales of foreign cotton. The corresponding figures for the previous season were 23.24 lakh bales and 2.92 lakh bales respectively.

X

NEW YORK COTTON MARKET:

Prices on the New York cotton futures market, after showing initial easiness, rallied towards the close on scattered short-covering. Trade and commission house buying, attributed to tightness in the supply of good quality cotton and reports of a better demand at the primary spot markets, took prices higher in early dealings. Demands were eventually satisfied and prices eased under scattered liquidation and hedging in the nearby deliveries and profit-taking in the 1959 October delivery. However, towards the close, the market developed a mild rally on short-covering as offerings were light. Middling Spot was quoted at 38.00 cents per pound.

X

LIVERPOOL COTTON MARKET:

The Liverpool cotton futures market, after ruling quiet early in the week, firmed up towards the close on American support.

In the Sudan contract, no fresh developments occurred to bring in fresh interest from outside sources and, in inactive trading, the market closed quiet.

X

CLOTH AND PIECEGOODS

Trading conditions in the Bombay Piecegoods market were slightly better last week. Activity was more pronounced in fine and superfine goods, while there was selective demand for medium varieties. Coarse qualities were comparatively neglected. The main consuming centres were Kanpur, Delhi and Madras. There is a general feeling that, if the present conditions continue for another eight or nine weeks until the commencement of the off-season, the condition of the textile industry will be as unsatisfactory as it was, particularly for such units which are financially weak.

Conditions on the export front have not shown any improvement whatsoever. As a matter of fact, it will be correct to say that they have retrogressed as will be seen from the figures of goods passed for shipment. Shipments from Bombay, during the first quarter of the year, amounted to only 165 million yards as against as much 255 million yards in the corresponding period of last year.

SYMPOSIUM

THE conference of provincial Congress Committee Chiefs that took place over the week end here was the culmination of a process of introspection by the Congress Party. Earlier in the month, the Parliamentary party and the Working Committee applied their somewhat distracted minds to the seemingly waning influence of the party with the public and came to certain inconclusive decisions. Defeat in key elections and a sudden and somewhat alarming eruption of Party indiscipline practically all over the country were seen as symptoms of a deep-rooted malaise. Meanwhile, rumours about Mr Dhebar's disenchantment with the party and his desire to be relieved of the responsibility of being its leader were first widespread and later officially denied.

At the conference of local party chiefs, Mr Nehru restored the perspective which had been somewhat distorted by extreme gloom. Relating the decline in standards in the Congress to the more general decline in moral and political standards all over the world since the Second World War, he said that the Congress had nevertheless rendered effective service to the people. Another point made by him was that there was nothing new in the present squabbles in the Congress. There have always been squabbles in the Congress and even in the days of Mahatma Gandhi they used to rear their ugly heads.

There was certainly cause for worry about the fortunes of the party; there was also need for a concerted effort to shake off the moral torpor that has afflicted the party. But there was no reason for panic. And though Mr Nehru himself did not mention it, the consensus among the leadership would appear to be that the Communists were a little premature in their frankly jubilant expectation of the Congress Party's imminent disintegration.

For an observer with no particular party affiliation, this seems an accurate enough summing up. Political disenchantment is today a very widespread phenomenon. Such disenchantment takes all kinds of forms. It drives Mr Jayaprakash Narain into the Sarvodaya fold from where he comes out with oracular pronouncements about the futility of Parliamentary democracy and so forth. He conducts inconclusive negotiations with Dr Lohia in the interests of a socialist unity. And when the latter asks for what any party would consider impossible demands, the ambiguity of his stand becomes apparent since he has no authority to concede to them and he makes a characteristic retreat saying that the responsibility for the failure is some defect in himself. And though probably still regarded as a PSP leader, he advises, apparently without consulting his com-

rades in the party, and much to the embarrassment of everybody, that the Congress and the PSP should merge. All this is said in no carping spirit, but to make the important point that the man who is often considered as an alternative to Mr Nehru is at once fascinated and repelled by the demands of active politics.

Such evidence of ambivalence of politics is not particularly Indian. Many among my readers will have read a Fabian Society tract published some time ago entitled, if I remember right, "Politics and the Intellectuals". It was written by Mr Kingsley Amis, a successful young novelist. In it, he has made the interesting confession that politics as such has no particular attraction for him. He is a traditional labourite, has always voted Labour and hopes to do so to the end of his life. And, during the elections, he would willingly lend his car for use by the Labour candidate, and his wall for a poster supporting him. That is the limit of his political interest. As for actively engaging himself in politics, he does not even seriously consider it. In saying this, he believes he is speaking for most of his generation.

One of the reasons for this apathy, which has some relevance in the Indian context, is that the original inspirations of the parties have been fulfilled to a large extent and they now feel that they are without causes to fight for. Most of the frustration of the "Angry Young Men"—of whom we hear so much these days—is due to the fact that they have no more objects towards which they can direct their anger. "Give us back our cause" is their paradoxical cry. The Welfare State for which they all fought is a reality and a rather drab reality. Hitler, against whom they directed their moral indignation, is a fading memory, and all that they can attack now is the stuffiness that surrounds the Institution of Royalty. But, as a target of indignation, the Royal family is most inept. But for Eden's incredibly clumsy handling of the Suez situation, young political enthusiasm would have died of sheer infamy after ten years of postwar Welfare State. As it is, it has had a spurt of life and is kept precariously alive by nuclear tests. But how sustained the renewed interest in politics will be, is difficult to predict.

In a similar manner, one reason for the current disenchantment with and in the Indian National Congress is that its most important original inspiration has been fulfilled. Setting out to obtain political freedom, it has achieved it. But having said this, it must be made plain that we have, unlike the young in England, less justification for shirking public responsibility. For, unlike the bright

Heart-Searching

young men in England who have found that there was comparatively little by way of cause to fight, we are embarrassed and overwhelmed by them. In fact, the idea of a Welfare State, for which earlier generations of angry young men fought happily and which has since been converted into a reality, is still a distant vision for us. Therefore, we have really no right to affect the postures of the angry young men elsewhere. Our anger has palpable—alas, only too palpable—objects against which it can and should be directed. And that is why political apathy is inexcusable in our country.

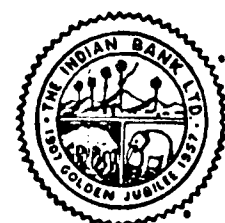
The second reason for the Congress party being so out of love with itself is the vagueness about its true nature as an organisation. From the beginning, the Congress made the claim—a claim largely allowed it—that it was more than a political party, and it represented all the urges of renaissance India. The core of its inspiration was without doubt political, but it was really a movement of thought, an intellectual tendency, an instrument of fundamental changes in our social structure. These ancillary attributes were sought to be given concrete shape by Mahatma Gandhi in the form of allied institutions. But lack of unanimity among his colleagues blunted the effectiveness of these efforts. And its principal inspiration being what it was, it could not afford to ask for complete streamlining of its philosophy. Thus, the Congress was, even during Gandhi's lifetime, all things to all people in its wider implications, and there was a tacit understanding that these other things will keep while political freedom will not. The result was that the moment political freedom was achieved, the ambiguities in the basic attitudes revealed themselves only too glaringly.

Gandhi's characteristic solution was the conscious winding up of the Indian National Congress. He thought that attitudes, political and social, should be allowed to find their new orientations. This was not possible for a variety of reasons, the most important of which lay in the conditions in the country following partition. There were other reasons, perhaps less flattering to Congress. In any case, one of the sources of present disenchantment is that Congressmen are not sure whether they should frankly declare themselves to be a conventional political party, or whether they should continue to claim, and therefore live up to the claim of being the symbol of India's nationhood. The advantage in declaring that it is but one of many political parties would be that it will not have to live up to the standards that Gandhi set, and that the distance between its proclaimed ideals and practice will be narrowed to a considerable

extent.

But the objections both from the general and party point of view are several. Firstly, the theoretical degree of purity expected, even in an organisation frankly political, is high enough and certainly not much lower than what would be asked of an organisation claiming to be "national". So there is no advantage to be gained by giving up an adventitious aid to the party's fortunes. Ultimately the problem is really one of change in conduct which will approximate the ideal as nearly as is humanly possible. Secondly, the Congress has, despite its professions, become a frankly political party. It has bequeathed to Sarvodaya the more specifically Gandhian aspects of its earlier character and to Government its more conventionally political tasks. And indeed, herein has lain the seed of its own degeneration: as a party, it has now very little to do. The remedy, therefore, lies in an effort to make itself more effective in both these spheres by rededicating itself to functions it has abdicated. This is the reason why Mr Dhebar's call to engage in a constructive programme, on the one hand, and to act as the interpreter of Government policy, on the other, is so relevant. Even a political party has functions other than vote-gathering. Indeed, vote-gathering itself involves being in rapport with the people, getting to know them and their problems and bringing them to the notice of authority.

But the real trouble with the Congress today lies in the factional squabbles. I do not suppose that Congressmen are particularly selfish, nor do I believe in the common superstition that, in the last ten years, they have battered themselves on corrupt practices. Of course, there may have been instances where such things have occurred, but to formulate a general proposition of pervasive corruption is wrong. Such charges have been widely thrown about precisely because of factional squabbles. The one way to throw out a man who has displaced you from the seat of power is to charge him with favouritism and corruption. Even where the quarrels take the mildly respectable garb of rivalries between the Party and Government, the basic character of the opposition based on personal and communal considerations is hardly concealed. The remedy, of course, is easily prescribed: a genuine change of heart on the part of all concerned and a firmer attitude by the leadership. Easy as it is to prescribe it, it is difficult to administer it. Often enough, leadership, especially at the State level, suffers from the very same defects. But, short of such radical reform from within, the effectiveness of the Congress with the people will continue to diminish.

DELHI
REVIEW

Produce
More
and
Serve
A

Double Purpose

Produce more
and save
the monies
now spent
in importing
the deficit in our
food supply

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goods and hasten the process
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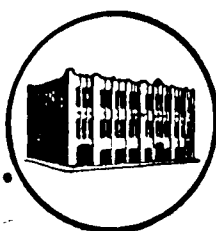
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Secretary:
D. P. PARTHASARATHY



64-28

DELHI REVIEW

The Land Reform Committee appointed by the Government of Orissa to suggest land reforms on the lines indicated by the Planning Commission in their Second Plan has reported failure to come to a unanimous decision on the important question of ceilings on holdings. The problem has thus been left to be decided by the Government. The Committee has however suggested certain considerations which should underline fixation of maximum size for individual holdings. According to it besides being an efficient operational unit it should yield a certain average income as will enable the family to have a standard of living consistent with other sectors of national economy.

The failure of the Committee to come to a unanimous decision in regard to ceilings reflects not only the complicated nature of the problem of fixing ceilings but also differences of view on the very question of ceilings. It has in this connection been suggested by the Committee that the Government may take into consideration the administrative and financial difficulties in arriving at a decision whether ceilings should apply to existing holdings in the present context. There is implicit in this a warning against any precipitate decision in favour of ceilings. The Committee is to be commended for its cautious approach to the question of ceilings, since, in the whole series of land reform measures, the question of ceilings has been the most controversial issue. All the same the Committee has favoured fixation of ceilings on future acquisitions.

At least so far as Orissa is concerned the more pressing problem of land reform is the elimination of intermediate interests. The range of such intermediate interests in Orissa is very great and includes a large number of revenue-free estates, tenures, and inams. It has been disclosed by the Committee that in Cuttack, Puri and Balasore districts alone there are over 111,000 revenue-free estates with a total area of about 407,000 acres, the area of subsisting tenures in these districts being estimated at 313,000 acres. In the opinion of the Committee the successful implementation of land reforms is contingent on the complete elimination of intermediate interests and preparation of up-to-date land records. The Committee has therefore recommended that the Government might immediately take up a planned programme for the elimination of all intermediate interests within a period of three years.

Ferro-Manganese Plant

The opening of the ferro-manganese plant at Joda in Orissa State represents a major success in the country's attempts to meet the

needs of steel plants for ferro-manganese. The plant forms part of the Tata Company's project to raise their steel output to two million tons. The plant has an initial capacity of 36,000 tons a year which could be stepped up by stages to 100,000 tons. Besides processing manganese ore the plant is also equipped to manufacture other ferro-alloys such as ferro-chrome and ferro-silicon.

From the point of view of the country's industrialisation, the opening of the plant has far-reaching significance. Though India is the second largest manganese producing country in the world, in the absence of a manufacturing plant to process the ore the benefits of such large supplies were confined to earnings of foreign exchange from exports of unprocessed ores. Such exports of unprocessed ore amounted to about 1 million tons and were valued at Rs 10 crores. The opening of the plant is thus important not only from the point of view of the needs of the Indian steel plants but also because of the prospects of greater foreign exchange earnings from export of ferro-manganese rather than of ore. The Second Plan has set a target of 160,000 tons a year by 1961, out of which 100,000 tons are expected to be available for exports, the foreign exchange potential of which is estimated at about Rs 8 crores.

Mr H. K. Mahatab, the Chief Minister of Orissa who formally declared open the plant cited the allocation of such a heavy plant to the Tatas as an instance of the Government's uninhibited approach to the problem of industrialisation.

In view of the limited reserves of high grade ore there is need to restrict export of high grade ore. Beneficiation of low grade ore offers possibilities for utilising low grade ores in the country itself. Much store is therefore set on the success of experiment now being carried on in the National Metallurgical Laboratory in Jamshedpur on beneficiation of low grade ore.

Mr Jehangir Ghandi Director in charge of Tata Iron and Steel Company in the course of his speech stressed the need for the development of small-scale and medium ancillary industries for the around development of Orissa. The suggestion made by him that the Government should treat metallurgical industries on a separate footing from other industries in respect of their raw material requirements is also worthy of consideration.

Textile Crisis in Kanpur

The persistence of crisis conditions in the Kanpur textile mills is really alarming. The data collected by the State Government have disclosed a huge accumulation of stocks with mills. The total accu-

mulation of stocks has been estimated at 71,856 bales of cloth and over 5,000 bales of yarn valued at Rs 6.23 crores till the first week of this month. Accumulation of this order represents eight to nine months production by the mills in the State.

What is really intriguing is the non-clearance of stocks even after the announcement of reduction in the rate of excise duty by the Central Government. In the first fortnight following this announcement total clearance of stocks was no more than 3,000 bales of cloth and yarns valued at Rs 30 lakhs.

The crisis thus seems to be of a more deep-seated nature and is in a sense a warning against unregulated growth of any particular section of the textile industry without reference to conditions of demand. It is the opinion of experts in the industry that the essence of the crisis in the Kanpur industry was the over production of the coarse variety of cloth in which the Kanpur industry specialises. Belief of increase in consumption of coarse variety of cloth, fostered by the Second Plan target of raising per capita consumption of cloth to 22 yards, on the basis of which the increase in production was planned had in the actual event turned out to be mistaken. How widespread this belief was would be evident from the fact that production of coarse cloth in the country as a whole has increased threefold as compared to the 1951 level and was twice as much as in 1955. The inroads, which handloom cloth and artificial silk had made into the market further aggravated the difficulties for coarse cloth in the country.

The concern of the State Government chiefly arises from the need to protect the interests of about 40,000 mill workers who are faced with threat of unemployment, which if it comes off is feared to lead to a big political crisis in the State. So far the labour force in the industry has been kept on on the basis of partial employment which however the employers do not find advantageous to them. With one mill already threatening closure and another almost on the brink on such a decision, the developments in this direction are most discouraging, and call for early and effective measures from the Government to clear the stocks and create conditions of stability for the industry in Kanpur.

Leftists in

There is by now no doubt that the leftists, after being foiled in the general elections, have concentrated their attention on local bodies, municipalities and city corporations. Their two recent resounding victories have been in Bombay whose Corporation has got Mr Mirajkan, a Communist

NORTH INDIAN NOTES

leader, for its Mayor, and in Delhi where Mrs Asaf Ali, a PSP leader, finds herself the Mayor of the city's new-born corporation. In such local elections, the Congress has shown itself steadily on the retreat. It almost seems as if the Congress had entered into a pact with these parties not to create too much trouble over such trifles. In a sense, it is interesting. It gives a chance to the ordinary citizen to assess which party can put in better work. But does it not also show that the Congress is tired, that it can no longer fight the Opposition all along the line? In politics, we should have thought, quarters are neither asked for nor given. Obviously, the time has come for us to revise that hitherto-accepted notion.

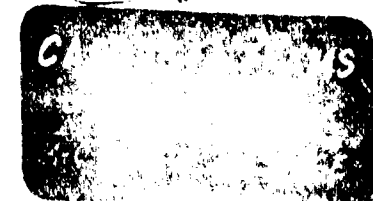
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NORTH INDIAN MARKETS

DIVERGENT trends were witnessed in the Foodgrains market. While Wheat was quiet owing to heavy stocks of imported stuff, Coarse grains improved on poor arrivals of the new crop. Pulses continued to rule steady.

In the Hapur market, the Wheat section ruled quiet with the average quality quoting Rs 15.50 and the farm variety Rs 17 per maund. Rice, however, continued to be dearer on reports of overall shortage in the country. In some centres in east Uttar Pradesh, prices have even risen by about Rs 2 per maund during the past two weeks. Threshing reports from the Punjab indicating a poor crop accounted for the steady conditions in the Gram section. Barley and Bajra prices improved by about 50 p, while Jowar moved up slightly in sympathy. Arrivals of Peas were heavy at an average of 2,000 to 2,500 maunds daily, while those of Arhar were also higher at an average of 500 maunds daily. Urad and Moong advanced further on firmer advices from the producing centres of the South.

A sharp decline in indigenous Wheat was the main feature of trading in the Bombay grains market. The Government of India's decision to lift the ban on imports of indigenous wheat into greater Bombay from the Western Zone provided the most significant development of the week. It is pointed out, however, that the chief beneficiary of the Government's decision will be the consumer who will be able not only to revert to more palatable varieties, but also to save appreciably on his food bill. The local demand for wheat per day has been placed at about 2,000 bags, the quantity being comparatively small on account of reduced purchases during the middle of the month. Traders are of the opinion that prices may decline further by about Rs 10 per candy in the near future with increased arrivals.

The decline in wheat prices had a bearish effect on Coarse grains as Jowar and Bajra. Prices of the former receded by about Rs 5 per candy, while those of the latter recorded a similar fall.

The tendency in indigenous Rice was easy, which was aided by the sustained improvement in the stock position, resulting from satisfactory arrivals. In the Pulses section, Gram presented a firm front with the Punjab quality rising from Rs 110 to Rs 117 per candy.

Sugar

Sugar markets ruled steady, thanks to better support from the consuming centres. According to the latest reports, some of the factories in West Uttar Pradesh have closed for the season, while the rest are likely to drag on up to the end of the current month as cane supplies with them are ade-

Divergent Trends in Grains

quate. Following mill-delivery rates (per maund) are quoted in the Hapur market:—Meerut (D. 28) Rs 35.87; Rampur (B. 29) Rs 36.62; Mansoorpur (B. 29) Rs 37.75; Daurala (A. 29) Rs 37.50; Mowana (A. 29) Rs 37.37; Modinagar (C-29) Rs 36.37; Amroha (D. 29) Rs 35.19 and Bijnore (E. 29) Rs 35.00.

Khandsari

The market for Khandsari continued to rule steady due to good consumer demand at favourable prices. Production is gradually

declining and prices are quoted at Rs 28.00 to Rs 32.50 per maund, according to quality.

Gur

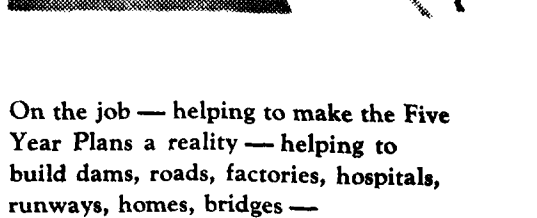
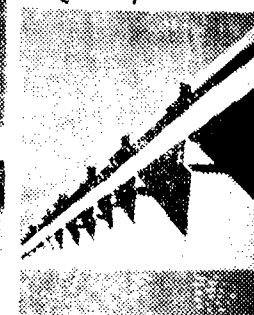
Conditions in the Hapur Gur market remained rather quiet. Arrivals were smaller at an average of 250 maunds. Outside demand was slack, while stocks were estimated at 1.43 lakh maunds as compared to 97,000 maunds in the corresponding period of last year. Total arrivals, from the beginning of the season, are put at 4 lakh

maunds as against 4.55 lakh maunds last year. Rates are moving between Rs 14.75 to Rs 15.25 per candy, according to quality.

Shellac

Activity in the Calcutta Shellac market remained subdued with prices developing a sagging tendency in the absence of any foreign demand. Pure TN quality is quoted at as low as Rs 64.00 per maund as against Rs 72.50 quoted at the beginning of the month.

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Backward Classes' Welfare

THE existence of a vast mass of people with the label of backward classes attached to them is one of the most poignant facts which detracts from the character of democracy in the country. Though a legacy of the caste system, that these classes should still be weighed down by social disabilities can only be explained in terms of the immobility that characterises social thought in the country.

The recent conference of the backward classes at Hyderabad had served to focus public attention on the meagre progress made in improving the conditions of the scheduled classes, tribes and other backward classes. All the speakers at the conference who included representatives of backward classes and national leaders stressed the need for rapid progress in ameliorating the conditions of the backward classes and for implementing the development schemes conceived to expedite progress.

The conference has demonstrated that though backward in every respect, they were not backward in putting forth their demands for economic betterment. A number of resolutions were passed seeking preferential treatment in various fields. These demands included award of scholarship to backward classes students on the basis of population, provision of free and compulsory education upto higher secondary stage, reservation for admission in professional institutions in proportion to their population, setting up of a separate Ministry for the Scheduled Castes, Tribes and other backward classes at the Centre and at the State to coordinate and promote welfare schemes in the interest of these classes, and priority in respect of vacancies in the industrial undertakings run by the Central Government etc. The Conference also decided to observe a "Demands day" every year to press the demands of the backward classes as embodied in the Kalelkar Commission's report.

Some of the demands made at the conference would seem to strike as too forward at least in the present level of the country's development. Whether the claims for the reservations of seats in higher educational institutions in proportion to their population could be met without impinging on the due interests of other sections of the population is doubtful. Similarly the demand for allotting lands for housing in urban areas free of cost and for grant of loans and subsidy at the rate of 50 per cent of the cost above construction would seem to be inconsistent with the present state of finances of the Central Government.

The policy of the Government towards the problem of amelioration of the conditions of the backward classes has been explained by Mr B. N. Datar Minister in the

Ministry of Home Affairs as being one of encouragement to non-official organisations working for the welfare of backward classes to the maximum extent. While all-India organisations were given direct grants by the Centre the voluntary agencies working in particular States were given assistance by the State Governments concerned of which 50 per cent was shared by the Centre. Under the First Plan Central assistance of the latter type amounted to about 22 lakhs. Mr Datar also pointed to the increased expenditure of Rs 208 lakhs envisaged under the Second Plan for aid to non-official agencies.

The various programmes envisaged by the Government attests to real concern for rapid progress of the backward classes. These include provision of Rs 5.5 crores for the development of cottage industries and for the starting of industrial, training and technical centres, provision of Rs 4 crores for Centrally-sponsored housing programme for backward classes, provision of Rs 1.1 crores for starting ashram schools for tribal children. The Second Plan envisages an expenditure of Rs 91 crores for the welfare of the backward classes nearly two-thirds of which is expected to be met by the Centre, the States having to find out the balance of Rs 30 crores. The total provision under the Second Plan is nearly double that of the First Plan, and excludes the cost of maintaining institutions set up during the First Plan. The share of scheduled castes out of this provision is about Rs 27.5 crores while Rs 47 crores has been set apart for tribes and development of scheduled areas.

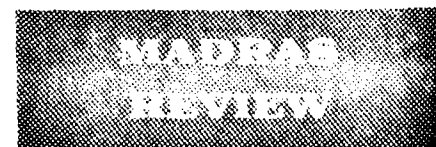
The need for ameliorative measures has further been recognised and met by protective provisions in Constitution of the country. The backward classes also enjoy preferential treatment in the matter of education and training in technical institutions. In this connection Mr Datar disclosed that the State Governments, the Ministries of Government of India and the Universities had been requested to reserve 20 per cent of the seats in all technical and other educational institutions controlled by them for the admission of Scheduled castes and Tribes students. In Andhra Pradesh, it was disclosed by Mr Sanjiva Reddi, that the backward classes enjoy reservation of seats in medical and engineering colleges to the extent of 25 per cent of the total accommodation, with the additional arrangement for district wise quotas, for admission in medical classes. Whether the separate Advisory Council for backward classes as advocated by Dr Panjabrao Deshmukh for providing additional funds to the Ministry of Education for scholarship to their students could do more, consistent with the due interests of the other sections

of population is debatable. But all the same there was a sense of disappointment at the conference at the non-acceptance by the Government of the recommendations of the Backward Classes Commission. This only serves to show the magnitude of the problem of improving the conditions of the backward classes.

In the course of his speech Dr Panjabrao Deshmukh defended the system of concessions to backward classes and dismissed arguments that such concessions would perpetuate feelings of casteism and create disharmony in Indian society. While the need for such concession will not be denied, the purpose of such concessions will be stultified if the term backward classes is not properly defined. In this connection Mr Sanjiva Reddi raised a pertinent point when he said that certain communities were backward in certain districts while they were forward in other areas and cited the Ganjam Reddis who were declared backward in the Srikulam district of Andhra Pradesh as an instance. A rigid definition of the term would thus exclude even a part of the really backward population in the country.

Mr Sanjiva Reddi laid his finger on the crux of the problem when he said that backwardness was the result of economic conditions. While thus ameliorative measures would only give some kind of relief, real advancement is inconceivable without rapid economic development of the country. The need to concentrate attention on backward areas, in this development is only obvious. This is a field in which the backward classes could themselves do much especially by way of organised effort towards community development programmes. Speaking in this connection Mr B. R. Bhagat pointed out that lack of initiative and drive among people who had the defective economic structure enabled only those who had land assets already to benefit from projects like the community development. Mr Choudhry Brahma Prakash former Chief Minister Delhi State also stressed the need to concentrate efforts on economic advancement which alone he said could raise their social and education status.

While economic advancement is linked with development of the whole country, the social environment could be improved only by rousing public consciousness to the indignities which they are at present made to suffer. That practices of segregation of harijans and untouchability still persist has been revealed by the report of the Commissioner for Scheduled Castes and Tribes. The report attributed a large part of the failure in removing the disabilities to the apathetic attitude of the State Governments towards the problems



of backward classes. Mr Datar referred to the need for qualified workers with the necessary background as well as missionary zeal and enthusiasm for work in connection with removal of untouchability which required great psychological tact. This could only be met by opening more training schools by the State Government as well as the Union Government. The existence of certain "bogus" organisations which conducted themselves cleverly by correspondence with the Government was also revealed.

Though the backward classes had emerged since the advent of independence as one of the most clamant sections of the population, it was in fairness, to be said, that their approach to their problems has not been marked by even a trace of the class war tactics. This is a tribute to the disciplined leadership under which they have organised themselves for fighting their legitimate grievances. Even at the conference there was no attempt to play on the emotions of the people. While Mr Datar stressed the need to ensure that, in raising the status of the backward classes, the social order did not disintegrate in a way that might be detrimental to them and the society at large, Mr Jagjivan Ram exhorted them to join the Congress party since the future of democracy was linked with the strength of the Congress. Mr Sanjiva Reddi also advised them to keep the interests of the country before them when general questions affecting the entire population came up.

The ultimate objective so far as the backward classes are concerned is their integration with the rest of the population. This, as Mr Jagjivan Ram has pointed out, is a problem of bringing about a change in the minds of men and in the age-old Hindu thought pattern and thought structure. The achievement of the socialistic pattern of society is contingent on the achievement of such a revolution in the caste-ridden minds of the people. While it can be expected that with their economic improvement much of the prejudices based on considerations of caste would wear away, to leave the reorganisation of the individual merely to chance would be to delay progress in social reconstruction. Mr Jagjivan Ram has in this connection referred to the need to fight the caste outlook which assessed the status of the individual in society. This has first to begin in the ranks of the backward classes itself where the existence of such divisions and sections based on the caste system is only too well-known. Dr Panjabrao Deshmukh has therefore pleaded for intermarriages among the various sections of the backward classes.



Addressing a meeting under the auspices of the Forum of Free Enterprise in Madras, Mr M. A. Master, expressed apprehensions about the effect of the Government's tax policy on the private sector. The concern of the private sector mainly springs from the series of new taxes which had been imposed on the private sector and which have the effect of taking away from it nearly Rs 100 to Rs 200 that would otherwise have remained with it. That some of the new tax measures have deleterious effects on the private sector is a view which is shared even by persons who do not represent any sector. But to attribute motives to the Government for its tax policy is to distort the Government's policy which on all accounts, is not one of hostility to the private sector.

Mr Master has in this connection stated that under the Second Plan the policy of the Government towards the private sector has changed. Unless he means that the public sector has been assigned a larger role under the Second Plan than under the First Plan, the statement, has in it, very little that is true. The latest concessions in tax measures such as the development rebate, have amply proved the lack of rigidity in the Government's attitude to the private sector.

Mr Master has also referred to the various difficulties encountered by the Second Plan especially in regard to foreign exchange and food production. On the foreign exchange front the sterling balances had been reduced from Rs 740 crores in April 1956 to Rs 280 crores in February 1958. But to the extent that the balances have declined the national sector, has gained by increase in the tempo of development especially in respect of the hard core of the Plan. Mr Master is however right when he points to the vagueness that characterises official thinking in respect of the foreign exchange requirement needed to carry the Plan through.

The difficulties which the Plan has to encounter in the internal situation arise chiefly from the shortfall in respect of collections from small savings and public borrowing. As against a target of Rs 280 crores for borrowings for the period 1956-58, the actual collection amounted only to Rs 160 crores. Similarly, in the case of small savings also there is shortfall of Rs 100 crores. Since the Government has defined its approach to the Second Plan to be a flexible one it is to be hoped that these difficulties would be taken into account in the laying down of policies in respect of development.

What one misses in the speech of Mr Master is a reference to the success that has attended the

efforts of the Government towards economic development in certain vital fields. Merely to expatiate on difficulties showing scant attention to the scope and prospects for improvement of the economic situation is to display a crisis mentality for which at least in the existing situation there is absolutely no warrant.

Printing Industry

The printing industry is in a special category in itself. The nature of the industry which is in a direct way linked with the growth of learning and knowledge invests it with an importance which attaches to few other industries which is further enhanced by the fact that the industry combines in it the characteristics of a creative art. It was not an accident that the discovery of printing preceded the advent of the Renaissance. The position of the industry is a rough measure of the progress made by a country in the field of education.

In India the printing industry comprises about 25,000 units most of them being small private undertakings. In the Southern region there are about 2,000 printing presses of which about 1,000 are situated in the Madras State. The organisation of the industry runs along the familiar lines of the two sectors operating independently, though the private sector accounts for a major share of the activities. The Government presses are in the stage of a new expansion and the Government of India have chalked out an expansion plan for the Government printing business. As part of this scheme two presses in the Southern region, one at Coimbatore and another in Kerala are envisaged. As such there is genuine apprehension among certain sections in the printing industry of competition from the Government presses. But Mr R. Venkaraman, Minister for Industries Madras in the course of his inaugural address to the All-India Master Printers' conference at Coimbatore has allayed such fears of competition from the Public sector.

The problems of the industry are those of eliminating excess capacity and improving the quality of work turned out. Mr S. Ramu in his presidential address pointed to the high standard of craftsmanship required in the industry which could be met only by providing facilities for adequate training and education in the various operations connected with the printing industry. At present the Regional Printing School at Madras caters to the needs of the Southern region. Since the demand for trained personnel is bound to grow in the future the need to increase facilities is only obvious. A central institution for training in printing is also a much-felt need. Since it

Private vs Public Sector

has been found that the present regional school is fit for conversion into a Central School it remains for the State Government to take up the matter with the Centre.

Excess capacity is purely a short-term problem which is bound to disappear with the increase in demand for printed matter. But patronage of Government by way of business job works is also needed to tackle the problem in the short run.

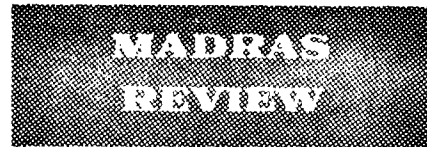
Kerala's Industrial Policy

Addressing a public meeting at Trichur, Mr C. Achutha Menon, Kerala Finance Minister outlined the industrial policy of the Kerala Government as being aimed at encouraging private capital to start new industries in the State. The object in clarifying the industrial policy of the Government was to counter the propaganda which, Mr Menon claims, has been let loose that outside capital will not flow into the State in view of the peculiar behaviour of the workers in the State. As proof of the Government's policy of encouragement to private enterprise he has quoted the statement of Mr Morarji Desai, Union Finance Minister, that the Communist Government was giving maximum facilities to capitalists.

The policy of the Government in the matter of industrial relations is explained as one of establishing industrial truce between the workers and industrialists. In this connection he has referred to the need for mutual negotiations between capital and labour in all the industries in the State for arriving at long-term industrial truce.

But in trying to remove apprehensions of capitalists about the policy of the Government in the field of industrial relations Mr Menon has failed to carry conviction. And it is not difficult to discern the partisan attitude of the Government even in the very statements of Mr Menon which were ostensibly meant to clear doubts. For while he has said that the Government was anxious to safeguard the interests of the workers in all possible manner, assurances to the private sector go to the extent of only endeavouring to safeguard their interests.

The statement of Mr Menon about the working of the Industrial Relations Board in the State would only confirm the fears of private capital about the attitude of the State Government towards it. Mr Menon has criticised the Board as having failed to discharge its duties for the reason that it had not recommended bonus for workers in those industries which had been working at a loss. This only proves that encouragement to private sector by the Government stops short of some facilities for the starting of new industries but does not extend to the guarantee of an adequate return on the



capital invested. The policy of the Government can best be described in terms of the old adage "Heads I win, tails you lose" and as such can be least expected to help industrialisation.

Village Panchayats

With the reorganisation of the local administrative machinery in almost all the States by the creation of village panchayats at the village level a great deal of devolution of administrative responsibility is expected to take place. The declared policy of the Government is to entrust the village panchayats with work in connection with the community development schemes.

Addressing Guntur District Panchayat Conference, Mr N. Sanjiva Reddi, pointed to the need for the panchayats to realise their responsibilities and actively participate in the national reconstruction work. In the changed context of village administration inefficiency of administration at the village level will have far-reaching effects on the country as a whole.

In line with the enlarged responsibilities of the village panchayats the finances of these bodies have also to be increased if they are to be enabled to work effectively for village improvement. The Andhra Pradesh Act has provided revenue powers to the Panchayats. Mr Sanjiva Reddi stressed the need for spending the money at the disposal of the Panchayats wisely and also for properly utilising the services of the block development officers.

Mr V. B. Raju, Planning Minister in his speech pointed out that the Block Development Committees were the agencies of the State Governments and not a separate entity and stressed the need for harmonious relationship between them. He expressed the hope that the Village Panchayats on whose shoulders heavy responsibility was placed would play their part successfully providing improving amenities in villages.

Mr Sanjiva Reddi also referred to some of the other policies of the State Government, such as nationalisation of bus services and deplored the opposition of certain sections of the public towards this policy of the State Government. He also explained the Government's policy in regard to the publication of text books as being aimed at supplying books to students in time and without any mistakes which according to him was not done when the books were printed by private publishers. Expressing disappointment at the poor response to the small savings scheme of the Government Mr Sanjiva Reddi stated that for the successful implementation of the development schemes public co-operation was essential.

SOUTH INDIAN MANUFACTURERS

AN official mission from Ceylon is to visit this country shortly to study marketing prospects for her goods in general and for Copra in particular. The mission will meet Government officials as well as the trade and explore the possibilities of increasing this country's participation in Ceylon's trade. Since India has been the largest buyer of Ceylonese produce, the delegation will urge the Government of India to revise their policy particularly in view of the fact that India has been running a favourable balance of trade with that country.

Soap and vanaspathi manufacturers in the country have, in recent months, preferred to buy their requirements from Singapore on account of a price difference of about Rs 200 per ton between Ceylonese and Singapore copra. Although Ceylon's produce is of better quality and its oil contents are higher, the export duty of Rs 185 per ton has become the main obstacle. It remains to be seen whether Ceylon is prepared to bring its prices on parity with its competitors by suitably reducing the export duty.

Not long ago, India was the main buyer of Ceylon's exportable surplus. But, following the Suez crisis, the pattern of trade has undergone a distinct change, i.e. Singapore, Malaya and Indonesia have ousted Ceylon from the Indian market. Moreover, supplies from Ceylon were restricted following floods last year. The result is, that India's offtake of copra from Ceylon has declined sharply from 900 tons in January this year to 200 tons in March as compared with 9,000 tons and 5,300 tons in January and March respectively last year. In order to achieve concrete results, the mission, it is stated, will have to think in terms of providing substantial price relief, perhaps by removing the export duty completely.

Meanwhile, in a memorandum to the Union Commerce and Industry Minister, established importers of copra and coconut oil have criticized the Government's import licensing policy for the current half-year of banning the imports of both copra and coconut oil by established importers in their anxiety to guard the interests of actual users. They point out that, although India is the second largest grower of coconuts in the world, our production falls short of by at least 30 per cent of the needs. The importers have, therefore, requested the Government to allow them to import at least 50 per cent of their basic quotas. In the Alleppey market, Coconut oil is quoted around Rs 632 and, in the Calicut market, at Rs 725 per candy.

Rubber

Production of Rubber in India amounted to only 951 tons in February as compared to 2,639 tons in the previous month, showing a

fall of 1,688 tons. Imports of rubber, during the month under review, rose to 884 tons from 705 tons in January this year. Consumption by manufacturers was slightly lower at 2,747 tons as against 2,877 tons in January. Stocks of natural rubber with the estates, dealers and manufacturers were also lower at 9,510 tons as against 10,422 tons at January-end, while those of synthetic rubber fell to 1,063 tons from 1,220 tons.

Following is the summary:

	Tons
Opening stock as on 1-2-1958	10,422
Production in February 1958	951
Imports in February	884
	1,835
	12,257
Less:	
Consumption in February 2,747	2,747
Exports Nil	Nil
	2,747
Stocks with estates, dealers and manufacturers as on 28-2-1958	9,510
Stock of synthetic rubber as on the same date	1,063
Total	10,573

The total availability of natural and synthetic rubber in the 1958-59 season will be around 33,500 tons; but the consumption is expected to be as high as 58,000 tons. This suggests that imports of around 24,000 tons—about 10,000 tons higher than in 1957-58—will be needed.

In the meantime, reports from the South indicate that the scheme for rubber plantation is progressing at a rather slow pace. The shortage is likely to increase in the coming years in view of the proposed expansion of the manufacturing industry. Three new tyre plants are to be put up shortly—one in Kerala, second in Bombay and the third in Madras. In these circumstances, there is need for providing better incentives to growers to step up production. Already, growers have been pleading for a revision of the statutory price of rubber due to increased costs of production. Unless the present statutory prices are revised to meet increased costs, the chances of any increase in the area of rubber planting will be reduced.

Pepper

Although Pepper markets have been ruling steady during the past few days, an uncertainty prevails with no inducement for a further price-rise. Prices last week were more or less steady throughout for want of foreign demand and a seemingly easing of the political situation in Indonesia.

In the Cochin market, the rate was quoted at Rs 108.75 for the ready position. In the Alleppey market, superior Palai variety is quoted at Rs 637.50 with sellers at this level and inferior Thekkan variety at Rs 12.50 per candy lower.

Copra Imports

In the Calicut market, Wynaad quality is quoted at Rs 705 and the Country variety at Rs 685.

In the New York market, prices have been well maintained, although there has been little or no trade buying. The spot price is quoted around 27d per pound. The market has had a more orderly look about it after the flurry of speculative activity last month.

Groundnut

Steady conditions prevailed in the Madras Groundnut market where prices showed further improvement over last levels. The rate was quoted at Rs 153 per candy. Arrivals totalled 200 tons, local crushers being the main buyers.

In the Groundnut Oil section, the rate for the ready position improved by Rs 5 to Rs 317 per candy. Offerings were rather small due to the smaller production following power-cut in hydel areas. Calcutta Interests were reported to have taken up small quantities for ready and nearby positions.

According to the latest reports, meagre rainfall, recorded in the Cuddalore area, is not found to be helpful to the standing summer crop. Good and wide showers are necessary for the proper growth of the plants and pod formation at a later stage. Failure to have good rains in the coming weeks may adversely affect the yield. Wells are getting dry. With the result, the crop cannot be irrigated copiously. However, the standing crop continues to be satisfactory for the present.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides remained unchanged with prices quoting about 6 nP per pound lower. Arrivals of Buff hides were moderate with fair clearance. Arrivals of Calf hides were, however, better; but prices were lower by about 13 nP per pound.

In the export section, enquiry was selective and mostly for light weights. Business was reported done in ordinary kips 5½ lbs. In single tannages, sellers' prices were mostly unchanged. Inferior fifths Cow hides in light weights were still too dear for export trade. It was reported that Madras sellers were either making combined offers of runs and fourths or, in the alternative, asking a premium for fourths alone, which prevented the flow of business.

In the Tanned Skins section, arrivals of both Goat and Sheep skins were moderate; but there was a steady clearance at 6 to 18 nP per pound lower.

On the export front, a small volume of business was reported done in 8/9 lbs runs at 14sh 6d; light weight fifths at 11sh 9d to 12sh and inferior fifths at 10sh 9d

to 11sh. There was restricted enquiry for extra weights at 10sh to 10sh 3d.

In the Sheep skins section, buyers were making considerably reduced bids for prime qualities. However, there was moderate enquiry for semi-primers.

The markets for Raw Hides and Raw Skins remained unchanged due to smaller arrivals.

THE MODERN MILLS, LIMITED.

NOTICE TO SHAREHOLDERS.

NOTICE is hereby given that the Twentyfourth Annual General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Company, Temple Bar Building, 70, Forbes Street, Fort, Bombay, on Wednesday, the 21st day of May 1958 at 4.30 P.M. to transact the following business:—

- To receive and adopt the Directors' Report and Audited Statements of Accounts for the year ended 31st October 1957.
- To declare a dividend.
- To appoint Directors in place of those who retire but are eligible for re-appointment.
- To amend Articles 20, 35, 36, 37, 49 and 61 of the Company's Articles of Association.
- To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books of the Company will be closed from the 25th day of April 1958 to the 15th day of May 1958, both days inclusive.

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

Detailed Notice of the above Meeting is being published in the Press and is also being posted to the Shareholders individually.

By Order of the Board,
N. SIRUR & CO. PRIVATE LTD.,
Managing Agents,
V. N. CHANDAVARKAR,
Managing Director.
Bombay 12th April 1958.

N.B. The dividend when declared will be made payable at the State Bank of India, Bombay, on and after Monday the 26th May 1958 to those Shareholders whose names stand on the Register of Members on the 25th April 1958, but only in respect of their holdings of shares allotted prior to 31st October, 1957, i.e. shares bearing Nos. 1 to 66376. The dividend warrants will be made negotiable at par at the State Bank of India, Bangalore. Shareholders are requested to intimate change of address, if any.

REVENUE REVIEW

COMPANY REPORTS

DUNLOP RUBBER CO. (INDIA), LIMITED.

Year ended Dec.	1957	1956	1955
Sales	199,700,430	169,960,530	150,918,972
Interest Commn. Rent	423,384	361,283	307,110
Stocks	16,990,523	18,289,773	16,606,063
Raw Materials	27,514,586	23,397,819	18,622,653
Works in Progress	1,927,636	1,833,751	1,992,004
Net profit	19,487,560	13,299,024	11,923,632
Taxation	8,651,561	4,734,548	4,232,360
Depreciation	2,768,550	3,054,568	2,751,477
Reserve Fund	3,000,000	2,600,000	2,200,000
Div. Amt Ord.	3,825,000	2,400,000	2,400,000
Div. Amt Pref.	344,400	357,000	357,000
Carry Forward	2,222,643	1,324,594	1,171,685
Div. % Ord.	164	15	15
Div. % Pref.	6	6	6
Div. % 2nd Pref.	6	6	6

(Annual General Meeting held on 18-4-58).
Capital:—Authorised Rs 50,000,000. Subscribed Rs 37,000,000 in 30,000—6 per cent Tax free Guaranteed Cum. Pref. shares of Rs 100 each; 40,000—6 per cent 2nd Cum. Pref. shares of Rs 100 each and 3,000,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.	1957	1956	1955
Assets.			
Capital Paid-up:			
(i) Pref.	7,000,000	7,000,000	7,000,000
(ii) Ord.	30,000,000	16,000,000	16,000,000
Debentures	10,321,000	13,000,000	13,000,000
Capital Reserve	7,000,000	7,000,000	7,000,000
Reserve Fund	23,883,432	21,600,000	19,000,000
Other Funds	13,146,174	12,486,174	12,486,174
Taxation Provision	5,800,000	1,850,000	2,000,000
Loans Secured	7,291,614	4,970,645	11,069,725
Loans Unsecured	7,607,156	337,500	337,500
Debits	14,164,313	19,374,594	9,928,350
Carry Forward	2,222,643	1,324,594	1,171,685
Total	121,029,176	104,313,133	91,993,434

Liabilities.	1957	1956	1955
G. Block	65,049,175	55,531,695	51,572,036
Depreciation	26,824,548	24,871,167	22,082,990
Block (net)	38,224,627	30,630,828	29,489,046
Works in Progress	1,927,636	1,833,751	1,992,004
Stores	2,251,328	2,025,711	1,942,736
Raw Materials	27,514,586	23,397,819	18,622,653
Stocks	16,990,523	18,289,773	16,606,063
Outstandings	25,290,341	18,261,755	19,638,902
Do More than 3 months	5,581,645	4,244,175	...
Mis. Deposits and Advances	2,130,334	2,074,488	1,220,916
Investments	574,364	2,587,417	2,106,440
Cash	543,792	967,716	394,674
Total	121,029,176	104,313,133	91,993,434
Liq. Assets	82,804,549	73,682,805	62,524,588

INDIAN ALUMINIUM COMPANY, LIMITED.

Year ended Dec.	1957	1956	1955
Sales	54,439,477	42,496,849	36,566,903
Net profit	8,883,243	6,558,916	4,864,471
Taxation	3,896,849	700,000	...
Depreciation	2,629,555	2,279,691	2,155,409
Other Funds	...	...	1,000,000
Div. Amt Ord.	2,406,160	2,707,412	1,440,000
Div. Amt Pref.	137,000	183,394	200,000
Carry Forward	720,182	1,106,493	418,074
Div. % Ord.	6	10	9
Div. % Pref.	5	5	5

(Annual General Meeting on 28-4-58 at 11 a.m. Books closed from 5-4-58 to 28-4-58).
Capital:—Authorised Rs 60,000,000. Subscribed Rs 42,458,900 in 40,000—5 per cent Redeem. Cum. Pref. shares of Rs 100 each and 3,845,890 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.	1957	1956	1955
Assets.			
Capital Paid-up:			
(i) Pref.	4,000,000	4,000,000	4,000,000
(ii) Ord.	38,458,900	20,110,000	16,000,000
5% Convert Loan	2,348,000	...	...
Share Premium	7,143,800	1,027,500	...
Reserve Fund	1,500,000	1,500,000	1,500,000
Other Funds	3,000,000	3,000,000	3,000,000
Taxation Provision	4,849,630	700,000	...
Loans Secured	9,613,904	...	...
Loans Unsecured	...	15,745,119	16,108,201
Debits	14,282,835	9,318,310	6,122,336
Carry Forward	720,182	1,106,493	418,074
Total	85,917,251	56,507,422	47,148,611

Assets.	1957	1956	1955
G. Block	71,890,516	46,061,095	41,674,246
Depreciation	22,177,728	19,684,142	17,476,683
Block (net)	49,712,788	26,366,953	24,197,563
Cash Abroad on Deposit for Machinery	1,853,096	1,994,173	...
Deb. Issue Exp.	...	201,101	...
Stores	2,685,645	2,459,858	2,058,227
Raw Materials	8,833,268	5,742,853	3,541,704
Stocks	12,906,520	10,901,341	8,813,343
Outstandings	7,815,914	6,773,393	1,159,358
Do More than 3 months	720,180	401,383	...
Mis. Deposits and Advances	580,412	807,153	6,365,577
Investments	17,854	16,854	15,019
Cash	791,574	842,360	997,800
Total	85,917,251	56,507,422	47,148,611
Liq. Assets	34,351,367	27,945,195	22,951,028

ORISSA MINERALS DEVELOPMENT CO., LTD.

Year ended June	1957	1956	1955
Sales	8,877,181	6,894,335	6,870,005
Stocks	1,305,948	1,133,310	1,256,786
Net profit	1,719,758	988,514	1,007,514
Taxation	1,090,000	280,000	220,000
Depreciation	185,100	171,128	174,791
Reserve Fund	315	232	...
Res. for Tax Contingencies	24,000	74,200	89,575
Development Rebate	5,300	12,340	18,064
Other Funds	...	60,000	140,000
Div. Amount Ord.	400,000	400,000	400,000
Carry Forward	115,708	100,667	105,063
Div. % Ord.	20	20	20

(Annual General Meeting held on 22-4-58).
*Includes Rs 68,000 being provision for previous years.

†After writing back Rs 100,000 from provision for taxation and Rs 3,500 from excess provision for law charge.

‡After writing back Rs 150,000 from provision for taxation: Rs 11,217 from excess provision for Development Rebate and Rs 16,297 from excess provision for sales tax.

Capital:—Authorised Rs 3,000,000. Subscribed Rs 2,000,000 in 200,000—ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of June	1957	1956	1955
Assets.			
Capital Paid-up	2,000,000	2,000,000	2,000,000
Capital Reserve	764,500	764,500	764,500
Reserve Fund	603,802	603,487	603,255
Other Funds	2,093,262	2,063,962	1,917,422
Staff Gratuity, etc.	188,727	162,560	157,222
Taxation Provision	986,681	986,498	970,176
Debits	4,355,432	2,161,414	2,395,408
Carry Forward	115,708	100,667	105,063
Total	11,088,022	8,843,108	8,923,039

Liabilities.	1957	1956	1955
G. Block	4,910,494	4,804,947	4,511,204
Depreciation	2,787,433	2,602,333	2,433,930
Block (net)	2,123,061	2,202,614	2,077,274
Cap. Exp. in progress	356,064	143,227	188,165
Stores	846,492	663,524	595,191
Stocks	1,306,358	1,133,210	1,256,766
Outstandings	2,021,285	444,268	1,203,384
Do More than 3 months	162,542	268,942	...
Mis. Deposits and Advances	1,036,142	571,486	504,389
Investments	2,511,056	3,003,576	3,000,661
Deposits in Banks	600,000	300,000	...
Cash	124,022	112,161	97,209
Total	11,088,022	8,843,108	8,923,039
Liq. Assets	8,806,897	6,497,267	6,667,600

LAKSHMI COTTON MANUFACTURING COMPANY, LIMITED.

COMPANY, LIMITED.			
Chairman:—Mr. E. S. Vernon-Jones.			
Year ended Dec.	1957	1956	1955
	Rs.	Rs.	Rs.
Sales	24,751,973	22,956,111	18,535,845
Stocks	4,530,706	5,970,277	3,267,411
Works in progress	808,539	711,488	862,815
Net profit	417,934*	2,702,285	2,146,447
Taxation	189,216†	482,000	705,000
Depreciation	...	1,337,539	781,640
Other Funds	...	274,114	81,143
Div. Amount Ord.	192,000	544,000	544,000
Div. Amount Pref.	54,900	59,000	59,000
Carry Forward	2,294	20,376	14,744
Div. % Ord.	6	17	17
Div. % Pref.	5	5	5
(*Annual General Meeting held on 24-5-58).			

BUCKINGHAM AND CARNATIC COMPANY, LIMITED.

Mg. Agents:—Binny & Co. (Madras) Ltd.			
Year ended Dec.	1957	1956	1955
Sales	99,765,355	93,668,370	90,077,810
Stocks	5,511,575	5,422,079	4,242,978
Works in progress	7,097,513	6,025,596	5,416,913
Net profit	9,859,286*	9,131,033	11,062,614
Taxation	1,850,000	1,500,000	3,900,000
Depreciation	3,580,490	4,096,713	3,350,000
Reserve Fund	...	1,100,000	1,000,000
Res. for Defd. Taxd.	1,210,000	...	...
Development Rebat	810,000	...	...
Other Funds	500,000	500,000	1,188,594
Div. Amount Ord.	1,784,780	1,784,780	1,784,780
Div. Amount Pref.	159,765	159,765	159,765
Carry Forward	192,471	228,220	238,445
Div. % Ord.	10	10	10
Div. % Pref.	7½	7½	7½

(Annual General Meeting held on 25-4-58).

*After transferring Rs 250,000 from Income-tax Reserve and Rs 370,712 from Raw Materials Fluctuation Reserve.

Capital:—Authorised Rs 25,000,000. Subscribed Rs 19,978,000 in 21,302-7½ per cent cum. pref. shares and 178,478—ordy. shares both of Rs 100 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.			
1957	1956	1955	
Capital Paid-up:	Rs.	Rs.	Rs.
(i) Pref.	2,130,200	2,130,200	2,130,200
(ii) Ord.	17,847,800	17,847,800	17,847,800
Debentures	7,000,000	7,000,000	8,650,000
Reserve Fund	7,000,000	6,200,000	5,100,000
Other Funds	22,929,100	21,573,212	11,052,500
Staff Gratuity, etc.	2,717,887	3,500,000	1,500,000
Taxation Provision	39,721	4,973,878	2,121,489
Loans Secured	8,687,069	6,063,247	4,449,379
Loans unsecured	...	558,303	1,111,262
Debits	9,663,654	8,996,295	9,557,994
Carry Forward	192,471	228,220	238,445
Total	78,207,902	79,871,155	63,759,069

Assets.			
1957	1956	1955	
G. Block	69,329,943	66,903,316	63,809,202
Depreciation	41,959,472	39,663,813	35,232,130
Block (net)	27,370,471	27,239,503	28,577,072
Cap. Exp. in progress	5,791,659	4,987,607	3,494,527
Works in Progress	7,097,513	6,025,596	2,764,094
Stores	10,517,800	9,434,497	6,066,301
Raw Materials	14,232,356	11,951,777	9,796,649
Stocks	5,511,575	5,422,079	4,242,972
Outstandings	4,865,371	2,873,171	6,035,309
Do More than 3 months	73,166	262,583	...
Mis. Deposits and Advances	1,442,342	9,122,071	401,631
Investments	1,001,598	2,171,531	1,817,692
Cash	304,051	381,237	562,822
Total	78,207,902	79,871,155	63,759,069

ELGIN MILLS COMPANY, LIMITED.

Mg. Agents:—Begg Sutherland & Co. (Private), Ltd.			
Year ended Sept.	1957	1956	1955
Sales	36,147,383	31,942,478	28,339,723
Stocks	4,676,856	3,656,588	1,160,038
Net profit	5,485,777	5,431,868*	4,470,109†
Taxation	2,900,000	2,250,000	1,600,000
Depreciation	650,000	600,000	800,000
Reserve Fund	300,000	1,500,000	1,300,000
Other Funds	630,000	787,500	630,000
Div. Amount Ord.	109,000	109,000	109,000
Div. Amount Pref.	75,531	78,754	93,386
Carry Forward	10	124	10
Div. % Ord.	8	8	8
Div. % Pref.	5	5	5

(Annual General Meeting on 6-5-58 at 9 a.m.)

Books closed from 19-4-58 to 6-5-58).

*Includes Rs 250,000 being adjustment on account of changes in stock valuation.

†Includes Rs 389,645 being Refund of E.P.T.

Capital:—Authorised Rs 10,000,000. Subscribed Rs 7,820,000 in 11,000—8 per cent cum. pref. shares of Rs 100 each, 4,200—5 per cent 'B' cum. pref. shares of Rs 10 each, 480,000—ordy. shares of Rs 10 each and 150,000—vendors shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Sept.

Liabilities.			
1957	1956	1955	
Capital Paid-up:	Rs.	Rs.	Rs.
(i) Pref.	1,520,000	1,520,000	1,520,000
(ii) Ord.	6,300,000	6,300,000	6,300,000
Capital Reserve	4,500,000	3,100,000	2,900,000
Reserve Fund	3,800,000	500,000	300,000
Other Funds	2,256,192	5,747,056	3,433,380
Taxation Provision	2,862,343	1,845,066	2,065,300
Loans Secured	4,510,228	2,117,659	...
Loans Unsecured	116,070	84,586	43,410
Debits	3,491,476	4,361,364	2,927,416
Carry Forward	75,531	78,754	93,386
Total	29,451,850	25,654,485	19,582,872

Assets.

G. Block			
1957	1956	1955	
Depreciation	16,840,953	15,423,707	15,616,382
Block (net)	2,647,114	1,866,065	2,244,751
Cap. Exp. in Progress	71,470	33,861	...
Stores	1,031,989	973,163	1,008,650
Raw Materials	5,195,900	5,405,495	7,987,058
Stocks	4,576,856	3,656,588	1,160,038
Outstandings	4,062,846	2,444,964	2,474,051
Do More than 3 months	273,968	166,635	...
Mis. Deposits and Advances	4,211,031	3,994,159	401,740
Investments	7,319,243	6,899,783	215,040
Deposits in Banks	...	...	3,900,000
Cash	61,443	213,772	191,543
Total	29,451,850	25,654,485	19,582,872

BINNY & COMPANY (MADRAS), LIMITED.

Director:—Mr. R. E. Castell.			
Year ended Dec.	1957	1956	1955
Sales	6,326,593	5,574,688	...
Interest, Dividends & Commn.	5,071,814	5,062,177	...
Stocks	940,493	1,230,486	...
Works in Progress	889	48,277	...
Net profit	2,839,769	3,064,599	2,338,455
Taxation	1,772,000	1,160,000	800,000
Depreciation	77,317	93,689	136,488
Reserve Fund	...	200,000	400,000
Div. A'mt Ord.	1,000,000	1,000,000	1,000,000
Carry Forward	419,907	429,455	439,933
Div. % Ord.	10	10	10

*Includes Rs 184,287 transferred from contingencies Reserve.

(Annual General Meeting held on 25-4-58).

Capital:—Authorised and Subscribed Rs 10,000,000 in 100,000 ordinary shares of Rs 100 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.			
1957	1956	1955	
Capital Paid-up:	Rs.	Rs.	Rs.
Reserve Fund	10,000,000	10,000,000	10,000,000
Other Funds	3,600,000	3,600,000	3,400,000
Taxation Provision	753,480	752,338	944,623
Loans Secured	771,479	1,226,417	824,461
Loans Unsecured	2,341,461	1,655,362	385,868
Debits	3,108,630	3,524,704	3,235,012
Carry Forward	419,907	429,455	439,933
Total	20,994,957	21,188,276	19,229,897

Assets.

G. Block			
1957	1956	1955	
Depreciation	3,947,506	3,891,924	3,634,672
Block (net)	1,964,174	1,875,070	1,567,087
Works in Progress	889	48,277	...
Stores	14,660	11,513	65,349
Goods in Transit	114,172	71,898	908,021
Stocks	940,493	1,230,486	1,233,067
Outstandings	1,069,638	908,125	1,233,067
Do More than 3 months	428,336	454,820	...
Mis. Deposits and Advances	3,325,687	3,380,720	2,569,557
Investments	12,754,689	12,705,197	12,325,275
Cash	363,051	360,586	131,043
Total	20,994,957	21,188,276	19,229,897

Liq. Assets ... 18,684,625 16,171,422 17,262,312

PUBLICITY SOCIETY OF INDIA LIMITED.

Secretary:—Mr. P. S. Nilakantan.			
Year ended March	1956	1955	1954
Income from Advt.	872,761	878,544	819,650
Sales of Sundry Goods	10,097	17,723	81,165
Interest & Dividends	75,529	25,551	24,644
Net profit	232,593	167,248	201,143
Taxation	130,000	75,000	80,000
Depreciation	13,000	15,000	50,000
Other Funds	...	5,000	...
Div. A'mt Ord.	95,400	46,700	43,750
Carry Forward	21,508	27,315	1,767
Div. % Ord.	50	25	25

(Annual General Meeting held on 26-4-58).

Capital:—Authorised and Subscribed Rs 190,800 in 47,700 ordinary shares of Rs 4 each.

Synopsis of balance sheet as on the last day of March.

Liabilities.			
1956	1955	1954	
Capital Paid-up:	Rs.	Rs.	Rs.
Share Premium	190,800	186,800	175,000
Reserve Fund	107,400	101,400	87,700
Other Funds	107,474	105,039	105,039
Staff Gratuity etc.	100,000	100,000	95,000
Taxation Provision	10,000	10,000	10,000
Loans Secured	196,949	139,199	102,495
Loans Unsecured	99,918	30,407	81,408
Debits	38,483	30,500	...
Carry Forward	1,032,982	1,035,150	912,643
Total	2,108	27,315	1,767

Assets.

G. Block			
1957	1956	1955	
Depreciation	161,349	166,439	153,381
Block (net)	17,651	33,658	35,955
Outstandings	1,208,288	1,082,721	1,064,280
Mis. Deposits and Advances	...	...	...
Investments	445,664	371,067	301,788
Cash	168,465	163,465	88,465
Total	1,905,514	1,765,810	1,567,052

Liq. Assets ... 1,887,863 1,742,152 1,531,097

NATIONAL COMPANY, LIMITED.

Mg. Agents:—M/s. Andrew Yule & Co., Ltd.			
Year ended October	1957	1956	1955
Sales	12,944,600	13,620,227	13,403,463
Stocks	837,040	612,033	703,813
Net profit	658,275*	474,135†	950,928‡
Taxation	193,250	170,600	370,000
Depreciation	165,260	61,000	51,000
Div. A'mt Ord.	362,500	260,750	612,500
Div. A'mt Pref.	35,000	35,000	35,000
Carry Forward	19,604	17,339	70,554
Div. % Ord.	7.50	7.45	17.50
Div. % Pref.	7	7	7

*After transferring Rs 100,000 from Dividend Equalisation Reserve and Rs 78,000 being Investment Realisation Surplus.

†After transferring Rs 200,000 from Dividend Equalisation Fund, Rs 12,342 from provision against anticipated loss on raw jute stock and work in progress (Rs 29,161) being provision against anticipated loss on jute contracted for and Rs 14,600 being excess provision for taxation.

‡After transferring Rs 100,000 from Dividend Equalisation Fund.

(Annual General Meeting on 2-5-58 at 11 a.m.)

Books closed from 10-4-58 to 2-5-58).

Capital:—Authorised and Subscribed Rs 4,000,000 in 5,000—7 per cent Cum. Pref. shares of Rs 100 each and 350,000 ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of October.

Liabilities.			
1957	1956	1955	
Capital Paid-up:	Rs.	Rs.	Rs.
(i) Pref.	500,000	500,000	500,000
(ii) Ord.	3,500,000	3,500,000	3,500,000
Reserve Fund	2,169,848	2,169,848	1,900,000
Other Funds	1,585,589	1,763,589	2,234,437
Superannuation Reserve	195,889	195,889	195,889
Taxation Provision	261,982	530,692	100,275
Debits	1,315,131	1,021,686	1,013,505
Carry Forward	19,604	17,339	70,554
Total	9,548,043	9,698,443	9,576,360

Assets.

G. Block			
1957	1956	1955	
Depreciation	4,849,737	3,171,346	2,910,124
Block (net)	1,231,373	1,066,470	1,006,222
Works in Progress	3,618,384	2,104,876	1,901,961
Stores	306,856	280,092	189,570
Raw Materials	904,313	928,844	982,766
Stocks	1,004,515	1,273,711	816,475
Outstandings	837,040	612,033	703,813
Mis. Deposits and Advances	415,415	203,410	256,487

Rs 319.50. Jessop changed hands at Rs 20.71 to Rs 20.81; Braithwaite at Rs 25.50 to Rs 25.56; Britannia at Rs 11.31 to Rs 11.44; Kumardhubi at Rs 8.25 to Rs 8.50 and Marshalls at Rs 5.41 to Rs 5.44. G. K. Williams, after being marked down to Rs 30.75 from Rs 31.31 on reports of the reduced dividend, closed better at Rs 30.87.

Miscellaneous issues moved in sympathy with the general trend of the market. An outstanding feature was Orient Paper, which were keenly sought after upto Rs 30.00 from Rs 28.65 on reports of increased production and expectation of excellent working results for last year in view of the increased demand for the company's products. Thanks to sustained investment demand, there was a good deal of activity in Dunlop having buyers upto Rs 25.62 from Rs 25.00; Aluminium Corporation upto Rs 11.31 from Rs 10.81; Indian Aluminium upto Rs 13.81 from Rs 13.56; Indian Oxygen upto Rs 17.87 from Rs 17.44; Indian Cable upto Rs 29.62 from Rs 29.37 and Alkali Chemicals upto Rs 14.65 from Rs 14.12. Indian Copper were a narrow mar-

BASANTI COTTON MILLS LTD.

NOTICE is hereby given that the Twenty-fifth Annual General Meeting of the above named Company will be held at the Registered Office, 24, Netaji Subhas Road, (Top Floor), Calcutta on the 31st May, 1958 at 11.30 A.M. for the following purposes:

- (1) To consider and adopt the Directors' Report.
 - (2) To consider and adopt the statement of Accounts and Balance Sheet for the year ended 31st December, 1957.
 - (3) To sanction the declaration of Dividends on Preference and Ordinary Shares.
 - (4) To elect Directors.
- Lord Sinha of Raipur and Mr. N. Beed Directors of the Company are retiring by rotation and being eligible each of them offers to be re-elected a Director of the Company.

Mr. Ramendra Nath Sircar is an associate of the Managing Agents and is retiring by rotation and offers himself for re-election and special resolution under Sec. 267 of the Companies Act, 1956 is necessary for his appointment. Since it is desirable to avail of his valuable advice by retaining him as a Director of the Company, the following special resolution will be proposed, a special notice has been received by the Company for the purpose and is also hereby given to the shareholders.

"Resolved that Mr. R. N. Sircar an associate of the Managing Agents under the Companies Act 1956 be and is hereby re-elected a Director of the Company."

Mr. S. K. Mitter is an associate of the Managing Agents and is

ket, moving between Rs 3.15 and Rs 3.21 Rohtas changed hands at Rs 16.94 to Rs 17.12; India Steamship at Rs 10.81 to Rs 10.91; Titagur at Rs 34.62 to Rs 34.87 x.d.; Shree Gopal at Rs 14.75 to Rs 14.87; Railis at Rs 32.00 to Rs 34.00; Phillips India at Rs 13.75 to Rs 14.06 and Metal Box at Rs 27.81. Martin Burns were quietly steady at Rs 24.06.

Bombay

THE initial steadiness resulting from Government's relaxation of provisions concerning the Development Rebate yielded place to a quieter tendency on the Bombay Stock Exchange on adverse reports but toward close sentiment rallied with prices generally regaining lost ground. Steel shares were well supported at the beginning. With the report that a section of workers of IISCO had also given strike notice, this section developed a reactionary tendency. A contributory factor for the lack of support for equities around midweek was the pessimistic appraisal of the prospects of the textile industry by Mr. Neville N. Wadia, Chairman of

retiring by rotation and offers himself for re-election and special resolution under Sec. 261 of the Companies Act 1956 is necessary for his appointment. Since it is desirable to avail of his valuable advice by retaining him as a Director of the Company, the following special resolution will be proposed, a special notice has been received by the Company for this purpose and is also hereby given to the shareholders.

"Resolved that Mr. S. K. Mitter an associate of the Managing Agents under the Companies Act 1956 be and is hereby re-elected a Director of the Company."

- (5) To appoint Auditors and to fix their remuneration.
- (6) To transact any other business that may be brought forward.

The Share Transfer Books of the Company will be closed from 4th May 1958 to 31st May 1958 both days inclusive.

By Order of the Board,
THE CALCUTTA AGENCY
PRIVATE LTD.,
Managing Agents.

24, Netaji Subhas Road,
Calcutta-1,
The 19th April, 1958.

N.B.—Dividend, if declared, will be paid to those shareholders whose names stand registered in the books of the Company on 31st May 1958 or to their mandatees.

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

Indian Finance

the Bombay Dyeing and Manufacturing Company Ltd. He had pointed out to the shareholders at the company's annual general meeting that 1958 would prove to be a very difficult year for the cotton textile industry in view of the continued disappointing level of cloth offtake. The absence of any purchase by the LIC also aided the downtrend. Toward close rumours of bright prospects of an amicable settlement of the labour disputes in the two Steel companies revived sentiment. Though improvement could be seen only in the more speculative counters, selected scrips all along the list also met with buying enquiry.

STEELS

Steel shares recorded sizable improvement on Friday last—Tata Iron sharply advanced to Rs 184 from Rs 182.75. Indian Iron also moved up to Rs 21.88 from Rs 21.68. There was a setback on Wednesday when the market reopened after the extended weekend. Reports of a strike notice by workers at IISCO dampened enthusiasm and rates were marked down. Tata Iron dropped a point to close at Rs 183 while Indian Iron came back to Rs 21.72. Both the shares staged a recovery on Thursday on indications that a settlement would be reached between workers and management at the two steel works. Tata Iron improved to Rs 184. Indian Iron after regaining lost ground moved up further to close at Rs 21.92.

TEXTILES:

Textile shares were depressed at the beginning on apprehensions about continued difficulty for the industry. Bombay Dyeing reacted to Rs 56.30 from previous closing of Rs 57.40. Century came back to Rs 433.50 from Rs 436.00. There was a further setback on Wednesday and Bombay Dyeing lost ground to be finally placed at Rs 55.80. Century declined rather sharply to Rs 428.50. Toward close selected shares in the section met with some enquiry and consequently the undertone became steady. Bombay Dyeing recovered to Rs 56, while Century also improved to Rs 433.00.

MISCELLANEOUS:

In the miscellaneous section Tata Chemical was a bright spot having been taken up to Rs 15.08 from its opening rate of Rs 14.28. Bombay Burmah was in good request and moved up to Rs 575 from Rs 564.50. Scindia Steam was a steady feature at Rs 17.68. ACC was more than three points higher at Rs 155.75. Belapur Sugar at Rs 244.50 was almost unchanged on balance. National Rayon was done up to Rs 224.50 from Rs 221.50. Premier Construction recorded a gain of over 5 points at Rs 195.75.

Madras

SENTIMENT on the Madras Stock Exchange continued to rule better. Planting shares met with a steady support, while Textiles came in only for small attention. Other sections ruled quietly steady.

PLANTINGS: This section came in for good support. Rubber shares

were absorbed in an increasing measure though this was confined to a few selected shares. Midlands were enquired at the market rate, while T. R. Ts improved to Rs 7.20 from Rs 7.10. Cochin Malabars ruled very firm at Rs 5.05 with Thirumbadis quoted around Rs 1.68.

In the Tea section, there was large buying of Periakaramalais. Peernades and Chembra Peaks. Devasholas changed hands at Rs 18.40 to Rs 18.50, while United Nilgiris were taken up to Rs 16.30.

Among Coffee shares, Consolidated improved further to Rs 24.12 from Rs 24.00.

TEXTILES: Trading in Textile scrips was at a low ebb. Most of the Coimbatore group of shares met with good sellers at the quoted levels. Balasubramanias and Trinopolys were on offer at the market rates. Virudhunagar Textiles met with some enquiry upto Rs 29.75 c.d.; Cambodias at Rs 9.25 c.d. and Buckingham at Rs 171 c.d.

MISCELLANEOUS: In this section, Mysore Papers were wanted at the market rate. Aluminium Industries accounted for good offtake at Rs 13.30. FACTS had buyers at Rs 5.30 following the publication of higher production figures. Ashok Leylands changed hands upto Rs 4.25 on reports of the maintenance of the dividend.

London

RATHER unsettled conditions prevailed on the London Stock Exchange, and the volume of business failed to show any marked expansion. Investors were reluctant to deal in the absence of incentive. There was, however, a selective demand for Industrials, which was encouraged, to some extent, by satisfactory company news.

Ship-building shares were mainly lower, reflecting the contraction of orders for new ships. Stores shares showed dullness on the slowing down in retail trade, while Suez Canal shares were marked up sharply following Egyptian reports of an impending compensation agreement. Investment buying of gilt-edged securities remained on a fairly considerable scale.

New York

PRICES on Wall Street, after ruling initially firm, developed a slightly easier tendency at the close. Motors, some Oils and other selected issues were active, but the general advance had little group leadership. Steels were aided by the prediction of an upturn in industrial activity during the summer and the final quarter of the year. Railis, again, moved ahead solidly. The market closed a bit below the best levels for the week.

Among Sugar shares, Belapur was finally placed at Rs 244 with Phaltan and W'nagar quoting at Rs 138 and Rs 285 respectively. In the Electric section, Ahmedabad turned ex-dividend at 94.50 with Tata Hydro quoted at Rs 118 and Tata Power at Rs 118.125. Among Banks Baroda was done at Rs 113.50. Central at Rs 52.50.

April 26, 1958

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on
		18-4-58 Rs nP
Allahabad	6% 100	105.50
Behar	5% 50	19.75

NAME	Paid-up per share.	Quotation as on
		18-4-58 Rs nP
Calcutta	5% 100	10.58
Dishergarh	5% 100	74.50
Dishergarh	4% 100	84.00
Jorhat	6% 100	90.00
Kurseong	6% 100	90.00

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Soorah	7% 100	84.50
Standard	6% 100	101.00
Union	7% 100	86.00
Waverley	5% 50	29.25

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Darjeeling:				
Share	Rate	Quoted	Rs	P
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Share	Rate	Quoted	Rs	P
Share	Rate	Quoted	Rs	P
Share	Rate	Quoted	Rs	P
Share	Rate	Quoted	Rs	P
Share	Rate	Quoted	Rs	P
Share	Rate	Quoted	Rs	P
Share	Rate	Quoted	Rs	P
Share	Rate	Quoted	Rs	P
Share	Rate	Quoted	Rs	

NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on	
		18-4-58 Rs nP	18-4-57 Rs nP			18-4-58 Rs nP	18-4-57 Rs nP			18-4-58 Rs nP	18-4-57 Rs nP
Shahjahanpur ...	10	6.81	5.87	Dalhousie ...	100	69.00	84.00	Saran ...	4	6.56	6.62
Shillong Hydro ...	2	4.84	5.00	Delta ...	100	113.00	125.50	Steel Products ...	9 1/2	1.06	0.82
Situa Jheriah ...	10	9.81†	10.75	Empire ...	10	14.75	14.37	Tex. Machinery ...	10	18.35	18.70
U. P. ...	100	124.00	146.0	Fort Gloster ...	100	318.00	289.00	TEA			
Upper Ganges ...	10	12.25	13.06	Fort William ...	10	18.37	18.56	Assam Gardens			
Upper Jumna ...	10	16.25	16.87	Ganges Mfg. ...	100	48.00	43.50	Amluckie ...	10	18.62	35.30
COAL				Gondalpara ...	800	485.00	750.00	Ananda Assam ...	10	18.44	44.87
Amalgamated ...	10	17.00	17.62	Gourepore ...	100	229.00	220.00	Anandabag ...	10	20.50	24.50
Ass. K'pura ...	10	3.00	1.00	Hastings ...	100	110.00	119.00	Baghmari ...	10	19.00	22.12
Ass. Lakdih ...	10	1.69	1.31	Hooghly ...	10	12.69	18.50	Barduar Tea ...	6	5.00	5.12
Bagdigi Kujama ...	10	4.11	4.50	Howrah ...	10	14.00	15.25	Basmatia ...	10	21.49	35.87
Bengal ...	100	219.00	215.00	Hukumchand ...	7 1/2	17.25	22.00	Batelli ...	5	20.00	26.75
Bengal Bhatdee ...	10	5.88	6.00	India ...	125	114.00	121.00	Bejjan ...	10	22.75	26.00
Bengal-Nagpur ...	10	13.50	15.00	Kamarhatti ...	100	82.50	91.00	Bishnauth ...	10	19.00	19.00
Bhalgona ...	10	6.50	4.75	Kankarrah (B) ...	100	80.50	80.00	Bishnath ...	10	15.00	25.25
Bharat ...	10	5.94	6.19	Kankarrah (B) ...	100	49.00	57.00	Bormahjan ...	10	17.00	19.00
Bhulanbarree ...	10	13.25	13.87	Kedarnath ...	10	9.00	10.12	Borpukhuri ...	10	15.50	18.75
Bhuranga ...	10	2.00	...	Kelvin ...	000	166.00	199.00	Brahmapootra ...	10	8.06	6.81
Bokaro & Ramgur ...	10	11.00	11.75	Khardah ...	100	116.00	120.00	Brooke Band ...	10	16.50	18.19
Borra ...	10	17.00	20.31	Kinnison ...	100	106.00	123.00	Dejoo Valley ...	10	50.00	50.50
Burakur ...	10	22.75†	21.40	Kinsdowne ...	100	75.50	80.00	Dessal & Purbat ...	100	270.00	296.00
Central India ...	10	7.56	6.12	Lawrence ...	100	73.50	95.00	Dialakhat ...	10	22.12	21.37
Central Kurund ...	10	...	...	Mahabir ...	100	85.00	85.00	Dhuner ...	20	11.50	17.56
Churulia ...	4	2.00	1.94	Megna ...	100	93.00	68.00	Dibrugarh ...	10	23.25	23.56
Dhemo Main ...	10	7.25	5.75	Nalhati ...	100	51.00	54.00	Dimakusi ...	10	24.50	27.50
East Indian ...	51	22.22	24.56	Naskarpara ...	10	10.00	14.25	Ditlaghar ...	10	30.00	23.75
Equitable ...	10	27.41	21.00	National ...	10	24.00†	20.10	East India ...	10	19.00	24.62
Ghustek & Musalia ...	10	16.12	15.75	Nellimaria ...	10	11.00	11.58†	Gillapukri ...	10	27.00	31.50
Gourangdi ...	10	6.12	...	New Central ...	10	13.87	12.06	Gohpur ...	10	21.25	21.75
Guzdar Kajora ...	10	6.50	1.50	Northbrook ...	10	14.81	20.31	Grob 'A' ...	10	23.06	30.25
Huriladih ...	10	16.12	22.12	Nuddea ...	80	33.00	29.25	Grob 'B' ...	10	12.75	16.25
Jagadaga ...	10	2.50	2.00	Orient ...	100	81.00	102.00	Hapjan Purbat ...	20	14.00	18.50
Jainty Central ...	2 1/2	1.00	2.25	Presidency ...	5	3.75	3.62	Hoograjuli ...	10	28.00	29.00
Jogta ...	10	1.81	1.81	Rameshwara ...	10	4.62	5.12	Hoolungoorie ...	100	145.50	301.50
Kalapahari ...	10	20.00	20.00	Reliance ...	10	5.81	7.37	Jutlitar ...	10	17.37	21.25
Karapura ...	100	91.50	88.50	Shree Ambica ...	10	14.62	15.25	Kyang Tea Seeds ...	10	5.00	4.00
Katras Jheriah ...	10	54.25	54.75	S Luchminarayan ...	10	9.25	9.25	Kingsley Golaghat ...	100	125.00	178.00
Khas Kajora ...	10	3.75	3.75	S. Luchminarayan ...	5	6.35	3.25	Krishnabehari ...	10	11.12	16.75
Khas Shampore ...	10	1.06	1.06	Soorah ...	10	14.75	15.62	Ledo ...	10	18.25	20.12
Kuardi ...	10	2.75	2.44	Standard ...	100	81.00	63.50	Maud ...	10	16.62	16.50
Lakurka ...	10	10.25	9.00	Union ...	200	113.50	109.00	Method ...	10	16.75	18.68
Mahabir ...	10	10.00	12.50	Waverley ...	2	2.37	3.06	Moheema ...	10	19.00	24.75
Mundulpore ...	10	1.50	2.25	COTTON				Mothola ...	100	436.00	370.00
Nazira ...	10	6.37	6.81	Basanti ...	10	6.31	5.06†	Murphulani ...	10	30.00	33.12
New Beerphoom ...	10	14.62	14.87	Bengal Luxmi ...	40	32.00	40.00	Murphulani P.O. ...	10	31.00	35.12
Ney Churulia ...	10	1.81	1.81	Bengal-Nagpur ...	10	4.19	7.75	Naga Hills ...	10	34.00	35.25
New Huntodih ...	10	2.05	2.44	Birla Cotton ...	10	34.50	35.00	Namburnadi ...	10	11.87	20.00
New Jalrapur ...	10	3.50	3.50	Bowrah ...	100	106.00	120.00	N. Chinnatollah ...	100	100.00	105.00
New Manbhoom ...	10	11.75	8.12	Cawnpore Tex. ...	6	4.06	6.18	New Coolickoote ...	10	8.00	10.50
North Damuda ...	2 1/2	0.87	0.94	Century Spg. ...	100	383.00	521.00†	Rajgarh ...	10	40.12	39.50
North-West (F.P.) ...	10	18.37	16.62†	Delhi Cloth ...	25	34.25	37.75	Sapoi ...	10	24.37	30.12
North-West (P.P.) ...	7 1/2	13.50	14.75†	Dunbar ...	100	132.00	174.00	Seajuli ...	10	19.75	28.62
Ondal ...	10	16.75	14.62	Elgin ...	10	13.50	21.50	Ten Ahi ...	10	26.31	24.90
Parasea ...	10	12.97	13.87	Jagatjit Cotton ...	10	9.00	10.00	Telodjan ...	10	24.12	24.66
Pench Valley ...	10	19.25	16.25	Jayashree Tex. ...	10	6.94	5.81	Tengpani ...	10	39.00	...
Pure Sitapur ...	10	11.50	11.37	Jiyajeerao Cotton ...	10	5.85	7.81	Tezapore ...	10	15.75	19.87
Raneegunge ...	10	14.75	19.87	J. K. Cotton ...	100	100.00	115.00	Tongant ...	10	8.00	12.00
Rewa ...	10	12.00	12.31	Kesoram ...	10	11.48	13.75	Tyron ...	10	41.75	15.50
Samla ...	10	5.00	5.19	Muir ...	100	64.75	75.00	Darjeeling Gardens			
Searsole ...	2 1/2	23.19	28.87	New Victoria ...	2 1/2	1.37	1.81	Bloomfield ...	10	1.75	2.00
Seebore ...	10	7.00	9.00	Rampooria ...	10	15.12†	16.25	Chamong ...	10	10.62	15.12
Sendra ...	10	4.00	3.00	Shree Niwas ...	100	165.00	243.00	Darjeeling ...	100	116.00	225.00
Shree Mahakali ...	2 1/2	0.81	0.81	Shree Bhawan ...	10	10.00	10.00	Diharam ...	100	149.50	190.00
Singaran Synd. 'A' ...	2 1/2	0.50	0.31	Sultet Cotton ...	10	70.00	90.00	Gielle ...	10	9.06	25.90
Singaran Synd. 'B' ...	10	9.00	9.50	Swadesh Cotton ...	10	11.94	12.50	Jayashree ...	10	11.06	11.00
S Karanpura ...	10	9.87	8.25†	Swadesh (P.O.) ...	10	10.37	12.31	Linga ...	10	17.50	25.00
Standard ...	10	13.75	19.87	ENGINEERING				Margaret's Hope ...	100	201.00	165.00
Talcher ...	1 1/2	1.75	1.62	Arthur Butler ...	10	7.06	8.00	Mim ...	100	201.00	275.00
Union ...	10	14.00	15.25	Bhartia Elec. ...	10	14.87	15.55	Nagri Farm ...	10	20.50	22.50
United Collieries ...	10	10.00	10.00	Braithwaite & Co. ...	10	23.31†	26.00	Okayti ...	100	140.00	600.00
Western Bengal ...	10	5.72	5.37	Bri. Bldg. & Iron ...	10	5.94	6.78	Pashok ...	10	7.75	11.12
West Ghusick ...	10	12.05	13.12	Bri. Engg. ...	10	11.44	13.25	Poobong ...	10	5.50	10.12
West Jamuria ...	10	5.12	8.50	B. I. E. Conan ...	10	13.56	12.00	Pussimbing ...	10	8.75	10.00
West Lakdih ...	10	2.66	1.31	Bridge and Roof ...	10	29.00	37.00	Runglee Runglot ...	100	360.00	370.00
JUTE				Burn & Co. ...	100	322.00	312.00	Seeyok ...	10	13.50	14.50
Agarpara ...	10	8.00	8.25	Guest Keen ...	10	31.00	25.50	Singell ...	100	22.00	20.75
Alexandra ...	100	90.00	189.00	Hooghly Docking ...	50	110.00	132.00	Soom ...	10	5.00	6.06
Alliance ...	100	64.00	105.00	Indian Galvng. ...	10	14.31	19.00	Sungma ...	10	30.12	26.50
Anglo-India ...	100	150.00	132.00	India Iron ...	10	21.84	19.69†	Teesta Valley ...	10	20.25	37.25
Auckland ...	100	82.00	78.50	India Machinery ...	10	2.00	3.50	Tukvar ...	10	8.00	11.50
Bally ...	100	135.00	160.00	India Mail, Oast. ...	5	4.07	7.25	Doonars Garden			
Barnagore ...	25	82.50	87.00	Ind. St. Wagon ...	25	100.00	176.00	Banarhat ...	100	298.00	282.00
Belvedere ...	100	77.00	84.00	I. Steel Wire ...	10	61.00	63.75	Baradlight ...	10	19.25	23.69
Bengal ...	10	11.50	10.25	I. Steel Wire F.P. ...	1	15.01	15.56	Bhatkows ...	10	21.56	24.10
Bharat ...	25	6.12	6.12	Jay Eng. ...	100	127.00	...	Birpara ...	100	115.00	155.00
Biria ...	10	15.25	14.50	Jessop & Co. ...	10	20.75	25.37	Caroon ...	100	141.00	166.00
Budge-Budge ...	100	76.00	89.00	Kumardhuti ...	2	8.50	9.78	Choonabhatti ...	100	271.00	361.00
Calcutta ...	10	9.94	9.94	Marshalls ...	2	5.42	4.75†	Ellenbarrie ...	100	195.00	240.00
Caledonian ...	100	108.00	105.00	National Iron ...	19	6.87	7.00	Engo ...	100	400.00	527.00
Champdany ...	100	94.00	136.00	National Screws ...	10	5.18	9.25	Ethelbari ...	10	10.25	13.81
Cherviot ...	10	140.00	126.00	R. Cruddas ...	10	8.19	17.87	Gairkhatia ...	100	120.00	258.00
Chitavalah ...	10	12.81	11.37	ENGINEERING				Hantapara ...	100	20.00	40.00
Clive ...	10	13.75	13.94	Arthur Butler ...	10	7.06	8.00	Gopalpur ...	25	111.00	169.00

Indian Finance

April 26, 1958

Paid-up				Quotation as on				Paid-up				Quotation as on				NAME				Paid-up				Quotation as on			
NAME		per share.	18-4-58	18-4-57	NAME		per share.	18-4-58	18-4-57	NAME		per share.	18-4-58	18-4-57	NAME		per share.	18-4-58	18-4-57	NAME		per share.	18-4-58	18-4-57			
			Rs nP	Rs nP				Rs nP	Rs nP				Rs nP	Rs nP				Rs nP	Rs nP				Rs nP	Rs nP			
Raza	..	10	14.19†	...	Comm. Prop.	..	5	0.58	0.50	Martin-Burn	...	10	24.12	22.19	3½% Loan (1962)	...	97.93	97.81	3½% Loan (1961)	...	99.64	99.47					
Ryan	...	10	18.25†	21.50	Darjeeling Prop.	...	10	1.00	5.00	Marwar Trading	...	100	200.00	208.00	3½% Loan (1964)	...	98.18	98.44	3½% Loan (1964)	...	97.80	98.30					
Samastipur	...	10	12.25	11.50	Hindustan Bldg.	...	10	4.12	6.75	Metal Box	...	10	27.75	27.25	3½% Loan (1967)	...	97.50	98.44	3½% Loan (1967)	...	97.50	98.44					
Shree Anand	...	10	10.25	10.50	Humayan Prop.	...	10	10.75	13.00	Moradabad Water	...	10	4.50	5.56	3½% Loan (1967)	...	97.50	98.44	3½% Loan (1967)	...	97.50	98.44					
Sitalpur	...	10	2.37	4.37	New India Bldg.	...	5	0.0	1.00	Nat. Carbon	...	10	25.18	26.00	3½% Loan (1967)	...	97.50	98.44	3½% Loan (1967)	...	97.50	98.44					
South Behar	...	10	1.37	1.00	Midnapore Zamin	...	100	15.00	21.00	N. I. Cables	...	10	23.87	19.69	3½% Loan (1967)	...	97.50	98.44	3½% Loan (1967)	...	97.50	98.44					
Sri Hanuman	...	10	15.25	16.00	Regent Estate	...	10	1.00	2.93	Nat. Rolling	...	10	10.12	10.00	3½% Loan (1967)	...	97.50	98.44	3½% Loan (1967)	...	97.50	98.44					
S. K. Gyan.	...	10	9.84	10.12†						Nat. Rubber Mfg.	...	10	11.50	...	4% Loan (1960-70)	...	100.45	100.85	4% Loan (1960-70)	...	100.45	100.85					
Shree Sitaram	...	10	11.00	13.90						Nat. Tanneries	...	10	2.40	2.50†	4% Loan (1972)	...	100.25	...	4% Loan (1972)	...	100.25	...					
Upper India 'A'	...	100	127.00	127.00						Nat. Tobacco	...	10	10.00	10.25													
Upper India 'B'	...	25	15.00	15.00						Nat. Safe	...	5	2.50	2.37													
Upper Ganges	...	10	58.00	88.00						New I. Invest.	...	75	33.75	53.00													
Unt. Province	...	10	13.50	14.00						Osler Elec. Lamp	...	5	1.31	3.50													
										Pearl Invest.	...	10	1.25	1.25													
										Phillips India ?	...	10	14.12	...													
										Phosphate Co.	...	100	160.00	...													
										Publicity Society	...	4	9.58	10.00													
										Prem. Trans.	...	10	1.50	1.50													
										Ralls	...	100	31.00	29.50													
										R. B. Rodda & Co.	...	10	5.25	8.31													
										Rohtas	...	10	17.12	17.00													
										Sen Raleigh	...	10	12.75	12.82													
										Sodepur Glass	...	10	1.56	2.12													
										Shaw Wallace	...	10	10.19	11.44													
										Spence's Hotel	...	2	1.06	1.06													
										Spencer & Co.	...	10	16.00	16.00													
										Star Co.	...	100	81.00	81.50													
										Star Trading	...	25	8.00	8.00													
										Straw Products	...	10	14.50	15.12†													
										Union Co.	...	100	75.00	107.50													
										Union Tobacco	...	10	0.25	0.25													
										Walfords	...	1	1.90	2.02													
										Walford (Po)	...	1	1.53	1.87													
										W. Stockholder	...	1	0.78	0.85													
SAW MILLS AND TIMBER																											
Assam Saws	...	5	1.81	2.95	BA Steam	...	100	107.00	139.00	Concord of India	...	5	12.31	10.75	Canara Bkg. 5%	50	47.50	50.00	Canara B'ing 4½%	50	41.75	45.00					
Bengal Timber	...	100	10.00	41.00	Cal. Landing	...	10	13.44	12.12	General	...	25	15.00	20.00	Canara I. & B. 6%	100	103.00	109.00	Canara I. & B. 5%	10	9.00	9.50					
					Cal. Steam	...	10	13.50	16.25	Hercules	...	10	18.75	21.62													
					Fraser & Co.	...	10	15.54	14.00	India Trade	...	40	24.00	25.00													
					I. G. Navigation	...	£10	56.50	65.50	National Insur.	...	100	344.00	344.00													
					India Steam	...	10	10.84	10.00	New Asiatic	...	5	3.75	4.19													
					Port Shipping	...	10	15.89	16.25	Ruby General	...	5	6.69	5.50													
					Scindia Steam	...	20	17.25	20.25	Standard	...	10	3.50	3.75													
SHIPPING																											
BA Steam	...	100	107.00	139.00	Airways (India)	...	10	4.87	4.94	Union Tobacco	...	10	0.25	0.25													
Cal. Landing	...	10	13.44	12.12	Alum. Corp.	...	10	10.87	9.00	W. Stockholder	...	1	0.78	0.85													
Cal. Steam	...	10	13.50	16.25	Amalgam. Devel.	...	100	0.00	60.00																		
Fraser & Co.	...	10	15.54	14.00	Angelo Bros.	...	10	17.87	19.37																		
I. G. Navigation	...	£10	56.50	65.50	Asso. Hotel	...	10	4.47†	10.75																		
India Steam	...	10	10.84	10.00	Assam Match	...	10	15.31	90.37																		
Port Shipping	...	10	15.89	16.25	Balmer Lawrie	...	100	148.00	147.00																		
Scindia Steam	...	20	17.25	20.25	Bararce Coke	...	10	10.56	16.25																		
					Bharat Commerce	...	10	4.31	3.50																		
					Bharat Vegetable	...	10	1.25	2.25																		
MISCELLANEOUS																											
Bharat Co.	...	100	54.75	50.82	B. I. Corp.	...	5	3.55	7.45																		
Bharat Sons	...	10	2.37	2.37	Cal. Credit Corp.	...	10	4.12	5.44																		
Birds Invest.	...	10	10.50	13.75	Calcutta Gas	...	10	5.81	6.75																		
Bihar Rice	...	10	1.50	1.75	Cal. Invest.	...	100	50.00*	50.00*																		
Bri. Biscuits	...	10	12.75	13.25	Calcutta Safe	...	10	7.69	8.50																		
Br. Ceylon Corp.	...	10	10.12	9.56	Calcutta Silk	...	10	4.06	4.12																		
B. I. Corp.	...	5	3.55	7.45	Cal. Tanheries	...	10	0.50	0.50																		
Cal. Credit Corp.	...	10	4.12	5.44	Calcutta Trams	...	£1	16.06	15.93																		
Calcutta Gas	...	10	5.81	6.75	Cambay Invest.	...	100	101.00	82.00																		
Cal. Invest.	...	100	50.00*	50.00*	Cherra Chhatak	...	5	4.50	4.75																		
Calcutta Safe	...	10	7.69	8.50	Clive Row Invt.	...	10	8.62†	9.56†																		
Calcutta Silk	...	10	4.06	4.12	Darjeeling Rope	...	10	5.75	6.00																		
Cal. Tanheries	...	10	0.50	0.50	Duncan Bros.	...	100	128.00	100.00																		
Calcutta Trams	...	£1	16.06	15.93	Dunlop	...	10	24.94	24.00†																		
Cambay Invest.	...	100	101.00	82.00	Eastern Invest.	...	100	109.00	107.00																		
Cherra Chhatak	...	5	4.50	4.75	Elec. Const.	...	10	9.69	10.08																		
Clive Row Invt.	...	10	8.62†	9.56†	F. & C. Osler	...	10	2.00	6.75																		
Darjeeling Rope	...	10	5.75	6.00	French Motor	...	10	26.28	21.87																		
Duncan Bros.	...	100	128.00	100.00	Ganges Rope	...	100	128.00	120.00																		
Dunlop	...	10	24.94	24.00†	Gillanders	...	10	11.25	10.93																		
Eastern Invest.	...	100	109.00	107.00	Godfrey Phillips	...	10	17.75	21.50																		
Elec. Const.	...	10	9.69	10.08	G. E. Hotel	...	250	255.00	226.00																		
F. & C. Osler	...	10	2.00	6.75	Greaves Cotton	...	100	114.50	124.00																		
French Motor	...	10	26.28	21.87	Hall & Anderson	...	10	7.75	9.00																		
Ganges Rope	...	100	128.00	120.00	Hindusthan Gas	...	7	8.62	9.37																		
Gillanders	...	10	11.25	10.93	Hindusthan Ice	...	5	0.75	1.25																		
Godfrey Phillips	...	10	17.75	21.50	Hindusthan Lever	...	10	21.60†	...																		
G. E. Hotel	...	250	255.00	226.00	Hindus. Motors	...	10	7.00	...																		
Greaves Cotton	...	100	114.50	124.00	Hind. Nat. Glass	...	10	5.70	3.00																		
Hall & Anderson	...	10	7.75	9.00	Hindus. Pkington	...	10	6.50	7.18																		
Hindusthan Gas	...	7	8.62	9.37	Hoare Miller	...	10	7.75	7.25																		
Hindusthan Ice	...	5	0.75	1.25	Ideal Invest.	...	10	11.87	13.37																		

Secured Advances of Scheduled Banks

	December 13, 1957	November 29, 1957	January 17, 1958	December 27, 1957
Number of Reporting Offices ...	3,000	3,000	3,000	3,000
I. Food Articles:				
(1) Paddy and Rice ...	508	486	8,06	6,98
(2) Wheat ...	219	244	2,29	2,19
(3) Jowar ...	11	14	30	16
(4) Bajra ...	27	33	36	35
(5) Maize ...	73	58	92	79
(6) Grams ...	190	207	1,42	1,68
(7) Other Grains and Pulses ...	331	388	3,07	3,38
Total of 2 to 7 ...	841	944	8,35	8,55
Total of I ...	1,349	1,490	16,41	14,73
II. Industrial Raw Materials:				
(8) Groundnuts ...	651	527	10,56	8,51
(9) Other Oilseeds ...	904	1,008	9,68	9,89
(10) Cotton and Kapas ...	4,855	4,549	63,82	52,86
(11) Raw Jute ...	1,623	1,533	17,75	16,13
(12) Hides and Skins ...	514	499	5,49	5,03
Total of II ...	8,607	8,116	10,729	92,42
III. Plantation Products:				
(13) Pepper and other spices ...	152	133	1,85	1,70
(14) Cashewnuts ...	222	248	1,91	2,10
(15) Tea ...	2,659	2,628	27,20	26,25
(16) Coffee ...	212	196	2,22	1,87
Total of III ...	3,245	3,205	33,18	31,92
IV. Manufactures and Minerals:				
(17) Sugar and Gur ...	2,324	2,105	33,85	26,40
(18) Rubber and Rubber Products ...	170	180	2,43	2,10
(19) Vegetable Oils including Vanaspathy ...	582	526	6,37	6,04
(20) Cotton Textiles (including yarns) ...	1,779	1,889	102,50	99,08
(21) Jute Textiles ...	9,641	9,590	16,48	16,78
(22) Cotton Textiles (Silk, Art Silk, Woolen, etc.) ...	1,488	1,443	13,70	13,45
(23) Iron, Steel and Engineering Products ...	9,357	9,540	91,39	90,91
(24) Other Metals and Metal Products ...	1,180	1,195	11,07	11,55
(25) Coal, Manganese, Mica and other Minerals ...	904	976	9,65	10,24
(26) Chemicals, Dyes and Pharmaceuticals ...	1,633	1,684	17,30	17,29
(27) Glass and Glass Ware, Pottery and Ceramic Products ...	190	123	1,24	1,19
(28) Electrical Goods ...	500	494	5,51	5,15
(29) Cement ...	184	156	2,10	1,78
Total of IV ...	29,910	29,971	313,17	301,96
V. Other Securities:				
(30) Real Estate ...	1,588	1,576	16,31	15,65
(31) Gold and Silver Bullion (other than to banks) ...	265	281	2,72	2,87
(32) Fixed Deposits ...	1,144	1,209	11,54	11,80
(33) Government and Other Trustee Securities ...	3,722	3,806	42,49	40,34
(34) Shares and Debentures of Joint Stock Companies ...	7,525	7,439	75,44	73,25
(35) Assets of Industrial Concerns—Fixed or Floating (other than those specified under above categories) ...	3,215	3,287	31,83	32,89
(36) Other Secured advances not mentioned above ...	5,725	5,857	57,62	58,00
(37) Composite advances ...	1,862	1,790	20,57	18,89
Total of V ...	25,046	25,245	258,52	253,69
Grand Total (I to V) ...	68,157	67,967	728,57	694,73

SMALL SAVINGS (in lakhs of rupees)

	5 year.	7 year.	12 year.	12-year National Plan Saving Certificates	Post Office Savings Bank deposits.	10-year National Plan Certificates	10-year Treasury Saving Deposit Certificates	15-year Annuity Certificates
	Outstanding Receipts.	Out-standings.	Out-standings.	Receipts. Out-standings.	Receipts. Out-standings.	Receipts. Out-standings.	Receipts. Out-standings.	Receipts. Out-standings.
1952-53 ...	683	65	326	2,366	8,417	...	11,335	9,202
1953-54 ...	376	198	548	2,719	14,437	...	15,811	16,785
1954-55 ...	300	287	601	3,162	16,368	...	17,697	19,650
1955-56 ...	317	22	576	247	15,893	...	1,477	18,795
January 1957 ...	312	21	579	276	15,995	...	1,346	18,809
February ...	307	17	581	235	16,104	...	1,296	18,882
March ...	300	35	601	401	16,368	...	2,355	19,686
April ...	293	12	592	280	16,482	...	1,476	19,678
May ...	288	12	584	213	16,559	...	1,463	19,756
June ...	282	1	572	16,457	308	...	1,454	19,797
July ...	274	2	561	16,235	520	...	1,503	20,057
August ...	268	...	549	16,038	503	...	1,331	20,168
September ...	260	...	539	15,823	686	...	2,017	20,317
October ...	254	...	526	15,581	617	...	2,633	20,283
November ...	248	...	514	15,340	648	...	3,282	20,268
December ...	...	...	...	...	...	...	...	...
January 1958 ...	...	...	...	...	...	...	...	...

Yields on Industrial Securities-All-India

	(Tax-free Rates).					
	(Per cent per annum).					
	July.	August.	Sept.	October.	Nov.	Jan'y. '58
Debentures	4.21	4.35	4.18	4.20	4.27	4.14
Preference Shares	6.05	6.16	6.00	6.01	6.03	6.08
Electricity	4.97	5.07	4.85	4.85	4.84	4.84
Cotton Textiles	6.58	6.62	6.82	6.68	6.96	7.00
Jute Textiles	7.49	7.66	7.37	7.20	6.98	7.08
Coal	6.11	6.43	6.59	6.63	6.76	6.86
Sugar	7.01	7.03	7.03	7.03	7.03	7.02
Paper	5.90	5.90	5.90	5.90	5.93	6.08
Plantation	6.43	6.53	6.53	6.66	6.73	6.82
Miscellaneous	4.84	4.95	4.70	4.82	4.87	4.89
Variable dividend industrial securities	6.68	6.97	7.09	7.02	7.20	7.26
Financial	6.85	6.47	6.61	6.57	6.42	6.36
Banks	7.30	7.49	7.59	7.45	7.33	7.25
Insurance	7.72	7.76	7.76	7.80	7.93	6.60
Investment trust	7.06	7.19	7.20	7.16	7.17	7.21
Public utilities	6.38	6.46	6.63	6.42	6.97	6.38
Electricity	6.95	7.26	7.38	7.17	7.44	7.61
Shipping and other transport	4.73	5.01	5.17	5.56	6.62	6.78
Manufacturing industries	5.27	5.63	5.72	5.44	5.43	5.39
Cotton Textiles	7.88	7.66	7.63	7.76	7.64	7.89
Jute Textiles	6.55	5.81	5.89	5.90	5.94	5.97
Iron and Steel	5.84	6.13	6.32	6.30	6.64	6.78
Paper	6.20	6.24	6.18	6.17	6.23	6.41
Cement	6.21	6.38	6.49	6.63	6.77	6.85
General Engineering	7.42	7.48	7.55	7.45	7.21	7.29
Sugar	7.79	8.39	8.58	8.18	9.01	9.03
Chemicals	8.46	9.61	10.16	10.35	10.67	10.87
Non-manufacturing industries	7.95	8.17	8.17	8.00	8.04	8.02
Coal	7.42	7.48	7.55	7.45	7.21	7.29
Mining and Oil	7.79	8.39	8.58	8.18	9.01	9.03
Plantations	8.46	9.61	10.16	10.35	10.67	10.87
Miscellaneous	7.95	8.17	8.17	8.00	8.04	8.02

Discounts Rates of Central Banks

	Central Bank of	Present Rate.	Percent per annum.	Date Effective.
Austria ...	...	5.00	4.50	17th November, 1958.
Belgium ...	...	4.50	3.50	25th July, 1957
Burma ...	...	3.00	...	February, 1948
Canada ...	...	3.87	3.83	November, 1957
Ceylon ...	...	2.80	3.00	11th June, 1954
Chile ...	...	6.00	4.50	February, 1957
Costa Rica ...	...	5.00	4.00	1st April, 1954
Denmark ...	...	5.50	5.00	25th May, 1955
El Salvador ...	...	4.00	3.00	April, 1957
France ...	...	5.00	4.00	13th August, 1957
Germany ...	...	3.00	4.00	17th January, 1958
Greece ...	...	10.00	9.00	May, 1956
India ...	...	4.00	3.80	16th May, 1957
Indonesia ...	...	3.00	4.00	1st April, 1946
Italy ...	...	4.00	4.50	6th April, 1950
Japan ...	...	8.40	7.67	8th May, 1957
Mexico ...	...	4.50	5.00	4th June, 1942
Netherlands ...	...	4.50	5.00	34th January, 1958
New Zealand ...	...	7.00	6.00	19th October, 1955
Norway ...	...	3.50	2.80	14th February, 1955
Pakistan ...	...	3.00	...	1st July, 1948
Peru ...	...	6.00	5.00	13th November, 1947
Philippines ...	...	4.50	2.00	September, 1957
Portugal ...	...	2.50	3.00	12th January, 1944
South Africa ...	...	4.50	4.00	29th September, 1958
Spain ...	...	5.00	4.25	July, 1957
Sweden ...	...	5.00	4.00	11th July, 1957
Switzerland ...	...	2.50	1.50	15th May, 1957
Thailand ...	...	7.00	6.00	February, 1945
Turkey ...	...	6.00	4.50	June, 1956
United Kingdom ...	...	7.00	5.00	19th September, 1957
USA ...	...	3.00	3 1/2	...
Venezuela ...	...	2.00	...	May, 1947

RESERVE BANK OF INDIA

	Week Ended	Week Ended	Week Ended
	18-4-58	11-4-58	19-4-57
LIABILITIES:			
Notes in Banking Dept.	23,86,66	13,17,98	12,38,09
Notes in Circulation...	1627,77,00	1638,21,48	1569,10,54
	1651,63,66	1651,39,46	1581,48,63
ASSETS:			
A Gold Coin & Bullion:			
(a) In India ...	117,76,03	117,76,03	117,76,03
(b) Outside India...	...	...	...
Sterling Securities ...	227,39,08	226,06,93	413,51,91
Total of A ...	345,15,11	343,82,96	530,27,94
(B) Rupee Coin ...	131,57,79	131,33,59	126,30,26
Rupee Securities ...	1174,90,76	1176,22,91	924,90,43
	1651,63,66	1651,39,46	1581,48,63
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up ...	5,00,00	5,00,00	5,00,00
Reserve Fund ...	80,00,00	80,00,00	5,00,00
National Agricultural Credit (Long-term Operations) Fund ...	20,00,00	20,00,00	15,00,00
National Agricultural Credit (Stabilisation) Fund ...	2,00,00	2,00,00	1,00,00
Deposits—			
(a) Central Govt. ...	52,44,85	49,23,35	51,40,75
(b) Other Govt. ...	13,08,66	13,68,15	5,55,71
(c) Banks ...	90,99,49	77,83,98	71,89,16
(d) Others ...	116,72,81	116,56,62	74,54,19
Bills Payable ...	14,38,86	19,19,33	15,13,22
Other Liabilities ...	41,48,94	39,95,13	117,91,59
	436,13,61	423,40,95	362,44,62
ASSETS:			
Notes ...	23,86,66	13,17,98	12,38,09
Rupee Coin ...	10,41	10,73	9,10
Subsidiary Coin ...	2,12	2,75	5,97
BILLS DISCOUNTED:			
Internal ...	...	...	...
External ...	...	...	...
Govt. Treasury Bills ...	20,44,13	25,91,46	10,01,07
Balances held abroad* ...	42,48,42	51,81,57	99,82,94
Loans & adv. to Govt* ...	51,16,67	46,59,30	15,17,46
Other Loans & Adv. ...	54,37,30	55,53,49	98,79,61
Investments ...	230,14,17	215,94,22	112,90,00
Other Assets ...	13,53,73	14,29,46	13,20,38
	436,13,61	423,40,96	362,44,62

(1) The item 'Other Loans and Advances' includes Rs. 17,31,00,000 ad. caused to scheduled banks against usance bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

	Week Ended	Week Ended	Week Ended
	11-4-58*	4-4-58*	12-4-57
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A) ...	17,45,67	15,95,13	7,99,12
(ii) Other demand liabilities ...	756,99,79	751,53,58	718,51,52
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A) ...	15,12,50	15,02,00	2,30,00
(ii) Other time liabilities ...	742,49,02	728,08,78	485,18,16
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities ...	7,82,04	10,36,32	8,71,12
(ii) Time Liabilities ...	95,00	95,00	...
Borrowings in India from the R. B. I.			
Cash in India ...	22,16,45	37,94,17	80,94,39
Balances with the Reserve Bank of India ...	39,91,77	41,74,12	38,84,18
Balances with other banks in current account in India ...	75,89,15	83,07,76	64,06,02
Money at call and short notice in India ...	13,38,76	12,27,51	10,85,86
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts ...	55,82,04	43,28,98	12,75,24
Advances in India ...	441,43,93	440,55,90	345,94,14
Inland Bills Purchased and Discounted in India ...	804,50,50	808,49,04	716,30,38
Foreign Bills Purchased and Discounted in India ...	118,06,53	120,63,22	126,72,94
	39,62,59	40,29,16	59,18,74

*Figures are provisional since complete returns have not been received from banks.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

	(In 000's of Rupees).		
	Week Ended		
	18-4-58	11-4-58	19-4-57
LIABILITIES:			
Capital Paid-up ...	5,62,50	5,62,50	5,62,50
Reserve Funds ...	6,62,50	6,62,50	6,37,50
Deposits and other Accounts ...	421,54,65	427,34,62	304,46,07
Borrowings from other Banks, Agents, etc....	...	...	93,00
Bills Payable ...	9,18,78	10,90,30	7,86,35
Bills for Collection as per contra ...	86,32	99,25	62,74
Acceptances etc. for constituents as per contra ...	70,00	70,31	5,65
Other Liabilities Including Inter-office Adjustments. ...	3,20,98	3,08,23	2,74,55
Total ...	447,75,73	455,27,92	328,70,36
ASSETS:			
Cash in hand and with R. B. I. ...	32,43,66	30,06,43	31,07,60
Balances with other Banks ...	2,55,92	2,74,74	3,82,23
Money at call and short Notice ...	73,33	86,67	93,33
Government and other Trustee Securities...	180,35,68	180,36,48	94,07,13
Other Authorised Investments ...	10,33,34	10,38,34	11,45,84
Loans Advances cash Credits & Over Drafts	187,73,67	188,88,11	154,53,57
Bills Discounted and Purchased ...	20,28,50	20,47,34	26,44,02
Bills for collection as per contra ...	86,32	99,25	62,74
Constituents' Liabilities, etc., as per contra...	70,00	70,31	5,65
Dead Stock ...	2,01,74	2,00,00	1,85,02
Other Assets ...	9,73,57	17,80,25	3,83,23
Total ...	447,75,73	455,27,92	328,70,36

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Indian Finance

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(Established 7th September, 1906)

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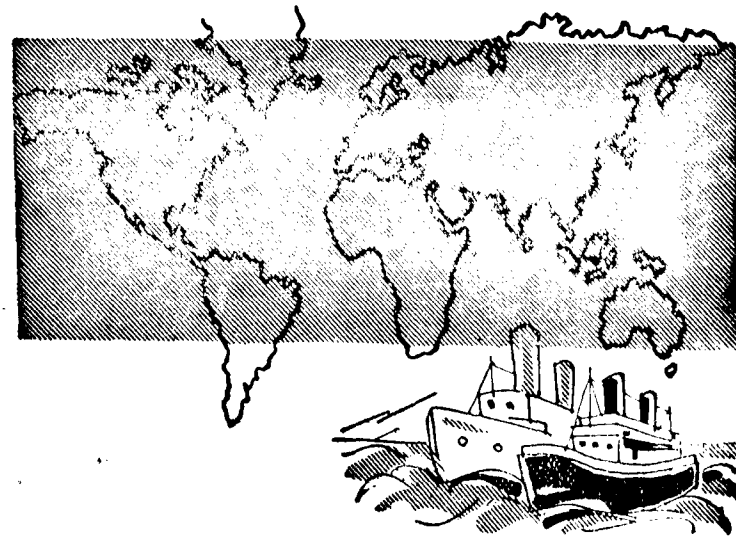
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Indian Finance

Indian Finance

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HIGHLIGHTS OF THIS ISSUE

The series on resources for the Plan is continued in the current week's issue by Eavesdropper.

He has this week addressed himself to the question of resources by taxes.

The interesting point that emerges is that neither Government nor the critics of the Government can base their arguments on the plea of insufficient revenue.

That is to say, Eavesdropper proves that additional taxes are already contributing more than was taken credit for in the Second Plan.

Read Clive Street Gossip to find out where and how a thoughtful Government could provide appropriate tax reliefs.

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(ESTD. 1911)

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Head Office: BARODA

Calcutta Office: INDIA EXCHANGE

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& SHAMBAZAR BRANCH

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to Rs. 1,00,000 will be allowed at quarter

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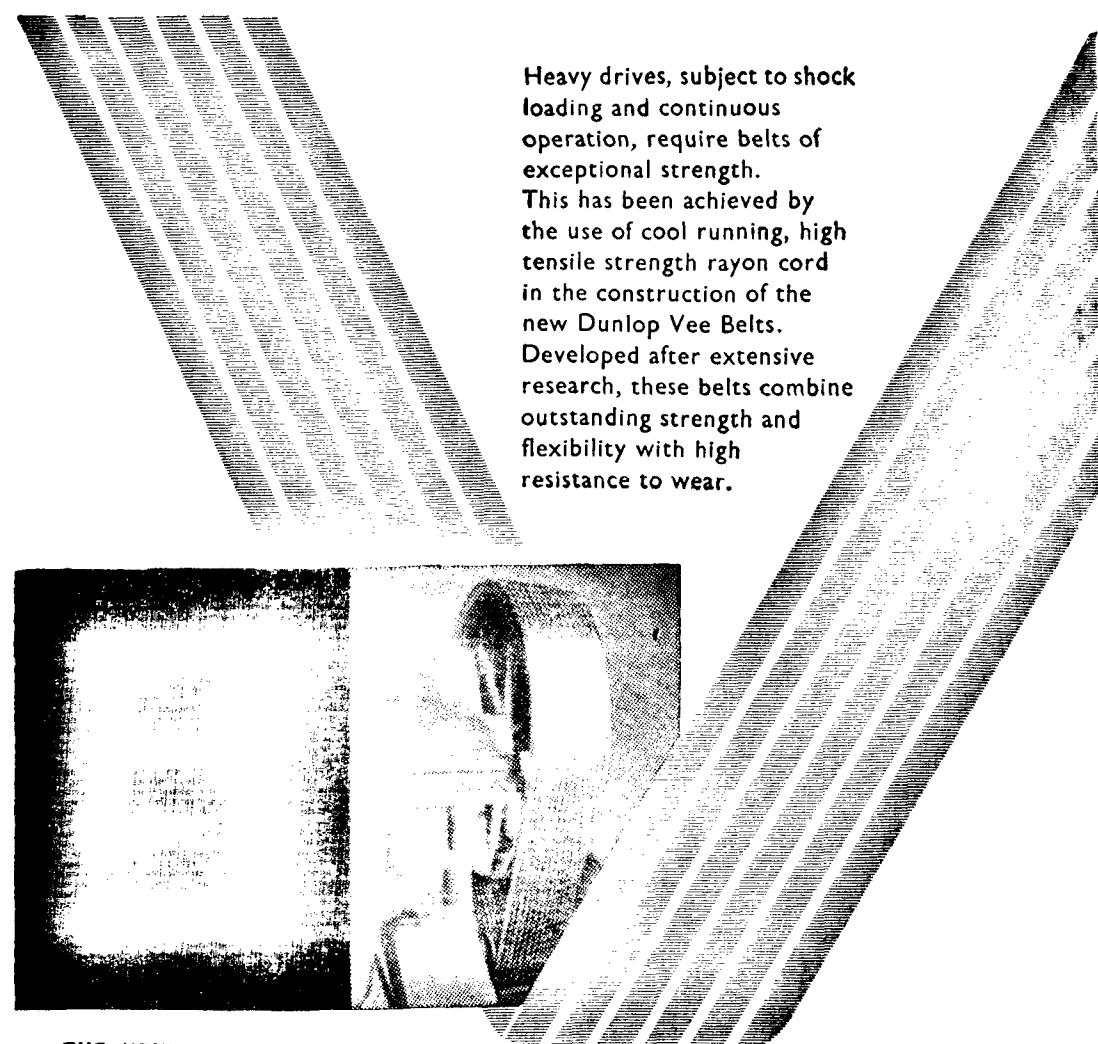
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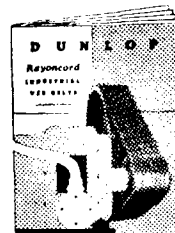
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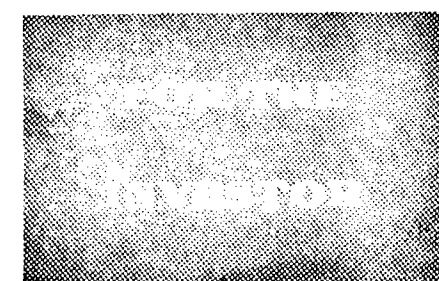
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Straws in the Wind

Investment Gossip:

THE New Loan has been announced, but its significance has been obscured because the markets have been preoccupied with an event of greater importance. The decision of Mr Nehru to absent himself from the political arena for some time is the talk of the town, and the immediate reaction is one of a depression in prices. What is intriguing is that the magnitude of the decline is strangely small. It is as if the decision had already been discounted, because it was not altogether unexpected.

I shall presently have something to say about the New Loan, but we may first take stock of the other developments during the week.

There was the Telco imbroglio, with the Estimates Committee passing unkind remarks about the prices being paid for the locos turned out by the company; and though I understand that the company has circularised its own version in the matter, the Estimates Committee's report conducted to a bear trend in Telco prices.

I shouldn't overlook the threatening labour situation in the steel plants. Rumour and cross rumour have been sweeping the market place, but the sum of it all is still to cause a less happy assessment of prospects. I may add that the whole thing will probably fizzle out, because Government are almost certain to term any projected work stoppage as an illegal strike.

Another less than cheering piece of gupsa emanating from Dalal Street was that Bombay Burmah would not secure Government sanction for the bonus issue; this, of course, was interpreted to mean that the authorities generally did not look with favour upon such capitalisation.

To top it all, the New Loan seeks more by way of cash subscriptions than has been the case in recent years. The issue is for Rs 135 crores, but maturing loans eligible for conversion are for the small amount of barely Rs 21 crores. And so the resultant intention to obtain Rs 114 crores of new cash from the market, it is thought, will cause a severe drain.

We have to set against these developments the price movements during the last week. During the period, Indian Irons have shed only 28 nP to rule at a level of Rs 21.67. So, the conclusion must be that the market has been behaving inherently stronger than might have

been supposed or expected in what could easily have been a crushing week.

This leads me to a few remarks about the future. I shall necessarily be guarded in what I have to say; and, at the outset, I may assert that the last week offers proof positive of an underlying strength in the market's outlook.

The significance of the last week's developments needs now to be studied as affecting future prospects. Mr Nehru's decision, I repeat, is already discounted, and Mr Nehru will return, so there need be apprehended no further erosion of share values.

Secondly, the strike threat will end up by having been a strike threat; that is, nothing will come of it.

Thirdly, the Bombay Burmah bonus will, I suppose, ultimately be made; Government will have no tenable grounds to refuse to accord sanction.

Fourthly, the New Loan should not tantamount to a drain on resources for stock exchange activity. For, the subscriptions of the LIC and the Provident Funds would in any case have been earmarked for gilt-edged, and would not have been available for stock exchange investment. Even so, such subscriptions as are forthcoming from the Scheduled Banks would have been unavailable for the share markets. Thus, any outcry that Rs 114 crores have "disappeared" from the money market, to the detriment of stock exchanges, is wrongly based.

I suggest, therefore, that the impact of the last week's developments on the future of stock exchange activity will be meagre; and we should derive cheer in the fact that the reaction so far has been of negligible proportions.

On the other hand, there is definitely cause for markets to resume their upward trend. In the first place, good news in steel may be in the offing. I am not in a position now to say what form this will take, but, in any case, it is clear that each month that passes witnesses another month in which the expansion programmes have been furthered. Production during the current year is likely to exceed the expectations of most people.

In the second place, Government have by concrete action shown they are not against concessions as such. The reduction in the excise duty on cotton textiles, the promise of a cut in the export duty on teas, the virtual repeal of the Compulsory Deposits scheme and the liberalising of the regulations for Development Rebate are all straws in the wind; and the wind is clearly one which is not antipathic to the private sector.

In the third place, the money market is experiencing extremely comfortable conditions. The prospect is that the resources of the banking system will continue to derive great benefit from the Plan disbursements of Government. In

GOVERNMENT OF INDIA

3½ per cent. Bonds 1963 Issue Price Rs. 98.75 per Rs. 100 (Nominal). Repayable on 12th May 1963.

3¾ per cent. National plan Bonds-fifth series (3¾ per cent. 1968). Issue price Rs. 99.50 per Rs. 100 (Nominal) Repayable on 12th May 1968

4 per cent. Loan 1973. Issue price Rs. 100 per Rs. 100 (Nominal). Repayable on 12th May 1973.

Subscriptions to the above bonds and loan will be received simultaneously and will be limited to a total of Rs. 135 crores (approximately). Subscriptions may be in the form of (i) Cash/Cheque or (ii) securities of the 3 per cent. Loan 1958 or 4½ per cent. Loan 1958-68, which will be accepted for conversion at the following rates:—

3 per cent. Loan 1958 .. Rs. 99.75 for Rs. 100 (Nominal)
4½ per cent. Loan 1958-68 .. Rs. 100.10 for Rs. 100 (Nominal)

Interest will be paid on the 3 per cent. Loan 1958 and 4½ per cent. Loan 1958-68 tendered conversion upto 11th May 1958 inclusive.

The new bonds and loan will bear interest from 12th May 1958. Interest will be payable half-yearly on 12th May and 12th November.

Subscription lists will open on 12th May 1958 and close on 14th May 1958 or earlier without notice.

Applications for the bonds and loan will be received at:

- (1) Offices of the Reserve Bank of India at Bangalore, Bombay, Calcutta, Madras, Nagpur and New Delhi;
- (2) Branches of the State Bank of India at other places in India except at places mentioned in (3) and (4) below;
- (3) Branches of the State Bank of Hyderabad conducting Government business; and
- (4) Branches of the Bank of Mysore Ltd. in the State of Mysore.

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

this context, the announcement by Mr Morarji Desai, the Finance Minister, that deficit financing for the Second Plan will approximate to the original target of Rs 1200 crores is an indication that the resources accruing to the banking system will be very considerable.

I will content myself by concluding that, while the short-term future may be somewhat obscure, there can be no doubt at all about future prospects generally.

Investment Notes:

CEAT Tyres of India Limited will be in the market next week with a public issue of equity capital for Rs 1.15 crores, divided into 1,15,000 shares of Rs 100 each, at par. CEAT S.P.A., one of the promoters of the company, will subscribe 69,000 shares, while the Investment Corporation of India Limited will subscribe 6,000 shares. The remaining 40,000 shares are offered for public subscription. The subscription list will be opened on May 5 and will close on May 15 or later at the discretion of the directors. A sum of Rs 25 is payable on application, while Rs 25 are to be paid on allotment. The balance of Rs 50 will be called in two instalments at an interval of at least two months. The issue is underwritten by the Investment Corporation of India Limited.

In the Calcutta market, Indian Coppers are idling around Rs 3.15. The sluggishness is to be attributed to the uncertain outlook for copper in world markets. Also, there are rumours that the company is likely to pass the interim dividend for

last year. In 1956, the company recommended an interim of 9 nP and a final dividend of 18 nP per share on the increased capital. The working of the company, however, continues at a satisfactory level, while the development work is proceeding according to the schedule.

Cement shares have, of late, been ruling firm. Sone Valley have buyers upto Rs 5.03; A.C.C. upto Rs 154.75 and Digvijay upto Rs 146.25. The main inspiration is derived from the hope that the Government of India will soon announce their decision on cement prices which, it is expected, will enable the industry to meet higher costs and provide funds for expansion.

National Rubber has recommended a dividend of 10 per cent for the year ended 31st December, 1957. All the ordinary shares, including those covered by the recent new issue, are eligible for the dividend.

In Bombay, Killick Industries have, it is understood, have received the sanction from the Controller of Capital Issues for raising new equity capital. The company will issue 25,000 equity shares of Rs 100 each, at a premium of Rs 20. The shares will be issued in the ratio of one share for every four shares held. These shares will be issued, in the first instance, to the shareholders of the company.

In Madras, Parry's Confectionery Limited has proposed to issue 2,50,000 equity shares of Re 1 each, at a premium of Re 1, payable in full on application, to holders as on the 10th May, in the proportion.

Indian Finance

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Special: The advertisement rate for Supplements is Rs 500 per full page and Rs 300 per half page. Colours extra, at Rs 100 per colour. Booking for the Yearbook may be made from July 1, 1958.

Other information: concessional subscription rates are available for bona fide college students on recommendation by Heads of department. Research students may obtain the loan of Indian Finance files on payment of a deposit, or on guarantee by Heads of department.

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London and Overseas Representatives: Baptist Smith, Keith & Slater Ltd, Napier House, 24/7 High Holborn, London W.C. 1. Telephone: Holborn 5022.

of one share for every two shares held. The last date for the receipt of renunciation letters is 21st June, 1958.

Investment Briefs:

Bharat Commerce & Industries have passed over the dividend for 1957.

Alcock Ashdown has reduced the dividend from Rs 15 to Rs 12.50 per share for 1957.

Peermade Tea has reduced the total distribution from 37½ to 25 per cent for 1957.

Nisco Maintains Dividend

Balance-Sheet Reviews:

DESPITE a slight decline in earnings, the National Iron & Steel Company Limited has maintained the dividend at 62 p per share for the year ended 31st March, 1957. Sales have risen to Rs 1.91 crores from Rs 93.41 lakhs; but the net profit, after providing for Depreciation and Taxation, amounts to only Rs 6,55,655 as against Rs 6,87,033 in the previous year, mainly due to the rise in the "Salaries and Wages" item from Rs 24.47 lakhs.

Apart from providing a sum of Rs 37,324 for Wealth Tax, the Depreciation amount is raised to Rs 5.94 lakhs from Rs 5.13 lakhs and Taxation provision to Rs 5.41 lakhs from Rs 4.81 lakhs. According to the directors' report, one Electric Furnace of 6.5 tons capacity was installed during the year under review; and considerable improvement is effected in the Steel Foundry section of the company.

Budge-Budge Jute Mills

The Budge-Budge Jute Mills Company Limited has reported a slight decline in sales from Rs 1.73 crores to Rs 1.66 crores for the year ended 31st October, 1957, while the accounts, after providing for Depreciation, reveal a loss of Rs 81,355 as against a loss of as much as Rs 5.36 lakhs in the previous year. The Depreciation amount is raised to Rs 2.44 lakhs from Rs 1.80 lakhs. After transferring a sum of Rs 1.73 lakhs from various Reserves, the directors have found it possible to

set aside a sum of Rs 30,000 for Wealth Tax and recommend the dividend only on the Preference shares.

The Board of directors of this company together with the Boards of other jute mills in the same managing agency group have resolved to form a company under the style of Budge-Budge & Allied Jute Mills Exports (Private) Limited with a view to having direct contacts with overseas markets. Each of the participating jute mill companies has subscribed equally to the capital of the new company.

Coonor Tea

The Coonor Tea Estate Company Limited has been able to report a much higher level of earnings for the year ended 30th September 1957, thanks to the satisfactory prices obtained for the company's high-class teas. The net profit, before providing for Depreciation and Taxation, amounts to as much as Rs 2.48 lakhs as against only Rs 1.37 lakhs in the previous year. The provision for Depreciation is raised to Rs 24,390 lakhs from Rs 21,383 and for Taxation to Rs 1.03 lakhs from Rs 35,000. A sum of Rs 1,618 is transferred to Development Reserve, while Rs 15,000 is additionally provided for taxation in respect of previous years. The directors have recommended a total distribution of 20 per cent as against 17½ per cent.

The crop turned out has constituted a record, its actual weight being 364,942 pounds. The average price fetched is higher at 248.57 cents per pound as against 223.31 cents.

Lucky Valley Tea

The Lucky Valley (Nilgiri Hills) Tea Estates Limited has, however, not done equally well. Although a record crop of 245,839 pounds is secured, the average price realised is only 206.84 cents per pound as against 262.33 cents.

The net profit for the year ended 31st December 1957 is slightly lower at Rs 82,939 as against Rs 1.57 lakhs in the previous year. After setting aside a sum of Rs 12,801 (Rs 11,246) for Depreciation the Taxation provision is reduced to Rs 35,500 from Rs 60,000. The dividend on the Ordinary shares is, however, maintained at 10 per cent. The amount carried forward is lower at Rs 5,851 as against Rs 25,439 brought in.

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"Retreat"

OUR first reaction to Mr Nehru's request to his colleagues in the Congress Parliamentary Party, asking them to allow him a short holiday, is one of warm personal sympathy. Like most lucky people, we have been rather taking for granted our good fortune. Since Mr Nehru himself did not seem to mind, we were only too willing to overwork him shamelessly and did not think of the deprivations that his chosen vocation of serving his country involved. From his own point of view, the most important of such self-denials has been the abdication by him of his right to a personal life of his own, the voluntary surrender by him of the quieter felicities that it is the avowed purpose of Government to provide: the opportunity for a full inner life, enriched by warm personal relationships, and the good things of life—leisure, books, poetry and the passion of thought. Mr Nehru's sense of what might have been makes its fugitive appearance every now and then, but is almost at once suppressed by him as though such nostalgia constituted some kind of disloyalty to his central vocation. Behind the carefully worded desire to "free himself from the daily burden and to think as an individual citizen of India" is a bitter clash of loyalties, a hopeless longing for a life that will never be his, and a sense of irony that he should be denied the graces of the kind of life that he passionately cherishes and made it his vocation to provide for his countrymen. Indeed, such irony is the essence of the human predicament. The very act of acquiring for yourself or for others the wherewithal for the good things of life deprives you of them. And the crowning irony may well be that those for whom you have made them available do not set as large a store by them as you yourself do.

But there are aspects of Mr Nehru's desire to have a short respite from the daily tasks. It is, though he himself does not mention it, that he has been most appallingly overworked in the last ten years, and needs some rest. Mr Nehru himself says that he feels quite fit physically and is still full of the sense of adventure and exhilaration that his chosen tasks have given him. His sense of flatness, he attributes to having fallen into set grooves of thinking from which he wants to free himself. But inexhaustible as Mr Nehru's reserves of energy are, it is plain that he does need complete cessation from activity. Indeed, we should like him to take more frequent short holidays from his work, even if they were only for short weekends. We do hope that at least part of the holiday he will be taking now will consist of plain rest during which even the different kind of thinking that he has promised himself would be absent.

But the principal reason for Mr Nehru's desire to be away from the "centre of activity and responsibility" is the same as that behind the situation familiar to all religious discipline, described by Christians as "Retreat". It means a temporary retirement for religious exercises, introspection and reflection. The primary purpose of "retreat" is doubtless spiritual, but the psychological, intellectual and even physical advantages that will accrue from such periodical absence from daily routine are easily recognised. It is designed to build up reserves upon which one can draw when one

gets back to one's workaday world. In the old days, opportunities for such withdrawal from the world were automatically provided for Mr Nehru by his periodical imprisonments. Indeed, one could attribute his latter day recklessness in using himself up without any apparent ill effect to the store he had gathered during his long spells of enforced retreat. Mercifully, we do not have to throw Mr Nehru into gaol to give him time to replenish his creative reserves. A short holiday of the kind he has asked for, completely free from the cares of office, will be sufficient for a man of his capacity for quick absorption of creative impulses.

We regret to say that Mr Nehru's colleagues in Parliament do not appear to have any notion of the promptings behind Mr Nehru's

"Anxious to Play their Proper Role"

SIR Bejoy Prasad Singh Roy ended his tenure as the President of the Indian Chamber of Commerce with an eminently level-headed address that is, as it were, proof of his possession of the capacity for business statesmanship, which he will need in his new responsibilities as the President of the Federation of Indian Chambers of Commerce and Industry. After touching briefly on the international economic conditions, Sir Bejoy Prasad has shown himself to have enlightened knowledge of what the Second Plan stands for and of the role that the Indian business community has in carrying it through. Of course, the opportunity for Sir Bejoy Prasad to voice his views in this regard was provided by Mr Nehru when, at the last annual meeting of the FICC, the Prime Minister spoke of the goal before the country of prosperity and welfare of the Indian people. Mr Nehru went on to add that, in such a context, it would be debilitating to dissipate our energies in a controversy over the relative roles of the so-called private and public sectors, and, indeed, there was only one sector. The Indian Chamber President welcomed these remarks, and pointed out that the business community looks upon "economic problems of the country in a dynamic way and expects Government policies to be adjusted to the needs of an expanding economy". Fortunately, there is a recent instance of Government flexibility in their approach as was disclosed by the lowering of the excise duty on cotton textiles and the dropping of the compulsory deposit scheme. Sir Bejoy Prasad hopes "that the problems of the industry will continue to be considered by Government in a spirit of helpful understanding". But then, the Indian Chamber President recognises that, consequent to a helpful approach by Government, the business community is offered a challenge whereunder it has necessarily to be more and more constructive in its approach.

That Sir Bejoy Prasad meant what he said can be seen from his remarks on the prospects for exports. 1957 has not been an entirely happy experience in regard to exports, the basic weakness arising from increasing foreign competition. So, he has called for "improvement in our marketing techniques, maintenance of a high standard of quality and a more

Indian Finance

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May 3, 1958

"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

request. At the moment of writing, they are reported to be contemplating a resolution opposing his suggestion. This is presumably intended to demonstrate their great faith in his leadership and their feeling of his indispensability. None of these was in question, nor was Mr Nehru suggesting that he was abandoning politics for good. A request of the sort Mr Nehru made, in which all aspects of the question were only too painfully made clear, must have been the result of long heart-searching, and deserved better consideration than effusive and unthinking idolatry. It is to be hoped that they will change their mind and allow Mr Nehru to have a short period of complete withdrawal from familiar activity, so that he may come back, renewed and refreshed, for carrying on his great tasks.

competitive price", as the "effective solution to the problem."

Then, in regard to production trends Sir Bejoy Prasad has added his voice to that of Indian Finance in the view that sectors of the economy may be by way of being transformed into soft spots. A matter for anxiety is that the slackening in the rate of production might have stemmed partly from a fall in the offtake of industrial output. The Indian Chamber President asserts that "the resources for the people for greater economic activity have not increased because of the higher cost of living and a high level of taxation". It is no doubt true that the level of taxation in India has reached a stage where it might impinge adversely on the broadening of economic activity. But, surely, the concessions announced during the current year are such as to suggest that, since their approach is not dogmatic or inflexible, Government would grant the reliefs where they become necessary.

But the most hopeful thing that Sir Bejoy Prasad Singh Roy said relates to his comments on the Second Plan; its implementation is the main objective before the country. He says "The business and the industrial community is no less enthused with the ideals and objectives of the Plan. They are anxious to play their proper role effectively to the best of their ability. They have been given a great responsibility in the Plan."

While it is gratifying to note that Sir Bejoy Prasad Singh Roy will have the opportunity for effecting goodwill and cooperation between Government and the private sector in his new assignment as the President of the FICC, it is also pleasant to be able to welcome Mr D. N. Jalan as the new President of the Indian Chamber of Commerce. Mr Jalan has the distinction of having been elected to this high office within three years of his election to the Committee, a unique achievement. Mr Jalan is in sight of completing his twenty-fifth year in active business, and he brings to his new office the experience that he has garnered besides as President of the Engineering Association of India in 1952, Chairman of the Engineering Export Promotion Council in 1955-56, and various other Chamber responsibilities.

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Staff Relations in Hospitals

By M. SUR

"HOSPITAL workers on Hunger Strike"; "Students and Nurses Cook Food for Patients"—these were headlines in Calcutta newspapers last week. Unfortunately, there is nothing new about strikes by domestic staff in hospitals. Recently, it was reported that, in one hospital, without any warning whatever, dinner was not served to patients of one ward. The doctor doing his rounds at night discovered this, called together a few helpers, cooked and fed the famished patients and washed up before going home after mid-night.

It is horrifying to think that these things can happen in a front-line social service like a hospital. Here is a problem which should be receiving the close attention of all connected with the healing profession, but there is an alarmingly apathetic attitude to the problem. We hear a great deal these days about human relations in industry: we have trained labour and welfare officers to handle management/labour relations; but, in a hospital, which is a more complex organisation than a factory, nothing is being done either to study or improve relationships. Discussion of this matter with the medical superintendent of a hospital recently elicited the astonishing response that there is no need for a staff officer, that the superintendent's door is always open and that anyone with a grievance can bring it direct to the superintendent. This is exactly the sort of reply that one used to receive from the old-fashioned manager in industry, but it has been proved wrong again and again. Government have insisted on the appointment of properly trained officers to deal with labour relations in industry; they have appointed welfare officers in the main Government Departments; but nothing is being done either in the Government or in the private hospitals to apply to them the experience gained in industry and the civil service.

Is it reasonable to suppose that the domestic servants in a hospital will take all their minor grievances to the medical superintendent, or that such a busy man (who generally has medical and surgical as well as administrative duties) will have time to listen to and look into all complaints? It is not even in the interests of efficiency that he should do so. No—if there are minor grievances, they will remain unsettled, and may grow into major causes of discontent. It seems, from the recent Calcutta hunger strike, that even major and wholly reasonable demands such as a weekly day off, uniforms, and special leave for workers contracting such diseases as tuberculosis and leprosy, had not been dealt with in Government hospitals in West Bengal. There is probably a similar situation in many private hospitals.

Should such demands be left for the Chief Minister to settle personally, after a hunger strike and token strike in many hospitals at a time of appalling heat and when cholera has just been declared epidemic? Should patients suffer, nurses be forced to cook food, and the sanitary arrangements of the hospital be allowed to become unhygienic, just because there is no one to deal with complaints at the hospital level and to make recommendations to authority? Is it the job of the Chief Minister to see that sweepers in a hospital have their hours re-arranged so that they can have a weekly day off? What is the effect on morale and discipline of the now common knowledge that, if the domestic staff want anything, they must go and squat in Subodh Mullick Square? The whole situation is fantastic, but it is also tragic. The principles that have been tried out in staff relations elsewhere should be

applied to hospitals. The old idea of taking the staff for granted in a hospital must be replaced by a proper approach to the very real human problems in hospital organisation.

We have said that the hospital is a more complex organisation than industry. This is because there is not the direct line of authority in a hospital that there is in a factory. There are the administrative staff; there are the visiting medical and surgical staff as well as the resident doctors and surgeons; and there are the nursing staff and the domestic staff. Each category has duties which run parallel with another, authority may be divided and there is no obvious grouping of the workers under a supervisor who is the only person who gives them orders. Domestic staff, for instance, are directly under the administrative staff, but they have also to take orders from doctors and nurses. There are rarely any avenues for promotion for domestic staff. There are hard and fast social divisions between the various grades of hospital workers. To build up a spirit of cooperation which will serve the best interest of the patients is a full-time job. Then, beyond the criss-crossing of interests in the human relations of the hospital staff, one has to remember the importance of the right relationship between patient and staff, which is essential if the right atmosphere for curative work is to be created. Imagine how the condition of the sick patient is adversely affected by the breakdown of the cooking or the sanitary arrangements!

The suggestion that hospital staff or welfare officers should be appointed will at once be met with the cry that workers only want more pay and that hospitals cannot afford to pay more or to appoint any new officers. But can

Changes in the Ownership of Plantation Companies—II

By Dr R. M. AGARWAL

An analysing of the Balance Sheets of the 247 companies shows that, between 1946 and 1953, there was an increase of Rs 32.56 crores

Types of Ownership/Management.	No. of Companies	Increase in Assets Com- in 1953 over 1946 Amount (Rs. Crores)
Sterling Companies: (Controlled by Managing Agents/Secretaries, etc.)	95	23.62
Rupee Companies:		
1. Non-Indian Managing Agents Control		
(a) Non-Indian	25	1.20
(b) Partly Indian and Non-Indian	51	3.41
2. Indian Managing Agents Control		
(a) Indian	19	1.13
(b) Partly Non-Indian and Indian	11	0.57
3. Outside Managing Agents Control		
(a) Public Ltd. Indian	43	2.58
(b) Private Ltd. Indian	3	0.04
Total	247	32.56

Even though the increase in the assets of the Sterling and the non-Indian Rupee Companies has been greater, or at least as much as in Indian Rupee Companies, the amount ploughed back into fixed assets in the case of these Companies has not been of the same order. On the contrary, the working funds per acre available with Indian Rupee Companies have been much more as compared with

they afford not to, in the present stage of deteriorating morale? Has anyone ever analysed the various jobs in a hospital, and found out what training is necessary for them?—(apart from the professional training of medical and nursing staff). How is recruitment carried out in a hospital? How is the new worker introduced to his job? What is done to make him appreciate that he is working in a great social service? What instructions are given in the maintenance of valuable equipment? What investigations have been made into the physical and mental strains of hospital work? The replies to all these questions are distressingly negative, and the result is that people regard hospitals with horror, and that many patients are too frightened and miserable to make normal progress toward recovery.

As to the demand for higher pay, which is naturally foremost in the minds of the workers, it may be true that many hospitals can ill afford to increase wages, but then they can less afford deteriorating morale and complete breakdowns in service.

In the West, the personnel function has been recognised as essential in hospital administration. In fact, the high cost of health services there has made it necessary to see that each person in the health service is employed to the greatest advantage. To quote from the report of a UK conference on personnel work in hospitals:

"It is obvious that the well-being of the patient, his care and treatment is the primary concern of a hospital. The patient will react as much to environment as to medicine: they are inseparable and together form the patient's treatment. Environment is not dependent only upon bricks and mortar. Staff relationships are of such vital importance in its development that they must be preserved and improved in every possible way."

in the fixed as well as the floating assets of these companies, showing thereby an increase of 58.05 per cent over 1946.

Amount Ploughed Back Into Fixed Assets. Total (Rs. Crores)	Working Fund Per Acre. (Rs.)
Sterling Companies: (Controlled by Managing Agents/Secretaries, etc.)	117.90
Rupee Companies:	706.15
1. Non-Indian Managing Agents Control	
(a) Non-Indian	332.87
(b) Partly Indian and Non-Indian	378.51
2. Indian Managing Agents Control	712.76
(a) Indian	1175.83
(b) Partly Non-Indian and Indian	516.58
3. Outside Managing Agents Control	
(a) Public Ltd. Indian	855.11
(b) Private Ltd. Indian	561.90
Total	706.18

the working funds available with the Sterling and the non-Indian Rupee Companies.

This is because the Indian Companies, despite larger profits, have been distributing lesser amounts by way of dividends and utilising a major portion on development and expansion programmes which is so very vital for the future of this industry.

Types of Ownership/Management.	No. of Companies. (No.)	Gross Profit			Net Profit		Dividend		Retained Profit as % of Net Profit.
		Amount (Rs. Crores)	% of Sale.	% of Capital Employed.	Amount (Rs. Crores)	% of Gross Profit.	% of Net Profit.	% of the paid up capital.	
Sterling Companies (controlled by Managing Agents/Secretaries, etc.)	95	14.24	47.05	29.0	5.94	41.71	35.3	19.3	64.7
Rupee Companies:									
1. Non-Indian Managing Agents Control									
(a) Non-Indian	25	1.21	46.62	31.8	0.75	62.00	46.1	32.8	53.9
(b) Partly Indian and Non-Indian	51	4.50	57.10	42.0	2.90	64.44	44.6	48.8	55.3
2. Indian Managing Agents Control									
(a) Indian	19	1.41	59.13	38.3	1.07	75.88	9.1	9.3	90.9
(b) Partly Non-Indian and Indian	11	0.57	51.07	45.7	0.35	61.40	27.6	27.2	72.4
3. Outside Managing Agents Control									
(a) Public Ltd. Indian	43	1.04	70.24	37.3	0.77	74.00	13.9	15.4	90.1
(b) Private Ltd. Indian	3	N.A.	...	...	...	...	...	...	...
Total	247	22.98	50.23	32.2	11.79	51.31	34.3	24.2	65.7

In order to ensure the steady progress of the tea industry, tea crops have got to be replanted regularly. The table given below shows the area planted and abandoned during 1953 by companies under different managements.

Types of Ownership/Management.	New Planting.					Area abandoned as % of total acreage.				
	Total Acreage (Acres)	Virgin (Acres)	Reclaimed land (Acres)	Re-Planting (Acres)	Total (Acres)	New Plantings as % of total Acreage.	Area Abandoned (Acres)	Area abandoned as % of total Acreage.	% of net decrease planted to total acreage.	% of net decrease planted to total acreage.
Sterling Companies	2,71,776	7,685	597	17,864	26,146	9.6	8,492	3.1	6.5	6.5
Non-Indian Rupee Cos.	92,648	2,543	764	2,317	5,624	6.1	1,944	2.1	4.0	4.0
Indian Rupee Cos.	62,786	2,495	1,537	1,126	5,159	8.2	1,722	2.7	5.5	5.5
Total	4,27,210	12,724	2,898	21,307	36,929	8.6	12,158	2.8	5.8	5.8

Here, the performance of the Indian Rupee Companies, though not as good as that of Sterling Companies, has been better than that of the non-Indian Rupee Companies.

By now, it must have been noticed that the Indian Companies, even though smaller in size, meagre in resources and less experienced, have worked better than non-Indian companies in certain respects. Even in those fields where they have not shown better progress, at least they have not been any worse than the non-Indian companies. This is no doubt creditable, but the Indian companies cannot afford to suffer from a feeling of complacency and will always have to keep an alert eye on increasing their working efficiency. It must not be for-

gotten that tea is primarily an item of export, and the Second Five Year Plan has fixed an annual export target of Rs 133 crores or 21.6 per cent of total exports. On the basis of the report of the Export Promotion Committee, which suggests an annual export target of Rs 750 crores as against Rs 615 crores fixed by 1960-61, the share of tea exports comes to Rs 162 crores annually. This, in the face of acute competition from alternate sources of supply and substitutes like coffee and cocoa, calls for a combined effort on the part of all of us, irrespective of the type of ownership and/or management of these companies. In this joint ventures, the importance of Government assistance can never be over-emphasised.

Communist Bloc's Trade Offensive Poses Questions

By HENRY V. BURKE

THE Soviet Union's new emphasis on "trade and aid" offers in areas considered important to future Communist plans occurs at a time when the USSR's internal economy is admittedly still beset by many problems.

Notable among these are a serious housing shortage and a pressing public demand for more and better consumer goods.

This seemingly paradoxical situation has prompted questions as to the Soviet bloc's actual ability to deliver good quality trade goods in the amounts promised.

Doubts arising from a study of these questions, it must be admitted, were strengthened by two frequently-quoted statements by Soviet Communist Party Chief Nikita S. Khrushchev.

In September of 1955, Khrushchev disclosed that "we (the communist bloc) value trade least for economic reasons and most for political purposes." Three months later Khrushchev made an even more significant remark: "We still produce less of certain goods than is necessary to satisfy the growing needs of our country."

Khrushchev's second statement, if anything, seems conservative when compared with these more recent complaints published by the Soviet press:

"Moscow industry and cooperatives... frequently release goods which are outdated in style and of poor quality... which are then sent to other cities where there is a great demand for them because the local production there is either nonexistent or insufficient.... Due to such manoeuvrability... the industry manufactures low quality goods with impunity.

"The trade network is clogged with unwanted and low-quality goods. The production of 69 industrial enterprises was rejected last year because of its low quality."—Soviet Trade.

"The Office of the Latvian State Fisheries bought 20 new chairs... Within a week only six chairs remained intact. The rest fell apart."—Sovetskaya Latvija.

"It is impossible to find children's chairs, beds, and tables in the stores. The situation with children's clothing and shoes is exceptionally bad."—Turkmenkaya Iskra.

"In the town of Kemi, it is impossible to buy tooth paste, tooth brushes, needles, pins, buttons and gasoline."—Leningradskaya Pravda.

"Spare parts for radio receivers fed by electricity or by batteries are quite frequently unobtainable."—Pravda Ukraini.

"Garment Factory No. 2... was to deliver 553,000 rubles' worth of men's trousers... but

only 20,000 rubles' worth have been delivered. The same factory was to deliver 412,000 rubles' worth of boys' costumes... only 25,000 rubles' worth have been delivered."—Kommunist (Armenia.)

"The Shvernik kolkhoz (collective farm) of the village of Sakire was organized in 1931 but its farm work is only 10 per cent mechanized... Unfortunately there are not enough plows and those that are on hand are worn out. The last plow was bought in 1934. Kolkhozniks repeatedly asked for new plows, but each time the answer was that plows were unobtainable."—Zarya Vostoka.

While there is no question of Soviet bloc production achievements in certain fields, such as heavy industry, failures in the key areas of consumer goods and housing have a definite bearing in any overall assessment of the USSR's capabilities in foreign commerce.

A growing awareness of Soviet internal deficiencies was apparent in several of Moscow's 1957 economic decrees promising improvements in housing and consumer goods. It is regarded as significant, however, that these pledges of improvement were couched in carefully worded phrases. Of particular interest is the fact that solutions are not foreseen by Moscow for another "five to 12 years."

Soviet efforts to improve production methods—such as the complete 1957 reorganization of the USSR's industrial apparatus and repeated admissions that traditional Communist business methods are too much hampered by party bureaucracy—have been undertaken too recently for any sound assessment of results.

The question of spare parts, however, which could be a vital factor in the success of future trade deals with countries importing machinery, has a definite bearing on any study of Soviet economic potentials.

It is significant, therefore, that the authoritative Soviet journal, Party Life, raised this same question in its first 1958 issue. In an extended comment on the Soviet Union's internal problems, Party Life revealed that public demand in the USSR for spare parts for motorcycles and refrigerators alone is twice the available supply.

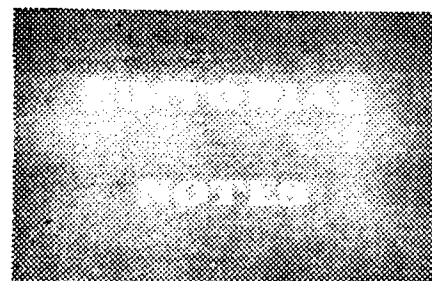
This shortage of spare parts, although undoubtedly influenced by faulty delivery methods, has been related also to Communist bloc industrial "speed-up" techniques.

Joseph S. Berliner's recent book, "Factory and Manager in the USSR," for example, points out how premiums or bonuses for factory managers exceeding their production norms has become an integral part of the Soviet industrial system. Curiously, however, bonuses are figured only on the number of machines produced, with no attention given to volume of accompanying spare parts. A Soviet factory manager earns no bonus if he meets his goal of, say, 100 machines, including the proper number of replacement parts. If, however, the manager produces 102 machines and no spare parts, he is in line for an award. Under this incentive policy, it is only natural that spare parts are neglected.

The former Czech industrialist, Dr. Ctirad Sarka, drew on his extensive experience with Soviet production methods to formulate a more basic explanation.

After turning from Communism in 1956, Dr. Sarka revealed how the Prague export office was swamped by demands from customers in India and other countries for spare parts—along with complaints that machinery only two years old already was wearing out.

Dr. Sarka's explanation was simple. Communist bloc industrial products are poor in quality because of a serious shortage of vital raw materials affecting the use of proper alloys. "Use over a very few years shows up the weak spots in Communist-made machinery," he said.



Estate Duty

The slight hitch in the progress of the Estate Duty Amendment Bill, as the result of an interesting point of order raised by a Congress backbencher, is a reminder of how easy it is for the Ministries of the Union Government to ignore the existence of the States and their rights under the Constitution. Mr G. Periaswami Gounder's intervention is, however, a timely reminder that, so long as we have a federal constitution, it will be wise to respect the rights of the federating units even if they are no more than nominal.

The delay in passing the amending Bill is not likely to be of more than formal significance. The Bill has been referred to the Select Committee and, by the time the Committee reports to the next session, it should not be difficult to get the essential authorisation from two State Legislatures. Instead of being passed into law in the current session, the Amending Bill will become an Act in the next. The delay will not make any difference to the revenue estimates of the Budget, and those who are likely to be affected by the amendments proposed have no cause for jubilation.

These amendments make the provisions of the Estate Duty Law more stringent and restrict some of the concessions allowed at present. During the four years since the Estate Duty legislation was en-

acted, actual collections have fallen far short of expectations. The amendments are designed to make it more difficult to avoid the tax by gifting away of property. Gifts made within five years preceding death will attract duty instead of within two years as at present. The Bill also renews the attack on the joint family. The rate applicable to coparcenary property passing on death will be not the rate for the deceased's share alone, but the one applicable to the figure arrived at by adding to the deceased's share the shares of the lineal descendants of the deceased. The exemption limit for joint families is, however, left unaltered, while for others it is brought down to Rs 50,000 from Rs 1,00,000. The rates for lower slabs are also to be stepped up. The lowering of the exemption of limit, it is anticipated, will bring another ten thousand estates within the scope of estate duty. It is also certain that it will affect a much larger number of middle class families.

Troubles for Export

Some recent statements made by persons in authority, or holding representative positions in Pakistan, draw attention to the internal troubles of that country which have some bearing on its external policies. The kaleidoscopic changes in the Eastern Wing, dismissals of ministries and governor following each other in rapid succession, reflect the instability consequent on deep-seated antagonisms. More recently, pointed attention has been drawn to the economic troubles and defects in the utilisation of external aid, and Mr Casey had to disavow the criticism made by the Australian administrator of the Colombo Plan programme. This has been followed by a statement issued by the Secretary of the West Pakistan Muslim League, which declares that all British and American aid to Pakistan "has so far been devoted to crippling our capacity for progress and destroying our sense of self-reliance". And, finally, the Pakistan Prime Minister himself has made a forthright criticism of the neglect by Government of the country's five year plan. With so much trouble at home, the rulers of Pakistan may be tempted to resort to external adventures in a bid to divert popular attention. There are indications that Pakistan may be preparing for a two-pronged attack on India. A top level military mission has left for Washington seeking additional military aid. Against this background cannot be dismissed as an isolated event. There are reports of Pakistani agents and fifth columnists on the Indian side of the border and among the Nagas. The district is cut off from the rest of Assam by Naga territory and is ill served by communications.

Railways and Coal

Though the coal industry last year put up an impressive performance, the authoritative spokesmen

of the private sector have been at pains to emphasise that the rate of increase of output is of a short term nature and that urgent administrative action is necessary to eliminate the difficulties which complicate the problem of long-term planning for the industry. The total raisings last year amounted to 43.5 million tons of which 5.3 million tons were produced in the public sector and 38.2 million in the private sector. In order to reach the Second Plan target, both the public and private sectors will have to increase annual output by nearly seven million tons. The chairmen of the different organisations of the coal industry have referred in detail to the difficulties that hamper efforts to step up output. The public has not been informed of the difficulties of the public sector. Since the performance is not impressive, the public are left to their own inferences. A shortfall in the production of coal as compared with the targeted figures will have very serious repercussions on manufacturing industry and, especially, on the steel plants which will between them require up to 12 million tons of high grade coal. Side by side with measures to increase output, it will also be necessary to explore ways of economising the use of coal especially of the higher grades which should be reserved for the metallurgical industry. Just as Railways can make the most substantial contribution toward increasing output by providing adequate transport, Railways as the largest consumers have also an important part to play in fuel economy. The Railways' consumption of coal is nearly one-third of the total annual output. Out of the total production of 40.31 million tons in 1956-57, the Railways consumed 13.2 million tons. Attempts that have been made in the past to persuade the Railways to desist from burning high grade coal in their locomotives have not been very successful. The obvious way to reduce the Railways' demand for coal is electrification. It is a matter for satisfaction, and not merely for Calcutta's suburban passengers, that the electrification of the Sealdah section will be taken up during the Second Plan instead of being postponed as was at one time apprehended. Electrification of the Gaya section is also expected to be completed by 1959 and the six crore scheme has been very properly included in the core of the Plan.

In this connection, we may, however, point out that, two years ago or so, the question of utilisation by the Railways of high grade coal was discussed. At that meeting, the conclusion was clear that an attempt should be made to bring down gradually the proportion of high grade coal being utilised by the Railways.

Demand for Oil

While exploration for oil so far has not been attended with success either in the public or private sectors, a marked increase in the consumption of oil, especially of kerosine and diesel oil, is antici-

ated by the end of the Second Plan. The Minister for Natural Resources recently told the Lok Sabha that production of oil must be stepped up to seven to eight million tons by the end of the Third Plan if the growing demand was to be met. He added that, in order to cope with the increasing demand, the decision has been taken to have kerosine and diesel base for the two refineries in the public sector. But he was not sure whether indigenous production would ever be able to meet the demand. And he suggested that it may be necessary to discourage the people from using kerosine. The price policy pursued by the oil companies, regarding which Government have not yet been able to arrive at a satisfactory arrangement, is itself an incentive to explore every means of reducing the demand for kerosine and other petroleum products. The Minister himself confessed to a "deep sense of frustration and disappointment at the failure to persuade the companies of the justice of the case for reducing prices." Kerosine has for years been a necessity of life even in the remotest parts of the country. Economy in its use will not be practicable unless the masses are provided with a cheap and efficient substitute. Extension of rural electrification is the most effective means of displacing the use of kerosine as illuminant. But schemes for this purpose have unfortunately been held up by shortage of foreign exchange. As regards substitutes for mineral oils in industry and in transport, it will be necessary to pursue with greater vigour measures for the utilisation of power alcohol. In this connexion, it may also be mentioned that, during the last War, it was found practicable to use some vegetable oils not only for lubrication but also as substitute for diesel oils.

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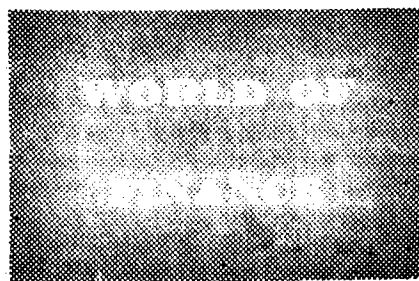
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May 3, 1958



The Slack Season and the New Loan Make their Debut

THE April end announcement of the New Loan proposals for 1958 may be said to be the response to a money market situation which provides convincing indicators that this year's slack season has made its debut much earlier than usual. It is also not unlikely that the slack season in the coming years will likewise dawn earlier. A change of this nature is definitely one of the repercussions of the Second Plan. We are now spending anything like Rs 1000 crores every year on the Plan. Of this outlay, disbursements in respect of 15 to 20 per cent of the sanctioned grants get to be made in the last fortnight of the financial year. A good part of such disbursements is now of a character that accounts for the virtual elimination of the time-lag between the payments by the Governments to suppliers, contractors, etc., and the return of such funds to the banking system. This time-lag was conspicuous throughout the First Plan quinquennium. In the first year of the Second Plan, this lag had greatly narrowed. So far as the second year is concerned, such a lag is conspicuous by its absence. In the latter half of April, Active Note circulation has recorded recurrent contraction. Bank Deposits have expanded recurrently. In the result, there has been recurrent liquidation of the advances taken from the Reserve Bank by the member banks; and Reserve Balances of the latter have risen week by week. Call money is quoting 3 per cent lenders. Not for a long time has the money market known so early an onset of the slack season with such conclusive evidence.

We believe that the disbursements by the Centre and the States in the closing weeks of March 1959 will be even more substantial, which means the earlier advent of the 1959 slack season with even more pronounced slack season attributes.

A development on these lines is greatly to be welcomed. For, it allows plenty of elbow-room for New Loan manoeuvring. The main effort of the Centre's borrowing can thus be got out of the way by the middle of May. This leaves June free for the States to enter the market. Allowing a two months' period for the market to digest these loan issues, the Centre may find it possible to initiate a

supplementary programme in the autumn.

A much less severe busy season and the continuance of very large accretions to the Deposit resources of Scheduled Banks have, thus, combined to create a set of money market conditions in which the Central Government have been able to float their New Loan much earlier than is the norm. The 1958 New Loan programme represents a departure from the norm only in this restricted sense. For, we must confess that there is scarcely any evidence in the terms of the New Loan to suggest that, in recognition of the greatly improved monetary conditions, the Government have made a beginning in the matter of borrowing from strength. The only redeeming feature is that the terms of the New Loan do not constitute another surrender to the so-called realistic borrowing policy, and therefore the pitfall of still more allegedly favourable—that is unfavourable to Government—terms has been avoided. In this sense, while there will not take place, as would happen in response to a New Loan based on borrowing from strength, an appreciation in the values of the existing loans, we can have this small satisfaction that the New Loan will not, on the other hand, cause a disturbance in the existing issues.

The total amount sought is Rs 135 crores, and is thus Rs 10 crores short of the target suggested in the Budget for 1958-59. Conversion facilities are to be offered in respect of the two maturing loans, the 4½ per cent 1958-68 with its outstandings of Rs 5.86 crores and the 3 per cent 1958 with its outstandings of Rs 15.23 crores. Thus, new money that is being sought is in the environs of Rs 114 crores.

To the extent that this will represent the highest target for cash subscriptions in recent years, it must be welcomed. But then, even on the basis of such enlarged target for cash subscriptions, the current tranche of 1958 New Loan programme will still fail to measure up to the annual target postulated in this behalf by the Second Plan at Rs 140 crores net.

With conversion facilities offered for the two maturing loans, the commitment that Government will have to meet during the remainder of the Plan-period will be as follows:

		Rs Crores
3 per cent 1958-61	...	113.66
4 ½ " 1960-70	...	63.30
2½ " 1960	...	45.63
Total	...	222.59

This figure of Rs 222 crores compares with a total of Rs 430 crores of maturities during the Second Plan-period. Thus, slightly more than half of the liability on maturing loans during the Second Plan is still to be met. We shall presently, in the context of the liability against the maturing loans, have a suggestion to offer. At the present stage, we may

note that the New Loan programme comprises a three-tier issue: 3½ per cent 1963 Loan issued at Rs 98.75 and offering a redemption yield of 3.80 per cent; 3½ per cent 1968 Loan issued at Rs 99.50 and offering a redemption yield of 3.82 per cent; and a 4 per cent 1973 Loan issued at par. In the following table, the three new loans have been included in their appropriate place, and an indication is available of the manner in which they fit into the existing pattern of gilt-edged prices and yields:

Central Loans	Market Price Rs	Redemption Yield Per Cent (earlier)
3½ 1958	99.75	3.82
4½ 1958-68	100.10	3.51
3½ 1959-61	99.15	3.71
2½ 1960	97.95	3.72
4½ 1960-70	100.50	3.77
2½ 1961	95.20	4.08
3½ 1961	98.65	3.62
2½ 1962	95.20	3.93
3½ 1962	97.90	3.79
3½ 1963-65	95.05	4.08
3½ 1963	98.75	3.80
3½ 1964	95.05	3.91
3½ 1964	98.20	3.84
3½ 1965	97.80	3.85
3½ 1966-68	92.60	4.05
3½ 1967	97.65	3.81
3½ 1967	99.75	3.78
3½ 1968	99.50	3.82
3½ 1970-75	86.40	4.43
4½ 1972	100.50	3.99
4½ 1973	100.00	4.00
3½ 1974	98.20	3.90
2½ 1976	83.05	4.06
3½ Conversion	71.20	4.21
3½ Non-terminable	71.20	4.21

It is to be anticipated that the new loans will be accorded a "popular" reception. The 5-year Loan will, of course, attract the Scheduled Banks. At the other end, the Provident Fund institutions should be concentrating upon the 15-year Loan. The 10-year Loan is presumably directed at the other remnant institutional investors. In this context, we may remember that the three-tier loan was first tried out in 1956. The issues in that year were the 3½ per cent 1962, the 3½ per cent 1967 and the 3½ per cent 1974. The results of these loans were extremely edifying. The most popular of the three, in the sense that the largest receipts were directed to it, was the 3½ per cent 1974. Subscriptions to this loan amounted to Rs 66.64 crores; next in popularity was the 3½ per cent 1962, which realised Rs 57.27 crores. The least successful of these issues was the 3½ per cent 1967, which collected Rs 33.82 crores.

In 1957, although the New Loan programme as such was a two-tier loan, in effect it was transformed into a three-tier year by virtue of the created issue in November 1957. The New Loan programme proper was composed of a 3½ per cent 1967 which fetched Rs 56.92 crores and a 4 per cent 1972 that realised Rs 49.05 crores. The created issue, being a special issue of Rs 30 crores, was in the form of the already existing 3½ per cent 1962. It will be seen that, in 1957, the order has changed with the medium term loan being the most

popular, the long term being second and the created issue being last. But this is to overlook the fact that the short term issue was not made available at the time of the New Loan; hence, it stands to reason that, if the Scheduled Banks had had this choice offered at the time of the New Loan, they would possibly have preferred the short term one.

On this reasoning, it is to be expected that the most popular of the three issues in respect of the 1958 New Loan programme will be the 3½ per cent 1963; this is because the Scheduled Banks are in a position this year to subscribe to the New Loan in a big way. Secondly, the long term issue should also elicit substantial subscriptions. Recent trends in the gilt-edged market have indicated that Provident Fund institutions have found it hard to invest their accruing funds due to scarcity of floating stock; and this class of investors, considering as it does the yield to be most important, is likely to prefer the long term stock. How much of a relative failure the medium term loan turns out to be, remains to be seen.

We may also mention here that the short term loan will add to the maturities in 1963, in which year the 3 per cent 1963-65, with outstandings of Rs 116.17 crores, may be repaid. The 1968 and 1973 Loans will not raise a similar problem, since the years in question are "free". Then, we have to remember that the short term issue will add to the maturing liabilities that Government will be called upon to meet during the currency of the Third Plan. Already, the maturing loans during the Third Plan amount to Rs 703.80 crores. So, it is proper that, at this juncture, we utter a word of warning against this practice of issuing short term loans; as the experience during 1957 shows, in the absence of a short term new loan, the subscriptions will be diverted to the medium term loan. In the remaining years of the Plan, we should avoid any further addition to the maturing liability in the Third Plan quinquennium and instead restrict new loans to a medium term or longer basis.

We come, next, to the matter of the loans maturing during the rest of the current Plan-period. The maturities in each of the years 1959 and 1960 are fairly heavy. Secondly, the New Loan effort at Rs 135 crores is still short of the Second Plan target. Consequently, we would suggest that the Government should issue, later in the current year, a loan to which subscriptions would be accepted only in the form of conversions. A precedent exists in this matter, when, in the year 1932-33, a second tranche of 4 per cent 1960-70 was issued, and subscriptions accepted only by conversion. In that year, conversion facilities were offered in respect of three outstanding loans—the 5 per cent 1929-47, 5 per cent 1933 and 6 per cent 1933-36. It is in this wise that we wish to

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suggest that Government could, perhaps, in August/September this year, announce a further issue of the 3½ per cent 1968 (we may point out that this loan's receipts may not be too heavy) subscriptions for which would be receivable in the form of the 3 per cent 1959-61, the 4 per cent 1960-70 and the 2½ per cent 1960. If Government adopted such procedure, they would lighten the load at new loan time.

We have had hardly a word to say so far about the success of the new loans. This, it seems to us, can be taken for granted. For, in the present money market conditions, the Scheduled Banks may be anxious to reduce the volume of their idle funds, since, as the 1957 experience has shown, their earnings have been affected by a much slower expansion in Advances relative to the increase in interest bearing Deposits.

One other comment that we wish to make is that we welcome the fact that the subscription lists are to be kept open only between May 12 and May 14, with Government reserving the right to close the lists at any earlier time. This alone is a sign of strength in an otherwise weak-keeled New Loan borrowing programme for 1958.

Discussion About Deposit Rates

DR. N. N. LAW has, at the annual general meeting of the United Bank of India, come out with a reasoned and powerful argument against the continuance of the payment by banks of a high rate of interest on Deposits. He thus adds his voice to the chorus that we have had this year from Bank Chairmen on this aspect of the banking situation. There can thus be no doubt that there is a near unanimity among Indian bankers as regards the debilitating, if not disastrous, influence of a high interest rate for Deposits on not merely the earnings of the banking system but also the national economy as such. An intriguing point is that this question of interest rates has been approached from quite different viewpoints.

For example, Mr V. P. Varde, of the Bank of Maharashtra Limited, questions Government justification "in entering into a direct competition with banks by offering higher rates of interest". His plea is, apparently, that, in trying to imbue the Small Savings campaign with greater attraction, Government themselves are guilty of exerting an upward pressure on the interest paid on Deposits by banks.

Similarly, Sir Homi Mody, as Chairman of the Central Bank, observed that the "higher rates for Deposits are also due to Governments, both Central and States, coming into the market for large borrowing at 4 to 4½ per cent and for small savings on still more attractive terms". Sir Homi added that "this helped to accentuate the

shift from Demand to Time Deposits, that is, from low interest to high interest bearing Deposits", resulting in reduction of the margin of profits of banks.

A dissident note in this regard was struck by Sir Cowasjee Jehangir, Chairman of the Bank of India, who has allowed himself to be influenced solely by his reading of the economic situation as comprising "a persistent tightness of money"; as a result, says Sir Cowasjee, the competition for deposits increases, and he concludes that "higher rates of interest must be offered and paid". Sir Cowasjee himself has confessed that, in the case of the Bank of India, the additional income from higher money rates "tends to be cancelled out by the increased interest paid to our depositor-customers". It is, therefore, strange that Sir Cowasjee has not come out with a denunciation of the interest war and that he instead should have fatalistically averred that the offering of higher interest rates is inevitable.

Mr G. D. Birla of the United Commercial Bank can claim to have been the first Indian banker to have recognised the threat to the earnings of the banking system comprised in such a deposits war. At the annual general meeting of the United Commercial Bank, he reminded shareholders that, some years ago, he had "deprecated the alarming tendency to try to attract fresh Deposits by means of higher interest rates". Mr Birla reiterated his plea for restraint in this matter, and pointed that "the attraction of higher interest rates is unnecessary in order to induce deposits".

Mr Shanti Prasad Jain of the Punjab National Bank had a brief but pointed reference in his speech, when he said that the rise in the cost of money "is a matter that calls for some sort of concerted action by leading banks".

It was left to Dr Law to argue out in detail the harmful impact of high interest rates upon the banking system and the national economy as such. In pointing out that the rate of interest paid on Deposits has recently been "well above the yield on medium-dated gilt-edged securities and the effective lending rate of the Central Bank of the country", Dr Law states that "this hardly facilitates marketing of Government securities, at least to the banking sector".

The United Bank Chairman has quoted from a speech recently made by Mr B. K. Dutt, Managing Director of the Bank, in which the suggestion was made that "the relation between the depositor and the bank is not that of the investor and the enterprise, but of a depositor and a depository". Mr Dutt is also on record as having suggested that "deposit money in aggregate is possibly attracted better by adequate spread of banking service than by hawking higher rates of interest to shift or prevent a shift of deposits from one bank to another". Dr Law suggests that "the introduction of the

statutory control of interest rates on deposits brooks no delay".

It is thus clear that the Central Government are to be held as having contributed partly to the upward spiral in interest rates. If a downward movement is now to be encouraged, we would suggest that, in addition to statutory control of interest rates, Government could also consider a reduction in the Bank Rate. If, for any reason and in the present circumstances, such reduction is thought unfeasible, we would suggest that Government could reduce the rate at which advances are obtainable from the Reserve Bank against usance bills. It is scarcely likely that, by the mere fact of the rates being lower, the banks will consequently borrow more; and the check in this regard lies in the limits sanctioned by the Reserve Bank. Lastly, with borrowings against usance bills in the environs of Rs 17 crores, banks are well placed with resources. So, it need not be expected that the consequence of a lowering in the rate at which the Reserve Bank will lend against usance bills will be an increase in borrowings under this head. On the contrary, what should be expected is an altogether salutary downward influence on interest rates generally as a result of a "slack season" lowering of the Reserve Bank rate for advances against usance bills.

All these arguments in this context will not be new to readers of Indian Finance. This journal has, for some many months, as flowing from our study of the internal monetary and economic conditions, noted with apprehension the many doleful consequences of high rates ruling on Deposits. The very structure of interest rates is rendered topsy turvy and, apart from the fact that the banking system will be weakened by this unnecessary and avoidable additional expenditure incurred, the most disastrous effect of such monetary conditions is that the Central Government's borrowing programme for the Second Plan is jeopardised. It is indeed in this light that, last week, the Leading Article urged the Reserve Bank to take action in the matter of Deposit rates by invoking Section 35(1) or Section 36(1) of the Banking Companies Act. The unanimity of opinion in this regard among Indian bankers, we suggest, should offer further strong inducement for the Reserve Bank to take action on the lines we have suggested.

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Note Circulation Declines Again

According to the returns of the Reserve Bank for April 25, Active Notes have declined by Rs 8.65 crores to Rs 1619.12 crores. Rupee Coin has returned from circulation for Rs 0.32 crores. The Reserve Bank's Cash in the till goes up by Rs 9.07 crores to Rs 32.94 crores. There is a small rise of Rs 1.41

crores to Rs 228.80 crores in Foreign Securities, and a counter-vailing contraction of Rs 1.41 crores to Rs 1173.50 crores in Rupee Securities. These are adjustments which presumably relate to crediting of interest received against Foreign Securities.

In the Banking Department, it is to be noted that the Centre's Balances are higher by Rs 0.60 crores at Rs 53.05 crores. This is in spite of having to meet a commitment against Treasury Bills held in the Banking Department and which matured during the week for Rs 3 crores odd. Nor does there appear to be any deficit financing. On the contrary, Investments in the Banking Department are placed lower by Rs 2.87 crores at Rs 227.27 crores. Thus, the net decline in the Rupee Securities held by the Reserve Bank in the two departments is of the order of Rs 4.28 crores. While reverse adjustments are not to be ruled out, this decline may no more than reflect sales of securities by the Reserve Bank. For, the Reserve Bank ceased to be a seller of securities only after the date to which the latest returns relate.

Balances of State Governments have improved by Rs 2.55 crores to Rs 15.64 crores. But then, their Ways and Means Advances from the Reserve Bank have also risen by Rs 3.55 crores to Rs 54.72 crores.

The Reserve Balances of member banks are marked up by Rs 3.14 crores at Rs 94.14 crores. There is no material change in their indebtedness to the Reserve Bank, since the Other Loans and Advances of the central banking institution are higher only by Rs 0.32 crores at Rs 54.69 crores. The Reserve Bank's Advances against usance bills are marked up by Rs 0.39 crores at Rs 17.72 crores.

There is a decline of Rs 4.41 crores to Rs 112.33 crores in Other Deposits. Coincidentally, this decline is of a size with the fall in the Rupee Securities held by the Reserve Bank. But it is not possible to assert that there is a connection between the two.

Finally, Balances Held Abroad are lower by Rs 3.47 crores at Rs 39.01 crores. But, since Foreign Securities in the Issue Department are higher by Rs 1.41 crores, it is clear that the net drain on Foreign Exchange reserves has amounted only to Rs 2 crores odd.

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According to the return of the State Bank for April 25, Deposits are fractionally higher by Rs 0.57 crores at Rs 422.12 crores. Advances have shrunk by Rs 1.62 crores to Rs 206.40 crores. In the result, Cash Balances have improved by Rs 3.84 crores to Rs 39.57 crores. Thus, the rise recorded in the Reserve Balances of member banks in the Reserve Bank's return is ascribable to the State Bank.

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According to the return of Scheduled Banks for April 18, Deposits show a further rise of Rs 4.13 crores to Rs 1536.20 crores. Since

the State Bank, in the relevant week, reported a decline in Deposits of Rs 5.80 crores, it is clear that the other Scheduled Banks have added to theirs by something like Rs 10 crores. Borrowings from the State Bank are Rs 1.17 crores lower at Rs 7.60 crores. So, too, has indebtedness to the Reserve Bank been reduced by Rs 2.37 crores to Rs 19.79 crores. Advances show a drop of Rs 4.64 crores to Rs 957.44 crores. There is a small addition to the gilt-edged portfolio which is marked up by Rs 1.83 crores at Rs 443.27 crores. In the result, Cash Balances have moved up by Rs 9.46 crores to Rs 194.48 crores—this is directly traceable to the other Scheduled Banks, since the State Bank, in the week under review, had not revealed any increase in its own Cash Balances.

United Bank

The United Bank of India is one of the few banks which have experienced the bulk of their accretions to Deposits during 1957 in the form of Current and Contingency Accounts. It may be recalled that, while Scheduled Banks generally benefited by large scale accruals to their Deposit resources, these were mainly in the form of Fixed Deposits or Savings Bank Deposits. In the case of the United Bank, of the increase of Rs 4.45 crores to Rs 38.36 crores in Deposits, the bulk is to the credit of Current Accounts which have been marked up by Rs 3.06 crores at Rs 17.35 crores. On the other side of the ledger, gilt-edged investments have been marked down by Rs 1.61 crores at Rs 8.61 crores. The resources thus gained, on the one hand, and freed, on the other, have been utilised partly in an expansion of the Advances portfolio and partly in adding to Cash Balances. Advances have risen by Rs 3.38 crores to Rs 23.56 crores. Cash Balances have moved up from Rs 4.26 crores to Rs 5.87 crores.

The higher level of Advances is reflected in a substantial increase in the income by interest and discount from Rs 1.19 crores to Rs 1.45 crores. Commission, Exchange and Brokerage, however, have fetched slightly less at Rs 31.75 lakhs against Rs 32.51 lakhs. Expenses have also risen. As a result of the higher money rates ruling during 1957, interest paid is marked up to Rs 52.05 lakhs from Rs 41.35 lakhs. If this rise compares favourably with the experience of other banks, it is because the United Bank secured the bulk of its additional Deposits in the form of Current Accounts. Salaries and Allowances also absorbed more at Rs 89.02 lakhs against Rs 78.55 lakhs. In the result, the balance of profit shows a small rise from Rs 15.58 lakhs to Rs 16.21 lakhs.

The provision for taxation is raised from Rs 4.40 lakhs to Rs 4.92 lakhs. The transfer to Reserve is also higher at Rs 3.25 lakhs against Rs 3.15 lakhs. The dividend distribution is maintained, and absorbs a shade under Rs 8 lakhs. The

carry forward of Rs 1.77 lakhs compares with the amount brought in of Rs 1.73 lakhs.

Bank of Rajasthan

The Bank of Rajasthan shows an increase in Deposits from Rs 3.40 crores to Rs 3.81 crores in its balance sheet for 1957. Cash Balances are slightly lower at Rs 1.35 crores against Rs 1.42 crores. Investments in gilt-edged are marked down slightly at Rs 96.17 lakhs. Advances have staged a rise from Rs 1.23 crores to Rs 1.81 crores.

The income of the Bank of Rajasthan has risen quite substantially. Interest and Discount have fetched Rs 14.27 lakhs against Rs 10.95 lakhs, and Commission, Exchange and Brokerage have risen sharply from Rs 3.62 lakhs to Rs 5.33 lakhs. Interest paid is higher by a little over Rs 1½ lakhs at Rs 8.29 lakhs. Salaries and Allowances have also risen by Rs 1.18 lakhs to Rs 5.48 lakhs. In the result, the balance of profit has more than doubled to Rs 2.75 lakhs from Rs 1.22 lakhs.

The highest earnings in the Bank of Rajasthan's history have enabled the dividend distribution to be raised for the third successive year; the dividend absorbed Rs 32,299 in respect of 1955; the amount rose to Rs 41,463 in respect of 1956; and the latest dividend at 6 per cent absorbs Rs 55,529.

The Bank of Rajasthan can take justifiable pride in a fine year of achievement.

Mr Jain's Views on Fiscal Policy

With commendable modesty, Mr Shanti Prasad Jain had no more to say, at the annual meeting of the Punjab National Bank, of which he is the Chairman, than that the bank "has maintained its strident progress" in a year in which, by common consent, it has produced remarkable results. Indeed, his remarks on the Bank's balance sheet for 1957 are on the prosaic side, and Mr Jain's real interest seems to have been the detailed review that he has made of the Indian economy. 1957 is described as having been a complex and difficult year, but if the economy of the country were viewed in retrospect as a whole, "we find that we have fared better than we thought we would". A metaphorical storm that hit the country blew over before it gathered force, and though it has left behind some dust and dislocation, "we are still on our feet".

Firstly, when a declining trend in agricultural production set off fears of an undue rise in the price level, firm measures were instituted by the authorities—and, in line with this policy, Punjab National also limited advances on foodgrains—and the result is that the reversal of the upward trend in prices is a matter that "affords considerable satisfaction". As for production, industrial output rose by 11 per

cent during 1957; and, even in the sphere of agricultural production, the outturn, in improving by 6 per cent, "showed the highest increase during the last eight years", although the foreign exchange position was "extremely tight", the position has since improved, "though not adequately". Mr Jain refuses to be daunted by the foreign exchange situation, and instead describes it as "a picture that carries the hope of progress emphasising the need for serious efforts in all directions". It is in this light, that the Punjab National Chairman quotes the Reserve Bank Governor as having said that "there is no reason why we should take a gloomy view of the situation". But this does not mean that we need not or should not be realistic.

Mr Jain points out that there are certain objectives before the country, and that, if these "are better served by adjustment in the fiscal and other governmental policies, doctrinaire considerations should not stand in the way".

Mr Jain is not one of those who believes in playing with the idea of cutting down expenditure. We have, he says, "in order to break the barrier and cross into a dynamic and self-progressing economy", to go on the scale of expenditure proposed, if not on a larger scale. Development, he remarks, is a continuous process, and he does not think there is anything inherently wrong in going ahead at a faster speed with our development programme with foreign assistance. The only qualification he makes is that, whatever shape foreign capital may assume, "its utilisation for achieving our development programme is linked up with our ability to find requisite finance within the country."

The crux of the problem is, thus, internal resources. Also, a balance is required to be struck between consumption and savings in the increased national income. In this context, Mr Jain finds unavoidably that heavy taxes have exhausted the capacity to secure sufficient funds from current profits. So, he suggests that "the monetary authorities must evolve a machinery for meeting the needs of internal resources for development". Mr Jain pays a personal tribute to Mr Iengar, who, with his thorough grasp of the fundamental aspects of our monetary problems and broad vision, is expected by Mr Jain to "contribute to the initiation of a policy that will vitalise our economy".

However, Mr Jain is not quite sure whether the fiscal policy pursued by Government has militated against the attainment of the objectives. In respect of taxation, Mr Jain says, the Centre has embarked upon new taxes which, "without helping to stimulate and aid planned efforts were effective in undermining the capacity" and initiative of the investor. Similarly, the taxation policy has adversely affected the stock exchanges, and the result is that the investor's confidence has been rudely shaken. So he calls upon the authorities to

"make an urgent study of the effect of last year's fiscal policy on the implementation of the Plan". In a word, Mr Jain hopes that a flexible Government attitude, as recently made evident by the withdrawal of the compulsory deposit scheme, reduction in excise duties and concessions regarding Development Rebate, will be extended further so as "to smoothen the path towards the successful implementation of the Plan".

The Future of Sterling

STERLING's firmness during the greater part of April has been due not so much to the immediate position as to the revival of optimism about its prospects. For the first time since 1955 it is no longer considered to be safe to take it for granted that there would be yet another sterling crisis in the autumn. The increase in the gold reserve is the direct cause of this optimism, even though that reserve is still very far from sufficient to remove the risk of a crisis as a result of even relatively moderate adverse influences. Indeed Government spokesmen seek to stimulate unwarranted optimism in this respect, by their failure to make it plain that part of the increase in the gold reserve is represented by borrowed dollars which will have to be repaid next year. Even though experts are well aware of this fact, the general public is apt to overlook it, and official figures and statements do not go out of their way to enlighten the man in the street in this respect.

There is cause for optimism, not on account of the immediate technical position which is not nearly as strong as it appears on the face of it, but because of the improvement of the fundamental position. There has been practically no increase in the cost of living since November last, and pressure for wage increase appears to have abated to some degree. Even though the outcome of the wage dispute in nationalised transport organisations is still uncertain, at the time of writing it does look somewhat more hopeful.

Moreover, the stability of British prices is in sharp contrast with the continued rising trend in the United States, Germany and other western industrial countries. Should this contrast become accentuated it would affect favourably the British balance of payments. What is perhaps even more important from the point of view of sterling's prospects in the near future, there now seems to be a possibility of a flight to the pound. Not only will the much-delayed covering of the short positions in sterling be hastened but "hot-money" is likely to flow to London.

It is true, sterling has been for weeks in the close vicinity of its upper limit of \$2.82 above which the authorities do not allow it to rise. But there have been persis-

How do you like your coffee?

FOOD FOR THOUGHT



Black or white? . . . Hot and strong? The coffee stem borer likes his neat, preferably when the young shoots of the coffee bush are juicy and tender. He eats his way through the stem, destroying new growth before the valuable beans are formed.

India grows some of the finest coffee in the world—a fact which overseas buyers are not slow to recognise. At the moment, they are willing to pay Rs. 5,000 a ton, which means that even a small increase in annual production could bring in many lakhs of valuable foreign exchange every year.

Here are some interesting facts. Dieldrin—a Shell Chemical—is remarkably effective in controlling the coffee stem borer and can increase coffee production by up to fifteen pounds per acre.

True—dieldrin has to be imported because it is not manufactured in India. Indigenous materials are however used in its formulations, and for every rupee spent on importing dieldrin, enough extra coffee can be produced to earn as much as seven rupees of foreign exchange. This is a sensible expenditure whichever way you look at it: food for thought in fact.

SHELL Chemicals can save crops and Foreign Exchange too!

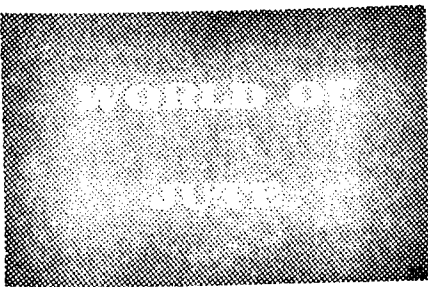
tent rumours that, should the firm trend continue, the Government might allow it to produce its natural effect on sterling, if only to teach speculators in sterling a much-needed lesson. The argument in favour of such a policy stresses the fact that there is now an opportunity for playing this game from strength. A restoration of the flexibility of sterling at a time when it is weak would gravely accentuate selling pressure. On the other hand, it is argued, the removal of upper limit at a time when sterling is inherently strong would greatly accentuate the buying pressure.

The Government is not likely to allow itself to be convinced by such arguments. For one thing, speculative buying of sterling would only increase the volume of "hot money" in London which would be withdrawn at a most inconvenient moment. Nor are the authorities keen on allowing wide fluctuations. The only argument which might conceivably carry weight would be that an appreciation of sterling would further accentuate the decline in the prices of imported goods in terms of sterling, which would make it easier to resist the pressure for higher wages. Even so, on balance it seems unlikely that the Government would yield to the temptation of following the advice. Apart from any other considerations, it is feared that the removal of the upper limit of \$2.82 would materially weaken confidence in the Government's determination to hold the lower limit of \$2.78 during a period of selling pressure.

What is more important, it seems to be well on the cards that the Government will take advantage of the prevailing firmness of sterling for restoring its full convertibility for current transactions. Now that the rate of transferable sterling has been above the lower limit of \$2.78 for some time, the unification of that rate, and even of the rate for security sterling, with the official rate is considered to be feasible. For the first time a return to convertibility appears to be practicable.

For political considerations the Government is strongly tempted to take the remaining steps needed for achieving convertibility. It would be consistent with the officially announced policy of removing the remaining controls. And it would greatly increase the difficulties of a Socialist Government after the next general elections. It is the declared intention of the Labour Party to restore many of the controls which the Conservative Government has removed or is removing. Much of it would require legislation. This means that for some time after its advent the Labour Government would be kept busy with restoring controls, so that it will not have so much Parliamentary time for initiating its programme of nationalisation and other Socialist policies. Moreover, the freer sterling is, the more it is likely to be exposed to the fears of a Socialist victory at the general election.

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Gunny Prices Improve

THE jute markets have firmed up during the past week. Sentiment in the goods section has been aided by reports of enquiries from a number of foreign countries as well as a substantial order for sacking from the Government of India. It has been reported that both the important hessian consuming countries, Argentina and USA, have indicated their interest in this category of jute goods. As far as Sacking is concerned, enquiries are reported from Russia and Egypt.

It would appear that circumstances are turning in favour of an increased offtake of jute manufactures from India. In the first place, thanks to the substantial progress made by Indian mills in the direction of modernisation and the near self-sufficiency achieved in jute production, the Indian industry is today in a better position to withstand competition in overseas markets. In this connection it is to be noted that due to the high price they have been forced to pay for their raw material requirements, continental mills are no longer in a position to offer effective competition to Indian jute goods. The only serious competitor to India now is Pakistan. But even in the case of Pakistan there are indications that India may not encounter much competition as regards quantity. This is evident from the fact that in recent months the output of Pakistani mills has declined sharply due to labour trouble and inefficient working. Other favourable factors are the demand by UK bag and carpet manufacturers for cheaper and better hessian cloth and yarn and the recent reduction in freight rates on gunny shipments to US Atlantic ports.

Despite continued reports of favourable weather conditions in the jute growing areas, the raw jute market has also firmed up. Though part of the rise in prices is to be attributed to the strength of the goods section, the improvement has been largely due to ideas about scarcity of supplies during the next few months. It is, however, to be noted that there is no undue anxiety in jute circles about the supply of the raw material during the next season. In the first place reports from jute growing areas are quite favourable. So far there has been no setback to the normal progress of jute cultivation due to adverse weather conditions. It may be recalled that Government have increased the target for jute production during the coming season. Moreover, energetic measures have been taken to supply fertilizers to

cultivators in time and for the adoption of improved methods of cultivation with a view to increase the yield.

The jute goods market opened the week last Friday on a quiet note in the absence of foreign inquiries. As the session progressed, however, sentiment improved on speculative interest but by close profit taking erased gains. Hessian 40" x 10 oz Ready closed at Rs 41.25 with B Twills done at Rs 100.65. Prices made some headway on Saturday on reports of enquiries from Argentina and the market closed steady as follows: Hessian 40" x 10 oz Ready Rs 41.45 and B Twills Rs 101.25.

A firm undertone prevailed on Monday as speculators evinced keen interest both in hessian and sacking. The heavy goods section was aided by reports of business in cotton packs with Egypt. Toward close there was some covering business. Mills however did not show much interest at prevailing levels. Hessian 40" x 10oz Ready advanced to Rs 41.55 while B Twills was placed at Rs 101.20.

The trend continued to be upward when the market opened on Tuesday with further covering by shippers, especially in sackings. With mills coming out as sellers at the higher levels, prices were somewhat marked down at one time during the day. Toward close sentiment again improved on reports of a Government order for sacking. Hessian 40" x 10 oz was steadier at Rs 41.60 but the improvement in B Twills was more marked as the closing rate was placed at Rs 102.56. With the confirmation of the Government order for a substantial quantity of B Twills on Wednesday, prices in the sacking section further firmed up while Hessian also ruled fully steady in sympathy. The closing prices were as follows: Hessian 40" x 10oz Ready 41.68 and B Twills Rs 103.25.

The raw jute market opened quietly steady with mills showing interest at rates somewhat lower than prevailing ones. In earlier dealings sellers were also inclined to discount rates. As the week progressed, however, sentiment improved in sympathy with the goods section. In the meantime holders seemed to have derived considerable encouragement from the fact that arrivals in upcountry centres were meagre. It would appear that following the release of the final estimate for mesta production in the country, operators had arrived at the conclusion that the supply position in raw jute in the coming two months would be rather tight. Assam Bottoms which was quoting at Rs 25.50 for April-May delivery at the beginning of the week was done at Rs 26 on Wednesday.

PRICE TRENDS

		Week's opening	Week's closing
		Rs.	Rs.
Hessian:			
40" x 10 oz. Ready	July/Sept.	40.87	41.69
" "		41.20	42.00
Sacking:			
B Twills Ready	July/Sept.	100.35	103.25
" "		102.25	104.00
Hv. Coes Green		99.75	102.50
Cornsacks		101.40	103.80
Cubans		125.50	128.00
A Twills		120.00	122.00
L Twills		112.00	114.00



Plea for Relief

The indication given by Mr Nitayanand Kanungo that the export duty on tea might be revised shortly, will be welcomed by the industry which has been agitating for a long time for rationalisation of the tax burden. There is a strong case for the revision of the export duties on tea as was recognised by the Minister who addressed the annual meeting of the Tea Association of India last week. The need to augment foreign exchange resources should make the authorities more receptive than in the past to the suggestions made by the industry. Over two-thirds of the total tea crop is exported every year, so that the level of exports determines the fortunes of the industry and its ability to give a fair deal to its workers and shareholders. The trends as revealed by the export figures for 1957 do not leave any room for complacency.

Some time ago, the Minister for Commerce, answering questions in Parliament, quoted figures to show that exports last year were not below the average of the previous years. But, when the country is engaged in a vigorous export drive, it is not possible to derive satisfaction from the fact that exports are being maintained at the average for the last five years. More significant is the steep fall in the exports last year from 523.6 million tons in 1956 to 447.0 million tons in 1957. The drop in exports must be considered along with the fact of increased competition which Indian teas now encounter in overseas markets, not only from old producers like Ceylon, but also new entrants like East Africa. East Africa, with the advantage of low taxation and low cost of production, is forging ahead at a rapid rate.

Government as well as the tea industry have a common interest in maintaining exports at a satisfactory level and this will be practicable only by strengthening the competitive capacity of Indian teas in foreign markets. While propaganda is necessary and must be intensified as the President of the Association has acknowledged, the vital factor is the price level which is pushed up by the variety of taxes imposed on tea. Mr D. C. Ghose, in his presidential address, has also pointed out that, apart from revision of export duties, there is also need for changing the prevailing system of calculating the duty on the basis of monthly average prices in London Auctions. The uncertainty inherent in the present system is said to be one of the reasons why foreign importers especially in the USA and Australia, prefer Ceylon to Indian tea.

Apart from taxation, the industry has also to bear a heavy finan-

cial burden in providing amenities for labour. Mr Ghose regretted that, in spite of the amenities provided, there was no reciprocity on the part of Labour; smooth working had been rendered difficult by outbreaks of strikes followed by lawlessness. Mr Ghose suggested that, as the industry was finding it difficult to obtain funds for implementing the Plantation Labour Scheme, Government should favourably consider extension of the Industrial Housing Scheme to plantations also. The implementation of the Plantation Enquiry Commission's recommendation regarding creation of a Replanting Fund, the President pointed out, would further aggravate the financial burden on the industry.

Mr Ghose also entered a strong plea for special consideration of the difficulties experienced by growers of common teas which account for 60 per cent of the total production.

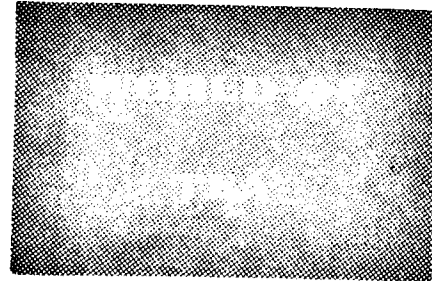
Declaration of Dividends

By K. V. IYER

The practice of the Board of Directors of a company to declare an interim dividend and to notify the shareholders at the same time that such dividend is final for the accounting year concerned is getting into greater vogue: whether such action of the Board is in conformity with the Companies' Act and does not stultify one of its important provisions merits consideration.

Under Section 217, it is the duty of the Board to recommend the amount which should be paid as dividend for consideration at the Annual General Meeting and for the shareholders assembled at such meeting to declare the dividend (vide Reg 85 in Schedule I). The Regulation further provides that no dividend shall exceed the amount recommended by the Board. Thus, the right vested in the shareholder is to vote in favour of a dividend less than that recommended by the Board, a right perhaps rarely exercised. All the same, this is a right which the Board is not competent to deny to the shareholders by acting in the manner referred to.

For what may be considered a mere formality, i.e., extension for the holding of the Annual General Meeting, Section 166 provides that the sanction of the Registrar should be obtained. The sanction to the payment of the final dividend is a vital matter. It is, therefore, essential that the management should arrange to hold the Annual General Meeting at the earliest possible date, and, if there should be any insuperable delay in this regard, and the Board consider that the payment of the dividend should not be unreasonably delayed, a mere decision of the Board should not be considered sufficient. The sanction of a higher authority, say, that of the Central Government, should be required to be obtained.



Markets Sluggish

THE recent improvement in prices at the Calcutta and Cochin auctions and in London has been offset by the disappointment over the delay in the announcement of relief in export duty. In this connection, the outgoing President of the Indian Tea Association has pointed out that the industry needs immediate relief in the matter of Common teas, which are 60 per cent of India's total production and much of which are for export. As competition from countries like East Africa is severe, he adds, that Assam Carriage Tax and West Bengal Octroi or Entry of Goods Tax should be abandoned; that export duty should be abolished in respect of teas sold at or below Rs 1.75 per pound at export auctions or those directly exported at Rs 1.75 or less a pound; that export duty should be refunded in respect of Indian tea sold in London at a price equivalent to Rs 1.75 or less a pound ex-Calcutta auctions and that the cost of production of Darjeeling teas is high and its case for relief should be suitably considered.

It cannot be denied that the uneasiness over the delay in the announcement of relief in export duty is particularly marked in view of the outlook for the new crop. It appears that, in the absence of any remedial measures, world Common tea supply may exceed demand. Total output, up to February, has increased to 104.7 million pounds as against 97.7 million pounds in the corresponding period of 1957. South Indian production has risen to 8.3 million pounds from 7.6 million pounds and that of Ceylon from 29.9 million pounds to 35.9 million pounds. Indonesia has increased her production from 8.6 million pounds to 9.00 million pounds in January. The output in British East Africa has fallen from 6.5 million pounds to 5.8 million pounds in February, although total output, in the first two months of the current year, is well maintained at 13.2 million pounds—the same as in the corresponding period of last year.

Trade circles think that, in the absence of any scheme to regulate output, an imbalance between supply and demand is probable during the coming months. North Indian producers are, it is stated, worried that a good deal of Common teas will be unremunerative as costs of production are statutorily fixed at a high level. Hence, an immediate relief in the export duty is called for in order to make a number of gardens economic in respect of their operations. It is feared that, in spite of sufficient care taken to concentrate on quality plucking, areas such as Dooars and Cachar

will suffer as a larger proportion of their output comes under the category of Common teas.

Meanwhile, the last Export Sale for the current season was held in Calcutta this week when offerings amounted to 38,800 packages. There was a strong and fairly general demand which, however, became irregular and easier as the sale progressed. "Teas for price" opened strong; but the demand weakened except for the Fannings which were appreciably dearer. Plain Black Broken were from 4 to 6 nP per pound dearer. Although Fannings in this category were keenly sought after, there was little quotable change in prices except for the best which were frequently sold well above brokers' valuations.

A strong feature of the sale were the bright liquoring Mediums which showed irregular advances, while the lower Mediums, opening steady, were sometimes easier at the close. The amount of CTC teas, on offer, were readily taken up at about last rates; but non-with Dooars teas declined by 4 to 6 nP per pound. Clean and well-made Whole Leaf grades were fully firm to dearer; but the inferior stalky kinds realised lower prices and were difficult of sale. Following rates were quoted:—Clean Black Pekoe Rs 2.25 to Rs 2.30; Plain BP Rs 1.58 to Rs 1.62; Plain Fannings Rs 1.68 to Rs 1.72; Medium BP Rs 1.64 to Rs 1.68; Medium Fannings Rs 1.84 to Rs 1.88; Best CTC Assam BP Rs 2.60 to Rs 2.80 (nominal) and Best CTC Assam Fannings Rs 2.80 to Rs 3.00 (nominal).

In the Internal Sale, offerings were 19,594 packages of Dusts for which there was very strong and general demand. Prices were firm to dearer. Commons, Dooars and Assams of orthodox manufacture were a strong feature, particularly the clear leafy types and all descriptions were generally 4 to 8 nP per pound dearer. CTC Assams were generally irregular, the best liquoring kinds being barely firm. The brighter liquoring Mediums were often considerably dearer. The poorer descriptions, on offer, were generally sold at about valuations. Following rates were quoted:—Medium Dooars Dust Rs 1.68 to Rs 1.70; Medium Assam Grainy Dust Rs 1.70 to Rs 1.74; Medium Assam CTC Dust Rs 2.00 to Rs 2.20 and Best Assam CTC Dust Rs 2.80 to Rs 3.00.

Also, 1,434 packages of Leaf grades were offered for internal consumption. These met with a fair general demand at irregular rates.

In the Export Quota section, business was done in Special Export Licence at 3 nP. At the close, there were sellers at 3 nP with buyers at 2 nP. The rate for non-transferable quota was quoted at 2½ nP per pound.

In the Cochin market, offerings were 885,000 pounds of Dusts. A useful demand was maintained throughout the auction at lower rates. Brown-milled Dusts, Low Mediums and Mediums declined by

Indian Finance

10 to 15 nP per pound. Good Medium types received better support and were only 5 to 10 nP lower on last week's rates. The best liquoring descriptions were possibly the weakest feature of the sale and these declined by 20 to 30 nP per pound.

Shipments of South Indian tea, from the Cochin Port in March 1958, totalled 6.55 million pounds as compared to 4.31 million pounds in the corresponding month of last year. Total exports, during the first quarter of the year, amounted to 19.42 million pounds as compared to 16.78 million pounds in the corresponding period of 1957. An encouraging feature is, that the rise in exports is shared by almost all countries.

In the Colombo market, offerings were 4,906,700 pounds. There was a strong and general demand for all useful liquoring teas. Among high-grown teas, best Broken were sometimes lower following quality; but there was an active demand for those below the best at dearer rates. There was a strong demand for medium grown teas. Demand for low-grown teas was, however, quiet with Middle-Eastern types declining by 10 cents per pound. Fannings met with good demand and prices were substantially higher except where quality showed a sharp decline. There was an active demand for off-grades and all useful liquoring sorts advanced by 20 to 30 cents.

In London auction, offerings were 24,164 packages, including 15,177 packages of North Indian and 1,070 packages of Pakistani teas. There is still no halt in the recent rise in prices. All kinds were again strongly competed for at decidedly dearer rates. Teas from the Dooars did not show quite so marked an advance; but most gardens are very near the end of their season and quality is falling away. The best attention throughout the sale was focussed on good liquoring Fannings grades.

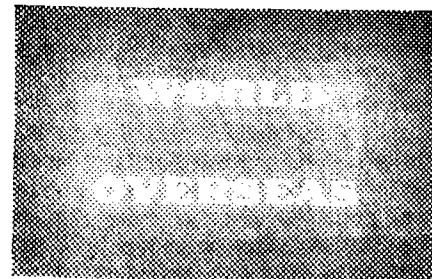
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Tender forms (not transferable) are obtainable from the office of the undermentioned, Garden Reach, Calcutta-23 at Rs 2½ (not refundable) per copy by M.O. to him direct in the case of outside firms and on production of cash receipt from this Rly's Chief Cashier by local firms.

Tender forms should accompany the receipt for depositing earnest money of Rs 320/- from this Rly's Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs 1000/- with the undermentioned are exempted.

S8 CONTROLLER OF STORES



US Notes

The Soviet Union and the Federal Republic of Germany have completed a new trade agreement calling for a sharp increase in Soviet shipments of cotton to West Germany—40,000 bales this year, 56,000 in 1959, and 60,000 in 1960.

The accord marks a most interesting step in the USSR's emergence as a cotton producer and exporter.

The unusual characteristic of the agreement is that it contrasts with the Soviet trade position in the Middle East.

In 1955, when Egypt was having difficulty in disposing of its important cotton crop at advantageous prices, the USSR appeared on the scene as a purchaser of cotton. In return, Egypt received Soviet military equipment. This economic relationship has been intensified to the point where nations of the Soviet bloc, as of last year, were taking 40 per cent—two fifths of all of Egypt's exports.

Another interesting aspect is that the Soviet bloc buys more from Egypt than it delivers, thus running up trade debts with Egypt, a country which needs to borrow rather than to lend, if it is to speed its economic growth.

While selling cotton to their new customers, Egyptians had hoped to retain their traditional outlets, particularly in Western Europe, and thus expand their overall trade. Soviet representatives, in fact, agreed not to re-export Egyptian cotton. But there have been reports—reports quoted in the economic bulletin of the Bank of Egypt—that Egyptian cotton sold to the Soviets is afterward resold by them in Western Europe—and at lower prices.

In other words, the communist countries buy in Egypt to make political headway in the Middle East, then covertly resell in a way that damages Egypt's normal markets.

True, the cotton which the Soviet Union has now contracted to sell to Germany may well be cotton actually grown in the USSR. Premier Nikita Khrushchev has been calling for larger and larger cotton crops, especially in Uzbekistan. But whether the cotton sold by the Soviets to Germany is from Egypt or Uzbekistan, in either case it shifts world market conditions. For the more cotton Germany receives from the Soviet Union, the less it is likely to buy directly from the Middle East.

Other countries have hardly fared better with Soviet trade. In speeches designed for foreign audi-

ences, Khrushchev often talks in glowing terms about the Soviet market and its thirst for goods of all kinds. And it is true that the USSR foreign trade has expanded. But it is also true that Soviet performance frequently fails to live up to advance billing.

Not too long ago, Khrushchev, accompanied by the then Premier Nikolai Bulganin, went to the United Kingdom with a widely publicized shopping list said to amount to 1,000 million pounds sterling (\$2,800 million). Most of the goods listed were not subject to the strategic controls which Britain, with other countries, maintains over exports to the Soviet bloc. But even though the USSR was free to make the most of its purchases, it has in fact bought little. British sales, according to the Financial Times, of London, have amounted to only a trickle.

Burma sold rice to the Soviet bloc—then found the same rice resold to Burma's traditional customers, India and Ceylon.

The reasons for such extraordinary trade practices lie in the basic nature of Soviet foreign trade and the motivations—by no means purely economic—behind it. Unlike most other countries, the Soviet Government exercise complete control over all trade transactions. Political motivations—that is, the world aims of Soviet leaders—by their own admission often enter into commercial deals. They may make political sense to Moscow but they defy economic common sense and often seriously damage the interests of other nations.

★

It is axiomatic that monetary and fiscal policy should help create financial conditions appropriate to the needs of the economy. In line with this view, the Federal Reserve Board (FRB) has just announced a new and double-barrelled step to further increase the supply and ease the terms of credit in the United States.

Involved is a reduction from 2.25 per cent to 1.75 per cent in the discount rate, the free charged commercial banks on loans from the Federal Reserve system. This reduction applies at present to five of the twelve Federal Reserve District Banks. But past practice has been for the other districts to follow suit eventually. The new rate, the lowest in effect since August, 1955, will make credit less expensive.

Furthermore the Reserve Board cut the reserve requirements by a full percentage for major banks in New York and Chicago, and by a half of one per cent for banks in other large cities. This reduces by these percentages the financial reserves these banks must hold against their demand deposits. The move makes more money available for lending or investing, and this serves to expand the supply of credit.

As a result of this latest reduction, some \$450 million in bank reserves would be freed. The "multiplying" effect of these funds, as they work their way through the bank-

ing system, could mean a potential increase in bank credit of some \$2,700 million.

The two-pronged action is the most ambitious the Board has yet taken to ease credit during the current business let down. The easing actually began some six months ago, when it became apparent that an economic adjustment was in the making.

The discount rate has been reduced four times since last November. Its present 1.75 per cent compares to the 3.5 per cent rate set by the Reserve Board in the summer of 1957, when strong loan demands constituted inflationary pressures in a thriving U.S. economy.

Reserve requirements have been reduced three times. The reductions have released to federal reserve member banks total reserves of about \$1,500 million, with a "multiplying" effect some six times that amount.

The creation of this pool of lendable funds at lower interest rates is regarded by FRB officials as a necessary preliminary for a sound business recovery. It has been accomplished in moderate, successive doses so as to avoid widespread monetary disturbances.

When other countries purchase gold from the U.S. treasury, they do so with dollars they have on deposit with U.S. banks. If the Reserve Board had not acted to increase commercial bank reserves, this kind of outflow could have shrunk the funds available for lending and thus led to a tightening of credit at a time when the Board was trying to ease it.

What has been the impact so far of the relaxation in FRB policy? Figures since last November show that most of the money released by FRB action has been put to good use. Even though business activity has been slipping, bank credit has been expanding, and borrowing in the capital markets by business concerns, state and local governments, and U.S. Government agencies have increased.

Of course, monetary and fiscal policy—as FRB officials admit—cannot by itself curb the excesses of boom or turn recession into recovery. But it can encourage business, individual and governmental units to make the kind of spending decisions which economic conditions call for.

★

Notice is being taken these days of a heretofore little-publicized but rather successful technique used by American companies to reach markets abroad.

This is the licensing of foreign operators, which is taking its place alongside expanded trade and direct investment in productive facilities as a means of spurring economic advancement around the world.

In fact, in many countries U.S. Embassies are reported to be hard put to cope with the swelling flood of requests from foreign companies for licenses to make U.S. products and for the technical know-how,

the skills and patented processes that accompany them.

A timely and comprehensive study—the first ever made—of foreign licensing has just been completed by the National Industrial Conference Board (NICB), a leading private research organization in the United States.

Based on reports from 240 American companies, the study—titled "Foreign Licensing Agreements"—finds a substantial increase in U.S. overseas licensing in the past dozen years or so. The increase seems to have been greatest in Western Europe, but countries in Asia, Africa and Latin America also have been taking advantage of the opportunity to obtain some of America's technological and managerial know-how.

Experience shows that these licensing agreements enable foreign companies to expand and diversify their production at relatively little cost. In addition, the agreements can be made flexible enough to suit the particular business problems of almost any company, and they can be used profitably by small as well as large concerns.

They have the added advantage, moreover of being relatively affected by trade, exchange, or investment restrictions. Thus, while licensing cannot and should not take the place of direct capital investment and trade, it can be an important supplement to these basic types of international commercial exchange.

In general, licensing agreements tend to run for 10 to 15 years. They usually involve such arrangements as cash and royalty payments by the foreign company to the American licensor in return for production and patent rights and technical, research and managerial assistance.

One example is an agreement concluded recently between a Japanese manufacturer and an American builder of industrial and construction machinery. The Japanese company obtained the rights to build the American company's line of products, and in return the American company received an interest in the Japanese firm plus an option to broaden its holdings if the arrangement works to the satisfaction of both parties.

Before entering on transactions like these, American licensors look for two basic prerequisites. For one, they must have confidence in the reliability of the foreign licensee, who are to a certain extent their partners in overseas dealings. For another, they must be reasonably certain that the foreign market involved offers room for long-term development. In most cases, these prerequisites can be met through careful negotiation and market analysis.

More difficult to arrange, perhaps, is the transfer of specific production know-how through a licensing agreement. But American licensors have co-operated with the licensees in applying their know-how in a foreign environment, where conditions may be somewhat different from those of the United States.

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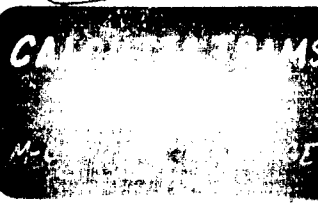
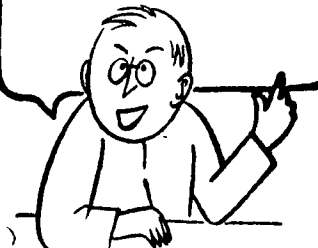
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On the whole, licensing arrangements have worked out well. The NICB study found that 60 per cent of the American companies surveyed are quite satisfied with their licensing experience, while another 30 per cent give qualified approval. This leaves only 10 per cent opposed. Despite some of the reservations expressed, most of the companies surveyed are interested in increasing their licensing operations.

Economists have noted some striking similarities between the current economic adjustment in the United States and the other relatively brief and mild postwar adjustments of 1949 and 1954. But one, in particular, stands out. It is that personal incomes have held up remarkably well—much better, in fact, than has national production.

Aside from the evidence this pattern offers of the limited nature of the present US business dip, economists see in it the effects of two special factors. For one, the flow of incomes to individuals has been supplemented to a notable extent by government transfer payments—mainly by unemployment compensation to persons temporarily out of work. This rise in government benefits has offset about one-third of the dip in other forms of personal income.

The second special factor is the relatively stability of corporate dividend payments to stockholders. This reflects both the usual lag in such payments and the fact that the proportion of corporate earnings paid out as dividends last year, as in most postwar years, was relatively low. Hence, companies have something of a "cushion" for the maintenance of dividend payments now.

Since the middle of last year, total personal income of all types has fallen at an annual rate of less than \$6,000 million, or only 1.5 per cent. The drop has been concentrated, however, mainly in durable goods industries. In other sectors of the economy, such as the distribution and service fields, payroll changes have hardly been evident.

While personal income has dipped only 1.5 per cent, total output of goods and services has declined about 3.5 per cent. And indicative of the more sharply defined drop in durable goods industries, industrial production has fallen more than 10 per cent.

Consumer buying also has been well-maintained, over-all, despite the noticeable decline in demand for such durable goods as automobiles and appliances. Total consumer spending today is only about one per cent below the record rate of the third quarter of last year. This reflects not only the high level of income in the face of the current recession, but also the general liquidity of consumer finances; figures show that total personal savings stand at an all-time high.

Consumer spending in the opening quarter of this year for non-durable goods—such things as food, shoes, and motor fuels—was very little below the peak reached in the third quarter of 1957, and was actu-

ally a little higher than in the last quarter of 1957. Meanwhile, expenditures for service—such items as education, medical care, recreation and home maintenance—continued to rise to new highs throughout the latter part of 1957 and the early months of 1958.

This kind of consumer behaviour is in line with discernible long-term trends. Economists have observed that shifts in the use of the consumer dollar trend to develop slowly in the United States. But durable goods expenditure are much more sensitive than other consumer outlays to short-run business changes, and this influence is usually felt rather promptly and sharply, the "postponability" of many durable goods purchases is reflected in reduced consumer buying for this type of product during periods of economic adjustment, and "catching up"—a renewed burst of buying—during ensuing periods of recovery.

Outlays for non-durable goods and for services, on the other hand, are strongly influenced by population and other growth factors. And hence are less sensitive to general economic conditions. In fact, spending on services has shown a virtually continuous increase throughout the past two decades, regardless of the economic climate.

These long-term influences, combined with the well-sustained level of total consumer income, have resulted in a healthy retailing situation in the United States. Merchants report that the economic dip has had only a small impact on retail business. In fact, when this year's rather poor automotive record is eliminated as a sales element, total retail sales have actually been higher in the past few months than in the corresponding—and highly prosperous—period of last year.

Britain

WHILE Britain's exports remained steady in the first quarter of this year, her total bill for imports was considerably reduced. This is confirmed by the Board of Trade on the strength of the full trade figures for March, when exports, at £278, 100,000, showed an increase of £13,000,000 and re-exports rose sharply to £16,100,000.

The first quarter thus sustained the United Kingdom in the substantial improvement of its trading position which developed in the final quarter of 1957. Although the long upward rise in exports then levelled off, they have run fairly steady since, with only a slight trace of a downward trend.

The volume of imports also has been steady, but their total, expressed in value, is well below the figure for the first quarter of last year because of the fall in world commodity prices and tramp and freight charges. Import prices are, at the moment, the most dynamic element in the situation, but it is gratifying for the United Kingdom that exports have been maintained so well in the current period of recession in world trade.

Indian Finance

A striking feature of the "area pattern" of United Kingdom trade in the first quarter was a rise of 9 per cent or £3,500,000 a month in exports to the dollar area. Total exports to the United States were up by 13 per cent, and to Canada by 5 per cent. Quarterly shipments to the Sterling Area were up by 4 per cent on a year ago, thanks particularly to purchase by South Africa, Australia, and New Zealand.

BOOM IN MOTOR EXPORTS

The "commodity pattern" of trade shows engineering products to be up by 8½ per cent on the first quarter of last year: at £355,000,000 they broke their quarterly record.

The outstanding feature was the boom in the export of cars to dollar markets. The Society of Motor Manufacturers and Traders reports that of the 132,323 British cars exported during the quarter—its record figure no fewer than 37,000 were sold to the United States alone. There was also a record number of commercial vehicles exported—39,000 in the three months.

The total value of all exported motor products was £130,000,000, the Society adds. The increase in sales to the United States and Canada was, respectively, 83 per cent and 72 per cent over the figures for the same months of last year.

Aircraft and machinery made other large contributions to Britain's export trade in the quarter.

STEEL INDUSTRY RECORD

The annual report on the British iron and steel industry, just published, shows that throughout 1957 Britain's steel production was consistently higher than the previous year's and her total exports of steel in the year were the best since the war.

Though production suffered in the closing months from the tighter credit "squeeze", it reached a record total of 21,700,000 tons; and exports, at nearly 4,000,000 ingot tons, reached a high level. Exports to Western Europe were up by some 40 per cent on the 1956 figure.

These improvements accompanied a sharp fall in imports of steel.

A huge mechanical monster—the largest crane of its kind in the world—will be on show at the Mechanical Handling Exhibition in London next month, on its way from its "birthplace" in the North of England to its job at the Durgapur steelworks in West Bengal.

The monster is a Diesel-electric self-propelled rail crane, and is likely to be one of the biggest and most impressive exhibits at the show.

It weighs 85 tons; can lift more than 40 tons; and its jib reaches to a height of 125 ft. Though designed to run on rails under its own power, it is at present making the 270-mile journey from Darlington to London by road, on a 70ft low load-lifter. At the Mechanical Handling Exhibition, which opens on May 7, it will be displayed in the open forecourt of Earls Court.

May 3, 1958

INDIA
Oberoi Imperial, New Delhi • Oberoi Maidens Delhi • Oberoi Swiss, Delhi • Oberoi Cecil, Simla • Oberoi Clarke, Simla • Oberoi Palace, Srinagar • Oberoi Grand, Calcutta • Oberoi Palm Beach, Gopalpur-on-sea • Oberoi Mount Everest, Darjeeling • Oberoi Mount View Chandigarh

PAKISTAN
Oberoi Cecil, Murree • Oberoi Flashman, Rawalpindi • Oberoi Deans, Peshawar • Oberoi Paletia, Lahore

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ON NO aspect of the question of internal resources for the financing of the Second Plan is there such confusion of thought as on the tax effort involved in it. Part of the reason for this confusion is that people react emotionally rather than think rationally when the question comes up for discussion. Such conditioned reflexes are, let it be said in fairness, as much of those in authority as of the tax payer. There is perhaps nothing surprising in this since taxes hurt people at places where they are most sensitive, since they involve an involuntary and perhaps unwilling parting with money. As for authority, one would imagine, to judge by some of its acts, that this very reluctance puts its back up and so it thinks up new levies that do not necessarily have anything to do with declared purposes. It is, therefore, necessary to examine, firstly, the necessity of the various new taxes proposed in the last two years; secondly, to attempt to indicate the point beyond which it ceases to be a necessary burden and becomes a sadistic imposition; and, thirdly, to see how administrative endeavour can, in diverse ways, reduce the quantity and change the quality of the heart-ache involved in tax paying and tax gathering.

Let us first take up the question of the necessity of the new tax proposals. These proposals have, as often professed by those in authority, a three-fold purpose. They are, in the order of importance, to collect more revenues needed for financing the Plan, to make the tax structure more broad-based, and lastly to make the structure, especially that of direct taxation, an integrated one. I do not think that any one can seriously quarrel with the first of these justifications. The Plan's needs are paramount, and we can and should make our best efforts to obtain the resources needed. Neither the counsel of despair of abandoning or jettisoning the Plan nor the easy way of obtaining money from abroad can be accepted with self-respect. But, what are the needs of the Plan? If I can show that the needs of the finances for the Second Plan have already been more than provided for, then, it will be a moral duty on the part of authority to give relief in taxation to the extent the anticipated

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

receipts are in excess of the needs. (Of course, the nature of such relief will have to be such as not to defeat the other purposes of the new tax proposals). Let us now consider the figures.

Last week, I had indicated how the tax efforts so far put forth by the Centre will account for the bulk of the targeted additional tax yield. Let me recall the figures. The Planning Commission's estimate of the finances from tax for the Plan was Rs 800 crores. Of this, only Rs 450 crores were to be had from additional taxes. As I showed last week, the Centre's efforts alone have accounted for Rs 703 crores from new taxes. This amount of Rs 703 crores is made up as follows:

	Rs. crores
1. Yield from new taxes of the 1956-57 Budget, estimated at Rs 34 crores annually; so, for the Plan period ..	170
2. TTK's 1956 mid-year excise levies and customs duties (after adjustment of current reliefs) ..	195
3. New taxes of the 1957-58 Budget estimated at Rs 80 crores annually; so, for the Plan period ..	320
4. 1958-59 Budget estimate for new taxes at Rs 6 crores annually; so, for the Plan period ..	18
Total ..	703

This does not include the tax effort by the States, which the Planning Commission put down at Rs 225 crores for the Plan period. The position that emerges from the figures is, therefore, such as to confound both the Government and the critics of Government: the Government, because of the impression that they give all the time that the screw has to be tightened, since they are starved of funds; and the critics, because they keep on saying that a tax effort of this magnitude is incapable of realisation. What ought to be said, of course, is that you have all you need, and, therefore, go easy.

So far, about the financial needs of the Plan. But the second justification of the new taxes is that it is necessary to broaden the

base of the tax structure. This argument, conceded to be sound by the Taxation Enquiry Commission, involves a variety of indirect levies which will seep down to the entire economy. It is no doubt true that the levies are likely to increase the burden on the poor man, but that is inescapable in any development effort of an underdeveloped economy. By and large, the importance of the excise levy is on the increase, and, in the years to come, its more burdensome impact will be less keenly felt because of the increase in general prosperity. So, the new taxes pass the test in this particular regard.

The third justification for the new taxes, especially of the direct kind, is that, in their totality, they provide a close-circuit tab on the economic activity of any particular money making and wealth producing apparatus. The chief virtue of the integrated tax structure, at least theoretically, is that it makes tax evasion difficult, if not impossible, because of the self-checking mechanism provided by the data supplied for the different, but complementary taxes. Thus, a man attempting to evade income tax will be caught out—on the assumption that all the data are available to the tax gatherer—in either expenditure tax or wealth tax, since he will be hard put to it to explain his excessive expenditure or excessive net wealth relative to his declared income. Likewise, gifts tax helps us in dealing with evasion of estate duty, and an understatement in the Wealth Tax return takes its perhaps delayed revenge in capital gains tax. It is needless to labour the theoretical point. The only question is whether the concept of close circuit is as complete in practice as it is in theory. Partly because of the endless resourcefulness and resources of wile of the Indian tax payer (!), and partly because of lack of uniformity in the range of the various levies, there is still room for dodging the various theoretical check points. In other words, it is not that the net of taxation is not wide, or that it has too many holes in it; my complaint rather is that there is not one net, but different nets of various sizes. The whole idea behind the integrated tax structure was that it must be

a single net with no rents in it. As it is, evasion in the middle regions cannot be effectively checked, for, as the law stands at the moment, it is possible for many people on whom it is worth while having a tab (from the tax point of view) would not be assesses for all the taxes and so no such tab can be had. Secondly, the rates of taxes being of varying onerousness, the evader would still get away with it by so presenting his affairs as to attract the lesser among the several "evils".

But these are all matters of detail, of which the taxing authorities are doubtless keenly aware. And, over a period of years, experience will suggest its own remedies. But the principal merit of the integrated tax scheme is to be able to obtain as much data as possible from the tax payer from his own mouth. And if he tries to lie, he will be caught in his own meshes. So, the somewhat paradoxical purpose of the new taxes is to bring in more revenue from the old taxes. There is every reason to hope that this expectation will not be belied, and, to the extent this happens, the justification of the new taxes from the point of view of the need for additional revenue is reduced.

If this hope of additional revenue from old taxes is not realised, then, it can be due to one of three reasons. First, there is no present tax evasion worth the name. Second, the integrated tax structure still leaves room for evasion. And third, the apparatus for collection is either inadequate or inefficient or both. The second of the alternatives, I have already considered at some length in the earlier paragraphs: as I said, while there is certainly room for streamlining the new measures, it is beyond doubt that its usefulness, even in its present form, is considerable. As for the first possibility of the reports of current evasion being exaggerated, it has merely to be stated to be laughed away. No one with the barest acquaintance with the facts of the situation can accept the proposition. Successive Finance Ministers, not to mention impartial observers like Professor Kaldor, have gone on record that tax evasion is rampant, though, of course, there is considerable variation in the esti-

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mate of its extent. Indeed, the principal justification of the new taxes was that it helps the tax gatherer to detect such evasion.

We are, therefore, left with the third of the three alternatives, that the administrative machinery engaged in tax gathering needs to be strengthened. On the question of inadequacy, I have written often enough. Considering the amount and quality of the work of this department, it is perhaps the most lamentably served even in the matter of simple facilities like space and equipment. A visit to any income tax office will make you wonder how in heaven's name do these people manage to do even as well as they are now doing. Several officers sharing the same

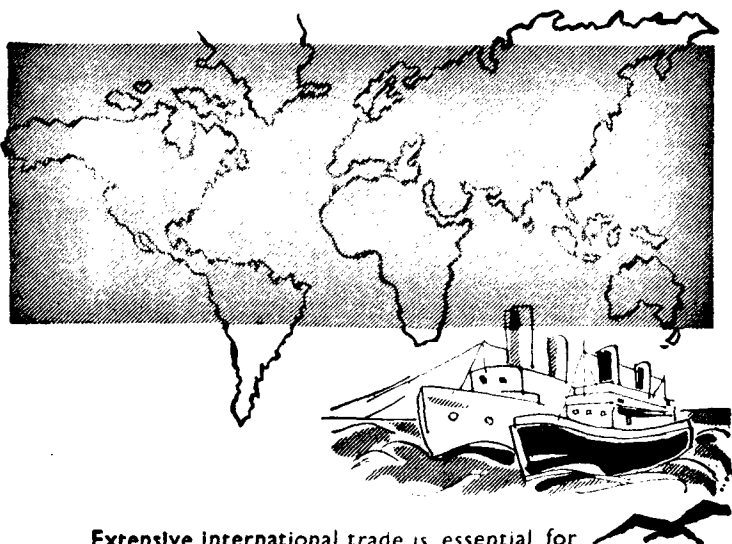
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Indian Finance

munerated commensurate with his responsibilities?

I have never been able to understand this parsimony in the matter of expenditure for tax collection. After all, the more efficient you make the machinery by streamlining it, the more taxes you collect. It is notorious that the percentage collection cost to total revenue collected in India is among the lowest in the world. It would be foolish to consider this as a matter for gratification in the context of admitted tax evasion. There is real need to increase the number of the personnel and provide them with reasonable conditions of work.

And lastly, it follows from the logic of the overfulfilment of the targets of yield from taxes indicated in the earlier paragraphs, that the question of incentives for more production by appropriate tax reliefs should be given serious thought by Government. It cannot be denied that Indian taxation has encroached on incentives to an extent that makes it self-defeating. So, if the tax reliefs urged do not interfere with the other justifications, the case for them becomes irresistible. I do not want here to go into the question of what would constitute such reliefs. But, in any such list of desirable reliefs that do not interfere with the central purposes of recent taxation would be, firstly, the tax on excess dividends; secondly, the tax on bonus shares (which really has no

case whatever); and thirdly, wealth tax on companies (which is inequitable in that it constitutes double taxation, once on the shareholder and again on the company in respect of the same item of wealth).

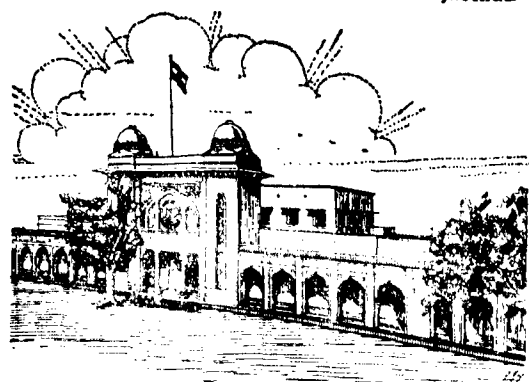
Let me, in the manner of the Hitopadesa, draw the moral of it all. (I do this with no sense of incongruity since the whole purpose of this series is didactic and homilistic). Indefatigable energy has been shown in levying new taxes. Equal energy is necessary in making the tax collecting machinery more adequate to its tasks, and in the restoration of incentives by intelligent repeal of taxes not forming part of the integrated tax structure.

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GATEWAY GOSSIP

THOUGH we are still a long way from exploiting all the mineral wealth in our country, what has been already located is by means of meagre proportions. For instance, the known iron ore deposits in the country are vast enough to feed quite a large number of indigenous iron and steel factories and still leave a very large quantity for exports. As our iron ore is of very high quality, it is in great demand from overseas consuming countries. In the present context of stringency of foreign exchange, iron ore exports have gained special importance. Knowledgeable circles believe that by sizably increasing our exports of iron ore the nation can successfully solve the urgent problem of shortage of foreign exchange.

Another kind of ore that is found in abundance in our country is manganese. Deposits of manganese occur in many parts of India and such deposits are particularly noteworthy in Madhya Pradesh, Orissa, Bombay, Madras, Andhra and Mysore. This ore is largely used by the steel industry and in the absence of a large iron and steel industry in the country, manganese ore has been figuring as an important item in our exports. Being of a high quality, manganese ore from India is in great demand from the world steel industry. Even today our country ranks among the largest producers of manganese ore and continues to export the bulk of its production. Export of this ore is today placed at about one million tons valued at Rs 10 crores. But in recent years the question of manganese ore exports has come to be viewed in the context of the industrialisation of the country. In the first place, as we ourselves are fast expanding our iron and steel industry, manganese will be required in increasing quantities for our own use. Secondly, it is much more advantageous to export ferro-manganese for the production of which the manganese ore is imported by the steel industry of the world. With the large availability of electric energy in our country, the establishment of ferro-manganese plants has become feasible. The first ferro-manganese factory under the aegis of the Tata Iron and Steel Company has come into commission a few days ago at a place called Joda in the State of Orissa where the company has its own manganese mines. Government have also granted licence to another firm for starting a similar factory in Central India.

In view of these developments, it has become incumbent on Government to pay more attention to the conservation of manganese ore. Exports of manganese ore can only be considered as a waste of a valuable national asset. Moreover, it has been found that though

Problems of Manganese Ore Trade

our manganese ore deposits are quite considerable, not all of them are high grade. As a matter of fact more than half of them have a manganese content of 30 per cent or less. As low grade ore is not suitable for the manufacture of ferro-manganese overseas consumers are generally interested in our high grade ore. Now that we have our own ferro-manganese plant and as this new industry is growing, it is necessary to conserve high grade ore. Under the Second Plan, it is proposed to attain a target of 160,000 tons of ferro-manganese. Of this about 60,000 tons will be consumed internally leaving 100,000 tons for export. It has been estimated that the export of ferro-manganese instead of ore will triple our foreign exchange earnings. Presently, however, we are not yet in a position to export any quantity of standard grade ferro-manganese and even at the end of the Second Plan the quantity that will be available for export will come to only 10 per cent of the quantity of ore that is being exported now. Hence manganese ore exports have to be continued after taking necessary safeguards to conserve high grade ore for domestic utilisation at a steadily increasing level. It would appear that until effective steps are taken for the upgrading of the low quality ores through beneficiation, great care must be taken in the matter of exports of high grade ore.

As has been pointed out earlier, by virtue of its position as a large producer of good quality manganese ore, India has long obtained an important position in world markets. India is supplying manganese ore to the world steel industry for the past 60 years or so. Consequently the trade in this commodity is also well developed in the country. In the past one decade tremendous changes have taken place and the considerations which govern matters have consequently also changed radically. The export of manganese ore is a matter that has required special attention because of the importance of the ore to the national economy.

Speaking at the Annual General Meeting of the shareholders of the Shivrajpur Syndicate Limited, the Chairman, Mr A. N. Haksar has pointed out that the Manganese ore export trade in the country is currently meeting with various difficulties some internal and some external. In the first place Indian manganese ore is meeting with stiff competition in overseas markets. This is due to the fact that new deposits are being opened in other countries. Competition from Brazil has increased sizably in recent years. Whereas this country before 1954 was a small producer of ore, has today become India's

most serious competitor. This is evident from the fact that of the total import of ore containing 35 per cent or more manganese imported by the USA in November last, Brazil has supplied 29 per cent, India 23 per cent, Ghana 11 per cent while other countries such as the Union of South Africa, Belgian Congo, Turkey, Cuba, Portuguese Africa, Morocco, Chile etc accounted for the remainder. Another important reason for the slackening of demand for the ore in Overseas countries is the decline in offtake of medium and low grade ores from the USA. The lower offtake is attributed to the recession which is evident from the fall in steel production in the country. This country which is the world's largest steel producer is producing steel at the rate of only 53 per cent of its installed capacity. It is said that even if the production increases immediately the stocks of manganese ore held in the country will be sufficient to meet the steel industry's requirements for the next five or six months. Mr Haksar has drawn pointed attention to the fact that the "fortunes of the Indian manganese ore Export Trade is largely dependent upon foreign buyers whose activities, in turn, are dictated solely by the demand of the steel industry, especially in the USA." While the immediate prospects do not seem to be quite bright, there are indications that the demand will improve toward the end of the year. In this regard it is to be remembered that the Government of India are also taking steps to promote manganese ore exports. The Indian manganese ore industry is keenly awaiting the outcome of the negotiations of the Government of India with the Government of USA for the sale of low and middle grade manganese ore in exchange of wheat. Though this move has imparted some steadiness to the trade, the position is rendered somewhat un-

certain by the conflicting reports about the successful conclusion of the Barter deal.

Among the internal inhibitory factors Mr Haksar lists first the activities of the State Trading Corporation. There has been noticeable a distinct tendency on the part of the country's traditional buyers in foreign countries in recent years to procure their requirements from sources other than India. Mr Haksar attributes this to the introduction of State Trading in Manganese ore. Foreign buyers do not seem to like the idea of trading with a State owned body. Further the STC, it is alleged, instead of exploring new avenues for export has in fact merely displaced existing interests. Another reason why foreign buyers prefer to deal with private interests is these interests are directly connected with the actual mining operations and have besides long experience in the trade. While it is to be admitted that there is room for modification of the activities of the STC in the light of the experience of its working in the past two years, it may be difficult for one to agree with Mr Haksar when he says that Export restrictions on manganese ore should be abolished. The Movement Quota restrictions may perhaps have no justification on the Western Railway where it is said the wagon position is very much easier than in other sectors. As regards the abolition of the restrictions on exports it has been noted earlier in this article that the matter of exports is to be considered in the context of the larger national interest. In this regard it may be interesting to note that Sir Jehangir Ghandy has recently pointed out that active steps should be taken to conserve high grade manganese ore in view of the growing demand for such ore in our country itself and the rather limited supply of high grade ore.

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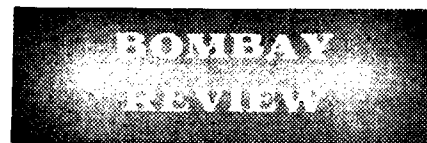
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THE State Trading Corporation has been started with the twin objective of safeguarding the interests of the consumer and enabling the nation to engage in trade with countries where the trade is the preserve of Governments. But in actual practice the Corporation has simply expanded its activities without paying much heed to the convenience of the consumer. Businessmen complain that the present position is that it is functioning as a powerful competitor to private trade. While the benefits that have been expected to accrue to the general public have yet to be seen, there is a growing feeling in the country that its activities have brought some important sectors of business in the country into grave jeopardy. In this connection it is pointed out that part of the present troubles of the cement industry has been brought about by the Corporation's interference in the working of the industry. The selling price of cement was increased to bring it on a par with the landed price of imported cement but the Indian producer was not allowed any portion of the enhanced rate. The higher selling price has continued even after imports have been stopped.

Those who are well-conversant with the ore export trade say that after the advent of the State Trading Corporation India's exports of certain kinds of ore have declined. It is said that the main reason for this is the reluctance of many of the foreign importers to deal direct with a Government body. They seem to prefer to do their business with exporters and mine owners who have been in the line for a long time and as a consequence will know their exact requirements. Speaking at a city convention on State Trading Mr S. C. Bose, President of the Utkal Mining and Industrial Association, said that nearly 30 per cent of the iron ore mines had stopped production owing to the entry of the State Trading Corporation into the ore trade. He also complained that the Corporation was taking undue advantage of its position as a Government sponsored organisation to get special facilities in railway transport. It would appear that the STC deals in steel have also been not quite to the advantage of our country. Moreover, it is said that in its barter deal with Russia in pepper it has imported a lot of machinery which is practically useless.

Whatever may be the justification for the State participation in trade, there can be no two opinions on the need for entrusting the trade both internal and external to persons and organisations which are well versed in each and every line of trade. It is also incumbent on Government to withdraw from those lines in which foreign consumers show a marked preference to private traders. In any event, as Mr N. Dandekar has pointed out, there

State Trading Corporation

should be "demonstrable justifications" of any trade taken over by the State as being in the best interests of the country at large.

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Cooperative Movement

Speaking at a meeting of the Maharashtra Divisional Cooperative Board, Ahmednagar, Dr Panjabrao Deshmukh, Union Minister for Cooperation has said that State participation in the Cooperative movement will not result in Government domination. This assurance will be welcomed by the generality of people in the country: for, the cooperative movement is considered to be the best method to achieve the goal of a socialistic pattern of society in a democratic way. A restatement of the role of the State in the growth of cooperation has become necessary because there is some apprehension that by virtue of their active participation in it, Government will steadily come to exercise control over its day to day working. While inaugurating the third All India Cooperative Congress in New Delhi early this month, Prime Minister Nehru has opined that State-sponsored cooperatives have done infinite harm as they do not allow people to develop the spirit of self-reliance and self-dependence. He has also admitted that by accepting and implementing some of the recommendations of the Rural Credit Survey Committee, Government have only helped to push the movement in the wrong direction.

Mr K. D. Malaviya President of the All India Cooperative Union has also viewed with concern the growing official influence and domination over the movement. Apart from Government control, the movement has been weakened by the lack of attention on organisational matters. While the removal of official interference is bound to go a long way in aiding the natural growth of the movement, it is to be noted that the main responsibility for fostering its expansion should be borne by the movement itself.

It is, therefore, gratifying to note that Dr Deshmukh is "determined to see that State participation or assistance does not mean unnecessary and illegitimate State domination". The cooperative movement must remain as a "people's movement, meant for the people and run by the people". The fact that assistance from Government is taken should not be allowed to jeopardise the autonomy of the movement. There is, however, urgent need for realising that the movement can make good progress only when people participate in it with enthusiasm.

Maharashtra is one of the regions in the country where a proper atmosphere for the growth of cooperation seems to have been created already. The movement has made rapid strides here and cooperatives are

playing a vital role in meeting the credit needs of cultivators. The truth of this statement is borne out by the fact that a large number of sugar factories on a cooperative basis have been established in this region. Of the 50 cooperative sugar factories proposed to be set up in the country, 14 will be in Maharashtra. Dr Deshmukh has pointed out that there is immense scope for expanding cooperation in the industrial field. In this connection he has suggested the establishment of a paper mill utilising bagasse from the sugar factories and a jute mill on a cooperative basis.

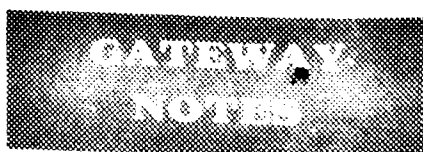
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Bharat Sevak Samaj

When it is said that the success of the Second Five Year Plan depends on our ability to find the necessary resource, it is generally taken for granted that the people at large will extend their fullest cooperation for the various development works. The Planning Commission have, however, been quite precise on this point as they have recognised that adequate resources alone without the people's initiative and cooperation will not ensure the success of the Plan. In this regard they have pointed out that concerted efforts should be made to inculcate among the people a spirit of social service. It has been found that this great task can best be accomplished by non-political and non-official organisations such as the Bharat Sevak Samaj.

The urgent need for arousing popular initiative for the Plan has been emphasised by Mr Morarji Desai in his inaugural address to the first conference of the Gujarat Bharat Sevak Samaj early this week at Ahmedabad. He has pointed out that the success of the Second Plan depends largely on the active participation of the people in the development works. In this view it would appear that the problem of canalising the energies of the people in cooperative effort is even more important than the problem of resources.

It is, therefore, gratifying to hear that the Planning Commission have approved a scheme for effecting a reorientation in the structure and method of working of the Bharat Sevak Samaj. According to Mr Gulzarilal Nanda, Chairman of the Samaj, this organisation proposes to set up village units which will work in perfect coordination with official institutions like the panchayats and share the responsibilities of development tasks in a mutually accepted programme. One of the main objectives of the Samaj is the maximum utilisation of all the available resources. In ensuring this it will work hand in hand with local institutions taking care that there is no overlapping or duplication of activities. Its primary task, however, will continue to be the



creation of a proper atmosphere for the functioning of the official agencies.

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Development of Vidarbha

The Government of Bombay are taking energetic steps to promote industrialisation of the State as a whole. Various facilities are already available from state sponsored institutions for private enterprise to embark on new projects. In their endeavour to quicken the pace of development the Bombay Government have taken special care to see that all regions get equal and adequate facilities. Government have now opened a branch of the State Financial Corporation in Nagpur with a view to assist effectively in the industrial development of Vidarbha. Dr Jivraj Mehta State Finance Minister. In the course of his speech at the opening ceremony of the branch has disclosed that branches of the Corporation will soon be opened in Kolhapur in Maharashtra and Ahmedabad in Gujarat. Referring to the prospects of industrialisation in Vidarbha, Dr Mehta has pointed out that there is vast scope for starting new industries in the region because of its abundant natural wealth. The Government have already issued licences for the starting of a ferro manganese plant, a cement plant and a plant for the production of cotton oil. It is to be noted that Vidarbha is the only region in the State which has iron ore and coal.

Allaying apprehensions about the decline in importance of Nagpur as a result of States Reorganisation, Dr Mehta has cited facts and figures to show that actually the city has continued to record progress. Far from jeopardising the growth of the region, integration has improved the chances of its rapid development as it has now the advantage of coming into close touch with contiguous areas as also obtain the great facilities available in the city of Bombay. Referring to the facilities available for the different kinds of entrepreneurs for starting new projects, Dr Mehta has made particular mention of the working of the State Financial Corporation. In this regard it is to be noted that the Corporation mainly caters to the needs of small scale industries for the simple reason that these industries offer great scope for enlarging employment opportunities. Moreover, the development of small scale industries has attained special significance in our country after the adoption by the nation a socialistic pattern of society as its objective. Dr Mehta has drawn attention to the fact that the Bombay State Financial Corporation is the first of its kind to raise more than Rs 116 lakhs by issuing bonds, besides having a paid-up capital of Rs 2 crores. Its financial transactions now aggregate Rs 321 lakhs in loans.



THE Cotton market in Bombay is still in a state of panic due to accumulation of heavy stocks of raw cotton with the trade as spinners have continued to follow a policy of hand-to-mouth. Crisis of confidence has been created in the trade as demand for ready cotton is at an extremely low level. Even low prices have failed to attract demand from the mills and in view of the restrictive policy of advances by the banks against commodities, trade has been finding increasingly difficult to finance the accumulated stocks. Reports from Gujarat indicate that, unless stocks start moving, distress selling on a large-scale may develop in the near future.

Cotton varieties worst hit were mostly from Gujarat and Saurashtra and rumours are current that a delegation on behalf of growers will soon wait on the Government to ask for an export quota of Kala Gin and Wagad through Saurashtra Ports. Again, reports from Ahmedabad indicate that there is a heavy accumulation of Kalyan cotton with the mills and growers, and prices have declined by about Rs 30 per candy. Bengals have, however, remained unchanged on account of good enquiries from shippers for immediate shipment.

Shippers are, however, disappointed to see that the Government of India have not yet announced an export quota for staple cotton. The extension by a month in the shipment period allowed in respect of export of 50,000 bales of Bengal Deshi, released in October last, went unnoticed in view of the fact that more than 44,000 bales had already been passed for shipment. The quantity passed for shipment in respect of a similar quota, announced in February, was, however, only 7,440 bales although more than 48,000 bales had been licensed for export till April 24. On the other hand, many mills have preferred to defer their purchases of the raw material, being unnerved by the obscure textile outlook for the current year as reflected by growing accumulation of cloth stocks and a fall in output in the first quarter of the year.

While mills are eagerly awaiting the Government's permission to import US cotton, efforts are being made to evolve a simpler method for the payments procedure for Egyptian cotton. It is learnt that the payment procedure will now be repaced by an easier method. It is also understood that 13,60,000 Egyptian pounds have been credited to the State Bank of India in advance by the National Bank of Egypt and will be made available to Indian importers to enable them to import Egyptian cotton. The amount thus credited will be adjusted later by the National Bank of Egypt against the earnings from exports of tea and jute goods from India. The National Bank of Egypt will, it is reported,

shortly, notify the exchange rate between the Egyptian pounds and Indian rupees to the State Bank of India. It is not, however, known whether such a rate will be a fixed one or subject to daily fluctuations.

Meanwhile, private cable advices from Alexandria suggest that the Alexandria Cotton Exporters' Association has issued somewhat non-committal instructions to their members, stating that the offers for Egyptian cotton will be made by shippers in Egypt after deducting a discount of 20.95 per cent. The circular further states that Indian buyers have been provided with an option either to remit to exporters Egyptian pounds or pay in rupees to the State Bank of India which, in turn, will direct the National Bank of Egypt to pay exporters the counter value in Egyptian pounds plus 26.5 per cent premium.

Although the cotton market turned panicky, there was a partial recovery towards the close. The recovery movement was initiated by the nearby delivery where short-covering was induced by proximity of the delivery period. A part of the buying was also attributed to the Union Transport and Communication Minister's assurance in Parliament that the Government would have to think of other steps if the recent excise duty relief did not bring about the clearance of accumulated stocks. Turnover was 20,000 bales. ICC Jharilla May delivery, after dipping to Rs 640.50, recovered to Rs 647.75 at the close. August delivery, after touching a high of Rs 660 and a low of Rs 653.50, finished at Rs 659.75.

In the Spot market, demand was generally poor although some mills showed interest in Laxmi, Vijaya, Surti and Kalyan styles towards the close of the week.

On the Export front, modest demand was noted in Bengal Deshi and prices remained unchanged. In the foreign cotton section, a very small business was reported done in AR/BP/52 and AR/Jinja for May/June delivery. There was small buying of spot lots of Californians, while other growths did not attract any enquiries.

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CROP ESTIMATES:

The Indian cotton crop estimate for the current season 1957-58 has now been revised to 49.45 lakh bales. This estimate had been placed before the Cotton Advisory Board which met last week. The variety-wise break-up of this estimate is as follows (in lakhs bales of 400 pounds each):—Madhya Bharat 4.25; Madhya Pradesh 10.00; Moglai 2.00; Khandesh 2.50; Pandharpur 0.35; Punjab 9.50; Rajasthan 1.75; Uttar Pradesh 0.40; Vijay 4.65; Surti 1.25; Kalyan 1.75; Wagad (Saurashtra) 1.40; Wagad (Kutch) 0.15; Kala 0.55;

Mathia 0.40; CO/2 (Kutch) 0.10; CO/2 (Saurashtra) 0.45; Andhra, Western, Laxmi and Jaydhar 2.80 and Madras and Mysore 3.70. Total 49.45.

According to the International Cotton advisory Board, significant progress has been made in correcting the imbalance between the supply and demand position for world cotton in the 1957-58 season. World production and consumption are estimated at 39.4 million bales and 41.8 million bales as compared to 41.2 million bales and 42.1 million bales respectively in the 1956-57 season. With the production of cotton lagging behind consumption by 2.4 million bales, stocks are expected to decline to their lowest level of five years. World stocks of cotton, at the end of the 1957-58 season, are estimated at 20.5 million bales as compared to 23.1 million bales at the end of the previous season. Expressed in terms of consumption, stocks will represent less than six months' supply, which is considered close to normal stocks.

In the view of the Committee, there is no longer any surplus of good grades; and the surplus situation in the extra long-staples has been relieved somewhat by the abnormally small crop in Sudan. As regards production prospects for the next season, it appears that there can be a further reduction in planted acreage under cotton in the USA in the next season, though pressure is being brought on the Government from producers and consumers to allow some increase. Marked expansion in cotton acreage is, however, expected in Mexico.

CLOTH AND PIECEGOODS:

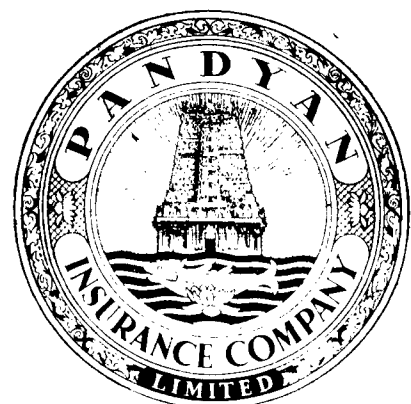
Steady conditions prevailed in the Bombay Piecegoods market. Although the consuming centres have continued to evince interest, turnover is reported to be a little lower. Prices have, however, remained unchanged. The demand has been more pronounced in respect of fine and superfine goods, thanks to the seasonal factor. Dealers are of the opinion that the offtake will improve before the monsoon sets in. Popular mills have continued to book business for delivery of goods up to July. The forward business is said to be done at the current level of prices. However, general opinion is that trading conditions are quite satisfactory.

On the export front, conditions have not yet improved. Shippers have pointed out that foreign enquiries are very much subdued. In view of the unsatisfactory trend of cloth shipments, it is feared that the overall performance for the year will be discouraging. Only scattered enquiry is reported from abroad. It is believed that some more time will elapse before the Burmese authorities issue licences for the import of textiles.

With exports of 52 million yards of cloth valued at Rs 3.37 crores in March 1958, total shipments of cotton textiles from the Bombay Port, in the first quarter of the year, have declined sharply to 165.42 million yards valued at Rs 10.82 crores from 239.25 million yards worth Rs 16.45 crores in the corresponding quarter of last year. The decline in exports is shared by all grades of piecegoods; but it is marked in the case of greys.

SERVICE AND SECURITY

FROM



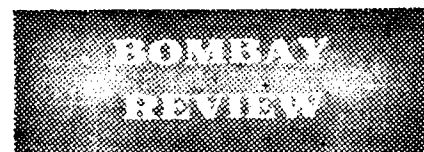
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Subdued Sentiment in Oilseeds

SENTIMENT on the Bombay Oilseeds Exchange remained subdued following the continued easy conditions in the ready section. With the approach of the maturity of the current contracts, interest has generally shifted to the possibility of spot offerings against forward sales. A substantial portion of the outstanding business in various oilseeds has either been squared up or carried forward to distant contracts after their start a few days ago, while the settlement of the balance will depend on the future behaviour of the market.

With most of the short position covered and no fresh buying coming forth, Groundnut declined further after higher opening. Initial firmness attributed to heavy short-covering, induced by fears that bulls were steady to weigh over at the maturity of the contract, proved abortive. A sharp decline in cotton, heavy arrivals of groundnut kernels in the Madras State and the break in rapeseed prices in North India continued to act as deterrents. May delivery closed at Rs 168.25, the highest and the lowest levels touched being Rs 168.75 and Rs 167 respectively. In the ready section, Bold quality was quoted at Rs 34 and Groundnut Oil at Rs 18.37.

The slackness in exports of castor oil imparted a bearish undertone to the Castor futures market. Some of the mills holding limited supply of castorseed, were stated to be potential tenders in view of the fact that it was becoming increasingly unremunerative to produce oil. Moreover, the USA showed little interest, while the UK was reported to have bought only a small quantity of commercial oil at £116 per ton c.i.f. in bulk. On the whole, traders were inclined to be cautious. May delivery closed at Rs 147.25, the highest and the lowest levels touched being Rs 147.25 and Rs 146.75 respectively. The ready rate was quoted at Rs 29 and Castor Oil, commercial quality, at Rs 15.12.

In the Linseed section, Bombay had been nursing a substantial quantity which might be offered on account of the depressing outlook for linseed oil exports. Australia was reported to have bought 240 tons of linseed oil from Calcutta at £113 per ton c.i.f. in bulk. But, the small quantity covered up by the deal failed to cheer up traders. May, after touching a high of Rs 29.81 and a low of Rs 29.62, finished at the latter level.

Gold & Silver

On the Bombay Bullion Exchange, the spot section remained generally depressed, while forwards were more or less maintained. Trade ideas of increasing influx of Tibetan coins and slow demand in gold were the main influencing factors.

Arrivals and offtake in Silver were estimated around 16 and 8 bars respectively. Forward silver opened

steadily at Rs 195.69 and reacted to 195.44 at the close due to profit-taking. The highest and the lowest levels touched were Rs 195.81 and Rs 195.25 respectively. Valshak and Ashad deliveries were placed at Rs 197.81 and Rs 194.12 respectively. Spot rate was quoted around Rs 198.69.

Arrivals and offtake in Gold were estimated at 4,000 and 3,000 tolas respectively. Forward rate opened at Rs 111.50 and, after touching a high of Rs 111.53 and a low of Rs 111.31, finished at Rs 111.37. Valshak and Ashad deliveries were placed at Rs 112.81 and Rs 110.75 respectively. Spot changed hands at Rs 114.12 to Rs 114.50, while Sovereign remained very steady at Rs 72.50.

Yarn

Prices in the Yarn market have generally developed an easier tendency, mainly due to consumer resistance at higher levels and to reports from abroad that prominent rayon yarn manufacturers have reduced their prices. It is stated that several Continental manufacturers have slashed prices by 3 to 4d per pound for popular deniers following the recent bulk deal entered into jointly by several mills in Bombay. Holland is reported to have figured in this deal for goods worth about Rs 25 lakhs at 39d per pound for 120 denier and 43d for 100 denier. Some of the Italian producers have indicated 38d per pound for 120 denier and this has inspired the French and

Swiss manufacturers to quote 37d and 36d per pound respectively. The tendency in Belgian and English yarn has also been generally quiet.

The demand from India has shrunk quite sharply, because of the progressive reduction in import quotas and the ban on imports by established importers. The recent tendency in the country to import more yarn than viscose yarn has also aided the downward tendency. It is, however, generally agreed that prices will stabilise at the current levels, partly because of the recent restrictions on imports of nylon yarn.

The market for Cotton yarn continues to remain dull with no change in prices.

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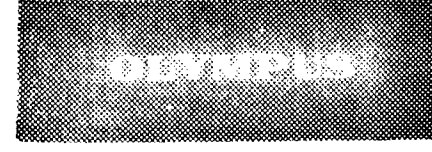
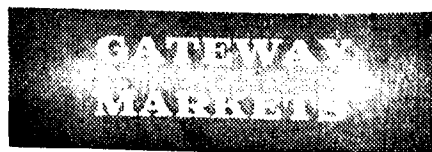
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J. W. YOUNG, MANAGER

NO. 1



Mr Nehru in Kerala



EVER since the idea of Mr Nehru's official visit to Kerala was bruited, observers here had been looking forward to watching the piquancies of the situation at the time of actual visit. Since he is the de facto Chief of a party which is avowedly opposed to Communism and which is fighting a bitter local battle against the present regime in Kerala, scope for moments of embarrassment for all concerned was unlimited. Indeed, even when the President was in Kerala last year, there was a certain amount of controversy, especially about his version of the success attending the Communist attempt at government. Mr Nehru's position is, of course, slightly different. He is at once more and less constrained than the President. The President being above parties, can say things that party politician cannot say. But then, by the same token, the President should be wary in treading controversial grounds in which the Prime Minister, as a member of a political party, can, if he so chose, play about happily. Of course, in the constitutional set-up we have, the relationship between the State and the Centre is such as to make the Prime Minister at the Centre a less free man than he would otherwise have been. But, even so, considerations that might inhibit him are far less absolute than those that restrict the President.

So, if Mr Nehru had chosen, he could have created a number of awkward moments for his nominal hosts. This was particularly so, since the occasion was chosen by the Kerala Congress to have a political Congress of their own in Cannanore, which was attended by Mr Nehru. But, characteristically, Mr Nehru averted all the embarrassment likely to arise from the situation. In the first place, with his particular courtesy and sense of proprieties in these matters, he informed his host Government of his intention of attending the party political conference and obtained their "permission". Secondly, throughout his tour of Kerala in the last few days, he scrupulously avoided what might be called scoring party political points. To be sure, he criticised certain aspects of Communist ideology, but he kept clear of particular acts of the present regime, about which there is such a lot of controversy. Even at the party platform, he did not say anything that might be taken exception to by the present Government in Kerala.

What, if any, would be the permanent effect of Mr Nehru's visit to the State? On the one hand, some people fear that it would confer further respectability to Communism and thus strengthen it in that part of the country. And since, according to these people, Communists are shameless oppor-

tunists, they will thus consolidate their position and, finally, reveal their true nature when they are safely entrenched in power and when it will be too late to do anything about it. On the other hand, Congressmen in Kerala believe that the Cannanore conference marks a turning point in their fortunes: certainly, the jolt the Congress received in the general elections has had a shattering effect on their morale. And, according to reports, it was only after the Cannanore conference that they have recovered their former confidence. Mr Nehru himself seems to have been impressed by the effect of this conference on the people.

It would be difficult to predict precisely about party political fortunes as a result of Mr Nehru's visit. For, it is notorious that popular feeling is an evanescent thing, and any upsurge of feeling, one way or the other, may quite conceivably spend itself if it is not kept alive by particular acts of the parties concerned. For instance, if the Communist Government are to cash in on the visit (though it would be a difficult thing, since Mr Nehru hardly did a thing that could be construed as approval or disapproval of particular policies of the present Kerala Government), they will have to put through such policies as will find favour with the people there. On the other hand, if the Congress is to keep alive the enthusiasm released by the Cannanore conference, it will have to follow it up by concrete acts that will show that it is interested in the welfare of the people. There is evidence that Congressmen in Kerala, unlike Congressmen elsewhere, have realised that they ought to get down to their tasks of winning popular confidence by showing that they place the commonwealth above their own personal and factional advancement. The need for strengthening the organisation by providing disinterested leadership at all levels has been felt by them more acutely than by Congressmen elsewhere, because of the fact that the Communists have a similar hierarchy of leadership. It is true that allegations of intimidation and coercion are made against these persons, but the Congress can hope to wrest the initiative from these persons (and, incidentally, stop the alleged terror) only if it opposes to it a similar set-up, virile, disinterested and firmly rooted in popular faith.

But, quite apart from party political fortunes, the Kerala visit is chiefly interesting as a continuation of the process of "killing Communism with kindness". As is only too well-known, the Communist regime in Kerala is unique from one point of view. It is the first Communist Government brought into being by wholly demo-

cratic means. And what is even more of a curiosity, it is working under all the limitations arising out of the fact that it has to work in co-operation with a Government at the Centre formed by a different party. This requirement, forced as much by the constitution as by the needs of the situation, is something that has been accepted with grace by all concerned. For the smooth working of this somewhat anomalous situation, credit is due as much to the Centre as to the communists in Kerala. But the interesting fact is that this compulsion and the responsibilities of office have made the Communists entertain second thoughts about their own fundamentals. For the first time, they have started talking about Indian conditions and the need for adapting their methods and doctrines to suit them. One need not take their Amritsar professions too seriously. They may or may not be meant in good faith. But the fact they have been scrupulous in respecting constitutional proprieties and have been co-operating with the Centre (which has been equally responsive) cannot be denied. One may question the ultimate motivation of this sweet reasonableness, but one cannot get away from the fact of present responsible behaviour by the Communist regime in Kerala. In the process, a good many sacred cows of orthodox Communist doctrine have been quietly slaughtered. Either hypocrisy or hard reality has forced this on the Communists, and they are acting, at least for the moment, reasonably. Jibes about their entering into agreements with the Birlas and so forth are therefore entirely misplaced.

The fact is, in the complicated situation in India and in Kerala, there are not very many alternative policies for any responsible Government to adopt. So, party political postures notwithstanding, everyone is obliged to come to terms with economic reality more or less in the same way. In any case, in the anxiety shown by the Communists to obtain some kind of an indirect approbation from Mr Nehru of their regime in Kerala and also in the Amritsar resolutions, may be seen the pressures of economic and political reality on Communist doctrines. I, for one, do not believe that these pressures will leave the doctrines themselves unchanged.

As I said earlier, Mr Nehru scrupulously avoided in all his utterances during his four day visit anything that might be considered as controversial. But that did not mean that his utterances were colourless. Indeed, as he himself repeatedly remarked, he was addressing his audience at a level which was far above that at which he addressed public meetings. As usual, he covered a wide range of subjects, but his main accent was

on Gandhiji's teachings. He commended—and, in this, he specifically referred to professing Communists—Gandhiji's habit of trying to find roots for one's philosophy in the experience of one's own country. He also referred to Gandhiji's insistence on the purity of the means—again, a lesson particularly relevant for communists. And, lastly, he referred, both in the internal and external contexts, to the need for a non-violent approach based on fearlessness. Gandhiji's lessons were no longer a matter for pious exhortations, but a compelling practical necessity.

On the subject of Kerala's special problems, he had the familiar solutions. Indeed, in their broad outlines, they are as simple as a sum in arithmetic. Chronic food shortage and notorious over-population which shows no signs of abating can have only two solutions, both simultaneously attempted: increasing food production and stopping the increase in population. On top of these two basic problems, you have a high degree of unemployment, especially of the educated. You cannot have another situation which will readily fit the bill as having prescriptions for instability. Here again, solutions can only be on a long term basis, and Mr Nehru had no ready made solution either. The fact is whether, under a Communist regime or Congress regime, these chronic problems, which are but a microcosm of the problems facing the rest of India, cannot be solved, unless people gave unstintedly of their co-operative effort.

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Tender forms (not transferable) are obtainable from the office of the undermentioned at Garden Reach, Calcutta-23 at Rs 2/- (not refundable) per copy by M.O. to him direct in case of outside firms and on production of cash receipt from this Rly's Chief Cashier by local firms.

Tender forms should accompany the receipt for depositing earnest money of Rs 500/- from this Rly's Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs 1000/- with the undermentioned are exempted.

S7 CONTROLLER OF STORES



THE cotton textile industry is the single instance of an industry to have experienced such frequent shifts in market conditions and fluctuations in fortunes. The crisis through which the industry passed last year has again demonstrated that in spite of the Second Plan, stability is as remote a condition as it had ever been. The crisis was as sudden as it was staggering. From almost scarcity conditions in 1956, there was a sudden shrink in demand following the increase in the excise duty payable by mill goods. In the absence of fiscal concessions accumulation of stocks went to such an extent that cessation of production became the only alternative to avoiding losses for the mills. Further harm has only been avoided by the reduction in the rates of excise duties announced in March last.

In the confusion that followed a clear picture of the nature of the crisis and the causes that led to it has been lacking. Now that the crisis is well past its nadir, an examination of its various phases should yield points for the guidance of future official policy in regard to the cotton textile industry. It is such a post mortem examination that the speech of Mr E. J. M. Leigh at the Annual General Meeting of the Buckingham and Carnatic Co. Ltd. and of the Bangalore Woollen, Cotton and Silk Mills Co. Ltd. of both of which he is the Chairman, furnishes.

Overproduction by the mill sector has been freely talked about as the villain of the piece and data have been added to show that total production by the mills has exceeded the target fixed for the industry under the Second Plan. Though it is true that production of cloth during 1957 amounted to 5,400 million yards against the target of 5,000 million yards at the end of the Second Plan, how there could have been scarcity conditions in the cloth market during 1956 when production was of a similar order goes unexplained. Overproduction therefore is too simple an explanation for the difficulties experienced by the industry.

Evidently there has been a marked decline in consumption of cloth. Considering that stock with mills rose by about 450 million yards and that at the same time exports of cloth increased by about 100 million yards, the fall in consumption was to the tune of about 550 million yards. In this connection attention has been drawn by textile interests to the steep increase in the prices of food articles during the last year and the pressure of inflationary conditions on consumer demand. Food being the first item in the priority list of the lower income groups that outlay on cloth by families

Lessons of the Textile Crisis

belonging to the lower income groups should be adversely affected by a fall in the purchasing power of money looks reasonable. But whether the rise in prices last year was of such order as to cause a decline in consumption of cloth to the tune of 550 million yards is doubtful. This gathers more strength from the fact that stocks with the mills showed no downward trend even after distress sales and drastic reductions in duty paid prices. Thus, though he has referred to the rise in prices of food articles, Mr Leigh is not inclined to go the whole hog in accepting it as the only factor that led to the crisis in the textile industry. And he has further pointed out that actual retail consumption was substantially in excess of clearances from mills.

According to him the real factor that started the difficulties was the excess production of cloth of the coarse variety and the consequent disruption of the traditional balance of production in the industry. As proof of this he has pointed out that production of coarse dhoties and sarees had increased from 9 and 2 million yards respectively in 1955 to 44 and 27 million yards respectively in 1956 and further to 172 and 200 million yards respectively in 1957. The composition of the uncleared stocks with the mills would seem to point to the same conclusion. Out of the total unsold stocks of about 3.45 lakhs bales of cloth at the end of March coarse varieties accounted for about 90,000 bales while medium, fine and superfine varieties accounted for 2,23,000 bales, 17,000 bales and 14,000 bales respectively. The total stock of coarse varieties at 90,000 bales according to expert view represents an excess to the tune of about 60,000 to 70,000 bales. The condition of the cotton textile industry in Kanpur offers further confirmatory evidence. Having specialised in the production of coarse varieties, the distress in Kanpur textile industry was more acute than elsewhere stocks having been left uncleared even after the concessions in excise duty. Thus it is clear that as pointed out by Mr Leigh the crisis was precipitated more by disruption of the balance of production between the various sectors of the textile industry than by overproduction as such.

This finding regarding overproduction in the coarse end is highly significant in that it indicates the lines along which future policy towards the textile industry has to run if the industry is not to be brought to the brink of a similar phenomenon in the future. The lesson of this overproduction in the coarse varieties is that the fiscal machinery with reference to the

textile industry has to be so adjusted as to keep the various sectors within their normal bounds. It is the general opinion of textile interests and one which Mr Leigh also shares, that the excess production in the coarse end of the industry came not as a sequel to any real increase in demand but was stimulated by penal tax measures on finer cloths and the rebate in excise duty offered towards the end of 1956 for increased yardage production for producers of coarse cloth.

Though Mr Leigh has not mentioned it the gradual inroads which the handloom sector had made into the market for cloth was also not without its impact on the conditions in the cloth market especially for the coarse varieties. Since these two types cater to the same kind of buyers, it was in the nature of such infiltration, inevitable that the market for coarse cloth should get reduced. This is a trend which has to be taken into account in the formulation of future policy with reference to the textile industry.

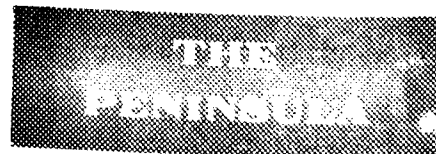
The reduction in the rates of excise duty effected in March has no doubt given a breathing spell to the industry. Already corrective forces are discernible pointing to the reversal of the trend in production and stocks. Output by the mill sector, in the first quarter has fallen by 132 million yards as compared to the corresponding period for the last year. But whether progress towards recovery would be unimpeded would depend, as pointed out by Mr Leigh, on a variety of factors such as the level of food prices and the balance between actual production, quantity and quality and the needs of the consuming public. Though the extent of the accumulation that could be attributed to the rise in price, has only been marginal it needs no stressing that attempts to fix target for cloth consumption without reference to the impact of conditions in the food front would only remain futile.

The Government seem to be satisfied with the fiscal concessions already granted. But the inadequacy of such limited measures is already being brought home by developments in the export front. Mr Leigh has in this connection drawn attention to the steady deterioration in the international market for cotton and the intensification of competition and the effect of the current American recession. With the fall in prices of cotton available to foreign competitors relatively to the price of Indian cotton, and with the Indian mills being put at a disadvantage in regard to access to latest machinery together with the trend to-

wards self-sufficiency in cloth in foreign countries he does not foresee any prospects for increase in the exports of cloth from the country. The experience of the first quarter of this year would seem to confirm his predictions. For during the first quarter exports of Indian cloth have fallen by about 90 million yards. The competitiveness of the Indian cloth, in such circumstances, could only be raised by reduction in the cost of production. The existence of severe restrictions on the import of machinery needed to replace wornout plants is inconsistent with the paramount need to reduce cost of production. Even in the internal market, not to speak of markets abroad, the connection between lower prices for cloth and increase in cloth consumption which the Government are so keen on achieving is too close to be overlooked. Opposition of labour to schemes of rationalisation is another factor to which Mr Leigh has drawn attention as militating against lower cost of production. At the same time he has not failed to stress the need for market research by textile industry itself. The suggestion of Mr Leigh for replacing Sales Tax on imported stores and industrial raw materials by a surcharge on Import Duty which could be refunded as a rebate on the basis of export performance is also worth considering since as he points out, such a step would, besides giving stimulus to exports, would also make for simplification of the tax collection machinery.

One would look in vain for the symptoms of the textile crisis in the fortunes of the Buckingham Carnatic Mills during last year. The Company had the singular distinction of achieving a record sales figure of Rs 10 crores. While, as legitimately claimed by Mr Leigh, this can be regarded as a tribute to the productive efficiency of the Mill and to the efficacy of its sales policy, in a large measure, this was due to the fact that being high quality goods the products of the mill were immune from the ravages of the crisis. But the company could not still escape from the effects of heavy excise duties, sales tax and rising cost of raw materials. As a result profits were driven below the usual levels.

The position of the other unit namely Bangalore Woollen Cotton, and Silk Mills Co. was only slightly worse. While the volume of exports was kept at the previous year's level at about 19.5 lakhs the silk section was seriously handicapped by import licence restriction on spun silk and limited supplies from indigenous sources. In the Woollen section he has reported loss which he attributes to high price for raw materials and keen competition.



Though a less publicised aspect of the Second Plan, than foreign exchange difficulties and inadequacy of internal food production, lack of trained personnel is one of the formidable bottlenecks threatening the smooth execution of the Second Plan. The present day need for engineers, for example, is far in excess of the existing supplies, which is estimated at about 72,000. Development is thus contingent on the ability of the country to provide technical personnel of the right type, in increasing quantities.

A great deal of new thinking and new activity have been, of late, noticeable in this field. The concept of manpower planning was discussed and analysed at the recent conference of State Representatives in Delhi and its importance to the country emphasised. Setting up of new technical institutions to ensure adequate supplies of trained personnel especially in the engineering studies has been proposed by the Planning Commission and a few institutions have already seen the light of day.

The Engineering Institute at Peechi Dam in the Kerala State, for which Pandit Nehru laid the foundation stone last week, is one among the many new institutes that are proposed by the Planning Commission. In the course of his speech Mr Nehru stressed the important role of engineers in the development of the country's economy, but lamented the existing lack of sufficient numbers of them which, however, he attributed to the time length required to turn out an adequate number fully trained to their tasks.

Mr Nehru did not exaggerate when he said that it was more difficult to make a good engineer than to make a building or dam. The fact, referred to, by him that we had to engage a foreign engineer in connection with the construction of the Bhakra Nangal Dam proves this. In a way, this also describes the existing state and quality of engineering education in the country. Little headway could be made unless the suggestion made by him for the provision of specialised training of one year or eighteen months duration in the different branches of engineering is speedily implemented.

The Kerala Institute is estimated to cost about Rs 10 lakhs and is intended to promote experimental and analytical study of engineering problems pertaining to irrigation and power schemes. Special studies of the irrigation problems peculiar to the State and provision for research in collaboration with the engineering colleges of the State are its additional charges.

★

Singareni Collieries

That the control of the affairs of the Singareni Collieries has be-

come a matter of controversy between the Andhra Pradesh Government and the Centre is indeed deplorable. If the legality of the agreement which the former Hyderabad Government had entered into with the Government of India that the latter could own 66 per cent of the shares of the Collieries is not questioned, the claim of the Centre to control the Singareni Collieries is unassailable. The Andhra Pradesh Government naturally finds it inconvenient to accept the claim of the Centre. Whether the action of the former Hyderabad Government should be binding on the enlarged Andhra Pradesh Government is for the legal experts to decide. But what is more relevant is that public sentiment in Andhra is overwhelmingly in favour of the stand of the State Government.

The denial by the Centre of the request for loan of Rs 6 crores for the development of the collieries has certainly caused disappointment to the Governmental circles in Andhra Pradesh and more had been read into this action of the Centre than would be warranted by actual facts. The speech of Sardar Swaran Singh, Union Minister for Steel, Mines and Fuel, should therefore remove any misapprehensions about the motive of the Centre in having refused grant of loan to the Andhra Pradesh Government for the development of the Singareni Collieries. Sardar Swaran Singh in his speech pointed out that assistance by way of loans was based on fiscal principles and was related to the capital structure of the companies which wanted such assistance. The Centre's refusal to grant the loan to the Andhra Pradesh Government would seem to be based on this consideration. The non-settlement of the claim about the right to controlling interests was, probably, an additional reason for the refusal of the request for loan. Sardar Swaran Singh has in this connection indicated that it was only the company and not the Andhra Pradesh Government which was eligible for receiving any help for the development of the collieries.

That non-settlement of the dispute would affect production and development of the industry will not be doubted. An early solution is therefore indispensable. It is therefore gratifying that to know from Sardar Swaran Singh that these matters are now being discussed.

★

Power Supply in Madras

Power supply for sometime past has been in such restricted state in the Madras State it had come to be recognised as a clear damper, on industrial progress in the State. This underlines the inability of the Government to cope up with the

demand, which with the increase in the number of consumers from 17,000 in 1947 to 18,000 in 1958, is estimated to have gone up to 51,000 K.W. In such circumstances the Government's policy in the matter of supplies has been explained to be one of a balance between the needs of industries on the one hand and of rural electrification on the other. But an early relaxation of the existing restrictions is foreseen when the Periyar power station would be commissioned within a few months, to be followed by that of the Kundah Station.

Nonetheless the progress of power generation in the State during the past decade has been remarkable. Whereas at the time when the State Government took over the Basin Bridge Station, from the Madras Electricity Corporation, the effective capacity of the station was only 19,000 K. W. this has now been raised to about 90,000 K.W. which is considered to be the maximum level, consistent with the availability of water for cooling purposes. The important developments since the State acquired control of the power station, have been the commissioning of two 2,500 K. W. transportable sets in 1948, a phased expansion of the generating capacity at the power station at an estimated cost of Rs 6.3 crores, and interconnection of the Madras Station with the hydro stations of the Grid etc.

Last week a new 30,000 K.W. Electricity Generator was switched into operation at the Basin Bridge Power Station and was put into the State Electricity Grid. Continuation of existing restrictions in the power supply as announced by Mr V. P. Appadurai Chief Engineer, in the course of his speech at the inauguration of the new set will only cause disappointment especially to industrial consumers. Mr Appadurai also stated that two high pressure boilers had now been installed in addition to the one proposed to be installed to replace some old boilers. This is expected to be commissioned by 1961. The announcement of a five million dollar aid from Canada for the construction of transmission lines to put the power generated in the Kundah project into the State Electricity Grid would be warmly appreciated. This would bring the total Canadian aid for the project, to 25 million dollars.

Notwithstanding all the increase expected from the new hydro-electric stations, the adequacy of the power potential of these stations to the growing needs of industries is to be doubted. The importance of atomic reactor is therefore great. That this matter has reached the stage of negotiation between the Chief Engineer of Madras and the Central Government authorities, is, therefore gratifying.

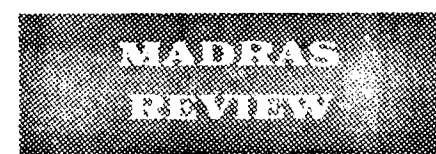
Mysore Spun Silk Mills

The effect of the Mysore Government's intervention in the affairs of the Spun Silk Mills was the subject of a controversy in the State Legislative Assembly last week. While some of the opposition members pointed to the harmful consequences of such policy and attributed the present weak financial position of the mills to such intervention, the Government spokesmen were emphatic in their view that such intervention had redounded to the benefit of the industry.

In support of their stand the opposition members pointed to the loss that the shareholders had incurred as well as to the decline in employment of the order of about 1,200. But actual trends in production in recent months would seem to support the Government's view of the beneficial effects of its policy towards the mills. Following improvement in the raw material position production during the last three months had been on the upgrade. At the same time prices for the products of the mills had also considerably improved.

Explaining the Government's policy, Mr C. M. Poonacha, Minister for Industries, said that the Spun Silk Mills were conceived by the Government to create facilities for promoting the silk industry by creating a price for the waste product of the silk industry. He traced the unstable condition of the industry to the worn-out plants and machinery which precluded them from operating at a profit. The most effective solution to the difficulties experienced by the mills therefore should be financial aid to enable them to replace the outworn machinery and also to meet part of the capital needed for day-to-day working. Mr Poonacha has estimated the amount of such capital needed to put the industry on a stable financial footing at about Rs 25 lakhs. The immediate possibility of such assistance being available depends on the acceptance by the Central Silk Board of the recommendation of the Government of Mysore to give the Spun Silk Mills loan assistance to the tune of Rs 17 lakhs.

Existence of two rival labour unions is another factor which hampers smooth functioning of the mills. The labour relations in the industry also does not seem to be happy. The Opposition members have charged the Government for this unhappy state of affairs and are inclined to hold the Government responsible for the existence of two rival unions. But in the light of Mr Poonacha's statement that the formation of one labour union had defied the best efforts of the Government the charges made by the opposition members seem to be misconceived.



The Buckingham & Carnatic Co. Ltd.
*
Record Sales Achieved Despite Unfavourable Conditions
*
Tribute to Sustained High Quality of Company's Products
*

Mr E.J.M. Leigh, the Chairman, Speaks on a Trouble Filled Chapter in the History of Indian Textiles

Presiding at the Thirty-seventh Annual General Meeting of the Shareholders held at the Company's Office, 7, Armenian Street, Madras, on Friday, 25th April, 1958, Mr. E. J. M. Leigh said:

Gentlemen,
The Report of the Directors and the Audited Accounts for the year ended 31st December 1957 having been in your hands for the prescribed period before this Meeting, I propose, with your permission, to adopt the usual procedure and to take them as read.

The year under review added a trouble filled chapter to the history of the Indian Cotton Textile Industry. From conditions of scarcity in September 1956 when Government imposed penal excise duties, ostensibly to mop up surplus profits and curtail demand, consumption fell to such a degree that some Mills closed down and others had to suspend shifts before any remedial action was taken.

Despite distress sales to find working capital and drastic reductions in duty paid prices, offtake did not improve and stocks with Mills rose by some 450 million yards. As export sales increased by about 100 million and total production was only marginally in excess of that achieved in 1956, it will be seen that home consumption of mill cloth fell by approximately 550 million yards.

This phenomenon has not yet been fully or conclusively explained and we have to look beyond the steep rise in prices of food, such a large element in the family budget and which was undoubtedly a contributory factor. It is easy to jump to the conclusion that there has been a sudden and very marked reduction in consumer demand and that the Industry in achieving and surpassing the target set for it by the planners has sown the seeds of its current distress.

I myself believe that actual retail consumption was substantially in excess of clearances from Mills and that both would have been much higher had there not been a marked swing from the traditional balance of production within the Industry towards the coarse end, and gross over production in particular sorts, such as coarse dhoties and sarees. These two items are understood to form a large part of stocks lying with Mills and their disposal will take time, even if all further production is discontinued for the time being.

This "go coarser" movement has undoubtedly been encouraged by the psychological effects of the disproportionately high rates of excise duty and sales tax levied on finer cloths and the rebate in excise duty offered towards the end of 1956 for increased yardage production.

The Industry's predicament was also aggravated by dealers adopting a hand to mouth purchase policy, having lost confidence and expecting a reduction in Excise Duty rates and a replacement of Sales Taxes by additional Excise duties.

Two measures of relief were introduced in December last in the shape of a reduction of 6 pies per square yard in the rate of excise duty applicable to "Medium" cloth, in which category stocks were the highest, and the replacement of all Sales Taxes on cloth, Central and State, by additional excise duties. Further concessions were announced in March this year applicable to all categories and advantage was taken at the same time to express the rates in naye paise. Supplies can now reach the consumer at lower prices and some measure of confidence within the trade has been restored, though it is too early yet to determine whether these concessions will prove adequate in the long run and permit a reduction of stocks to normal levels. Much will depend on the future level of food prices and the balance between actual production, quantity and quality, and the needs of the consuming public.

On the Export front, the prospects for 1958 look bleak. International trade continues to shrink, competition to intensify and the spreading effects of the current American recession cannot be disregarded.

Prices of many types of cotton available to India's foreign competitors have fallen more than local prices, buttressed by higher Mill offtake, thereby impairing seriously the Industry's main natural advantage. It must not be forgotten also, that India's competitors have ready access to the latest machinery and techniques which they have not hesitated to install and adopt, while in India ever increasing restrictions are imposed on the import of vital plant and essential spares and stores etc.

If India is to maintain, let alone increase her exports of cotton cloth, ways and means must be found to reduce production costs substantially.

It is in the face of these unfavourable trade conditions that your Company achieved, in 1957, a record sales figure of nearly Rs. 10 crores. This result in such difficult circumstances can be regarded as a tribute not only to the sustained high quality of your Company's products and to the Mills' productive efficiency but also to the efficacy of its Sales Policy and market research. Furthermore, your Company by increasing its exports by over Rs. 25 lakhs to Rs. 2.17 crores has made no mean contribution to India's foreign exchange earnings.

Unfortunately, as the Accounts before you show, these achievements have been accompanied by a fall in profits as it has not been possible to increase selling prices to cover the continued rise in costs of production, particularly of raw materials, fuel and wages.

I am pleased to say that relations with labour during the year were harmonious and no serious stoppage occurred as a result of strikes or other avoidable causes. Recently, however, there has been a demand for an increase in the Bonus paid by the Company for each of the years 1954, 1955 and 1956 for each of which years bonus equivalent to 2.25ths month's basic pay has been paid in accordance with the long standing formula. The Company has not been able to agree to this demand and it has been referred to a Conciliation Board for their recommendations.

The bonus paid for the year 1957 was on the same basis and amounted to Rs. 22,11,353—a record bonus payment for this Company, the figure being higher this year because of the terms of the 1957 Arbitration Award.

Neither the Industry nor the Country can afford to pay higher wage bills which are not related directly to higher workloads and improved efficiency and it is to be hoped that this vital point will not be overlooked by the Wage Board now studying conditions in the main Textile Manufacturing Centres throughout India.

At the same time the resistance of labour to the progressive introduction of modernisation and rationalisation measures must be overcome if this major Industry is to play its part in successive five year plans and retain its foreign exchange earning capacity.

Though foreign exchange is of vital importance, too little attention appears to have been given to

the development of internal resources, an equally essential counterpart in all sectors. I wish Government every success in their proposed drive to eliminate unnecessary administrative expenditure. It is only the net revenue from taxation which is of real value to the country and collection costs should therefore be reduced to the minimum. The replacement of Sales Tax by additional Excise Duty is a welcome step to this end which I hope will be extended to as many products as possible, I trust Government will also consider the possibility of replacing Sales Tax on imported stores and industrial raw materials by a surcharge on Import Duty, which could be refunded as a rebate on the basis of export performance.

I now turn to the more domestic affairs.

Considerable progress has been made towards the completion of the second New Weaving Shed, the Northern half of which is now virtually completed and looms are already being installed. It is planned to have this section in production before the end of this year, by which time it is hoped that the flooring and associated works for the Southern half of the Shed, which has already been roofed, will be well under way. The rehabilitation of old looms, is however, handicapped by the difficulty in obtaining licences for the import of such essential precision components as are not yet manufactured in this country.

The scheme under which the Government of India proposed to permit the import by the Industry of additional automatic looms, subject to exacting and penal conditions concerning the export of all cloth produced from these looms, has proved impracticable, and we have not therefore proceeded with the import of the 144 looms allotted to your Company. Reports in the Press indicate that the associated terms and conditions are under review by Government, and your Directors will reconsider their decision should it become possible later on to install additional plant on acceptable terms. Meantime everything possible is being done to complete the renovation of existing machinery.

The Company's building programme this year also includes the construction of some 200 additional houses for their workpeople at an estimated cost of Rs. 7.25,000.

Turning now to the accounts, you will observe that the value of

the stock of finished goods at the close of the year was only fractionally in excess of the previous year's figure. This is contrary to the general experience in the Industry to which I have already referred, and this satisfactory position has been maintained in spite of higher production.

The increase in the Company's Overdraft is accounted for mainly by a rise in the value of raw materials stock.

A sum of Rs. 3½ lakhs has been

transferred to the Provision for Workpeople's Gratuity, which provision was created in accordance with the Award made last year. The other important transfers have, I think, been covered adequately in the Directors' Report.

The liabilities of the Workpeople's and Employees' Provident Funds, the assets of which are invested in Trustee Securities, amounted at 31st December 1957 to Rs. 1,71,04,855 and Rs. 14,65,313 respectively.

Once again I would like, on

your behalf, to record our appreciation of the valuable services rendered by the Managing Agents and of the efforts made by the Mill Manager, the Staff and Employees which have contributed so much to what I can only describe as another satisfactory year's results.

I cannot conclude my review without reference to my friend and colleague Mr. R. E. Castell, who retired from India at the end of March this year, and who has been your Chairman since 1952. Mr. Castell won the affection and

esteem of all those with whom he came in contact and his services as Chairman and Director were invaluable. I am happy to say that Mr. Castell will maintain an association with your Company and during his visits to India in the future we hope to draw on his experience and benefit from his wise counsel.

Note: This does not purport to be a report of the proceedings of the General Meeting.

The Bangalore Woollen, Cotton & Silk Mills Co. Ltd.
*
Reasonably Successful Results Inspite of Adverse Circumstances
*

Most Difficult Year for Cotton Textile Industry
*

Statement of the Chairman, Mr E. J. M. Leigh

Presiding at the Seventy-fifth Annual General Meeting of the Shareholders held at the Registered Office of the Company, Agraharam Road, Bangalore City, on Saturday, 26th April 1958, Mr. E. J. M. Leigh said:

Gentlemen,

The Directors' Report, Balance Sheet and Profit and Loss Account for the year ended 31st December 1957, having been in your hands for some three weeks, I propose with your consent to adopt the usual procedure and to take them as read.

The year 1957 will long be remembered as a most difficult trading year for the Cotton Textile Industry as a whole and I only wish I could see prospects of an early liquidation of the heavy stocks carried forward into the current year.

In my speech yesterday to the members of your Sister Company, I tried to diagnose the causes of the malady and to suggest some remedial measures, but it is a complex problem and there can be no short period of convalescence.

Painful corrective forces are already in operation and Mill output in the first quarter of 1958 fell by 132 million yards compared with the corresponding period last year, but exports also fell by about 90 millions. The Industry can help itself by improved market research and by restricting production of particular types to quantities that the market can be expected to absorb. There has undoubtedly been a shift towards the coarse end of the trade and serious overproduction in certain items, notably coarse dhoties and sarees. According to Press reports the production of these two items rose from 9 and 2 million yards in 1955 and 44 and 27 millions in 1956, to the astonishing figures of 172 and 200 million yards respectively in 1957.

In the Woollen Section the high prices that had to be paid for raw materials during the greater part of the year, coupled with keener competition, prevented this department from maintaining the

The increased consumption of Indian cotton has kept up market prices and affected India's competitive position in Overseas markets.

It is not only the composite Mills which are in difficulty; several have closed down and others have suspended shift working; but the Spinning Section is also hard pressed to finance stocks which the Handloom Industry has been unable to absorb and for which there is little, if any, export outlet.

World trade in Cotton Textiles continues to shrink as one country after another, including cotton producing countries, adds to its own spinning and weaving capacity. In the face of intensifying competition India's export trade must fall unless ways and means can be found substantially to reduce manufacturing costs. The Industry certainly cannot afford any additions to wage bills are unrelated to reasonable workloads and improved efficiency.

In the face of intensifying competition in Overseas markets your Company was unable to do more than retain its previous year's volume of exports at Rs. 19.5 lakhs.

In spite of the generally adverse circumstances, your Company achieved reasonably successful trading results and was not embarrassed by an accumulation of stocks. In the face of very heavy excise duties and sales tax rates which caused considerable sales resistance it was not possible to increase prices to cover the rising costs of raw materials, stores, machinery parts, wages and especially Dearness Allowance. These developments have in no small measure contributed to the lower profits earned in 1957.

In the Woollen Section the high prices that had to be paid for raw materials during the greater part of the year, coupled with keener competition, prevented this department from maintaining the

improvement recorded in 1956 and I regret to report that a loss was incurred in this department. However, with an alteration in your Company's Manufacturing Programme, we hope to improve sales and take full advantage of the recent trend towards better quality purchasing on the part of the public.

The Mill's Silk Section has been seriously handicapped by severe import licence restrictions on Spun Silk. From our point of view, to be deprived of supplies of an essential raw material was a disaster, but it was our duty to produce acceptable substitutes from indigenous material as in times of foreign exchange shortage, the import of luxury raw materials naturally has to be curtailed. We were able to introduce other varieties, but I must make it clear that the consumer is not prepared to buy an expensive product like silk unless the quality is of a high standard. The Government is aware of the necessity to improve the quality of indigenous flature and spun silk and it is not beyond the capacity of local producers to achieve the high standards of quality that are recognised internationally. The Sericulture Industry has therefore an opportunity and it is hoped that it will take advantage of it. In spite of our best efforts, mainly due to the quantity of suitable indigenous spun silk being limited, the Company was compelled to shut down part of its Silk Plant.

During the year, sales of our popular Union fabric, Cotswol, and of the heavier cloth, Angola, were maintained and it is gratifying to note that Angola continues to be supplied to the Armed Forces and that the demand for it by the general public is increasing.

In his speech last year, my predecessor, Mr. Castell, mentioned that your Directors had accepted an allocation of 96 new automatic

looms from Government, 24 of which were to be made in the country. However, the installation of these looms was made subject to such exacting and penal conditions with regard to exports, that the scheme proved impracticable but your Directors will pursue this proposal should it become possible later on to install additional plant on acceptable terms.

Two measures of relief were introduced in December last in the shape of a reduction of 6 pies per square yard in the rate of excise duty applicable to "Medium" cloth, in which category stocks were the highest, and replacement of all Sales Taxes on cloth, Central and State, by additional excise duties. Further concessions were announced in March this year applicable to all categories and advantage was taken at the same time to express the rates in naya paise. Supplies can now reach the consumer at lower prices and some measure of confidence within the trade has been restored, though it is too early yet to determine whether these concessions will prove adequate in the long run and permit a reduction of stocks to normal levels.

Your Company's programme for rehabilitation and replacement of machinery has been retarded by the difficulty in obtaining Import Licences for essential plant and spare parts, not yet manufactured in the country.

Your Directors are fully alive to the vital necessity for improving plant efficiency and installing machinery of the latest type. I am glad to report that new Molten Metal dyeing range went into operation during the year.

The water supply position in Bangalore is giving your Directors some concern particularly so in view of the fact that at times our intake of Corporation water is restricted by the Authorities at very short notice.

Government's difficulties in this matter are understood but, whilst we fully appreciate that the requirements of a growing industrial area must be carefully considered, we are left sometimes with the impression that those in control seek an "easy solution" by curtailing first, their largest consumer, incidentally one of their oldest customers.

In an endeavour to solve this problem, bore wells have been sunk and everything possible will be done to make the Mills as independent as possible. Nevertheless a considerable quantity of water will always be needed from the Corporation Authorities.

Our relations with our labour have not been entirely happy during the year. Much time has been devoted to considering very comprehensive demands from our workers and a great deal of time has been spent arguing issues before the Industrial Tribunal and

other Authorities. At times production has suffered because of indiscipline. However, I am pleased to inform shareholders that wiser counsels in the Association appear now to be prevailing and it is very much to be hoped as a result of current negotiations, which are being conducted in a spirit of give and take, that a compromise agreement will be reached with the Labour Association which will go far towards ensuring industrial peace for some years to come.

Turning to the accounts, you will see that the Balance Sheet reflects the steps which were taken during the year to bring the capital more into line with that employed in the business when Rs. 81,00,000[-] of the General Reserve were capitalized by the issue of Bonus Shares involving a liability to tax amounting to Rs. 24,30,000[-]. Unfortunately the terms of the 1958 Finance Bill offer no relief in respect of this controversial tax. As mentioned

in the Directors' Report this liability has been provided for partly by the transfer of Rs. 20,00,000|from the Reserve for Taxation and the balance from the Rs. 8,00,000|drawn from the General Reserve to meet additional tax burdens.

By the transfer from the reserve for "Reconstruction" to a "Deferred Taxation Reserve" provision has been made against the diminution of the allowances for Depreciation in Income Tax Assessments in future years resulting from the

substantial reduction in the income tax written down value of assets acquired in recent years due to the allowance on initial and extra normal depreciation.

The liability of the Workpeople's and Employees' Provident Funds as at 31st December 1957 amounted to Rs. 74,30,758/- and Rs. 4,70,519/- respectively; corresponding amounts have been invested in Trustee Securities and these are held by the Trustees of the Funds.

I feel you will wish to join me once again in expressing appreciation of the valuable work done by the executive and supervisory staff of the Management and the Mills in a very difficult year.

I cannot conclude my review without reference to my friend and colleague Mr. R. E. Castell, who retired from India at the end of March this year, and who has been your Chairman since 1952. Mr. Castell won the affection and esteem of all those with whom he came in contact and his services as Chairman and Director were invaluable. I am happy to say that Mr. Castell will maintain an association with your Company and during his visits to India in the future we hope to draw on his experience and benefit from his wise counsel.

Note: This document does not purport to be a report of the proceedings of the General Meeting

Indian Finance

May 3, 1958

United Bank of India Limited

Regd. Office: UNITED BANK BUILDINGS, 4, CLIVE GHAT STREET, CALCUTTA—1.

BALANCE SHEET AS AT 31st DECEMBER, 1957.

Previous year Rupees	CAPITAL AND LIABILITIES				Previous year Rupees	PROPERTY AND ASSETS.					
	Rs.	nP.	Rs.	nP.		Rs.	nP.	Rs.	nP.		
1. CAPITAL—					1. Cash:						
Authorised Capital:					In hand and with Reserve Bank and State Bank (including Foreign Currency Notes) ...			4,04,31,236	83		
5,00,000 Shares of Rs. 20/- each	1,00,00,000	00			2. Balance with other Banks in Current Accounts:						
30,00,000 Shares of Rs. 10/- each	3,00,00,000	00			3,37,836	(i) In India ...	1,57,582	17			
	4,00,00,000	00			77,70,151	(ii) Outside India ...	73,12,009	32	74,69,691	49	
Issued Capital:					81,07,987						
4,94,850 Shares of Rs. 20/- each	98,97,000	00			5,00,000	3. Money at Call and at Short Notice ..			1,08,00,000	00	
22,60,300 Shares of Rs. 10/- each	2,26,03,000	00			4. Investments: at or below market value						
	3,25,00,000	00			(i) Securities of the Central and State Governments and other Trustee Securities ...	10,21,56,136	8,60,76,259	48			
Subscribed Capital:					Treasury Bills of the Central and State Governments ...	Nil	Nil				
4,90,012 Shares of Rs. 20/- each	98,00,240	00			(ii) (a) Fully paid Preference shares ...	7,81,628	5,01,628.00				
21,98,425 Shares of Rs. 10/- each	2,19,84,250	00			(b) Fully paid Ordinary shares ...	40,31,730	41,48,483.06				
	3,17,84,490	00			(c) Partly paid Preference shares ...	Nil	1,55,000.00				
Called & Paid-up Capital:					(d) Partly paid Ordinary shares ...	4,36,657	4,36,657.44	52,41,768	50		
4,90,012 Shares of Rs. 20/- each called at Rs. 10/- per share	49,00,120	00				52,50,015					
19,70,740 Shares of Rs. 10/- each called at Rs. 10/- per share	1,97,07,400	00			47,93,354	(iii) Debentures or Bonds ...	53,26,853	91			
2,27,685 Shares of Rs. 10/- each called at Rs. 9/- per share	20,49,165	00	2,66,56,685	00	2,67,57,226	(iv) Other Investments:					
					47,500	(a) Pakistan Central and Provincial Government Securities ...	2,56,56,908	56			
2,66,56,625					1,15,477	(b) Foreign Securities ...	47,500	00			
					Nil	(c) Capital Redemption Policy ...	1,22,518	75			
					13,91,19,708	(d) Gold ...	Nil		12,24,71,809	30	
74,10,000	2. Reserve Fund and other Reserves ...		77,35,000	00	5. Advances:						
					(Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors).						
5,83,92,353	3. Deposits and other Accounts:				(i) Loans, Cash Credits, Overdrafts, etc.:						
8,81,366	Fixed Deposits and Cash Certificates	6,66,38,152	44		(i) In India ...	15,61,66,944	18,11,01,773.38				
13,68,49,198	Staff Security Deposits ...	9,27,389	97		(ii) Outside India ...	1,45,04,320	1,18,35,300.71	19,29,37,074	09		
	Savings Bank Deposits ...	14,25,56,710	49			17,06,71,264					
14,29,77,009	Current Accounts, Contingency Accounts, etc. ...	17,35,22,514	12	38,36,44,747	02						
33,90,99,926											
	4. Borrowings from other Banking Companies, Agents, etc. ...										
65,93,816	(i) In India ...	85,000	00	85,000	00						
36,58,752	(ii) Outside India ...	Nil									
1,02,52,568											
	Particulars:										
(1,02,52,568)	(i) (a) Secured by part of the Bank's Investments ...	Nil									
Nil	(b) Secured by Bills Discounted ...	85,000.00									
Nil	(ii) Unsecured ...	Nil									
51,15,932	5. Bills payable ...			60,58,365	41						
	6. Bills for Collection being Receivable as per contra:										
2,68,71,341	(i) Payable in India ...	3,15,25,026	60								
73,50,287	(ii) Payable outside India ...	90,22,443	25	4,05,47,469	85						
3,42,21,628											
1,03,41,989	7. Other Liabilities:										
2,98,986	Branch Adjustments ...	92,52,294	05								
1,35,000	Unclaimed Dividends ...	3,60,167	03								
1,15,478	Staff Gratuity Fund ...	1,50,000	00								
2,33,302	Capital Redemption Fund ...	1,22,518	75								
Nil	Sundry Liabilities for expenses ...	3,37,231	91								
1,11,24,735	Rebate on Bills Discounted ...	Nil		1,02,22,211	74						
1,69,46,573	8. Acceptances, Endorsements and other obligations per contra ...			1,01,36,335	32						
	9. Profit and Loss:										
9,69,174	Balance of Profit and Loss Account as per last Balance Sheet ...	9,72,816	30								
7,99,378	Less: Appropriation for Dividend ...	7,99,668	75								
1,69,796		1,73,147	55								
15,58,020	Add: Profit for the year brought from the Profit and Loss Account ...	16,21,004	48								
17,27,816		17,94,152	03								
	Less: Appropriations—	Rs.									
3,15,000	Transfer to Reserve Fund under Section 17 of the Banking Companies Act 3,25,000.00										
4,40,000	Transfer to Provision for Taxation ...	4,92,000.00	8,17,000	00	9,77,152	03					
7,55,000											
9,72,816											
45,17,99,803	Carried over ...			48,60,82,966	37	43,84,02,943	Carried over ..			47,16,10,700	06

UNITED BANK OF INDIA LIMITED BALANCE SHEET—(Contd.)

Previous year Rupees	CAPITAL AND LIABILITIES—(Contd.)	Rs.	nP.	Rs.	nP.
45,17,99,803	Brought forward ...			48,60,62,966	37
	10. Contingent Liabilities:				
	(i) Claims against the Banking Company not acknowledged as debts ...	Rs.		44,54,177.23	
(44,61,589)	(ii) Money for which the Banking Company is contingently liable:				
	(a) Liability for partly paid up shares held by the Bank in Investment Account ...			6,97,150.00	
(4,41,805)	(b) Guarantee given on behalf of Directors or Officers ...			Nil	
(Nil)	(c) Guarantee on behalf of others ...			66,05,263.94	
(4,59,951)	(Includes Rs. 5,500/- in respect of guarantees given to Government Departments secured against part of Bank's Investments).				
(49,398)	(iii) Liability on Bills of Exchange rediscounted ...			Nil	
	(iv) Liability on account of outstanding Forward Exchange Contracts ...			2,26,96,366.69	
(2,41,40,258)					
45,17,99,803	Total ...			48,60,62,966	37

Previous year Rupees	PROPERTY AND ASSETS—(Contd.)	Rs.	nP.	Rs.	nP.
43,84,02,943	Brought forward ...			47,16,10,700	06
	10. Other Assets including Silver:				
13,54,445	Interest accrued on Investments ...			13,06,356	20
61,48,088	E.P.T. Deposits and Tax paid in advance and deducted at source ...			64,29,086	16
4,72,528	Stores, Stationery and printed materials ...			5,13,339	90
19,27,979	Land and Buildings not used as Bank's Premises less depreciation (Cost Rs. 25,13,245.88) less depreciation Rs. 6,48,935.36) ...			18,64,310	52
Nil	Premises under construction ...			6,01,057	00
	Sundries (Temporary Advances, Suspense, Security Deposits, Outstanding Rents, Stock of Stamps, Adjusting Accounts etc.) ...			29,28,369	78
25,52,783					
1,24,55,823				1,36,42,519	56
9,41,037	11. Non-banking Assets acquired in satisfaction of Claims ...				
	(Immovable and movable property at Book Value) ...			8,09,746	75
45,17,99,803	Total ...			48,60,62,966	37

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

Previous year Rupees	EXPENDITURE.	Rs.	nP.
41,35,189	1. Interest paid on Deposits, Borrowings, etc. ...	52,06,225	29
78,55,251	2. Salaries and Allowances and Provident Fund (of which payment to Managing Director Rs. 45,499.81) ...	89,02,118	31
(27,949)	3. Directors' and Local Committee Members' fees and allowances ...	37,486	00
34,566	4. Rent, Taxes, Insurance, Lighting etc. ...	8,98,476	94
8,31,137	5. Law Charges ...	82,437	81
1,63,195	6. Postage, Telegrams, Telephones and Stamps ...	4,52,180	68
3,86,229	7. Auditors' fees ...	27,000	00
26,700	8. Depreciation on and repairs to the Banking Company's property ...	5,86,409	62
4,48,782	9. Stationery, Printing, Advertisement, etc. ...	5,99,251	33
5,37,744	10. Loss from sale of or dealing with non-banking assets ...	62,360	38
755	11. Other Expenditure ...	5,06,619	91
4,45,652	12. Balance of Profit ...	16,21,004	48
15,58,020			
1,64,23,220	TOTAL ...	1,89,80,570	75

Previous year Rupees	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP.
1,19,45,736	1. Interest and Discount ...	1,45,21,954	49
32,50,941	2. Commission, Exchange and Brokerage ...	31,75,163	32
1,48,300	3. Rents ...	1,59,071	09
606	4. Net profit on sale of Investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	339	15
Nil	5. Net profit on revaluation of Investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	Nil	
2,477	6. Income from non-banking assets and profit from sale of or dealing with such assets ...	2,439	90
10,75,160	7. Other Receipts ...	11,21,602	80
1,64,23,220	TOTAL ...	1,89,80,570	75

AUDITORS' REPORT

We have audited the annexed Balance Sheet of United Bank of India Ltd., as at 31st December, 1957 and also the annexed Profit & Loss Account of the Bank for the year ended upon that date in which are incorporated the Returns from the Branches audited by other Auditors.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of section 211 and to sub-section (5) of section 211 and section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.
- The transactions of the bank which have come to our notice, have been within the powers of the Bank.
- In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the bank.
- The Bank's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account and the returns; and in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for a banking company and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit & Loss Account gives a true and fair view of the Profit for the year ended upon that date.

Dated, Calcutta,
The 17th March, 1958.

RAY & RAY,
Chartered Accountants.

N. N. LAW
Chairman
B. K. DATTA
Managing Director
C. B. MEHTA
M. J. VAIDYA
S. B. DUTT
B. N. CHATURVEDI

Directors

J. M. DUTT
K. G. M. FAROQUI
N. C. DATTA
K. C. DAS

A. K. ROY
Secretary

Schedule of particulars required under the Banking Companies Act, 1949, attached to and forming part of the Balance Sheet as at 31st December, 1957.

Previous year Rupees	PARTICULARS OF ADVANCES	Rs.	nP.
18,00,74,168	(i) Debts considered good in respect of which the Banking Company is fully secured ...	21,34,54,326	72
1,65,36,241	(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security ...	1,73,14,847	02
51,74,273	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	48,04,914	16
Nil	(iv) Debts considered doubtful or bad not provided for ...	Nil	
20,17,84,682		23,55,74,087	90
Nil	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons ...	16,637	84
72,03,002	(vi) Debts due by Companies or Firms in which the Directors, Partners or Managing Agents or in case of Private Companies as Members ...	1,00,73,196	12
31,538	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons ...	4,20,561	89
80,27,027	(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of Private Companies as Members ...	1,36,77,171	14
2,08,082	(ix) Due from Banking Companies ...	2,66,704	63

May 3, 1958

United Bank of India Limited

The Pressure of Ever Increasing Operating Costs

Need for Statutory Control of Interest Paid on Deposits

Dr N. N. Law, the Chairman, Analyses Extensively the Problems of the Banking System

The following is the speech delivered by Dr. N. N. Law, Chairman of United Bank of India Limited, at the Bank's Annual General Meeting held at its Registered Office at 4, Clive Ghat Street, Calcutta on Monday, April 28, 1958:

Gentlemen,

It is my pleasant duty to submit to you the Accounts of the Bank and I take this opportunity to welcome you all to this meeting of the shareholders of the Company. The economy of the country witnessed two contrasting features during the year 1957. Tight money conditions prevailed during the first half of the year and the general price level went up sharply between March and August. Thereafter, the position eased, the general index number of prices recording a fall. Increase in money supply for the year ended December, 1957, was of the order of Rs. 97 crores as compared to Rs. 120 crores in the previous year. Of this, expansion in note circulation accounted for Rs. 41 crores as against Rs. 100 crores in the previous year. Bank deposits as a constituent of the money supply were proportionately much higher during the year under review, and this is a welcome development. A large part of the rise, however, does not represent savings in the economy or a new turn in the flow of money. In this respect our economy has to make further headway and at a quicker pace. The year under review also witnessed so severe a strain on the country's foreign resources that the Second Plan had to be some what rephased. Despite the stresses and strains on the banking system due largely to inadequacy of resources, particularly in the first half of the year, the banks did meet the situation to the best of their ability. In the latter part of the year a considerable accretion to the banking resources reduced the strain, up to a point, and, consequently, Indian Scheduled Banks' borrowings from the Reserve Bank of India and the Deposit-Advance ratio registered a decline.

BANK'S PROGRESS

The Bank's Accounts for the past year, copies of which have been in your hands for some time, reflect the progress achieved. The deposits of the Bank at Rs. 38.36 crores were higher by about Rs. 4.4 crores, i.e., roughly 13% over the previous year's figure. Although the advances were cor-

respondingly higher by about Rs. 3.4 crores the increase in revenue from this source was, as in the previous years, more or less absorbed by increased interest charges and higher salaries and allowances to the staff resulting in a smaller rise in net profits.

OPERATING COST

An expansion of banking business in the country is the *sine qua non* for any increase in economic activity. But that expansion has to be achieved without any substantial addition to the cost of production and distribution of goods and services within the country. In the present context of certain trends in the banking system, a word of caution is necessary in respect of expansion of banking activities. It must be borne in mind that the banking system is generally working under the pressure of ever increasing operating costs. The extent of the pressure of operating cost can be seen from the fact that the overall cost of procurement of resources and utilization thereof for the Indian Scheduled Banks moved from 3.2% in 1950 to 4.2% by the end of 1956. The ratio of 1950 by itself might be considered high. The figure must have gone up still further in 1957. A disproportionately high operating cost causes a disproportionate rise in bank's advances ratio. An expanding economy no doubt requires that banking resources should be put to fuller use; such expansion, however, should be in conformity with the priorities of the Plan. But as banks function under the disadvantage of mounting operating costs they are naturally obliged to seek an increase in their earning assets viz., advances, irrespective of the said consideration. For, to match a rupee of disproportionate rise in the operating cost, a bank may have to increase its advances by hundred rupees. The pressure on the economy implied in this trend can hardly be exaggerated. A high Bank cost ratio reduces bank liquidity substantially, undermines marketability of Government Securities and disturbs greatly the nominal income vis-a-vis the real income.

RATE OF INTEREST ON DEPOSIT

Of the components of banks' costs, two, as is well known, are the most important: (a) Interest on money lodged with banks and (b) Cost of personnel. The rate of interest paid on deposits has

for sometime past been going up steadily and the rate of interest paid for various deposits is by itself well above the yield on medium dated gilt-edged securities and the effective lending rate of the Central Bank of the country. In the context of steady depreciation of securities for some years past, this hardly facilitates marketing of Government Securities, at least to the Banking sector.

In the case of the major banks the ratio that interest bears to deposits varied, in 1957, between .92% and 2.67% from bank to bank as against .65% and 1.68% five years ago. High rates are being offered, it is said, to attract deposits to the banking system as a whole.

In my address to you in the past two years, I pointed out that the rising trend of interest rates on deposits is anything but helpful either to the economy in general or to the banking system in particular, and this bears repetition. On various occasions we have urged that 'the relation between the depositor and the bank is not that of the investor and the enterprise, but of a depositor and a depository. Bank deposit is not the equivalent of investment by the depositor and the interest that bank deposit earns is but a marginal inducement against the retention and use of money away from the banking system.' We have also emphasised that 'a careful analysis will reveal that the formulation of a Deposit-Interest-Plan should proceed on the consideration as to what the economically active producer and distributor can bear without presenting any hazard to the expanding national economy', and not on the basis of the concept of attracting deposits by offering higher return on the money of a depositor. We are of the view that 'deposit money in aggregate is possibly attracted better by adequate spread of banking service than by hawking higher rates of interest to shift or prevent a shift of deposits from one bank to another'. Apart from the steady rise in Time Deposits a good portion of the rise in Demand Deposits consists of money obtained at about the Bank Rate. I wonder whether there is really any convincing argument against the introduction of ceiling rates on bank deposits. In the nature of things, such ceiling cannot be voluntary. I would, therefore, suggest that the introduction of the statutory con-

trol of interest rates on deposits brooks no delay. We now have a situation wherein the producers and distributors not only try to pass on to the consumers the incidence of higher interest charges that they have to pay but become inclined to compete directly for funds by offering prohibitive rates of interest in preference or in addition to Bank credit. Funds so diverted should normally flow to the banking system. I would, therefore, reiterate that the interest rate for a bank's deposits should be statutorily controlled in order that the highest return on deposits does not go beyond, say, two-thirds of the Bank Rate in force for the time being. Of course, there should be a cushion allowed for the smaller regional banks, enabling them to pay a bit more.

Our emphasis on the need for imposition of a statutory ceiling on the rate of interest on Deposit may suggest to some that there should, at the same time, be an examination of the question of similar control being imposed on the rates of interest charged for advances. Such a suggestion could arise from an apprehension that, in the absence of any control on the interest for advances, the banks would be widening their margin of profit which would not be in the wider interest of the national economy. There need be no such fear because of the steadily rising operating cost and because of inter-bank competition exercising necessary moderating influence on the rates of interest on advances.

On the other hand, if a ceiling on the rates of interest on advances is imposed a trend will develop under which banks will tend to neglect the marginal borrowers who, in the present social context, require to be encouraged in their enterprise. When the need is felt that the banks should take wider risks, by stretching the maturity of advances to medium and long term, it would be better to leave the rates of interest on advances to adjust themselves and find their proper levels in the normal process by the pressure of competition. The need for building up of reserves has been emphasised even by the Bank Tribunals. Hence, if any counter step is at all to be considered, it should be enough to ensure only that the small transitory gains, if any, accruing from the control on the interest for deposits is, wherever possible, conserved.

ESTABLISHMENT COST

The other major component of banks' cost structure is the cost of personnel which, over the past few years has been expanding at the expense of users of the banks' resources and of the general run of consumers, the Government, commercial and industrial producers alike. We are never averse to any gain conferred by a rise in cost on those who make, develop, and serve the banking system for the public benefit. But there is cause for anxiety when the increase in monetary benefits does not lead to any improvement in the work-norm, nor checks the slipping back in output, but raises the ratio that such costs bear to deposits. The earning potential **per capita** of the personnel employed in a bank, is the average of deposit per head. If the banks, therefore, have to bear the existing terms of employment, without running into hazards, such earning potential will have to go up substantially.

CHANGE IN OUTLOOK NECESSARY

In the recent years the tendency of seeking sectional advantages, in disregard of the interest of the society, is becoming a matter of great concern. All the more so, when planned efforts are being made to achieve certain physical and social objectives within a given period. The various branches of the economic activity being inter-linked and inter-dependent, any attempt on the part of the organised sectors of the people to secure advantages for themselves without correspondingly raising their output would only go to burden the other spheres and render the planned effort ineffective. The point is better appreciated when it is realised that, a given productive effort does not obtain for the worker in the unorganised agricultural sector the same economic satisfaction, as it does in the organised plantations or the industrial undertakings. Thus an important sector of our economy, i.e., all activities other than the organised agricultural and industrial sectors, continue to remain difficult and unattractive. This is a major factor which causes imbalance in our economy. As long as this situation is not corrected, the economic progress is bound to suffer from a major draw back. If, therefore, the country is to attain the objectives set before it, it is essential that there should be a proper realisation of this fact on the part of every organised sector of the people.

OUR PROGRAMME FOR NEW BRANCHES

In the hope that proper understanding will be reached, we are adhering to our programme of branch expansion and improvement in regard to the places of business of the Bank. I may mention here that during the last year, it was possible for us to open four branches, one in the State of Madras at Coimbatore, and the other three in

West Bengal at Katwa, Santipur and Ranaghat. A branch of the Bank was also shifted from North Calcutta to Tollygunge in the South of the city where previously there was no banking office. A larger number of new branches will be opened under this scheme during the year 1958—one has already been opened at Rourkela. Convenience of transacting business being a factor that helps growth, every attempt is being made to improve the location and the premises of the branches. Wherever this has been done, the consequent rise in business has paid for the extra expenses involved. During the last five years 30 offices have been so improved. In 1958, remodelling of the Delhi office has been taken up. In Bombay, the branch has been shifted to the Bank's own seven-storied fully air-conditioned building on Sir Pherozeshah Mehta Road. The yield from the building is likely to be more than 6½% per annum.

EAST PAKISTAN

The general economy in East Pakistan, where we have 15 branches, suffered during the past year from severe imbalance. A fall in jute prices had its repercussions. Developmental activities were, however, not discontinued and during the latter part of the year the situation was brought under a degree of control. Our branches there continued to make their usual contribution to the economic progress of this region.

PROBLEM OF RESOURCES

To come back to the general economic situation in the country, inadequacy of investible resources both internal and external was felt acutely during the last year and the Plan had to be rephased. An under-developed country cannot leave to chances the issue of economic uplift of the people, and this has to be dealt with on a planned basis. Obviously, such planned efforts will tend to create progressively larger gaps between the resources currently available through limited organisations and mechanisms and the unavoidable minimum social and material targets. As such the question of husbanding the national resources for the purpose of proper utilisation assumes a great magnitude. In these days of rapid technological improvement and increasing social consciousness, internal resources alone do not serve the purpose and external resources in Know-How and equipments are also needed. Thus grows and has grown the problem of external resources.

In the immediate future a great demand for finance for industrial expansion is bound to develop. On the basis of foreign loans secured recently from the Export Import Bank and other sources, some industries will be in a position to go ahead with their plans for expansion, for they are no longer handicapped for foreign exchange. But availing of the external finance to the extent it is

allotted for the private sector will require raising of the rupee counterpart by the industrial enterprise. In addition, probably an equal quantum of funds, if not more, will be necessary to supplement it for the installation of the local components and working capital. In some quarters it is estimated that about a hundred crore of rupees may become necessary to be found by the industrial enterprise in the private sector within a short period, if the foreign assistance is to be fruitfully utilised. In the present economic situation, it will not easily come from the capital market, and the specialised institutions such as the proposed RFC, and IFC, ICICI, NIDC, SFCs, etc. will not be able to cater to these projects except to a limited extent. To the best of its ability the banking system will come forward to render assistance to the extent that five or seven year amortized loan would serve the purpose. But industrial corporations will be able to raise funds from the banks only up to, say, five times of the net savings after paying for the taxes, depreciation, dividend etc. Viewed that way, the ability of the industrial enterprise to raise adequate resources from the banks may also be limited unless there be the prospect that this medium term finance could easily be converted into long term finance or equities within a short period. This points to the necessity of permitting larger individual and corporate savings, and also of activating the market for equities and bonds.

As for the public sector, the Government is rightly anxious to raise the necessary resources through marketing of securities and also to attract small savings direct to the Treasury. Such procurement of resources will have to be fast and economical. Otherwise several essential projects ancillary to the Plan 'core' may have to be elongated for want of resources and the likely impact of this on the community should not be lost sight of. It would, therefore, be worthwhile to make a closer study of this aspect of the collecting resources for the State sector through the marketing of Government loans as well as attracting the small savings. It should be considered whether the purpose would not be better achieved by including the use of the existing banking system in this effort, and if so, whether quicker expansion of commercial banking would not further facilitate the realisation of the targets. It, however, will have to be appreciated that to enable the banking system to be in earnest in this regard, it will be necessary to treat all the banks on the same basis, irrespective of ownership, in-so-far-as they qualify for such trust, so that efforts made by the banks to popularise Government obligations do not mean a corresponding loss of resources to themselves. This is not a new suggestion. There are countries where funds held by the Government in the State owned organisations are

relatively small compared to the funds collected, retained and spent through the commercial banking system.

CONCLUSION

In concluding I thank the Managing Director and my other colleagues on the Board as also the Chairmen and the Members of the Local Advisory Committees for the very valuable assistance I received from them. As you are aware, during the last year we had the pleasure of including in our Board two new Members. Sir Chunilal B. Mehta and Shri Murarji J. Vaidya, both of whom are men of eminence. I also thank the Secretary, the senior Executives of the Bank and other members of the staff who have rendered useful service to this institution throughout the year.

I thank you all for coming here today and I am glad to observe that my hopes expressed at last year's meeting have been borne out by this year's results. It is true, as I have mentioned earlier in the speech, we are still faced with some difficulties but it is inherent in all progress that difficulties will have to be faced and I feel that we shall be able to overcome the difficulties that remain, as we have done so far, and that we can look forward with optimism towards continued advancement in the Bank's progress during the coming year.

Note:—This does not purport to be a record of the proceedings of the Annual General Meeting.

KYANG TEA SEED COMPANY, LIMITED.

Notice is hereby given that the Thirtieth Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Thursday, the 22nd May, 1958 at 3 P.M., for the following purposes:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1957.
- (2) To declare a Dividend.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their remuneration.

The Transfer Register will be closed from the 15th May, 1958 to 22nd May, 1958 both days inclusive. N.B. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

By order of the Board.

SHAW WALLACE &
COMPANY LTD.
Managing Agents.

Calcutta,
17th April, 1958.

Indian Finance

May 3, 1958

The Punjab National Bank Limited

Stride of Progress Maintained

A Complex and Difficult Year

Speech of Mr S. P. Jain, the Chairman

The following is the speech delivered by Shri S. P. Jain, Chairman, The Punjab National Bank Limited at the 111th Ordinary General Meeting held on Friday, the 25th April, 1958:

Gentlemen,

I have pleasure in extending to you all a hearty welcome to the 111th Ordinary General Meeting of the Bank. It is a matter of additional pleasure that we are able to meet today in the Hall in our new building. The Head Office of the Bank will also gradually move into this building and the hopes of our being able to render still better service to our large constituents from this central place will be fully realised.

BALANCE SHEET 1957

Profits:—You will find from the Statement of Accounts already with you that the Bank has maintained its stride of progress. The profit for the year under review has crossed the one crore mark and was Rs. 117.27 lakhs including the Rs. 6.20 lakhs brought forward, against Rs. 90.20 lakhs in 1956. This has been arrived at after a contribution of Rs. 9.32 lakhs to the Gratuity Fund Trust. The Board has proposed after transfers Rs. 50 lakhs to taxation, Rs. 22.5 lakhs to reserves, Rs. 18 lakhs to bonus for staff and Rs. 1 lakh for charity—a final dividend of Rs. 2.8 per share on the increased capital. This raises the dividend to 20% per annum. The bonus to staff has been raised to 3 months basic salary for 1957 against that of 5½ days for 1956.

Deposits:—The Paid up Capital has increased from Rs. 87.5 lakhs in 1956 to Rs. 1.25 crores in 1957. The deposits rose nearly to Rs. 125 crores registering an increase of Rs. 18 crores during the year against Rs. 16 crores in 1956. In the background of stringency of money in the country, your Bank has had throughout surplus funds. Your Bank did not for a certain part of the year compete with other banks for deposits. Your Bank had, however, to yield to the pressure of valued clients and agree to the same rate of interest as offered by others. The Bank's large funds were lent to other banks as short-term deposits. The rise in the cost of money is slower in your Bank as compared to others, but still high. This is a matter that calls for some sort of concerted action by leading banks.

Advances:—Our loans and advances showed only a moderate

increase of Rs. 13.09 crores from Rs. 54.86 crores in 1956 to Rs. 67.96 crores in 1957. In view of the Reserve Bank's policy of credit squeeze on advances against foodgrains and availability of large funds with us, the Bank has to diversify its advance policy and is now looking into the credit-worthiness of different industries that have developed during the last few years and attempting to increase advances in fields not hitherto covered by the Bank.

BRANCH OFFICES

Your Bank's policy of extending its services in areas not being served by banks continues. The number of offices increased from 340 to 353 during the year. One of the handicaps with regard to the opening of new offices in areas with insufficient or no banking facility at present is the difficulty of building up a reasonable advance portfolio. This position was brought to the notice of the Reserve Bank. Certain modifications were made by the Reserve Bank in their policy regarding advances on foodgrains. But they do not meet the situation. If banking has to expand in new areas, the policy needs further revision.

The space problem at the Head Office will be eliminated with the shifting to our new building. The enlarged organisation of the District Managers has now been well consolidated for rendering better and prompt service to our varied clients. The Foreign Exchange Department is also being organised on a regional basis and I hope it will take its proper shape during the present year.

1957: RETROSPECT

The past year has been in a way a complex and difficult one. Viewing the economy of the country, however, as a whole in retrospect, we find that we have fared better than we thought we would. A big storm that appeared to gather force blew over and though there has remained much dust and some dislocation we are still on our feet. We have not only to continue to remain on our feet but also grow up.

HIGHER PRODUCTION TRENDS

At the beginning of last year, there was apprehension of a declining trend in agricultural production and consequent rise in the price level. It was further feared that the stricter import control over general consumer goods would also be an inflationary

factor. There was failure of monsoon and serious drought occurred in many parts of the country. By the middle of 1957, the price of foodgrains had gone up. The Government of India and the Reserve Bank took concerted measures to keep down the level of prices by importing foodgrains and by the policy of credit squeeze and other steps. In line with this policy, your Bank also limited advances on foodgrains. At the end of 1957, the foodgrains prices came down to more or less the level that was prevailing at the end of 1956. The price index for food articles in December 1957 was 102.9, the same as in December 1956. The general price level at the end of 1957 was same as at the end of 1956 in spite of the sharp increase in the excise duties on a number of items in the middle of 1957. The index for all commodities was 106.3 in December 1957 against 106.9 in December 1956. Having regard to the increase in the money supply, excise impositions and import restrictions on consumer goods over a wide front, this trend in the price level affords considerable satisfaction.

Taking the picture of production in the fields of agriculture and industry, we find that there has been during 1957 an increase of 6% in the agricultural production and 11% in industrial production. Leaving the peak production in 1953-54, the production of foodgrains in 1957 showed the highest increase during the last eight years. In wheat, gram, cotton, coffee, rubber and sugarcane, the production in 1957 set new records. The rate of industrial production during the year as a whole was the highest in the past many years. The index rose from 103.6 in 1952 to 133.0 in 1956 and 147.6 in 1957 (11 months). The rate of increase in 1957 over 1956 is 11% against 8.9% in 1956 over the previous year and the highest over the past five years.

The foreign exchange position that was extremely tight and which, it was apprehended, would adversely affect production in the country has since improved though not adequately. Though the problem of non-availability of foreign exchange for development purposes continues, the utilisation of available foreign exchange by providing matching rupee capital is assuming serious importance. It is thus a picture that carries the hope of progress emphasising the need for serious efforts in all directions.

I agree with the analysis of Mr. Iengar, the Reserve Bank Governor, that "there is no reason why we should take a gloomy view of the situation". But the rate of increase in industrial production since the end of the year is falling and is a disturbing factor which must be taken into account for adjustment of policies, fiscal and monetary. We have definite objectives and if they are better secured by adjustment in the fiscal and other Governmental policies, doctrinaire considerations should not stand in the way.

FOREIGN EXCHANGE AND DEVELOPMENT

We have three more years of the Second Plan to go. Our ultimate objectives have to be realised. Also, as the Prime Minister stated in Parliament, our under-developed country has somehow to break the barrier and cross into a dynamic and self-progressing economy. We, have, therefore, to go on with the scale of expenditure proposed if not on a larger scale. We have to realise that the development programme we seek to implement cannot be achieved without a substantial measure of foreign assistance. There is a feeling among certain sections in our country that by embarking upon a heavy development expenditure now with foreign assistance, we shall be mortgaging our Third Plan. It was inherent in the Plan itself that we would take foreign assistance to complete our development programme, but, of course, the size of our requirement compared to estimates has considerably increased. Development is a continuous process. The creation of additional resources and increased credit-worthiness of the economy achieved through such development will enable us to meet our liabilities. There is nothing inherently wrong in going ahead at a faster speed with our development programme with foreign assistance. If the foreign exchange obtained is used for development purposes even with the admixture of created credit of Indian rupee such development would itself be an anti-inflationary measure.

As regards the shape in which the foreign capital should flow into our country, opinion seems to be divided. Some consider that deferred payment system carries with it a heavy liability. This liability is precise and fixed in advance. In the case of equity capital it is not so. The liability

is rather permanent and growing especially with reference to large profit-yielding industries. The choice may be a matter of preference with reference to individual schemes depending upon their profitability. The shipping interests who are willing to borrow money are opposed to foreign ownership through flow of equity capital. In their opinion, the yield on shipping investment is not large by industrial standards.

In whatever shape the foreign capital may come, its utilisation for achieving our development programme is linked up with our ability to find requisite finance from within the country.

FINANCE FOR AGRICULTURE AND INDUSTRY

The crux of the problem is thus internal resources and striking a proper balance between consumption and savings in the increased national income. The Governor of the Reserve Bank explained in his speech at Madras that the essential points of the economic policy in India today were to raise the maximum resources from within the country and to follow a correct monetary policy which would prevent inflation. He went on to say that the monetary policy had to be geared to a rapidly developing economy in which deficit financing necessarily played an important part. He said "the policy had, therefore, to be at the same time expansionary as well as restrictive, the expansion and contraction being operated on different sectors of the economy". It can be agreed that the policy has borne fruit in particular directions and the Reserve Bank must be congratulated on its achievements. The Governor of the Reserve Bank is doubtless aware, of the need of expanding credit to agriculture and industry in the coming years which is vital to achieve a level of production essential for equilibrium and progress in our economy. He has recently held meetings at Calcutta and Bombay to ascertain the nature and extent of the requirements.

The agricultural and industrial production, though higher last year, is showing signs of weakness. A continued accelerated rate of production is a prime necessity whether to feed the people or to give them gainful occupation and improve their standard of living or to check inflationary upheavals from dislocating the economy. The expansion of rural credit is appreciable in recent years but considering the needs of the cultivator for increased production, the efforts in rural credit expansion need to be greatly stepped up. I mentioned last year also, and I again repeat this year, that the services of commercial banks can be profitably employed in this field. This will also help commercial banks to have branch banking in rural areas.

The financial resources accumulated in the past with the industry are now largely exhausted. The

heavy taxes have further affected their capacity to make available enough funds from current profits. For the efficient and effective utilisation of the foreign capital that may be available, requisite Indian Rupee finance has to be raised. The Refinance Corporation that has been organised is likely to commence working within a few months with certain resources. These investment corporations are able to supply credit to industry only to a limited extent, but not to the full extent of the requirement. The monetary authorities must evolve a machinery for meeting the needs of internal resources for development. The services of commercial banks individually or through a consortium of banks may be utilised to meet this situation. We have a heavy task. With his thorough grasp of the fundamental aspects of our monetary problems and broad vision, I am sure Mr. Lengar will contribute to the initiation of a policy that will vitalise our economy.

PLAN EFFORT & FISCAL POLICY

Shri Nehru in his Budget Speech stated: "The crisis through which we are passing is a crisis of development, a crisis of resources. We must try to produce more, export more, and save more to find the resources for implementing the Plan." The public also in all walks of life are deeply concerned about the implementation of the Plan. The success of the Plan naturally depends on the creation of conducive conditions for development and the avoidance of policies and forces that debilitate the efforts towards the achievement of our objectives. It is by this standard that we have to assess the merit or otherwise of the fiscal and related policies of the Government. Are the efforts of the Government in accord with what has been laid down in the Plan? To what extent have the fiscal policies pursued militated against the cherished objectives?

The Second Plan estimated the total receipts of the Central and State Governments over the five year period at Rs. 5000 crores at the rate of taxation prevailing in 1955-56. It also estimated that non-development and maintenance expenditure under development heads would take up Rs. 4650 crores leaving for Plan expenditure the sum of Rs. 350 crores. To be able to obtain this, it was stressed that a careful watch would be necessary on non-development expenditure. On this assumption, they calculated further resources of Rs. 450 crores by way of additional taxation to make up Rs. 800 crores for development expenditure under the Plan. These estimates do not seem to have been followed by Government in implementation. Against the estimated annual average expenditure of Rs. 930 crores plus Rs. 200 crores on account of current developmental plan expenditure making a total of Rs. 1130 crores, the estimated expenditure during 1956-57, 1957-58 and 1958-59 is of the order of

Rs. 1126 crores, Rs. 1390 crores and Rs. 1500 crores respectively. The estimated revenue during these years has gone up to Rs. 1167 crores, Rs. 1356 crores and Rs. 1500 crores as compared to an average income of Rs. 1090 crores including the revenue through additional taxation estimated in the Plan. Obviously, the calculation of resources for development under the Plan has been upset by the non-development and non-plan expenditure in both the Centre and the States having gone very high. The States have continued to show budgetary deficits. The Centre in their hunt for funds embarked upon the policy of a series of new taxes which, without helping to stimulate and aid Plan efforts, were effective in undermining the capacity and stifling the initiative of the investor. This created many problems affecting more particularly the value of savings and in consequence the psychology of the people to save which is of cardinal importance for the successful implementation of the Plan. The value of the Government securities fell to the lowest level in the past many years. The prices of Preference Shares and Ordinary Shares were subject to sharp falls.

The drop in the price of Government and Trustee Securities, Preference Shares and Equity Shares was to the extent of 2%, 9% and 16% respectively. The level of prices in 1957 was substantially lower than that in 1951. The average price index of Government and Trustee securities, Preference shares and Equity shares in 1957 was 89.4, 76.7 and 104.5 against 96.2, 98.6 and 112.9 in 1951 respectively. It is relevant to note here that during the First Plan and the first two years of the Second Plan, very heavy industrial expansion has been achieved and most of the companies ploughed back their profits increasing the production and earning capacity of the units. This should have been represented in the appreciation of the value of the investments. Only this would have given the encouragement to ploughing back and created the confidence as regards the benefit of such ploughing back to the investor and to the development of the country. As things are at present, the depreciation in equity share values as a direct consequence of Government's fiscal policy has wiped out the savings of the investors and has given a shock to the confidence of the investor and the industrial management in the policies of the Government. The Government's policy has not been such as to keep the value of the people's savings intact. Obviously, the people can be induced to save only if they are assured that the value of their savings will appreciate and not depreciate. What confronts the economy today in this respect is really a serious situation.

The Government and the Planning Commission should make an urgent study of the effect of last year's fiscal policy on the imple-

mentation of the Plan. They should see how far the policy has been helpful towards the achievement of our objectives. Saving is the fulcrum of the Plan or for any development and if the psychology to save is affected as has been done by the last year's fiscal policy of the Government, it is essential in national interests to adjust the policy or even to reverse it. The withdrawal of the compulsory Deposits Scheme, the reduction in the excise duties on cotton textiles and the new variations regarding development rebate are indicative of an awareness on the part of the Government of the serious repercussions of their policy and I hope this flexibility will be extended further to smoothen the path towards the successful implementation of the Plan and rousing the enthusiasm of the people in maximising savings for the fulfilment of our objectives regarding greater employment and improved living standards. To this task, the new Finance Minister, Shri Morarji Desai brings his mature experience and sober analysis of the country's economic and financial problems. I have every hope that under his able stewardship of the portfolio of Finance we shall progress without setback.

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

S. E. RLY CANCELLATION OF TENDER NOTICE

Tender Notices SICAL/STV/CL/58, SICAL Boating/58, SICAL TRNS/58 and SICAL Handling/58 inviting tenders for stevedoring and clearing, boating, transporting and handling wooden sleepers and timber arriving at Calcutta Port as published in this paper recently are hereby cancelled.

S9 GENERAL MANAGER

SHREE KRISHNA GYANODAY SUGAR LTD.

The Board of Directors of Shree Krishna Gyanoday Sugar Ltd. in their meeting held on the 26th April, 1958 have recommended to the forthcoming Annual General Meeting of the Company payment of dividends of Rs. 6/- per share on 'A' Preference Shares, Rs. 5/- per share on 'B' Preference Shares and Re. 1/- i.e., 10% per Ordinary Share, without deduction of Income tax, for the year ended 31st July, 1957.

By Order of the Board,
For Shree Krishna Gyanoday
Sugar Ltd.,
J. P. Saxena,
Secretary.

Calcutta,
26th April, 1958.

Indian Finance

May 3, 1958

Indian Aluminium Company, Limited

Chairman's Speech

The Annual General Meeting of Indian Aluminium Company, Limited was held in Calcutta on April 28th, 1958. The following is an abbreviated version of the Speech made at the meeting by the Chairman, Mr. K. C. Mahindra.

Your Company has completed two decades and we are holding our 20th Annual Meeting today. Over the past year sales and gross profits have continued to grow as anticipated and the Company's functional organization has kept pace with the demands made by the widening market. We have exceeded the Rs. 5 crore mark in the sales turnover this year, and profits before provision for income and wealth taxes is over Rs. 65 lacs or 12% of sales, as against Rs. 45 lacs or 10% of sales in 1956. But new patterns of taxation were being experimented with in 1957 and the impact of tax burden has meant a heavy impost on corporate earnings.

You will recall that in 1956, only Rs. 7 lacs was provided for income tax owing to the carry forward of development rebate and accelerated depreciation on new plant and machinery allowed for tax purposes. The Finance Act of 1957 increased the rate of corporate income tax from 43.4% to 51.5%, and in addition a wealth tax imposing a one-half percent levy on the net assets of the Company was introduced with retrospective effect from 1956. The Accounts accordingly make a provision of Rs. 37 lacs for current income tax and Rs. 4.5 lacs for wealth tax for two years, which together amount to nearly six times the sum provided in 1956.

While the amount available for distribution to shareholders had thus been reduced, the ordinary share capital of the Company has increased from Rs. 201 lacs at the end of 1956 to Rs. 385 lacs by December 31st 1957, following the conversion of the major part of the Convertible Loan Stock issue into ordinary shares. Some further conversion has taken place during the current year, and the dividends which you will declare at this meeting are payable on the capital outstanding on this day.

Shareholders will recollect that early last year additional finance was secured for the purpose of implementing the Hirakud smelted project. It inevitably takes a few years before new production facilities can get under way. In the meanwhile, there is a heavy pressure on the ways and means position of the Company, and your Directors would have been well-advised in recommending patience to shareholders and withholding disbursement on dividend payments. Conservation of cash resources is a sound practice during an expansion phase. The Board, however, took into consideration

the general stresses in the Indian economy today and have recommended for your approval a dividend of 6% on the enlarged capital. Your staff is well on the top of the Hirakud job and I am glad to report that time schedules of construction have been closely maintained to date, with the hope that the new smelter will go on stream as planned, early in 1959.

In my address last year, I referred to the new pattern emerging in sales of the Company's products, which was reflected in a lower offtake of circles with a more than corresponding increase in sales of sheet and plate products. This trend continued in 1957, and we find that whereas circle sales declined by 430 tons, the sales of flat and corrugated sheet and plate increased by 991 tons as compared with 1956. The strength of the trend is more clearly apparent from the fact that sheet products, which amounted to only 39% of the total rolled product sales in 1955, increased to almost two-thirds of the total in 1957.

Simultaneous, and perhaps even more striking, has been the growth in demand for extrusions from early 1955, when we installed a press at Alupuram. Extrusion sales have increased from 119 tons in 1955, to 342 tons in 1956 and 673 tons in 1957.

These are only some of the more vivid examples of the increasing acceptance of aluminium in the country, particularly in the transportation field, and which is mainly the result of patient and persistent development efforts of the Company's sales and production personnel.

You will, I am sure, have derived satisfaction from the plans mentioned in the Directors' Report for further expansion of the Company's production facilities, beyond the programme now under way. The demand for aluminium in the country is anticipated to increase to 35,000-40,000 tons per annum by 1961, and from the start, plans were established to double the Hirakud production as soon as practicable. Large financial resources are required and your Directors have had this problem continuously under study.

After the successful issue of Convertible Loan Stock last year, the Board felt a bit hopeful, but the subsequent tax enactments and disincentive measures brought about a chill in the investment climate and prospects of raising any further substantial funds on the Indian market, whether by the issue of shares or debentures, did not look too good. Your Directors nevertheless pursued their objective and succeeded in persuading Aluminium Limited, our Canadian associates, to the view that early completion of the original plan would be most desirable, and the

offer of a loan up to 5 million dollars from Canada, just sufficient to cover our foreign exchange requirements for this purpose, is indeed to be most heartily welcomed, as also the Government announcement that the second stage of development at Hirakud including additional generators comes within the "core" of the Plan. It is hoped that the Government will facilitate early completion of the arrangements with Aluminium Limited and accord their approval of the Company's expansion plans.

At a time when numerous development projects in the country are held up for want of foreign exchange or technical know-how or non-availability of suitable raw materials upon which they are based, it is encouraging to find your Company well placed. A claim can be made with pride that the contribution that your Company has made, and is making, towards the growth of the aluminium industry in India is an exemplary illustration of the part foreign investment and technique in collaboration with private Indian capital can play in the rapid development of the country's resources, and we may justly look forward to a future where your Company's efforts for the further progress of the industry will receive support and encouragement.

Over the last twelve months the strains on Indian economy have been severe and unprecedented. Foundation was boldly laid in the First Plan period for a prosperous future, but at the very commencement of the Second Plan wide cracks have appeared in these foundations. There has been rapid depletion of sterling balances; exports have barely maintained their level and savings have dried up. Import restrictions became inevitable; even the supply of key industrial raw materials has been affected. All these total up to a severe lack in available resources. Such a situation under any circumstances would have led to rigidity of administrative thinking. It is our good fortune that, by design or accident, the Government has been able to loosen their previous rigorous approach and through swift adaptation of realistic measures and policies, coupled with generous help from the United States, Canada, Germany, Britain and Japan, they have been able to avoid a collapse of the Plan.

Many learned discourses have appeared on the overbounding ambitions which governed the formulation of the Second Plan—its lack of realities, its over-emphasis on heavy industries, insufficient care for agricultural advancement, haphazard and expensive social theories and a general poverty of resources.

I do not propose to enter into a detailed argument on the merits or otherwise of planning. The past is a bucket of ashes. What should be recognised is that to stand still will be to stagnate. It is also to be recognised that the most prominent feature of Indian economy in

the last 12 months has been the pulling up of socks in the most classic orthodox manner—inflationary prices, particularly in food-grains, have been halted, bank advances and credits controlled and directed into worthier channels, and even tax adjustments, although minor, admitted into the new pattern. Despite the pedestrian budget, the keel of the ship of the realm has been righted and set on a straight, although austere course. I do not decry controversy and argument over past mistakes, but, quoting the British Prime Minister, why look up a train in last year's Bradshaw? The need of the moment is to find equilibrium in motion. "History does not linger long in the 20th Century; the world alters as we walk in it." (Oppenheimer).

We are all aware of the severe deficiencies in planning which have shown up; we are only too aware of the injustice and the disincentive impact of the new pattern of taxation. It is also recognised, I hope, that labour legislation and labour awards have made confusion worse confounded. The difficulties in which some of the textile units in the industry find themselves are perhaps indicative of serious imbalances in our economic arrangements. We are in the midst of a deep crisis of confidence as well as of physical limitations. Solutions would require faith and effort. That government is aware of the implications of the crisis economy is evident from their latest Economic Survey, presented with the Budget.

Mr. S. K. Patil, now the Minister of Transport and Communications, described the other day, in his characteristic style, the interdepartmental labyrinths which a file on food has to traverse, and if by luck it strikes the open, the file becomes a problem! All of us recognise now that food and soil productivity is our problem Number One, and that increasing returns per man-hour in the field and per acre of the arable soil are the only stable bases for advancement of the economy in India. It is to be regretted therefore that policies bearing on agriculture do not show any significant appreciation of the issues involved. It is to be hoped that Mr. Patil's plea will lead to better co-ordination at official levels, but means must be found to enlist the co-operation and the enthusiasm of the non-agricultural sector. It has to be both an individual and State effort. At Government levels general policies and plans will continue to be evolved; I suggest that at the local and regional level individuals should get mixed up actively in this programme. This is easier said than done. It is perhaps a most difficult thing for a lawyer, an accountant, an industrial executive or a shop assistant to become enthused over how better food can be grown, what helps soil conservation, why water is needed in regulated measures and when. Yet in my opinion, it is most important that at this stage of our fight for

economic survival the ordinary non-farming citizen from the city, the town or the village should not only know these things, but know how to help advance knowledge and modern practice in these matters.

I make an unusual suggestion: There are a little over half-a-million people in the country who pay income tax. Over 80% of them are undoubtedly of the small-tax-class—only a small percentage bear the bulk of the burden. My suggestion is that each taxpayer should be permitted to "invest" 10% of his tax amounts in soil improvement and soil productivity in the locality of his choice and in the manner he wishes, save that the contributions cannot be used for lending purposes. Bulk of the small tax-payers may be given the option to contribute their tithe to the local co-operative of their choice, as long as the co-operative does not engage in purely credit operations. Those who pay a significant amount in taxes, individuals and corporations, may choose to select a village area or a block of villages for such "investment". The main thought behind the suggestion is that the non-agricultural sector in responsible positions

should develop knowledge and interest and enthusiasm for land improvements. Government assistance at State and local levels should be willingly forthcoming for any measure or programme so suggested by the individual tax-payers for the selected area. Questions of control and of possible abuses in the spending of this ten per cent of tax-money are no doubt vital to the success of the scheme. The Central Board of Revenue have enough ingenuity of mind to devise checks and cross-checks for the purpose. The Community Development projects have developed a basic cadre of trained workers and evolved an organization which can be utilised for checking on the veracity of individual expenditures. The Central Government will lose 10% of the income-tax collections, but the positive gain in the enlistment of individual zeal for matters agricultural will be immense. The ten per cent reduction in tax collections is not lost; it is being diverted to a sector of the economy where responsibility has to become collectively universal; "invested" in what may be called unit programmes of enthusiasm, leading to fruitful abundance of the soil—every new blade of corn will amply

repay the tax money spent on growing it.

But no one can doubt, nor would it be proper to deny, that high vision and endeavour has been behind these planned efforts and that the various disquieting features which have emerged have really been thrown up by the hurry and the flurry to get somewhere fastest so that the average citizen can feed a little more, clothe a little better and have a roof over his shack. These are the tribulations of economic growth, exceedingly painful but nevertheless necessary and therefore inevitable. If, therefore, there has been a fault, it is one of overzeal, of failure to recognise or appraise correctly the inexorable law of economic growth in a democratic set up and in its consequences, the very rigidities of processes involved. These are grave problems worthy of serious, prolonged and continuous study by the administrators, the learned hierarchy of economists and the industrialists. There should be no quarrel with the ultimate of true socialism. To the humanity that inhabits India, socialism should have the meaning that none shall starve and none

shall beg; in the meaning that human dignity shall remain and human rights shall prevail; and, finally, in the meaning that to the riches of the earth, whether of human endeavour or of economic growth, all shall inherit.

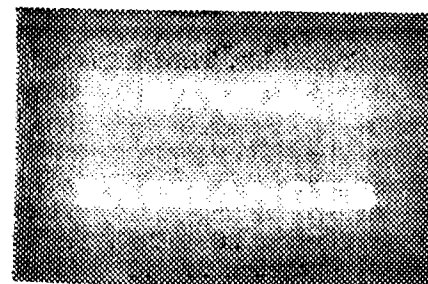
I should also like to welcome, on your behalf and mine, Mr. H. Vance Echols, who assumed charge as Managing Director of the Company in January 1958, in place of Mr. E. S. Greenwood, who, during his stay in India worked industriously for the growth and development of your Company. Mr. Echols has been connected with the aluminium industry in Canada and British Guiana for many years, and I am sure the Company will benefit from his wide experience and continue to prosper under his management.

Finally, an expression of our appreciation is due to the employees of the Company for the diligence and loyalty with which they have continued to serve the Company during the past year.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

Indian Finance

May 3, 1958



Selective Buying in Equities

Watch-Dog Writes:

EXCEPT for some keen selective buying in the Miscellaneous counter, activity in stock markets has generally been dull during the week under review. Operators are rather cautious in extending their commitments; but there is not much of selling pressure. This indicates that they do not expect any immediate major recession in stock markets.

Apart from a slight setback in the speculative issues due to profit-taking on lower Bombay advices, the Calcutta Stock Exchange displayed a steady trend with the Miscellaneous section providing many firm spots on investment account.

Price movements on the Bombay Stock Exchange were rather irregular due to alternate buying and selling.

Fairly steady conditions were witnessed on the Madras Stock Exchange.

Wall Street closed firm with a fairly good distribution of gains ranging mostly to a dollar or more.

Calcutta

Calcutta, Friday Evening.

CONDITIONS on the local Stock Exchange ruled generally dull in the absence of fresh incentives. Anxiety to await developments regarding the threatened strike and the reports of the Prime Minister's desire to retire caused some selling pressure early in the week, resulting in a setback in prices. Thanks to the news of the strike at the Burnpur Works being averted, prices staged a marked recovery towards the close due to some bear-covering at lower levels. Hopes were also entertained that the Government would announce their decision on

the Tariff Commission's recommendations on the question of steel and cement prices very soon.

The outstanding feature of the week was the strong enquiry for Gilt-edged securities. State Loans were also in request and the rise in prices was much more marked in the nearer maturities. Meanwhile, 3 per cent 1986 Conversion Loan opened steady at Rs 71.12 and, after improving to Rs 71.75, receded at the close to Rs 71.35.

In the Banking section, Hind as the terms of the merger with the Bank of Baroda were considered to be favourable to Hind Bank shareholders. Punjab National changed hands on the ex-dividend basis at Rs 51.87 to Rs 52, while United Commercial remained almost unchanged at Rs 59.50.

Jute shares, where changed, were slightly better on firmer advices from the gunny market following the receipt of orders both from the India and Egyptian Governments. However, trading continued to be restricted on fears that the margin of profit for mills, at the present level of prices of finished products and the raw material, would be narrow. Howrah were enquired upto Rs 15.31 from Rs 14.25; Birlas upto Rs 15.12 from Rs 14.94 and Nuddea upto Rs 37.50 from Rs 36.50. National touched a high of Rs 24.10 and a low of Rs 23.75, to finish at Rs 23.87. Among higher-priced scrips, Lawrence improved to Rs 73.75 from Rs 70.50 on reports that, despite the closing down of the mill, the loom-hours would be transferred to other mills in the same managing agency group. Ganges were, however, lower at Rs 44.50 against Rs 46.50; Anglo-India at Rs 143.50 against Rs 150 and India at Rs 112 against Rs 114.

Although operators were worried over the delay in the announcement of the revision of selling prices for the commodity, Coal shares remained fairly steady; but buying was selective. Central India were enquired upto Rs 7.90 from Rs 7.62 New Beerbhoom upto Rs 15.06 from Rs 14.21 and Western Bengal upto Rs 5.94 from Rs 5.81. Burrakur were, however, marked back to Rs 22 from Rs 22.37 on speculative selling. Amalgamated were a steady feature at Rs 17.

Tea shares were generally quiet in restricted trading as operators

were reluctant to enter the market till the position of the commodity in the current season was crystallized. Even Mr Kanungo's hint that a decision with regard to tax relief and the announcement of an interim release of export quota for the 1958-59 season to tea estates to the extent of 50 per cent of their crop had no effect on market sentiment. There was a general fear that, in the absence of any scheme to regulate output, an imbalance between supply and demand was probable during the coming months. Birpara were on offer at Rs 113 against Rs 115; Bishnauth at Rs 18.56 to Rs 18.62 against Rs 18.87; Dhekhakhat at Rs 21.50 against Rs 22.12; Rydak at Rs 26.25 against Rs 27.25 and Tezpor at Rs 15.00 against Rs 15.19. Brooke Bond closed, however, better at Rs 16.06 against Rs 15.87; Grob "A" at Rs 23.24 against Rs 23.12 and Patrakola at Rs 127 against Rs 124. Hatikhira were a steady feature at Rs 9.87.

Sugar shares came in for selective support, thanks to higher prices obtained for the commodity. Hopes were also held that there would be no substantial margin of production over consumption and that an early scheme for exports might be implemented. Belsund were taken upto Rs 11.25 from Rs 11.06; Darbhanga upto Rs 22.50 from Rs 21.81 and S.K.G. upto Rs 10.06 from Rs 9.81.

Textile scrips were quiet. There was a general disposition to await a definite improvement in the conditions of the cloth market. Elgin changed hands at Rs 13.00 to Rs 13.12 c.d. and Kesoram at Rs 11.37 to Rs 11.53. New Victoria were a steady feature at Rs 1.37.

In the Engineering section, price movements were rather irregular, being influenced by the speculative activity in Indian Irons. Against week-end closing of Rs 21.95, Indian Irons opened steady at Rs 21.97 and, after touching a high of Rs 22.04 and a low of Rs 21.63, finished the week better at Rs 21.68. However, TEXMACO had buyers at Rs 18.10 to Rs 18.35, while G.K. Williams finished better at Rs 30.87 after touching a low of Rs 30.75 from Rs 31.12. Burn were taken upto Rs 335 from Rs 328, while Indian Standard Wagon were enquired at Rs 98 to Rs 99 following the settlement of the strike at Burnpur. Britannia were a shade lower at Rs

11.25 against Rs 11.44, while Indian Galvanizing changed hands at Rs 13.75 to Rs 14.12; Kumardhubi at Rs 8.62 to Rs 9.06 and Jessop at Rs 20.25 to Rs 20.50.

In the week's dealings, attention was mostly directed towards Miscellaneous issues, although higher levels in a few cases could not be retained till the close due to profit-taking. Most prominent were Dunlop changing hands at Rs 24.75 to Rs 25.31 (Rs 25.12); Aluminium Corporation at Rs 10.94 to Rs 11.25 (Rs 11.06); Indian Aluminium at Rs 13.00 to Rs 13.19 x.d. (Rs 13.19); Indian Cable at Rs 29.90 to Rs 30.87 (Rs 29.90); Indian Steamship at Rs 11.06 to Rs 11.25 (Rs 11.19); Indian Oxygen at Rs 17.87 to Rs 18.37; National Carbon at Rs 24.75 to Rs 25.06 (Rs 25.06) and NICCO at Rs 23.94 to Rs 24.75 (Rs 24.69). Figures shown within brackets were the closing rates for the week. Indian Copper were neglected around Rs 3.13 on rumours of the possibility of passing over the interim dividend for last year. In the Paper section, Orient touched a high of Rs 30.25, to finish at Rs 29.90 on profit-taking. Titagur moved between Rs 36.06 and Rs 36.12; Shree Gopal between Rs 15.12 and Rs 15.25 and India Pulp between Rs 18.57 and Rs 19.25.

Bombay

THE stock exchange had ruled quiet during the past week following a number of adverse reports. In the first place, there was less of optimism about an amicable settlement of the labour dispute in the two mills. It was indicated that in one of the works a section of the workers might go on strike on May 12 if there was no response from the employers to the worker's demands. Secondly, there were rumours that Government might not accord sanction to Bombay Burmah for the issue of bonus shares. That report along with disappointing corporate news depressed sentiment. Once again Tata Locomotive had come in for adverse criticism at the hands of the Public Accounts Committee of the Lok Sabha. Another important factor that had retarded the uptrend had been the possibility of Mr Nehru's retirement. It would appear that operators considered that in the event of the appointment of a new Prime Minister there would be need for reconsi-



BELSUND SUGAR COMPANY, LIMITED.

Mg. Agents:—Bangor Brothers Ltd			
Year ended Sept.	1957	1956	1955
	Rs.	Rs.	Rs.
Cane Crushed (mtds.)	3,411,324	3,764,594	1,984,371
Sugar (mtds.)	331,379	376,214	212,424
Sales	11,769,564	10,015,356	9,419,432
Stocks	1,526,618	3,657,095	2,816,122
Net profit	795,550	1,077,036	431,503
Taxation	450,000	480,000	125,000
Depreciation	84,228	90,663	109,521
Reserve Fund	...	125,000	...
Other Funds	...	100,000	...
Div. Amt Ord.	259,870	259,870	194,903
Div. % Pref.	74,946	73,488	51,985
Div. % Ord.	13-1/3	13-1/3	10

(Annual General Meeting on 6-5-58 at 11-30 a.m. Books closed from 24-4-58 to 6-5-58)

Capital:—Authorised Rs 2,130,000. Subscribed Rs 1,949,025 in 259,870—ord. shares of Rs. 7-8 each.

Synopsis of balance sheet as on the last day of Sept.			
Liabilities	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up	1,949,025	1,949,025	1,949,025
Reserve Fund	25	25	25
Other Funds	675,000	675,000	550,000
Taxation Provision	106,000	100,000	...
Loans Secured	89,858	605,000	125,000
Debits	238,718	2,057,932	2,617,319
Carry Forward	1,348,962	1,946,030	1,289,164
	74,946	73,488	51,985
Total	5,290,534	7,306,500	6,582,518

Assets			
	1957	1956	1955
	Rs.	Rs.	Rs.
G. Block	3,383,770	3,376,107	3,335,389
Depreciation	2,568,270	2,531,569	2,441,301
Block (net)	815,500	844,538	894,088
Stores	777,997	844,679	948,344
Stocks	1,526,618	3,657,095	2,816,122
Outstandings	111,286	429,930	1,012,147
Do. More than 3 months	16,641	20,031	...
Mis. Deposits and Advances	1,831,276	1,456,219	925,586
Investments	35,839	35,839	25,914
Cash	175,377	108,169	60,317
Total	5,290,534	7,306,500	6,582,518
Liq. Assets	4,475,064	6,551,962	5,688,430

BUDGE BUDGE JUTE MILLS COMPANY, LIMITED.

Mg. Agents:—Andrew Yule & Co., Ltd.			
Year ended Oct.	1957	1956	1955
	Rs.	Rs.	Rs.
Sales	15,688,386	16,420,753	17,946,494
Stocks	1,120,512	961,079	885,642
Net profit	335,295*	271,883†	544,662
Taxation	30,000	27,000	200,000
Depreciation	243,650	180,000	130,000
Div. Amt Ord.	...	...	270,000
Div. Amt Pref.	63,000	63,000	63,000
Carry Forward	2,789	4,154	2,271
Div. % Ord.	Nil	Nil	7‡
Div. % Pref.	7	7	7

*After transferring Rs 80,000 from General Reserve and Rs 63,000 from Dividend Equalisation Reserve. †After writing back Rs 172,315 being provision against anticipated loss on raw jute stock and work-in-progress and after transferring Rs 565,000 from General Reserve and Rs 63,000 from Dividend Equalisation Reserve. ‡After transferring Rs 125,000 from Dividend Equalisation Reserve and Rs 100,000 from Taxation Reserve.

(Annual General Meeting on 19-5-58 at 11.05 a.m. Books closed from 5-5-58 to 19-5-58)

Capital:—Authorised and Subscribed Rs 4,500,000 in 9,000—7 per cent cum. pref. shares and 36,000—ord. shares both of Rs 100 each.

Synopsis of balance sheet as on the last day of Oct.

Liabilities			
	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	900,000	900,000	900,000
(ii) Ord.	3,600,000	3,600,000	3,600,000
Reserve Fund	1,195,826	1,275,826	1,481,000
Other Funds	597,100	690,100	1,112,926
Superannuation Reserve	144,000	144,000	144,000
Taxation Provision	35,233	6,168	27,640
Loans Secured	1,190,264	5,538	...
Loans Unsecured	392,702	1,465,030	...
Debits	1,215,871	928,074	1,039,731
Carry Forward	2,789	4,154	2,271
Total	9,273,795	9,019,890	8,307,568

Assets			
	1957	1956	1955
	Rs.	Rs.	Rs.
G. Block	12,232,479	11,700,993	11,287,557
Depreciation	7,178,657	7,235,319	7,225,930
Block (net)	5,053,822	4,465,574	4,061,627
Works in Progress	386,209	334,396	232,916
Stores	729,020	867,816	733,017
Raw Materials	1,181,892	2,107,333	1,740,532
Stocks	1,120,512	961,079	885,642
Outstandings	577,653	67,102	293,042
Mis. Deposits and Advances	127,855	135,295	188,207
Investments	93,313	75,813	75,813
Cash	3,509	5,482	126,772
Total	9,273,795	9,019,890	8,307,568
Liq. Assets	4,219,973	4,554,316	4,275,941

NATIONAL IRON AND STEEL COMPANY, LIMITED.

Director:—Sri B. D. Agarwalla.			
Year ended March	1957	1956	1955
	Rs.	Rs.	Rs.
Sales	11,941,035	9,340,616	8,375,654
Service Rendered	758,007	643,319	...
Stocks	1,048,205	1,102,030	...
Net profit	1,783,709	1,680,568	1,602,842
Taxation	578,075	578,075	1,080,526
Depreciation	593,864	491,000	507,874
Div. Amt Ord.	312,250	312,250	431,831
Carry Forward	828,210	528,690	124,400
Div. % Ord.	61	61	21

(Annual General Meeting on 22-5-58 at 11 a.m. Books closed from 12-5-58 to 22-5-58)

Capital:—Authorised Rs 5,000,000. Subscribed Rs 4,996,000 in 499,600—ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of March

Liabilities			
	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up	4,996,000	4,996,000	4,996,000
Debentures	400,000	500,000	600,000
Share Premium	490,630	...	...
Capital Reserve	1,164	...	...
Reserve Fund	116,127	490,630	490,630
Taxation Provision	2,129,056	2,308,535	2,227,533
Loans Secured	976,706	988,710	791,495
Loans Unsecured	476,772	262,476	...
Debits	3,156,548	2,409,038	2,578,814
Carry Forward	828,210	528,690	153,906
Total	13,571,213	12,484,979	11,534,401

Assets			
	1957	1956	1955
	Rs.	Rs.	Rs.
G. Block	10,846,750	9,481,348	8,911,431
Depreciation	6,310,209	5,729,271	5,218,219
Block (net)	4,536,541	3,752,077	3,693,212
Goods in Transit	257,789	...	...
Stores	1,183,878	1,142,900	77,900
Raw Materials	934,690	748,860	490,299
Stocks	1,048,205	1,675,261	1,990,727
Outstandings	1,232,709	1,176,501	1,458,532
Do. More than 3 months	174,575	...	...
Mis. Deposits and Advances	3,832,724	3,478,486	2,499,009
Investments	108,467	383,518	301,500
Cash	261,635	139,388	263,213
Total	13,571,213	12,484,979	11,534,401
Liq. Assets	9,084,672	8,732,902	7,841,189

Central Office:
JAIPUR
Phone 2669

THE BANK OF RAJASTHAN LTD.

Head Office:
UDAIPUR
Phone 35

CONDENSED BALANCE SHEET AS ON 31ST DECEMBER 1956-57.

LIABILITIES		1956	1957	ASSETS		1956	1957
		Rs.	Rs.			Rs.	Rs.
Authorised and Issued Capital ..	..	20,00,000	20,00,000	Cash, Bank Balances and Money at Call & Short Notice. ..	..	1,42,45,109	1,35,27,706
Paid-up Capital. ..	..	9,22,875	9,22,875	Investments in Govt., Semi-Govt. and other Securities. ..	..	1,06,61,519	1,02,62,043
Reserve Fund and Other Reserves. ..	..	5,36,154	6,27,265	Advances. ..	..	1,22,76,776	1,81,48,774
Deposits and other Accounts. ..	..	3,39,99,348	3,81,14,064	Bills receivable, being bills for collection as per contra. ..	..	19,57,861	22,23,882
Bills for Collection being Bills Receivable as per contra. ..	..	19,57,861	22,23,882	Other Assets. ..	..	13,14,683	15,69,845
Other Liabilities. ..	..	30,39,710	38,44,164				
TOTAL Rs. ..	..	4,04,55,948	4,57,32,250	TOTAL Rs. ..	..	4,04,55,948	4,57,32,250

deration of the prospects of equities. The announcement of the Rs 135 crore Central loan had naturally occasioned caution among marketmen because the loan would mean lesser availability of funds for investment in equities atleast for the time being.

STEELS:

Tata Steel ruled quiet throughout the week on renewed apprehensions about labour strike in the company's works. As against last Thursday's closing rate of Rs 184, the scrip declined by close on Friday to Rs 182.75. After having been maintained around this level in the next two days, it once again met with selling and recorded a steady decline during the past three days to be finally placed at Rs 181.25. Indian Iron also declined from Rs 21.92 to Rs 21.84.

TEXTILES:

Conditions in the textile section continued to be quiet following disappointing advices from the cloth market where offtake had not shown much improvement. Bombay Dyeing was marked down from Rs 56 to Rs 55.30. Central India after earlier steadiness developed an irregular trend to close quiet at Rs 83.50. Century encountered selling in later dealings to close lower on balance at Rs 431.50. Standard was however a bright spot improving to Rs 478.50 from Rs 468.

BASANTI COTTON MILLS LTD.

Notice is hereby given in continuation of the notice dated 19th April, 1958 of the Annual General Meeting of the Company above-named to be held on the 31st May 1958 at 11.30 A.M. that a Special Notice dated 28th April, 1958 had been received from a shareholder of the Company of the following resolution which he intends to move at the above meeting:—

RESOLVED that Right Hon'ble Lord Sinha of Raipur who has attained the age of seventy years on 22.8.1957 be and is hereby re-elected a Director of the Company and that the age limit prescribed under section 280 of the Companies Act 1956 shall not apply to him.

EXPLANATORY STATEMENT

Although in the Twenty-third Annual General Meeting of the Company held on 28th September, 1956 the Company resolved that the age limit under section 280 would not apply to the Right Hon'ble Lord Sinha of Raipur it is thought fit to pass again the resolution mentioned above to put matters beyond doubts.

This is supplementary to the agenda No. 4 "To elect Directors" of the Notice dated 19th April, 1958.

By order of the Board,
The Calcutta Agency Private Ltd.
Managing Agents.

24, Netaji Subhas Road,
Calcutta-1
The 29th April, 1958.

MISCELLANEOUS:

In the miscellaneous section, Tata Chemical was an active counter but closed rather subdued at Rs 15.08. National Rayon was rather quiet at the beginning but toward close recovered lost ground on renewed enquiries to close steady at Rs 224.75. Tata Loco was also steadier at close at Rs 167. Bombay Burmah on adverse rumour about bonus issue, reacted to close at Rs 554 from Rs 575. Alcock declined sharply to Rs 250 from Rs 290 on reduction in dividend.

Among Cement shares, ACC was rather quiet at Rs 153 with Digvijay placed at Rs 146. In the sugar section, Belapur eased to Rs 245 but Phaltan was steadier at close at Rs 140.50. Elsewhere steamship shares were a steady market on ideas of good prospects for shipping companies. India Steam and Scindia were finally placed at Rs 11.24 and Rs 17.52 respectively. Shivrampur Syndicate was steady at Rs 93. The Chairman of the company has expressed the hope that the working of the company for the current year "will not be too unsatisfactory."

Madras

THE overall trend of prices on the Madras Stock Exchange disclosed no perceptible change from the last week's levels.

TEXTILES Trading in this section was dull and featureless and mild selling pressure was seen in a few scrips. Maduras were easy at Rs 33.25, while selling enquiries were noted for Coimbatore Cottons, Coimbatore Spinnings, Coimbatore Pioneers and Kotharis. Virudhunagar, however, improved to Rs 32.25 on some buying enquiry. Metturs were quoted lower at 345, while Travancore Rayons were done at Rs 13 c.d.

PLANTINGS This section ruled comparatively steady, thanks to new investors taking interest in the market. Coffee shares were highlighted. Consolidated Coffees and Coffee Lands were taken up to Rs 24.75 and Rs 34.90 respectively. Business in Cowoodys were done upto Rs 9.50 c.d. following the announcement of an interim dividend and the issue of bonus shares. Shevroys had buyers at Rs 2.13 and Outchertons at Rs 4.87 to Rs 4.92 x.d.

In the Tea section, Periakaramalais moved between Rs 4.14 and Rs 4.20 with, Devasholas quoting Rs 18.40; Twyford at Rs 13.25 and Kallasas Rs 15.50.

Among Rubber shares, there was some demand for Kalpettas at the market rate, while Rajagiris improved to Rs 15 on better enquiry. Thamarapallis gained a rupee at Rs 25 with buyers at this level. Cochin Malabar changed hands at Rs 4.97 to Rs 5.02.

MISCELLANEOUS In this section, Cement shares were an active counter following reports that cement prices were likely to be increased shortly. Travancore were bid upto Rs 8.90 and Indias upto Rs 27.40. Sugar shares came in for selective support. Deccans were taken upto Rs 8.30 c.d. following the

interim dividend news, while EIDs were done at Rs 27.30. Among other scrips, FACTs remained unchanged at Rs 5.30 and Aluminium Industries at Rs 9.55. Metturr Chemicals were quoted at Rs 9.55; Ashok Leylands at Rs 4.25 and Parry's Confectionary at Rs 3.90 c.r.

New York

THE main feature of trading on Wall Street was the re-investment demand for some heavy industry shares. Gains of mostly fractions were spread over a fairly broad front with a few international Oils, notably Gulf Oil and Royal Dutch showing improvement exceeding a dollar.

While reporting declines in income as compared with a year ago, both General Motors Corporation and US Steel Corporation were able to cover dividends in the first quarter of the year, the issues responded to this with fractional improvements. On the other hand, Whelting Steel reported earnings of only 3 cents per share as against 2.12 and the issue declined by well over a dollar.

S. E. RLY. TENDERS

Sealed tenders are invited for tender No. CON/GM/10/GB5.58 for supply of 1000 Imp. Galls. paint red lead non-setting ready mixed to specification I.S. 102.50. Tender will be opened at 12 noon on 29.5.58.

Tender forms (not transferable) are obtainable from the office of the Controller of Stores (Construction Section) Garden Reach, Calcutta-23 at Rs. 5/- (not refundable) per set by money order to him direct in the case of outside firms and on production of Cash receipt from this Rly's Chief Cashier by local firms.

Tender forms should accompany the receipt for depositing earnest money of Rs. 1000/- from this Railway's Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs. 1000/- with the undermentioned are exempted.

S6 GENERAL MANAGER

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

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		Rs NP	Rs NP

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NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	Quotation as on 25-4-58	25-4-57
		Rs NP	Rs NP

NAME	Paid-up per share.	
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NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on	
		25-4-58 Rs nP	25-4-57 Rs nP			25-4-58 Rs nP	25-4-57 Rs nP
Shahjahanpur ...	10	6.81	6.87	Dalhousie ...	100	64.75	84.00
Shillong Hydro. ...	2	4.84	5.00	Delta ...	100	113.00	125.00
Sijua Jheriah ...	10	9.01	10.75	Empire ...	10	15.00	14.75
U. P. ...	100	124.50	146.00	Fort Gloster ...	100	318.00	290.00
Upper Ganges ...	10	12.25	13.06	Fort William ...	10	18.37	18.56
Upper Jumna ...	10	16.25	16.87	Ganges Mfg. ...	100	46.00	50.00
COAL							
Amalgamated ...	10	17.00	15.98	Gondalpara ...	100	485.00	750.00
Asso. K'pura ...	10	3.00	1.00	Gourepore ...	100	228.00	220.00
Ass. Lalkidh ...	10	1.69	1.62	Hastings ...	100	110.00	119.00
Bagdigi Kujama ...	10	4.11	4.50	Hooghly ...	10	9.87	18.50
Bengal ...	100	225.00	216.00	Howrah ...	10	13.94	15.19
Bengal Bhatdee ...	10	5.88	6.00	Hukumchand ...	74	17.25	22.00
Bengal-Nagpur ...	10	13.50	15.00	India ...	125	114.00	123.00
Bhalgore ...	10	6.50	4.62	Kamarhaty ...	100	82.50	90.00
Bharat ...	10	5.94	6.18	Kamarhaty B ...	100	80.50	82.00
Bhulanbararee ...	10	13.50	13.87	Kankannarrah ...	100	45.50	57.50
Bhuranga ...	10	2.00	2.00	Kankannarrah (B) ...	100	46.50	55.00
Bokaro & Ramgur ...	10	11.00	11.75	Kedarnath ...	10	9.00	10.12
Borra ...	10	17.00	20.31	Kelvin ...	000	168.00	199.00
Burrakur ...	10	22.25	21.50	Khardah ...	100	118.00	120.00
Central India ...	10	7.59	6.03	Kinnison ...	100	108.00	124.50
Central Kurrund ...	10	12.00	12.97	Lansdowne ...	100	75.50	80.00
Churulia ...	4	2.00	1.94	Lawrence ...	100	75.50	94.00
Dhemo Mala ...	10	7.25	5.75	Mahabir ...	100	85.00	85.00
East Indian ...	21	21.81	24.56	Magna ...	100	92.00	68.00
Equitable ...	10	27.41	21.00	Nalhati ...	100	57.50	54.00
Ghusek & Mulla ...	10	16.12	15.75	Naskarpara ...	10	9.84	14.25
Gourangdi ...	10	6.13	7.75	National ...	10	24.20	20.20
Guzdar Kajora ...	10	7.50	1.50	Nellmaria ...	10	11.00	11.50
Hajiladhi ...	10	16.03	22.12	New Central ...	10	13.87	12.31
Jagdalsa ...	10	2.50	2.00	Northbrook ...	10	14.75	20.31
Jaguldah ...	10	1.00	2.25	Nuddea ...	80	36.50	30.25
Jainity Central ...	24	1.81	1.68	Orient ...	100	81.00	103.00
Jorja ...	10	20.00	20.00	Presidency ...	5	3.75	3.82
Kalapahari ...	10	91.50	88.50	Rameshwara ...	10	4.62	5.12
Karapura ...	100	84.25	53.75	Rellance ...	10	5.87	7.44
Katras Jheriah ...	10	3.75	3.75	Shree Ambica ...	10	14.62	15.25
Khas Kajora ...	10	1.06	1.06	S Luchminarayan ...	10	9.25	9.25
Khas Shampore ...	10	2.75	2.44	S. Luchminarayan ...	5	5.25	5.25
Kuadi ...	10	10.25	9.00	Soorah ...	10	14.75	16.62
Lakurka ...	10	10.00	12.00	Standard ...	100	81.00	63.50
Mahabir ...	10	0.75	2.25	Union ...	200	113.50	109.50
Mundulpore ...	10	5.87	6.81	Waverley ...	2	2.37	3.12
Nazira ...	10	14.81	14.87	COTTON			
New Beerbhoom ...	10	1.81	1.81	Basanti ...	10	6.31	6.00
Ney Churulia ...	10	2.05	2.44	Bengal Luxmi ...	40	32.00	40.00
New Huntodhi ...	10	3.50	3.50	Bengal-Nagpur ...	10	4.19	7.75
New Jalrampur ...	10	11.75	7.81	Birja Cotton ...	10	34.50	35.00
New Manbhoom ...	10	0.87	0.94	Bowreah ...	100	108.00	120.00
North Damuda ...	24	18.37	16.82	Cawnpore Tex. ...	8	4.06	8.25
North-West (F.P.) ...	10	15.80	14.75	Century Spg. ...	100	385.00	521.00
North-West (F.P.) ...	74	13.50	14.75	Delhi Cloth ...	25	34.25	37.75
Ondal ...	10	8.00	8.25	Dunbar ...	100	182.00	174.00
Parasa ...	10	12.94	13.87	Elgin ...	10	13.31	21.50
Pench Valley ...	10	19.09	14.75	Jagatjit Cotton ...	10	9.00	10.00
Pure Sitapore ...	10	7.00	6.87	Jayashree Tex. ...	10	6.44	5.62
Raneesrunge ...	10	11.50	11.37	Jayakeero Cotton ...	10	5.85	7.81
Rewa ...	10	14.75	19.87	J. K. Cotton ...	100	100.00	115.00
Samia ...	10	12.00	12.31	Kesoram ...	10	11.81	13.37
Searsole ...	24	5.00	5.19	Mitr ...	100	64.75	75.00
Seepore ...	7	23.19	26.87	New Victoria ...	24	1.37	1.21
Sendra ...	10	7.00	9.00	Rampooria ...	10	15.12	16.25
Shree Mahakali ...	10	4.00	3.00	Shree Niwas ...	100	165.00	243.00
Singaran Synd. 'A' ...	24	0.81	0.81	Shree Bhawan ...	10	10.00	10.00
Singaran Synd. 'B' ...	24	0.80	0.81	Suite Cotton ...	10	70.00	90.00
Singareni ...	10	9.00	9.50	Singareni ...	10	11.94	12.50
S. Karanpura ...	10	6.62	8.31	Swadeshi Cotton ...	10	10.37	11.94
Standard ...	10	13.75	19.87	ENGINEERING			
Talcher ...	14	1.87	1.59	Arthur Butler ...	10	7.06	8.00
Union ...	10	14.00	15.25	Bhartia Med. ...	10	14.87	15.75
United Collieries ...	10	8.44	10.00	Braithwaite & Co. ...	10	15.50	25.12
Western Bengal ...	10	5.69	5.45	Bri. Bldg. & Iron ...	10	6.94	6.46
West Ghusek ...	10	12.06	13.12	Bri. Engg. ...	10	11.44	13.00
West Jamuria ...	10	5.12	8.50	B. I. E. Consn. ...	10	13.56	12.00
West Lalkidh ...	10	2.06	1.31	Bridge and Roof ...	10	29.00	36.00
JUTE							
Agarpara ...	10	8.00	8.25	Burn & Co. ...	100	328.00	312.00
Alexandra ...	100	90.00	109.00	Guest Keen ...	10	30.62	26.50
Alliance ...	100	64.00	59.00	Hooghly Docking ...	60	110.00	132.00
Anglo-India ...	100	150.00	132.00	Indian Galvng. ...	10	14.06	19.90
Auckland ...	100	82.00	76.00	Indian Iron ...	10	21.05	19.93
Bally ...	100	135.00	146.00	India Machinery ...	10	2.00	3.50
Barnagore ...	25	82.50	87.00	Indian Mail. Cons. ...	5	4.07	7.25
Belvedere ...	100	77.00	84.00	Ind. St. Wagon ...	25	100.00	168.00
Bengal ...	10	11.50	15.25	I. Steel Wire ...	10	61.00	56.00
Bharat ...	25	6.12	6.12	I. Steel Wire P.P. ...	1	15.01	15.56
Biria ...	10	15.19	14.25	Jay Eng. ...	100	127.00	100.00
Budge-Budge ...	100	71.50	89.00	Jessop & Co. ...	10	20.75	25.31
Calcutta ...	10	9.94	9.94	Kumardhuba ...	2	8.50	9.50
Caledonian ...	100	108.00	105.00	Marshalls ...	10	5.56	4.87
Champany ...	100	94.00	136.00	National Iron ...	10	6.94	7.00
Cheviot ...	100	142.00	126.00	National Screws ...	10	5.18	9.25
Chitavaleah ...	10	12.50	12.31	R. Cruddas ...	10	8.19	18.06
Olive ...	10	13.75	13.94	ENGINEERING			

Indian Finance

NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on	
		25-4-58 Rs nP	25-4-57 Rs nP			25-4-58 Rs nP	25-4-57 Rs nP
Sarm ...	4	6.56	6.62	Hasimara ...	10	21.62	24.50
Steel Products ...	84	1.06	0.92	Huidibari ...	10	21.12	23.25
Tex. Machinery ...	10	18.40	18.70	Jaybirpara ...	10	17.75	23.00
TEA							
Assam Gardens				Killoot ...	10	15.25	21.80
Amluckie ...	10	18.62	35.30	Maihati ...	10	21.00	15.87
Ananda Assam ...	10	18.44	44.87	Manabbarrie ...	10	68.00	70.00
Anandabag ...	10	20.50	24.50	Magasurree ...	100	114.00	190.00
Baghmari ...	10	19.00	22.12	New Dooms ...	100	269.00	296.00
Barduar Tea ...	6	5.60	5.12	Oodiabari ...	10	17.80	20.12
Basmatia ...	10	21.69	35.87	Phaskowa ...	100	95.50	190.00
Batell ...	5	20.00	27.00	Rajabhat ...	10	14.50	19.87
Bejtan ...	10	22.75	26.00	Ranchohara ...	10	14.87	16.37
Bishnauth ...	10	18.87	19.31	Rydok ...	10	26.50	34.50
Bokakhat ...	10	15.00	25.25	Saragson ...	10	31.50	37.00
Bormahjan ...	10	17.00	18.50	Cachar Gardens			
Borpukhuri ...	10	15.50	18.75	Arcuttipore ...	10	9.00	12.00
Brahmapootra ...	10	8.06	6.50	Central Cachar ...	100	72.00	65.75
Brooke Band ...	10	15.87	18.12	Ohandypore ...	100	67.00	65.50
Dejoo Valley ...	10	50.00	50.50	Eastern Cachar ...	10	5.06	9.00
Dessai & Purbat ...	100	270.00	296.00	Kallinugger ...	100	104.00	94.50
Dhelaikat ...	10	21.62	21.50	Kunchanpore ...	10	7.62	9.06
Dhunerai ...	20	11.50	17.56	N-W Cachar ...	100	99.00	210.00
Dibrugarh ...	10	23.25	22.75	Pathemara ...	10	5.44	10.50
Dimaas ...	10	24.80	27.50	Roopacherra ...	10	14.00	20.50
Dimaas ...	10	30.00	33.75	Rungamantee ...	50	59.50	97.00
East India ...	10	19.00	24.62	Sonal River ...	10	12.50	15.37
Gillapukri ...	10	27.00	31.50	Tea Producing Co ...	10	10.37	10.37
Gohpur ...	10	21.25	21.75	Tilkhah ...	10	8.25	12.50
Grob 'A' ...	10	23.12	30.25	Chittagong Gardens			
Grob 'B' ...	10	12.75	16.25	Dantmara ...	5	5.00*	5.00*
Hapjan Purbat ...	20	14.00	18.50	Kodala ...	10	12.38	30.00
Hoograjuli ...	10	28.00	29.00	Kornauli ...	10	11.50	12.06
Hoolungoorie ...	100	145.50	301.50	Oodalaah ...	10	12.60	13.96
Jutibari ...	10	17.37	21.25	Thandanchari ...	10	4.00	4.00
Kyang Tea Seeds ...	10	5.00	4.00	Dyibet Gardens			
Kingsley Golaghat ...	100	125.00	178.00	Baltakhal ...	10		
Krishnabehari ...	10	11.12	16.75	Chundoocheria ...	10	8.75	10.50
Ledo ...	10	18.25	20.12	Dauracherra ...	10	27.50	27.12
Maud ...	10	16.62	16.50	Hattikbhira ...	10	10.12	8.62
Methoni ...	10	16.75	18.44	Kaliti ...	10	9.87	16.56
Moheema ...	10	19.00	24.75	Lackatooarah ...	10	8.50	7.12
Mothola ...	100	436.00	390.00	Loobah ...	10	18.50	20.00
Murphulan ...	10	30.09	33.12	Naga Hills ...	10	3.12	5.56
Murphulan P.O. ...	10	31.00	35.12	N. Samanbagh ...	10	19.12	18.25
Naga Hills ...	10	34.00	35.25	Patrakola ...	100	124.00	163.00
Namburnadi ...	10	12.00	20.00	Rajnagar ...	10	11.00	15.50
N. Chinnatollah ...	100	100.00	105.00	Tellapara ...	100	114.00	175.00
New Coolickooms ...	10	8.00	10.50	South Indian Gardens			
Rajgarh ...	10	40.12	39.50	Kotamuttal ...	10	12.50	27.00
Sapoi ...	10	23.00	30.12	Teral Gardens			
Seajuli ...	10	19.75	26.62	Atal ...	10	6.50	8.37
Teen Ala ...	10	26.31	24.90	Belgachi ...	10	59.50	62.50
Telodjan ...	10	24.00	22.12	Gungram ...	100	115.50	192.00
Tengpani ...	10	39.00		Hansqua ...	20	18.44	26.50
Tespor ...	10	15.19	19.87	Longswy ...	10	7.25	11.06
Tongani ...	10	8.00	12.00	New Chumta ...	10	33.50	43.50
Tycoon ...	10	41.75	45.50	New Terai ...	10	18.00	20.00
Darjeeling Gardens				Pahargoomiah ...	10	34.37	44.00
Bloomfield ...	10	1.75	2.00	Putinbaree ...	10	55.00	57.00
Chamcong ...	10	10.62	15.12	Tirrihannah ...	10	29.50	32.25
Darjeeling ...	100	118.00	225.00	SUGAR			
Dilaram ...	100	149.50	199.00	Bairampur ...	5		
Gielle ...	10	9.06	25.90	Belsund ...	71	6.00*	6.50
Jayshree ...	10	9.87*	11.25	Bharat ...	10	11.06	10.81
Lingia ...	10	17.50	25.00	Basti ...	100	18.25	15.50
Margaret's Hope ...	10	8.75	16.50	Carew ...	100	120.00	120.50
Mim ...	100	201.00	255.00	Oawnpore ...	10	7.19	7.69
Nagri Farm ...	10	20.50	22.50	Champanar ...	10	10.81	19.31
Okayti ...	100	440.00	600.00	Darbhangra ...	10	20.37	19.75
Pashok ...	10	7.75	11.12	Deoria ...	10	22.12	21.25
Poobong ...	10	5.50	10.12	Dyer Meakins ...	10	9.56	10.12
Pusimbing ...	10	8.75	10.00	Ganesh Sugar ...	5	10.00	6.00
Runglee Runglit ...	100	360.00	370.00	Ganga Sugar ...	10	19.75	19.50
Geeyok ...	10	13.40	14.50	Gwalior ...	10	10.00	30.00
Singell ...	100	22.00	20.75	Jaswant ...	106	69.25	7.00
Singtom ...	10	5.00	6.06	Mohini ...	10	6.00	13.00
Soni ...	10	10.12	26.50	Newabganj ...	100	60.00	108.00
Sungma ...	10	10.44	12.56	New India ...	10	22.25	36.50
Teesta Valley ...	10	20.25	37.25	New Savan ...	10	4.12	5.75
Tukvar ...	10	8.06	11.50	Punjab ...	100	80.00	110.00
Dooms Garden				Purtapore ...	10	10.19	16.87
Banarhat ...	100	298.00	282.00	Ramnugger Cane ...	10	21.00	25.25
Baradighi ...	10	19.25	23.69	Ratna ...	10	3.00	4.25
Bhatkowi ...	10	21.56	24.10	*Nominal. †Rs-Dividend. ‡Cum-Dividend.			
Birpara ...	100	115.00	155.00				
Caroon ...	100	141.00	166.00				
Choonabhatti ...	100	271.00	301.00				
Ellenbarrie ...	100	195.00	180.00				
Enso ...	100	400.00	527.00				
Ethelbari ...	10	10.25	13.81				
Gairkhatna ...	100	120.00	258.00				
Hantapara ...	100	20.00	40.00				
Gopalpur ...	25	111.00	169.00				

NAME	Paid-up per share.	Quotation as on	
		25-4-58 Rs nP	25-4-57 Rs nP
B'lore Wool 6%	100	117.00	123.50
Buckingham 7%	100	135.25	143.50
Camodia 7%	100	108.00	115.00
Cauvery Spg. 6 1/2%	100	92.00	95.50
Coim. Muru. 6%	100	94.00	100.00
Co. Pioneer 6 1/2%	100	98.25	104.75
Hemalatha 5%	100	80.00	...
Kothari Tex. 6%	10	8.40	9.90
Loyal 5%	100	65.25	70.00
Palani Andavar 7%	50	58.50	63.00
Rajalakshmi 6 1/2%	50	53.00	56.00
Tirupeti 6 1/2%	10	10.00	10.00
Trav. Rayon 5%	10	7.35	8.50
Vasanta 6 1/2%	100	101.00	108.00
Vasanta 6 1/2%	100	91.00	95.00
Venkatasa 4 1/2%	50	53.00	53.50
Vijayakumar 6%	100	93.00	103.00
Vijayamohini 6%	100	95.00	95.00
Virudhunagar 5%	100	65.00	60.00

SUGAR

Cauvery 6%	100	91.00	...
Deccan 7%	5	5.75	6.12
E.I.D. 7%	200	95.00	108.75
India 7 1/2%	100	93.00	100.00
Jeypore 6%	1000	100.00	100.00
Jeypore 2nd 7%	100	100.00	95.00
K.C.P. 5%	100	100.00	92.00
Kirilumpudi 5 1/2%	100	88.00	82.00
Travancore 5%	10	6.75	8.12

MISCELLANEOUS

Amritanjan 7 1/2%	100	127.50	107.00
A Cement 6%	100	102.00	106.00
A. Scientific 5%	10	5.12	5.12
Aspinwall 6%	10	9.40	10.00
A.V. Thomas 6%	100	73.00	79.00
A V. Thomas I. 5%	10	6.50	6.12
Bruntan 6%	10	6.75	8.00
Can. Scientific 6%	5	4.60	5.20
Dal. Cement 6%	100	81.00	92.00
Dal. Cement 6%	40	30.62	39.00
Dal. Cement 6%	10	10.00	10.00
Enfield 6%	100	100.00	...
India Cement 5%	100	84.75	89.50
I. S. Rangia 5 1/2%	10	8.48	9.12
Mad Vanna 5 1/2%	100	33.00	33.00
Marika 6%	80	44.00	50.00
Mettur Chem. 6%	100	88.00	91.00
Mys. Chem.Mfg. 6%	10	8.78	9.28
Mys. Lamp 4%	10	5.60	6.00
Orissa Cem. 4 1/2%	100	95.50	100.00
Parry 5%	100	8.05	8.75
Rallis 5%	100	54.00	62.00
Rane 6%	5	4.70	5.0
Rane 7%	5	4.90	5.35
Ruby 6 1/2%	10	9.75	10.00
Sen Raleigh 5%	100	71.00	78.00
Spencer A 6 1/2%	10	7.75	8.50
Spencer B 6 1/2%	10	10.25	10.25
Stand. Motor 6 1/2%	100	90.00	98.00
Trav. Chem. 6 1/2%	10	9.37	10.00
T. Stanes 7%	100	93.00	100.00
United Elec. 5%	10	10.00	10.00
Vanguard Fire 5 1/2%	10	9.28	9.83
W. I. Plywoods	100	94.00	...

Ordinary Shares

MADRAS			
NAME	Paid-up per share.	Quotation as on	
		25-4-58 Rs nP	25-4-57 Rs nP
BANKS			
Andhra	100	111.00	120.00
Andhra	85	88.00	..
Bank of Mysore	100	246.50	246.50
Canara Banking	50	75.00	80.00
Canara I. & B 'A'	100	170.00	177.50
Canara I. & B 'O'	1	1.71	1.86
Indian Bank	100	204.00	191.00
Indian Bank	80	173.00	..
Indian Overseas	100	142.00	137.00
Indo-Comm'l. 'A'	100	42.50	42.50
Indo-Comm'l. 'B'	25	11.00	10.50
Indo-Comm'l. 'O'	80	24.00	18.00
Pandyan	25	35.62	38.12
Punjab National	25	53.50	51.37
Travancore	25	17.00	15.50
Trav. Forward	10	4.35	4.57

Indian Finance

NAME	Paid-up per share.	Quotation as on	
		25-4-58 Rs nP	25-4-57 Rs nP
ELECTRICS			
Berhampore	10	6.35	7.75
Cochin	10	9.40	10.75
Ellore	10	10.85	12.00
Karakkai	10	9.45	9.75
Kumbakonam	10	10.95	11.70
Nagapattinam	10	10.00	11.00
Salem-Rode	10	12.75	13.70
South Madras	10	12.86	13.94
Tin-Tuticorin	10	12.75	13.32
Vellore	10	13.50	14.00
West Coast	10	16.50	14.50
SUGAR			
Andhra	10	16.50	18.75
Cauvery	100	90.00	...
Deccan	5	8.30	10.62
E. I. Distil.	200	27.40	26.50
India	10	13.25	15.00
Jeypore	10	13.30	13.50
K. C. P.	100	120.00	135.00
Kirilumpudi	100	40.75	36.50
Mysore	10	23.75	27.25
Travancore	10	9.55	10.70
United Brew	75	183.50	170.00
PLANTATION			
Alageswar	2	2.65	3.25
Amalgamated	10	10.85	12.00
Anandam	10	15.40	21.00
Anapara	2	4.85	4.40
Arthala	5	4.00	4.00
Athimattam	2	1.28	1.12
Bababudin	5	12.00	11.00
Badra	2	3.75	3.37
Balanoor	2	16.00	19.00
Balmadies	2	3.35	3.35
Be Be	5	3.40	4.38
Blue Mountain	2	3.10	3.75
Chandramalai	2	3.20	2.90
Chembra	2	3.67	3.92
Cochin Malabar	2	5.05	7.65
Coffee Lands	3	34.65	35.15
Cons. Coffee	10	24.65	22.15
Coonoor	10	21.25	23.75
Coorg	10	11.50	12.00
Cottanad	5	13.50	17.37
Cowcoody	2	9.50	8.18
Devashola	10	18.40	20.50
Devon	10	17.25	17.37
Emerald Valley	5	6.85	7.25
Gokul	2	1.50	1.85
Halleyburia	10	18.30	22.50
Highland	10	13.45	14.30
Kadur	2	2.85	3.00
Kallas	2	4.25	5.00
Kalasa	8	15.42	13.80
Kalpetta	10	23.00	25.50
Karikode	10	10.35	14.19
Kilkotagiri	2	6.00	6.00
Kumergode	2	8.00	6.70
Kurohettala	10	6.30	8.00
Lucky Valley	10	10.60	12.50
Malabar Agr.	10	8.75	11.00
Malabar Indust.	10	15.50	22.00
Malankara	10	16.25	29.00
Manar	2	2.70	3.12
Manimala	10	8.75	10.00
Mercara	5	6.60	8.25
Midland	10	16.25	16.75
Miamalai	25	32.00	45.50
Mys. Amalgam	5	5.00	4.80
Mysore Coffee	2	3.12	3.00
Mys. Plantations	2	1.73	2.00
Neelamalai	5	4.87	6.00
Nellampathy	2	3.05	3.00
Nellithanam	10	11.85	13.00
Nemmeny	10	15.75	20.75
Nilambur	10	12.85	16.25
Nilgiri	10	8.75	9.25
Nonsuch	10	21.60	22.50
Ouchterlony	2	5.00	4.97
Panchur	1	3.20	4.25
Parkside	10	17.12	15.40
Peermade	10	22.25	27.00
Peninsular	10	19.00	28.00
Periakaramalai	2	4.12	7.60
Ponmudi	2	1.55	2.00
Pullangode	2	1.90	2.40
Puthuthottam	2	2.93	3.75
Rajagiri	10	14.87	18.75
Rajendra	8	10.25	11.87
Sangameswar	2	2.95	2.31
Savamlai	2	4.45	...
Shevaroy	2	2.17	2.04
Stanes Amalgam.	10	14.50	18.65
MISCELLANEOUS			
Alum. Indus.	10	13.25	13.75
A. Cement B	10	11.50	13.00
Andra Incoe.	50	80.00	100.00
Andhra Scientific	10	3.70	3.69
Ashok Leyland	5	4.25	5.12
Aspinwall	10	7.90	10.00
Aspinwall Trav.	10	7.90	10.08
A. V. Thomas	10	16.80	14.87
A. V. Thomas I.	10	3.62	3.62
Bang. Prite.	10	10.80	...
Bhny	100	158.00	174.00
Bruntan	10	4.56	5.00
Central Scientific	5	5.70	6.12
Dalmia Cement	10	10.05	11.37
Enfield	10	10.00	...

NAME	Paid-up per share.	Quotation as on	
		25-4-58 Rs nP	25-4-57 Rs nP
FACTS			
Forest Indus. ...	10	5.30	5.25
Genl. Papers ...	4	2.90	2.50
Hindustan Lever	10	9.00	8.00
India Cement	25	21.50	..
Ind. Steel Rolling	10	27.65	27.65
Inv. Trust of I.	100	11.50	11.00
Jeevanlal ...	100	58.00	83.00
K.I.C. ...	10	8.50	9.50
Madras Safe ...	10	12.00	..
Madras Vanaspathi	100	50.30	52.75
Marika ...	50	15.00	15.00
Mettur Chem.	10	40.50	50.00
Mys. Chem. Fert.	10	9.55	9.40
Mys. Chem. Mfg.	10	7.25	7.91
Mys. Coffee Curing	10	14.75	24.00
Mys. Electricals	100	10.80	12.25
Mys. I. T. L. ...	100	90.00	..
Mysore Lamp ...	5	6.57	6.50
Mysore Paper ...	10	14.40	15.62
Mys. Stoneware	10	16.32	15.70
Mysore Tobacco	10	11.75	11.44
Orissa Cement	10	12.60	13.75
Parrys Confee.	7	12.40	12.75
Radio & Elects	5	3.90	2.81
R. E. M. Co. ...	5	5.65	6.31
Rallis ...	10	13.25	10.00
Rane ...	100	33.50	30.25
Ruby Rubber ...	5	5.90	6.08
Sen Raleigh ...	10	9.70	10.00
Singaram ...	10	12.25	12.62
Spencer ...	10	11.00	10.50
Stand. Motors ...	10	17.12	16.15
Stanes T. ...	10	10.00	11.00
Textool ...	10	20.25	22.00
Trav. Cement ...	100	176.00	210.00
Trav. Chem. Mfg.	10	8.70	9.10
Trav. Ogale ...	10	12.00	15.75
United Elec. ...	10	2.20	3.30
United India Fire	10	9.50	10.00
Vanguard Fire	75	9.50	10.00
W. I. Plywood ...	10	6.00	5.28
	100	4.45	4.00
		118.00	..
DEFERRED SHARES			
Dalmia Cement	1	2.87	3.00
India Cement ...	5	5.40	5.20
K. C. P. ...	10	132.00	145.00
PREFERENCE SHARES			
BOMBAY			
NAME	Paid-up per share.	Quotation as on	
		25-4-58 Rs nP	25-4-57 Rs nP
ELECTRICS			
Amalgam. 5 1/2%	100	88.50	101.25
Amalgam 5%	100	82.50	97.75
Andhra Valley 7%	1000	1025.00	1085.00
Poona 7%	100	103.00	103.00
S. Madras 5 1/2%	10	10.00	10.00
S. Madras 2nd	10	10.00	10.00
Surat 6 1/2%	100	112.50	118.00
Tata Hydro. 7%	100	108.25	108.00
Tata Power 7 1/2%	1000	1117.50	1107.50
TEXTILES			
Adoni 6%	10	10.00	10.00
Ad. Adv. 5%	100	80.00	100.00
B. R. Cotton 6%	100	50.00	80.00
Bradbury 7%	50	57.50	63.00
C. India 5%	500	331.25	432.50
Elphinstone 7%	100	70.70	87.00
Jyajeero 5 1/2%	100	92.75	90.00
Khatana 4%	100	70.00	77.50
Kothari 6%	10	10.00	10.00
Kothari B 6%	10	10.00	10.00
Laxmi 5%	250	170.00	210.00
Madhusudan 4%	21	7.50	7.50
Mahendra 5 1/2%	100	99.00	..
Mafatal 1st 4 1/2%	100	86.00	92.00
Mafatal 2nd 4 1/2%	100	92.00	92.00
Mysore 4 1/2%	50	28.00	30.00
New Great 5 1/2%	100	145.00	180.00
N. Kaiser-I-Hind	100	74.50	90.00
Podar 4%	100	72.00	80.00
Shreenivas 4%	100	68.00	81.00

NAME	Paid-up per share.	Quotation as on	
		25-4-58 Rs nP	25-4-57 Rs nP
Swadeshi 5% ... 100		94.00	115.00
Swadeshi (Kan. 100		86.00*	92.00
Vishnu 7% ... 500		520.00	557.50
SHIPPING			
Gr. Eastern 5½% 100		91.50	100.00
STEEL			
Indian Iron 5% 100		100.25	102.00
Tata 1st 6% ... 150		148.50	155.00
Tata 2nd 7½% 100		111.00	116.00
PLANTATION			
Highland 6% .. 10		9.20*	9.75
Midland 6% ... 10		7.80*	9.75
Nellampathy 6% 10		8.80*	9.50
Rajagiri 6% ... 10		7.40*	9.00
Waterfall 6% .. 10		8.80*	9.75
SUGAR			
Bhopal 5% ... 100		94.00	94.00
Cauvery 6% .. 100		90.00*	..
Maharashtra 7% 250		240.00	260.00
Navalgaoon 5½% 100		65.00	...
S. Behar 7% .. 100		20.00*	20.00
Walchand 7% ... 100		130.00	135.00
CEMENT			
Andhra 6% ... 100		100.00*	106.00
Dalmia 7% ... 100		84.50	100.00
Dalmia 7% ... 40		30.50	40.00
Digvijay 5% ... 100		85.00	95.00
MISCELLANEOUS			
Amar Dye 6% ... 100		85.00	90.00
Amar Dye 6% ... 100		100.00*	100.00
Bom. Pott. 6% 100		65.00	65.00
Bom. Pott. 4½% 100		54.00	50.00
Bom. Silk 5% ... 100		47.50	...
B. I. Corps. 8% 100		100.50	122.00
Brunton Eng. 6% 10		8.00*	8.00
Dhranga Chem. 100		83.00	91.00
Digvij. Tiles 6% 100		96.50	96.50
Estrella 5% ... 50		35.50	38.50
Ferro Alloys. 6% 100		100.00	...
Hind. Const. ... 100		68.00	...
Hindus. Elec. 6% 100		82.00	82.00
Hindus. Motor 6% 50		35.50	...
Hingir Rampur 50		32.00	32.00
Indian Dye 6% 100		100.00*	100.00
I. Humr. Pipe 5% 100		57.50	...
Jaipur Metals 6% 100		57.00	...
Kamani Eng. 5½% 100		65.00	70.00
L & Toubro 5% 100		84.00	90.00
Mahindra 6% ... 100		100.00	101.50
Motor & G. Fin. 25		36.00*	38.00*
Nation. Elec. 4½% 100		80.00*	80.00*
Nat. Rayon 5% 100		73.50	76.50
N. Cen. Jute 7% 100		90.00*	101.00*
N. I. Fisheries 6% 100		101.00	101.00*
Orient Paper 1st 100		82.50	96.00*
Orient Paper 2nd 100		58.50	72.00
Poly Chem. 7½% 50		50.00	30.00*
Palson 6% .. 100		84.70	87.00*
Prem. Const. 1st 100		84.50	94.00
Prem. Const. 2nd 100		80.00	89.75
Prem. Cons. 3rd 100		5.44	...
Rohtas 7 to 9% 100		110.00*	122.00*
Rohtas 4½% ... 100		58.00	65.00
Sen Raleigh 5% 100		64.50	100.00*
Sitpur Paper 6% 100		100.00*	...
Structural Eng. 5% 100		100.00*	...
Supreme Ind. 100		70.50	80.00*
Tata Chem. 5% 200		89.50	97.50
Ternexco 1st 5½% 100		85.00*	100.00*

Indian Finance

FACTS AND FIGURES

INDEX NUMBERS OF SECURITY PRICES
(1949-50 = 100)

Week ended	20.4.57	12.4.58	19.4.58
Government and semi-Government securities—All-India			
TOTAL	90.0	89.5	89.6
Government of India	89.7	89.2	89.3
State Governments	96.4	96.6	96.6
Municipal, Port Trust, etc.	90.4	90.0	90.0

Debentures of Industrial securities—All-India

TOTAL	99.0	97.2	97.2
Electricity	99.0	98.5	98.5
Jute	97.0	92.2	92.2
Plantations	98.4	97.8	97.8
Sugar	98.5	96.4	96.4
Coal	90.6	84.8	84.8
General Engineering	100.0	98.3	98.4
Shipping	101.8	99.1	99.1
Others	100.1	94.2	94.2

Preference shares—All-India

TOTAL	78.4	70.5	70.3
Electricity	86.8	84.4	84.5
Cotton	78.0	67.7	67.2
Jute	71.0	58.1	58.3
Coal	81.8	72.7	72.5
Iron & Steel	80.7	79.1	78.5
Sugar	79.4	69.3	69.5
Paper	78.8	72.4	72.4
Plantations	97.8	86.6	86.7
Miscellaneous	74.7	65.5	65.1

Variable dividend industrial securities—All-India

TOTAL	107.0	98.8	98.7
Financial: Total	90.1	98.2	97.7
Banks	92.1	100.9	100.5
Insurance	82.6	91.6	91.1
Investment Trust	75.6	67.8	65.3
Public Utilities: Total	107.3	106.0	105.9
Electricity	106.9	103.4	103.2
Shipping & other Transport	116.9	122.8	123.0
Railways	76.5	67.9	67.3
Manufacturing Industries: Total	112.6	101.9	101.9
Cotton, Woollen & Silk	118.7	95.5	95.3
Jute	54.6	52.2	51.7
Iron & Steel	122.8	130.0	131.0
Paper	228.2	196.7	197.2
Cement	148.5	137.7	137.4
General Engineering	163.0	157.1	157.9
Sugar & Breweries	95.9	98.5	97.9
Chemicals	134.2	134.4	135.0
Non-Manufacturing Industries: Total	132.4	113.4	112.9
Coal	69.8	65.2	64.8
Mining & Oil	180.3	163.5	161.6
Plantations	150.0	121.7	121.6
Miscellaneous	83.7	68.2	68.2

Government and semi-Government securities—Regional

Bombay	89.3	88.9	89.0
Calcutta	89.9	89.4	89.5
Madras	90.2	89.7	89.8

Debentures of Industrial concerns—Regional

Bombay	99.0	96.6	96.6
Calcutta	98.8	97.3	97.3
Madras	99.5	97.4	97.4

Preference shares—Regional

Bombay	82.7	80.1	79.6
Calcutta	72.5	61.8	61.6
Madras	92.9	83.9	84.0

Variable dividend industrial securities—Regional

Bombay	117.6	115.9	115.7
Calcutta	93.5	84.2	84.0
Madras	119.6	109.4	108.8
Delhi	115.7	119.8	120.8

BULLION PRICES

Week Ended	26.4.57	18.4.58	25.4.58
GOLD:—			
Spot—			
Highest	105 81	114 12	114 62
Lowest	105 37	112 81	113 22
Average	105 61	113 46	113 87
1st Settlement—			
Highest	105 75	113 00	114 62
Lowest	105 31	112 06	111 22
Average	105 56	112 49	112 22
SOVEREIGN—			
Average	69 25	71 08	71 75
SILVER—			
Spot—			
Highest	181 87	201 94	200 37
Lowest	179 81	198 56	198 12
Average	180 95	200 36	199 05
1st Settlement—			
Highest	181 87	199 87	198 37
Lowest	180 12	196 69	196 12
Average	181 17	198 30	197 07

SHORT-TERM MONEY RATES

(Per cent per annum)

	19.4.57	11.4.58	18.4.58
Call Money—			
From Banks	3 1/2	3 1/2	4 1/2
Bombay	3 1/2	3 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	3 1/2	3 1/2
From Public—			
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
Fixed Deposits—			
1 Month	4 1/2	4 1/2	4 1/2
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2
6 Months	4 1/2	4 1/2	4 1/2
Bombay	4 1/2	4 1/2	4 1/2
Calcutta	4 1/2	4 1/2	4 1/2
Madras	4 1/2	4 1/2	4 1/2

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate		Date of change
		From	To	
Belgium	Fcs. to Rs. 100	1839	1038	23.4.58
W. Germany	Mks. to Rs. 100	1038	1039	25.4.58
France	Fcs. to Rs. 100	8790	8775	19.4.58
Philippines	Ra. to peso 100	238.00	238.25	23.4.58
Italy	Lire to Rs. 100	13005	13000	23.4.58
Denmark	Kroner to Rs. 100	1444	1444	23.4.58
U. S. A.	Ra. to \$ 100	475.00	475.50	24.4.58
Canada	"	491.00	491.50	23.4.58
"	"	491.50	491.25	24.4.58

STERLING TRANSACTIONS OF THE
RESERVE BANK OF INDIA

Week Ended	19.4.57	11.4.58	18.4.58
Forward Contracts—			
Purchases	£ ('000)	815	175
Ra. ('00,000)	1.09	23	73
Sales	£ ('000)	425	225
Ra. ('00,000)	57	30	...
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	...	50
Ra. ('00,000)	...	7	3
Sales	£ ('000)	3,745	3,060
Ra. ('00,000)	5.00	4.08	5.440
Against forward contracts—			
Purchases	£ ('000)	1,530	350
Ra. ('00,000)	2.04	47	2.01
Sales	£ ('000)	...	100
Ra. ('00,000)	...	...	13

PRICES AND YIELDS OF SELECTED
CENTRAL GOVERNMENT SECURITIES

	26.4.57	18.4.58	25.4.58
5% 1958	Price Ra. nP	Yield %	Price Ra. nP
	99 56	3.62	99 65
3 1/2% 1962	97 80	3.72	97 90
3 1/2% N.P.B. 1967	98 51	3.68	97 65
3% Dev. 1970-75	87 19	4.26	86 35
3 1/2% 1974	98 50	3.87	98 20
1% (Con.) 1986 or later*	74 40	4.03	71 20
	4.22	4.22	4.22

INDEX NUMBERS OF WHOLESALE PRICES
BY GROUPS AND SUB-GROUPS
(Base: 1952-53 = 100)

Group and Sub-Group	WEEK ENDED			
	15.3.55	8.3.58	15.2.58	16.3.57
Food Articles—	102.4	101.7	100.8	102.6
Cereals	95	94	94	100
Pulses	78	76	76	86
Fruits & Vegetables	96	99	95	111
Milk & Ghee	105	103	100	98
Edible oils	118	117	117	124
Fish, Eggs & Meat	104	103	99	93
Sugar & Gur	112	111	110	93
Others	126	126	128	124
Liquor and Tobacco	95.2	95.8	96.7	87.8
Fuel, Power, Light & Lubricants	94	94	95	86
Industrial Raw Materials	114.8	114.8	114.8	106.5
Fibres	111.2	110.3	112.0	117.8
Oilseeds	110	110	113	111
Minerals	113	111	111	119
Others	108	108	109	107
Manufactures—	110	109	110	107
Intermediate Products	107.7	107.7	107.5	106.2
Finished Products	107.4	106.4	105.4	109.1
Textiles	107.7	107.9	107.9	105.7
Cotton	106	107	106	107
Jute	117	117	117	115
Woollen	86	87	88	95
Silk & Rayon	103	103	103	100
Metal Products	92	93	90	87
Chemicals	142	142	142	131
Oil cakes	99	99	99	97
Mchy. & Transport Equipment	112	110	111	110
Others	102	102	102	100
All Commodities	105.5	105.0	104.8	105.8

* = Estimated. † = Revised.

RESERVE BANK OF INDIA
ISSUE DEPARTMENT: (In 000's of Rupees)

	25-4-58	18-4-58	26-4-57
LIABILITIES:			
Notes in Banking Dept.	32,94.34	23,86.66	20,57.18
Notes in Circulation...	1619,12.50	1627,77.00	1561,90.75
	1652,06.84	1651,63.66	1582,47.93
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	228,79.78	227,39.08	413,51.91
Total A	346,55.81	345,15.11	530,27.94
(B) Rupee Coin	132,00.97	131,57.79	127,29.56
Rupee Securities	1173,50.06	1174,90.76	924,90.43
	1652,06.84	1651,63.66	1582,47.93

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	5,00.00
National Agricultural Credit (Long-term Operations) Fund	20,00.00	20,00.00	15,00.00
National Agricultural Credit (Stabilisation) Fund	2,00.00	2,00.00	1,00.00
Deposits—			
(a) Central Govt.	53,05.16	52,44.85	52,83.08
(b) Other Govt's	15,64.20	13,08.66	6,38.51
(c) Banks	94,13.57	90,99.49	67,60.06
(d) Others	112,31.62	116,72.81	75,13.45
Bills Payable	14,33.12	14,38.86	16,53.44
Other Liabilities	43,26.15	41,48.94	119,28.78
	439,73.82	436,13.61	363,77.02

ASSETS:			
Notes	32,94.34	23,86.66	20,57.18
Rupee Coin	10,30	10.41	8.92
Subsidiary Coin	2.30	2.12	6.55
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	17,38.12	20,44.13	12,48.38
Balances held abroad*	39,00.89	42,48.42	92,38.90
Loans & adv. to Govt*	54,71.80	51,16.67	16,27.46
Other Loans & Adv.	54,68.88	54,37.30	96,23.73
Investments	227,27.30	230,14.17	112,41.88
Other Assets	13,59.89	13,53.73	13,24.02
	439,73.82	436,13.61	363,77.02

(1) The item 'Other Loans and Advances' includes Rs. 17,73,00,000 ad. issued to scheduled banks against advance bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

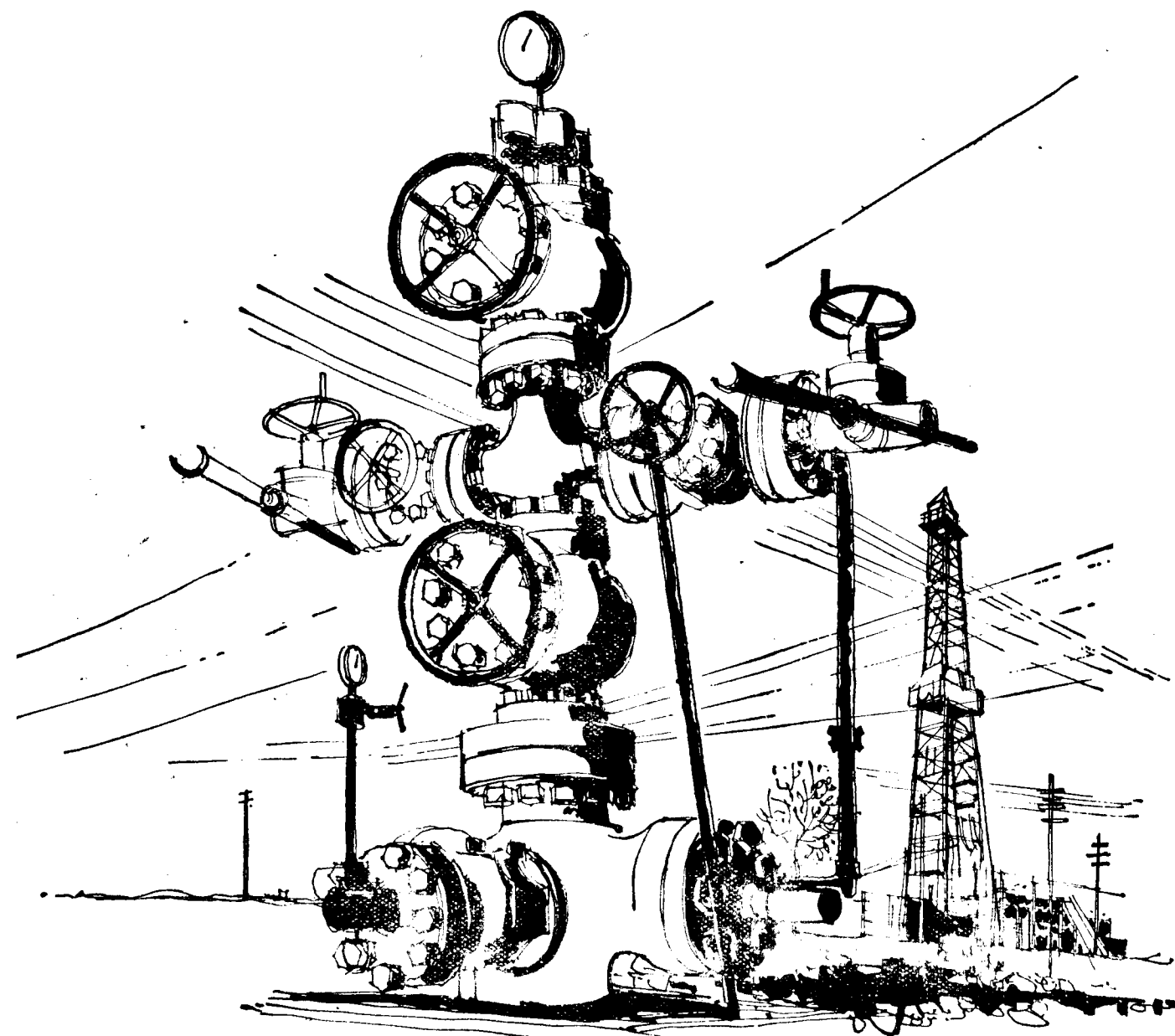
(In 000's of Rupees)

	18-4-58*	11-4-58*	19-4-57
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	18,17.99	17,45.67	9,84.52
(ii) Other demand liabilities	754,70.32	756,99.79	722,39.87
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	15,29.00	15,12.50	2,28.00
(ii) Other time liabilities...	748,02.45	742,49.02	493,64.13
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	6,64.93	7,82.04	7,13.22
(ii) Time Liabilities	95.00	95.00	...
Borrowings in India from the R. B. I.	19,79.25	22,16.45	75,57.54
Cash in India	39,32.01	39,91.77	38,19.72
Balances with the Reserve Bank of India	86,81.96	75,89.15	69,84.50
Balances with other banks in current account in India	12,53.84	13,38.76	10,55.24
Money at call and short notice in India	55,80.50	55,82.04	15,73.84
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	443,26.74	441,43.93	345,06.22
Advances in India	800,25.76	804,50.50	720,28.35
Inland Bills Purchased and Discounted in India	116,65.59	118,06.53	122,00.60
Foreign Bills Purchased and Discounted in India	40,52.39	39,62.59	59,16.19

*Figures are provisional since complete returns have not been received from A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA
(In 000's of Rupees)

	Week Ended		
	25-4-58	18-4-58	26-4-57
LIABILITIES:			
Capital Paid-up ...	5,62.50	5,62.50	5,62.50
Reserve Funds ...	6,62.50	6,62.50	6,37.50
Deposits and other Accounts ...	422,12.49	421,54.65	299,14.77
Borrowings from other Banks, Agents, etc. ...	...	...	51.00
Bills Payable ...	9,03.18	9,18.78	7,13.31
Bills for Collection as per contra ...	84.50	86.32	70.95
Acceptances etc. for constituents as per contra ...	70.13	70.00	5,12.75
Other Liabilities Including Inter-office Adjustments. ...	3,40.80	3,20.98	3,51.75
Total ...	448,36.10	447,75.73	323,06.99



Trees of steel

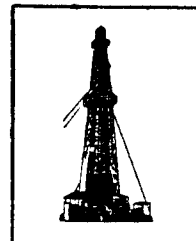
When a well strikes oil, the first consideration is to stop it gushing. Such an occurrence, though spectacular and common in the early days of drilling, is wasteful. To counteract the pressure, therefore, the mud used during drilling is pumped into the well. The drill is then replaced by narrow tubing which stretches from the bottom of the newly discovered deposits to the 'Christmas Tree' on the surface. The latter is a system of valves which control the flow of oil.

Crude oil, by itself, cannot move. It usually lies between natural gas (on top) and water, so that when the oil trap is pierced by the well, any gas present seeks to expand and pushes down on the oil, driving it upwards. Or gas may be dissolved in the oil itself, and as it expands it pushes the oil to the surface. If, however, a large quantity of water lies below the oil, it forces the oil out of the porous rock

and into the well. Sometimes a combination of gas and water pressure drives the oil to the surface.

Normally this pressure is sufficient to keep a well flowing for some time. But as the porous rocks are drained, the pressure declines. Then one of several artificial methods can be used to keep the oil flowing. The 'Christmas Tree' can be replaced by a mechanical suction pump which draws the oil up to the surface. Or gas can be fed into the deposits (between the casing and the tubing) to mix with the oil and bring it to the surface. Or, as a last resort, gas or water can be pumped down a neighbouring well to recreate the original pressure.

Thirty or forty years ago, only a quarter of the oil discovered could be recovered. With today's production techniques a much larger recovery percentage is possible.



Assam Oil

A full-scale petroleum industry

This is one of a series of informative advertisements about the petroleum industry.



Indian Finance

INVESTOR'S SUPPLEMENT

Irregular Trend During April

Conditions in the Calcutta Stock Exchange have been somewhat irregular during April. The beginning was quite cheerful but by the end of the first week, sentiment turned rather subdued due to profit-taking. Though the sagging tendency persisted during the early part of the second week, equities staged a recovery in later dealings with the market ending the week on a steady note. There was again a brief recession during the third week but the close was on a firm note. Conditions turned somewhat dull toward the close of the month though the undertone continued to be steady.

The improvement in sentiment in the early part of the month has primarily stemmed from the growing confidence that Government's policies are becoming more sympathetic towards private enterprise. Since Budget Day, some important concessions and reliefs have been announced. The cotton textile industry has been granted a reduction in the excise duty on all varieties of mill made cloth. The repeal of the compulsory deposit of the reserves has given a welcome relief to companies. These have been followed by the relaxation of the provisions concerning the development rebate and the gifts tax.

The effect of the amendment to the Finance Bill in regard to the development Rebate will be as follows: In the first place, if the total income for any year before allowing development rebate falls short of the full amount of the rebate, the rebate to be allowed for that year will be limited to such total income. The balance of the rebate will be allowed to be carried forward for being claimed in the succeeding year or years. The number of years for which it can be so carried forward will be restricted to eight which is the number of years for which unabsorbed losses can be carried forward under the present law.

Secondly, the amount to be taken to reserve need not exceed 75 per cent of the development rebate claimed. The reserves so created will remain with the company and can be used for legitimate purposes as long as it is not used for the distribution of dividends.

The amendments thus first remove the restriction that the development rebate is to be debited to the profit and loss account of concerned "previous year". It is now open to the companies whose profits are inadequate to complete the allocation in the course of eight years. Moreover the funds in the development reserve account can now be utilised for all legitimate purposes by the company, the only restriction being that they should not be utilised for payment of dividends. Originally, it has been stipulated that the funds should be

used for the acquisition of assets for the undertaking or for investment in the undertaking.

The concessions have demonstrated that Government are now prepared to view every issue having a bearing on the working of the private sector from angles other than that of raising revenue for the Plan. In this regard it is to be noted that 1958-59 Budget has first of all shown that no fresh tax will be levied during the remaining part of the Second Plan period. In the past six, seven weeks there has been ample evidence that Government have realised that some of the restrictions and new imposts placed on private enterprise are retarding its orderly growth. There is a section who think that Authority will, in coming months, find it not very difficult to give more reliefs because even in regard to finding the required internal resources for the Plan, Government are already well on the way to attaining the target. The uncertainty regarding foreign exchange has yielded place to the optimism that assistance from foreign countries will help reduce the gap to manageable proportions.

Apart from these developments, there are other favourable indications. Firstly there is the confident expectation that the tea industry will be given some relief in the shape of a reduction in export duty. It is pointed out that the delay in announcing the relief is due to the practical difficulty in separating common tea for purpose of levying export duty. Steel shares are generally considered to be quite attractive because of the commendable progress made by the two steel companies in their expansion programme. Further there is the anticipation of an increase in the retention price of steel. As regards Indian Irons there is the expectation that the company will be allowed to issue bonus shares. The issue of a higher selling price for cement and coal is also expected to be settled favourably. The announcement by the Finance Minister that the level of deficit financing will be kept at the original estimate of Rs 1,200 crores has been a contributory factor for the steady undertone.

The irregular tendency that has characterised trading toward the close of the month has been largely brought about by reports of labour unrest in the two steel works.

Sectionwise, Jute shares were a generally steady market. In earlier dealings the undertone was steady following reports of good working by mills in the last accounting period. Sentiment was also helped by optimistic appraisal of the prospects of the industry consequent on the good progress of modernisation of mills and the

current satisfactory statistical position. With the rise in raw jute prices about the middle of the month, operators were reluctant to extend commitments in this section on the calculation that the rise in goods prices had been more than offset by the rise in price of the raw material. Toward the close of the month the undertone became somewhat steadier as the jute goods market showed signs of revival on reports of the receipt of foreign orders from a number of foreign countries. National which was quoting at Rs 22 ex-dividend in earlier dealings closed at Rs 23.87.

Though generally steady, coal shares were only selectively better. It would appear that the inordinate delay in the announcement of the revision in the selling price of coal is mainly responsible for the listlessness in this section. However, it is generally believed that the Government's decision when it comes will be favourable to the industry. Moreover there is the confident hope that private collieries will be given a larger share in the target for coal production under the Second Plan. But in the absence of any definite indications on this point and in view of the delay in the announcement of the selling price for coal, this section has not witnessed any expansion in activity though the undertone continues to be steady.

The tea section which displayed a steady trend most of the time developed a sagging tendency toward close. The cautious approach of marketmen was due to the conflicting rumours about the expected relief to the tea industry. Earlier in the month it was rumoured that Government would shortly announce a reduction in the export duty on common tea. About the middle of the month rumour had it that the delay was due to the fact that Government were contemplating an overall reduction in tea export duty. Towards close it was, however, reported that Government after all had decided to restrict the relief to common teas only. That operators were worried about factors other than the export duty became evident when they failed to show much enthusiasm even after the hint given by Mr Kanungo that an announcement regarding export duty reduction was not far off. It would appear that apprehensions about overproduction and the consequent lower level of prices were having a restraining influence on market sentiment.

Sugar shares were a steady market both on account of the satisfactory statistical position of the industry and in view of the possibility of exports. It is generally believed that there would be no over-production which may lead to

lower prices for the commodity. Moreover it is confidently expected that a scheme for the export of the commodity would be announced shortly.

Engineering shares were in good request under the leadership of Indian Irons, though toward the close sentiment was somewhat cautious. The support for Indian Irons had primarily stemmed from hopes of better prospects for the company. In the first place the company's expansion programmes are progressing according to plan. Secondly it is confidently expected that Government would allow the company to issue bonus shares. Yet another favourable factor is the report about the increase in steel retention price. Up to the middle of the month the scrip was in good request and at one time it was done above the Rs 22 mark. The slight recession in the price level toward close is to be attributed to the apprehensions about labour unrest in the company's works.

Miscellaneous shares were a steady market throughout the month, with selected scrips gaining ground on sustained investment support.

Textile shares were rather subdued in view of the uncertain outlook for the industry. It would appear that the recent reduction in the export duty on all varieties of cloth has failed to bring the expected expansion in offtake in the cloth market. Indications are that investors may not extend their commitments till definite improvement is seen in the offtake.

PRICE TRENDS DURING APRIL

1958			
Gilts:		Opening	Closing
3% 1986	...	Rs. 71.08	Rs. 71.25
Banks:			
Punjab National	..	52.75	52.00xd
UCO	...	62.00	59.50
Textiles:			
Jayshree	...	7.00	6.94
Kesoram	...	11.50	11.83
Coals:			
Bengal	...	226.00	224.00
Burrakur	...	23.31	22.00
West Bengal	..	5.68	5.81
Jutes:			
Anglo India	...	143.00	143.50
Howrah	...	14.00	15.31
National	...	21.65	24.00
Tea:			
Bishnauth	...	19.87	18.87
Dhela Khat	...	22.25	21.50
Methoni	...	16.37	16.75
Tezapore	...	16.25	15.00
Sugars:			
Balrampore	...	6.06	6.00
Carew	...	7.69	7.19
SKG	...	10.00	9.87
Engineering:			
Indian Iron	...	21.57	21.63
Jessop	...	21.50	20.37
Texmaco	...	18.40	18.30
Miscellaneous:			
Indian Copper	...	3.32	3.15
Alkali Chemical	...	14.00	14.87
Orient Paper	...	28.10	29.95
India Steamship	...	11.12	11.06
Dunlop	...	24.37	25.19
Phillips	..	14.06	13.87

JUNE

NAME	Managing Agents, Agents/Secretaries	LOANS		Purchases	Sales	Stock	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000			
Agarpara ...	B. N. Elias & Co. ... 7% C. P. ... 5 1/2% Deb. ...	554	325	154.10	248.66	77.59	50	3-57	(a) 4.69	(a17) 4.15	2 1/2	5 1/2	7 1/2
Alexandra ...	McLeod & Co. Ltd. ... 7% C. P. ... 5 1/2% Deb. ...	296	150	30.85	34.11	30.77	...	12-56 H	(a3) 61	3.77	5	5	5
Alliance ...	McLeod & Co. Ltd. ... 6% C. P. ... Duncan Bros. & Co. ...	797	467	13,010	23,665	1,495	46	5-57	—471	(i) 244	nil	nil	12
Anglo India ...	7% C. P. ... Bird & Co. Private Ltd. ...	1,589	972	356.65	515.25	142.10	50	3-57	(a23) 15.72	(y) 25.63	6	6	10
Auckland ...	5 1/2% C.P. ... 4 1/2% R. C. P. ... 4% Deb. ...	450	360	116.48	160.42	42.64	40	3-57	(a) 3.14	(a) 9.23	7	7	8 1/2
Bally ...	Birla Bros. Private Ltd. ... 7% C. P. ...	659	300	54.82	190.55	46.23	9	3-57	2.75	(h) 2.98	2	7	3 1/2
Barnagore & ...	Jardine Henderson ... 5% C. P. ...	1,124	766	...	...	...	...	3-57	—74	—28	nil	nil	15
Belvedere ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	601	219	...	106.94	5.90	...	12-56	(a1) 2.05	(a10) 3.36	7	7	10
Bengal Jute ...	Soorajmull Nagarmull ... 5 1/2% R. C. P. ... 4 1/2% Debentures ...	350	250	...	283.71	26.71	1.43	6-56	10.86	15.21	10	11 1/2	5 1/2
Birla ...	Birla Brothers Private ... 7 1/2% C. P. T. ... 5 1/2% R. C. P. ...	982	391	...	431.22	49.91	2.21	3-57	24.80	29.88	10	10	7 1/2
Budge Budge ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	552	439	...	15,688	1,120	50	10-57	(a19) 335	(a) 272	5 1/2	5 1/2	7 1/2
Caladenian ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	371	245	...	93.00	4.50	25	11-56	(a2) 4.44	4.73	nil	6 1/2	9
Champdany ...	James Finlay & Co. Ltd. ... Andrew Yule & Co. Ltd. ...	761	639	208.74	333.61	58.41	50	3-57	(a24) 1.51	(a9) 27.02	7	8	7
Cheviot ...	7% C. P. ... McLeod & Co. Ltd. ...	480	50	...	75.04	5.69	25	11-56	(w) 2.18	(m) 2.44	2	10	14
Chitavalish ...	7% C. P. ... 5% Deb. ... S. K. Inv. Co., Ltd. ...	124	376	35.15	69.29	8.55	1.45	6-56 H	6.94	6.34	6 1/2	6 1/2	7 1/2
Clive ...	7% C. P. ...	546	423	51.33	9.822	3.513	50	3-57	—3.08	5.33	nil	5	12 1/2
Dalhousie ...	Bird & Co. Private Ltd. ... 7% C. P. ... 5 1/2% Debentures ...	496	270	97.05	149.16	9.92	45	3-57	(a10) —40	(a) 45	nil	1	4 1/2
Delta ...	Andrew Yule & Co. Ltd. ... 5% C. P. ...	458	321	...	103.87	8.34	27	11-56	(i) 2.20	(a) 3.61	5	10	12
Empire ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	295	205	28.03	39.21	8.45	58	6-56 H	2.90	2.41	5	5 1/2	7 1/2
Fort Gloster ...	Kettlewell Bullen & Co. ... 7% C. P. ... 5 1/2% 2nd C. P. ...	1,098	786	...	396.37	88.48	99	3-57	11.48	12.37	10	12 1/2	15
Fort William ...	Bangor Brothers Ltd. ... 7% C. P. ...	633	381	...	211.21	40.50	64	3-57	9.69	11.44	13	17 1/2	20
Ganges ...	Macneill & Barry ... 8% C. P. ...	1,001	708	15.13	140.34	20.27	2.09	3-56 H	—1.44	(a) 2.86	nil	nil	24
Gondalpara ...	Directors ... Deb. ...	413	197	143.98	194.11	30.06	...	12-56	(c) 7.62	—2.83	16 1/2	4	nil
Gouropore ...	Macneill & Barry ... 6% C. P. ...	962	452	198.42	290.38	14.68	50	3-57	(a22) 6.79	(b) 7.34	24	18	15
Hastings ...	Bangor Bros. Ltd. ... 6% C. P. ...	661	417	142.31	250.29	11.21	...	3-57	(r) 19.63	20.42	5	5	11 1/2
Hooghly ...	Directors ... 10% Pref. (t) ...	466	254	10,499	14,382	375	...	3-57	(a7) 557	—1.81	nil	nil	12 1/2
Howrah ...	Jardine Henderson Ltd. ... 7% C. P. ... 7% 'A' C. P. ...	1,234	786	263.51	365.22	105.39	50	3-57	—14.90	(f) 12.02	nil	5	12 1/2
Hukmehand ...	5 1/2% Debenture ... Ramchurn Ramkissandas ... 7% C. P. ... 5 1/2% Deb. ...	1,519	753	314.66	480.74	69.08	2.09	3-57	23.76	29.15	20	26 1/2	26 1/2
India ...	Directors ...	522	554	...	191.83	38.01	...	3-57	(a6) 9.44	(a4) 10.19	7 1/2	8	5
Kamarhaty ...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 5 1/2% Debentures ...	1,250	547	101.56	147.65	63.48	25	12-56 H	—5.35	—3.71	nil	nil	nil

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS				
	April 1958 Rs. np.	April 1957 Rs. np.			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standings	Cash Balances	Other
	Rs. np.	Rs. np.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 00
Agarpara ...	8 00	8 00	10	6,000	39.23	5.00	19	80.82	120.20	53.26	4.02	92.06	42.65	1.53	6
7% Cum. preference ...	91 50	99 00	100	1,000											
5 1/2% Debentures ...	905 00	975 00	1000	1,200											
Alexandria ...	90 00	189 00	100	600	4.00	6.25	1.70	29.92	56.93	38.47	70	36.12	5.09	55	2.85
7% Cum. preference ...	75 00	94 00	100	900											
5 1/2% Debentures ...	455 00	475 00	500	600											
Alliance ...	64 00	69 00	100	3,000	275	250	—574	6,043	12,529	9,579	210	5,669	1,493	172	...
6% Cum. preference ...	70 00	79 00	100	1,500											
Anglo India ...	143 50	134 00	100	4,921	50.00	16.00	1.78	180.78	311.47	203.15	41.18	155.12	29.31	3.29	45
7% Cum. preference ...	83 00	102 00	100	4,000											
Auckland ...	84 00	78 00	100	4,006	12.50	20.84	—3.79	54.95	141.67	55.35	3.27	50.96	16.35	1.6	7.42
5 1/2% Cum. preference ...	75 00	73 50	100	1,000											
4 1/2% R. Cum. preference ...	50 00	57 50	100	1,500											
5% Debentures ...	770 00	880 00	1000	1,500											
Bally ...	135 00	146 00	100	2,000	16.50	5.00	67	33.91	97.26	66.52	1.01	51.55	11.30	1.48	...
7% Cum. preference ...	83 50	100 00	100	2,000											
Barnagore & ...	82 50	87 00	25	275	2.15	4.10	—1.56	10.12	16.67	9.62	15	8.26	3.74	35	...
3% Cum. preference ...	30 00	35 00	25	200											
Belvedere ...	75 00	84 00	100	2,800	10.09	16.47	1	30.64	94.68	51.49	55	42.46	5.59	2	...
7% Cum. preference ...	85 00	97 00	100	700											
Bengal ...	11 50	15 25	10	4,500	24.00	11.45	1.46	72.88	57.92	33.73	5	44.48	48.88	67.79	4
5 1/2% R. C. P. ...	72 50	77 00	100	1,000											
4 1/2% Debentures ...	900 00	937 50	1000	1,000											
5 1/2% Debentures ...	900 00	950 00	1000	1,000											
Birla ...	15 09	14 25	10	9 1/2	45.00	175.87	2.67	80.91	364.24	153.36	779.31	67.07	90.03	43.75	10.37
4 1/2% C. P. I. ...	75 50	90 00	100	2,364											
5 1/2% R. C. P. ...	76 50	89 00	100	3,600	1,196	74	3	2,834	12,232	7,178	93	3,418	705	4	...
Budge Budge ...	85 00	102 00	100	900											
7% Cum. Preference ...															
Caladenian ...	114 00	105 00	100	1,800	23.19	3.27	21	23.53	87.44	45.04	46	30.37	4.96	1	...
7% Cum. preference ...	45 00	102 00	100	1,000											
Champdany ...	93 50	125 00	100	5,916		76.49	—7.24	63.66	228.05	119.61	2.06	67.89	12.63	46	39
Cheviot ...	142 00	126 00	100	1,595	14.27	9.03	9	13.09	82.74	57.70	66	32.84	3.87	1	...
7% Cum. preference ...	86 00	101 00	100	1,000											
Chitavalish ...	13 75	12 31	10	3,015	18.00	9.00	1.01	22.00	66.69	48.44	9.11	33.90	9.46	29.90	...
7% Cum. preference ...	87 50	97 50	100	500											
3% Debenture ...	445 00	475 00	500	1,069		900	—274	2,961	8,149	6,173	6	4,129	1,964	51	...
Clive ...	13 75	13 94	10	2,400											
5% Cum. preference ...	53 75	78 00	100	800											
7% Cum. preference ...	74 00	91 00	100	800											
Dalhousie ...	64 75	84 00	100	3,149	8.72	44.48	—8.76	37.34	134.50	51.19	6.16	29.27	20.78	1	52
7% Cum. preference ...	79 00	90 00	100	1,500											
5 1/2% Debentures ...	900 00	950 00	1,000	2,048			5	19.41	77.35	47.66	15.14	43.72	4.90	2	...
Delta ...	107 00	125 00	100	2,800	17.53	22.93									
5% Cum. preference ...	70 00	86 00	100	500											
Empire ...	15 37	14 75	10	1,500	24.50	10.00	76	14.17	83.93	60.86	9.37	32.28	13.37	5.20	...
7% Cum. preference ...	81 50	99 50	100	1,000											
5% Debentures ...	450 00	472 50	500	886											
Fort Gloster ...	318 00	290 00	100	2,100	54.40	8.00	2.45	103.26	241.58	169.62	1.89	105.86	45.24	2.91	20
7% Cum. preference ...	96 50	105 00	100	1,400											
5% Cum. preference ...	64 00	69 50	100	700											
5 1/2% Debenture ...	96 00	99 00	100	1,795											
Fort William ...	18 12	18 56	10	2,100	14.50		1.71	81.35	120.16	58.00	1.18	45.94	17.95	97	36
7% Cum. preference ...	91 50	107 00	100	1,000											
Ganges ...	44 50	50 00	100	8,432			—2.67	75.26	211.07	132.89	4.81	59.32	20.46	13	...
8% Cum. preference ...	95 00	112 00	100	600											
Gondalpara ...	485 00	750 00	300	1,080	25.50	2.50	12	35.18	76.08	50.72	1.10	35.52	11.57	56	...
Debentures ...			300	2											
Gouarepora ...	228 00	220 00	100	2,400	3.50	21.00	45	131.25	222.42	158.82	44.09	80.66	21.26	45	...
4% Cum. preference ...	72 00	79 00	100	2,650											
Hastings ...	110 00	119 00	100	4,000	21.50	37.93	3.00	61.47	1.8.36	58.69	33.63	56.77	28.23	61	...
6% Cum. preference ...	84 00	85 00	100	2,500											
Heughly ...	9 00	18 50	10	1,680	160	1,577	7	1,197	6,657	4,947	83	2,738	1,248	19	...
10% Preference (i) ...	9 75	8 44	10	1,176											
Hewrah ...	15 34	15 12	10	6,562	12.76	34.50	—24.66	136.47	234.14	111.59	4.31	129.43	21.74	1.57	1.33
7% Cum. preference ...	90 00	104 00	100	875											
7% A. C. P. ...	86 00	101 00	100	1,750											
5 1/2% Debentures ...	94 00	97 50	100	3,000											
7% Cum. preference ...	17 25	22 00	7 1/2	5,250	25.37	3.50	1.14	119.98	293.22	157.52	16.02	75.53	35.83	4.42	...
Hukunchand ...	82 25	101 00	100	4,000											
3 1/2% Debenture ...			1000	2,500											
India ...	114 00	123 00	125	8,730		16.54	95	48.47	138.02	84.79	34.42	43.94	20.77	89	...
Kamarhatti ...	84 00	93 00	100	2,400	12.00	6.25	—8.80	112.53	126.06	113.40	1.91	85.49	25.03	1.61	67.50
B. Ordinary ...	80 50	82 00	100	1,920											
6% Cum. preference ...	60 00	84 00	100	1,600											
5 1/2% Debentures ...	90 00	95 00		1,304											

NAME	Managing Agents/ Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents/ Commission and allowances Rs. 000	Year ended	Net Profit Rs. 000	Dividend %		
		Hessian	Sacking							Latest	First previous	Second previous
Kankarrah...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 4% R. C. P. ... 5 1/2% Debentures ...	1,239	288	91.51	117.26	59.54	25	12-56 H	-11.38	-9.06	Nil	nil
Kelvin ...	McLeod & Co. Ltd. ... 7% C. P. ...	394	309	9,614	15,776	4,177	54	5-57	846	1,176	9	12 1/2
Khaddah ...	Anderson Wright Ltd. ... 6% C. P. ...	914	616	219.56	330.90	93.86	56	3-57	8.43	13.30	10	11
Kinnison ...	F. W. Heilgers & Co. Pri. ... 7% C. P. ... 5% Debentures ...	672	578	178.3	248.40	77.32	50	3-57	(a) 8.97	(a1) 19.87	6	12
Lansdowne ...	Bird & Co. Private ... 7% C. P. ...	579	352	118.02	177.38	22.83	45	3-57	(d) -1.85	(a12) 73	nil	2
Lawrence ...	Bird & Co. Private ... 7% C. P. ... 5 1/2% B. C. P. ... 5 1/2% Debentures ...	484	356	108.51	152.73	24.66	40	3-57	(p) -7.21	(a13) 2.03	nil	3 1/2
Mahabir ...	Agrawal Brothers ... Directors ...	28	123	9.42	52.18	6.71	52	9-54	-1.02	-1.99	nil	nil
Magna ...	...	612	396	...	232.42	67.47	...	3-57	(a5) 9.39	(a5) 10.01	5	5
Nabati ...	F. W. Heilgers & Co. Pri. Ltd. ... 7% C. P. ... 4 1/2% R. C. P. ... 5 1/2% Debentures ...	493	322	104.38	162.08	28.63	45	3-57	(a) -4.37	(a27) 6.44	Nil	nil
Naskarpara ...	Howrah Trading Co. Private ... 5 1/2% Debentures ...	333	92	34.37	12.29	4.26	3,17	10-56	-7	5.78	nil	12 1/2
National ...	Andrew Yule & Co. ... 7% C. P. ...	573	279	7,921	12,945	837	50	10-57	(a20) 658	(k) 474	7-50	7-45
Nellimarla ...	McLeod & Co. Ltd. ... 6% C. P. ... 4 1/2% Deb. ...	100	216	22.42	47.10	7.6	1,01	6-56 H	4.70	5.11	7	7
New Central ...	Sahu Jain Ltd. ... 7% C. P. ...	10,39	7,26	314.16	722.36	57.70	3,17	12-56	3-28	46.14	15	15
Northbrook ...	Bird & Co. Private Ltd. ... 5 1/2% C. P. ... 4% Deb. ...	214	353	87.63	133.18	50.76	40	3-57	(a28) 4.97	15.51	7	22 1/2
Nuddes ...	Macneill & Barry ...	644	448	158.78	234.44	10.79	50	3-57	(a14) 4.75	(16.04)	nil	1
Orient ...	Andrew Yule & Co. ...	551	50	...	48.31	4.72	25	11-56	(a) 1.90	(a21) 285	3	9
Premchand ...	R. J. Roy Bros. Private Ltd. ... McLeod & Co. Ltd. ... 4% Deb. ...	364	240	...	8.850	1,122	...	4-56	(a30) 358	205	Nil	Nil
Presidency ...	...	238	162	41.08	66.26	3.69	1,43	12-55 H	1.29	2.24	2 1/2	3 1/2
Rameshwara ...	Birla Bros Private Ltd. ... 6% C. P. ...	...	305	9.14	89.67	15.07	...	3-56	(a15) 2.98	-54	Nil	Nil
Reliance ...	Jardine Henderson ... 7% C. P. ... 5% Deb. ...	924	352	118.85	181.21	49.27	50	3-57	-22.01	-11.43	Nil	Nil
Shree Ambica ...	Bagaria More ... 7 1/2% C.P. ...	703	208	72.45	196.72	21.28	2,01	3-56	8.82	12.45	2 1/2	10
Sorah ...	Hind Inv. Corp. ... 7% C. P. ... 4 1/2% Deb. ...	201	200	...	103.39	16.66	70	12-56	8.67	10.54	15	15
Standard ...	Bird & Co. Private Ltd. ... 6% C. P. ... 5 1/2% Debenture ...	367	283	83.16	128.12	22.03	40	3-57	(a29) 1.82	-59	nil	nil
Union ...	Bird & Co. Private Ltd. ... 7% C. P. ... 4 1/2% Deb. ...	758	568	153.64	233.35	39.31	50	3-57	(v) -7.99	(a16) 8.82	nil	6
Waverley ...	McLeod & Co. Ltd. ... 5% C. P. P. ... 3 1/2% Debenture ...	306	159	5,105	7,894	1,219	32	5-57	-290	(a25) -40	nil	6 1/2

(a) After transferring Rs 3,00,000 from Development Rebate Reserve, Rs 1,55,000 from Reserve for Taxation Contingencies and Rs 63,186 from Jute Stock Reserve.
(b) After transferring Rs one lakhs from General and Dividend Reserve.
(c) After writing back Rs 1,26,328 from provision made for loss on stock of jute at mill. Adnat and forward jute purchases, etc.
(d) After transferring Rs 1,14,000 from Reserve for taxation contingencies and Rs 70,000 from Jute Stock Reserve.
(e) After writing back Rs 172,315 being provision against anticipated loss on raw jute stock and work in progress; and after transferring Rs 5,65,000 from General Reserve and Rs. 63,000 from Dividend Equalisation Reserve.
(f) After transferring Rs 5,00,000 from General Reserve and Rs 3,00,000 from Machinery Renewal Reserve, Rs 2,00,000 from Dividend Equalisation Reserve and Rs 2,00,000 from Jute Stock Reserve.
(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.
(h) After transferring Rs 3,00,000 from General Reserve.
(i) After writing back Rs 3,04,000 being provision against anticipated loss on raw jute stock and work in progress and Rs 4,225 being provision against anticipated loss on jute contracted for Rs 38,000 being excess provision for taxation; and after transferring Rs 3,90,000 from General Reserve and Rs 82,500 from

Dividend Equalisation Reserve.

(j) After transferring Rs 525,000 from Reserve and writing back Rs 30,000 from Workers' Provident Fund shown in excess in previous half-year and Rs 61,000 from provision for possible loss on forward contracts.
(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contracted for; Rs 14,000 being excess provision for taxation and Rs 1,95,000 from Dividend Equalisation Fund.
(l) After transferring Rs 8,50,000 from General Reserve.
(m) After transferring Rs 1,00,000 from Dividend Equalisation Fund and Rs 75,000 from General Reserve.
(n) After transferring Rs 1,01,808 from General Reserve and Rs 6,879 from provision for taxation and after including Rs 1,25,603 being refund of taxes.
(o) After transferring Rs 2,00,984 from General Reserve and Rs 88,368 being excess depreciation.
(p) After transferring Rs 1,06,985 from Jute Stock Reserve; Rs 62,400 from Reserve for Tax contingencies; Rs 21,000 from Development Rebate Reserve; and writing back Rs 52,371 from provision for taxation and Rs 10,000 from Dividend Equalisation Fund.
(q) After transferring Rs 7,50,000 from General Reserve.
(r) After transferring Rs 5,00,000 from provision for contingencies and Rs 1,00,000 from provision for tax-

tion.

(s) After transferring Rs 8,23,000 from Reserve for Tax contingencies; Rs 2,30,000 from Jute Stock Reserve; and Rs 1,47,000 from Development Rebate Reserve and including Rs 1,89,365 being Requisition of which only 8 per cent is cumulative.
(u) After transferring Rs 36,026 from Jute Stock Reserve.
(v) After transferring Rs 3,28,000 from Tax contingencies Reserve; Rs 2,50,000 from Jute Stock Reserve and Rs 5,000 from Development Rebate Reserve.
(w) After writing back Rs 2,37,766 being provision against anticipated loss on raw jute and work in progress; Rs 7,350 being provision against anticipated loss on jute contracted for; Rs 19,500 being excess provision for taxation and Rs 35,000 from Dividend Equalisation Reserve and Rs 4,25,000 from General Reserve.
(x) After writing back Rs 1,65,396 being provision against anticipated loss on raw jute and work in progress and Rs 16,800 being provision against anticipated loss on jute contracted for and after transferring Rs 2,80,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.
(y) After transferring Rs 8,94,144 from Capital Reserve and after providing Rs 2,70,141 for Sales-tax Liability.
(z) After writing back Rs 1,00,000 from excess provision for taxation and Rs 25,000 from provision against anticipated loss on forward contracts.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Depreciation Rs. 000	LIQUID ASSETS				
	April 1958 Rs. np.	April 1957 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balance Rs. 000	Others Rs. 000
Kankarrah ...	45 50	57 50	100	3,000	6 00	2 75	-21.37	121.76	175.75	87.50	1.77	73.87	20.27	2.65	3.23
B. Ordinary ...	44 00	55 00	100	2,400											
6% Cum. preference ...	77 00	87 50	100	1,000											
6% R. C. P. ...	...	...	100	423											
5 1/2% Debentures ...	90 00	97 00 N	100	1,269											
Kelvin ...	165 00	199 00	100	2,100	4,350	950	87	3,949	13,545	8,878	608	5,325	1,500	354	
7% Cum. preference ...	82 08	104 50	100	1,000											
Khaddah ...	116 00	120 00	100	5,400	2,333		27	133.40	196.61	122.04	1.40	110.88	31.56	1.34	
6% C. P. ...	72 25	86 00	100	900											
Kinnison ...	101 00	124 50	100	4,800	27.91	52.32	29	96.89	236.19	98.60	10.47	95.79	21.18	37	2
7% Cum. preference ...	80 25	102 10	100	1,500											
5% Debentures ...	900 00	965 00	1000	2,500											
Lansdowne ...	75 00	80 00	100	2,448	11.74	25.76	-9.08	73.02	128.57	53.16	3.10	40.36	21.78	7	14
7% C. Preference ...	73 50	100 00	100	1,500											
Lawrence ...	73 75	94 00	100	2,800	9.78	43.49	-7.73	35.61	116.06	65.14	5.25	33.87	27.65	7	25.68
7% Cum. preference ...	95 00	102 00	100	500											
5 1/2% 'B' cum. preference ...	67 00	69 00	100	1,000											
5 1/2% Debentures ...	920 00	970 00	1000	1,9.9											
Mahabir ...	85 00	85 00	100	1,078			-6.77	23.48	19.87	13.47	47	15.70	3.91	96	
Magna ...	92 00	79 00	190	8,165		22.04	56	81.23	213.91	133.25	1.28	75.28	26.21	1.94	
Nabhati ...	57 50	54 00	100	2,999	12.04	22.58	-13.08	52.60	165.26	86.71	2.77	44.81	19.88	16	45
7% cum. preference ...	82 00	88 00	100	750											
4 1/2% R. C. P. ...	57 00	58 50	100	1,000											
5 1/2% Debentures ...	900 00	950 00	1000	2,500											
Naskarpara ...	9 84	14 25	10	2,000	15.55		-1.65	48.88	56.03	21.34	5	28.39	15.35	29.30	
5 1/2% Debentures ...			1000	500											
National ...	24 00	20 20	10	3,500	2,170	1,781	20	1,577	4,849	1,231	203	3,053	920	1,754	
7% C. P. ...	95 00	108 50	100	500											
Nellimarla ...	11 37	11 56xd	10	2,625	17.25	9.75	1.29	20.60	28.31	20.72	5.88	25.21	23.22	23.24	
5% Cum. preference ...	79 00	91 56xd	100	500											
4 1/2% Debentures ...	440 00	465 00	500	500											
New Central ...	13 87	12 25	100	8,550	115.00	171.31	3.36	419.40	468.82	106.43	15.40	198.00	83.23	152.03	6.02
7% Cum. preference ...	86 00	99 50	100	3,300											
Northbrook ...	14 75	20 31	100	1,680	16.48	30.11	9	54.42	123.05	56.38	4.68	63.59	12.37	10	5.46
5 1/2% Cum. pref. ...	60 00	76 00	100	1,500											
4% Debentures ...	800 00	880 00	1000	2,000											
Nuddea ...	36 50	30 50	50	6,680		12.50	20	92.18	224.62	139.16	4.37	55.78	18.99	5	
Orier ...	81 00	101 00	100	2,491	18.71	5.05	11	13.17	75.83	51.43	53	32.23	4.76	3	
Premchand ...			100	3,996			-2,623	2,568	5,872	4,426	76	1,933	453	34	
Presidency ...	3 75	3 62	5	2,500	5.00	1.2	52	13.46	80.86	65.22	2.33	25.97	7.97	1.35	
4% Debenture ...	850 00	930 00	1000	800											
Rameshwara ...	4 62	5 12	10	2,000			-9.18	22.87	26.98	8.39	38	19.63	1.97	11	
6% Cum. preference ...	10 19	10 19	10	700											
Reliance ...	5 87	7 44	10	4,950		1.50	-38.95	79.04	124.76	64.71	1.91	62.93	9.98	1.21	
7% C. P. ...	55 75	79 00	100	2,000											
5% Debenture ...	850 00	880 00	1000	2,500											
Shree Ambica ...	14 62	15 75	10	3,000	12.15	1.00	6	83.32	116.87	81.99	1.72	51.17	49.97	47	
7 1/2% Cum. preference ...	60 00	80 25	100	1,170											
Sorah ...	14 75	11 62	10	1,400	10.80	5	23	19.71	67.75	43.57	8.90	20.70	5.27	3.75	
7% Cum. pref. ...	84 50	107 00	100	1,000											
4 1/2% Debenture ...			500	800		30.84	-8.76	35.73	126.57	57.29	4.84	31.79	10.66	32	11
Standard ...	81 00	63 50	100	2,520											
6% C. P. ...	101 00	86 00	100	900											
5 1/2% Debentures ...			1000	2,500											
Union ...	113 50	109 00	100	3,599	14.94	66.16	-13.52	86.05	201.41	89.48	3.93	52.71	37.93	1.11	1
7% C. P. ...	86 00	90 00	100	600											
4 1/2% Debenture ...	900 00	965 00	1000	1,200											
Waverley ...	2 37	3 12	1	250	300	335	-415	2,999	5,613	4,211	60	2,952	688	116	
5% Cum. preference ...	29 25	34 7xd	50	750											
5 1/2% Debenture ...	400 00	437 50	500	1,000											

MISCELLANEOUS

NAME	Managing Agents Agents/Secretaries	Salaries	Other Major	Sales	Stocks	Managing	Year ended	NET PROFIT		DIVID			ER CEN
		and Wages	Expenses			Agents allowance and Commission		Latest	Previous	Latest	Pre- vious	Pre- vious	
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Latest	Pre- vious	Pre- vious	
WESTERN AND CENTRAL INDIA													
Alembic Chemical	Bhalil Amin & Sons Private Ltd.	1,889	7,866	13,866	2,292	408	12-56	1,515	1,120	10	8	8	
	64% 1st Cum. Pref.									64	64	5	64
	5% 2nd R. C. P.									5	5	5	5
	6% 3rd Cum. Pref.									6	6	10	10
Anil Starch Products	Kasturbhai Lalbhai & Co.		92.01	145.51	3.78	61	12-56	(v)11.04	(c)9.25	10	10	10	10
	5% C. P.									5	5	5	5
Associated Cement Cos.	Cement Agencies	36,267	102,545	226,279	9,200	3,606	7-57	46,365	50,402	9	10	10	10
Associated Stoned Industries	Rajaputana Mining Agen. Pri. Ltd.	139		39.24	14.82	102	9-56	7.09	4.23	30	10	10	10
	6% C. P.									6	6	6	6
	Deferred									6	6	28.1	28.1
Atul Products	Lalbahai Sons & Co.	758	111.24	183.41		9	12-56	30.96	20.62	6	5	nil	nil
Automobile Products	Directors	11.52	126.92	134.73	41.00		7-56	8.39	5.90	nil	nil	nil	nil
	5% R. C. P.									5	5	5	5
Bharat Line	Dinshaw Private	29.23	149.86	233.71		107	12-55	30.88	35.25	5	5	5	5
Bombay Burma Trading	Wallace & Co.	753					5-56	102.70	74.32	32	30	16	16
	Old Shares												
	New shares												
Bombay Gas	Directors	541	37.78	7.73			12-54	15.41	15.27	124	124	74	74
Bombay Potteries & Tiles	Directors	391	439				9-56	400	414	6	6	6	6
	64% C. P.									64	64	64	64
	44% C. P.									44	44	44	44
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.	42		134		9	9-56	68	68	15	16	16	16
Bombay Uganda Co.	Directors			7,540	924		12-56	(m)141	242	15	16	16	16
W. H. Brady & Co.	Directors	2,561	19,193	25,741	6,522		12-57	2,730	2,302	168	15	16	16
G. Claridge & Co.	W. H. Brady & Co. Ltd.	1,021	1,321	3,114	129	30	12-57	184	235	15	15	20	20
G. G. Dandekar Machine Works	I. andkar Engineers	186	3,33	844	1,68	26	6-56	1,59	1,62	8	8	8	8
	Partly Paid Ordinary									8	8	8	8
	5% R. C. P.									5	5	5	5
Dharamsi M. Chemical	D. Morari & Co.	122	37.91	49.24	58.62	18	12-55	51	2.03	6	6	6	6
Digvijay Cement	Shree Laxmi Agents Ltd.	13.48	90.98	168.53	2.81	3,90	12-55	43.56	41.71	84	84	6	6
	5% R. C. P.									5	5	5	5
Eastern Shipping Corp.	Scindia Steam Navigation	26.54	129.00	220.84		3,54	3-56	45.68	(r)25.36	5	5	5	5
Estrela Batteries	Chumilal Manilal Ltd.	14.19	23.27	57.54	18.84	33	3-56	4.79	2.70	6	4	6	6
	5% R. C. P.									5	5	5	5
Great Eastern Shipping	A. H. Bhiwandiwala & Co. Privt	28.28		372.29		8.31	6-57	(n)97.87	(b)81.81	15	15	(a)	(a)
	54% R. C. P.									15	15	11	11
Greaves Cotton & Co.	Directors	19.48	228.32	251.96	76.22		3-55	16.35	18.63	6	74	11	11
	5% C. P.									6	5	5	5
	6% R. C. P.									6	6	6	6
Hindustan Electric Co.	Dharamsinh & Co.	476	99.20	127.74	31.58	75	4-56	9.42	4.89	6	6	8	8
	6% C. P.									6	6	6	6
Hindustan Lever	Director's	21,637	282,814	331,924	63,091		12-57	28,385	24,971	14	124		
Indian Cement	Director's	3					3-56	1,64	1,24	30	25	20	20
Indian Plastics	Directors	875	27.88	49.52	13.73		3-56	4.02	3.28	24	20	20	20
	54% Cum. preference									24	20	20	20
Indian Vegetable Products	F. F. Campbell & Co. Pri.	578	141.29	206.29	721	1,31	9-56	6.29	3.18	54	54	54	54
Indust. Cr. & Inv. Corp.	Directors	386		41.75			12-56	34.48	22.81	10	5	5	5
Industrial Investment	Premchand Roychand & Sons	23		716		50	12-57	637	603	34	5	41	41
Kemp & Co.	Directors	537	47.70	55.40	9.65		3-56	2,02	1,44	74	6	6	6
Killick Industries	Managing Director	669					6-56	26.27	27.63	11	11	11	11
Machinery Manfra. Corp.	Mahindra & Mahindra	22.84	37.82	69.86	40.16	40	3-57	8.72	10.62	nil	nil	nil	nil
	4% Cum. preference									nil	nil	nil	nil
	44% C. P.									nil	nil	nil	nil
	Loan from I. F. Corp.									nil	nil	nil	nil
Malwa Vanaspathi & Chem.	Vohatta Bros.		96.34	110.33	6.71	15	12-53	4.60	-6.02	nil	nil	ni	ni
	6% Debentures									nil	nil	ni	ni
National Elect. Industries	Navin Kumar Hansraj Pri. Ltd.	10.15	44.38	56.93	24.05	83	3-56	5.56	5.37	9	9	9	9
	44% C. P.									9	9	9	9
National Machinery Manfra.	Directors	37,64	75.06	152.62	81.06		12-55	26.23	10.80	44	44	44	44
National Newsprints & Paper	Directors	206					3-55	-4.42		nil	nil	nil	nil
National Rayon Corp.	Chinai & Co. Private Ltd.	47.41	197.72	422.38	22.31	10,46	12-56	142.94	102.13	14	12	10	10
	5% Cum. preference									14	12	10	10
	5% Debentures									5	5	5	5
Palampur Veg. Products	Investa Industrial Corp.						12-55	-1.13	-1.59	nil	nil	nil	nil
	54% C. P.									nil	nil	nil	nil
Pioneer Magnesia Works	N. Pestonjee & Co.	78		984		38	12-54	1.78	1.71	5	34	nil	nil
	Ord. Partly Paid									5	34	nil	nil
Polson Ltd.	Polson Agencies Private Ltd.	783	47.32	92.12	11.44	1,47	12-56	10.75	13.29	124	10	10	10
	6% C. P. T.									124	10	10	10
Samitex Chem. Industries	M. B. Amin & Co.	342	978	18.76	9.69	24	12-55	0	30	nil	nil	nil	nil
	5% C. P.									nil	nil	nil	nil
Sathe Biscuits	Sathe Food Industries pri. Ltd.	134	1,511	3,437	485	30	3-57	352	200	6	5	5	5
	Partly Paid									6	5	5	5
	5% R. C. P.									6	5	5	5
Scindia Steam	Directors	146.51	664.63	1277.51			6-57	356.81	(h)265.89	64	5	5	5
	44% Debentures									64	5	5	5
Shangrilla Food Products	Directors	141	754	12.27	1.49		3-56	-3.80	-3.30	nil	nil	nil	nil
	5% C. P.									nil	nil	nil	nil
Shivrajpur Syndicate	Killick Industries Ltd.	45.00		163.08	34.46	5.74	11-56	43.17	31.73	80	80	80	80
Supreme Industries	Mody & Co.		7.33	498	7.63	8	3-56	64	65	6	6	6	6
	64% Cum. Pref.									6	6	6	6
Tata Chemicals	Tata Industries Private	42,22		265.59		2,81	6-57	51.48	41.26	8	74	nil	nil
	5% Cum. preference									8	74	nil	nil
	5% Debentures									5	5	5	5
Tata Oil Mills	Tata Industries Private	80,91	439.27	662.64		2,71	3-57	30.29	42.00	40	12	8	8
	44% Cum. preference									40	12	8	8
United Salt Works & Indus.	Salt & Industry Agency Pr. Lt.	11,24		33.81	9.93	48	9-55	14.16	4.49	10	10	10	10
Volras Ltd.	Directors	14,941	178,376	206,040			8-57	7,821	4,141	9	9	9	9
Western India Match	Swedish Match Co.	125.95	728.67	1016.87	22.84	13,06	12-55	78.54	78.38	11	11	11	11

(a) Traffic Revenue.

(b) Dividends and Interest, etc.

(c) Profits on contracts

(d) Revenue Income

Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958 Rs. np.	April 1957 Rs. np.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Alembic Chemicals	129 00	117 00	100	3,500	1,916	2,060	98	4,990	9,338	4,531	2,385	4,125	2,731	14	...
54% 1st C. P.	85 00	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products	...	...	100	2,926	13,02	7,38	14	3,79	91,88	23,35	6	22,65	25,08	2,27	...
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement	154 75	159 75	100	157,912	20,000	84,276	259	143,328	308,175	112,918	8,017	140,858	32,271	13,885	15,488
Bharat Line	...	...	100	100,00	...	15,37	1,55	219,38	441,66	185,09	3,79	19,02	47,25	71	8,90
Associated Stones Indust	...	...	100	850	3,15	...	10,98	7,26	10,30	5,10	20	16,15	12,48	2,86	...
6% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	500	...	...	...	...	...	...	...	...	...	...	...
Atul Products	...	...	100	189,00	...	...	24	220,38	261,72	45,19	62,42	93,72	33,06	3,85	...
Automobile Products	...	...	10	28,00	...	1,13	4	74,66	59,72	10,24	...	48,22	13,06	8	...
5% R. C. P.	...	...	100	700	...	...	...	...	...	...	...	...	...	...	...
Bombay Burma Trading...	...	...	2500	250	70,98	349,16	40	270,42	398,85	171,93	113,38	108,33	149,34	15,51	34,81
Old Shares	555 50	567 00	125	5,000	...	...	...	...	...	...	...	...	...	...	...
New Shares	206 00	212 50	50	4,200	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas	...	...	100	4,000	11,14	21,79	2,55	38,71	61,49	26,52	10,27	11,82	10,97	46,15	...
Bombay Potteries & Tiles	100 50	64 00	100	1,418	15	262	5	518	2,678	1,130	10	703	129	865	...
64% C. P.	65 00	65 00	100	112	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	54 00	50 00N	100	863	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit	500 00N	533 00N	200	240	71	...	...	1,72	5,68	4,23	2,70	...	16	52	...
Bombay Uganda Co.	47 00	60 00N	80	1,596	...	20	94	230	253	125	106	1,034	57	429	...
W. H. Brady & Co.	211 00	...	50	4,500	2,150	4,002	75	6,414	865	523	3,171	7,355	4,454	1,642	...
G. Claridge & Co.	175 25	...	100	900	600	682	19	795	2,088	1,540	12	1,152	1,161	21	...
G.G. Dandekar Mce. Works	...	...	100	400	1,00	67	8	4,65	10,06	5,33	4,74	1,68	2,63	9	...
Partly Paid Ordry	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	59 50	47 25	50	1,369	1,70	1,00	1	33,12	41,22	21,00	18	17,44	9,66	7	1,94
Dharamsi M. Chemical	146 25	144 25	100	8,880	30,00	14,50	2,79	78,84	204,20	86,59*	29,42	47,87	14,69	11,42	33,69
Digvijay Cement	85 00	93 00	100	3,978	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	550,00	...	39,99	24	223,60	467,35	7,118	68,40	98	37,53	166,30	144,46
Eastern Shipping Corpn.	36 00	37 75	50	1,497	3,15	7	22	15,50	28,61	1,941	3	17,66	12,81	70	3,30
Estrela Batteries	35 50	38 50	50	997	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	20 00	18 20	10	9,000	76,00	61,60	1,84	367,08	490,84	86,21	2,74	36	72,77	140,71	...
Great Eastern Shipping	91 50	100 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	...	...	100	8,500	15,00	13,15	14	130,48	10,11	4,54	113,14	75,82	91,65	7,58	...
Greaves Cotton & Co.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	100	3,585	2,00	...	18	111,50	78,77	7,27	2,53	28,65	51,22	2,20	7,80
Hindustan Electric Co.	83 05	100 00	100	807	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	82 00	82 00	100	4,000	7,177	8,994	47,194	47,960	13,562	103	70,465	13,987	4,110	...	...
Hindustan Lever	21 32	19 05	10	55,700	...	...	...	...	...	...	...	...	...	...	...
Indian Cement	26 00	33 00	10	152	1,00	50	4	1,43	1,42	...	1,30	...	53	1,23	...
Indian Plastics	...	...	10	2,988	...	...	5	20,54	44,45	10,95	...	27,83	11,05	65	...
Indian Vegetables	...	...	100	2,250	...	...	...	...	...	...	...	...	...	...	...
54% Cum. preference	...	...	100	2,117	2,53	1,95	8	16,10	25,35	20,52	69	9,18	10,92	16,21	...
Indian Vegetable Products	114 00	75 50	100	500,00	10,00	...	6,31	792,34	98	35	652,58	...	77,86	577,59	...
Indus.Cr. & Invest. Corp.	72 50	75 50	100	9,999	1,623	390	175	853	20	16	12,561	...	163	312	...
Industrial Investment	79 50	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kemv. & Co.	184 00	197 50	200	1,200	3,50	2,86	15	14,86	24,75	11,68	78	9,90	8,25	1,33	...
Killick Industries	147 50	162 00	100	10,000	7,50	27,58	5	52,55	35,47	8,04	144,36	4,90	8,82	1,88	22
Machinery Manfrs. Corpn.	...	...	100	3,924	...	14,42	23,18	90,45	129,21	36,37	21	53,70	10,89	1,16	1,00
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Loan from I. F. Corpn.	...	...	...	4,905	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspathi Chems.	...	...	10	3,128	...	...	5,10	29,60	51,07	6,00	...	11,97	14,22	17	84
6% Debentures	...	...	...	1,500	...	7,25	18	31,90	24,76	9,44	89	24,05	9,95	51	...
National Elec. Industries	70 00	78 00	50	585	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	80 00N	80 00N	100	542	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfrs.	...	...	10	252,40	...	12,36	61	115,89	245,11	99	...	95,13	30,54	90	58
National Newspaper & Paper	...	...	10	131,53	...	...	6,60	429,81	413,25	3	15,06	28,74	57,26	40,40	...
National Rayon Corpn.	223 50	226 00	100	160,64	32,00	86,15	5,52	259,08	946,21	265,00	1,10	141,75	37,17	6,48	...
5% Cum. Preference	73 50	76 50	100	174,28	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	97 50%	99 50	...	150,00	...	...	...	...	...	...	...	...	...	...	...
Palaipur Veg. Products...	...	...	10	1,500	...	...	23,90	28,59	27,37	...	10	1,84	9	1	28
54% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works...	...	...	100	1,179	18	66	2	4,74	9,55	6,26	4,63	3,05	2,88	86	2,75
Ordry. Partly Paid	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd.	183 25	171 25	100	2,160	14,50	11,45	46	25,66	58,81	12,53	1	16,93	20,19	10,27	...
5% C. P. T	84 70	87 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus.	...	...	50	1,301	...	...	1	8,29	13,12	60	...	8,20	2,07	38	2,63
5% C. P.	...	...	50	449	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	100 00N	...	100	473	...	133	19	1,883	3,111	629	56	492	419	70	...
Partly Paid	50 00N	...	50	513	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Sundia Steam	17 72	18 40	20	939,98	80,00	1016,23	5,84	1191,95	249,665	57,900	58,497	25,65	405,59	357,79	343,62
44% Debentures	93 00	94 00	...	401,28	...	...	...	...	...	...	...	...	...	...	...
Shanvalla Food Products	...	...	100	1,700	...	...	5,79	8,25	39,73	6,16	32	5,52	2,88	16	...
5% C. P.	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate	92 00	91 00	10	700	20,00	50,25	9	57,68	96,73	24,46	10,02	49,96	18,84	19,54	4,38
Supreme Industries	81 50	80 00	100	622	3,45	...	25	4,48	10,60	2,28	1,95	7,63	1,26	18	...
64% C. P.	70 50	80 00N	100	462	...	16,23	...	...	...	...	2,45	...	...	...	...
Tata Chemical	15 12	16 10	100	139,96	...	...	10	202,86	404,37	156,94	1,50	163,84	31,52	2,62	...
5% Cum. Preference	89 50	97 50	100	5,997	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	99 00%	99 00	25	2,007	10,35	26,43	10	293,95	212,21	126,98	7,33	242,81	72,19	23,24	...
Tata Oil Mills	38 00	43 00	100	2,989	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	...	...	250	1,335	13,00	22,31	7,74	10,92	65,62	32,00	5,05	14,75	5,77	8,0	...
United Salt Works Indus.	...	...	100	25,580	925	174	139	93,609	6,655	1,896	172	61,601	49,910	2,629	...
Volras	123 00	...	100	275,00	6,100	19,25	5,62	307,22	305,67	157,21	45	163,96	207,20	150,2	476
Western India Match	172 50	170 00	100	...	...	...	...	...	...	...	...	...	...	...	...

MISCELLANEOUS

MISCELLANEOUS												
NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents' Cowances and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Previous
NORTHERN INDIA												
Alkali & Chemical	Imp. Ch. Industries Private	1,527	91.72	22,546	4,686	...	9-57	5,111	4,020	8	8	8
All India Finance & Commerce	5% Cum. preference Kayell Sival & Co. Ordinary	30	...	1.69	...	20	5-56	96	88	5	5	5
Aluminium Corp.	7 1/2% C. P. J. K. Industries Private Ltd.	3,113	4,182	10,166	3,120	...	...	...	...	7 1/2	8	8
	6% Cum. preference 5% Cum. preference Deferred 5% Debentures 5 1/2% Debentures	...	...	...	...	...	3-57	2,729	2,538	7 1/2	7 1/2	7 1/2
Amrit Banaspati	Amrit Agency Ltd. 6% C. P. 5% R. C. P. Deferred	2,06	354.43	367.26	66.68	18	3-55	22.07	19.54	...	...	...
Anderson Wright	Directors 4 1/2% Cum. preference 4% Debentures	4.04	...	10.26	...	...	12-55	(a)1.67	5.02	...	...	...
Angelo Brothers	Turner Morrison & Co. Pri.	0.78	221.12	248.43	...	1.82	8-57	16.99	16.24	...	...	...
Ashoka Cement	Partly Paid Eastern Corporation Deferred	8.64	37.04	72.61	4.13	87	9-55	(a5)	...	18	20	20
Assam Bengal Cement	4% Debentures Directors	15.63	94.59	124.89	5.98	...	3-55	15.96	17.65	...	...	...
Assam Match Co.	Bird & Co. Private	4.34	...	34.53	5.38	...	12-55	9.52	7.93	...	...	...
Assam Saw Mills	Oberoi Hotels (India) Private Ltd.	12.88	40.36	71.62	...	2.16	9-56	1.74	8.83	...	...	...
Associated Hotels	7% Cum. preference Tax 4 1/2% Debentures 6 1/2% Debentures	...	...	...	...	...	3-56	14.21	8.83	...	...	...
Associated Mining	Ramkumar Agarwala 5% Cum. preference Deferred	13	7.37	6.16	1.59	44	12-52	1.90	2.32	...	...	...
		...	...	...	...	...	...	...	...	6	2	...
		...	...	...	...	...	...	...	...	5	5	5
Ballarup Paper	K. C. Thapar & Bros Ltd. 5% R. C. P. P.	10.45	53.71	120.61	4.41	89	6-55	39.50	...	...	...	...
Balmer Lawrie & Co.	Directors	75.78	13,33.11	15,51.18	108.84	...	12-56	40.42.87	35.33	...	...	...
Barroco coke	Jardine Henderson	3.46	20.61	108.84	3.29	17	12-56	2.03	2.40	...	...	...
Bathgate & Co.	Directors 4 1/2% Cum. preference	2.74	9.13	16.21	8.86	...	12-53	-6.31	-11.87	...	...	...
Behar Rice Mills	H. V. Low & Co. Andrew Yule & Co. Ltd.	8.19	20.65	32.90	...	73	6-54 10-56	36 7.98	(a6)14.19	...	...	...
Bengal Assam Steamship	7% Cum. preference Directors	28.02	82.42	145.99	38.70	...	4-54	15.12	14.44	...	...	...
Bengal Chemicals	7 1/2% Cum. preference 4 1/2% Cum. preference 5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Bengal Elec. Lamp	P. C. Datta Deferred	1.27	18.69	33.71	...	...	3-54	4.12	4.86	...	...	...
Bengal Flour	Balmer Lawrie & Co. Ltd. Directors	5.19 36.10	192.13 80.06	217.82 202.57	4.80 3.05	1.11	12-56 12-56	12.78 13.37	(a7)8.85 30.62	...	...	...
Bengal Paper	7% Cum. Preference 7% 'A' Cum. preference 6% 'B' R. C. P. T. 4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Bengal Potteries	B. R. Bhagat & Co. Ord. P. Paid	27.09	13.26	91.13	10.48	...	12-56	14.93	11.13	...	...	...
Bengal Timber	Jardine Henderson 8% Cum. preference Randutt Ramkissendass	1.34	13.66	24.68	6.48	...	6-55	...	...	...	...	...
Bhagwati Pressing	5% Cum. preference Murari Lal Batra & Co. 'B' Ordinary	7	...	1.57	...	17	12-55	1.04	1.13	...	...	...
Bharat Carbon & Ribbon	6 1/2% C. P. K. C. Thapar & Bros.	1.65	38.41	37.48	12.65	67	1-55	...	...	...	...	...
Bharat Starch & Chemical	Directors Lovelock & Lewes	...	...	5.71	...	12	3-54	...	...	...	...	...
Bhartia Company	5 1/2% Cum. preference Bird & Co. Private Ltd.	38.34	...	76.66	1.27	1.00	9-56	2.68	-3.24	...	...	...
Birds Investments	Directors 8% Cum. preference 5 1/2% Debentures	...	75.80	149.69	...	...	3-57	9.82	(a)13.71	...	...	...
Bisra Stone Lime	A. T. C. Inv. Co. Directors	...	...	...	...	...	3-56	37	...	...	...	...
Britannia Biscuits	6% Cum. Part preference Directors	178.72	428.71	761.45	399.76	...	12-55	15.76	10.78	...	...	...
Br. Burma Petroleum & Br. Ceylon Corp.	8% Cum. preference Begg Sutherland & Co. Pri. Ltd.	1.12	2.13	4.07	2.62	7	12-56	(0) 95.42	(a8)11	...	...	...
British India Corp.	S. C. Chunder & Co. Partly Paid 6% Debentures	18	70	2.44	24	...	11-56 9-54	38 31	...	...	...	...
Brushware	Soorajmull Nagarmull 5 1/2% R.C.P.T. 4% Debentures	...	...	...	...	1.49	9-55	6.38	7.06	...	...	...
Burne Lime	Andrew Yule & Co. Calcutta Investment Co.	56	...	3.45	...	20	6-56	...	...	...	...	...
Calcutta Gas Co.	Randutt Ramkissendass Gladstone Lyall	3.39	...	6.75	...	3	12-54	(0) 2.13	...	...	...	...
Calcutta Hydraulic	Amritlal Ojha & Co. 4 1/2% Debentures	51	...	3.02	...	16	10-55 HY 3-55	1.18 1.19	3.95 1.42	...	...	...
Calcutta Landing & Shipping		...	...	...	...	...	...	...	...	...	...	...
Calcutta Safe Deposit		...	...	...	...	...	...	...	...	...	...	...

May 10, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958 Rs. np.	April 1957 Rs. np.			General Re. 000	Other Rs. 000	Carry Forward Rs. 000				Invest- ments Rs. 000	Stock & Stores Rs. 000	Out- standing Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA															
Alkali & Chemical	14 87	11 37	10	24,842	28.00	70.65	1.20	122.91	249.14	60.65	...	106.21	35.81	145.29	26.39
5% Cum. Preference	94 50	96 50	100	3,100	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	300	53	18	...	13.21	36	8	73	10.66	7.76	68	...
Ord.	...	...	110	190	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C.	...	...	110	128	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corp.	11 12	9 43	10	5,750	2,000	17,957	234	3,027	38,129	8,696	1,572	4,997	1,396	319	...
6% Cum. preference	86 00	94 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	69 00	74 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	4 50	2 1/2	250	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	950 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debenture	...	...	1000	4,500	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	5,325	19.25	3.83	-14.14	152.86	160.85	53.32	36.36	85.91	25.33	1.40	...
6% C. P.	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
5% R. C.	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	100	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	10	2,000	3.50	8.50	18	74.03	1,02	58	54.74	3.08	35.77	24	41.94
4 1/2% C.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Angelo Brothers	17 69	19 19	10	3,000	25.21	14.00	3.61	31.73	34.83	23.40	4.81	43.29	30.51	14.56	14
Ashoka Cement	7 94	9 87	10	1,500	...	...	...	71.64	92.94	...	...	38	2.09	1.25	1.22
Partly Paid	...	...	2 1/2	1,125	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	4 13	6 44	10	4,314	10.54	2.59	4.59	95.35	164.36	73.18	5.34	25.44	35.17	37.09	...
Deferred	0 87	1 19	1	471	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	2,498	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	15 31	20 37	10	3,000	6.10	2.75	1.18	27.46	38.39	20.85	6	19.69	24.66	5.44	10
Assam Saw Mills	1 87	2 94	5	1,400	7.20	20.59	-4.96	13.32	32.14	11.96	...	17.94	11.11	72	20
Associated Hotels	4 47	10 75	10	2,000	10.00	23.50	2.45	55.66	102.58	36.88	46.41	8.31	30.80	12.17	8
7% C. P. T.	57 00	61 00	100	2,360	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	850 00	860 00	1000	2,360	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	920 00	960 00	1000	660	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	8 50	9 00	10	892	...	...	33	3.33	2.77	94	9.90	3.05	3.15	3.01	...
5% C. P.	32 00	31 00	50	500	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 25	5 25	5	410	...	...	...	...	...	...	...	...	...	...	...
Ballarpur Paper	...	...	25	5,708	...	38	-47.41	147.89	219.74	97.29	...	32.08	16.08	1.66	3.03
5% R.C.P.P.	...	...	100	1,809	...	...	...	...	...	...	...	...	...	...	...
Balmer Lawrie & Co.	146 00	144 00	100	8,001	61.50	27.82	5.03	278.74	69.52	37.02	111.40	136.05	152.49	12.66	...
Barroco coke	10 75	16 25	10	1,200	8.00	50	90	37.37	35.08	...	6	10.30	12.69	5.28	...
Bathgate & Co.	1 00	1 25	10	4,000	...	...	-22.19	5.98	23.15	1.24	...	6.65	4.61	62	...
4 1/2% C. P.	40 50	42 00	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 50	1 75	10	1,692	...	...	-4.36	...	7.69	4.95	9.60	10	13	2	...
Bengal Assam Steamship	107 00	139 00	100	2,000	8.25	92.45	1.10	12.68	124.09	18.29	2.55	13	1.80	27.20	...
7% C. P.	61 50	75 00	60	300	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	86 00	101 00	100	4,533	19.50	21.55	11.46	54.56	104.59	47.91	16.62	46.92	63.31	4.79	...
7 1/2% C. P.	11 25	12 75	10	900	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	77 50	82 00	100	1,191	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Bengal Elec. Lamp	...	...	10	1,552	8.00	97	15	11.50	23.00	11.62	...	13.68	12.08	24	...
Deferred	...	...	1	139	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	30 06	31 37	10	1,200	10.00	2.56	91	14.07	33.30	25.71	35	7.99	23.18	43	...
Bengal Paper	60 60	100 00	50	200	17.00	18.72	5	14.07	208.82	156.73	1.28	56.76	41.70	1.48	4.46
7% C. P.	57 25	64 25	100	400	...	...	...	...	...	...	...	...	...	...	...
5% A. C. P.	103 00	128 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% B' R. C. P. T.	72 69	81 69	500	490	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	2 1/2	3,170	5.15	...	11	54.34	70.66	33.38	2	29.13	36.06	27	...
Bengal Potteries	3 00	2 84	1	941	...	...	...	...	...	...	...	...	...	...	...
Ord. P. Paid	...	...	100	600	...	...	-5.56	19.06	7.35	7.22	1.00	6.52	14.42	43	...
Bengal Timber	10 00	41 00	100	300	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	33 50	32 75	100	300	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	7 00	4 06	10	400	1.10	...	2	2.62	10.18	2.28	75	...	93	1.16	...
5% C. P.	45 00	50 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Bharat Carbon & Ribbon	...	...	10	250	2.00	45	5	20.88	7.35	3.30	63	12.79	13.06	74	...
B. Ord.	...	...	100	181	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	...	...	100	358	...	...	...	...	...	...	...	...	...	...	...
Bharat Starch & Chemical	8 06	3 06	10	1,000	3.78	1.60	-1,340	46.64	33.48	12.26	12	21.59	5.01	10	58
Bhartia Company	54 75	50 56	100	2,100	50	...	9	79	...	...	...	12.92	8.59	69	...
Birds Investment	10 37	13 75	10	2,000	3.00	5.05	38	52.17	...	...	66.28	...	37.91	40	...
5 1/2% C. P.	48 50	71 00	100	2,400	...	...	...	...	...	...	...	...	...	...	...
Bisra Stone Lime	28 75	32 00	10	1,800	2.50	28.01	18	18.52	62.22	35.31	3	9.34	19.37	2.07	1.50
Britannia Biscuits	12 75	12 94	10	4,597	20.00	14.62	1.85	35.60	114.31	37.07	...	26.50	25.91	3.43	11
8% Cum. preference	10 50	11 37	10	15	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 00	100 00	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Br. Burma Petroleum (£)	2 07	2 55	4 1/2	750	...	1.82	35	1.85	9.35	...	2	...	1.52	63	...
Br. Ceylon Corporation	10 12	9 56	10	3,500	23.50	23.19	1.40	30.90	60.95	47.46	26.19	63.70	17.03	11.07	...
6% Cum. Part Pref.	8 50	8 50	10	1,750	...	...	...	...	...	...	...	...	...	...	...
British India Corporation	3 40	7 03	5	32,500	40.00	115.56	-1.23	461.72	380.58	233.80	182.52	492.27	240.47	36.05	...
8% Cum. preference	101 00	122 00	100	8,100	...	...	...	...	...	...	...	...	...	...	...
Brushware	...	...	10	100	2.00	1.21	7	1.66	2.43	2.34	1.30	3.11	1.40	3	...
Burma Lime	8 00	8 50	10	200	10	...	6	96	4.81	1.09	2	66	63	7	...
Partly Paid	...	...	5	63	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	135	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	6 00	6 75	10	6,500	1.00	...	22	19.29	1	...	116.16	...	26.77	47	2.10
5 1/2% R. C. P. T.	52 58	66 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	810 00N	820 00N	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic	45 00	81 00	100	800	1.75	1.52	21	36	14	12	10.13	...	1.30	39	...
Calcutta Investment Co.	50 00	50 00	100	5,500	19.00	4.12	95	24.40	17.50	4.10	...	45.95	43.91	22	...
Cal. Landing & Shipping	13 50	12 12	10	625	30	1.75	3	5.16	18.47	12.32	99	30	4.64	1.41	...
Calcutta Safe Deposit	7 69	8 50	10	742	20	1.43	3	4.82	13.41	1.73	38	1	2.55	34	...
4 1/2% Debentures	...	...	1000	105	...	...	...	...	...	...	...	...	...	...	...

**Indian Finance
MISCELLANEOUS**

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Pre- vious	Second previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Calcutta Steam Nav'g'n	Hoare Miller & Co.	...	...	...	...	...	6-57	654	602	13	12½	11½
Camperdown Pressing	Pyne & Co.	...	...	54	...	18	7-54	20	46	4	7	7
Central Hydraulic	Andrew Yule & Co.	...	...	1,12	...	...	6-57	1,37	1,24	10	6	5
Cherra Chhatrak Ropeway	Directors	4,13	7,11	12,12	62	23	3-56	-8	57	10	6	5
Chrestien Mica Indus	Ram Kumar Agarwala	16,34	...	159,60	48,75	4,85	12-53	16,23	15,70	6½	10	5
	5½% Cum. preference	...	...	...	...	...	...	...	...	5½	5½	5½
	Deferred share	...	...	...	...	...	...	...	...	7½	15	15
Clive Buildings	Gillanders Arbuthnot & Co.	...	...	5,71	...	...	12-56	2,46	2,41	3½	4	3½
	Management Shares	...	...	...	...	...	...	...	...	35	40	36½
	4½% Debentures	...	...	...	...	...	...	...	...	7½	13½	11½
Clive Row Inv't.	Andrew Yule & Co., Ltd.	18	...	12,27	...	90	3-57	10,62	31,92	...	...	...
Dalmia Cement (Bharat)	Hari Brothers Private Ltd.	31,60	131,30	214,52	12,19	4,71	12-56	46,51	61,95	12½	12½	10
	Ordinary	...	...	...	...	...	...	...	...	12½	13½	10
	6% Cum. preference	...	...	...	...	...	...	...	...	7	7	6
	6% Cum. preference	...	...	...	...	...	...	...	...	7	7	6
	Deferred	...	...	...	...	...	...	...	...	12½	12½	10
Darjeeling Properties	Goenka & Co.	7	...	32	...	...	3-54	-8	18	12½	12½	10
	6% preference	...	...	...	...	...	...	...	...	12½	12½	10
Darjeeling Ropeway	Goenka & Co.	...	...	1,08	...	4	3-54	29	33	2½	1½	1½
	5½% Debentures	...	...	...	...	...	...	...	...	9	7	0
Delhi Flour Mills	R. G. Govan & Co. Ltd.	3,55	193,62	204,92	4,51	41	10-55	3,54	3,20	9	7	0
	7% Cum. preference	...	...	...	...	...	...	...	...	7	7	0
	7% Debentures	...	...	...	...	...	...	...	...	9	12	12
Dhrangadhra Chem. Works	Sahu Bros Private	15,62	59,70	115,97	1,95	2,81	3-56	22,73	6,34	9	12	12
	Ordinary Partly Paid	...	...	...	...	...	...	...	...	6	12	12
	6% R. C. P.	...	...	...	...	...	...	...	...	11	11	12
Duncan Brothers	Directors	12,10	158,85	272,65	2,18	...	12-56	47,79	50,39	11	11	12
	4% Cum. preference	...	...	...	...	...	...	...	...	4	4	4
Dunlop Rubber Co.	Directors	20,137	125,035	170,322	16,991	...	12-57	19,488	13,299	16½	15	15
	6% Cum. preference	...	...	...	...	...	...	...	...	6	6	6
	6% Cum. preference Tax	...	...	...	...	...	...	...	...	6	6	6
	5% Debentures	...	...	...	...	...	...	...	...	6	6	6
Eastern Investments	Bird & Co. Private Ltd	...	...	12,60	...	6	12-57	11,86	11,20	9	9	9
	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
Eastern Manfg. Co.	McLeod & Co. Ltd.	19,22	19,19	78,33	3,73	1,10	12-54	10,44	2,25	7½	3	3
	6% Cum. preference	...	...	...	...	...	...	...	...	6	6	6
F. & C. Osler	S. B. Indus. Development	5,44	61,89	91,41	51,41	...	3-53	1,50	8,65	nil	nil	nil
	4½% Cum. preference	...	...	...	...	...	...	...	...	4½	4½	4½
Frank Ross	Directors	2,13	9,17	38,24	11,24	...	2-57	66	24	4½	4½	4½
	4½% Cum. preference	...	...	...	...	...	...	...	...	15	15	15
Fraser & Co.	Kilburn & Co.	6,01	1,49	12,63	...	21	3-55	1,61	1,40	15	15	15
French Motor	Mg. Director	21,17	234,40	254,95	46,95	...	3-56	9,52	8,97	12½	12½	12½
Ganges Rope	Macneill & Barry Ltd.	13,41	39,67	85,82	18,22	39	3-57	4,96	2,04	12½	11½	15
General Inv't. & Trust	Bird & Co. Private	...	...	40	...	2	2-57	48	64	7½	7½	5
	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
	6% Cum. preference Tax	...	...	...	...	...	...	...	...	5	5	5
Gillanders Arbuthnot	Directors	33,91	158,10	244,41	40,00	...	3-57	(a) 25,21	31,85	10	6	6
	5% R. C. P. T.	...	...	...	...	...	...	...	...	5	5	5
Gladstone Lyall & Co.	Directors	12,30	7,86	...	...	...	12-54	3,00	3,08	3½	3½	5
	6% C. P. T.	...	...	...	...	...	...	...	...	20	10	17½
Godfrey Phillips	Directors	16,42	207,63	250,42	1,34	...	12-55	23,94	10,49	5½	5½	5½
	5½% C. P. T.	...	...	...	...	...	...	...	...	6	6	2½
Great Eastern Hotel	B. P. R. Syndicate	...	...	88,48	...	42	3-57	7,48	6,91	6	6	6
Hindusthan Building	Directors	...	...	...	...	...	7-55	1,61	1,33	4	4	4
	4% C. P.	...	...	...	...	...	...	...	...	6½	6½	6
Hindusthan Gas	Directors	2,13	6,37	11,45	3,67	...	3-54	3,85	...	4	4	4
	4½% Debentures	...	...	...	...	...	...	...	...	1½	1½	1½
Hindusthan Housing	Jainarayan Ramchander	8	...	...	...	26	3-53	33	49	1½	1½	1½
	4% Debentures	...	...	...	...	...	...	...	...	1½	1½	1½
Hindusthan Ice	R. N. Jhun Jhun Wala	40	1,21	2,69	...	18	9-54	65	37	nil	nil	nil
	5% Debentures	...	...	...	...	...	...	...	...	1½	1½	1½
Hindusthan Woollen	Directors	37	...	5,25	73	...	3-55	60	56	1½	1½	1½
	Hoare Miller	11,27	1155,20	1191,41	9,90	...	12-55	3,58	(b) 2,21	1½	1½	1½
Hooghly Flour	Shaw Wallace & Co.	2,00	50,18	54,69	33	...	6-56 HY	2,05	1,08	8½	7½	5
Hooghly & Ganges Hyd.	B. N. Elias & Co.	78	42	1,53	...	...	6-54	43	...	4½	4½	4½
	4½% R. C. P.	...	...	...	...	...	...	...	...	4½	4½	4½
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	Directors	270,58	...	3036,37	...	...	3-56	415,71	363,57	8	8	6
India Genl. Navigation	Kilburn & Co. Private	...	...	...	...	...	12-56	(i)-10	(i) 2,60	nil	5	5
	6% C. P.	...	...	...	...	...	...	...	...	14	14	14
India Linoleums	Hindusthan Investment	2,76	12,01	23,83	9,07	...	3-56	6,19	2,01	10	10	10
India Paper Pulp	Andrew Yule & Co. Ltd.	25,04	39,34	93,61	4,54	1,75	3-57	(a) 19,56	(a) 18,11	14	14	14
India Steamship	Lionel Edwards Private	47,14	330,54	600,17	...	11,50	3-57	155,58	80,23	10	10	10
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Indian Aluminium	Directors	8,814	31,275	54,439	...	...	12-57	8,683	6,559	5	5	5
	5% C. P. T.	...	...	...	...	...	...	...	...	5	5	5
Indian Cable	Directors	...	...	697,45	46,68	...	3-57	144,82	125,29	15	15	12½
	6% C. P. T.	...	...	...	...	...	...	...	...	15	15	12½
	5½% Debentures	...	...	...	...	...	...	...	...	20	45	25
Indian Copper	Gillanders Arbuthnot & Co.	...	15,84	29,50	...	1,10	12-56	15,07	...	...	...	...

May 10, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	April 1958 Rs. np.	April 1957 Rs. np.			General	Others	Carry Forward				Invest- ments	Stocks & Stores	Out Standing	Cash	Others
NORTHERN INDIA (Continued)															
Calcutta Steam Nav'g'n...	13 50	15 94	10	1,260	524	648	75	1,303	6,589	3,915	...	212	918	4	...
Camperdown Pressing ...	118 00	121 00	100	430	85	15	...	45	2,12	...	2,87	...	...	76	...
Central Hydraulic ...	119 00	129 00	100	500	30	2,17	...	1,31	8,43	6,98	...	...	35	35	...
Cherra Chhatrak Ropeway...	4 50	4 75	5	475	4,75	...	...	87	12,52	9,78	15	2,57	3,99	47	...
Chrestien Mica Indus...	18 31	14 34	10	3,000	14,08	8,70	1,64	57,78	64,99	21,17	23,11	55,86	37,19	10,21	...
5½% Cum. preference ...	55 00	51 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Deferred share ...	6 25	7 12	5	1,500	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	830 00	880 00	1000	1,500	...	...	...	...	...	...	...	...	...	...	...
Clive Building ...	...	...	150	1,500	2,06	8,17	2,08	3,16	48,88	7,63	4,14	...	37	4,48	3
Management Shares ...	...	...	15	15	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	410 00	425 00	500	1,963	...	...	...	...	...	...	...	...	...	...	...
Clive Row Inv't. ...	8 62	9 56nd	10	13,880	10,00	7,34	8,17	42,52	...	...	205,96	...	22	65	...
Dalmia Cement ...	10 86	11 69	10	6,000	25,00	40,05	2,85	158,13	105,62	39,55	194,60	77,37	19,19	16,07	3,98
Ordinary ...	2 31	2 94	2½	2,650	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	84 00	94 00	100	3,500	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	30 00	32 00	40	2,375	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	2 50	2 19	1	500	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties ...	1 00	5 00	10	532	...	7	-35	16	5,38	27	1	4	36	1	2
6% preference ...	4 00	4 00	10	34	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Ropeway ...	5 75	6 00	10	248	2	43	1	41	4,01	1,08	...	36	47	59	...
5% Debentures ...	98 00	99 00	500	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills ...	16 00	11 00	10	560	8,00	...	1,51	14,36	37,96	22,97	4,94	9,15	10,21	1,09	...
7% Cum. preference ...	...	...	100	90	...	...	...	...	...	...	...	...	...	...	...
7% Debentures ...	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures ...	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Dhrangadhra Chem. Works	85 00	137 00	100	2,150	40,00	18,68	1,11	79,77	140,07	57,67	...	27,61	24,95	58,94	...
Ordinary Paid ...	...	...	50	2,143	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	3,191	...	...	...	...	...	...	...	...	...	...	...
Duncan Brothers ...	125 00	105 00	100	9,000	65,00	25,50	5,36	126,39	24,02	9,83	183,46	3,35	88,16	68,10	...
4% Cum. preference ...	54 00	58 00	100	3,500	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co. ...	25 19nd	24 00	10	50,000	29,883	20,146	2,223	27,256	65,049	26,824	574	48,684	33,002	544	...
6% Cum. preference ...	116 50	119 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax ...	77 50nd	86 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	98 00	99 00	100	10,251	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments ...	106 00	106 50	100	5,126	54,82	...	2,42	30,66	...	...	164,13	...	3	...	...
5% Cum. preference ...	75 00	77 50N	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Eastern Manufacturing Co.	...	...	100	850	5,00	3,70	10	16,10	28,71	19,24	1	17,29	5,21	1,09	85
6% Cum. preference ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
F. & C. Osler ...	1 81	7 00	10	7,500	3,00	1,27	4,82	29,56	12,65	1,73	20,13	51,41	50,01	1,81	3,56
4½% Cum. preference ...	41 50	48 80	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Frank Ross ...	2 19	2 19	6	495	14	55	2	7,89	1,96	1,18	...	11,41	3,89	22	...
4½% Cum. preference ...	36 50	41 00	100	275	...	...	...	...	...	...	...	...	...	...	...
Freaser & Co. ...	15 36	14 00	10	605	1,75	2,76	19	5,91	10,70	3,64	4,11	...	5,48	7	...
French Motor ...	25 26	21 87	20	3,000	4,00	11,28	1,96	69,12	26,45	13,73	13,08	46,95	39,23	4,39	...
Ganges Rope ...	128 00	128 00	100	1,400	...	9,35	35	39,10	34,02	19,69	...	27,61	28,83	13	...
General Inv't. & Trust ...	...	...	75	225	18	38	15	98	...	...	...	...	2	10	...
5% Cum. preference ...	...	...	100	100	...	...	...	...	...	...	5,82	...	...	...	...
6% Cum. Prefr. Tax ...	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot ...	10 57	10 75	10	6,500	1,700	1,721	168	21,426	2,925	1,066	10,180	4,183	13,802	1,692	2,300
5% R. C. P. T. ...	54 00nd	58 25	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	...	...	10	3,827	3,80	3,16	7	53,51	10,57	4,44	30,96	14,19	39,44	4,42	17,80
6% C. P. T. ...	...	...	100	1,415	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips ...	18 00	23 50	10	4,000	...	7,81	11,97	56,73	55,96	24,88	...	79,11	34,70	98	...
5½% C. P. T. ...	60 00	68 75	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel ...	255 00	226 00	250	3,000	10,80	5,17	74	16,50	83,08	56,24	...	7,24	7,02	1,29	...
Hindusthan Building ...	4 12	6 75	10	1,500	1,00	...	5	3,65	7	2	14,54	...	6,90	30	7,91
4% C. P. ...	...	...	100	1,000	...	...	10	8,01	23,93	11,49	7	10,69	2,66	17	...
Hindusthan Gas ...	8 62	9 37	1000	200	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	...	...	75	1,500	...	...	2	6,38	23,87	1	2,50	...	4,67	38	...
Hindusthan Housing ...	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	5	1,000	45	1,00	-3,57	1,73	22,57	10,00	...	31	1,33	26	13
Hindusthan Ice ...	0 75	1 25	1000	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	10	3,497	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Woollen ...	...	...	10	3,520	20,00	1,30	1,33	132,99	21,96	9,19	7,66	73	26,31	1,20	...
Hoare Miller ...	6 50	7 56	10	600	5,65	1,00	21	8,50	15,30	12,31	18,18	10,32	130,97	21	17,66
Hooghly Flour ...	35 75	21 62	10	800	54	86	7	1,62	15,50	4,70	5,92	10	1,21	6	...
Hooghly & Ganges Hyd.	5 40	4 37	100	400	...	...	...	...	...	...	...	...	...	...	...
4½% R. C. P. ...	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco ...	12 06	13 44	10	151,600	4,50,00	338,87	24,94	318,12	415,59	163,29	95,49	921,00	439,00	452,57	490,56
India Genl. Navigation ...	53 50	66 00	£ 10	656	1,70	9,38	-1,06	20,25	56,66	34,28	50	6,53	8,69	66	46
6% C. P. ...	64 00	68 50	100	244	...	...	...	...	...	...	...	...	...	...	...
India Linoleum ...	...	...	100	2,500	...	...	-94	19,38	31,15	3,31	...	10,15	5,15	41,29	...
India Paper Pulp ...	19 87nd	21 25	10	6,300	10,58	53,36	34	24,09	124,92	83,77	...	24,27	35,85	41,26	8,80
Indi. Steamship ...	11 06	10 06	100	22,500	100,00	74,74	2,71	1041,02	1278,97	263,27	5,27	4,06	178,28	265,15	...
5% R. C. P. ...	81 00	84 50	100	2,500	...	...	720	31,094	71,890	22,177	18	24,425	9,116	791	1,833
Indian Aluminium ...	13 06nd	12 75	10	38,459	1,500	10,144	...	...	...	...	...	...	...	...	...
5% C. P. T. ...	65 00nd	78 00	100	4,000	...	76,80	41,82	288,41	226,86	86,85	21	295,12	286,83	19,83	...
Indian Cable ...	30 06	34 47	10	1,288	70,00	...	...	...	...	...	...	...	...	...	...
6% C. P. P. ...	28 75	31 44	...	1,288	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures ...	98 00	102 25	...	10,000	...	...	...	...	...	...	...	...	...	...	...
Indian Copper ...	3 15	3 28	2½	1,371	11,73	...	1,15	15,08	23,51	14,30	11,10	9,74	4,69	6,93	...

Indian Finance
MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries	Other Major	Sales	Stocks	Managing	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Wages	Expenses			Agents allowance and Commission		Latest	Previous	Latest	Previous	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
NORTHERN INDIA (Continued)												
Indian Rubber Manfrs. ...	G. S. Moulton & Co Private ...	...	...	...	...	34	3-56	3,68	1,80	6 1/2	5	7 1/2
5% C.R.P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products ...	Gill, Arbuthnot & Co. ...	4,62	36	4181	...	2,03	9-56	15,41	18,10	5	5	5
Indo Burma Petrol ...	Steel Bros. & Co. Limited ...	22,82	598,78	661,57	...	2,75	12-56	55,32	(a)78,44	30	30	27 1/2
7% C.P.T. ...	...	...	...	...	...	...	...	...	...	20	40	30
Investment & Finance ...	Bired & Co. Private ...	...	...	97	...	6	2-57	95	1,47	7 1/2	7 1/2	5
5% C.P. ...	...	...	...	...	...	...	...	...	...	5	5	5
6% C.P. ...	...	...	...	...	...	...	...	...	...	6	6	6
J.K. Comml. Corp. Ltd. ...	Directors ...	...	...	4,54	...	...	6-55	5,69	2,22	5	8	8
J.K. Investment Trust ...	Directors ...	...	...	6,93	...	...	6-55	5,86	4,47	nil	nil	nil
B. Ordinary ...	...	...	...	...	...	...	...	...	...	8	8	8
James Wright ...	Directors ...	1,41	12,03	19,40	5,90	...	12-55	52	73	5	5	6
6% C.P. ...	...	...	...	...	...	...	...	...	...	6	6	6
Deferred ...	...	...	...	...	...	...	...	...	...	6	6	6
Jardine Henderson ...	Directors ...	21,23	1519,53	1567,88	26,60	...	3-57	31,99	32,66	2 1/2	7 1/2	7 1/2
5 1/2% C.P.T. ...	...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Jowahri (1929) Ltd. ...	Directors ...	...	...	196,96	128,96	...	12-56	6,87	4,12	5 1/2	5 1/2	5 1/2
Jensen & Nicholson ...	Macneil & Barry ...	11,81	...	...	...	46	12-55	10,37	8,16	6	6	9 1/2
7 1/2% R.C.P. ...	...	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2
Kalimpong Ropeway ...	Directors ...	49	32	94	...	...	3-54	14	—32	nil	nil	nil
Kalyanpur Lime & Cement ...	7% P.T. ...	...	25,24	35,33	3,17	...	12-54	3,08	3,96	5	nil	nil
6% 2nd Pref. ...	...	...	...	...	...	...	...	...	...	7	7	7
Deferred ...	...	...	...	...	...	...	...	...	...	6	...	...
Kangra Valley Slate ...	Directors ...	13	80	1,92	10	18	6-52	1,37	1,57	18	18	18
Kanpur Development ...	Bird & Co. Private Ltd. ...	3,41	...	2,34	15	3	12-56	(d)1,59	(a2)3,18	nil	10	10
Founders ...	...	...	...	...	...	...	...	...	...	5	4	4
Kothicwell Bullen & Co. ...	Directors ...	...	...	11,80	...	...	12-56	10,50	12,97	5 1/2	5 1/2	5 1/2
5 1/2% C.P.T. ...	...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
4% C.P. ...	...	...	...	...	...	...	...	...	...	7	7	7
Kishore Trading Co. ...	Directors ...	...	...	1,87	...	...	12-54	1,73	1,37	2	4 1/2	3 1/2
Kumardhubi Fireclay ...	Bird & Co. Private Ltd ...	40,52	41,63	102,41	6,63	1,31	12-56	13,64	10,11	10	15	15
7% C.P. ...	...	...	...	...	...	...	...	...	...	7	7	7
5 1/2% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Kusum Products ...	5 1/2% Debentures ...	4,81	199,08	247,30	7,79	12	3-55	—4,47	3,77	nil	nil	11
East India Development Co. ...	...	...	...	...	...	...	...	...	...	nil	nil	...
5 1/2% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	nil	nil	...
4 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co. ...	James & Co. Ltd. ...	2,48	10,33	17,23	8,20	30	3-53	(a)96	26	nil	nil	nil
Deferred ...	...	...	...	...	...	...	...	...	...	nil	nil	nil
Macneil & Barry ...	Directors ...	45,46	...	108,35	...	...	3-57	44,67	33,00	8	11	7 1/2
5 1/2% C.P.T. ...	...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
5% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Martin Burn ...	Directors ...	70,11	690,15	865,53	98,37	...	9-57	90,99	96,09	21 1/2	21 1/2	18 1/2
5% C.P. ...	...	...	...	...	...	...	...	...	...	5	5	5
4% Convertible Notes ...	...	...	...	...	...	...	...	...	...	...	...	...
McLeod & Co. ...	Directors ...	5,94	219,39	207,77	57,86	...	12-56	18,80	32,70	8	22 1/2	17
5% 1st C.P.T. ...	...	...	...	...	...	...	...	...	...	5	5	5
5% 2nd C.P. ...	...	...	...	...	...	...	...	...	...	5	5	5
Deferred ...	...	...	...	...	...	...	...	...	...	3	17 1/2	12
Convertible Notes ...	...	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co. ...	Directors ...	113,54	391,38	566,76	185,75	...	3-57	79,33	75,12	17 1/2	16 1/2	12 1/2
6% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	6	6	6
Metal Corporation ...	Eastern Smelting & Refining Pri. ...	...	72,45	87,94	26,73	36	3-57	9,24	11,01	6	6	6
5% C.P.T. ...	...	...	...	...	...	...	...	...	...	nil	nil	nil
Deferred ...	...	...	...	...	...	...	...	...	...	nil	nil	nil
5 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary ...	Andrew Yule & Co. ...	...	...	1,71	...	...	4-57	—5,01	—11,08	nil	nil	3
Midnapore Water Supply ...	Noorulla Ghazanfarulla ...	...	...	1,45	...	9	10-54	42	39	3	3	3
C. & E. Morton India Ltd. ...	Cotton Agent. Private ...	4,29	16,79	48,92	6,83	22	6-57	2,98	1,51	6	15	15
Motor & Coal, Finance ...	Gupta & Sval Ltd. ...	78	...	13,46	...	...	6-55	7,88	3,94	40	10	10
10% 1st C.P. ...	...	...	...	...	...	...	...	...	...	10	10	10
7% 2nd C.P. ...	...	...	...	...	...	...	...	...	...	7	7	7
7% 3rd C.P. ...	...	...	...	...	...	...	...	...	...	7	7	7
National Carbon Co. ...	Directors ...	7,479	32,519	53,535	17,773	...	12-57	9,335	9,955	14	15	32 1/2
National Insulated Cable ...	Asso. Indust. Development Co. ...	...	...	277,31	41,16	7,23	3-56	60,78	32,36	20	15	10
5 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit ...	Directors ...	...	...	1,42	...	...	12-55	1,17	92	3 1/2	3 1/2	3 1/2
National Tannary ...	S. K. Sen & Co ...	50	4,03	5,55	3,09	4	12-52HY	24	—72	3 1/2	3 1/2	3 1/2
5% C.P. ...	...	...	...	...	...	...	...	...	...	...	...	...
National Tobacco ...	B. N. Elias & Co. Private ...	48,19	391,77	515,64	45,45	4,08	12-56	29,61	29,28	7	8	5
5% R.C.P. ...	...	...	...	...	...	...	...	...	...	5	5	5
4 1/2% R.C.P. ...	...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
4% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
New India Building ...	Directors ...	...	...	...	...	...	5-56	2,35	4	4 1/2	4 1/2	4 1/2
4 1/2% C.P. ...	...	...	...	...	...	...	...	...	...	...	...	...
New India Investment ...	Ramdutt Ramhisoondas ...	...	2,67	...	...	41	12-55	5,44	1,77	5	5 1/2	2 1/2
Octavius Steel & Co. ...	Directors ...	13,25	...	48,74	...	...	12-55	29,90	21,45	10	7 1/2	10
6% C.P.T. ...	...	...	...	...	...	...	...	...	...	6	6	6
Orient Paper ...	Birla Brothers Private Ltd. ...	39,37	184,48	413,89	26,14	11,32	3-57	123,66	121,57	15	12 1/2	10
5 1/2% C.P. ...	...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
5 1/2% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debenture ...	...	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement ...	Dalmia Agencies Private ...	118,52	...	132,30	8,69	3,81	12-56	43,79	55,03	12 1/2	12 1/2	7 1/2
4 1/2% C.P. ...	...	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2

May 10, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958	April 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstanding	Cash	Others
	Ra. n.p.	Ra. np.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)															
Indian Rubber Manfrs. ...	15 50	27 00	10	828	5,0	53	63	4,1	16,75	9,50	4	6,15	7,94	5,85	...
5% C. R. P.	90 00	98 50	100	828	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products	45 00	40 00	10	2,000	16,00	4,43	1,45	21,37	19,49	15,06	2	43,79	2,54	12,48	...
Indo Burma Petrol	25 25	28 63	10	10,000	27,44	116,22	68	193,72	79,77	47,03	261,64	34,22	75,33	84,13	...
7% C. P. T.	84 00	97 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance	...	...	100	500	149	1,17	20	1,65	...	...	13,38	...	4	9	...
5% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
J. K. Comml. Corp. Ltd.	...	...	10	2,080	822	3	7	48,15	29	17	41,67	...	35,46	4	...
J. K. Investment Trust...	...	...	700	7,008	25,50	46	7	40,23	2	1	115,02	...	15,78	8,03	...
B. Ord.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
James Wright	3 50	4 12	5	588	100	53	2	7,93	96	54	5,81	5,91	3,28	66	...
6% C. P.	30 50	33 50	50	130	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 81	0 62	1	117	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	53 75	79 00	100	20,000	62,00	5,00	4,71	417,76	39,02	12,09	386,83	26,60	273,03	1,07	28,00
5 1/2% C. P. T.	51 80xd	59 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Jowahri (1929) Ltd.	6 00	5 66	10	7,200	800	...	—12,50	120,83	34,18	24,00	6	132,77	39,45	5,73	15
Jensen & Nicholson	...	...	10	3,250	14,50	6,80	5,88	89,25	50,41	26,01	88	62,75	79,52	1,37	...
7 1/2% R. C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway	3 00	1 94	10	450	65	...	—1,28	1,38	5,97	2,63	9	1,34	33	13	...
Kalyanpur Lime & Cement	102 00	100 00	100	1,815	33,15	61	1,71	31,49	48,08	1,38	51	12,92	34,90	7,22	5,71
7% P. T.	80 00	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref.	100 50	...	100	315	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	25	200	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate	85 00	100 00	100	158	183	1,57	25	1,72	1,95	68	63	10	27	4,59	8
Karanpura Development	9 44	11 87	10	500	19,00	5,04	5	30,94	44,47	13 07	19,86	81	8,26	14,71	...
Founders	...	...	100	4,000	903	16,00	1,77	32,19	1,65	1,01	77,50	...	98,59	25	...
Kettlewell Bullen & Co.	150 00	159 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P. T.	49 50	57 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	56 80	53 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co.	75 00	70 00	100	2,000	175	24,15	53	4,03	1	...	46,77	...	1,45	1,24	...
Kumardhubi Fireday	24 00	25 00	10	3,000	451	71,82	41	33,18	141,77	44,14	41	25,53	28,45	11,07	2,84
7% C. P.	101 00	108 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5 1/2% R. C. P. T.	54 50	66 50N	100	400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 00	99 00	...	2,000	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	5 75	5 75	10	800	...	...	—5,28	29,70	39,27	13,15	11	17,44	6,34	41	...
5 1/2% R. C. P. T.	75 00	75 00	100	800	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co.	3 25	3 06	5	634	280	...	2	8,10	6,90	4,32	1,43	8,20	3,88	1,51	32
Deferred	0 47	0 50	...	66	...	...	...	...	...	...	...	...	...	...	...
Macneill & Barry	...	...	100	15, 00	27,00	43,50	4,34	112,29	43,42	10,37	256,44	12,01	148,27	1,48	60,88
5 1/2% C. P. T.	...	...	100	10,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	840 00N	880 00N	1000	7,500	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited	24 19	23 31	10	14,524	21,50	54,60	2,35	600,59	25,54	14,97	196,27	256,15	396,70	8,94	25,17
5% C. P.	90 50	97 50	100	6,000	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes	515 00	520 00	500	953	...	...	...	...	...	...	...	...	...	...	...
McLeod & Co.	...	...	100	4,000	51,00	31,87	2,57	219,13	28,53	10,43	264,54	57,98	81,86	2,10	20,00
5% 1st C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P.	...	...	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes	...	...	...	4,500	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co.	28 12	27 19	10	11,500	50,00	67,00	16,34	184,85	262,36	89,10	3,41	194,72	81,58	10,21	...
6% R. C. P. T.	81 50	92 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	6 75	7 87	10	4,000	...	...	—1,18	42,77	105,41	42,52	15	42,59	5,18	48	1,16
5% C. P. T.	50 00	84 00	1	700	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 00	3 00	1000	283	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	2,400	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary	22 50	21 00	100	9,400	...	41,80	—16,37	24,42	7,35	52	30,71	4	98,12	7,96	...
Moradabad Water Supply	4 50	5 56	10	446	...	2	9	87	6,37	2,10	...	24	56	13	26
C. & E. Morton (India) Ltd	...	...	10	885	842	2,00	...	12,78	24,08	13,33	70	14,72	5,37	50	...
Motor & General Finance	...	...	25	250	11,00	4,00	10	70,63	43	24	11,42	26	82,39	1,60	...
10% C. P.	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P.	...	...	10	275	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co.	25 06	25 00	10	20,000	2,500	5,855	2,842	12,982	21,482	6,134	303	19,319	5,112	1,098	3,000
National Insulated Cable.	24 75	19 35	10	4,000	40,80	34,62	1,44	191,29	63,81	41,53	8	118,30	168,98	7,70	...
5 1/2% Debentures	...	...	...	1,000	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit	2 50	2 37	5	750	...	3,27	...	7,55	18,10	1,03	5	...	67	4	50
National Tannery	2 40	2 50N	10	659	57	...	—4,72	9,24	7,62	5,42	...	5,09	4,75	14	...
5% C. P.	4 50	5 00N	10	50	...	...	...	...	...	...	...	...	...	...	...
National Tobacco Co.	10 00	9 75	10	7,997	26,11	12,82	9,03	173,78	120,52	61,75	98	192,63	85,97	19,53	...
5% R. C. P.	60 00	69 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% R. C. P.	55 50	61 00	100	1,998	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00	845 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
New India Building	0 50	1 00	5	1,500	...	...	—1,03	8,58	15,86	2	...	15,79	24	6	61
44% C. P.	15 00	21 00	50	997	...	...	...	...	...	...	...	...	...	...	...
New India Investment	33 75	53 00	75	2,332	650	1,82	47	13,89	5	3	32,42	...	11,37	60	...
Octavius Steel & Co.	...	...	100	5,000	25,00	22,22	1,26	45,29	3,50	1,98	88,60	...	50,78	12,87	...
6% C. P. T	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Orient Paper	29 95	30 20	10	14,682	...	242,51	2,63	196,22	604,17	137,53	23,57	96,87	205,98	25,95	...
5 1/2% C. P.	81 00	96 50	100	7,181	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P. T.	58 00	72 00	100	6,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	905 00	930 00	1000	10,000	...	31,41	11,82	178,93	209,82	98,69	23,34	65,39	27,36	13,82	119,79
Orissa Cement	12 37	13 38	10	10,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P	40 00	...	100	4,000	...	...	...	...	...	...	...	...	...	...	...

May 10, 1958

NAME	Managing Agents/ Agents/Secretaries	Salary and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Orissa Minerals	Bird & Co. Private Ltd.	2,878	752	8,877	1,305	179	6-57	1,728	(y)994	20	20	20
Port Shipping Publicity Society	Andrew Yule & Co. Directors	17.72	12.86	39.08	...	68	12-56	6.78	4.69	15	15	10
Punjab Minerals	Bird & Co. Private Ltd.	3	43	51	...	1	9-56	233	167	50	25	25
Rallis India	Directors	5,182	241,935	249,633	26,185	...	8-57	(b)2,120	(b)2,752	nil	nil	nil
Reliance Firebrick	6% C. P. T.	15.84	12.77	41.76	1.40	...	2-56	7.43	3.61	20	10	2 1/2
Rohas Industries	Sahu Jain Ltd. 7 to 9% C. P. 4 1/2% C. P. 4% Debentures 6% Debentures	102.45	649.90	1008.26	134.36	8.31	10-56	120.61	105.25	15	15	15
Scientific Instrument Co.	Directors	...	...	38.20	5.77	...	3-55	1.91	...	8	8	...
Shaw Wallace & Co.	Directors	37.31	285.46	345.64	68.12	...	12-56	30.02	37.23	10	18	12 1/2
Shiva Jute Press	6% C. P. T.	...	...	...	...	6	6-55	...	...	6	6	...
Shree Gopal Paper	Kedarnath Mohanlal K. Ch. Thapar & Bros. 4% C. P. P. 5 1/2% Debentures 6% Debentures	16.37	64.63	136.34	17.05	2.43	12-56 H	Rs. 3.07 25.00	40 24.32	6 1/2	6 1/2	6 1/2
Smith Stanistreet	Directors	11.89	97.60	113.82	40.30	...	6-56	7.51	5.29	20	20	10
Sonakunda Baling	10% Prof. Cum. as to 7% Bird & Co. (Pak) Ltd. 8% C. P. 5% C. P.	3.44	186.39	200.88	52.00	6	2-55	-2.50	-2.32	10	10	7 1/2
Sone Valley Port Cement	Directors	19.89	59.70	114.88	1.56	...	12-56	(a)7.98	11.54	3	6	5
Star Paper Mills	Directors	7	19.83	33.24	11.10	52	9-55 H	3.54 3.59	4.4 3.47	7 1/2	5	5
Star Trading & Inv.	Bajaria & Co.	...	...	...	...	3	6-53	-3.32	-1.4	nil	nil	nil
Straw Products	J. K. Agents Private Ltd.	4.51	10.52	26.49	1.46	70	12-55	5.15	...	10	5	...
Sutra Stone & Lime	Directors	2.73	3.27	9.71	26	...	12-6	1.97	1.58	13 1/2	11 1/2	11 1/2
Tide Water Oil	Andrew Yule & Co. Ltd.	6.34	42.92	49.60	18.19	...	10-56	2.43	2.23	12 1/2	10	nil
Titagur Paper Mills	F. W. Heilgers & Co. Private Pfd. Ordinary	111.10	218.83	703.92	16.51	9.81	3-57	127.41	107.99	23 1/2	21 1/2	17 1/2
Union Co.	Directors	6	...	1.58	...	...	3-54	12	-1.31	nil	nil	5
United Flour	Shaw Wallace & Co. Ltd.	3.66	68.20	83.69	5.67	44	11-56	4.07	3.41	45	35	17 1/2
Walford Transport	Directors	10.59	176.67	199.11	20.06	...	12-56	8.54	4.89	14	14	12
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	7.74	176.27	208.52	...	1.33	3-56	15.63	24.38	12 1/2	12 1/2	12 1/2
Andhra Cement	Andhra Engineering Co. B. Ordinary	7.75	35.27	94.33	6.55	1.20	12-55	19.88	17.15	10	10	10
Andhra Scientific Co.	6% C. P. Srinanths Industrials Pri. Ltd. 5% C. P.	1.42	8.59	12.81	6.79	...	6-55	...	-4.19	nil	nil	nil
Bangalore Printing	Directors	1.50	1.36	4.14	2.10	...	12-56	84	83	10	10	10
Binny & Co.	Second Ordinary	...	...	...	...	...	...	...	...	10	10	10
Central Scientifics	Directors	...	...	11,398	940	...	12-57	2,840	3,065	10	10	10
Coimbatore Chem. & Fert.	Guru Agencies 6% C. P. P. Venus & Co.	70	6.59	8.83	2.78	19	3-56	78	...	52	10	10
East Coast Food Products	Sudarsanam S. Murthy Ltd. 6% C. P. Deferred	82	39.71	57.52	5.59	21	3-54	1.65	2.40	15	5	7 1/2
Fertilisers & Chemicals	Seshasayee Bros.	4.05	197.04	188.26	1.59	18	12-55	48.49	26.70	nil	nil	nil
Forest Industries	Seshasayee Bros.	...	...	8.55	...	...	3-56	3.80	6.00	nil	nil	nil
General Papers Ltd.	Gany & Co.	...	...	...	...	19	3-55	67	37	6 1/2	6 1/2	12 1/2
Hyderabad Inv. Synd.	M. Amolkchand Bros. Ltd.	...	...	1.58	...	17	9-55	54	67	2 1/2	2 1/2	nil
India Cements	Essex Pri. Ltd. 5% C. P. Deferred	1.41	70.31	123.81	6.62	2.49	3-56	25.97	24.19	8 1/2	7 1/2	5
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.	...	...	75	...	7	9-57	65	63	5	7 1/2	4 1/2
Jeypore Mining	R. S. Indus'l Corp.	64	1.14	5.76	7.17	9	6-55	1.08	1.00	10	6	51

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958	April 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standings	Cash	Others
	Ra. np.	Ra. np.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)															
Orissa Minerals	23 94	18 35	10	2,000	603	3,046	116	5,322	4,910	2,787	2,511	2,152	3,220	7.4	358
Port Shipping	15 69	16 37	10	1,408	6.25	18.94	63	8.54	40.59	7.59	4.51	78	6.16	3.99	...
Publicity Society	5 70xrts	10 00	4	191	107	208	21	1,378	181	164	168	...	1,654	65	...
Punjab Minerals	...	...	10	300	...	...	1,33	19	1.64	2	...	...	13	1	9
Rallis India	35 50	30 00	100	22,500	...	483	-4,413	29,550	12,226	6,008	1,127	27,442	19,478	1,356	...
6% C. P. T.	48 75	62 50	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	19 00	20 00	10	600	3.19	7.43	51	15.93	33.79	23.63	...	7.92	13.09	1.89	...
Rohas Industries	16 94	16 14	10	22,800	120.00	16.20	49	592.92	1060.39	396.23	25.90	246.75	137.64	3.28	106.4
7 to 9 C. P.	109 00	122 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	58 00	62 50	100	6,476	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	910 00	910 00	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	10 06	11 19	100	999	1.45	1.29	4	14.91	1.71	...	72	5.80	18.27	1.16	...
Shaw Wallace & Co.	63 00	67 50	100	7,500	1.00	16.00	3.64	309.23	37.03	7.05	46.83	71.16	217.74	2.25	111.92
6% C. P. T.	65 00	100 00N	100	450	1.10	10	42	50	9.69	4.96	32	...	1.53	3	...
Shiva Jute Press	15 12	15 00	10	12,549	37.75	30.21	3.18	94.84	156.54	100.80	50.34	98.27	94.81	30.85	8.98
Shree Gopal Paper	99 00	116 00	100	750	...	...	...	...	...	...	...	...	...	...	...
6% C. P. P.	950 00	1000 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	950 00	990 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	12 12	11 75	5	500	3.00	8.00	1.18	36.86	18.54	13.94	...	43.80	7.60	3.06	...
Smith Stanistreet	51 50	87 00	50	500	...	...	...	...	...	...	...	...	...	...	...
10% Prof. cum. as to 7	...	...	100	600	5.02	16.73	-5.67	60.25	38.53	13.27	...	54.01	7.79	77	...
Sonakunda Baling	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
3% C. P.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	5 00	6 12	5	7,500	7.50	10.20	4	39.30	209.87	150.04	5.80	44.68	19.23	38	14
Sone Valley Port Cement	81 00	81 50	100	1,040	7.25	2.38	-85	7.26	14	5	16.74	...	6.21	...	3.41
Star Co.	11 00	10 12	10	3,000	3.00	3.50	14	37.07	65.85	31.03	20	32.25	25.47	69	...
Star Paper Mill	61 00	67 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	870 00	940 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	8 00	8 00	25	500	40	...	-57	6.14	2	1	9.39	1.54	...	2	...
Star Trading & Inv	14 50	15 12x	10	1,500	21.50	60.41	16	8.37	88.62	21.68	21.26	6.59	4.78	5.86	...
Straw Products	20 12	18 00	10	323	22	58	25	3.08	8.13	4.71	10	1.35	1.75	91	...
Sutra Stone & Lime	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tide Water Oil	14 00	13 31	10	600	4.50	5.03	58	27.56	2.30	1.67	52.43	24.75	13.57	2.72	2.00
Titagur Paper Mills	35 00x	33 56x	10	11,205	47.53	322.97	93	245.97	613.24	351.67	52.43	185.70	183.42	11.79	65.23
Pfd. Ordinary	4 00x	3 88x	2 1/2	437	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	125 00x	135 00x	100	1,150	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Cum. preference	76 50x	87 25x	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Union Co.	75 00	107 50	100	1,250	7.50	4.62	-93	25.16	14	10	23.15	...	25.64	...	...
United Flour Mills	24 37	39 00	10	250	4.70	3.35	17	7.31	7.87	5.35	18	5.97	7.19	2.18	...
Walford Transport	1 97	2 02	1	841	10.00	8.00	1.67	27.60	12.00	7.87	41	31.44	16.56	4.75	47
Pfd. Ordinary	1 58	1 87	1	210	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminium Industries	13 30	13 85	10	4,000	18.00	10.25	65	104.06	56.26	21.56	11.80	75.18	61.96	1.12	...
Andhra Cement	11 50	13 00	10	1,138	5.43	7.79	20	46.65	83.25	44.19	...	27.98	26.16	1.74	...
B. Ordinary	102 00	102 00x	100	249	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	3 70	3 69	10	800	...	...	-8.72	17.53	8.18	4.57	...	10.43	4.60	11	...
Andhra Scientific Co.	5 12	5 12	10	200	...	...	...	...	...	...	...	...	...	...	...
Bangalore Printing	10 30	...	10	300	2.05	1.01	6	1.42	6.89	4.08	1.14	2.11	1.38	25	...
Second Ordinary	152 00x	172 00	100	10,000	3,600	753	420	6,221	3,947	1,964	12,755	1,070	4,724	363	...
Binny & Co.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Central Scientifics	5 70	6 12	5	150	1.30	53	2	1.64	96	40	...	2.81	2.56	55	...
6% C. P. P.	4 60	5 20	5	150	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Chem & Fert	...	...	25	139	...	...	...	3.39	1.45	29	1	3.11	21	30	...
East Coast Food Products	...	...	10	1,454	...	...	-2.77	9.94	16.64	4.28	...	9.56	4.66	2	1.59
6% C. P.	...	...	100	394	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	249	...	...	...	...	...	...	...	...	...	...	...
Fertilisers & Chemicals	5 30	5 40	10	34,598	...	...	-30.69	99.79	422.53	192.72	25.75	91.28	51.85	13.29	3.04
Forest Industries	3 03	2 00	5	2,491	13.28	...	-14.85	7.13	14.11	4.70	...	3.50	10.78	6.78	...
General Papers Limited	9 00	8 00	10	500	1.85	33	...	7.57	87	53	1	8.81	5.04	55	...
Hyderabad Inv. Synd.	...	...	50	2,142	1.00	...	1	2.65	...	...	11.52	...	9.65	3.91	...
India Cements	27 65	26 50	25	6,269	...	19.00	2.97	76.11	148.33	54.03	7.89	33.33	34.18	14.75	13.09
5% Cum. preference	84 75	89 50	100	2,987	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 40	5 20	5	750	...	...	...	...	...	...	...	...	...	...	...
Inv. Trust of India	58 00	82 00	100	1,000	30	1.78	3	1.18	...	...	10.70	...	2.48	12	...
Jeppore Mining	...	...	100	400	2.40	31	46	10.94	6.35	1.63	36	8.83	4.10	4	...

COAL

NAME	Managing Agents, Secretaries	Colliery expenses Rs. 000	COAL		Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission and allowances Rs. 000	Year ended	NET PROFIT		DIVIDEND %		
			Rainings (000) Tons	Despatches (000) Tons					Latest	Previous period	Latest	Previous	Second previous
									Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd. K. L. Dutt & Co. 44% R. C. Preference	122.49	8.53	8.55	150.81	32	1.33	3-57	(p)13.43	15.41	12.1	12.1	11.4
Associated Laikidh	K. L. Dutt & Company 5% Debenture	...	10	10	1.48	15	...	3-54	-16	22	Nil	Nil	Nil
Bagdigi Kujama Bengal	Purshotam Co. Andrew Yule & Co. Ltd. 44% C. P. T.	2.94 119.42	58 23.20	60 25.59	10.14 430.94	39 13.92	...	9-53 10-56	2.31 b)73.29	2.03 85.41	5 17.1	4 17.1	5 15
Bengal Bhatdee Bengal Nagpur	Kalyani Mavji & Co. Andrew Yule & Co. Ltd. 7% C. P.	...	43 8	46 8	8.10 15	47	...	12-56HY 12-56	75 16	93 -48	11 4	11 4	5 4
Bhailgore Bharat	H. V. Low & Co. Privt. Sahu Jain Ltd. 54% C. P. T.	6.85	61 4.69	57 4.62	11.60 87.69	1.43 4.91	...	9-55 6-57	-1.20 7.57	-1.15 7.65	nil 6	nil 6	11 5
Bhulanbararee Bhuranaga Bokare & Ramgur	F. W. Heilgers & Co. Pri. Ltd. Ram Saran Das & Rathor Pri Anderson Wright 44% Debentures	10.85 4.45 3.98	76 40 38	81 35 47	11.98 5.33 6.93	1.87 5.64	...	12-55 H 12-52 H	8 -29 1.47	1.42 -87 35	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Borra	F. W. Heilgers Private 64% C. P.	...	1.46	1.44	23.24	42	...	12-56	m)2.59	(n)5.72	15	21	20
Burrakur	Bird & Co. Privt. 7% C. P. 6% 2nd C. P. T.	...	4.66	4.72	121.62	7.54	...	12-56 H	(o)17.31	12.39	64 34 34	64 34 34	64 34 34
Central India Central Kurkend Churulia	Hindustan Invt. Corporation Anderson Wright F. W. Heilgers Pri.	34.76 5.80	1.56 60	1.55 68	26.45 9.26	1.16 3.92	...	3-57	7.71	6.43	5	5	24
Dhemo Main East Indian (S) Equitable	Macneill & Barry Jardine Henderson Ltd. Macneill & Barry 6% C. P.	24.23 5.51 179.05	2.12 5.51 16.85	2.11 5.23 16.85	36.48 5.23 333.70	79 10.72	...	12-56 4-56 12-56	-11 1.09 22.78	-2 (c)1.5 26.38	11 Nil 15	11 Nil 15	11 Nil 15
Ghusick and Muslia	Bhatler's Agency 5% C. P.	13.88	1.52	1.48	21.21	4.10	...	3-54	1.04	1.65	5	71	5
Gourangdi	Bhatler's Agency 5% R. C. P.	45	14	8	1.00	1.85	...	3-54	-12	-8	Nil	Nil	Nil
Guzdar Kajora Hurriladidh Jainity Central Jogta	Otha Brothers Macneill & Barry Villiers Bajpai Trust Private 5% R. C. P.	85 20.76 ...	21 1.90 3	15 1.90 2	2.24 32.65 24	15 55	...	6-55 H 12-56 12-54 12-56	45 2.26 56 1.12	29 5.64 -23 1.24	Nil 15 Nil Nil	Nil 25 Nil Nil	Nil 174 Nil Nil
Kalapahari Karampura Collieries	Andrew Yule & Co. Ltd. Bird & Co. Private 54% C. P. T.	5.52 18.20	38 1.45	34 1.45	5.42 24.92	42 48	...	2-57 2-57	81 2.71	73 3.67	nil nil	nil 5	24
Katras Jherriah Khas Kajora	Andrew Yule & Co. Ltd. Directors	10.45 3.53	3.10 35	3.32 36	59.01 5.54	2.73 76	...	1-57 12-55 H	(f)11.70 1.25	11.87 65	54 15	54 45	54
Kuandi Lalarka Mahabir	8% Preference (q) H. V. Low & Co. H. V. Low & Co. Daulat Rawatmull	3.66 6.84 3.57	33 61	28 56	4.45 7.96 6.21	1.06 1.35 40	...	6-56 4-56 12-55	65 42 1.65	94 (i)24 1.36	11 11	11 11	11
Mundulpoor Nazira New Boorbloom	Directors Jantia Brothers Private Andrew Yul & Co. Ltd.	4.64 1.12 21.17	18 ...	18 ...	5.05 5.80 75.62	1.41 6	...	6-54 H 12-55 10-56	-79 1.36 5.54	-79 1.40 9.62	44 nil 74	44 nil 81	44 nil 71
New Churulia	7% C. P. Business Development	93	...	...	10	2.41	...	9-53	-1.21	-79	Nil	Nil	Nil
New Huntadidh	Daulatram Rawat Mull 5% Cumulative Preference	3.42	...	...	4.95	1.30	...	3-55	25	11	Nil	Nil	Nil
New Joyrampoor New Manbhoom North Damuda	R. S. Das & Rathor Private Octavius Steel Jantia Brothers	18.58 7.20 22.49	1.45 59 1.41	1.21 55 1.47	23.70 8.54 26.94	85 1.37	...	6-56 H 3-57 1-51 H	-8 1.88 1.33	-1.11 1.22 -3	Nil Nil Nil	Nil Nil Nil	Nil
North West	Andrew Yule & Co. Ltd. Partly Paid Ord	...	...	...	...	...	...	3-57	1.37	1.17	15	15	62
Ondal	F. W. Heilgers Private 64% C. P.	...	1.73	1.63	24.98	2.36	...	12-56	1.05	1.30	71	10	10
Oriental	K. C. Thapar & Bros. Private 5% Debentures	11.18	1.11	1.02	15.49	29	...	12-55	2.42	2.08	2	5	31
Parasea	Deepchand Kishanlall 54% R. C. P.	10.36	1.11	1.02	15.49	29	...	12-55	3.55	2.67	10	74	24
Pench Valley Pure Sitalpur	Shaw Wallace & Co. Ltd. Amritlal Otha	1.69	4.64 22	4.63 16	81.91 2.50	26 37	...	3-57 6-55 H	10.53 36	9.25 36	20 24	14 15	15
Raneegunge Rawa Samsa	B. N. Elias & Co. Privt. Ltd. Shaw Wallace & Co. Ltd. Japuria Sons Ltd	18.50 3.85 23.05	1.87 3.85 2.97	1.93 3.88 3.22	29.80 60.70 56.53	2.79 1.35 38	...	3-56 H 12-56 12-56	5.53 (a)7.53 7.34	3.52 9.85 5.91	31 15 124	31 214 131	24
Searsale Searsale	Directors Andrew Yule & Co. Ltd.	5.04 2.49	51 82	49 85	7.26 13.81	50 26	...	1-56 12-56	1.04 (d)4.26	1.44 6.02	124 32.12	30 334	25
Sandra Shree Mahakali	F. W. Heilgers & Co. Pri. Ltd. Amritlal Otha	1.01	16	15	2.42	1	...	12-56 6-55 H	(i)18 27	(k)-11 -14	24 Nil	24 Nil	24
Singareni Sasah Karanpura Standard	Industrial Trust Fund Bird & Co. Private Ltd. F. W. Heilgers Private	18.30	16.82 16.8	15.66 1.82	361.84 28.59	6.93 13	...	12-56 8-56	50.90 2.39	51.65 29	10 34	74 11	11
Talcher	Villiers Debentures	4.92	55	56	8.44	5	...	9-55	15	(h)32	10	10	15
Unson United Collieries	Williamson Magor & Co. Ltd. K. C. Thapar & Bros.	9.97 10.7	76 2.15	70 2.13	11.58 31.60	83 62	...	12-56 12-54	1.10 10.38	-90 9.98	nil nil	nil 74	Nil
West Ghusick West Jamunia West Laikidh Western Bengal	Bhatlers Agency Macneill & Barry & Co. Ltd. K. L. Dutt & Co. Hindustan Inv. Corporation	1.11 17.45 1.47 18.87	13 1.67 13 1.99	13 1.81 10 2.02	1.83 28.84 1.46 34.25	1.76 1.39 8 59	...	3-54 12-56 12-54 3-57	-21 4 2 5.48	-5 (a)32 2 5	nil Nil Nil 5	5 Nil Nil 5	5

(a) After transferring Rs 2,57,000 from Development Reserve Rs 16,888 from Bad and Doubtful Debt Reserve; and Rs 25,491 from unclaimed liabilities.
(b) After writing back Rs 18,43,908 from provision

for liabilities no longer required and Rs 7,37,326 being coal stock reserve.
(c) After transferring Rs 1,20,000 from Replacement Reserve.

(d) After writing back Rs 1,07,807 being provision for liabilities and Rs 15,000 from provision for taxation.

May 10, 1958

COMPANIES—(All India)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	April 1958	April 1957			Reserves	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. a.p.	Rs. a.p.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amalgamated	17 00	15 93	10	2,550	11.00	12.80	30	43.51	99.36	69.86	1.13	20.15	40.12	1.71	49
Asso. Karanpura	3 00	1 00	10	900	...	...	-1.89	2.19	9.98	...	...	28	26	1	28
44% R. C. preference	24 50	24 50	100	150	...	...	...	...	...	...	...	72	1.42	5	1
Asso. Lskidh	1 69	1 62	10	800	...	...	-59	1.90	10.30	1.49	...	...	...	...	...
5% Debenture	4 11	4 50	10	2,000	...	90	1	3.21	21.72	4.51	...	68	3.94	2.29	...
Bagdigi Kujama	224 00	214 00	100	10,000	100.00	60.29	9.45	180.55	610.17	419.74	13.10	115.65	136.98	14.31	...
Bengal	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
44% C. P. T.	5 88	6 00	10	449	...	88	1	4.31	9.25	5.69	...	94	3.14	2.35	...
Bengal Bhatdee	13 30	15 00	10	225	3.91	1.32	-1 09	57	24.88	22.43	3.49	...	56	1.58	...
Bengal Nagpur	68 00	83 50	100	112	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	6 50	4 62	10	1,597	1.00	3.73	-2.42	14.28	47.74	22.98	...	2.86	4.88	6	...
Bhailgore	5 94	6 06	10	4,000	2.75	...	2	5.185	14.483	7.759	2.063	1.646	4.972	57	...
Bharat	45 50	49 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	...	...	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	13 50	13 87	10	715	6.61	7.68	-1.87	5.78	52.62	37.38	64	2.63	6.40	5	39
Bhulanbararee	2 00	2 00	10	1,000	...	...	-10.75	13.46	16.92	6.18	31	69	76	2	18
Bhuranaga	11 00	11 75	100	1,600	4	16.84	-79	19.35	68.15	40.00	...	9.42	23.23	7	...
Bokaro & Ramgar	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
42% Debentures	17 00	20 31	10	750	6.34	17.83	20	7.68	45.38	27.11	11.01	1.42	9.62	2.91	30
Borra	86 75	100 00	100	400	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	22 00zd	21 70	10	9,092	17.94	151.21	93	88.54	425.18	195.93	29.69	37.83	90.95	1.19	8.13
Burrakur	98 00	113 50	100	2,300	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	7 47	8 12	10	450	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	870 00	900 30	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	7 69	6 00	10	4,997	...	...	8	10.86	46.39	12.80	1.67	7.28	14.68	3.69	...
Central India	12 00	12 50	10	800	45	12.85	69	9.89	49.12	33.03	...	5.69	9.65	24	21
Central Kurkend	2 00	1 94	4	600	1.44	...	4	15	...	...	7.28	...	25	10	...
Churulia	7 25	5 75	10	1,600	...	...	-3.37	26.34	30.95	...	...	2.69	13.12	9	...
Dhomo Main	21 41zd	24 75	10	240	1.00	2.80	59	2.01	7.31	2.17	...	1.05	1.81	1.38	...
East Indian (S)	27 41	24 25	10	2,964	34.00	53.22	4	171.73	417.92	300.76	15.76	61.89	145.60	3.58	...
Equitable	90 00	99 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	970 00	15 75	10	1,000	2.00	16	11	13.03	10.77	3.74	3.00	8.17	11.52	22	...
Ghusick & Muslia	16 12	15 75	...	500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	95 00	103 00	10	375	...	...	-1.63	2.55	6.71	60	...	2.31	41	6	...
Gourangdi	6 12	7 75	100	125	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	40 00	40 00N	...	300	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	1 50	10	650	17	...	-17	1.64	7.87	3.29	2	1.13	2.36	6	...
Guzdar Kajora	7 96	22 12	10	800	6.50	75	45	10.99	22.41	19.22	49	1.70	11.23	10.09	...
Hurriladidh	16 00	2 25	24	242	...	...	-2.60	5.03	16.24	12.08	...	51	...	...	...
Jainity Central	1 00	1 68	10	2,200	...	5.00	-5 48	3.80	3.029	1,053	19	6.29	3.27	80	...
Jogta	1 81	4 00N	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C.P.R.	30 00	20 00	10	350	4.31	1.36	-3.18	2.00	14.13	7.33	...	94	11	13	...
Kalapahari	20 00	88 50	100	2,000	...	2.22	2	9.02	31.26	5.71	2	2.32	7.70	3.24	2.92
Karampura	91 50	54 25	100	990	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	44 50	53 75	10	500	17.60	...	1.38	22.37	47.66	37.71	7.29	6.83	14.71	8.88	...
Katras Jherriah	54 25	3 75	10	138	...	...	-1.83	11.03	13.53	6.93	...	2.35	3.55	1	...
Khas Kajora	3 75	3 75	10	193	...	...	...	...	...	...	...	...	...	...	...
8% Preference (q)	2 75	2 44	10	1,100	68	...	14	1.94	16.87	10.94	...	1.58	3.26	5	...
Kuardi	10 25	9 00	10	900	6.82	4.50	5	7.72	28.37	22.65	...	8.36	11.65	49	...
Lakurka	10 25	12 00	10	400	1.80	...	9	4.30	6.18	3.88	1.36	51	6.81	21	...
Mahabir	10 00	...	10	100	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P	...	2 25	10	566	85	...	-11.29	23.15	18.81	7.96	...	2.67	4.73	10	...
Mundulpoor	8 75	6 81	10	748	1.75	25	31	5.49	13.13	9.66	7.70	98	1.21	2.11	...
Nazira	15 06	14 87	10	1,776	...	19.52	54	32.96	124.49	91.72	4	10.57	23.49	5.91	...
New Beerbhoom	10 69	12 00	10	200	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	1 81	1 81	10	710	...	...	-4.20	5.52	11.76	3.92	...	3.40	87	30	2
New Churulia	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	2 50	2 50	100	200	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	2 44	10	400	...	...	-2.09	6.02	7.54	1.96	...	1.39	2.57	25	13
New Huntdih	2 05	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	60 00	84 00	10	455	...	...	-2.47	21	4.66	2.70	...	3	29	2	...
New Joyrampoor	3 50	3 00	10	600	75	...	1.43	11.25	38.01	22.04	37	2.92	4.95	23	...
New Manbhoom	11 75	9 00	24	250	1.00	76	39	16.96	15.31	4.74	...	5.76	3.81	2	26
North Damuda	0 87	0 94	10	115	2.70	78	18	4.43	13.07	8.96	...	25	4.49	1.96	...
North West	18 37	16 62zd	74	158	...	...	...	...	...	...	...	...	...	...	...
Partly Paid Ord	13 50	14 75zd	10	750	6.22	6.02	37	5.05	3.98	2.78	22.60	...	2.99	37	...
Ondal	16 75	14 62	100	200	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	95 00	108 00	10	1,000	1.10	1.04	25	24.82	41.24	19.79	2	7.54	6.01	28	5.88
Oriental	8 00	8 25	1000	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	13 87	10	834	...	10	62	10.57	18.27	8.70	75	91	10.03	4.72	...
Parasara	12 94	50 75	100	800	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	45 25	14 75	10	1,575	7.00	9.30	46	32.84	55.17	39.02	4.07	11.32	29.81	3.99	...
Ponch Valley	19 56	6 87	10	250	10	10	2	2.00	7.80	2.80	60	64	1.51	7	...
Pure Sitalpur	7 00	...	...	250	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	11 37	10	2,400	7.32	12.85	23	19.09	124.35	87.36	...	8	7.96	17.86	60
Raneengunge	11 50	19 87	10	1,350	3.30	5.28	23	31.97	39.09	30.49	2.68	10.43	19.34	13.20	...
Rewa	14 75	12 31	10	2,000	3.50	33.62	9	44.11	85.59	22.18	3.30	4.98	29.14	49	...
Sania	12 80	5 19	24	250	...	71	11	3.92	13.95	12.37	...	86	4.70	11	...
Searsole	5 00	28 87	7	280	6.75	1.61	49	8.63	29.99	19.07	1.03	1.24	4.24	6.84	...
Seaspore	23 25	...	100	400	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	7 00	9 00	10	800	4.88	19	5	3.56	52	29	7.19	...	7.10	2.14	...
Sendra	4 00	3 00	10	550	...	1	-2.89	1.21	8.31	3.49	...	63	1.11	26	...
Sree Mahakali	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	9 50	10	6,321	46.45	39.53	21	316.98	519.42	273.47	8,226	145.32	64.17	2.71	...
Singareni	9 00	8 12	10	1,750	4.00	5.87	10	10.74	37.96	16.16	6	1.85	14.33	19	1.00
South Karanpura	9 62	19 87	10	800	6.81	7.20	17	4.20	1.69	27	20.10	...	1.29	3.51	...
Standard	13 75	1 75	24	1,000	...	13	-3.70	8.34	31.30	15.44	1	1.60	2.25	4	...
Telcher	1 87	...	...	500	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	15 25	10	350	2.50	50	77	3.54	18.97	14.54	...	96	5.18	14	...
Union	14 00	10 00	10	2,758	...	75	39	11.63	55.42	22.01	...	4.32	4.50	9.73	95
United Collieries	8 44	85 50	100	1,256	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	88 00	13 12	10	800	...	...	-85	6.82	10.82	...	...	2.14	90	9	2
West Ghusick	12 05	8 50	10	700	...	...	-3.20	36.10	57.46	25.79	...	69	7.43	11	...
West Jamsira	5 12	1 31	18	600	11	...	-58	4.13	9.86	2.05	...	27	1.56	2	...
West Laikidh	2 06	5 45	10	4,998	...	50	11	13.76	65.72	24.15	1.50	4.86	15.20	1.22	...
Weston Ranol	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre- vious	Second Pre- vious
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private ... 5% Cum. preference ...	49,144	1,016	85,82	144,81	58,79	...	6-57	(a)3,94	23,97	5	12	7
Ahmed Mfg. & Calico	Karamchand Premchand Pri. 44% 1st Cum. preference ... 44% 2nd Cum. preference ... 44% 3rd Cum. preference ...	139,120	2,372	290,40	852,56	266,99	14,87	3-57	151,25	125,47	24	24	14
Aji Mills	Chinubhai Naranbhai ... 44% 'B' R. C. preference ... 5% 'C' R. C. preference ... 44% 'D' R. C. preference ...	25,376	513	55,23	123,57	22,95	4,81	12-56	8,15	7,94	16	14	14
Agar Mills	Rajputana Textiles Privt & Co. Narottam Lalbhai ... 5% Cum. preference T. ... 44% Cum. preference T. ... 44% R. C. preference T. ...	56,468 66,412	898 1,216	97,14 130,50	226,67 348,30	30,51 48,29	1,62 9,61	12-55 12-56	11,83 87,82	1,07 58,21	9	6	12
Asoka Mills	Lalubhai Dalpatbhai ... 5% C. P. T. ... 44% R. C. P. T. ...	37,368	914	94,39	207,19	...	7,06	12-55	30,51	13,38	30	22	22
Azam Jahi Mills	Government of Andhra Directors ... 6% Cum. preference ... 44% Debentures ...	36,136 50,596	716 1,021	11,297 70,59	15,013 160,31	6,727 23,61	...	9-57 3-56	807 4,98	1,512 -1,21	44 Nil	44 nil	44 nil
Binod Mills	B. Ram. Balchand ...	60,640	1,338	141,15	203,58	28,53	6,69	12-55	24,54	6,30	...	...	...
Bombay Dyeing	Newrejee Wadia & Sons Private	223,552	3,984	377,38	747,15	192,69	12,18	12-56	99,38	96,55	10	10	8
Central India	Tata Industries Private ... 5% Cumulative preference ...	115,188	2,062	...	248,66	66,67	...	6-57	-20,79	(x)6,38	nil	nil	3
Century Spg. & Mfg.	Birla Brothers Ltd. ...	126,752	2,752	339,45	655,73	182,22	6,45	12-56	(b)114,26	80,10	22	22	22
Coorla Spg. & Wvg.	Cawasjee Jehangir & Co. ...	24,848	680	52,96	126,03	3,51	1,76	3-56	15,22	4,50	12	7	7
Dawn Mills	Ramarnai Sons Ltd. ...	40,962	...	90,98	134,77	10,42	1,65	12-55	14,70	6,01	30	12	12
Edward Textiles	P. Bubna Sons ...	48,718	928	130,97	228,63	68,52	71	12-56	10,24	12,99	7	9	7
Elphinstone Spg.	Director ... 7% C. P. ...	41,300	886	90,51	179,73	55,50	...	12-56	12,78	15,73	10	10	6
Empire Dyeing & Mfg.	W. H. Brady & Co. Ltd. ...	...	...	951	3,490	88	30	12-57	317	322	20	20	20
Finlay	James Finlay & Co. Ltd. ...	49,528	784	88,93	171,14	35,79	2,35	12-55	21,72	15,23	20	16	16
Gokak Mills	F. F. Campbell & Co. pri... James Finlay & Co. ...	74,286 45,268	...	161,4 95,78	246,67 174,59	56,37 41,32	2,16 2,04	12-56 12-55	18,84 16,48	21,72 7,33	13	15	13
Gold Mohar	Hind Agents Private ... 5% C. P. ...	71,596	1,387	185,72	324,27	115,33	2,80	6-56	22,77	15,63	15	12	4
Hindustan Spg.	Thackeray Mooljee ... 44% R. C. P. T. ...	49,448	1,122	86,88	198,01	...	2,75	3-56	23,15	13,94	32	30	22
India United	Agarwal & Company ... Deferred ...	244,300	6,278	452,71	785,13	198,47	5,03	12-55	62,06	4,43	9	nil	6
Indore Malwa	Directors ...	51,180	1,420	124,13	257,26	78,89	...	12-56	22,68	25,48	11	9	6
Khatana Mahanji	Khatana Mahanji & Co. ... 4% Cum. Preference ...	92,852	1,489	238,08	426,54	73,51	4,33	6-56	43,22	30,91	10	12	8
Kohinoor Mills	Killick Industries Limited ...	120,504	1,846	27,904	52,725	13,687	180	12-57	253	5,250	18	18	18
Lalubhai Cotton	Directors ... 5% Cum. preference T. ...	48,996	1,219	11,599	24,752	4,531	...	12-57	(l)418	2,702	6	17	17
Mafatlal Fine Spg.	N. C. Purshotamdas ... 44% 1st R. C. P. ... 44% 2nd R. C. P. ...	51,996	896	70,69	210,30	20,35	4,49	12-56	43,17	28,08	18	15	15
Marsden Spg. & Mfg.	Marsden Bros. ... N. Sirur & Company Private	23,508 39,896	482 704	67,15 87,65	157,67 139,33	...	3,44 40,96	12-55 12-56	14,20 5,39	8,08 5,19	4	4	4
Model Mills	B. A. Dadabhai & Co. ... N. Sirur & Company Private	52,408 49,000	952 644	89,83 93,26	141,66 186,31	36,34 52,36	54 1,40	6-55 10-56	4,85 10,97	-7,72 12,61	6	6	3
Monogram Mills	5% Debentures ... M. Bakubhai & Sons. Private	...	...	...	...	...	...	...	...	...	...	...	...
Morarjee Goudas	Piramal Sons Private Ltd. ... 44% Cum. preference ...	27,460 70,416	528 1,652	92,11 159,08	171,70 323,53	44,74 106,32	...	12-56 6-57	13,46 (n)28,43	14,58 36,15	...	...	...
Mysore Spinning	N. Sirur & Company Private ... 44% Cum. preference T. ...	50,488	500	129,66	167,59	60,87	1,38	2-57	9,05	8,43	14	15	14
New City of Bombay	W. H. Brady & Co. Ltd. ... Tricunlal Bhogilal ... 4% 2nd R. C. P. ...	45,944 45,836	432 866	7,941 89,91	13,919 201,16	1,813 ...	...	12-57 12-55	(c)136 21,03	(m)620 8,94	5	10	10
New Great Eastern	W. H. Brady & Co. Ltd. ... 5% Cum. preference T. ...	49,012	1,018	9,716	19,744	4,046	...	12-57	(f)225	(p)514	8	4	10
New Kaiser-I-Hind	Director ... 5% C. P. ...	54,052	12,67	136,28	217,08	85,26	...	3-56	19,54	(q)9,44	5	5	5
New Sherrock Spg.	Mafatlal Chandulal & Co. ...	51,106	907	100,29	223,53	12,50	6,48	12-55	32,57	28,35	5	5	5
Omanahahi Mills	Government of Andhra ... Podar Sons Private ... 4% Cum. preference ...	37,788 32,600	902 930	9,475 93,70	11,070 143,31	5,901 18,75	...	9-57 12-56	(i)13 11,25	538 10,99	nil	3	2
Rohit Mills	L. Gordhandas ... 5% Cum. preference T. ... 4% R. C. P. (2nd) ... 4% R. C. P. (5th) ...	33,156	648	82,01	214,57	...	8,77	12-55	29,33	11,43	4	4	4
Sassoon & Alliance	David Sassoon ... M. G. Inv. Corporation Pri.	9,520 94,884	277 2,127	11,06 252,67	17,91 488,68	1 30,71	10 3,29	12-54 12-56	(u)-1,48 39,91	(h)40 17,71	5	7	12

MILLS

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreci- ation	Liquid Assets				
	April 1958 Rs. np.	April 1957 Rs. no.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA															
Ahmed Advance ...	140 00	172 50	100	4,000	19,00	12,32	11	133,17	173,26	68,65	8,18	107,78	17,61	4,35	2,06
5% Cum. Preference ...	80 00	101 00	100	1,000											
Ahmed Mfg. & Calico ...			125	137,50	132,27	217,38	1,18	290,19	514,70	256,08	3,65	268,26	95,10	30,55	61,66
44% 1st. cum. preference ...			125	200											
44% 2nd. cum. preference ...			50	800											
44% 3rd. cum. preference ...			50	1,933											
Ajit Mills ...			200	1,100	18,68	9,65	8	51,91	56,22	33,29	2,75	39,98	22,88	8,03	
44% 'B' R. C. P. ...			100	200											
5% 'C' R. C. cum. pref. ...			100	200											
44% 'D' R. C. cum. pref. ...			25	125											
Apollo Mills ...	1 72	2 44	2	5,000	38		97	46,63	90,11	43,05	9,32	36,35	4,08	1,17	
Arvind Mills ...			100	4,000	190,00	107,84	15	88 03	195,82	97,29	107,40	79,38	59,29	107,68	
5% cum. preference T. ...			100	525											
44% cum. preference T. ...			100	1,050											
44% R. C. cum. pref. T. ...			100	1,050											
Asoka Mills ...			100	1,200	57,00	61,39	70	39,54	84,57	69,65*	24,18	46,97	28,67	67,89	
5% Cum. preference T. ...			100	600											
44% R. C. P. T. ...			100	600											
Azam Jahi Mills ...	58 00	79 00	100	7,200	1,205	577	75	17,097	18,765	6,845	2,379	10,614	1,086	88	
B. R. Cotton ...	23 00	39 00	100	4,000	9,00	15	-1,99	45 96	139,15	72,26*	4 55	42 18	34,28	7	
6% C. P. ...	50 00	80 00	100	1,000											
44% Debenrur ...			100	3,000											
Binod Mills ...			100	60,000	12,60	22,34	1,81	103,12	150,46	61,57	8,25	69,20	28,38	5,16	
Bombay Dyeing ...	55 50		50	250,98	50,01	262,58	2,41	181,72	598,23	351,01	73,06	207,58	90,89	128,95	
Central India ...	82 00	115 00	100	4,687	1,407	1,318	...	23,359	24,210	15,486	3,352	17,538	1,438	456	4,263
5% cum. preference ...	333 75	431 00	500	5,000											
Century Spg. & Mfg. ...	432 00	459 00	100	109,43	219,96	65,35	7 62	327,90	606,67	232 92	11,29	272,81	64,86	7,54	
Coorla Spg. & Wvg. ...	121 00	121 90N	100	2,600	7,48	5,55	18	34,17	90,16	57,80*	74	30,79	9,10	39	
Dawn Mills. ...	90 00	97 50arts	50	1,600	12,63	13,31	2,17	37,92	69,11	52,46*	9,0	28,73	19,18	16,57	
Edward Textiles ...	255 00	255 00	200	3,400	40,06		2,28	88,58	113,54	62,28*	13,66	79,30	20,29	42	1
Elphinstone Spg. ...	47 00	62 00	50	3,000	10,00	6,71	96	74,79	120,97	78,23	50	84,90	18,75	57	
7% C. P. ...	70 70	87 00	100	2,500											
Empire Dyeing & Mfg. ...			15	900	510	447	1	857	2,114	1,535	219	171	483	1,292	
Finlay ...	278 00	282 00xd	100	5,000	37,04	33,08	1,67	61 30	123,38	74,17	7,63	79,15	21,12	25,98	
Gokak Mills ...	153 00	191 00	100	4,881	779	29,80	8	31,69	106,45	73,45	2,00	59,93	12,56	42	
Gold Mohur ...	205 00	210 00	100	5,000	22,74	28,45	36	41,01	87,77	52,92	81	69,02	15,73	22,15	
Hind Mills ...			10	5,000	4,27	5,46	25	127,39	144,07	82,06*	10	124,26	20,36	65	
5% C. P. ...			100	2,000											
Hindustan Spg. ...	4590 00	5525 00	1000	1,200	16,33	60,31	1	49,45	152,35	121,07	4,86	68,49	36,08	9,39	
44% R. C. P. T. ...	992 50	992 50	1000	1,200											
India. United ...	9 28	10 05	10	200,00	58,19	6,08	-1,93	196,03	468,16	339,00*	2,84	282,78	85,65	8,80	
Deferred ...	1 14	1 58	1	5,000											
Indore Malwa ...	108 50	137 00	100	5,000	1,16	9,98	7	151,52	148 10	116,80	25,66	98,25	54,42	3,08	
Khatav Makanji ...	155 00	181 00	100	5,985	37,47	17,63	26	159 04	237,74	203,22	14,57	175,65	47,59	3,87	
4% Cum. preference ...	70 00	75 00	100	2,992											
Kohinoor Mills ...	263 50	319 25	100	10,000	1,700	10,975	53	19,875	36,776	28,494	720	29,419	4,088,5	89	
Lakshmi Cotton ...	441 25	680 00	250	3,200	3,118	3,222	2	9,477	18,450	12,578	771	9,499	3,197	27	1,153
5% cum. preference T. ...	170 00	188 75	250	1,600											
Malatal Fine Spg. ...	345 00	380 00	100	5,800	40,66	82,28	1,53	47,59	169,85	120,85	74,45	45,26	50,94	38,29	
44% 1st. R. C. P. ...	86 00	92 00	100	1,450											
44% 2nd. R. C. P. ...	92 00	92 00	100	1,450											
Maradon Spg. & Mfg. ...			200	2,731	14,91	1,70	31	54,72	67,47	42,91*	77	30,24	16,15	27,22	
Minerva Mills ...	70 50	82 50	100	2,960	17,90	1,68	20	86,44	92,42	53,38	10,99	71,45	13,98	56	
Model Mills ...	165 00	160 00	250	9,334	392	21,99	-2,59	84,32	169,26	78,82*	25	99,68	7,89	2,72	
Modern Mills ...			50	2,213	20,00	23,07	55	66,26	122,08	64,68	1,24	79,45	5,35	59	
5% Debenrur ...			100	1,200											
Monogram Mills ...			200	2,600	30,00	3,08	12	77,14	70,12	46,70	75	81,54	28,11	2,53	
Morarjee Goculdas ...	218 00	220 00	100	5,175	24,70	13,75	24	165,22	264,74	183,16	12	175,58	15,13	49	
44% cum. preference ...			100	1,725											
Mysore Spinning ...	90 00	101 25	50	2,484	40,00	8,52	36	102,87	113,48	71,02	25,86	95,37	18,75	1,60	
44% cum. preference ...	28 00	30 00	50	745											
New City of Bombay ...	105 00	133 75	100	2,400	1,680	882	1	2,992	8,211	4,870	8	3,086	427	1,094	
New Commercial ...			100	6,300	11,20	12,43	3	72,15	121,07	89,25*	10,16	56,73	47,48	17,87	
4% 2nd. R. C. P. ...			100	525											
New Great ...	194 00	229 00	200	3,000	1,061	410	299	4,038	10,183	6,337	10	5,633	569	147	
5% C. P. ...	145 00	180 00	100	800											
New Kaiser-I-Hind ...	76 60	102 00	100	4,500	6,54	3,92	20	92,04	113,66	98,08*	11,64	92,11	39,69	2,36	
5% C. P. ...	74 50	90 00	100	1,500											
New Shortrock Spg. ...			125	3,900	33,15	39,38	19	57,32	132,09	98,35*	35,64	50,73	45,11	3,62	18
Osmanshahi Mills ...	48 00	58 50	100	8,723	3,884	46		9,683	17,383	6,786	718	9,960	934	78	
Podar Mills ...	138 75	164 00	100	4,000	35,00	10,65	4,72	47,20	48,70	24,25	32,60	28,60	22,77	39,16	
4% Cum. Preference ...	72 00	88 00	100	1,000											
Robit Mills ...			100	3,250	10,23	4,55	17,35	86,27	107,01	71,43*	73	86,83	30,58	1,66	
5% C. P. T. ...			100	1,000											
4% R. C. P. [2nd.] ...			100	200											
44% R. C. P. [5th.] ...			100	250											
Sassoon & Alliance ...	10 00	9 80N	10	500	3,95	3,68	-1,72	4,57	21,22	19,01		6,93	4,35	1,97	
Sassoon Spinning ...	35 75	39 50	10	3,770	66,37	52,27	1,66	57,24	198,86	120,29	1,89	92,48	24,35	17,19	

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Reserves & Surplus including latest allocation				Sundry Liabilities	Gross Block	Depreci- ation	Liquid Assets				
	April 1958	April 1957		Paid-up Capital	General	Others	Carry Forward				Invest ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. np.	Rs. np.													
WESTERN AND CENTRAL INDIA (Contd.)															
Sholapur Spinning ...	450 00	1225 00	1000	1,590	126.86	29.53	—1,70.07	253.16	293.66	204.66	19.76	118.88	55.09	1.72	...
Half Ordinary ...	...	...	500	10	...	...	...	...	...	...	...	...	...	...	...
3% R. C. P. ...	...	...	100	3,196	...	...	...	...	...	...	...	...	...	...	...
Shorrock Spinning ...	...	...	100	1,950	67.41	13.53	1.11	36.35	94.66	66.97	5.69	37.09	31.01	36.90	...
Founders ...	...	...	25	3	...	...	...	...	...	...	...	...	...	...	...
Shree Niwas Cotton ...	139 50	178 00	100	6,000	39.70	26.50	2.70	100.41	83.06	45.81	17.51	127.80	50.83	70	...
4% R. C. P. ...	68 00	81 00	100	480	...	...	...	...	...	...	...	...	...	...	...
Shree Saijan Mills ...	...	...	100	2,615	...	27	—66	34.83	36.43	17.73*	94	38.81	1.85	27	...
Shri Ambica ...	...	...	100	5,796	218.28	63.96	2.63	106.68	192.48	105.24	48.18	177.90	92.54	6.27	...
cum. preference ...	...	...	100	560	...	...	...	...	...	...	...	...	...	...	...
4% cum. preference [2nd]	...	...	100	700	...	...	...	...	...	...	...	...	...	...	...
Simplex ...	153 00	171 00	50	4,200	1.14	35.44	96	49.26	98.78	73.64*	1.10	51.99	26.47	24.09	...
Standard ...	473 00	442 00	100	8,780	57.97	192.85	2.93	117.97	277.89	162.09	5.57	123.93	62.71	159.60	...
4% 1st R. C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
4% 2nd R. C. pref. ...	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
Swadeshi Mills ...	172 00	214 50	100	100.00	98.00	8	29	87.61	251.02	133.03	6.78	128.67	29.65	4.39	...
5% Cum. preference ...	91 00	115 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Swan Mills ...	350 00	370 00	100	3,600	39.06	26.27	1.51	91.30	129.00	81.53	72	107.01	38.92	3	...
Tata Mills ...	37 00	47 50	25	6,558	41.50	15.25	18	95.75	201.67	80.31	3.43	100.85	20.41	9.01	...
5% Debentures ...	92 50	100 00	1000	3,951	...	...	...	...	...	...	...	...	...	...	...
Victoria Mills ...	280 00	370 00	100	1,600	19.90	9.68	57	50.93	67.57	46.04*	5.56	34.01	25.26	18.74	...
4% R. Cum. preference ...	...	...	25	800	...	...	...	...	...	...	...	...	...	...	...
Vijaya Mills ...	...	...	500	2,890	19.90	75.32	33	68.41	103.76	68.35*	7.59	53.94	50.74	1.68	...
4% 2nd C. P. T. ...	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
4% 3rd R. C. P. T. ...	...	...	100	280	...	...	...	...	...	...	...	...	...	...	...
Vishnu Cotton ...	101 00	125 00	100	3,200	13.96	15.26	17	111.23	174.27	117.95	7.66	107.08	39.02	23	7.98
7% Cum. preference T. ...	520 00	557 50	500	1,566	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	96 00	...	...	3,000	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Basant Cotton ...	6 50	5 06	10	1,500	1.00	43	43	10.68	34.93	21.84	11.45	14.15	1.50	1.02	...
6 1/2% C. P. ...	7 56	7 65	10	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	425 0	425 00	500	850	...	...	...	...	...	...	...	...	...	...	...
Bengal Luxmi Cotton ...	32 00	40 00	40	711	9.11	...	59	44.55	73.14	52.70	25	40.88	5.50	38	...
Ord. partly paid ...	...	...	20	82	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	40	523	...	...	...	...	...	...	...	...	...	...	...
Bengal Nagpur ...	4 19	6 94	10	2,700	6.00	...	43	30.53	77.62	56.68	37	39.61	7.23	82	...
7% C. P. ...	75 00	85 00	100	300	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	89 00	95 00	...	400	...	...	...	...	...	...	...	...	...	...	...
Birla Cotton ...	34 50	35 00	10	3,500	87.72	8.26	2.77	59.69	125.01	96.70	14.69	86.93	46.98	16.54	...
Bowbakh Cotton ...	106 00	120 00	100	2,400	1.50	...	1	114.05	108.25	51.28	53	78.85	14.20	1.01	...
8% 'A' C. P. ...	127 00	140 00	100	600	...	...	...	...	...	...	...	...	...	...	...
7% 'B' Pref. ...	65 00	70 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Cawnpore Textiles ...	4 06	6 25	5	3,000	6.00	26.35	49	31.95	65.69	56.32	9.56	54.94	15.92	44	...
Delhi Cloth... ..	34 25	37 75	25	338.36	97.00	209.82	1.29	831.43	1116.22	581.67	36.56	888.98	155.73	36.37	...
Ordinary ...	...	...	24	100	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 1st & 2nd C. P. ...	17 75	17 75N	25	2,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 3rd C. P. ...	17 75	17 75N	25	3,732	...	...	...	...	...	...	...	...	...	...	...
2 1/2% 4th C. P. ...	...	...	10	1,195	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	...	...	1000	...	...	...	...	...	...	...	...	...	...	...	...
Dunbar Mills ...	132 00	174 00	100	1,900	26.17	...	3.50	101.28	115.17	74.68	56	82.66	25.37	89	...
Elgin Mills ...	13 44	20 50	10	6,300	3.800	6.756	76	11,000	16,841	14,194	7 319	10-805	8,548	61	...
8% C. P. ...	106 00	116 75	100	1,100	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	7 25	8 87	10	420	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Cotton ...	9 00	10 00	10	3,848	...	6.83	66	61.44	132.82	69.31	4.25	59.26	10.61	11.59	...
5% C. P. P. ...	50 00	...	100	1,525	...	...	...	...	...	...	...	...	...	...	...
Debentures ...	...	...	...	3,000	...	...	...	...	...	...	...	...	...	...	...
Jayshree Textiles ...	6 44xd	5 81	10	4,917	...	86	82	3,618	7,697	2,197	14	3,284	1,279	64	24
5 1/2% Debentures ...	...	...	1000	1,371	...	...	...	...	...	...	...	...	...	...	...
Kesoram Cotton ...	11 53	13 31	10	160.00	45.00	160.54	2.18	103.25	359.23	120.23	37.32	131.13	73.55	9.97	88
7% C. P. ...	91 00	116 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Mohini Mills ...	...	...	25	600	35.00	28.25	77	102.85	100.87	91.69	15.57	47.07	48.16	76.81	...
Ordinary ...	...	...	10	3,396	...	...	...	...	...	...	...	...	...	...	12,40
5% R. C. P. ...	...	...	10	1,996	...	...	...	...	...	...	...	...	...	...	...
Muir Mills ...	64 75	75 00	100	3,000	25.00	25.00	—51.31	105.33	164.51	115.59	1.05	105.64	7.36	1.05	...
6% C. P. ...	63 00	81 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
New Victoria ...	1 37	1 75	2 1/2	2,290	...	46	—11.99	91.69	107.21	65.01	1.21	66.29	21.62	87	...
Deferred ...	...	...	1	307	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	3 37	4 56	5	2,605	...	...	...	...	...	...	...	...	...	...	...
Orissa Textiles ...	...	...	10	4,710	...	6.50	—3.45	210.47	188.56	50.00*	38	130.91	14.07	1.69	...
5% R. C. P. ...	...	...	100	2,499	...	...	...	...	...	...	...	...	...	...	...
Raza Textiles ...	...	...	10	6,000	...	62.66	—19.59	53.93	98.29	35.63	16.55	68.15	24.86	2.27	...
6 1/2% 'A' C. P. ...	...	...	100	750	...	...	...	...	...	...	...	...	...	...	24
6 1/2% 'B' C. P. ...	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Sutlej Cotton ...	70 00	90 00	10	1,500	282.00	88.61	29.40	93.18	102.21	75.33	183.59	166.91	70.53	52.08	...
Swadeshi Cotton ...	11 94	12 50	10	1,750	60.00	175.28	8.36	440.81	515.52	181.84	182.31	258.04	187.33	14.65	...
Prinf. Ord. ...	10 37	11 94	10	157.50	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	72 50	90 25	100	3,500	...	...	...	...	...	...	...	...	...	...	...

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA													
Alagappa Textiles	Ramul & Co Private.	50,000	...	55.26	87.02	20.12	...	12-55	-1.09	-5.38	nil	nil	nil
Asher Textiles	7½% C. P.	...	...	...	...	...	...	...	...	...	nil	nil	nil
Bangalore Woollen	Senna & Co.	20,900	...	58.73	20.84	...	52	6-56	6.87	5.04	15	12½	...
Buckingham & Carnatic	Binny & Co. (Madras) Ltd.	40,608	1,157	25,787	7,250	...	379	12-57	4,930	7,530	10	30	30
Cannanore Spg.	Binny & Co.	120,288	2,762	41,070	99,765	12,609	780	12-57	(r)9,859	9,131	10	6	10
Cambodia	K. Damodaran	20,000	...	...	...	...	51	3-56	9.11	6.69	15	12	20
Cauvery Spg.	Peirce Leslie & Co. Ltd.	37,356	4	71.05	63,808	20.20	34	12-50	3.51	3.98	5	5	...
Coimbatore Cotton	7% C. P.	...	...	40.39	54.40	16.72	49	3-56	4.96	5.96	7½	6½	...
Coimbatore Murugan	Directors	28,864	...	...	78,148	...	1.67	12-54	11.17	12.72	25	20	9
Coimbatore Kamala	R. Bheema Naidu & Co.	23,660	100	...	57.56	15.07	1.30	12-55	6.91	7.52	20	17½	9
Coimbatore Pioneer	Partly Paid	17,264	24	...	29.658	...	35	12-52	-2.46	1.43	4½	6	5
Coimbatore Spinning	T. R. Narayanaswami Naidu	28,194	...	71.74	6.16	2.00	12-55	16.38	15.17	20	20	15	...
Davangere Cotton	6½% C. P.	22,188	407	131.17	187.80	9.88	1.52	12-56	14.96	13.67	20	16	12
Dhanalakshmi Mills	R. Hanumanthappa & Son	25,216	300	...	29.81	29.61	2.46	3-56	13.90	8.59	9	9	12
Gnanambikai Mills	M. Nanjappa Chettiar & Sons	38,052	201	...	92.57	45.41	2.61	12-55	22.53	20.46	30	0	20
Janardana Mills	V. C. V. Gounder & Bros.	17,248	...	31.458	65.11	6.19	97	12-56	5.57	4.93	20	20	10
Jawahar Mills	6½% Cum. Pref.	23,784	...	...	76.97	18.84	2.90	12-56	14.47	11.26	25	12½	12½
Kapila Textile Mills	G. Venkataswami Naidu & Co.	33,472	...	...	...	...	...	...	...	...	...	...	...
Kasthuri Mills	5% Debentures (1st)	...	...	...	...	...	...	...	...	...	...	...	...
Kothari Textiles	5% Debentures (2nd)	...	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	C. P. C. & Co.	15,184	250	20.13	27.74	2.59	4	6-54	62	89	nil	nil	ni
Loyal Textile Mills	7½% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	Deferred	19,940	...	11.88	21.78	2.98	41	3-56	2.64	2.80	7½	7½	6
Malabar Spinning	C. N. V. Naidu & Co.	41,040	300	49.55	81.06	21.49	62	6-57	11.37	12.24	10	10	10
Mettur Industries	Kothari & Sons	...	...	...	...	...	...	...	...	...	...	...	...
Mysore Silk Filature	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	6% B. Preference	...	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	G. Kuppuswami Naidu & Co.	93,160	201	137.81	272.22	...	8.27	3-56	58.40	45.51	25	25	20
Rajapalayam Mills	A. Class Ord.	24,242	2,24	57.06	86.64	24.57	1.02	6-56	10.31	6.28	25	25	20
Rajawari Mills	Thiagaraja Chetty & Sons Pri Ltd	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	5% Cum. Pref	485,296	...	...	126,750	21,542	607	12-57	6,255	11,450	15	17½	20
Sri Ranga Vilas Ginning	Deferred	22,592	100	...	27.68	12.13	...	12-56	(d)2,60	91	4	4	...
Sri Ranga Vilas Ginning	Directors	25,656	603	73.26	151.27	40.38	3.91	3-57	37.00	48.17	20	42½	35
Sri Ranga Vilas Ginning	Directors	...	...	...	22.59	9.44	...	3-56	26	-1.72	nil	nil	nil
Sri Ranga Vilas Ginning	Directors	10,016	...	...	34.97	...	18	3-56	3.30	42	nil	nil	nil
Sri Ranga Vilas Ginning	Partly Paid	41,200	...	...	77.92	23.89	1.58	12-56	12.40	7.16	30	24	24
Sri Ranga Vilas Ginning	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	7% C. P.	27,980	...	...	71.28	6.21	...	12-56	(y)6.58	4.97	16	8	6
Sri Ranga Vilas Ginning	C. S. R. Mudaliar & Sons	55,664	300	149.52	...	...	3.00	12-54	14.37	9.78	16	8	6
Sri Ranga Vilas Ginning	A. G. Gurusamy Naidu & Co.	24,996	...	...	68.45	5.91	1.96	3-56	8.85	7.11	10	10	6
Sri Ranga Vilas Ginning	'B' Ordinary	8,400	...	...	23.50	...	48	12-55	5.47	4.51	15	12	7
Sri Ranga Vilas Ginning	Ramco Agencies Private	3,128	88	50.80	65.45	...	1.76	12-55	6.22	8.69	10	10	7½
Sri Ranga Vilas Ginning	Gudiyatham Textiles Pri	14,800	...	...	52.13	2.08	73	12-56	8.62	24.41	14	14	10
Sri Ranga Vilas Ginning	Ordinary	30,744	292	64.12	99.08	29.59	57	3-57	18.04	3.32	10	6	10
Sri Ranga Vilas Ginning	Directors	20,472	200	...	62.94	5.42	...	12-55	(a)7.48	52.48	10	7½	6½
Sri Ranga Vilas Ginning	V. S. Sengottiah & Bros	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	Emcote & Sons	...	...	95.01	193.60	61.21	3.57	12-56	66.79	2.61	11½	9	9
Sri Ranga Vilas Ginning	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	4% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	Mooljee Ramjee & Sons	18,000	...	...	31.92	14.11	67	12-56	5.86	19.92	20	20	15
Sri Ranga Vilas Ginning	R. K. S. Chetty & Bros	44,424	...	112.87	161.06	18.97	2.22	12-56	21.86	6.64	6	6	6
Sri Ranga Vilas Ginning	6½% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	G. V. G. Naidu & Co.	44,660	268	...	137.378	12.37	4.18	12-55	28.42	24.68	27½	14	14
Sri Ranga Vilas Ginning	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	Balakrishna & Co.	26,536	...	28.48	43.25	...	71	12-56	3.50	3.17	10	10	10
Sri Ranga Vilas Ginning	Thiagaraja Chetty & Sons Pri	...	2.00	...	23.328	...	...	12-55	1.19	...	...	...	...
Sri Ranga Vilas Ginning	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	Do. P. P.	...	...	...	...	...	...	...	...	...	...	...	...

(Includes stock on hand.

(a) After transferring Rs 4,45,718 from Depreciation, Renewal and Extension Fund and Rs 2,19,000 from Dividend Fund.

(b) After transferring Rs 2,49,897 from General Reserve.

(c) After transferring Rs 525,000 from General Reserve and Rs 500,000 from Dividend Equalisation Reserve.

(d) After transferring Rs 50,000 from General Reserve.

(e) After transferring Rs 120,000 from Reserve Fund Rs 258,000 from Reserve for Taxation and Rs 23,888 from excess provision not required.

(f) After transferring Rs 730,179 from Reserve for Taxation.

(g) After transferring Rs 24,07,416 from dividend Equalisation Reserve.

(h) After transferring Rs 3,37,000 from Dividend Fund.

(i) After transferring Rs 8,00,000 from Machinery Replacement Reserve and Rs 18,400 from Reserve Fund.

(j) After transferring Rs 842,193 from General Reserve.

(k) After transferring Rs 70,000 from General Reserve and Rs 37,500 from Dividend Equalisation Reserve.

(l) After transferring Rs 205,000 from Dividend Fund.

(m) After writing back Rs 2,89,446 being excess provision not required.

(n) After transferring Rs 8,02,125 from General Reserve.

(o) Includes Rs 250,000 being adjustment on account of changes in stock valuation.

MILLS—(Contd.)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	April 1958 Rs. np.	April 1957 Rs. np.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
SOUTH INDIA (Contd.)															
Alagappa Textiles	...	...	10	1,500	6,00	4,55	-11.13	40.00	60.86	29.09	3.30	22.19	21.88	28	...
7½% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Asher Textiles	...	...	100	1,199	5,00	...	4	25.72	31.37	15.64	1.08	23.45	3.38	13	5
Bangalore Woollen	164 00xd	174 00xd	100	12,150	2,700	12,074	290	9,648	36,084	27,679	2,829	21,875	3,534	69	751
6% C.	117 00	123 50	100	600	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	165 50xd	169 00xd	100	17,848	7,000	22,929	192	21,108	69,330	41,959	1,002	37,359	6,381	304	5,792
7½% C.	135 25	143 50	100	2,130	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	990 00	1000 00	...	7,800	...	...	...	...	...	...	...	...	...	...	...
Cannanore Spg	144 00	165 00	100	1,500	5,11	...	9	15.73	47.31	23.63	6	10.08	1.83	29	...
Cambodia	9 30	12 18	10	2,600	6.00	14.00	54	5.43	42.33	23.99	31	23.06	4.89	35	12
7% C. P.	108 00	115 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Cauvery Spg.	12 15	11 37	10	932	...	2.00	59	20.91	50.87	18.02	78	19.49	1.08	44	...
6½% C. P.	92 00	96 50	100	658	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1,523	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	146 00	350 00	100	1,200	9.00	11.60	5	17.23	30.86	24.66	18.37	15.34	7.96	2.80	...
Coimbatore Murugan	120 00	214 00	100	1,210	4.15	3.07	...	24.30	33.96	20.61	2.49	17.31	10.89	31	...
6% C. P.	94 00	...	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Kamala	102 00	103 50	100	341	3.00	...	-2.46	30.32	21.29	8.85	...	16.48	6.04	3	...
Partly Paid	50 00	50 00	50	72	...	19.40	14	24.97	36.59	24.26	12.73	15.51	11.89	59	...
Coimbatore Pioneer	227 00	268 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6½% C. P.	98 25	104 75	100	100	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	57 00	66 50	50	2,077	...	2.05	10	92.30	124.06	88.06	16	61.46	17.40	20	...
Davangere Cotton	...	...	100	2,440	12.00	33	18	44.09	67.23	34.91	13.16	34.68	13.81	20	...
Dhanalakshmi Mills	177 00	345 00	100	2,435	17.00	4.25	7	18.98	52.74	38.27	6.95	23.32	14.86	15.03	...
Gnanambikai Mills	130 00	148 00	100	927	2.76	...	...	11.78	16.99	8.06	...	11.49	3.04	48	...
6½% Cum Preference	...	...	100	71	...	...	...	...	...	...	...	...	...	...	...
Jenardana Mills	79 50	91 50	50	890	8.56	2.10	...	10.75	31.40	19.97	1.20	8.21	4.12	5.33	...
Jawahar Mills	13 00cd	14 75	5	890	6.00	8.06	15	45.03	68.04	31.27	33	21.81	12.97	92	...
Ordinary	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
5% Debentures (2nd)	...	...	1000	416	...	...	...	...	...	...	...	...	...	...	...
Kapila Textile Mills	...	...	10	2,699	...	...	...	27.88	43.67	1.24	...	15.65	2.05	16	3.57
6% C. P.	...	...	100	699	...	...	...	...	...	...	...	...	...	...	...
7½% R. C. P	...	...	100	105	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills	24 75	29 00	25	760	...	2.51	...	10.20	23.48	13.90	1.00	8.01	1.80	13	...
Kothari Textiles	10 50	14 25	10	4,200	8.00	11.25	92	61.62	105.81	38.28	3.56	57.69	79.1	1.17	3.93
6% Cum. Preference	8 40	9 90	10	1,200	...	...	...	...	...	...	...	...	...	...	...
6% 'B' Cum. Preference	...	...	5	600	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	109 00	138 00	50	3,564	14.00	52.56	6.52	61.01	161.18	95.51	7.16	36.29	37.00	41.42	...
A. Class Ordinary	54 50	69 50	25	1,782	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	36 40	40 50	50	3,150	...	54	75	25.07	53.20	24.90	24	28.40	14.47	3.44	...
5% Cum. Preference	65 25	70 00	100	1,499	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	33 25	41 25	15	17,502	17.000	24,382	692	33,124	59,089	39,611	5,117	59,190	8,222	693	...
Malabar Spinning	...	...	200	1,200	3.50	17	5	9.28	29.03	18.77	60	12.94	1.13	3	...
Mettur Industries	345 00	402 80	100	6,000	38.00	31.14	5	49.24	65.94	45.89	57.65	56.87	29.66	14.20	...
Mysore Silk Filature	1 30	2 31	10	972	...	3.32	-0.27	22.24	21.76	2.59	...	4.38	3.36	8	...
Mysore Spun Silk	...	...	10	1,362	...	...	4	14.13	29.12	17.83	8	15.22	7.8	4	...
Palamalai Rangannathar	103 00	109 00	100	240	2.45	35	...	13.33	15.26	3.11	50	4.63	1.16	9	...
Partly Paid	...	...	50	105	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	135 00	147 00	50	400	1.00	12.00	9	47.64	65.46	25.36	...	25.72	5.46	43	...
'B' Ordinary	197 50	212 12	75	600	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	58 50	63 00	50	200	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	45 00	70 00	100	1,500	...	...	-9.85	45.87	34.20	18.83	8	30.27	4.61	69	...
Radha Krishna Mills	128 00	275 00	100	1,661	11.00	9.00	29	20.99	63.88	31.39	3.10	23.77	5.20	2.01	2
'B' Ordinary	65 50	139 50	50	841	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills	129 00	149 00	100	1,614	5.00	7.00	10	15.05	32.72	17.21	65	13.26	9.08	4.79	...
Rajeswari Mills	...	...	50	893	1.01	1.89	3	12.55	22.90	7.74	2.00	4.63	1.96	1.68	...
Ordinary	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	63 00	87 00	50	1,502	6.70	9.59	21	27.14	44.80	25.54	8.17	19.90	4.96	6.22	...
Rajalacema Mills	115 00cd	135 00	100	2,232	7.50	4.90	32	15.12	49.64	21.21	1.46	16.21	3.07	98	...
Sitaram Spinning	...	...	60	780	42	1.70	3	19.97	21.50	16.08	2.41	18.64	3.20	25	...
6% Cum. Preference	...	...	15	...	...	...	...	...	...	...	...	...	...	...	...
Sri Kr. Rajendra	79 00	104 00	50	3,670	7.75	12.51	19	69.60	96.27	70.67	33.14	49.25	15.75	3.03	...
'S' Sarada Mills	...	...	100	635	...	...	1	25.15	27.24	9.11	11	13.60	3.44	19	...
7% C. P.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	13 00cd	13 60cd	10	100.00	20.00	30.07	2.64	126.32	385.56	162.43	...	110.24	16.22	1.01	...
5% Cum. Preference	7 35	8 50	10	5,000	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	...	...	5000	2,150	...	...	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	12 60cd	13 25cd	10	1,399	2.50	7.00	6.3	5.53	17.50	12.41	1.02	16.18	6.72	65	...
Vasanta Mills	251 00cd	288 00cd	100	2,100	18.00	18.50	44	40.61	80.73	47.23	9.25	45.72	13.30	1.21	...
6½% C. P.	101 00	108 00	100	300	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	91 00	95 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills	130 00	153 50	50	2,815	1.50	10.00	17	40.12	87.59	58.50	2.04	18.08	5.19	26.03	...
6% C. P.	53 00	53 50	50	50	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills	101 00	134 50	100	1,000	2.00	1.00	5	20.71	39.37	17.65	33	14.72	3.06	22	...
Virudhunagar Textile	32 25cd	33 50	50	1,127	...	...	-8.80	11.66	19.97	6.92	...	5.59	31	5	...
5% Cum. Preference	75 00	60 00	82½	120	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.)	...	...	As. 4	8	...	...	...	...	...	...	...	...	...	...	...

May 10, 1958

NAME	Managing Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. A. P.	Mds.	Rs. A. P.	Rs. 000		Rs. 000	Rs. 000			
Amluckie	McLeod & Co. Ltd.	9,635	2 11 4	10,669	2 2 0	71	12-56	7,35	3,80	50	19	72
Ananda (Assam)	Directors	7,853	2 4 9	5,868	1 10 4	...	12-56	...	...	106,044	44,64	149,62
Anandabag	Gill Arbuthnot & Co. Ltd.	7,333	3 0 0	6,260	2 7 11	53	12-56	5,11	1,51	20	10	75
Arcuttipore	Directors	3,788	1 11 1	3,613	2 7 11	4	12-55	-60	1,83	nil	nil	80
Atal	Gonka & Co.	4,812	...	3,165	1 11 2	30	12-53	2,50	-1,36	nil	nil	nil
	4½% C. P.	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Bagmati	McLeod & Co.	10,453	2 6 6	9,155	2 1 11	64	12-56	5,82	1,98	25	10	35
Baitakhal	Ramdudd Ramkissendass	4,715	1 12 7	...	...	13	12-55	67	2,51	5	15	10
Banarhat	Andrew Yule & Co. Ltd.	40,646	2 47	38,367	1 99	3,06	12-56	28,61	12,87	40	25	120
Baradighi	Jardine Henderson Ltd.	19,547	2 23	18,263	2 01	182	12-56	1,019	453	64	64	64
Basmatia	Andrew Yule & Co. Ltd.	7,104	2 57	7,782	2 14	33	12-56	3,60	2,57	20	30	65
Bateli	National Tea Corp.	9,862	2 4 11 3	9,097	1 12 7	74	12-56	6,98	4,25	20	15	80
Belgachi	National Tea Corp.	5,962	1 9 8	5,221	1 9 3	26	12-56	2,69	3,80	60	50	80
Betjan	Gill Arbuthnot & Co. Ltd.	9,548	3 1 11	8,798	2 9 3	69	12-56	7,14	2,82	40	100	40
Bhatkawa	McLeod & Co. Ltd.	15,778	2 2 3	17,728	1 13 8	84	12-56	6,37	5,12	25	20	100
Bijaynagar	D. C. Ghose & Co. (Private)	20,784	2 2 8	18,826	2 0 3	90	12-56	8,94	5,34	16	5	65
Birpara	Duncan Bros. & Co. Ltd.	15,537	2 2 8	13,808	2 0 3	...	12-56	(a) 5,79	2,23	16	16	40
Bishnauth	Williamson Magor	48,494	2 11 11	47,073	2 7 14	1,88	12-56	18,58	7,70	8	8	20
Bloomfield	Gonka & Co.	1,943	2 7 8	1,646	1 14 11	...	12-56	-1	-90	nil	nil	nil
Bokakhat	Octavius Steel & Co. Ltd.	44,50	2 8 1	4,655	2 2 0	12	12-56	68	-15	5	nil	10
Bormahjan	McLeod & Co. Ltd.	6,480	2 6 10	7,703	2 3 8	45	12-56	2,38	3,16	15	20	35
Borpukhuri	Williamson Magor	7,854	2 7 7	7,597	2 3 5	19	12-56	2,22	50	6	6	6
Brooke Bond	Directors	42,966	2 12	45,093	1 94	...	6-57	18,52	16,70	17 1/2	12 1/2	47 1/2
	6% C. P. T.	...	...	...	...	...	...	...	...	6	6	6
Carron	Duncan Bros. & Co. Ltd.	6,926	2 0 0	7,625	1 13 7	16	12-56	1,88	1,48	10	7 1/2	25
Central Cachar	Jardine Henderson Ltd.	9,946	2 28	8,738	2 02	26	12-56	3,23	(a) 100	5	7 1/2	7 1/2
Chamong	Williamson Magor	2,205	3 9 3	1,809	2 14 8	12	12-56	1,19	25	7 1/2	nil	20
Chandypore	Jardine Henderson	9,718	19 75	8,846	...	9	12-56	62	50	10	4	nil
Choonabutti	Andrew Yule & Co.	13,052	2 40	13,536	1 99	90	12-56	8,43	4,49	35	20	90
	6 1/2% C. P.	...	...	...	...	...	...	...	...	64	64	64
Chundeecherra	Octavius Steel & Co. Ltd.	8,623	2 0 0	8,251	2 1 0	57	12-56	5,36	6,64	64	30	30
Clevedon	Duncan Bros. & Co. Ltd.	6,065	2 1 4	6,347	1 14 9	18	12-56	3,89	6,61	30	55	10
Dauracherra	Duncan Bros. & Co. Ltd.	4,922	2 4 3	4,417	2 4 2	...	12-56	3,81	(a) 8,71	15	20	20
Dejo Valley	McLeod & Co. Ltd.	40,93	2 12 2	4,486	2 6 3	29	12-56	291	227	30	30	60
Desai & Purbuttia	Jardine Henderson Ltd.	14,033	2 69	14,610	2 55	78	12-56	(a) 300	(a) 217	10	10	40
Dhalakhat	James Warren & Co. Ltd.	9,018	...	7,864	...	47	12-55	10,43	12,32	25	25	15
Dhanseri	Directors	7,590	2 26	7,325	1 77	...	12-56	1,38	89	12 1/2	10	50
Dibrugarh	McLeod & Co. Ltd.	7,323	2 10 2	7,245	2 5 10 1/2	64	12-56	4,55	3,27	7	7	7
Dikarim	Directors	1,597	2 6 9	1,697	3 4 5	...	12-55	-23	1,11	30	20	40
Dimakusi	Williamson Magor and Co.	8,527	2 88	8,688	2 24	48	12-56	4,77	1,86	21	nil	60
	8% C. P.	...	...	...	...	...	...	...	...	8	8	8
Dufflaghur	Williamson Magor and Co.	12,248	2 14 9	11,144	2 7 8	1,02	12-56	9,94	5,33	40	40	50
East India	Williamson Magor & Co.	13,074	2 11 5 1/2	14,424	2 13 4 1/2	33	12-56	3,25	1,98	10	10	35
Eastern Cachar	Octavius Steel and Co. Ltd.	5,089	2 1 0	4,894	1 12 6	17	12-56	-14	-29	nil	nil	35
Ellenbarrie	Duncan Bros. & Co. Ltd.	3,611	1 15 10	4,803	1 14 7	10	12-56	64	(a) 2	5	nil	15
Engo	Andrew Yule and Co. Ltd.	2,454	1 9 6	2,859	1 67	5	12-56	15	-29	nil	nil	110
Ethelbarrie	Directors	6,460	2 9 0	5,817	1 14 3	...	12-56	1,19	(a) 73	10	12 1/2	50
Gairkhatu	Gill Arbuthnot and Co. Ltd.	12,938	2 5 6	10,941	1 14 1	82	12-56	3,14	(a) 49	10	nil	70
Galle	Davenport and Co. Private Ltd.	2,852	3 0 1	2,947	2 11	...	12-56	52	-18	nil	nil	25
Gillapukhuri	Directors	8,247	3 0 9	7,494	2 7 2	...	12-56	4,94	nil	nil	nil	6
Gopur	Williamson Magor and Co. Ltd.	7,460	2 11 4	7,669	2 6 6	38	12-56	3,88	(a) 3,38	30	35	80
Gopur	Secretary	14,232	...	14,306	...	...	12-50	5,72	2,43	25	30	50
Grob	Octavius Steel and Co. Ltd.	24,712	2 6 4	24,359	2 0 0	1,46	12-56	12,67	5,34	12	10	12
	'B' Ordinary	...	...	...	...	...	...	...	8,03	32 1/2	25	50
Gungaram	Duncan Bros. & Co. Ltd.	17,091	1 15 6	15,998	1 13 0	46	12-56	5,21	3,91	10	7 1/2	60
Hansqua	Duncan Bros. & Co. Ltd.	5,773	1 13 5	5,195	1 13 7	15	12-56	1,61	1,67	10	10	25
Hantapara	Duncan Bros. & Co. Ltd.	35,878	2 2 9	34,882	1 12 11	92	12-56	9,61	3,46	7 1/2	8	60
Hasimara	Davenport and Co. Private	71,539	2 65	75,909	2 26	3,09	12-56	25,39	(d) 10,90	2 1/2	10	8
Hattikura	Octavius Steel and Co. Ltd.	16,910	1 12 4	20,455	1 8 1	91	12-56	(a) 1,81	2,68	5	7 1/2	7
Hongrajuli	Andrew Yule and Co. Ltd.	5,730	2 34	5,838	1 71	16	12-56	1,76	-10	15	5	90
Hoongoorie	Andrew Yule and Co. Ltd.	13,240	2 70	13,327	2 34	52	12-56	5,27	2,53	15	7 1/2	55
Huldibari	Davenport and Co. Ltd.	21,920	1 87	22,091	1 68	86	12-56	7,69	(w) 4,31	25	12 1/2	80
Jaybirpara	Andrew Yule and Co. Ltd.	6,826	2 11	5,780	1 78	20,14	12-56	2,02	-1,76	6	nil	65
Jayshree	Birds Private Ltd.	...	...	...	...	...	12-56	(k) 31,50	22,93	10	10	10
Jeonktollie	Kettewell Bullen & Co.	9,970	2 5 5	10,400	1 15 2	59	12-56	6,25	7,63	115	86 1/2	120
Jutibari	Gill Arbuthnot and Co. Ltd.	10,594	2 12 10	8,952	2 3 1	74	12-56	4,84	-49	10	nil	35
Kaliti	Octavius Steel and Co. Ltd.	3,274	1 9 9	3,483	2 0 3	14	12-56	-3	1,66	nil	nil	nil
Kalinugger and Khoreel	Bullion Co. Ltd.	3,901	1 12 2	4,390	2 12 6	6	12-56	118	3,87	20	10	41 1/2
Kilcott	Duncan Bros. & Co. Ltd.	14,691	2 2 0	12,835	1 14 10	71	12-56	6,35	522	25	25	25
Kinsley Golaghat	Directors	13,989	2 56	14,164	2 23	...	12-56	654	...	...	...	...
	6% preference	...	...	...	...	...	...	...	...	...	...	...
Kotamullai (m)	Duncan Bros. & Co. Ltd.	16,675	1 15 10	16,115	1 12 2	85	12-56	1,72	46	6	6	6
	5% Pref.	...	...	...	...	...	...	...	...	...	...	...
Krishnabehari	Directors	3,929	1 12 10	34,69	2 15 0	...	12-55	87	2,83	10	25	9

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958	April 1957			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Rs. n.p.	Rs. n.p.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amluckie	18 62	28 00	100	446	6.71	2 58	43	14.05	12.44	5.77	15	11.19	1.74	5.68	3.51
7% C. P.	53 00	40 00	100	75											
Ananda (Assam)	18 44	35 00	10	277	300	1.70	22	1,232	1,120	390	8	1,194	113	55	
Anandabag	20 50	23 00	10	700	2.25	4 15	50	14.95	12.23	3.34		9.67	3.66	6.66	
Arcuttipore	9 00	9 00	10	300	1.75			3.98	6.32	5.07		3.09	46	26	
Atal	6 50	8 00	10	450				2.30	5.68	12.63		2.42	1.49	1	
4 1/2% C. P.	6 12	4 00	10	300											
5 1/2% Debentures			1000	300											
Baghmari	19 00	20 75	10	550	8.61	4.00	43	10.82	18.70	7.48	53	10.59	1.26	6.35	
Baitakhal	8 75	10 00	10	400	2.25		56	2.58	7.48	2.52	50	1.94	1.14	2.35	
6% Debentures			1000	150											
Banarhat	258 00	270 00	100	2,700	29.25		4.50	45.11	46.89	21.43	21.64	30.94	15.58	16.26	
5 1/2% C. P.	112 50	119 00	100	400											
Baradighi	19 25	22 50	10	1,200	1,200	400	79	1,719	4,166	2,252		1,585	355	706	35
Basmatia	21 59	30 00	10	510	9.85		5	8 17	12.97	5.33	77	8.05	4.92	2.28	
Bateli	26 00	27 00	5	330	1.25	1 85	1.30	9.89	12.64	7.97		6.59	4.80	3.52	
Belgachi	59 50	62 00	10	250	2.00	51	61	1,092	359	192	9 82	450	33	23	
Bejani	22 75	25 50	10	640	3.70	3.70	69	19.70	11.17	3.51		11.28	4.25	11.02	
Bhatkawa	21 25	24 25	10	900	9.00	8.75	45	13.49	20.75	10.25	54	11.79	5.32	12.44	
Bijonagar			25	869	14.25	7.45	2.22	17.89	25.87	7.17	6.18	17.51	5.98	2.15	
Birpara	113 00	155 00	100	900	5.25	8.96	48	11.82	24.10	7.49		15.50	67	3.73	
8% C. P.	112 00	112 00	100	100											
Bishnauth	18 87	19 25	10	3,300	7.00	6.00	3.16	49.16	63.88	28.40	3.22	52.53	5.76	1.33	
Bloomfield	1 75	2 00	10	400			31	494	788	92	9	129	33	12	
Debentures			1000	300											
Bokachhat	15 00	16 00	10	600	2.00	50	39	7.57	11.47	2.51	1	5.55	23	27	1.44
Bormahjan	17 00	18 50	10	750	4.53	2.75	36	6.68	10.50	3.35		7.78	2.47	4.84	
6% C. P.	74 00	80 00	100	100											
Borpukhuri	15 50	18 50	10	450	1.50	33	68	9.53	12.06	4.84	1	7.78	1.52	1	
Brooke Bond	16 06	18 12	10	3,500	5.35	6.61	5 45	41.87	81.81	29.08	40.73	18.91	7.86	8.99	
6% C. P. T	67 00	84 50	100	3,500											
Carron	141 00	155 00	100	600	4.80	3.44	26	5.06	13.14	3.82	15	9.38	31	41	
Central Cachar	60 25	64 00	100	1,000	5.25	240	30	1,587	2,726	937	3	1,080	433	34	43
Chamong	10 62	12 00	10	280	75	50	33	1.07	3.85	74	1	1.76	19	37	
Chandypore	67 00	80 00	100	250		1	34	170	3.88		2		196	200	
Choonabhatti	271 00	290 00	100	900	12.00	43	1.51	13.55	17.04	7.99	8.98	12.51	2.31	5.63	
6 1/2% C. P.	114 00	120 00	100	200											
Chundeecherra	27 50	27 00	10	300	4.50	3.45	1.18	22.74	10.31	3.98	2	11.71	3.41	12.26	1.14
Cleveland			10	400	3 50	2 13	42	8.31	7.89	2.24	1	7.29	1.69	6.65	
Dauracherra	10 12	9 00	10	600	5.60	3.85	50	8.06	9.72	2.33	3.29	6.40	2.76	4.19	
Dejo Valley	72 00	50 50	10	120	200	375	33	552	705	248	1	520	74	224	4
Deori & Furbuttia	270 00	285 00	100	840	650	127	69	639	2,854	1,816		1,352	397	342	196
Dhelaikhat	21 50xd	21 50	10	1,753	8.75		43	20.66	24.60	5.11	4.79	12.69	6.49	3.91	
Dhuner	11 50	16 25	10	469	2.70	1.25	1	5.42	8.00	4.33	3	6.00	94	68	3.95
7% C. P.	2 62	2 68xd	3	320											
Dhiringarh	23 25	27 75	10	450	5.26	3.50	33	9.93	10.66	2.70	52	8.09	94	5.36	64
Dikram	149 50	150 00	100	200	1.07	56		96	3.40	1.56	1	1.11	31	1.04	
Dimakuri	24 50	25 50	10	473	4.50	60	1.17	7.99	13.24	6.20	1.48	8.22	1.87	1.06	
8% C. P.	10 50	12 62	10	70											
Dufflaghur	30 00	33 00	10	701	9.00	1.50	2.21	16.47	21.35	12.83	2.06	12.06	1.20	12.35	
East India	19 00	24 50	10	1,000	5.00	1.00	1.13	18.58	27.72	10.70	1.15	13.16	4.35	2	
Eastern Cachar	5 06	5 00	10	700			-1.34	7.01	8.82	86	1	4.33	40	56	
Ellenbarrie	195 00	180 00	100	300	1.00	3.15	1.4	4.56	8.86	3.90		6.00	30	50	
Engo	400 00	527 00	100	120	2.64		-3.1	1.51	4.63	2.63	2	2.22	54	27	
Ethelbarrie	10 25	12 50	10	490	30		1	12.37	8.68	2.40	2.91	7.00	1.42	27	
Gairkhatu	120 00	280 00	100	750	2.70	3.50	42	19.36	17.69	9.56	2	19.03	5.13	1.18	
Galle	9 06	19 00	10	200	1.76	1.24	-6	1.08	7.84	2.73	48	1.39	68	34	
6% C. P.	75 00	81 00	100	200											
Gillapukri	27 00	31 00	10	504	4.05	41	18	14.04	11.82	4.90	8.18	4.65	3.88	15	
Gohpur	21 25	21 75	10	676	2.50	4.98	1.32	8.65	18.21	8.56	1.45	8.06	38	1.11	
Gopalpur	20 00	31 00	25	1,050	5.00	10.83	93	7.66	17.66	7.49	3.12	8.26	3.94	3.96	
Grob 'A'	23 30	28 75	10	742	9.00			31.01	35.86	8.64	5.00	27.74	4.33	1.53	
Grob 'B'	12 75	14 00	5	361											
Gungaram	115 50	180 00	100	1,344	8.60	13.53	1.04	12.10	25.00	8.55	5.57	22.07	2.23	2.29	
Hansqua	18 44	26 50	10	500	5.10	5.34	17	5.25	12.48	3.54	2.71	8.17	77	26	
Hantapara	109 00	165 00	100	3,600	15.25	23.58	1.83	23.64	59.25	18.38	5.08	44.83	5.01	5.00	
8% C. P.	114 00	122 00	10	50											
Hasmara	21 50	24 50	10	3,200	24.50	35.76	3.75	31.54	100.18	47.34	5.80	41.30	9.92	21.10	
7% C. P.	109 00	115 00	100	300											
Hattikihra	9 87	18 00	10	1,260	9.50	2.00	20	7.54	29.51	12.08	1	11.24	2.78	37	
Hoograjuli	28 00	28 00	10	500	5.75		39	4.61	9.28	3.55	52	5.75	1.31	2.44	
Hoolungorie	145 50	240 00	100	870	12.30	89	96	13.28	23.90	12.44	9	15.73	5.43	3.42	
Huldibari	21 12	23 00	10	825	7.00	12.66	1.02	10.25	19.13	8.83	3.65	16.24	3.07	5.92	
Jaybirpara	17 75	23 00	10	700	5.15		12	2.92	10.30	4.58	2	4.75	1.29	3.41	
Jaykhe	10 12xd	11 37	10	5,857	41.00	4.17	99	78.11	108.07		2.75	47.09	23.66	1.99	3
6% R. C. P.			100	72											
Joonkollee			10	120	12.21	4.00	1.56	12.60	12.33	7.53	2.23	7.79	1.35	14.82	
6% C.P.			10	36											
Jutlibari	17 37	21 25	10	980	4.25	2.60	24	14.61	15.61	3.88		14.78	2.57	1.61	
Kaliti	8 18	6 50	10	246			25	9.81	3.03	24		2.93	3.18	3.11	49
Kallinugger & Khoreel	104 00	110 00	100	450	200	169	36	759	307	6	406	328	497	84	
Killcott	15 25	19 00	10	900	7.00	8.24	66	14.30	19.24	6.07	3.07	15.46	1.64	5.85	
Kingsley Golaghat	125 00	178 00	100	360	930	280	80	2,070	1,371	738	1,136	1,693	480	58	
6% Preference	92 00	98 00	100	248											
Kotamullai (m)	12 25	26 00	5	180	60		14	33.40	21.42	1.63	2	13.70	1.92	2.20	50
6% Pref.	16 50	18 00	25	218											
Krishnabehari	11 12	12 80	10	300	2.1	25	3	7.85	9.31	1.53	25	2.81	2.61		

TEA

NAME	Managing Agents Agents/Secretaries	Total Crop in maunds	Average price per pound	Total Crop in maunds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT				
								Latest	Previous	Latest	Previous	Second Previous	Latest	Previous
		Mds.	Rs. a. p.	Mds.	Rs. a. p.	Rs. 000		Rs. 00	Rs. 000					
Kunchanpore	Duncan Bros and Co. Ltd.	3,810	2 0 9	4,356	1 11 6	10	12-56	8	- 5	nil	nil	27 1/2		
Kyang Tea Seeds	Shaw Wallace and Co. Ltd.	12,139	2 3 8	11,691	2 5 0	78	12-55	22	11 86	7 1/2	5	7		
Lackatoorah	Gill, Arbuthnot and Co. Ltd.	5,452	2 5 4	5,727	1 9 10	15	12-56	10,677	11 86	30	10	10		
Ledo	Duncan Bros and Co. Ltd.	79,86	3 1 1	77,34	2 10 3	45	12-56	4,56	(v) 45	7 1/2	10	27 1/2		
Lingia	Williamson Magor & Co.								2,84	30	25	50		
	6% C. P.									6	6	6		
Longview	Daga and Co. Private Ltd.	9,536		6,591		7	12-55	1 22	8,93	5	20	10		
Loobah	Octavius Steel and Co. Ltd.	38,30	1 9 5	4,615	1 4 9	20	12-56	2	- 35	nil	nil	nil		
Malhati	D. C. Ghose & Co. Private	13,306	2 0 4	13,581	1 9 2	65	12-56	6,56	5,51	20	20	60		
Manabharie	Directors	6,872	1 14 0	6,287	1 12 7		12-56	1,42	- 36	20	10	40		
Manipur	Gill, Arbuthnot and Co. Ltd.	4,958	1 13 5	4,363	1 0 0	25	12-53	2,06	- 494	nil	nil	nil		
Margarete Hope	McLeod and Co. Ltd.	4,059	2 15 2	4,419	2 4 7	29	12-56	1,30	- 11	10	10	30		
Manonbarie	Lohia Bros Private Ltd.	2,126		2,016		3	12-56	- 26	22	nil	nil	nil		
Maud	Lohia Bros Private Ltd.	5,818		5,484		16	12-56	1,96	215	12 1/2	25	40		
Methoni	Octavius Steel and Co. Ltd.	10,570	2 10 7	11,215	2 5 5	70	12-56	6,05	4,78	20	17 1/2	45		
Mim	Andrew Yule and Co. Ltd.	2,092	3 44	2,068	3 16	5	12-56	32	75	10	15	40		
Moheema	D. rectors	4,628	2 5 8	4,560	1 11 7	10	12-56	36	(u) 111	nil	nil	nil		
	6% C. P.									nil	nil	nil		
Mothola	Kettlewell Bullen & Co.	7,042	2 52	6,096	2 27	33	12-56	3 29	2,87	60	50	65		
Murphulani (Assam)	Andrew Yule & Co. Ltd.	5,244	3 05	5,162	2 47	47	12-56	4,43	2,75	20	12 1/2	45		
	Preferred Ordinary									25	17 1/2	51		
Naga Hills	Directors	8,344	1 11 0	7,310	2 13 9		12-55	1,27	8,04	20	100	30		
Nagaisuree	Duncan Bros.	11,299	2 0 3	12,237	1 12 1	26	12-56	(a) 3,43	2,37	15	7 1/2	40		
Nagri Farm	Williamson Magor	5,416	2 15 10	5,429	2 4 0	34	12-56	3,44	92	35	15	30		
Namburnadi	D. rectors	7,380	2 22	5,767	1 89		12-56	184	67	15	10	30		
New Assam Valley	Macneil Barry	8,042	2 10 9	7,602	3 5 2	3,08	12-55	5,29	9,12	40	50	17 1/2		
New Chumta	Davenport & Co. Private Ltd.	7,016	2 18 6	5,792	1 65	22	12-56	2,97	1,25	25	15	55		
New Cinnatallah	Duncan Bros. & Co. Ltd.	5,930	2 4 9	4,701	2 0 1	10	12-56	46	(u) 32	nil	nil	10		
New Doors	Andrew Yule & Co. Ltd.	19,225	2 36	20,444	1 95	1,23	12-56	11,75	7,54	35	25	110		
	6 1/2% C. P.									6 1/2	6 1/2	6 1/2		
New Samanbagh	Shaw Wallace & Co. Ltd.	12,503	1 14 10	12,241	2 2 10	59	12-56	(b) 554	(c) 1,113	57 1/2	25	nil		
	8% C. P.									8	8	8		
Nilpur Tea	Williamson Magor & Co. Ltd.	3,015	2 3 8	2,499	1 15 9	17	12-56	1,59	64	30	40	67 1/2		
N. W. Cachar	Directors	9,837	1 10 7	9,165	2 15 6		12-55	3,88	9,11	15	20	nil		
Okayti	Duncan Bros. & Co. Ltd.	2,289	3 1 0	2,102	2 6 4	8	12-56	24	2	nil	nil	37 1/2		
	7% C. P.									nil	7	7		
Oodlabari	Octavius Steel & Co. Ltd.	8,321	1 11 1	7,865	2 12 2	31	12-55	1,29	8,38	12 1/2	75	20		
Pathomara	Octavius Steel & Co. Ltd.	5,100	1 75	6,078	1 49	19	12-55	- 95	17	nil	nil	nil		
Patrakola	Duncan Bros. & Co. Ltd.	47,759		50,254		1,59	12-56	29,97	(z) 63,01	25	65	30		
Phakowa	Duncan Bros. & Co. Ltd.	3,021	2 3 8	2,987	1 12 5	10	12-56	72	- 11	7 1/2	15	30		
Poobang	Duncan Bros. & Co. Ltd.	1,948	2 5 7	2,060	2 5 11	10	12-56	(a3) 15	5	nil	nil	15		
Puasmibing	Davenport & Co. Private Ltd.	1,896	2 56	361	2 66	11	12-56	- 4	- 3	nil	nil	10		
	7% C. P.									nil	nil	7		
Putinbare	Directors	2,733	1 12 11	2,102	1 9 6		12-56	96	8	6	nil	45		
Rajabhat	McLeod & Co. Ltd.	10,071	2 2 3	9,135	1 13 6	52	12-56	2,67	1,12	12 1/2	25	60		
Rajgarh	Andrew Yule & Co. Ltd.	6,013	2 65	5,532	2 17	37	12-56	3,66	1,81	40	15	70		
Rajniagar	Shaw Wallace & Co. Ltd.	5,127	1 12 4	4,760	1 14 8	18	12-56	4,8	(n) 2,66	10	nil	30		
Ranicherra	McLeod & Co. Ltd.	11,813	2 5 1	12,484	1 14 0	70	12-56	5,86	3,86	20	15	nil		
Roopacherra	McLeod & Co. Ltd.	7,105	1 15 0	8,453	1 10 0	30	12-56	8,8	1,50	5	15	10		
Rungamtee	Duncan Bros. & Co. Ltd.	8,414	2 1 6	9,075	1 13 3	33	12-56	3,43	3,33	20	20	35		
Runglee Rungliet	Duncan Bros. & Co. Ltd.	2,629	3 1 0	2,098	2 9 4	12	12-56	1,18	49	35	20	50		
Rydak	Jardine Henderson Ltd.	25,416		25,846		213	12-56	1,365	1,138	30	50	100		
Sapoi	Directors	16,218	2 11 0	14,230	2 3 0		12-56	7,10	(a1) 2,66	25	25	45		
Sarugan	Directors	7,524	2 14 4	7,490	1 15 7	45	12-54	11,43	3,17	11 1/2	12 1/2	nil		
Saujuli	Williamson Magor & Co.	4,372	3 1 5	4,499	2 10 10	13	12-56	131	73	15	15	40		
Seeyok	Directors	2,470	2 13 1	1,992	2 3 0		12-56	51	(u) - 9	nil	nil	15		
Selimong	Gill, Arbuthnot & Co. Ltd.	2,532	3 12 5	2,271	3 1 0	22	12-56	92	- 3	nil	nil	5		
Singell	Hoare Miller & Co. Ltd.	2,717	2 68	2,985	2 53	6	12-56	74	- 95	nil	nil	nil		
Singtom	Goenka & Co. Ltd.	3,330	2 12 8	3,097	2 3 2	12	12-56	1,25	61	5	12 1/2	5		
	5% C. P.									5	5	5		
Sonai River	Directors	4,967	1 15 6	4,521	1 9 3		12-56	50	- 1,38	nil	nil	12 1/2		
	8% C. P.									nil	8	8		
Soom	Williamson Magor & Co.	3,723	3 6 7	3,633	2 9 11	38	12-56	3,60	1,57	40	30	40		
Sungma	McLeod & Co. Ltd.	4,725	3 9 7	4,685	2 7 3	44	12-56	4,08	3,33	15	nil	7 1/2		
Taipoo	Gill, Arbuthnot & Co. Ltd.	5,205	2 2 10	4,594	1 12 2	26	12-56	1,07	67	5	nil	30		
Teen Ali	Octavius Steel & Co. Ltd.	7,735	2 9 8	7,548	2 2 6	50	12-56	4,72	1,79	30	20	60		
Teesta Valley	Davenport & Co. Private Ltd.	4,828	2 3 17	4,506	2 62	10	12-56	3,23	1,48	25	15	40		
Teliapara	Duncan Bros. & Co. Ltd.	13,726	2 1 0	11,016	2 3 8	41	12-56	9,24	(f) 17,27	15	25	45		
Telojan	McLeod & Co. Ltd.	9,653	2 8 7	10,032	2 1 7	78	12-56	5,83	3,67	35	25	50		
Tengpani	Gill, Arbuthnot & Co. Ltd.	7,619	3 1 1	7,466	2 6 10	57	12-56	4,43	1,42	10	7 1/2	65		
Tezpor	Shaw Wallace & Co. Ltd.	31,709	2 4 7	32,034	1 13 3	185	12-56	9,71	(p) 8,99	12 1/2	15	50		
	8% pref. cum. as to 5									8	8	8		
Tilkah	Daga & Co. Private Ltd.						12-55	- 40	5,80	nil	nil	nil		
Tirrihannah	McLeod & Co. Ltd.	8,084	2 3 7	8,585	1 14 11	52	12-56	512	385	25	30	40		
	10% C. P.									10	10	10		
Tongani	Daga & Co. Private Ltd.	7,394	1 11 10	4,011	2 10 3	30	12-55	1,73	4,47	20	15	nil		
Tukvar	Williamson Magor & Co.	9,186	2 9 2	8,867	2 2 4	10	12-56	- 25	- 2,93	nil	nil	10		
Tyoon	McLeod & Co. Ltd.	15,118	2 14 5	15,693	2 6 3	64	12-56	12,39	6,53	45	30	60		

(a) After writing back Rs 60,000 from provision for Taxation.
 (b) After transferring Rs 1,08,000 from Dividend Equisation Reserve and Rs 19,068 from Provision for taxation.
 (c) After writing back Rs 518,216 being provision for taxation.
 (d) After transferring Rs 3,50,000 from General Reserve.
 (e) After transferring Rs 125,500 from Reserve.
 (f) After transferring Rs 11,50,000 from provision for taxation.
 (g) After transferring Rs 1,00,000 from Reserve and Rs 42,000 Dividend Equisation Reserve.
 (h) After transferring Rs 1,75,000 from Revenue Reserve, Rs 49,000 from Building and Machinery Reserve and Rs 20,000 from Taxation Reserve.
 (i) After writing back Rs 2,75,000 from provision for taxation and including the credit balance of the

Profit and Loss Account of Rishchehat Tea Co. an amalgamation.
 (m) The Indian Estates of The Patrakola Tea Co. Ltd. were transferred to this company at book value as on 1-12-1954.
 (n) After writing back Rs 1,51,566 being provision for taxation in part provided in 1954.
 (o) After writing back Rs 20,000 from excess provision for taxation and Rs 34,250 from excess provision for liabilities.
 (p) After transferring Rs 1,80,430 from General Reserve.
 (q) After transferring Rs. 40,000 from Revenue Reserve.
 (r) After transferring Rs. 98,000 from General Reserve.
 (s) After transferring Rs. 1,55,000 from General Reserve.

(t) After transferring Rs. 1,00,000 from Revenue Reserve and Rs. 1,20,000 from Building and Machinery Reserve.
 (u) After transferring Rs. 90,000 from Revenue Reserve.
 (v) After transferring Rs. 1,75,000 from Revenue Reserve.
 (w) After transferring Rs. 1,25,000 from General Reserve.
 (x) After transferring Rs. 1,50,000 Revenue Reserve.
 (y) After writing back Rs. 5,50,000 from Taxation Reserve.
 (z) After writing back Rs 45,28,000 being excess provision for taxation.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958	April 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	
	Rs. np.	Rs. A.													
Kunchanpore	7 62	9 25	10	360	1,50	1,74	3	1,06	5,72	2,41	...	3,70	47	46	...
Kyang Tea Seeds	5 00	3 75	10	200	35	...	1	38	183	2	42	8	39	4	...
Lackatoorah	19 50xd	19 00	10	400	5,50	2,06	1,95	25,88	10,78	3,50	3	7,43	2,65	22,00	...
Ledo	18 25	20 75	10	650	1,90	10,08	17	3,90	11,01	3,69	5,66	6,87	58	2,16	...
Lingia	17 50	24 00	10	700	2,00	61	34	9,06	14,03	6,33	3,58	7,26	1,54	4,13	...
6% C. P.	...	...	100	560	...	...	...	...	...	...	...	...	...	...	...
Longview	7 25	10 00	10	1,032	6,00	5,68	20	8,75	25,77	5,19	2,09	7,01	1,13	14	...
Loobah	3 12	5 25	10	564	...	58	...	7,33	6,61	83	3	2,89	3,18	1,10	...
Malhati	21 00	13 00	10	900	13,80	4,77	2,94	12,65	23,97	7,20	5,19	14,68	3,36	2,26	...
Manabharie	68 00	70 00	10	200	4,20	93	28	6,69	4,86	2,89	...	4,81	4,50	70	2,12
Manipur	...	...	100	420	2,10	40	-6,20	8,82	7,31	1,80	...	326	32	22	...
Margarets Hope	9 75	11 50	10	400	200	200	28	327	711	376	2	399	160	254	6
Manonbarrie	...	...	10	154	...	...	-1,93	1,094	1,049	163	2	110	55	3	...
Maud	16 62	15 00	10	800	90	100	7	1,031	1,384	388	194	540	137	160	...
Mathoni	16 75	18 44	10	1,000	7,00	3,80	38	11,62	20,34	5,74	2,10	12,96	2,01	1,05	10
Mim	201 00	250 00	100	159	3,35	15	17	1,26	4,35	1,84	1	1,93	55	1,51	...
Moheema	19 00	24 00	10	480	...	30	2	5,00	1,004	2,32	...	4,74	30	16	...
6% C. P.	7 97	8 75	10	320	...	...	1,00	7,86	8,97	4,90	...	...	...	...	...
Mothola	436 00	405 00	100	150	8,20	...	39	8,13	10,14	5,76	1,02	6,40	1,16	6,87	...
Murphulani (Assam)	30 00	35 00	10	175	6 55	...	...	...	...	...	...	7,31	2,32	3,80	...
Præd. Ord.	31 00	34 50	10	200	...	...	6	7,15	6,68	3,90	...	5,95	1,26	1,14	...
Naga Hills	34 00	31 00	10	400	3,36	52	39	6,96	22,76	8,05	3,93	12,19	85	3,13	...
Nesariurce	114 00	162 00	100	960	10,15	9,00	66	6,12	5,97	1,71	85	3,53	57	3,84	...
Nagri Farm	20 30	19 00	10	300	2,50	75	2	6,62	1,135	485	...	560	87	77	...
Namburnadi	12 00	18 25	10	535	175	...	63	12,56	9,62	3,71	53	12,62	57	5,81	...
New Assam Valley	...	...	225	675	4,50	1,00	77	3,90	6,49	2,47	3,55	6,44	1,12	56	...
New Chumta	33 50	43 00	100	300	2,00	6,03	5	5,29	6,65	2,81	...	7,01	29	81	...
New Cinnatollah	100 00	115 00	100	580	25	1,36	1,98	21,91	21,31	9,41	20,84	14,96	4,98	7,56	...
New Doocars	269 00	272 00	100	1,400	20,00	35	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	112 00	120 00	100	200	...	...	99	1,371	1,160	482	1	779	235	1,177	...
New Samanbagh	19 25	17 75	10	400	400	500	...	...	...	...	...	...	...	...	...
8% C. P.	100 00	100 00	100	100	...	...	41	2,88	2,31	1,16	...	2,40	15	1,68	...
Nilpur Tea	...	...	100	149	60	...	1,22	7,49	8,25	...	...	76	12,36	84	...
North Western Cachar	99 00xd	140 00	100	700	5,00	1,50	10	1,52	4,55	2,31	...	1,54	28	4	...
Okayti	560 00	440 00	100	100	...	98	...	...	...	...	...	...	...	...	...
7% C. P.	93 00	100 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Oodlabari	17 50	19 50	10	320	6,50	2,30	8	6,45	7,95	1,68	5,95	4,50	1,26	55	...
Pathemara	5 44	10 00	10	259	...	...	-93	8,28	4,38	54	1	5,48	31	30	...
Patrakola	127 00	161 00	100	3,600	38,00	17,35	1,88	90,23	59,89	23,58	3,85	54,42	36,16	52,71	...
Phakowa	95 50	90 00	100	250	2,00	1,84	9	1,72	5,06	1,85	...	3,65	19	1,10	...
Poobang	5 50	9 00	10	300	1,05	1,64	1	1,29	6,18	2,39	85	2,13	20	...	...
Poosimbang	8 75	10 00	10	205	1,13	95	-2	1,27	5,13	79	48	1,42	1,08	10	...
7% C. P.	95 00	85 00	100	205	...	...	13	...	...	...	...	...	...	...	...
Putinbarree	55 00	48 90	10	100	60	135	...	164	362	152	...	20	27	8	...
Rajabhat	14 25	19 00	10	600	576	525	41	836	1,284	540	54	738	149	889	...
Rajgarh	40 12	45 00	10	200	8,53	...	41	6,55	8,81	4,28	1,52	6,16	2,10	3,18	...
Rainagar	11 00	12 00	10	320	1,00	40	1,67	3,78	7,56	4,11	1	4,19	1,36	1,04	...
Ranicherrie	15 06	15 87	10	765	7,00	6,43	25	11,40	22,08	12,37	54	12,11	3,32	6,31	...
Roopacherra	14 00	15 00	10	260	2,81	1,15	14	6,95	6,65	2,41	1	7,41	1,07	8	8
Rungamattae	59 50	92 00	50	525	5,75	5,68	36	7,89	13,23	3,64	1,42	8,94	1,81	3,17	...
Runglee Rungliet	410 00	390 00	100	140	2,70	2,31	20	3,20	3,96	2,02	4,02	2,41	57	94	...
Ryokai	24 25	34 75	10	493	1,804	865	53	2,609	5,234	2,940	4	1,958	168	2,494	10
Sapoi	23 00	30 12	10	900	1,54	2	1,08	23,68	23,97	9,35	6,04	8,46	5,58	7	...
Sarugaon	31 50	33 25	10	346	5,25	1,73	67	9,86	10,38	4,93	2	9,08	2,72	4,10	...
Sasjuli	19 75	28 25	10	249	250	50	61	613	1,071	625	1	589	149	46	...
Seeyok	13 40	13 00	10	300	80	1,51	10	3,43	5,84	2,03	...	1,33	34	83	...
Salimbong	...	...	10	300	1,05	10	22	9,04	6,91	99	1	2,70	94	33	...
Singell	22 00	21 00	100	625	...	...	-7,35	2,90	11,20	2,39	2,12	1,35	1,54	17	...
Singtom	5 00	6 50	10	900	65	...	7	...	...	...	...	2,41	1,20	62	...
5% C. P.	7 12	6 75	10	300	...	...	...	...	...	...	...	...	...	...	...
Sonai River	12 50	14 50	10	400	32	304	31	257	1,068	369	3	370	37	17	...
8% C. P.	93 00	101 00	100	300	3,00	1,10	1,26	5,07	7,09	3,60	1,49	2,06	99	5,40	...
Soom	30 12	26 50	10	625	3,50	3,49	23	4,66	16,29	3,89	3	4,74	69	2	...
Sungma	10 44	12 25	10	500	2,05	50	12	9,02	9,89	3,60	1	9,07	1,30	3	...
Taipoo	...	...	10	450	6,00	2,50	26	8,45	12,80	4,58	1,97	8,40	1,46	1,66	...
Teen Ali	26 31	24 00	10	320	4,00	5,43	55	4,23	6,99	2,26	4,05	2,81	1,19	4,62	...
Teesta Valley	20 25	30 00	100	900	15,00	6,24	62	18,15	18,78	6,00	5,24	12,39	7,29	11,30	...
Teliapera	114 00	158 00	10	598	8,54	3,45	65	10,45	12,50	4,42	...	9,95	3,15	6,34	...
Telojan	24 00	22 25	10	800	2,06	2,85	43	15,03	11,51	3,30	...	10,84	3,12	6,15	82
Tengpani	39 00	62 00	10	1,982	12,75	...	72	28,56	41,80	17,71	80	29,96	5,70	3,36	...
Tezpore	16 00	19 44	10	205	...	...	...	...	...	...	...	...	...	...	...
9% Pref. Cum. as to 5	10 75	12 27	10	375	3,75	56	-30	17,50	16,15	1,94	1	8,77	1,70	85	...
Tirahannah	25 50	33 50	10	220	400	550	15	814	1,091	501	1	1,007	133	324	4
10% C. P.	14 00	15 00	10	100	...	...	15	...	...	2,34	...	...	...	...	...
Tongani	8 00	9 00	10	600	3,90	...	-2,94	11,91	16,71	4,43	2	5,44	1,33	35	...
Tukvar	8 26	11 50	10	801	2,50	11	87	25,79	28,41	12,46	53	16,80	1,60	16,26	...
Turor	41 75	45 50	10	520	10,00	11,00	...	...	...	...	...	...	...	...	...

SUGAR

NAME	Managing Agents/Secretaries	Cane Crushed Mds. 000	Sugar Produced Mds. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year-ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest %	Previous %	Second Previous %
Belampur Bati	Directors Narang Bros. Ord. B. Class	6,965 59.89	631	14,934 85.92	8,172 106.65	1.55	6-57 4-55	(1)766 12.99	136 13.81	5 10	nil 10	1 1/2 10
Belapur Co	W. H. Brady & Co.	...	...	147.07	47.68	7.44	9-57	70.43	52.24	36	32	32
Belund	Bangur Bros. Ltd.	3,412	331	11,768	1,527	83	9-57	796	1,077	13 1/2	13 1/2	10
Bharat	Cotton Agents Private 5% R. C. P. T.	2,256	...	7,331	3,233	49	6-57	5.02	(1)5.14	15	15	15
Bhopal	Bhiwandiwala & Co. 5% C. P.	12.29	1.11	24.98	12.13	43	9-55	4.40	(a)7.21	10	10	6 1/2
Buland	Govan Bros. (Rampur)	36.39	3.48	131.65	25.27	1.70	10-53	22.84	6.97	10	7 1/2	10
Carew	Gladstone Lyall & Co. Ltd. 6 1/2% R. C. P.	6,833	...	33,269	8,551	...	6-57	318	1,001	nil	nil	2 1/2
Cawnpore	6% Debentures Begg Sutherland & Co. Private...	71.45	6.38	164.95	43.89	1.06	10-56	(a)13.15	(h)17.57	7 1/2	7 1/2	...
Champaran	8% C. P. Begg Sutherland & Co. Pri. Ltd.	6,293	560	17,803	9,222	...	6-57	(m)52	(e)1,075	8	8	7 1/2
Deccan	Parry & Co. Ltd. 7% preference	...	...	228.07	...	2.34	5-56	26.57	17.17	15	10	nil
Dooria	K. C. Thapar & Bros. 5% Debentures	10.60	...	62.44	2.50	80	8-54	2.18	2.92	7 1/2	7	5
Darbhanga	Directors	28.85	2.99	70.36	18.31	...	8-54	9.94	16.78	15	15	7 1/2
Dyer Meakin Breweries	Directors	...	...	93.27	...	...	3-55	7.71	5.90	11 1/2	10	10
East India Distill'ry (E)	Parry's Holding Private Ltd. 7% R. C. P.	...	...	...	...	...	9-56	5.79	3.60	15	10	10
Ganesh	Jajpur & Sons Ltd.	27.02	2.80	72.64	15.88	...	10-56	4.10	4.59	10	12 1/2	15
Ganga Sugar	Directors	39.44	...	100.78	85.23	...	3-55	19.05	20	10	15	...
Gwalior	Sir J. P. Srivastava & Sons Pri. 7% R. C. P.	26.91	...	43.70	38.46	1.01	6-56	9.71	6	nil	nil	...
Harinagar	Narayanlal Bansilal Ordinary	...	...	126.91	38.01	1.07	9-53	9.36	7.28	7 1/2	7 1/2	7 1/2
India	India Sugar Agencies 7 1/4% C. P. T	24,369	...	117.54	...	1.36	9-55	11.85	11.06	11	17 1/2	25
Jagatjit Sugar	Narang Bros & Co.	28.18	...	31.28	54.99	60	4-55	4.28	4.25	10	10	10
Jeypore	R. S. Indus. Corp. 6% C. P.	...	...	...	...	21	6-55	3.06	4.98	10	10	10
K. C. P.	V. Ramakrishna Sons Pri. Ltd. 5% R. C. P.	2.15	20	...	...	...	6-56	29.01	14.73	7 1/2	7 1/2	7 1/2
Kirlampudi	Deferred Kubera Sugar Manager. Private 5 1/4% C. P. 5% Debentures	...	...	69.31	54.18	10	6-56	6.51	5.68	100	100	100
Madura Sugar	Pandian Rajan & Co. Private	53 1/2	...	30.20	1,389	...	7-57	5.51	6.44	nil	nil	...
Medi Sugar	R. B. Multanilal & Sons Ord. Share	41.73	...	231.48	...	1.62	10-55	9.27	10.94	6	6 1/2	10
Mohini	K. C. Thapar & Bros. Founders 5% C. P. Debentures	...	...	21.43	6.83	6	11-54	-1.50	1	nil	nil	nil
Murree Brewery	Directors	...	...	...	...	...	8-51	1.25	...	nil	nil	nil
Mysore	Directors	...	...	291.76	60.84	...	6-56	14.79	15.27	20	20	20
Nawabganj	Narang Bros. 'B' Class 5% Debentures	14.92	...	58.93	86	45	10-54	1.84	4.20	6	10	6
New India	Cotton Agents Private 5 1/4% R. C. P. T. 7 1/4% C. R. P. P.	5,153	...	14,749	5,883	1.38	6-57	1,484	8.24	25	25	25
New Savan	K. C. Thapar & Bros. Hyd. Govt. Indusl. Trust Fund 5% C. P. 4% C. P.	23.69	3.31	305.40	173.61	3.59	6-55	2.47	96	24	24	24
Phaltan Sugar	Mafatlal Apte & Kantilal	1,25 1/2	...	98.77	34.80	3.50	9-56	27.30	25.95	18	16	16
Punjab Sugar	Narang Bros	18.43	...	71.47	73	58	10-54	3.59	...	10	10	...
Purabpore	Begg Sutherland & Co. Private 10% C. P.	25.97	2.66	66.20	20.35	48	10-56	(b)6.70	6.75	7 1/2	7 1/2	7 1/2
Rannugger Cane	Anderson Wright Ltd. 6% C. P. 5 1/4% Debentures	23.45	...	128.65	9.48	2.65	8-55	21.12	7.24	20	15	20
Ratna Sugar	Ratna Agents 9% C. P.	...	...	43.39	27.18	52	6-55	3.12	1.17	3	3	3
Ravalgaon Sugar	Walchand & Co. Private 5 1/4% Cum Pref. Deferred Debentures	...	...	132.56	42.66	3.01	9-56	26.46	13.26	24	18	4
Raza	Govan Bros. (Rampur)	35.67	3.37	137.40	23.65	1.29	10-53	11.59	...	5 1/2	5 1/2	5 1/2
Ryam	Directors 6% C. P.	25.77	2.69	43.82	52.31	...	6-56	6.74	3.28	15	7 1/2	12 1/2
Samastipur	Begg Sutherland & Co Private...	2,952	263	11,614	986	...	6-57	(c)-74	(j)215	17 1/2	6	5
Shadilal	H. R. Swarup & Bros 8% C. P.	8,798	888	27,398	7,425	...	9-57	2,389	2,120	nil	nil	nil
Shree Anand	Directors	15.55	1.52	46.37	17.31	...	9-56	1.56	2.63	24	8	8
Shree Changdeo	Debentures	19.04	73	57.51	22.28	11	9-56	13.24	11.49	40	16	8
Shree Krishna Gyanoday	A. H. Bhiwandewalla & Co. Sahu Jain Ltd. 6% 'A' Pref. 5% 'B' Pref. 5 1/4% Debentures	74.73	7.46	238.23	128.73	1.22	7-56	14.69	18.67	10	17 1/2	15

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958 Rs. ap.	April 1957 Rs. ap.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstanding Rs. 000	Cash	Others
Balrampur	6 00xd	6 50	5	1,400	120	1,400	58	9,040	4,184	3,112	21,85	9,138	1,369	400	108
Bati	120 50	120 50	100	1,200	950	19,47	25,30	105,69	52,26	34,74	...	117,42	15,36	2,43	...
Ordinary 'B' Class	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Belapur	244 50	228 50	50	7,050	75,19	43,24	3,80	90 14	150,48	108,77	22,79	116,52	14,02	87,02	...
Belund	11 25	10 81	7 1/2	1,949	675	100	75	2,491	3,384	2,568	36	2,304	1,959	175	...
Bharat	13 25	15 50	10	1,500	650	7,01	8	3,146	1,929	1,341	1,285	3,608	9,57	67	...
Bhopal	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. T	19 72	17 50	10	1,750	8,87	37	5	8,22	33,04	21,37	3,34	20,58	9,89	1,96	...
5% C. P.	94 00	94 00	100	1,250	...	...	...	...	...	...	34,22	37,19	8,85	47	...
Buland	...	...	10	3,357	36,80	5,36	3	28,08	41,33	19,37	...	...	...	...	...
Carew	7 19	7 31	10	3,200	1,600	1,146	-228	13,652	14,522	9,894	45	13,781	3,849	226	54
6 1/2% R. C. P.	81 00	99 50	100	800	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	990 00	1000	1,950	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	900 00	940 00	100	400	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	10 81	19 31xd	10	3,000	20,50	45,14	92	120,22	163,31	86,27	4,70	80,76	59,53	4,76	...
Champaran	109 50	111 00xd	100	1,000	...	...	...	...	...	...	...	...	...	...	...
...	20 37	19 12	10	1,800	1,440	2,359	-343	10,460	8,472	5,913	37	10,482	2,400	237	...
Deccan	8 25ed	10 37cd	5	1,992	15,00	10,48	1,23	198,78	112,48	57,89	1,34	108,14	12,90	6,36	1,09
7% Preference	5 75	6 12	5	700	5,04	1,15	48	15,77	24,59	15,34	10,23	9,08	2,94	18	1,75
Deoria	9 56	10 12	500	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	2,600	31,00	2,36	1,12	19,18	57,53	37,24	2,58	36,93	12,89	6,97	...
Darbhanga	22 50	24 06	5	1,620	13,47	4,73	8	19,43	27,27	14,69	1,24	27,49	7,15	5,09	34
Dyer Meakin	10 00	6 12	...	...	...	...	...	...	...	...	...	...	...	...	...
E. I. D. (E)	27 30	26 60	£1	550	7,90	1,74	47	12,03	13,25	6,33	52	9,48	13,35	24	...
7% C. P.	16 15	16 31	£1	200	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 75	19 50	10	2,000	1,50	34,68	5	43,50	67,25	21,37*	25,73	22,57	5,38	16	...
Ganga Sugar	10 00	30 00	100	3,000	16,00	38	23	125,48	29,43	16,81*	26,12	91,24	40,49	42	1,20
Gwalior	69 25	77 00	100	1,594	...	3,09	15	48,95	40,71	23,65	1,75	46,70	12,79	1,58	...
7% R. C. P.	65 00	68 08	100	675	...	...	...	...	...	...	...	...	...	...	...
Harinagar	...	...	10	500	10,00	1,50	14	63,39	37,63	30,49*	4,86	44,81	27,49	74	...
Ordinary	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
India	13 25	15 25	10	3,148	14,80	...	5,22	99,74	30,55	18,71	23,27	25,03	50,21	1,31	...
7 1/2% C. P. T	98 00	106 75	100	123	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	...	...	100	1,109	11,54	5,37	9,81	50,08	16,18	15,41	13,75	59,97	2,81	58	...
Jeypore	13 30	13 50	10	1,063	10,79	1,35	6	28,27	30,85	9,80	5,35	15,56	10,68	1,27	...
6% C. P.	93 00	108 00	100	200	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	120 00	135 00	100	1,052	57,50	23,00	27	195,11	179,03	35,20	25,90	95,18	24,95	2,70	...
5% R. C. P.	100 00	95 00	100	329	...	...	...	...	...	...	...	...	...	...	...
Deferred	132 00	145 00	10	287	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	40 75	36 50	100	1,159	...	9,58	-19,96	76,56	58,82	19,08	6,02	57,89	13,21	74	...
5 1/2% C. P.	88 00	82 00	100	598	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	101 50	100	3,400	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	10	2,000	...	...	-5,16	1,280	2,769	1,649	...	1,567	56	19	...
Modi Sugar	...	...	100	4,800	12,40	80	41	65,32	85,86	39,20	3,70	68,18	18,95	3,84	...
Ord. Share	9 00 N	9 00N	10	1,440	...	...	...	...	...	...	...	...	...	...	...
Mohini	3 37	4 00	1	1,000	...	...	-3,87	65,57	42,61	8,39	...	36,66	7,09	21	77
Founders	...	...	100	25	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	70 00	111 00	100	280	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Murree Brewery	...	...	10	2,400	6,13	2,00	-7,88	5,52	7,56	39	4,84	6,87	4,28	4,56	...
Mysore	...	...	10	2,179	62,50	23,75	2,63	112,92	140,89	83,32	22,52	104,68	40,21	3,86	4,76
Nawabganj	60 00	108 00	100	1,200	6,50	6,00	4,65	22,66	51,02	27,68	15,63	13,97	8,40	5,30	17
'B' Class	...	...	1	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	50	1,000	...	...	...	...	...	...	...	...	...	...	...
New India	22 25	36 50	10	789	16,50	6,00	80	78,60	48,70	2,691	1,684	6,539	1,360	3,26	...
5 1/2% R. C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. R. P. P.	...	...	100	49	...	...	...	...	...	...	...	...	...	...	...
New Savan	101 00	132 50	100	1,100	2,50	1,70	25	4,06	43,92	25,89	1,07	...	36	5	...
Nizam Sugar	4 12	5 75	25	10,988	25,02	42,42	4	334,34	258,10	138,88	32,83	211,46	109,71	5,80	68,67
5% C. P.	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	...	...	25	2,379	...	...	...	...	...	...	...	...	...	...	...
Phaltan Sugar	138 75	135 75	50	5,000	40,51	16,00	94	76,01	109,71	63,85	2,03	78,99	40,62	15,50	52
Punjab Sugar	80 00	100 00N	106	1,280	7,00	5,65	4,55	20,28	29,22	20,41	11,51	7,35	12,87	6,86	...
Purabpore	10 19	16 87	10	980	2,00	17,65	21	22,22	43,99	31,54	150	30,15	13,85	13	...
10% C. P.	13 62	13 87	10	600	...	...	...	...	...	...	...	...	...	...	...
Rannugger Cane	21 00	25 18	100	1,650	13,80	22,80	20	29,70	56,12	29,77	...	41,09	5,61	4,84	18,56
6% C. P.	94 50	100 50	500	400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	10	595	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	3 00	4 25	10	1,175	...	...	...	...	...	...	...	...	...	...	...
9% C. P.	...	...	50	39	4,08	9	-8,40	35,89	31,34	20,21	10	30,97	1,37	38	...
Ravalgaon Sugar	123 50	...	100	2,000	11,00	25,27	68	41,30	95,61	56,01	14,35	84,38	2,71	1,21	...
5 1/2% Cum Pref.	65 00	...	10	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00N	...	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Debenture	...	...	10	2,000	39,50	5,52	3	25,49	45,46	19,83	21,72	34,37	8,30	43	...
Raza	14 00xd	...	10	800	1,50	4,61	13	49,17	28,73	22,67	3,54	58,25	2,80	24	...
Ryan	19 75xd	21 50	10	800	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	9 00xd	9 00	10	1,199	570	1,283	-221	2,489	4,454	2,513	1	1,642	1,259	270	...
Samastipur	12 25	11 50	100	857	1,100	1,319	228	14,901	12,580	5,554	816	8,749	1,986	58	513
Shadilal	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
8% C. preference	...	...	10	2,000	...	...	1	20,89	47,23	16,15	19,10	13,95	3,79	28	...
Shree Anand	10 25	10 50	10	500	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	12 1/2	1,500	25,79	11,29	33	41,45	69,56	43,15	8,77	43,69	11,71	6	3,24
Shree Changdeo	28 75	30 75	10	3,971	19,00	3,68	16	163,86	140,85	68,35	7	149,05	31,63	1,05	3,11
Shree Krishna Gyanoday...	9 87	10 19	100	600	...	...	...	...	...	...	...	...	...	...	...
6% 'A' Pref.	85 00	94 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	75 00	75 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

ELECTRIC

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowances and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second Previous
		000's	Rs. 000	000's	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
Dishergarh Power	Andrew Yule & Co. 5% 'A'. C. P. 4½% 'B'. C. P.	...	47.30	...	41.09	84	3-57	8.89	6.76	6½	6	6
Ellore Elec. Supply	Chandrie & Co.	1,608	3.20	14.65	2.91	14	3-54	68	63	7½	7½	6½
Gaurepore Elec. Supply	Macneill & Barry	...	55.84	...	45.12	1,16	3-57	11.88	8.86	7½	5	5
Gudivada Elec. Supply	Mechelec Engineering Co.	...	1.66	...	1.18	8	3-54	(a) 19	19	4	4	3
Jhansi Elec. Supply	Moona Lall & Sons	27.23	9.42	21.85	7.82	32	12-53	1.47	1.38	6½	8½	8½
Jerhat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1.37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	Martin Burn Ltd. 6% Debentures	28,096	28.69	24,320	28.19	...	3-57	(b) 0.05	(a) 0.28	9½	9½	9½
Kanadukathan	Directors	...	1.93	...	2.14	...	3-56	82	88	3	3	3
Karakal Elec. Supply	A. S. Ahilandam	8.04	1.56	7.34	1.43	11	3-56	61	50	7	7	6
Kumbakonam Elec. Supply	India Company 6% Cum. Pref.	67.61	9.53	56.98	8.17	44	12-55	3.46	2.88	10	8½	7½
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36.50	10.02	34.22	9.37	42	3-56	2.36	1.44	10	10	10
Mirzapur Elec. Supply	Octavius Steel & Co.	21.92	6.26	15.41	4.67	22	3-57	1.17	...	10	5½	5½
Muzaffarpore Elec. Supply	Octavius Steel & Co.	37.61	12.20	25.04	8.11	11	3-57	3.11	1.92	10	10	10
Muttra Elec. Supply	Directors	36.26	6.41	31.87	5.39	...	3-56 H	1.62	1.23	7	6	6
Nasik Deolali	Rajputana Textiles Agency 7% Cum. Pref. 6% Debentures	57.60	14.66	51.34	12.96	64	12-56	3.45	3.75	10	9½	10
Nagapattinam Elec. Supply	India Company Private Ltd. 6% C. P. 4½% Debentures	39.85	3.89	35.97	3.74	24	12-55	1.23	1.14	8½	8½	5
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	390.21	49.19	294.98	36.85	1,04	3-57	15.96	10.20	10	7½	7½
Poona Electric	Rajputana Textiles Agencies pri. 7% Cum. Pref. 6% Debentures	66,152	51.52	61,557	49.17	1,14	12-56	11.82	12.68	10	10	10
Saharanpur	Elec'l. Development Corp. Partly Paid	...	5.67	...	...	22	3-55	92	75	7½	9	9
Salem Erode Elec'ty	Octavius Steel & Co. 6½% R. C. P.	221.71	20.02	234.87	17.82	42	3-57	4.55	4.07	10	10	10
Saugor Elec'ty Supply	Martin Burn Ltd.	1,906	6.21	1,359	4.42	28	3-57	1.01	...	6½	6½	6½
Shahjahanpur Elec. Supply	Octavius Steel & Co.	95.64	10.07	23.54	6.62	18	3-57	1.77	2.04	6	6	6
Shilong Hydraulic	Development of Industries Partly Paid	...	6.00	...	5.31	40	6-55	2.20	2.08	6	6	6
Sijua (Jheriah) Elec. Supply	Bird & Co. pri Ltd. 5% Debentures	124,810	6,712	85,273	4,576	120	3-57	595	424	7½	7½	7½
South Arcot Elec'ty	Directors 6% C. P. 5½% C. P.	21,265	1,788	17,425	1,427	...	1-254	366	272	6½	6½	6½
South Madras Electric	Seshasayee Bros Private Ltd. 5½% 1st C. P. 5½% 2nd Pref. 4½% Debentures 4½% Debentures 5% Debentures 5½% Debentures	855.21	53.96	815.12	55.91	52	3-56	14.06	15.56	9	9	7½
Surat Elec'ty Co.	Killick Industries Ltd. 6½% C. P.	28,247	46.66	23,619	40.01	1,15	12-54	9.28	7.36	7	7	7
Tata Hydro Electric	Tata Hydro. Elec. Agencies Pri. 7% C. P. T.	230,313	72.49	271,331	86.58	3,49	3-57	36.46	47.37	5,625	7½	7½
Tata Power Co.	Tata Hydro. Elec. Agencies Pri. 7½% C. P. T. 4% Debentures 4% Debentures	582,908	179.94	715,472	222.90	7,96	3-57	77.87	108.53	5,625	7½	7½
Tinnevely Tuticorin Elec.	Octavius Steel & Co. 6½% R. C. P.	168.44	14.88	169.61	12.59	27	3-57	3.37	3.24	10	10	10
United Provinces Elec.	Martin Burn Ltd. 4½% Debentures	756.94	90.98	729.94	86.00	2,33	3-57	21.42	(a) 24.03	6½	6½	10
Upper Ganges Valley	Martin Burn Ltd.	11,960	20.76	8,139	13.34	79	3-57	2.87	2.16	12½	9½	8½
Upper Jumna Valley	Martin Burn Ltd.	104.30	19.02	89.48	15.41	74	3-56	2.87	2.00	12½	12½	12½
Vellore Elec. Corp.	Chandrie & Co. Private 6% C. P.	106.03	9.24	87.02	7.68	37	3-56	2.77	1.95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5½% C. P.	116.22	10.92	120.77	11.89	58	3-53	2.60	2.51	10	10	7½

(a) After transferring Rs 69,000 from Deferred Taxation Reserve.

(b) After transferring Rs 1,09,846 from Tariff and Dividend Control Reserve and Rs 44,000 from Defd. Taxation Reserve.

(c) After transferring Rs 8,814 from General Res. (d) After transferring Rs 80,000 from provision for other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

May 10, 1958

COMPANIES—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958	April 1957			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Other
	Rs. np.	Rs. np.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Dishergarh Power ...	81 50	88 00	100	4,320	14.00	1.50	8.29	15.84	91.91	32.18	36.28	8.14	6.43	10	15
5% 'A.C.P.	74 50	98 00	100	1,608	...	...	...	...	...	...	...	...	...	...	...
4½% 'B.C.P.	84 00	88 50	100	1,200	...	...	...	...	...	...	...	...	...	...	...
Ellore Electric Supply ...	10 85	11 50	10	300	...	37	4	2.33	6.26	1.73	18	75	61	67	1
Gaurepore Electric Supply	...	...	100	5,000	14.50	10.69	94	40.87	172.10	49.39	3.64	5.65	10.46	32	22
4% Debenture	840 00	855 00	1000	2,508	...	3	3	1.03	2.01	62	6	23	38	18	1
Gudivada Electric Supply	...	...	100	118	...	...	...	...	...	...	...	...	...	...	...
Jhansi Electric Supply ...	6 75	8 50	10	535	...	29	3	9.71	21.44	9.16	5	2.98	4.18	25	...
6% Debentures	850 00 N	950 00 N	1000	380	...	...	...	...	...	...	...	...	...	...	...
Jerhat Electric Supply ...	8 00 N	8 00 N	10	250	...	8	—17	1.48	5.88	2.44	...	32	82	17	1
6% Cum Preference ...	90 00 N	90 00 N	100	50	...	...	...	...	...	...	...	...	...	...	...
6% Debenture	...	...	...	35	...	...	...	...	...	...	...	...	...	...	...
Jubbulpore Electric Supply	11 75	12 81	10	2,250	10.75	10.14	27	32.36	77.90	35.59	1.47	6.75	8.15	1.49	15.85
Kanadukathan ...	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Karakkal Electric Supply	9 45	9 75	10	218	...	35	68	7.79	3.12	97	...	42	57	71	8
Kumbakonam Elec. Supply	10 95	11 70	10	1,249	12	2.05	5	16.05	36.34	9.60	61	2.49	2.24	1.19	...
6% Cum. Pref.	8 90	9 62	10	250	...	...	...	...	...	...	...	...	...	...	...
Mangalore Electric Supply	...	...	10	560	28	3.09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	...
5% Debentures	...	...	500	137	...	...	...	...	...	...	...	...	...	...	...
Mirzapur Electric Supply	8 10	6 06	9	495	93	1.31	31	3.56	12.21	5.58	15	2.10	1.02	1.16	...
Mozufferpore Elec. Supply	8 12	6 37	10	582	1.83	77	43	17.62	19.06	10.28	23	2.56	2.66	1.39	85
Muttra Electric Supply	9 94	8 81	10	780	60	1.06	15	5.92	14.28	6.97	1.33	1.62	1.63	2.77	...
Nasik Deolali ...	...	...	100	1,168	...	5.37	...	8.17	37.33	11.24	1.41	3.93	2.25	2.12	...
7% Cum Pref.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
6% Debenture	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Nagapattinam Electric Supply	10 80	11 00	10	398	...	52	2	3.02	11.15	3.61	22	86	1.13	80	...
6% C. P.	8 65	9 56	10	100	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Patna Electric Supply ...	10 94	10 75	10	3,507	13.68	20.05	2.46	27.63	124.23	47.63	6.89	10.79	14.23	10.50	...
5% Debentures	450 00	477 50	500	2,800	...	...	...	...	...	...	...	...	...	...	...
Poona Electric	122 00	128 00	100	4,889	51	28.66	1	39.51	128.62	48.22	22.92	5.96	9.78	8.97	...
7% Cum Pref.	103 60	103 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	800	...	...	...	...	...	...	...	...	...	...	...
Saharanpur ...	105 60 N	100 00 N	100	362	...	31	1	4.23	7.87	3.94	1.57	86	1.23	53	19
Partly Paid	...	...	10	14	...	...	...	...	...	...	...	...	...	...	...
Salem Erode Electricity ...	12 75	13 70	10	880	5.50	3.91	32	19.44	42.20	14.07	2.12	5.13	3.67	2.92	...
6½% R. C. P.	10 25	10 25	10	400	...	...	...	...	...	...	...	...	...	...	...
Saugor Electric Supply ...	...	...	10	308	94	62	2	6.65	6.24	3.16	19	1.97	40	46	5.13
Shahjahanpur Elec. Supply	6 81	5 87	10	916	89	83	53	14.89	9.25	1.32	4.06	2.19	10.9	15	...
Shilong Hydraulic	4 84	6 00	9	773	1.66	1.56	60	9.11	21.61	9.00	21	53	3.02	88	3.40
Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Sijua (Jheriah) Elec. supply	9 81	10 75	10	1,680	221	801	2	1,158	6,426	4,104	207	725	681	1,845	144
5% Debentures	910 00	960 00	1000	1,260	...	...	...	...	...	...	...	...	...	...	...
South Arcot Electricity ...	...	...	100	1,674	1.10	68	15	36.27	53.94	13.65	3.19	5.57	2.91	1.81	6.15
6% Cum Preference	...	...	100	280	...	...	...	...	...	...	...	...	...	...	...
5½% Cum Preference	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
South Madras Electric	12 75	11 00	10	5,600	2.00	2.07	8	79.05	163.34	46.76	17.23	14.51	29.00	1.62	4.32
5½% 1st Cum Preference	9 57	10 12	10	2,200	...	...	...	...	...	...	...	...	...	...	...
5½% 2nd Cum Preference	9 47	10 25	10	808	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	90 00	90 80	100	464	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	93 50	94 50	100	280	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	95 00	97 50	100	280	...	...	...	...	...	...	...	...	...	...	...
Surat Electric Co.	108 00	108 25	100	5,124	4.80	10.16	3	33.51	102.68	30.46	1.23	18.56	8.60	2.23	1.09
6½% Cum Preference	112 50	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Lata Hydro Electric	117 75	121 00	100	23,998	47.74	21.65	36	206.82	544.60	152.88	44.08	23.83	36.46	10.18	99.97
7% C. P. T.	108 25	107 50	100	8,928	...	...	...	...	...	...	...	...	...	...	...
Tata Power Company	1195 00	1213 15	1000	51,531	94.51	98.39	30	413.55	1327.36	294.58	34.63	72.32	92.36	46.01	228.68
7½% C. P. T.	1117 50	1106 25	1000	8,697	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	1000 00 N	1030 00	...	4,773	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	25,000	...	...	...	...	...	...	...	...	...	...	...
Tinnevely Tuticorin Elec.	12 75	13 62	10	970	2.68	3.80	19	14.98	37.47	13.23	2.12	4.61	3.52	1.38	...
6% R. C. P.	9 68	10 25	10	450	...	...	...	...	...	...	...	...	...	...	...
United Provinces Electric	124 50	146 00	100	5,600	20.20	45.17	84	107.24	381.73	121.90	8.96	32.13	29.64	6.02	2.86
4½% Debentures	90 00	95 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Upper Ganges Valley	12 25	13 06	10	598	2.40	1.30	9	16.55	19.61	8.74	79	6.88	3.61	4.12	5
Upper Jumna Valley	16 25	16 87	10	498	3.80	2.93	34	19.82	19.87	8.18	1.27	5.77	9.56	3.43	18
Vellore Elec. Corporation	13 50c	14 00	10	400	48	1.57	1.45	16.94	24.17	6.57	63	2.46	2.16	2.76	9
6% Cum Preference	7 55	8 08	10	125	...	...	...	...	...	...	...	...	...	...	...
West Coast Electric	16 50	14 50	10	1,000	...	1.67	52	15.16	26.59	6.42	45	3.25	2.68	1.41	1.00
5½% Cum Preference	7 25	7 09	10	250	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIAN

NAME	Managing Agents, Agents/Secretaries	CROP HARVESTED			Sales	Stock	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Previous	2nd Previous
		000 lbs.	000 Cwts.	000 lbs.					Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Latest	Previous	2nd Previous
Alageswar Amalgamated Office	Ramani & Co. Parkins Private Ltd. 6% Cum. Pref. 5 1/2% Debentures	3.61			6.71	4.62	13	6-57 3-56	2.02 3.22	2.64 —24	10 nil (a)	15 nil	15 nil
Anandam	A. V. George & Co. 7% C. P. 6% Debentures			2.15	2.08	1.07	11	12-52	1.09 10	1.09	15 7	15 7	
Anapara	Associated Planters Private 6% Debentures		9		993	1,341	66	6-57	621	364	40	25	16 1/2
Arthala	R. N. Kapur & Co. Ltd. 6% C. P.	3.40			9.25	70	18	6-55	1.69	50	nil	nil	nil
Athimattam	M. Sebastian 6% Debentures			62	89	3		2-56	34	24	5	3 1/2	3 1/2
Bababudin	A.V. Thomas & Co. (Mysore) 6% C. P.		1		3.32		8	6-55	37	2.35	17 1/2	15	7 1/2
Badra	Young India Agencies Private 7 1/2 R. C. P.		3		4.18	3.89	23	5-57	2.15	1.58	6 17 1/2	15 6	10 1/2
Balanor	Young India Agencies Private 7 1/2 C. P.	4.30	2	39	13.49	3.36	46	3-57	4.54	4.71	17 1/2	25	7 1/2
Balmadies	Planting Agencies Private 6% C. P.		2		2.87		11	5-56	73	58	10	15	12 1/2
Be Be	Mg. Director 6 1/2% C. P. T. 6 1/2% R. C. P. T.			3.17	5.67	30		3-56	1.35	94	9	7 1/2	6
Blue Mountain	Kothari & Sons Agencies Private	10.62	14		50.38		1.38	6-57	13.07	12.18	6 1/2 12 1/2	6 1/2 15	6 1/2 20
Chandramalai Chembra Peak	Directors Peirce Leslie & Co. Ltd.	2.83 13.80	1					6-56 3-57	1.39 8.73	4.21 3.87	15 20	45 10	20 20
Cochin Malabar	Peirce Leslie & Co. Ltd. 7% C. P.			17.65	37.70		83	2-57	11.07	13.50	15	25	15
Coffee Lands	Consol Coffee Estates 5% C. P.				31.21		18	6-56	17.67	9.21	7 25	7 18	7 25
Consolidated Coffee	Mg. Director 6% C. P. 5 1/2% Debentures				69.31	2.91		6-56	35.42	25.39	5 20	5 22 1/2	5 17 1/2
Coonoor Tea	Matheson Bosanquet & Private Co. 6% C. P.	3.22			7.90	1.53	12	9-56	1.37	1.55	6 17 1/2	6 25	6 45
Coorg Tea	Parkins Private Ltd. 6 1/2% R. C. P.	3.09			6.83	95	32	3-55	3.34	2.83	25 6 1/2	15 15	10 10
Cottanad Plantations	Directors 7 1/2% C. P. P.	1.21		53	6.63			3-57	2.00	1.40	17 1/2 12	6 1/2 12	6 1/2 12
Cowcoody	Peirce Leslie & Co.		2		4.42	51	7	6-56	2.92		50		
Devasahala	Mg. Director	3.39			6.84			12-55	2.86	5.15	25	40	25
Devon	Young India Agencies Private 7 1/2% C. P.	2.78	1		7.70	1.52	20	3-57	2.09	2.05	17 1/2 7 1/2	25 25	25 25
Emerald Valley	Parkins Private Ltd.	1.18			2.57	60	11	12-54	1.67	1.02	30	25	15
Gokul Rubber	Young India Agencies			68	1.22	23	8	12-55	69	61	10	9	6 1/2
Haileyburia	Parkins Private Ltd. 5% C. P.	16.04			21.42	12.59	94	12-55	9.07	14.89	25 5	25 5	25 5
Highland	A. V. Thomas & Co 6% C. P.	10.18			21.08	2.44	68	12-55	6.57	11.76	20 6	25 6	12 1/2 6
Kadur	Young India Agencies Private 6 1/2% C. P.				98	85	4	5-57	33	33	7 1/2 6 1/2	7 1/2 6 1/2	6 1/2 6 1/2
Kailas	A. V. George & Co.			4.86			32	2-53	3.20	3.30	25	12 1/2	7 1/2
Kalasa	Peirce Leslie & Co. 7% Debentures	3.11			5.05	1.10	15	3-56	1.25	4.92	10 15	15 10	
Kalpetta	A. V. Thomas & Co. E. I. Agencies Private	2.63		3.19	10.98	1.81	32	4-56	2.66	2.84	20 12	27 1/2 9	25 9
Karikode Rubber	6% Cum Pref 5% Debentures			1.42	1.97	78	7	12-55	97	81	6 6	6 6	6
Kil Kotagiri	Peirce Leslie & Co. 6% C. P.	760			2,403	331	55	10-57	(c) 833	921	15 6	20 6	20 6
Kumergode	Peirce Leslie & Co. Ltd. 7 1/2% Debentures		3		554		22	10-57	277	88	25	20	20
Kurchimala	Ipe Oommen & Co. Private Ltd. 6 1/2% Cum Pref.	1.69	61		3.27	72	14	3-57	1.34	78	7 1/2 6 1/2	6 1/2 6 1/2	7 1/2 6 1/2
Malabar Agricultural Co.	Vimsons Ltd. 6% C. P. 5% Debentures	3.65			7.37	1.75		12-55	1.39	2.88	10 6	7 1/2 6	5 6
Malabar Industrial	Mg. Director			3.09	5.60	38		2-56	2.22				
Malankara	Johnson's Estates & Agencies			6.86	11.16	60	46	3-56	5.95	3.89	25 32 1/2	20 20	30 22 1/2
Manar	Vasanthi & Co.	88			55	1.56	14	3-56	1.23	45	15	15	15
Mercara	Associated Planters Private 6% Preference			195	304	147	6	6-57	62	117	15 6	22 1/2 6	15 6
Midland	A. V. Thomas & Co. Ltd. 6% C. P.	12.47		11.30	38.28	2.69	60	3-56	12.52	21.88	20 6	25 6	17 1/2 6

*Ordinance in lbs.

10Cawbe in lbs.

(a) Arrears of Preference dividend from 1-8-1947 to 31-3-1956 at the rate of Rs. 5.58 per preference share amounting to Rs. 2,14,000, will be paid by the issue of one new preference share for every two preference shares already held, and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	REVENUE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1958 Rs. np.	April 1957 Rs. np.			General	Others	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Alageswar	2 65	3 25	2	600	5.25	...	26	5.90	13.39	3.25	51	2.59	3.03	95	...
Amalgamated Office	10 85	11 75	10	450	...	8	49	4.11	12.85	1.11	...	5.77	41	1	...
6% C. P.	6 75cd	8 00	10	400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	500 00	500 80	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	15 40cd	20 50	10	250	...	35	28	1.36	6.31	26	72	1.18	1	24	...
7% C. P.	9 90	10 12	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	101 00	101 00	100	123	...	...	...	...	...	...	...	...	...	...	...
Anapara	4 85	4 40	2	906	530	...	50	1,617	1,668	151	259	1,411	477	24	...
6% Debentures	97 00	97 50	100	384	...	...	...	...	...	...	...	...	...	...	...
Arthala	4 00	4 00	5	300	11	1,20	44	8.55	7.70	98	6.03	1.06	1.34	16	...
6% C. P.	9 20	9 20	10	200	...	...	...	...	...	...	...	...	...	...	...
Azhimettam	1 28	1 12	2	325	...	50	3	55	3.70	17	...	5	49	27	...
Bababuddin	12 00	11 00	5	200	1.75	1.00	9	92	5.56	46	...	2.15	5	1.47	...
6% C. P.	8 56	9 16	10	900	...	...	...	...	...	...	...	...	...	...	...
Badra	3 75	3 37	2	425	1.50	1.02	63	2.45	6.91	47	12	2.93	16	1.70	...
7 1/2% C. P.	10 12	10 25	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	16 06	19 25	10	1,099	3.76	1.60	18	9.35	14.97	2.28	21	4.07	1.98	5.35	...
7 1/2% C. P.	10 25	10 25	10	250	...	...	...	...	...	...	...	...	...	...	...
Balmadies	3 35	3 35	2	300	75	85	23	93	3.92	31	24	10	1.67	89	...
6% C. P.	9 00	9 75	10	75	...	...	...	...	...	...	...	...	...	...	...
Be Be	3 40	4 38	5	866	...	2.87	2	2.34	12.66	...	4.56	51	44	2	...
6 1/2% C. P. T.	3 13	3 34	5	143	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R. C. P. T.	6 64	7 06	10	286	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	3 06	3 67	2	5,250	5.00	10.00	89	16.95	68.42	9.73	11	5.07	13.78	7.68	...
Chandramala	3 20	3 75	2	556	6.00	80	30	2.38	11.37	1.88	52	1.93	1.29	1.65	...
Chembra Peak	3 65	3 87	2	933	12.00	...	50	7.47	22.50	6.54	1	8.95	35	4.14	...
Cochin Malabar	4 97	7 50	3	1,794	24.50	...	72	16.00	52.61	5.60	...	11.09	1.26	93	...
7% C. P.	50 00	58 08	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	54 90	25 15	10	1,860	16.00	5.50	1.87	18.87	36.05	7.12	56	24.14	13.02	6.97	...
5% C. P.	82 50	88 00	100	1,041	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	800	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	24 75	22 05	10	755	36.25	9.63	1.12	41.96	116.23	25.14	13.11	53.79	15.20	15.81	...
6% C. P.	23 75	27 78	28	1,073	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	500	1,000	...	...	...	...	...	...	...	...	...	...	...
Cannoor Tea	21 25cd	23 75	10	378	3.10	1.35	7	4.71	20.59	91	3	2.06	50	28	...
6% C. P.	101 00	106 87	100	150	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	11 00	12 00	5	400	1.00	4.25	1.02	2.32	7.84	1.43	11	1.81	3.40	3.37	...
6 1/2% R. P.	4 12	4 81	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	13 50	17 25	10	400	1.00	5.16	7	4.26	3.58	51	...	2.05	4.59	24	...
7 1/2% C. P. P.	10 55	13 00	10	100	...	...	...	...	...	...	...	...	...	...	...
Cow Coody	9 75cd	8 15	2	255	2.50	...	75	1.97	1.51	35	1.49	2.88	14	2.08	...
Devashola	18 40	20 25	10	600	3.75	1.41	12	4.15	10.41	2.16	106	93	17	4.75	...
Devon	17 25	17 37	10	448	2.52	1.05	49	2.63	8.93	1.57	10	2.02	1.21	2.49	...
7 1/2% C. P	96 50	102 50	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	6 85	7 25	2 1/2	175	1.75	1.65	62	92	3.35	49	1.00	78	19	1.87	...
Gokul Rubber	1 50xd	1 75	2	450	20	...	1	1.04	3.23	11	1.30	25	15	92	...
Haileyburia	18 30	22 50	10	1,250	8.50	9.00	37	14.40	31.56	4.96	4	14.81	1.65	6.46	...
8% C. P.	66 00	80 08	100	250	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	1000 00	1000 80	1000	230	...	...	...	...	...	...	...	...	...	...	...
Highland	13 45	14 25	10	1,800	4.81	5.15	47	8.45	25.80	4.94	2.61	4.25	1.85	10.30	...
6% C. P.	9 27	9 62	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 85	3 00	2	120	17	...	4	51	1.42	2	...	62	3	37	...
6 1/2% C. P.	7 16	7 81	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalad	4 20	4 94	2	600	6.00	...	30	3.24	12.44	46	...	2.08	10	1.38	...
Kalasa	15 50	13 90	9	540	5.60	56	73	3.18	11.74	1.10	41	2.08	65	4.57	...
7% Debentures	502 50	515 00	...	300	...	...	...	...	...	...	...	...	...	...	...
Kalpetta	23 50	24 00	10	400	9.53	1.41	5	4.65	18.32	2.21	...	2.57	46	25	...
Karikode Rubber	10 35	14 19	10	200	...	1.27	7	1.38	5.07	25	23	87	6	1.32	...
5% Cum. Pref.	8 30	9 19	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	100 00	100 00	...	100	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	5 97xd	5 95	2	859	1,125	248	31	739	2,833	369	25	473	107	183	...
6% C. P	9 57	9 87	10	250	...	...	...	...	...	...	...	...	...	...	...
Kumergode	8 40	6 70	2	200	250	90	46	215	758	82	...	206	4	115	10
7 1/2% Debentures	502 50	500 00	500	210	...	...	...	...	...	...	...	...	...	...	...
Kurchimala	6 30	8 00	10	345	...	3.20	3	2.05	9.25	59	1	9	1.01	26	...
6 1/2% Cum Pref.	7 75	8 37	10	130	...	...	...	...	...	...	...	...	...	...	...
Malabar Agricultural Co.	8 75	11 00	10	500	1.80	1.00	1	5.20	16.88	1.41	2	2.36	1.13	2	...
6% C. P.	16 56	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	15 50	21 50	10	450	61	1.96	4	4.84	6.05	17	56	73	1.80	2.98	...
Malankara	16 25	29 50	10	900	4.75	2.89	...	6.63	19.20	2.78	...	1.18	2	5.64	...
Manar	2 70	3 12	2	350	40	37	41	1.42	3.27	12	...	1.03	95	97	...
Mercara Rubber	6 60	8 25	5	325	250	...	4	1.67	7.28	4	...	184	61	27	...
6% Preference	8 31	8 91	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	16 25	16 75xd	10	2,700	16.60	14.51	1.07	15.47	77.71	8.84	3.47	7.18	2.81	9.52	...
6% C. P.	7 82	9 25	10	1,720	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIA*

NAME	Managing Agents Agents/Secretariat	CROP HARVESTED			Sales Rs. 000	Stock Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs.	Coffee 000 Cuts	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest Rs. 000	Previous Rs. 000	2nd Previous Rs. 000
Miamallay ...	Directors 7½% C. P.	4.02	...	...	7.36	89	...	3-57	2.26	2.38	18	25	75
Mysore Coffee ...	Pavan & Co. 7% Debentures	...	...	...	3.58	...	12	6-55	42	1.20	7½	7½	7½
Mysore Plantations ...	Mg. Director 6% C. P.	1.29	...	...	3.37	1.51	...	3-56	1.18	1.49	6	7½	6
Neelamalai ...	A. V. Thomas & Co. 5% C. P.	12.65	...	...	28.55	9.23	89	6-55	13.30	19.58	17½	17½	12
Nellikampathy ...	A. V. Thomas & Co. Ltd. 6% C. P.	7.60	...	75	16.07	2.28	48	6-56	3.63	8.96	10	5	12½
Nellikethanam ...	Directors 7% C. P.	22½	5*	67	...	...	...	3-52	57	65	76½	7½	6½
Nemmeny ...	A. V. George & Co. 7% C. P.	...	...	4.66	5.70	2.30	22	12-52	1.69	2.21	6½	7	6½
New Glen Morgan Nilambur ...	6% Debentures Ramu & Co. Private Associated Planters (Private) 6% C. P. Debentures	4.15	...	1.64	5.86 3.19	78 63	23 9	12-55 12-55	94 86	2.21 83	nil 15	nil 10	nil 10
Nilgiri Tea ...	A. V. George & Co. 6½% C. P.	3.45	...	...	7.87	1.29	12	3-53	1.49	2.58	12½	15	15
Nonsuch Tea ...	6% Debentures Harrisons & Crosfield	8.20	...	...	16.90	...	...	6-53	7.38	7.85	33	35	49½
Ouchterlony ...	Peirce Leslie & Co.	9.30	6	...	36.94	7.19	50	10-56	(b)3.62	10.07	10	20	30
Panchura Parkside Peermade ...	Directors Math. Bosanquet & Co. Aspinwall & Co (Trav.) Ltd. 6% C. P.	2.05 5.61 18.88	6†	...	16.07 32.68	2.28	48 37	6-56 12-56	1.13 6.00 11.77	1.08 6.27 9.89	30 15 37½	40 25 35	30 25 55
Peninsular Periakaramalai ...	Directors Peirce Leslie & Co. Ltd.	41.27	31*	2.26	5.66 94.65	2.97 8.55	2.68	2-56 3-57	3.55 33.42	2.16 40.11	6 35	6 45	6 45
Periyar & Parakkanni ...	E. I. Agencies Private Ltd. 7½% R. C. P. 6½% Debentures	...	...	3.23	5.11	1.46	15	12-56	1.64	...	12	...	...
Pullangode ...	Aspinwall & Co. Ltd. 6% C. P.	...	...	6.12	9.53	1.32	16	3-57	3.23	3.49	5	15	17½
Puthuthottam ...	Ruby & Co. Private	1.77	...	13*	15.35	...	72	3-56	6.86	7.62	10	15	10
Rajagiri ...	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	13.70	21.01	1.39	1.11	6-56	10.20	8.88	25	20	17½
Rajendra Coffee ...	Associated Planters Private 6% Cum. Prof. 5½% Redem. Cum. Prof. 6% Debentures	...	2	...	3.56	2.37	13	3-57	1.21	1.40	25	20	15
Savimalai Shevaroy Stanes Amalgamated ...	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd. T. Stanes & Co. Ltd. 5½% Debentures	...	2	...	7.26 1.17 8.64	56 8.36 1.29	6 28 57	11-56 6-56 6-56	1.37 3.27 4.99	1.19 1.20 3.98	5½ 10 13½	5½ 7½ 18½	5½ 25 15
Talayor Tea ...	Parkins (Private) Ltd. 6% C. P.	8.88	...	...	14.48	4.67	48	3-56	4.56	7.36	12½	16½	12½
Talayor ...	East India Agencies Private 6% C. P.	...	...	...	5.32	97	16	3-57	1.72	2.30	6	9	6
Thamarapally ...	5½% Debentures A. V. George & Co. 6½% C. P.	...	...	2.29	2.14	1.14	18	12-52	1.39	1.41	25	15	6½
Thirumbadi ...	Peirce Leslie & Co. 7½% Debentures	...	...	...	8.14	11.10	1.86	9-56	3.63	1.79	12½	12½	10
Trevancore Rubber Trav. Rubber & Tea ...	Directors Aspinwall & Co. (Trav.) 6% C. P.	8.90	...	10.32	34.92	6.29	40	12-54 12-56	2.69 8.09	2.60 14.16	20 7½	20 12½	20 15
Tropical Plantations Twiyford ...	Directors Parkins Private Ltd.	4.57 9.70	...	6.42	17.93 14.44	2.40 6.59	...	12-56 12-55	5.48 2.90	5.46 9.83	12 20	16 25	20 15
Udayagiri ...	A. V. George & Co. 7% C. P.	...	...	1.56	2.87	62	3	12-52	—7	64	nil	nil	7
United Nilgiri ...	6½% Debentures T. Stanes & Co.	12.95	...	...	27.73	2.40	91	3-56	10.88	13.90	20	35	23
Vaidhnam Vayitri ...	Harrisons & Crosfield Young India Agencies Private 5½% Debentures	63	...	4.14	5.87 1.60	1.32 9	11 10	12-52 3-56	2.87 53	2.89 1.05	20 9	20 9	12½ 6
Vakimalai ...	Ooppoottil Kurien & Co. (Pri.) 7% C. P. 6% Debenture	48	...	4.55	6.80	1.12	29	2-57	2.41	2.62	12½	15	10
Waterfall ...	Kothari Mehta & Co. Private 6% R. C. P.	9.60	...	...	49.01	2.01	20	6-57	21.46	10.09	12½	15	20
Woodcote ...	Goodall & Co. 6½% C. P.	88	...	...	1.79	15	8	6-57	30	18	9	6	12
Woodlands ...	6% Debenture Directors 6½% C. P.	48	...	2.89	7.69	1.54	...	3-57	2.73	66	10	12½	20
	6% Debentures	...	...	...	...	...	...	...	...	...	6½	15	6½

*Bambala.

*Cardamom (in lbs.).
(b) After transferring Rs 1,94,598 from General Reserve and writing back Rs 60,000 being surplus provision in previous years.
(c) After writing back Rs 100,000 being estimated surplus provision of previous years.

PLANTINGS—(Contd.)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreci- ation	LIQUID ASSETS				
	April 1958 Rs. np.	April 1957 Rs. np.			General	Other	Carry- forward				Invest- ments	Stocks & Stores	Out- Standings	Cash	Others
Miamallay 7½% C. P. Mysore Coffee 7% Debentures Mysore Plantations 6% C. P.	32 00 25 87 3 12 1 73 7 85	45 50 27 75 2 90 2 00 7 91	25 25 2 2 10	300 300 600 500 250	1.44 75 95 40 ...	4 54 3 3 ...	2.32 1.99 2.44 9.26 ...	6.77 7.81 9.26 1.15 ...	2.05 43 1.15 ...	77 ...	1.06 1.80 1.70 ...	73 6 1.42 ...	2.52 5 8 ...	...	
Neelamalai 5% C. P. Nellikampathy 6% C. P. Nellikethanam 7% C. P. Nonmeny 7% C. P. 6% Debentures New Glen Morgan Nilambur 6% C. P. Debentures	4 84 6 80 3 08 8 85 11 25 15 75 9 60 495 00 12 85 8 06 98 00	5 90 7 42 3 00 9 45 13 00 20 50 10 08 502 50 16 50 8 66 100 00	5 10 2 10 10 10 10 500 2 10 10 ...	3,600 1,800 1,200 450 190 335 300 400 650 200 200 100	6.75 2.30 2.30 ...	12.70 2.30 ...	47 5 19 31 ...	17.61 23.43 4.42 3.09 13.49 3.18 11.68 5.24 ...	9.71 4.22 11 1.12 1.30 51 ...	1.48 ...	9.74 4.19 24 2.61 ...	5.07 1.74 50 21 ...	23.31 4.71 54 6 ...	...	
Nilgiri Tea 6½% C. P. 6% Debentures Nonsuch Tea	8 75 4 30 495 00 21 50xd	9 00 5 06 496 25 22 50	10 5 500 10	563 280 500 1650	1.50 ...	1.50 ...	13 ...	2.14 ...	15.16 ...	1.96 ...	1 ...	1.86 ...	71 ...	2.90 ...	
Ouchterlony Panchura Parkside Peermade 6% C. P. Peninsular Periakaramalai Periyar & Pracekann 7½% R. C. P. 6½% Debenture	4 87xd 3 20 17 12cd 22 35cd 93 50 19 00 4 14	4 95 4 25 15 40 26 00 101 00 28 00 7 30	2 1 10 10 100 10 2 5 100 ...	1,946 150 1,354 1,700 150 600 3,477 500 203 ...	17.05 1.50 3.50 ...	5.00 ...	-76 23 1.16 1.55 ...	9.03 1.12 6.73 18.45 ...	43.87 2.09 27.87 32.68 ...	14.24 12 2.43 10.68 ...	3.49 1.03 4.95 10.56 ...	10.06 84 4.95 2.50 ...	78 11 43 2.50 ...	5.82 40 5.93 1.33 ...	
Pullangode 6% C. P. Puthuthottam	1 90 8 65 2 90	2 20 9 25 3 70	2 10 2	1,650 150 2,100	2.00 9.50	27 3.50	89 65	3.85 9.65	18.91 29.98	3.80 1.80	2.02 1.94	2.08 9.62	35 1.47	5.47 3.89	...
Rajagiri 6% C. P. Rajendra Coffee 6% Cum. Prof. 5½% Redem. Cum. Prof. 6% Debentures	15 00 7 50 10 25 8 46 7 32 1000 0	18 75 9 25 11 37 9 06 7 87 1000 00	10 10 5 10 10 1000	1,350 2,260 200 100 100 100	3.00 1.35 ...	6.90 47 ...	8 31 ...	9.93 3.40 ...	42.16 4.84 ...	3.72 27 ...	10 1.00 ...	2.12 2.13 ...	1.17 2.64 ...	14.18 18 ...	
Savamalai Shevaroy Stanes Amalgamated 5½% Debentures	4 42 2 13 14 30 475 00	...	2 10 10 500	367 1,350 900 200	3.00 1.70 12.00 ...	50 2.00 9.25 ...	47 5 25 ...	1.20 3.63 6.25 ...	3.68 9.80 23.66 ...	78 75 5.01 ...	4 3.22 3.21 ...	96 5.11 3.89 ...	14 1.65 1.62 ...	70 1.84 1.37 ...	
Talayor Tea 6% C. P. Teekoy 6% C. P. 5½% Debentures Thamarapally 6½% C. P. Thirumbadi 7½% Debenture Trevancore Rubber T. R. T. & Co. 6% C. P. Tropical Plantations Twiyford	9 10 7 90xd 6 40 2 95 100 00 4 75cd 1 68 495 00 14 80cd 7 15 7 70 24 00cd 13 25	10 55 9 75 9 00 9 14 100 00 4 75 1 85 500 00 18 75 9 10 9 12 30 40 17 60	10 10 10 10 100 10 1 500 10 10 10 25 10	1,250 750 1,000 600 174 150 915 500 600 4,100 1,600 2,000 900	6.50 26 2.76 ...	6.75 10 ...	25 ...	6.67 3.95 ...	29.40 22.44 ...	2.35 1.59 ...	2 11 ...	7.99 1.13 ...	3.09 29 ...	3.03 2.34 ...	
Udayagiri 7% C. P. 6½% Debentures United Nilgiri	11 75 11 00 ...	16 25 11 19 ...	10 10 500	220 80 300	40 ...	2.95 ...	20 ...	87 ...	7.71 ...	9 ...	97 ...	58 ...	1.25 ...	...	
Vaikundam Vayitri 5½% Debentures Velimalai 7% C. P. 6% Debentures	20 00 1 50 ...	30 50 1 86 ...	2 100 5	629 400 600	1.52 75 ...	1.19 30 ...	33 20 ...	2.40 73 ...	23.46 5.29 5.01 16.73 ...	11 44 61 ...	2 ...	1.42 16 1.41 ...	9 48 1.18 ...	3.25 47 1.33 ...	
Waterfalls 6% C. P.	3 17 8 75	4 12 9 62	2 10	3,150 500	15.00 ...	8 00 ...	1.09 ...	25.46 ...	53.40 ...	5.24 ...	8.54 ...	5.71 ...	15.54 ...	8.09 ...	
Woodcote 6½% C. P. 6% Debentures Woodlands 6½% C. P. 6% Debentures	1 56 3 79 500 00 7 80 8 80 582 50	1 17 4 12 500 00 9 50 9 45 502 50	1 5 100 10 10 ...	100 60 50 695 232 ...	...	53 ...	17 ...	58 ...	3.51 ...	82 ...	5 ...	15 ...	21 ...	2 ...	

ENGINEERING COMPANIES

NAME	Managing Agents/ Agents/Secretaries	Year Ended	Net Profit		Dividend %			MARKET QUOTATION AS ON LAST DAY OF		Paid-up per Share	RESERVES INCLUDING LATEST ALLOCATION				LIQUID ASSETS							
			Latest Rs. 000	Previous Period Rs. 000	Latest	Previous	Record Previous	April 1958	April 1957		Re. p. April 1957	Reactive Rs. 000	Other Rs. 000	Carry forward Rs. 000	Sundry Liabilities Rs. 000	Cross Block Rs. 000	Depreciation Rs. 000	Investments Rs. 000	Stocks and Bonds Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Other Rs. 000
CALCULATION																						
Arthur Butler	N. Bihar Trading Co. ... 7% C.P. 5% Debentures K.C. Thapar & Brothers Deferred	10-54	-3.45	-1.71	nil	nil	nil	7	7 00 7 25	8 0 8 31	10 10 10 9000	4.00	15	-4.73	12.78	9.57	6	11.99	4.68	-5	6.29	82
Banker Engineering	Bharat Co. Ltd. Directors Bharat Co. Ltd. B																					

GILTDEDGED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-4-58
GOVERNMENT OF INDIA LOANS					
Rupee Loans					
NON-TERMINABLE LOANS					
8.93 34	1896-97	3 Months notice	30-6/31-12	71 25	
TERMINABLE LOANS					
57,09,69,000	2 1/2	1946	1961	1-2/1-8	95-12
45,63,07,000	2 1/2	1946	1960	15-1/15-7	97-35
75,86,72,000	2 1/2	1947-48	1962	15-5/15-11	95-40
14,77,48,000	2 1/2	1946	1976	16-3/16-9	83-05
15,22,64,900	3	1951	1958	16-2/16-8	99-75
113,65,64,900	3	1945	1959-61	15-2/15-8	99-20
116,17,48,000	3	1938	1963-65	1-6/1-12	95-25
30,33,10,000	3	1950	1964	15-6/15-12	94-90
110,11,78,000	3	1943	1966-68	1-4/1-10	92-70
115,65,85,000	3	1945	1970-75	15-4/15-10	86-60
248,91,37,000	3	1946	1986	16-3/16	71-20
57,27,36,000	3 1/2	1956	1962	16-1/16-7	97-53
75,29,00,000	4	1953	1961	1-6/1-1	98-25
158,17,90,000	3 1/2	1954	1964	19-4/19-10	97-80
103,67,92,000	3 1/2	1955	1965	1-1/1-7	97-65
33,81,83,000	3 1/2	1956	1967	16-1/16-7	98-25
66,63,34,000	3 1/2	1956	1974	16-1/16-7	99-75
56,86,08,000	3 1/2	1957	1967	1-2/1-8	100-25
49,16,87,000	4	1957	1972	1-2/1-8	101-44
63,30,26,000	4	1926	1960-70	15-3/15-9	101-44
RUPEE COUNTERPARTS					
5.85 73 000	4 1/2	1928	1958-68	1-6/1-12	100-55
STATE GOVERNMENT LOANS					
WEST BENGAL					
1,75,00,000	3 1/2	1951	1962	17-3/17-9	98-05
3,60,23,300	4	1953	1963	15-1/15-7	99-25
2,00,00,000	4	1952	1964	1-2/1-8	99-25
7,00,00,000	4	1955	1967	1-3/1-9	98-25
7,00,00,000	4	1956	1968	3-3/3-9	98-06
BOMBAY					
3,06,65,500	3	1944	1958	15-2/15-8	99-20
2,92,30,300	3	1950	1960	31-1-31-7	97-75
5,63,12,200	3	1949	1962	1-2/1-8	94-00
2,97,84,300	3 1/2	1951	1962	17-9/17-3	98-10
5,50,35,400	4	1953	1963	15-1/15-7	99-45
3,61,30,900	4	1952	1964	1-2/1-8	99-10
9,00,00,000	4	1955	1967	1-3/1-9	98-35
7,50,00,000	4 1/2	1956	1970	3-3/3-9	98-10
MADHYA PRADESH					
5,32,69,800	3	1944	1958	15-2/15-8	99-25
1,01,44,700	3	1950	1960	31-1-31-7	96-75
2,01,28,800	3	1948	1964	1-3/1-9	93-00
1,02,18,100	3 1/2	1951	1962	17-3/17-9	97-75
1,02,18,100	4	1953	1963	15-1/15-7	98-40
1,50,00,000	4	1955	1967	1-3/1-9	97-70
1,50,00,000	4	1956	1968	3-3/3-9	97-62
UTTAR PRADESH					
2,20,93,600	2 1/2	1946	1961-66	1-3/1-9	94-00
3,02,24,500	3	1944	1958	15-2/15-8	99-25
1,27,89,700	3	1945	1960	14-3/14-9	97-25
1,27,42,600	3	1936	1961-66	15-3/15-9	90-75
1,94,11,700	3 1/2	1951	1962	17-3/17-9	97-75
5,65,15,500	4	1953	1963	15-1/15-7	98-65
6,11,45,200	4	1952	1964	1-2/1-8	98-65
8,00,00,000	4	1956	1967	1-3/1-9	97-85
5,00,00,000	4	1956	1968	3-3/3-9	97-85
MADRAS					
3,81,77,200	2 1/2	1946	1961	1-3/1-9	94-50
1,07,95,000	3	1944	1958	15-2/15-8	99-45
1,25,95,600	3	1939	1959	21-6/21-12	98-60
2,78,44,000	3	1945	1960	14-3/14-9	97-30
4,38,25,400	3	1950	1960	31-1-31-7	97-56
3,01,49,000	3 1/2	1951	1962	17-3/17-9	97-50
1,03,309,100	4	1953	1963	15-1/15-7	99-25
5,24,81,200	4	1952	1964	1-2/1-8	99-25
7,00,00,000	4	1955	1967	1-3/1-9	97-90
12,50,00,000	4	1956	1968	3-3/3-9	97-90

Month-end Quotations

of companies not included
in Tabulated Balance-sheetsApril
1958

CALCUTTA STOCK EXCHANGE

Preference.

BANKS:
Allahabad 6% ... 100 105.50
Behar 5% ... 50 19.75COTTON:
Jiyajerao 5 1/2% ... 100 92.00
J. K. Cotton 6% ... 100 90.00
Shreenivas 4% ... 100 85.00CEMENT:
Jaipur Udyog 3% ... 100 40.00CHEMICALS:
Lister Antiseptics 6% ... 100 13.00ELECTRICS:
Kurseong 6% ... 100 90.00*MISCELLANEOUS:
Amalgam Develop. 5% ... 100 49.25
Bharat Veg. 5% ... 100 30.00 NCalcutta Cr. Corp. 6% ... 100 50.00
Calcutta Cr. Corp. 5 1/2% ... 100 40.00
Calcutta Silk 6% ... 100 40.00
Calcutta Tanneries 5% ... 100 40.00Calcutta Trams 5% ... 100 7.14
Calcutta Trams 5% ... 100 50.00
Electric Consn. 5% ... 100 49.00
Greaves Cotton 5% ... 100 40.00Hall & Anderson 4 1/2% ... 100 49.50
Hindustan National Glass 4% ... 100 51.50
Indian Plastics 5 1/2% ... 100 33.25
Osler Elec. Lamps 4 1/2% ... 100 54.50R. B. Rodda 5 1/2% ... 100 8.61
Sodepore Glass 5% ... 100 9.87
Spencer 'A' 6 1/2% ... 100 22.00
Spencer 'B' 8 1/2% ... 100 22.00
Union Tobacco 5% ... 100 22.00N. I. Oil ... 100 40.00
PAPER:
Simpur 5% ... 100 61.00REAL PROPERTY:
Humayan 6% ... 10 7.81
Regent 5% ... 100 32.50SUGAR:
Indian Turpentine 'A' ... 100 75.00
Jaswant 5 1/2% ... 100 60.00
See Hanuman 5% ... 100 60.00Ordinary.
BANKS:
Allahabad ... 100 387.00
Allahabad ... 50 180.00
Bikaner ... 25 23.75
Behar ... 100 30.00
India ... 50 126.00
Central 'A' ... 25 51.00
Central 'A' ... 25 49.00
Hind. ... 50 54.00
Hindustan Comm. ... 50 9.25
Hindustan Mercantile ... 50 13.37
Punjab National ... 25 51.87xd
United 'A' ... 25 7.77xd
United 'B' ... 20 7.77xd
United 'C' ... 20 4.14xd
United 'D' ... 10 59.50
United Comm. ... 50 59.50RAILWAYS:
Ahmednagar-Katwa ... 100 50.00
Arrah-Susaram ... 100 52.00
Bankura-Damodar ... 100 40.00
Baraet-Basirhat ... 100 8.00
Burdwan-Outwa ... 100 50.00
Buxitarpur-Bihar ... 100 9.25
Chhapra-Mukh-Silghat ... 100 39.00
Dedra-Rohtas ... 10 10.75
Furwah-Shalpur ... 100 38.40
Howrah-Amta ... 100 57.99
Howrah-Shukhala ... 100 57.79
Katakhal-Lalabazar ... 100 65.00
Shahdara (Delhi) ... 100 106.63COAL:
Jagaldaga ... 10 2.50
Khas Shampora ... 10 1.06
Singeran Synd. 'A' ... 24 0.81
Singeran Synd. 'B' ... 24 0.50COTTON:
Century ... 100 369.00*
Jiyajerao ... 10 5.85
J. K. Cotton ... 100 100.00
Kodala ... 10 15.12
Rampur ... 1 4.66
Shreenivas ... 100 165.00
Shree Bhawan ... 10 10.00MINING:
Assam Sillimanite ... 10 10.18
Burma Mines ... 4sh 1.45
Consolidated Tin ... 2sh 0.65
Tavoy Tin ... 2sh 0.45

CEMENT:

Jaipur Udyog. ... 10 11.84

CHEMICALS:
Indian Staroh ... 10 5.81N
Lister Antiseptics ... 100 4.87ELECTRICS:
Amalgamated ... 10 8.83
Dharwar ... 60 30.00N
Eastern U.P. ... 10 7.00N
Kurseong ... 10 2.19ENGINEERING:
Guest Keen ... 10 30.87INSURANCE:
Concord of India ... 5 11.94
General Assurance ... 25 15.00
Hercules ... 10 20.25
India Trade ... 40 24.00
National ... 100 344.00
New Asiatic ... 5 3.50
Baby General ... 8 6.75
Standard General ... 10 3.50
Triton ... 25 121.00MISCELLANEOUS:
Amrutnjan 7 1/2% ... 10 127.50
Aspinwall & Co. 5% ... 10 9.40
Dalmia Cement 6 to 9% ... 100 81.00
Dalmia Cement 5 to 6% ... 100 30.50
Dalmia Cement 6 to 9% ... 100 10.00
Enfield 6% ... 100 100.00
Orissa Cement 4 1/2% ... 100 95.50
Parry 5% ... 10 7.50
Rallis 6% ... 10 54.00
Rubb Rubber 6 1/2% ... 10 9.75
Sen Raleigh 5% ... 100 71.00
T. Stanes 7% ... 100 93.00
Vanguard Fire 6 1/2% ... 10 9.28
W. I. Plywoods 6% ... 10 94.00MISCELLANEOUS:
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W. I. Plywoods 6% ... 10 94.00

Registered No. { C1646 (Calcutta)
B6490 (Bombay)

Indian Finance

New Great ...	20	19.00	Shubhlaxmi ...	100	125.00 N	Andhra B ...	10	11.84	Gujarat Investment ...	50	25.00
New India ...	15	43.75	Swadeshi (Kanpur) ...	10	12.00 N	Ashoka ...	10	7.80	Gujarat Safe ...	75	120.00
Orient ...	200	4000.00	Swadeshi (Kanpur) P.O. ...	10	10.40 N	Bagalkot ...	10	8.36	Gwallior Rayon ...	10	11.96
Sentinel ...	50	50.00 N	Western India ...	1000	4525.00	Dalmia ...	10	10.08	Harvey & Sabapathy ...	500	415.00
Universal ...	10	13.25	ELECTRIC:			Jajpur Udyog ...	10	12.00	Hindustan Motors ...	10	6.84
Vulcan ...	10	17.00	Bassein ...	10	8.50 N	Orissa ...	10	12.32	Hingir Rampur Coal ...	50	30.75
TEXTILES:			South Madras ...	10	10.85	STEEL:			Indian Dyestuff ...	100	96.00
Adoni ...	10	10.40	PLANTATIONS:			Indian Iron ...	10	21.92	Indian Copper ...	2sh	3.12
Berar ...	200	60.80	Blue Mountain ...	2	3.18	MISCELLANEOUS:			Indian Tool ...	100	125.00 N
Bhawani ...	10	10.00 N	Halleyburia ...	10	18.40	Amar Dye ...	100	90.00	Man. Indus'l. Corp'n. ...	100	107.50
Bradbury ...	50	150.00	Highland ...	10	11.72	Bombay Cycle ...	20	20.00	Motor & Genl. Fine ...	10	40.00 N
Colaba ...	100	39.00	Kalpetta ...	10	19.75	Bombay Silk ...	50	5.00	New Central Jute ...	10	13.76
Davangere ...	100	112.00	Midland ...	10	14.52	Br. Burma Petrol ...	3sh	2.02	N. I. Fisheries ...	100	101.00
Hukumchand ...	100	105.00 N	Nellampathy ...	2	2.60	Br. India Corp'n. ...	5	3.90	Orient Paper ...	10	30.00
Indian Mfg. ...	1000	4900.00	Rajagiri ...	10	14.86	Brunton Eng. ...	10	5.00	Poly Chem. ...	50	50.00
Jam Shri Ranjit ...	1000	1450.00	Twyford ...	10	2.40	C. I. Coal ...	10	6.36	Rohas Industries ...	10	16.92
Jyajeero ...	10	9.60	Waterfall ...	2	3.38	C. I. Machinery (old) ...	10	10.00 N	Sardar Carbonic ...	100	312.50
Khandesh ...	1000	2000.00	SUGAR:			C. I. Machinery (new) ...	10	10.00 N	Sen Raleigh ...	10	12.12
Khandesh ...	250	500.00	Cauvery ...	100	87.00 N	C. P. Railway ...	100	54.80	Sirpur Paper ...	10	10.24
Kothari ...	10	14.75	Kesar ...	40	52.00	Chemo. Pharma (old) ...	25	25.00 N	Standard Batteries ...	100	105.00 N
Kothari (new) ...	10	12.00 N	Krishna Gyanoday ...	10	10.04	Chemo. Pharma (new) ...	25	25.00 N	Structural Eng. ...	100	201.00
Madhusudan A ...	100	97.50	Maharashtra ...	250	830.00	Commerce (1935) ...	10	25.00 N	Surat City Press ...	200	205.00
Madhusudan B ...	20	20.00 N	New Swadeshi ...	100	200.00	Dehri Rohas ...	10	10.80	Texmaco ...	10	18.28
Mahendra ...	100	100.00	Oudh ...	100	130.00	Dena Investment ...	25	11.52	Thacker ...	50	44.00
Mahendra New ...	100	100.00 N	S. Behar ...	10	1.00 N	Delhi Safe ...	10	10.00 N	Tractors (India) ...	50	15.00
Manendra ...	40	40.00 N	Vishnu ...	100	235.00	Dharang Chem. (new) ...	100	86.00	United Motors ...	20	19.00
Phoenix ...	100	125.50	CEMENT:			Digvijay Tiles ...	100	60.00	W. Coast Paper ...	100	70.50
Pulgaon ...	10	10.00	A. C. C. (new) ...	100	146.00	Ferro Alloys ...	100	100.00	W. B. Coal ...	10	5.40 N
Raja Motilal ...	100	63.00							W. I. Veg. ...	100	90.00
Ruby ...	25	30.25							Zandu Pharmacy ...	100	109.00

Calcutta Stock Exchange

	2nd	3rd	7th	8th	9th	10th	11th	15th	16th	17th	18th	22nd	23rd	24th	25th	28th	29th	30th
Elgin	...	...	...	...	...	...	12.50	...	...	...	...	...	...	...	...	...	...	...
Bengal Coal	223.00	221.00	221.00	...	...	...	...	215.00	219.00	219.00	...	...	23.50	24.00	22.00	13.00	228.00	224.00
Burrakur	23.25	22.87	23.25	22.87	23.25	22.87	23.25	22.75	22.75	22.75	22.75	22.75	22.75	22.25	22.25	22.25	22.39	22.00
Howrah	14.25	14.60	14.56	14.50	14.50	...	...	13.69	14.06	...	...	...	13.94	...	...	14.44	15.37	15.31
National	22.50	...	...	...	...	...	22.00	22.30	22.48	23.50	24.25	24.25	24.36	24.00	24.25	24.10	24.00	24.00
Hasimara	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tezpur	...	...	...	...	...	...	16.06	...	...	...	...	...	15.19	...	...	...	...	...
S. K. G.	10.06	...	10.00	9.94	9.87	9.87	...	10.00	...	9.84	9.94	9.87	9.94	9.75	9.87	9.87	...	9.87
Brathwaite	...	25.75	...	...	...	...	...	25.26	25.31	...	...	...	...	...	...	...	...	...
Jessop	21.56	20.75	20.44	20.31	20.37	20.31	20.12	20.25	20.50	20.56	20.75	20.81	...	...	...	...	...	20.37
Indian Iron	21.67	21.54	21.52	21.44	21.33	21.44	21.18	21.48	21.60	21.68	21.96	21.79	21.63	21.93	22.14	21.97	22.08	21.76
TEXMACO	18.35	18.15	18.25	18.25	18.12	18.12	18.10	18.22	18.20	18.28	18.45	18.35	18.20	18.45	18.60	18.30	18.35	18.30
Indian Copper	3.31	3.27	3.25	3.21	3.19	3.18	3.11	3.16	3.20	3.19	3.26	3.25	3.17	3.20	3.22	3.19	3.16	3.15
B. B. Petrol	2.38	2.35	2.28	2.25	2.18	...	2.08	2.10	2.15	2.13	2.15	...	...	...	...	...	...	...
Indian Pulp	...	...	...	...	...	...	...	19.50	...	...	...	19.25	...	18.75	18.81	...	18.87	...
Orient Paper	28.05	28.20	28.85	28.65	28.80	...	...	28.35	28.45	28.50	28.85	28.90	28.80	28.85	30.05	30.05	30.25	30.25
Itaghar	...	...	...	...	...	...	...	35.37	35.69	35.75	36.00	...	34.87	34.75	35.00	...	...	...
B. I. C.	...	3.73	3.68	...	3.62	3.58	...	3.65	...	...	3.58	3.60	...	3.60	3.57	...	3.30	3.45
India Steamship	11.12	11.12	11.22	11.00	11.00	10.94	...	11.00	10.94	...	10.91	10.94	10.88	10.91	11.00	11.00	11.12	11.12
Indian Cable	29.75	29.50	29.37	29.06	29.00	29.31	28.87	29.19	29.62	29.62	29.75	29.50	...	29.62	29.87	30.87	30.31	30.12
Martin Burn	23.94	23.80	23.69	23.94	24.00	24.00	...	...	24.06	...	24.12	24.06	24.00	24.00	24.16	24.06	24.37	24.10
Metal Box	27.25	...	27.81	...	27.75	27.75	...	27.81	27.75	...	...	...	...	27.81	...	...	...	28.12
Dunlop Rubber	24.75	24.75	25.12	24.94	24.81	24.75	24.75	24.69	24.81	24.87	25.06	25.25	25.19	25.37	25.87	24.75	25.00	25.19
Rohas	17.25	17.00	17.37	17.00	17.87	16.94	...	17.00	17.06	17.12	17.12	17.12	17.37	17.00	17.00	17.00	17.00	17.00
Indian Aluminium	12.81	12.87	13.37	13.75	13.62	13.56	...	13.87	13.50	...	13.81	13.75	13.65	13.81	13.81	13.94	13.19	13.18
Hind Motors	7.37	...	...	...	...	...	...	7.06	...	7.00	7.06	6.97	6.94	6.94	...	7.03	7.10	6.94
Hind. Lever	22.8	...	...	21.00	...	...	...	14.25	14.12	14.12	...	14.06	13.75	13.94	...	14.12	...	13.87
Philips	...	...	...	13.75	13.62	13.87	...	5.12	...	5.12	...	5.00	5.00	4.90	5.00	...	5.03	5.00
Sone Valley	...	...	...	...	5.06	5.09	5.06	...	...	...	...	...	...	...	...	...	...	...

Bombay Stock Exchange

	1st	3rd	7th	8th	10th	12th	14th	15th	16th	17th	23rd	24th	25th	26th	28th	29th
Bombay Dyeing	57.00	56.00	56.50	56.40	56.30	56.70	57.00	56.80	56.90	57.40	56.00	56.30	58.10	56.00	55.90	55.80
Central India	95.00	93.00	91.00	...	...	89.50	89.50	89.00	86.00	85.00	85.00	85.00	86.00	85.50	85.00	85.00
Century	442.00	439.50	437.00	436.00	433.50	435.00	436.00	432.00	434.00	436.50	429.30	434.50	438.00	438.50	435.50	434.25
Finlay	284.00	280.00	279.00	278.00	278.00	277.00	276.00	...	276.00	277.00	275.00	275.00	280.00	281.00	281.00	280.00
Kohinoor	289.00	287.00	286.00	285.00	283.00	282.50	283.00	281.50	282.00	279.00	276.50	206.50	206.50	205.75	205.00	204.50
Simplex	160.75	160.00	160.00	158.50	157.50	157.00	156.00	155.00	155.00	154.50	153.50	153.50	153.00	152.50	...	152.00
Standard	449.50	447.00	454.00	453.00	456.00	454.00	449.00	450.00	451.00	451.00	450.00	460.00	470.00	470.00	475.00	477.00
Swadeshi	189.50	186.50	185.00	183.50	181.00	175.50	174.50	173.00	172.00	173.50	171.00	173.25	174.50	174.00	172.75	171.00
Tata Mills	43.00	42.00	42.00	41.50	40.75	38.00	38.25	37.50	37.75	38.25	37.50	37.75	38.00	38.00	37.25	37.00
Bank of Baroda	111.50	111.25	111.50	112.25	112.00	...	111.50	112.00	114.00	113.00	113.50	114.00	114.00	...	115.00	117.00
Central Bank	52.30	52.30	52.50	52.50	53.30	53.50	53.50	53.00	53.30	53.00	53.00	52.80	53.00	53.00	53.30	56.00
Ahmedabad Electric	96.30	97.50	99.00	98.80	98.30	98.30	97.80	97.30	97.30	97.30	94.50	95.00	95.00	94.50	94.50	94.80
Tata Hydro	117.50	118.00	120.00	118.50	119.00	118.50	118.25	...	118.25	118.00	118.00	118.00	...	118.00	...	117.75
New India	44.00	44.50	45.25	44.50	44.75	44.50	43.50	43.25	44.25	44.50	44.50	44.00	44.25	44.00	44.00	44.00
Scindia	17.32	17.20	17.88	17.68	17.60	17.56	17.52	17.64	17.68	17.64	17.54	17.72	17.96	17.96	17.88	17.92
Indian Iron	21.68	21.60	21.60	21.56	21.44	21.56	21.52	21.56	21.64	21.72	21.76	22.00	22.20	22.12	22.04	22.04
Tata Iron	183.00	182.25	183.25	182.75	182.00	183.75	182.75	181.75	183.00	183.00	179.75	184.50	184.75	183.50	183.00	183.00
Belapur	241.50	242.00	243.50	249.00	249.50	248.00	248.00	246.00	...	245.00	245.00	244.00	245.50	246.00	246.00	246.00
Phaltan	142.00	141.00	140.50	142.25	142.25	140.00	140.00	139.50	138.25	139.00	138.00	138.00	139.50	139.50	139.00	139.50
Aloek Ashdown	286.25	283.75	282.50	282.50	280.00	275.00	275.00	271.70	273.00	280.00	283.75	290.00	290.00	293.75	290.00	270.00
B. B. Petrol	2.38	2.32	2.28	2.24	2.16	2.12	2.14	2.12	2.14	2.16	2.10	2.10	2.12	2.10	2.06	2.08
A.C.C.	152.75	152.25	152.75	152.75	152.25	151.25	152.25	151.00	151.50	151.25	154.00	156.75	158.00	156.00	154.50	154.75
Indian Copper	3.34	3.32	3.28	3.24	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.10	3.20	3.16	3.18
Bombay Burma	555.00	552.50	558.50	558.00	554.50	552.00	551.50	545.50	547.00	554.50	567.50	575.00	576.00	574.50	572.00	571.00
Larsen Toubro	14.20	14.24	14.90	15.00	15.12	15.00	15.12	...	15.12	15.12	15.12	15.60	15.68	...	...	...
National Rayon	220.00	223.00	224.50	225.25	227.00	224.00	221.25	219.00	219.75	220.50	224.00	224.25	225.00	...	15.72	15.33
Premier Construction	174.75	177.00	179.50	183.00	183.00	187.27	186.75	186.00	187.50	189.25	193.50	196.00	196.00	194.00	194.50	193.30
Shivrajpur	99.50	99.00	97.00	97.00	96.00	95.00	94.00	93.50	93.50	93.00	93.50	93.50	94.00	93.00	93.00	93.00
Tata Chemical	14.52	14.52	14.52	14.36	14.20	14.28	14.28	14.16	14.20	14.52	14.92	15.28	15.44	15.44	15.24	15.16
TELECO	160.50	159.25	162.50	163.25	162.25	162.00	162.00	163.00	165.50	167.25	167.00	169.00	169.00	168.50	164.00	164.75
TOMCO	40.25	40.25	41.00	40.09	39.56	39.00	39.50	39.50	38.75	39.00	39.00	38.75	39.50	...	38.50	38.50
WIMCO	180.00	177.50	178.00	178.00	179.00	178.00	177.00	176.00	175.25	175.25	175.00	174.00	174.00	...	173.50	173.00

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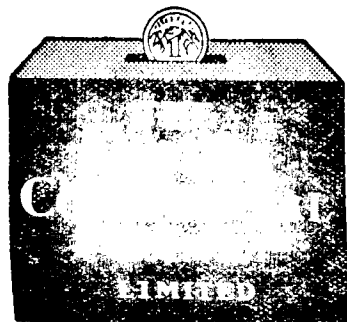
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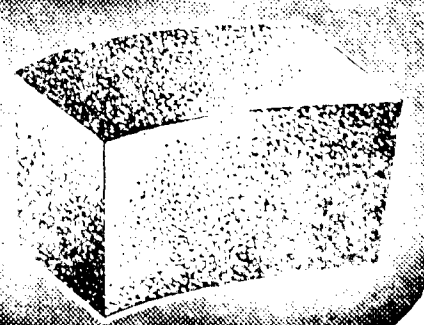
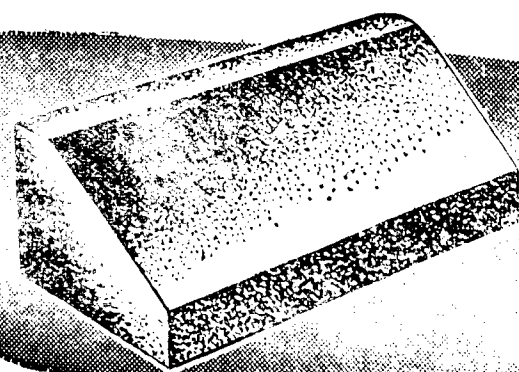


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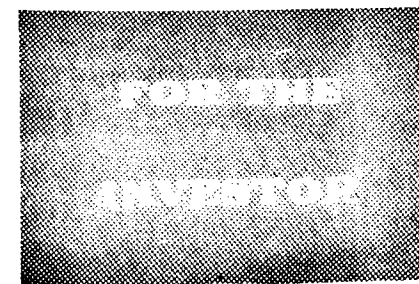
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The Cement Marketing Co. of India Private Ltd.



May 10, 1958



Restraining Influences

Investment Gossip:

FROM the behaviour of the stock markets during the past week, it is evident that operators are somewhat undecided about their future course of action. Even so, there is every indication that they are in no hurry to liquidate their holdings. In other words, they seem to think that, while certain recent developments have necessitated a cautious approach, there is no justification as yet to feel unduly depressed about the outlook for equities.

Among the factors which are now militating against an expansion of activity, the Central Loans are to be reckoned first. The fact that the loans are to a large extent for cash subscriptions has a direct bearing on the business in the stock markets as there will be a diminution in funds available for investment in equities in the immediate future.

The second restraining influence is the rather disturbing news about labour relations in the two steel works. Though earlier it has been thought that an amicable settlement will be reached, subsequent reports are not so encouraging. At the time of writing there are indications that the strike at IISCO works may be deferred. It is, however, still uncertain if the strike notice will be withdrawn.

The Planning Commission's suggestion that the gap in the internal resources of the Plan should be filled by taxation has revived the apprehension about fresh imposts. It may be recalled that the assumption that the worst in taxation during the Second Plan period has already been witnessed is one of the main factors influencing the revival of confidence in the Stock markets during the past few weeks. If fresh levies are going to be imposed, this is a matter that requires some thinking.

Reports that Government will make an announcement as regards the investment policy of LIC in the course of the next fortnight have also contributed toward the cautious mood of marketmen. For, the investment policy of LIC is a matter which is of vital import to stock markets; because this institution is now the largest single investor in equities and as such its investment policy is of considerable interest to operators.

Investment Notes:

INDIAN Cables have scored more than a point at Rs 30.75. There are strong rumours that the company has received Government sanction for the issue of new equity shares in the proportion of one share for every two shares held, at par.

Aluminium shares have been a firm feature during the past few weeks. Indian Aluminium are persistently enquired upto Rs 13.25 from Rs 13.00 and Aluminium Corporation upto Rs 10.94 from Rs 10.75. Prospects for the aluminium industry seem abundant and there is need to increase production. Three new plants are likely to come into existence soon.

Details of allotment against the recent equity issue of 35,000 shares by the Greaves Cotton Company are now available. It appears that a total of 64,000 applications have been received. Of this total, 50 per cent are said to be for 5 and 10 shares each. With the approval of the Bombay Stock Exchange authorities, the company has decided in favour of a proportional scale of allotment. Applicants for 5 shares will get 4 shares, while those for 10 shares will get 6 shares. It is understood that the posting of allotment letters will be completed by the end of the month.

The response from the public to the issue of shares by CEAT Tyres of India Limited is reported to be encouraging. The subscription list, which opened on Monday, will close on May 18. The list is kept open for a longer duration with a view to enabling a wider section of the public to participate in the issue.

The authorities of the Bombay Stock Exchange have decided to remove the "B" Ordinary shares of the Andhra Cement Company Limited from the cleared securities with effect from the 16th May on account of the failure of the company to comply with the prescribed listing requirements.

Midland Rubber & Produce Company has proposed to convene a meeting on the 30th May to consider the increase of the authorised capital from Rs 75 lakhs to Rs 1 crore, made up of 6,25,000 equity shares of Rs 10 each and 3,75,000—6 per cent Cumulative Preference shares of Rs 10 each by the creation of 2,50,000 equity shares of Rs 10 each. It is proposed to issue, as bonus, 1,35,000 equity shares of Rs 10 each in the proportion of one bonus share for every two existing equity shares, to holders as on the 15th July 1958, by capitalising a sum of Rs 13.50 lakhs from the Share Premium account and General Reserves.

₹ ₹

Investment Briefs:

Godfrey Phillips, Bombay, have reduced the dividend from 20 to 15 per cent for 1957.

Radio & Electricals, Madras, have maintained the dividend at 9 per cent for 1957.

Indo-Burma Petroleum Company has maintained the dividend at Rs 2 per share for 1957.

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Travancore Rayons Maintain Dividend

Balance-Sheet Reviews:

THE year 1957 was a year of profitless prosperity for the Travancore Rayons Limited as described by the Chairman in a circular letter to the shareholders. There has been a progressive rise in sales from Rs 1.94 crores to Rs 2.56 crores despite the labour strike, which affected production for about a month.

The net profit, before providing for Depreciation and Taxation, is lower at Rs 57.25 lakhs as against as much as Rs 66.78 lakhs in the previous year. The amount set aside to Depreciation is Rs 34.55 lakhs (Rs 34.29 lakhs). Depreciation has been reckoned for the purpose of accounts as a fixed percentage of the original cost. A clearer picture can, however, be had if the advantage accruing on account of the Development Rebate had been indicated. The transfer to General Reserve is lower at Rs 10 lakhs (Rs 20 lakhs). After maintaining the Ordinary dividend at 10 per cent, the amount carried forward is lower at Rs 1.78 lakhs as against Rs 2.64 lakhs brought in from previous year.

The third stage in the expansion programme for enhanced production of rayon by about 1.8 tons per day has been completed. A sulphuric

plant having a capacity of about 50 tons per day is to be installed, while proposals are under consideration for stepping up further production of transparent cellulose film. Licence for substantial expansion has been obtained and the schemes will be taken up as soon as acceptable terms regarding finance, credit facilities for deferred payments, etc, are finalised.

₹ ₹

Shree Sitaram Sugar

Shree Sitaram Sugar Company Limited has halved the dividend to 50 p per share for the year ended 31st August 1957 following a substantial decline in earnings. Although sales have risen to Rs 83.27 lakhs from Rs 83.19 lakhs, the net profit, after providing for Depreciation and Taxation, amounts to only Rs 72,884 as against much as Rs 3.24 lakhs in the previous year. The directors have set apart Rs 1.36 lakhs (Rs 1.32 lakhs) for Depreciation; Rs 48,000 (Rs 2.25 lakhs) for Taxation and Rs 41,529 (Rs 27,423) for Development Rebate Reserve. No provision is made for General Reserve as against Rs 1 lakh previously. The quantity of cane crushed is higher at Rs 26.18 lakh maunds against 26.10 lakh maunds; but the recovery percentage is lower at 9.6 against 10.57.

₹ ₹

Modern Mills

The Modern Mills Limited has earned a lower profit of Rs 3.20 lakhs for the year ended 31st October, 1957 as against Rs 5.77 lakhs in the previous year after providing

Indian Finance

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Editor:
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Other information: concessional subscription rates are available for bona fide college students on recommendation by Heads of department. Research students may obtain the loan of Indian Finance files on payment of a deposit, or on guarantee by Heads of department.

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London and Overseas Representatives: Baptist Smith, Keith & Slater Ltd, Napier House, 24/7 High Holborn, London W.C. 1. Telephone: Holborn 5022.

Rs 3.37 lakhs for Depreciation against Rs 4.75 lakhs. Sales of yarn, cloth and waste have dropped from Rs 1.86 crores to Rs 1.62 crores, while closing stocks have gone up from Rs 52.36 lakhs to Rs 65.28 lakhs. The directors have proposed a dividend of Rs 5 per share on the increased capital against Rs 8 on the original capital.

The directors state that the company which, from its inception, was a subsidiary of the Mysore Spinning and Manufacturing Company, ceased to be a subsidiary on March 29, 1957 as the Mysore Spinning and Manufacturing Company reduced its holding of the Company's shares to below 50 per cent of the capital of the company by selling some of its right share in the market.

£ R S

Peermade Tea

Even with a record crop of 22,54,940 pounds for the year ended 31st December 1957 as against 18,87,956 pounds in 1956, it has not been possible for the Peermade Tea Company Limited to prevent a decline in earnings. Apart from an increase in working expenses, average prices realised were also lower. With the result, the profit per pound of tea worked out to only 9.13 cents in 1957 as against 30.96 cents. The Ordinary dividend has, therefore, been reduced.

The net profit, before providing for Depreciation and Taxation for the year, amounts to only Rs 7.26 lakhs as against as much as Rs 11.76 lakhs in the previous year. The amount set aside to Depreciation is Rs 1.19 lakhs (Rs 1.01 lakhs) and Taxation Rs 4.01 lakhs (Rs 4.91 lakhs). The Ordinary dividend has been reduced to 25 from 37½ per cent. The amount carried forward is lower at Rs 1.03 lakhs as against Rs 1.55 lakhs brought in. The estimates for 1958 provide for a crop of 19 lakhs pounds.

£ R S

Cambodia Mills

Despite a rise in sales from Rs 91.22 lakhs to Rs 1.26 crores, Cambodia Mills Limited has reported a loss, after providing for Depreciation, of Rs 3.89 lakhs for 1957 as against a net profit of Rs 92,303 in the previous year, mainly due to a decline in the profit margin on yarn sales. Moreover, the disparity between cotton and yarn prices made trading conditions extremely difficult and contri-

buted towards the heavy yarn accumulations within the industry. The Depreciation amount is raised from Rs 2.41 lakhs from Rs 2.18 lakhs. After transferring a sum of Rs 1.00 lakh from General Reserve, the directors have been able to provide Rs 16,983 for Wealth Tax and recommend a dividend of 5 per cent on the Ordinary shares, same as in the previous year.

£ R S

Rohit Mills

The Rohit Mills Limited of Ahmedabad has reported disappointing results for 1957. After providing Rs 10.21 lakhs (Rs 8.48 lakhs) for Depreciation; Rs 50,000 (Rs 3.12 lakhs) for managing agents' commission and Rs 50,000 (Rs 10.90 lakhs) for tax, the net profit is lower by Rs 10 lakhs at Rs 1.63 lakhs. A sum of Rs 1.60 lakhs has been transferred to Contingency Taxation Fund. The directors have, however, maintained the dividend at Rs 7 and bonus at Re 1 after transfer from reserves. Sales are slightly better at Rs 2.21 crores against Rs 2.10 crores.

£ R S

National Pipes

National Pipes and Tubes Company Limited has made a net profit of Rs 6.09 lakhs for the year ended 30th September 1957 as against Rs 7.05 lakhs in the previous year. This, according to directors' report, is due to higher provision of Rs 7.17 lakhs for taxation as against Rs 5.05 lakhs. A sum of Rs 1.52 lakhs (Rs 1.65 lakhs) has been provided for Depreciation, while a sum of Rs 77,000 has been provided for taxation (being short provision in the previous year) and Rs 1.00 lakh to General Reserve. A dividend of Rs 2 per share has been recommended on the Ordinary shares.

According to the directors' report, the demand for the company's product continues to be good. The company's programme of increasing the installed capacity for the manufacture of non-ferrous products is being pursued in right earnest; unfortunately due to foreign exchange difficulties, it has not been possible to import additional plant so far. Steps have taken to increase the activities of the company by the manufacture of such additional articles which are likely to augment the income of the company. The prospects for the current year may be considered satisfactory.

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Scheduled Banks: The Problem of Interest Paid

HOW good a year was 1957 for the banking system? The question does not permit of a clear-cut answer, because the trends obtaining during the twelve month period have been partly heartening and partly otherwise. The major development of favourable import is the rise in Deposit resources which, during 1957, has been of remarkable proportions. But the price that has had literally to be paid—rather, the price that has been paid and which could have been avoided—has been onerous. On the one hand, the accretions to resources have rescued the banking system from the over-extended position in which they had lately found themselves. On the other hand, however, the higher money rates obtaining have caused a disquietingly steep increase in the operating costs under the head of interest paid. Thus, while the general outlook for the banking system must be deemed to be encouraging, it would be folly to ignore the impact already discernible of high money rates, and of the repercussions that these might have on the future of banking earnings. It is in this light that we may study the performance of the Big Nine among the Indian Scheduled Banks.

The Deposits of the Big Nine have risen from Rs 654.97 crores in 1954 to Rs 956.84 crores in 1957. With 1954 as base, the index for Deposits of the Big Nine has risen to Rs 146.1 in 1957, this contrasting with the figure of 115.5 for 1956. Of course, the bank that shows the largest absolute increase is the State Bank of India, whose Deposits during 1957 alone rose by Rs 124.40 crores. Every single one of the Big Nine has reported an increase in Deposits. The largest increases for 1957, both proportionately and in absolute figures, go to the credit of the Bank of India (up by Rs 13.05 crores to Rs 82.60 crores), the Central Bank (up by Rs 16.14 crores to Rs 154.87 crores), the Punjab National (up by Rs 18.22 crores to Rs 124.61 crores) and the United Commercial (up by Rs 8.93 crores to Rs 61.07 crores). If the period from 1954 were taken into account, the greatest improvement as such has been recorded by the Punjab National Bank, whose Deposits in the period show a rise of nearly Rs 49 crores. Whereas in 1954, the Punjab National figured as trailing the Central Bank by Rs 48 crores, the differential in 1957 has been reduced to Rs 30.26 crores.

Another portfolio that shows a smart rise is Advances. Loans, Cash Credit and Overdrafts of the Big Nine have risen from Rs 283.24 crores in 1954 to Rs 460.16 crores in the latest year; the 1957 figure works out to 162.5 per cent of the 1954 base. The other head, Bills Purchased and Discounted, shows a slightly larger proportionate rise from Rs 45.81 crores to Rs 81.49 crores; the index for 1957, with 1954 as base, is 177.9. Here, too, the largest absolute increase in Loans, Cash Credit and Overdrafts is registered by the State Bank, the relevant figure having risen from Rs 94.65 crores in 1954 to Rs 154.61 crores in 1957. The largest proportional increase is registered by the Punjab National, with Loans, Cash Credits and overdrafts rising over the period from Rs 27.69 crores to Rs 59.71 crores. The two other steep rises in the portfolio belong to the Bank of India (up by Rs 16.31 crores at

Rs 49.63 crores) and the Central Bank (up from Rs 51.34 crores to Rs 84.49 crores). As far as Bills Discounted are concerned, the predominant user of central bank credit against usance bills, the State Bank, reports a prominent increase from Rs 6.17 crores in 1954 to Rs 18.87 crores in the latest year.

It is interesting to note that, in spite of the sharp accretion to Deposit resources, the 1957 level of borrowings is more than double the figure for 1954, although the latest figure shows a very substantial drop from 1956. During 1957, as compared to 1956, borrowings have declined by nearly Rs 32 crores. Here, every bank has shared in the reduction in the indebtedness to other banking companies.

Cash Balances rose particularly sharply during 1957 by Rs 46.87 crores over the 1956 figure to Rs 138.04 crores. Here, too, the rise is general among the Big Nine.

In regard to investments in gilt-edged, it is rather interesting to note that a mixed trend obtains. Only four of the Big Nine have added to their gilt-edged portfolio during 1957. The steepest disinvestment is reported by the Punjab National, with the portfolio declining by Rs 9.33 crores. Of the four banks which have purchased gilt-edged during 1957, the rise is negligible except in the case of one. Thus, it may be said that the rise in the gilt-edged holdings of the Big Nine of Rs 57.63 crores to Rs 320.51 crores, is owing mainly to the State Bank, whose portfolio marked an increase during the year of Rs 77.59 crores.

Turning to the profit and loss account, we find that the income by interest and discount rose substantially during the year by Rs 6.74 crores to Rs 32.76 crores. The figure for 1957 works out to 158.8 per cent of the 1954 level. Notable increases have been registered by the Bank of India, the Central Bank, the Bank of Baroda, Punjab National and the United Commercial, not to speak of the State Bank. On the other hand, in respect of the income from Commission, Exchange and Brokerage, the rise during 1957 is a small one of Rs 1.21 crores to Rs 9.41 crores. Only four of the Big Nine reported an increase under this head. The largest absolute increase is recorded by the State Bank, while the largest proportionate increase is claimed by the Bank of Baroda. The index of the income by Commission, Exchange and Brokerage, with 1954 as base, was placed at Rs 172.7 in 1957.

The total income, of course, marks a rise, and again all nine banks report an improvement.

The ominous development to which we have referred is in regard to interest paid. This charge has risen by nearly 50 per cent in a single year to Rs 16.25 crores from Rs 11.01 crores. If the State Bank has benefited by the accretion of a larger quantum of Deposits than any other bank, it has paid dearly; interest paid is more than doubled from Rs 1.59 crores in 1956 to Rs 3.40 crores in 1957. Of all the banks, the Indian Bank reports the smallest increase in interest paid, the figure rising only by Rs 6.61 lakhs to Rs 83.81 lakhs.

Similarly, the balance of profit, which had shown a steep increase in 1956, shows a much more moderate rise of Rs 0.52 crores to Rs 6.66 crores. Two of the banks actually report a

Indian Finance

Established 1928

May 10, 1958

"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

decline in the profit, and large increases have been reported only by two others. The State Bank's balance of profit rose from Rs 1.56 crores in 1956 to Rs 1.87 crores; and the Punjab National registers a smart rise from Rs 0.88 crores to Rs 1.11 crores.

Two of the Big Nine do not disclose the provision made for taxes. They are Allahabad Bank and the State Bank. But the published provision of the other seven rose by Rs 0.19 crores to Rs 1.52 crores in 1957, and the figure for 1957, expressed as a percentage of the 1954 level, works out to 191.8 per cent. The transfer to Reserve is also somewhat higher, but this is entirely due to the stepping up of the provision by the State Bank. From 1957 profits, only four of the banks have made transfers to Reserve whereas, in 1956, as many as seven of the banks had done so.

On the basis of an approximation for the Staff Bonus payable by the Allahabad Bank during 1958 and in respect of 1957 profits, this head for the Big Nine absorbs Rs 1.52 crores against Rs 1.41 crores in 1956. Staff Bonus and Funds have risen almost exactly by 50 per cent since 1954.

Finally, in the matter of dividends, there is again a rise of Rs 0.18 crores to Rs 2.56 crores. However, the rise since 1954 in the amount disbursed by the Big Nine works out to rather less than 20 per cent.

Of the major changes that have occurred in the Appropriation Account, mention may be made of the very sharp rise from Rs 16 lakhs in 1954 to Rs 50 lakhs in 1957 in the provision made for taxes by the Punjab National. It is also worth remarking that the United Commercial has transferred Rs 54 lakhs to Reserve in the course of the last four years. The Punjab National has, during the same period, provided Rs 94 lakhs for Reserve and Contingencies. These two banks, again, share the limelight in regard to the Staff Bonus and Funds. While Punjab National has stepped up the appropriation from Rs 10 lakhs in 1954 to Rs 18 lakhs in 1957, the United Commercial has nearly tripled the provision from Rs 2.50 lakhs in 1954 to Rs 7.00 lakhs in the latest year. Only three banks among the Big Nine have not raised their dividends during this period. Of the banks that have increased their dividend distribution, the most notable increases in the amount disbursed are registered by the Punjab National (up from Rs 10.50 lakhs to Rs 21.25 lakhs) and the United Commercial (up from Rs 7 lakhs to Rs 15 lakhs).

For the Big Nine, the ratio of gross income to Deposits works out to 4.5 per cent in 1957, against 4.6 per cent in 1956. With the sole exception of the State Bank, the other eight banks have experienced a rather better ratio than this. The State Bank's ratio of gross income to Deposits fell from 3.6 per cent in 1956 to 3.2 per cent in 1957. United Commercial and Indian Bank both shared the honours for the highest ratio in this regard at 6.0 per cent.

As for the ratio of balance of profits to deposits, the Bank of India has the distinction of being the only one among the Big Nine to have reported a return of slightly more than one per cent. The Bank of India's ratio of balance of profits to deposits works out to 1.3 per cent, as against 0.70 per cent for the Big

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Nine. United Commercial is placed next at 0.98 per cent, and the Indian Bank is third at 0.91 per cent.

We should like again to draw attention to the fact that, whereas, as between 1954 and 1957, the total income of the Big Nine rose by Rs 16.16 crores, the rise in the two major heads of expenditure has almost kept pace.

During the period, interest paid has risen sharply by Rs 8.74 crores, and, in 1957 alone, the charge under this head increased by Rs 5.26 crores. Salaries and Allowances also showed a rise, but the increase is very much smaller at Rs 3.96 crores. In broad terms, the higher charge of interest paid and Salaries and Allowances has worked out to Rs 12.70

crores; and, as against this, the gross income rose by Rs 16.16 crores, resulting in the balance of profit rising by Rs 2.18 crores.

Unless action is taken to halt the dangerously rising trend in the interest paid on Deposits, we fear that the banking system may soon experience a reduction in its earnings because of the squeeze effect by rising operating costs.

Heads of expenditure			has almost		kept pace.		and Allowances has		worked out to		(In Lakhs of Rupees)			
			Allahabad Bank.	Bank of Baroda.	Bank of India.	Central Bank.	Indian Bank.	Punjab National.	State Bank.	United Bank.	United Com-mercial.	Total for 9 Banks.	Percent-ages.	
Deposits	...	...	1954 3301.59	3485.38	6038.15	12397.67	2484.35	7563.84	23135.57	3647.79	4542.18	354967.9	100.0	
	...	...	1955 3590.95	4051.62	6755.37	12876.32	2944.17	9012.26	22599.28	3126.71	4739.24	69715.92	105.4	
	...	...	1956 3596.75	4513.85	6955.02	13872.15	3256.44	10638.58	24212.31	3391.00	5211.73	79656.86	115.5	
	...	...	1957 4076.17	5282.81	8260.32	15486.73	3521.02	12460.18	36651.89	3836.45	6107.45	95683.82	140.1	
	...	...	1954	...	...	...	...	...	0.47	...	...	362.30	100.0	
Borrowings	...	...	1955 4.00	403.45	200.00	454.28	30.23	123.47	500.00	190.84	425.57	1888.48	191.2	
	...	...	1956 15.54	416.21	785.00	921.55	193.00	236.51	1727.00	102.33	830.12	5247.45	531.5	
	...	...	1957 13.90	0.63	150.00	198.02	...	16.22	1650.50	0.85	34.05	2664.17	208.1	
	...	...	1954 343.83	374.06	952.39	1728.43	301.43	1126.23	3787.02	522.27	607.72	9743.29	100.0	
	...	...	1955 355.88	478.61	969.64	1559.77	380.04	928.12	2884.54	425.99	70.88	9117.41	93.6	
Cash Balances	...	...	1956 495.98	452.38	800.20	1681.26	386.94	1239.24	2448.48	4151.93	828.40	13804.27	141.7	
	...	...	1957 1064.43	871.50	1194.88	1839.27	818.37	2448.48	3426.13	9347.40	1069.94	1453.92	25476.91	100.0
	...	...	1954 1120.50	1044.60	1855.95	4993.93	948.54	4441.89	10540.44	1058.71	1955.87	28158.50	110.5	
	...	...	1955 1102.32	...	1892.85	4836.80	1080.03	4082.67	9380.72	1021.56	1722.36	26288.44	103.2	
	...	...	1956 1261.54	1042.41	1680.72	4525.68	963.78	3756.76	17139.22	890.76	1786.24	32051.48	125.8	
Glitged Holdings	...	...	1957 877.22	680.84	1800.58	4181.14	968.72	2769.09	9464.86	1185.26	1607.13	28123.89	100.0	
	...	...	1954 1772.61	2002.12	3331.45	5133.52	1057.85	1295.14	347.51	8901.44	1459.92	1785.31	30717.65	108.5
	...	...	1955 2057.78	2004.21	3749.27	5077.07	1295.14	3437.51	10741.58	1708.71	2233.51	37156.17	146.6	
	...	...	1956 1837.13	2583.98	4210.49	7304.42	1902.04	4606.36	15499.79	1629.37	2469.41	43015.98	162.5	
	...	...	1957 2088.94	3064.95	4962.54	8448.64	1619.85	5971.19	1739.81	617.42	261.48	4591.39	100.0	
Bills Purchased & Discounted	...	...	1954 125.71	548.06	643.50	873.62	242.83	459.09	764.70	979.81	333.50	973.88	7526.86	164.2
	...	...	1955 198.61	987.86	860.28	1243.53	459.09	467.25	877.65	3274.42	311.13	191.81	10980.07	230.7
	...	...	1956 174.68	1000.35	1510.62	1771.86	467.25	824.70	1886.96	426.37	1299.67	8149.25	177.9	
	...	...	1957 223.53	434.67	974.91	1700.75	377.69	275.64	562.61	94.88	142.42	2562.72	100.0	
	...	...	1954 130.90	129.28	180.08	443.12	106.66	343.20	604.40*	102.44	163.90	2281.32	110.6	
Income by Interest & Discount	...	...	1955 140.62	149.27	218.41	452.42	106.66	343.20	619.35	119.46	181.98	2601.47	126.1	
	...	...	1956 161.74	186.83	272.09	532.64	125.77	401.62	824.88	145.22	257.24	3275.93	158.8	
	...	...	1957 176.92	233.40	335.32	641.33	143.17	518.45	824.88	145.22	257.24	3275.93	158.8	
	...	...	1954 25.66	22.68	38.92	85.04	25.06	61.38	185.16	28.46	73.17	545.23	100.0	
	...	...	1955 28.28	30.14	53.90	93.50	36.49	69.54	224.26	29.29	78.53	644.02	118.1	
Income by Commission, Ex-change and Brokerage	...	...	1956 32.13	42.40	71.01	113.61	75.46	89.30	243.83	32.51	120.14	820.30	150.5	
	...	...	1957 28.45	51.15	67.40	130.14	64.28	106.42	354.21	31.75	107.67	941.47	172.7	
	...	...	1954 158.31	152.52	234.96	541.05	122.87	449.81	832.11*	143.43	243.70	3015.96	112.2	
	...	...	1955 170.63	180.04	260.51	569.45	146.28	493.38	866.53	164.23	303.36	3497.36	130.2	
	...	...	1956 195.73	229.65	351.05	655.15	204.33	627.34	1182.41	189.81	366.19	4302.76	162.1	
Gross Income	...	...	1957 206.97	285.28	410.95	780.12	210.76	670.27	1182.41	189.81	366.19	4302.76	162.1	
	...	...	1954 52.60	60.82	54.87	165.28	49.99	124.72	106.27	29.55	76.48	750.58	100.0	
	...	...	1955 60.99	76.86	72.49	169.52	57.81	161.30	128.52*	33.13	86.29	846.91	112.8	
	...	...	1956 73.09	102.53	110.02	226.69	77.20	193.00	158.87	41.35	117.81	1100.56	146.6	
	...	...	1957 89.20	140.06	165.51	325.01	83.81	266.72	339.69	52.05	163.12	1625.17	216.5	
Interest Paid	...	...	1954 61.75	46.52	76.36	237.12	40.53	137.10	364.65	67.55	70.17	1121.75	100.0	
	...	...	1955 67.69	54.97	89.29	260.55	49.38	163.06	458.54*	68.24	78.93	1280.62	115.0	
	...	...	1956 73.17	68.85	107.86	259.43	57.70	179.96	438.16	78.55	85.85	1543.33	135.3	
	...	...	1957 74.81	71.41	110.51	276.16	68.36	216.71	515.05	89.02	96.11	1517.54	100.0	
	...	...	1954 16.15	28.02	77.01	77.89	13.94	53.76	136.91	13.05	31.06	417.79	100.0	
Salaries and Allowances	...	...	1955 15.62	29.65	84.91	77.76	20.28	64.41	137.19*	14.61	36.69	481.12	100.4	
	...	...	1956 15.79	39.90	92.03	104.36	45.71	87.85	156.18	15.58	56.52	613.92	137.1	
	...	...	1957 13.68	43.85	93.47	108.75	32.01	111.07	187.45	16.21	59.70	666.19	148.3	
	...	...	1954 13.68	43.85	93.47	108.75	32.01	111.07	187.45	16.21	59.70	666.19	148.3	
	...	...	1955 13.68	43.85	93.47	108.75	32.01	111.07	187.45	16.21	59.70	666.19	148.3	
Taxes	...	...	1956 3.50	...	8.00	...	10.50	22.50	25.00	3.25	19.00	80.25	265.2	
	...	...	1957	...	7.65	11.20	18.00	...	10.00	45.97	...	2.50	102.05	100.0
	...	...	1954 6.73	8.00	12.75	19.00	...	14.00	45.57*	...	4.00	112.05	109.8	
	...	...	1955 8.73	8.00	12.75	32.50	1.50	14.00	56.14	...	6.50	141.04	138.2	
	...	...	1956 7.90	8.75	13.75	36.50	0.50	18.00	58.37	...	7.00	152.37	149.3	
Balance of Profit	...	...	1957 6.39	12.00	35.00	37.74	6.96	10.50	90.00	7.99	10.00	216.58	100.0	
	...	...	1954 6.39	12.00	40.00	37.74	6.96	12.25	90.00*	7.99	11.00	224.33	103.6	
	...	...	1955 6.39	14.00	40.00	44.03	7.97	14.00	90.00	8.00	14.00	238.39	110.1	
	...	...	1956 6.39	14.00	48.00	44.03	9.85	21.25	90.00	8.00	15.00	256.52	118.4	
	...	...	1957 6.39	14.00	48.00	44.03	9.85	21.25	90.00	8.00	15.00	256.52	118.4	
Ratio of Gross Income to Deposits	...	...	1954 4.8	4.4	3.9	4.4	4.9	3.2	4.4	5.4	4.1	...	...	
	...	...	1955 4.8	4.4	4.2	4.4	5.0	3.7	4.6	5.1	4.3	...	...	
	...	...	1956 5.4	5.1	5.0	4.7	6.3	5.0	3.6	4.8	5.8	4.6	...	
	...	...	1957 5.1	5.4	5.0	5.0	5.0	5.4	3.2	4.9	6.0	4.5	...	
	...	...	1954	...	...	...	...	...	0.59	0.43	0.77	0.68	...	
Ratio of Balance of Profit to Deposits	...	...	1955 0.49	0.80	1.27	0.83	0.56	0.71	0.61	0.47	0.77	0.69	...	
	...	...	1956 0.43	0.73	1.26	0.60	0.69	0.71	0.65	0.46	1.08	0.81	...	
	...	...	1957 0.34	0.83	1.13	0.70	0.91	0.89	0.51	0.42	0.98	0.70	...	
	...	...	1954	...	...	...	...	...	0.59	0.43	0.77	0.68	...	
	...	...	1955 0.49	0.80	1.27	0.83	0.56	0.71	0.61	0.47	0.77	0.69	...	
...	...	1956 0.43	0.73	1.26	0.60	0.69	0.71	0.65	0.46	1.08	0.81	...		
...	...	1957 0.34	0.83	1.13	0.70	0.91	0.89	0.51	0.42	0.98	0.70	...		

**Approximate; based on an estimate.

Litigation Ad Nauseam

M. SUR

OF litigation on labour matters there is no end. In addition to the hierarchy of industrial courts, with possible appeals to High Courts and the Supreme Court, on wages questions there is also the Payment of Wages authority and appeal, but reference to a civil court on a question of overtime is an unpleasant novelty. A case in the City Civil Court of Calcutta has opened up this possibility of further complications. The case concerned a steamer company and has a curious history. In 1949 an Industrial Tribunal award

laid down rates of overtime for clerical staff in the steamer company's Calcutta offices, both for weekdays and Sundays and holidays. There was no appeal against the award and for 8 years the ruling laid down by the tribunal had been followed without any objection from the staff, although there was a recognised union which had discussed with the management many other points arising out of the award.

In 1957, due to an error, it was discovered that weekly overtime in one department had

for a period of nearly 4 years been paid at single time instead of 1.25 times the normal rate. The company therefore advised the head of the department to arrange to calculate and pay the difference between the amount actually paid to the staff for overtime and their correct dues. This mistake only concerned weekly overtime, but in making the calculation the establishment section included an amount said to represent arrears on Sunday and holiday overtime, calculated at the rate of two extra days' wages for each Sunday and holiday worked. The bill was passed and the payment was made without the authorities discovering the unauthorised inclusion of overtime for Sundays and holidays.

May 10, 1958

The 1949 award had ruled that "those who are employed on Sundays and holidays very frequently, shall get double of their normal pay (i.e. one extra) for Sundays and holidays worked without any substitute holidays" and added that "those who are employed on 3 Sundays and holidays or more in a month shall be deemed to have been employed frequently during Sundays and holidays." Since monthly paid staff are by convention understood to be 'paid' for Sundays and holidays in the sense that their daily rate of pay is arrived at by dividing the monthly rate by the total number of days in the month rather than by the number of working days in the month, this award was interpreted by the company (and apparently by the union also until 1957) to mean that anyone working on 3 Sundays or holidays or more in a month was to be paid one extra day's salary for each day so worked, and this was the practice that had been followed in all the departments. Owing to the nature of the steamer company's work and the necessity not to hold up vessels, work on Sundays and holidays for some sections of the staff was fairly common.

Payment of the arrears due in the one department led, not unnaturally, to a demand from the clerks of the other departments for payment for frequent Sunday and holiday work at double rates, which in effect meant payment at treble rates because the staff were already 'paid' for Sundays and holidays and were asking for double time on top of that.

When the company realised the error made in the payment of arrears, orders were issued to recover in one lump sum the excess amount paid to the staff. When the staff represented that this would be a hardship, the company suggested quite reasonably that the excess should be set off against overtime and Sunday or holiday work done in future. This the staff refused to accept and reference was made to the conciliation officer and after discussions with the parties the Labour Commissioner wrote to the union that: "The matter was referred to Government and this Directorate has been advised that in the case of monthly rated workers whose normal monthly salary covers Sundays and holidays, they would be entitled to receive an additional day pay (i.e. one extra day's pay) for each Sunday or holiday for which they have worked and not additional two days' pay." This seemed clear enough, but the employees were not satisfied. They could not have the matter referred to adjudication, so they cast about for some other form of litigation. They might, presumably, have gone to the Payment of Wages authority with a complaint about deduction from pay, but they decided to raise their case before the City Civil Court, claiming that the award should be interpreted as double of their daily wages for working on Sundays and holidays, exclusive of their monthly salaries.

The amount which had been paid in excess and which the company sought to recover was approximately Rs 19,000. The Civil Court's jurisdiction does not extend to recovery of such a large sum, but the plaintiffs by valuing their suit at the nominal amount of Rs 100, persuaded the court that it had jurisdiction, since the central relief asked for was the interpretation of the tribunal award and not any objective valuation.

The court held that under Section 72 of the Indian Contract Act if the company's interpretation was correct, they were entitled to correct a mistake and could legally recover the sum paid in error. On the interpretation of the award, however, the court held that "the workers constituting the plaintiff union are entitled to double of their daily wages for working frequently on Sundays and holidays without any substitute holidays in addition to their monthly salaries", and explained the parenthesis in the award, "i.e. 1 extra" as

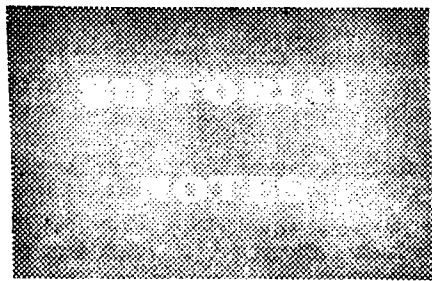
pointing to the fact that "out of the double wages one is to be extra."

The judgment is curious, to say the least, when compared with the ruling of the Labour Commissioner, and doubtless the case will go to appeal, but what is of vital importance is that if it is open to civil courts to interpret awards—and awards which have run without challenge for 8 years—then industry is faced with a chaotic situation, and industrial relations will suffer.

TRANSFER

The average human being, whatever his politics, is incurably conservative over changes, particularly changes in his normal routine. So transfer from one job to another, or from one place to another is usually viewed with disfavour unless coupled with promotion or increase in pay. To the civil servant transfer is a normal incident of his employment, however much he may grumble about it in private, but in industry there is constant trouble over transfer so that employers begin to wonder what, under the 'new deal' for labour, their rights are. Even, it seems, agitation in private industry has spread to the public sector and Government, for they too are not without their troubles when it comes to shifting a whole department or section from one place to another.

This uncertainty can be largely dispelled by a study of cases in recent years, for transfer is a subject on which the industrial courts have been definite and unanimous. Two awards by the Labour Appellate Tribunal in 1954 cover most of the ground, and they have not been challenged. In the case of Diwan Sugar & General Mills Ltd. (LLJ '54 I 36) the appellate court held that refusal to comply with an order of transfer was misconduct, and, following an earlier



Test of the Plan

In his address to the Associated Chambers of Commerce in Calcutta last December, the Prime Minister recalled a significant observation of Mahatma Gandhi. The Mahatma, Mr Nehru said, used to say that, whenever a problem arose, efforts should be made to judge the effect of it on the poorest people. This he added was the criterion which India had placed before it in formulating its social objectives. The Prime Minister has returned to the same point in his inaugural address to the annual meeting of the All India Manufacturers' Organisation held in Delhi last week. The speech which covered a broad compass is of considerable importance, because it was made on the same day that, yielding to the importunities of his colleagues and the Congress Party, the Prime Minister gave up the idea of temporary withdrawal from office. The observations he has made may also provide a clue to why he is feeling ill at ease and out of tune with the way things are shaping in the country as a whole. He is evidently distressed by the lack of understanding or deliberate misunderstanding of the basic objectives of India's plan for economic development. Those who ostentatiously accept all the objectives, do not hesitate the next moment to advocate policies which would lead in the contrary direc-

tion. The Prime Minister has emphasised that the country could develop only when the quality of the people at the base of the social structure, and not merely at the top, were raised. The Prime Minister is determined that they shall no longer remain the forgotten men whose woes and worries are nobody's concern. Every programme whether in the field of taxation imports or investment, must be judged by its impact on the lowest strata, the poorest of society. The test of the success of planning, as the Prime Minister said, would be the number of slums in the country. If the spokesmen of private sector would adopt this as their yardstick, they may be able to make out a better case, even if it is a case for reduction of taxes. Instead of constantly harping on the difficulties of industrialists caused by Government's economic policies, they might for a change attempt an objective study of the effects of Government's taxation measures and import restrictions on the employment situation in the country, especially of people low in the social strata.

Plea for Development

What the textile industry and the trade needs today is not so much regulation and control, as promotion and development. This point was effectively made in discussions between the Textile Commissioner and the Bharat Chamber last week. The change that has taken place in the pattern of production and consumption of cotton textiles will reinforce this conclusion. While production of mill cloth has increased from 5094 million yards in 1955 to 5317 million yards in 1957, the domestic offtake has declined from 4645 million yards in 1955 to 4265 million yards in 1957, according to the figures furnished by the Chamber president. The sharp increase in excise duties last year, which imposed an additional burden of nearly Rs 45 crores, may provide part of the explanation for the fall in demand. Now the excise duties have been reduced; but the tax burden continues to weigh as heavily as in the past, on certain lines of textiles, because of sales tax levied by the States on products made out of cotton cloth. The merger of sales tax with the Central Excise has not brought any relief to this category of cotton goods, which includes ready made garments and waterproofed canvas. On the contrary, the State Governments apparently argue that the reduction of Central excise duty justifies the continued imposition of sales tax on these products. Dress habits and consumption patterns are changing rapidly and a substantial proportion of cotton textiles are marketed in the form of ready-made garments. Retention of sales tax on these items at previous levels will defeat the purpose of the reduction of the Central excise duty, and the case for reduction, if not abolition, of the sales tax

deserves sympathetic consideration. Such action will be in line with the needs of promotion and development of the market for cotton textiles. In this connection it may be added that the ready-made garment industry provides employment to a large number of skilled workers.

Broadside on Chaprasis

Pedantic critics may profess to see a contradiction between the Prime Minister's concern for the welfare of human beings at the base of the social structure, which he put forward as the test of planning at the AIMO meeting, and the broadside he delivered on the institution of Chaprasis on the same occasion. They will be aided and abetted in this view by those of the official hierarchy who are unable to get on without the ministrations of a horde of chaprasis. They will be able to argue that the disbandment of the army of chaprasis will aggravate the problem of unemployment. But both will miss the essential point of the Prime Minister's criticism. The existence of a large number of able-bodied adults who are willing to spend their lives strutting about the corridors of Government offices, arrayed in gorgeous livery, is a pointer to the chronic malaise in our society. It only confirms the conclusion that the condition of the poorer classes of society is so bad that even a menial job in a Government or commercial office has come to be regarded as a position of dignity and privilege. It cannot be seriously maintained that chaprasis aid in the expeditious dispatch of work. There are American offices which are able to get on very well without the assistance of chaprasis. The set up in Government and commercial offices, under which every officer regards at least a couple of chaprasis as the minimum required to maintain his dignity and status, is a survival of the feudal tradition. Overpopulation and unemployment provide the shadow of justification for the continuance of the institution under a democratic regime. But an administration which rests on a solid base of chaprasis is disabled by its very nature from effecting the social and technical changes necessary to provide full employment. A Government which claims to serve the people cannot ignore the fact that the chaprasis act as effective buffers between the officers and the public they are supposed to serve. The mental isolation of the Administration from the general public will last so long as the institution of chaprasis continues in its present form. The intelligence and talents of the individuals who work as chaprasis could surely be used to greater national benefit. Failure to do so may divert these very talents along undesirable channels. After all it was some chaprasi of the Government of India secretariat in New Delhi who coined the eloquent expression, "Deshmukh Saheb-kachiti". That was in the days when Sir Chintaman Deshmukh was the

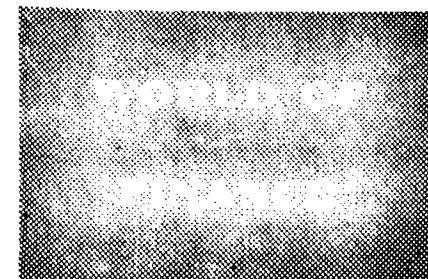
Indian Finance

Governor of the Reserve Bank of India and his signature appeared on currency notes.

Import Quotas for Photo Goods

Photographers, along with the cinema industry, have been hard hit by the restrictive import policy. The cut in import of raw film threatens wide-spread unemployment in the cinema industry. Considering that the foreign exchange involved is not more than Rs 2 crores, the cut in the quota of raw film does not appear to be reasonable, especially when the foreign exchange spent could be recouped by exports of films to South East Asia. Because of restricted quota of imports, professional photographers experience considerable difficulty in carrying on their avocation. Apart from the curtailment in the total volume of imports, the impact of the restrictions on different products, and the firms dealing in them, has not been even, so that there are invidious distinctions between firm and firm. While the imports of products handled by a few firms are likely to increase, others have to face the prospect of closing down on account of drastic cuts. The long term solution of the problem is the indigenous manufacture of raw film and photo goods. Government, it is reported, have some proposals under consideration. In the meantime, action is necessary to relieve the immediate difficulties of the trade and consumers. While the need for conserving foreign exchange will be readily conceded, the Government should also be alert to cases of undue hardship which may result in slowing down of economic activity and consequent unemployment.

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Good Omens on New Loan's Eve

THE list for the New Loan opens on May 12 and it is scheduled to close on May 14, with the right to the authorities to close the list earlier as and when it appears that subscriptions have been received for the full amount. The amount on offer is Rs 135 crores; but, in terms of the convention now well understood, applications for 10 per cent of the amount on offer can be accepted in excess of the target if there should be over-subscription. All present indications are that the response will be superlatively good. This means, that the total proceeds from this programme may turn out to be very nearly Rs 150 crores.

Enquiries in banking circles go to show that preparations are being made for investing in the New Loan on as substantial a scale as possible. This welcome change on the part of the money market interests toward the New Loan is inspired not only by the earlier advent of the slack season, but by expectations that the 1958 slack season will be particularly slack. The latest money market returns provide the heartening assurance that the slack season, just begun earlier than usual, is getting into stride in more convincing style than we had known for some years. As on May 2, the reserve balances of the banks show a significant increase contrary to the trend associated with the beginning of the month. Active note circulation, in spite of month-early disbursement, shows a rise of less than Rs 0.50 crores. It is not unlikely that, on the actual eve of the New Loan, reserve balances will surpass Rs 100 crore mark; and the gross cash balances of banks exceed Rs 200 crores. It is equally pertinent to remember that, for a number of weeks, central bank credit extended to Scheduled Banks has been only around about Rs 20 crores. There are reasons to think that almost the entire quantum of advances thus taken by banks from the Central Banking Institution is accounted for by Exchange Banks. In spite of the recent reduction in the Bank of England rate to 6 per cent from 7 per cent, it is hardly worthwhile for Exchange Banks to bring in funds from London. Thus, for quite a considerable time, Exchange Banks have been financing their Indian operations with resources raised in India. It is, therefore, obvious that the State Bank of India and the Indian Scheduled Banks taken together are, at the

moment, more or less entirely free from indebtedness to the Reserve Bank. The banks have a comfortable cash position. Their deposits are persistently on the rise. Their advances are equally persistently on the decline. The ratio of advances to deposits is well in sight of 50 per cent. If the present trends continue, a ratio of 50 per cent in respect of bank advances to bank deposits may become a reality in the course of June.

The attainment of such a position may be expected to make the banks sit up. For, over the past 2½ years, bankers have allowed themselves to be obsessed with a sense of monetary stringency. This predilection for dear money rates has been persistent in spite of the banking system benefiting to the extent of over Rs 500 crores from additional deposits since the Second Plan began its course. How is it that such a flood tide of deposits made, in effect, no difference to the sentiment of dear money in banking circles? For our part, we have been drawing repeated attention to this important development of Government disbursements returning to the banking system in speedy style and substantial volume. But, banks have clung to the notion of dear money and continue the practice of high deposit rates. This is, we believe, entirely because bankers have had their gaze fixed exclusively on the ratio of advances to deposits. This ratio in the case of Exchange Banks has been nearly 100 per cent. In the case of Indian Scheduled Banks, the ratio has been steadily falling in recent months; and, as we have said, a level of 50 per cent of this ratio seems to be in sight. Once banks see that their advances are falling below 50 per cent of their deposits, the psychological effect will be something of a shock. With startling suddenness, bankers will realise that they are paying nearly 4½ per cent for deposits, which they cannot use remuneratively in business loans. They will realise that they have been turning away clients without pausing to think that the borrower too will have his day. We believe that, once the market recovers from the disturbances caused by the Centre's New Loan and by the State loans, conditions in the money market will compel banks to revise their ideas about the rates that they can offer for deposits and to readjust their attitude toward good borrowers. In a word, we anticipate that natural forces will bring about a normalcy in money market sentiment and in money rates; and that these anticipations may be expected to be realised in 1958 slack season.

Just as the sheer weight of new funds seeking asylum with banks as deposits may be expected to restore order and decorum to the structure of interest rates, so may a like change for the better occur in the structure of gilt-edged yields as a result of the pressure of funds seeking investment in gilt-edged securities. In the course of the last four or five months, the Re-

serve Bank is reported to have sold considerable parcels of securities through the tap. Most of these sales have been required to meet the demand set up by the snow-balling funds of provident fund institutions. Anything like Rs 100 crores would appear to have been thus disposed of by the Reserve Bank. No confirmation of this estimate is available; but there is no gainsaying the fact that, all through the so-called busy season, demand for Government securities has been persistent. In the face of sales of securities on so big a scale, the tap rates for open market operations should reveal more strident advances. It is now being realised that provident fund institutions have emerged as a continuing and powerful bullish influence in the gilt-edged situation. The recognition of this development should release natural forces that will restore orderliness to the structure of gilt-edged yields.

Swelling Reserve Balances

THE returns of the Reserve Bank for the week ended May 2 disclose trends contrary to what may be expected at the beginning of the month. Total notes register a decline of Rs 11.29 crores to Rs 1640.78 crores. Active note circulation shows a nominal rise of Rs 0.49 crores to Rs 1619.62 crores. Foreign securities for Rs 24.09 crores have been transferred from the Issue to the Banking Department. This contraction is partly offset by an addition of Rs 14.09 crores to rupee securities. Deficit financing is thus Rs 14 crores, mostly incurred for the purpose of beginning-of-the-month payments

of the Centre. Rupee coin has gone out into circulation to the extent of Rs 1.28 crores. In the Banking Department, the Centre's deposits, in spite of created money for Rs 14 crores, are down by Rs 3.40 crores to Rs 49.65 crores. The deposits of the State Governments show a rise of Rs 0.48 crores to Rs 16.12 crores. The States have improved their position in spite of reducing indebtedness to the Reserve Bank on Ways and Means account to the extent of Rs 1.61 crores. The reserve balances of member banks have increased by Rs 4.35 crores to Rs 49.49 crores. On the assets side, foreign balances show a rise of Rs 19.02 crores to Rs 58.03 crores. As the transfer to this Department from the Issue Department is Rs 24 crores, it may be assumed that the net decline in the Reserve Bank's sterling assets, during the week, is of the order of Rs 5 crores. Investments are down by Rs 2.69 crores to Rs 224.58 crores. There is heartening evidence herein of the continued demand for securities through the tap. With the announcement of the terms and conditions of the New Loan, however, all sales through the tap may be presumed to have been stopped. "Other Loans and Advances" show a rise of Rs 2.33 crores to Rs 57.02 crores.

The returns of the Reserve Bank for the next week may, therefore, be expected to bear the full impress of the advancing slack season.

The returns of the State Bank of India for the week ended May 2 reveal a slight rise in deposits to Rs 422.20 crores from Rs 422.12 crores in the previous week. Borrowings from other banks have continued to be nil, while other liabilities are shown at Rs 3.84 crores against Rs 3.41 crores. On

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D. P. PARTHASARATHY,
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the assets side, cash balances have declined by Rs 3.01 crores to Rs 40.38 crores. Investments are higher at Rs 190.97 crores against Rs 190.79 crores.

According to the consolidated statement of the Scheduled Banks for the week ended April 25, both demand and time liabilities have risen, the former by Rs 1.91 crores to Rs 774.79 crores and the latter by Rs 5.39 crores to Rs 768.70 crores. Borrowings from the State Bank are lower by Rs 1.05 crores at Rs 6.55 crores against Rs 7.60 crores, while those from the Reserve Bank are higher by Rs 0.10 crores at Rs 19.85 crores. Cash balances have risen by as much as Rs 6.14 crores to Rs 200.62 crores, and Investments by Rs 1.74 crores to Rs 445.01 crores. Advances in India are shown at Rs 797.15 crores against Rs 800.26 crores; Inland Bills at Rs 118.14 crores against Rs 116.66 crores and Foreign Bills at Rs 40.97 crores against Rs 40.52 crores.

Wage Disputes and Sterling

Paul Einzig

ALTHOUGH the long and exceptionally severe winter weather gave at last to smiling cloudless spring, the horizon of industrial relations remaining as cloudy as ever. At the time of writing a transport strike appears to be practically certain. The Amalgamated Engineering Union put forward a demand for a 10 per cent increase of wages and for a reduction of the working week. Other important trade unions have decided to follow the example. And since employers both in the nationalised industries and in the private sector seem to be determined this time not to yield, it is difficult to see how a

series of major strikes could be avoided.

Should we witness a number of strikes it would be in keeping with past experience. There is always an epidemic of wage conflicts at the beginning and at the end of a boom. At the beginning employers refuse wage demands because they do not yet realise that they could add the wage increases to their prices. At the end of a boom trade unions insist on wage demands because they do not yet realise that it is no longer possible to add increases to the prices. So it seems history will repeat itself.

Sterling remained quite firm in spite of the aggravation of the labour situation. Nor did the Stock Exchange respond to the prospects of trouble. The explanation lies in the favourable impression caused at home and abroad by the firmness of employers and of the Government in face of unwarranted wage demands. Until quite recently it was widely assumed that appeasement would prevail, and that the inflationary wage spiral would resume its course. Even now it is not absolutely certain that the Government will not give way at the last moment, though at the time of writing it does not look like it.

Admittedly, the immediate effect of this firm attitude will be a crop of strikes, causing a sharp fall in the output and in exports, and a decline in the gold reserve. But, taking a long view a firm attitude is bound to bear its fruits. It is hoped that it would check inflation, in which case the losses suffered during the next few weeks or months would soon be regained in the sphere of output and exports.

In any case the reserve position is in reality much stronger than is generally realised. According to an official statement, the total of dollar securities held by British residents, which have been declared to the Bank of England and which could,

be commandeered if necessary for the support of sterling is about \$3,000 million. This more than doubles the visible gold and dollar reserve, so that Britain would be well in a position to face a deterioration of the balance of payments as a result of strikes. It also enables the Treasury to meet pressure that is liable to arise through the deterioration of the balance of payments of raw material producing countries of the sterling area.

This being so it is difficult to see why the Government should be so anxious to secure large dollar facilities to reinforce the reserve. The latest reports suggest that the raising of dollar capital for the financing of atomic power development is under consideration. The idea is not altogether new. Years ago it arose in conjunction with the financing of British hydro-electric power development. That project was not proceeded with, however, and it is by no means certain that it has now been adopted by the Government in a modified form.

It would be utterly pointless to raise capital for that purpose from the World Bank or from other dollar sources. The equipment would be produced in Britain, so that the project can well be financed with the aid of sterling, and there should be any amount of sterling available for that purpose. The transaction would simply amount to raising dollars for the reinforcement of the gold reserve.

Those in favour of a big dollar loan argue that Britain would pass to the Commonwealth raw material producing countries the bulk of the proceeds of the transaction. The idea is not very attractive, however. The larger countries of the Commonwealth have direct access to the dollar resources of the World Bank. There would be no object in straining Britain's credit to the utmost to achieve that end.

Indian Finance

If the outcome of the present labour troubles should be satisfactory Britain would need no support for sterling. The abandonment of excessive wage demands, or the defeat of the strikes, would be followed by an improvement of the British balance of payments and a strengthening of confidence in sterling. Britain would soon be in a position to be able to export capital without endangering the stability of sterling. On the other hand the success of the wage demands would change the situation so much for the worse that even the largest dollar loan imaginable would be unable to protect sterling. In any case, should inflation be resumed there would be no justification for lending to Britain.

There is indeed a growing feeling in London that the Government, instead of thinking in terms of borrowing more dollars, should take the earliest opportunity for repaying what it owes. Once the danger of major strikes has passed there will be no justification for holding on to the dollar facilities arranged under totally different conditions.

The fact that the reduction of the Bank rate to 6 per cent on March 19 was not followed up by further reductions is taken as an indication of the Government's intention to fight it out on this occasion. Further Bank rate reduction at the present juncture would be interpreted as a sign of weakening. The Prime Minister and other senior members of the Government repeatedly declared their firm determination not to relax resistance to inflation prematurely. If they mean what they say and there is now good reason for hoping that they do the outlook is bound to undergo considerable improvement in the not too distant future.

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as one rupee. Whole Leaf grades met with good competition and were stronger and dearer. Following rates were quoted: Plain Broken Pekoe Rs 1.45; Low Medium Rs 1.55 to Rs 1.75; Medium Rs 1.75 to Rs 2.00; Good Medium Rs 1.95 to Rs 2.40 and quality Rs 2.40 to Rs 4.40.

In the Internal Sale held in Calcutta this week, offerings were 19,318 packages of Dusts. There was a strong general demand with orthodox as well as CTC teas. CTC teas were a strong feature, particularly the grainy types, and prices were firm and generally dearer especially at the close. The derer fully firm, while the remainder in this category opened from 4 proved as the sale progressed. Commons were about firm, while Mediums were firm and sometimes dearer. Following rates were quoted: Medium Doopas Dust Rs 1.68; Medium Assam Grainy Dust Rs 1.70 to Rs 1.74; Medium Assam CTC Dust Rs 2.10 to Rs 2.30 and Best Assam CTC Dust Rs 2.80 to Rs 3.00.

Low Medium and Medium Broken opened dearer and closed about steady. Good Mediums met with good support at easier rates and were quoting 50 nP per pound easier. High-grown teas met with an irregular demand and prices occasionally declined by as much

May 10, 1958



Outlook for Hessian

The jute goods market has ruled quiet during the past week. The reactionary tendency seems to have stemmed mainly from the report that the Argentine has cancelled import licences. It is appalled that as a consequence hessian shipments from India to that country will be adversely affected. It may be recalled that the steadiness noticeable in the goods section in recent weeks was partly due to the buying interest in hessian following enquiries from Argentine for hessian. The ban on imports by the Argentine will result in a decline in the off-take of hessian. Apart from its immediate impact on market sentiment, the Argentine action make it necessary to reassess prospects of hessian as this country is one of the main consumers of this category of goods.

From reports available so far it would appear that the Argentine has cancelled all import licences due to its difficult foreign exchange position. The fact that a ship scheduled to take hessian for this country from Calcutta has omitted this item subsequently indicates that the import ban has taken immediate effect. Marketmen, however, believe that the cancellation will not affect contracts already concluded and that an announcement to this effect may soon be made. Even so the prospects for hessian cannot be said to have improved. For, there will still remain the question whether fresh imports of hessian into the Argentine will be allowed. In this regard also there is reason to hope that no total ban of hessian imports will be decided upon by the Argentine because this is a commodity that is essential for its own export drive. At the same time it is to be noted that in the event of a prolonged ban by the Argentine, the prospects of hessian in the North American market will also be adversely affected as buyers there will postpone their purchases in anticipation of a decline in prices in view of the withdrawal of Argentine.

A contributory factor for the quiet trend in the goods section has been the news that stocks at the end of April have recorded a rise over that of the previous month. A redeeming feature has been the sizable decline in the stocks of hessian by 4,100 tons to 20,400 tons. Thus hessian stocks are now lowest since December 1956. This feature, however, has gone unnoticed because of the anxiety over the Argentine ban on imports.

Stocks of sackings have increased by 5,200 tons to stand at 60,000 tons. It would appear that in view of the recent order for a substantial quantity of heavy goods from both the Government of India and Egypt, the news of the heavy accumulation of stocks of sackings has not caused much concern. Even so, the position as regards this category of goods cannot be said to be quite satisfactory. With an increase of 1800 tons in other varieties, total stocks of jute goods at the end of April have been placed at 97,200 tons—2,900 tons higher than at the end of March. At the corresponding date of the previous year, total stocks were placed at 104,200 tons comprising 35,100 tons hessian, 58,300 tons sacking and 10,800 tons other varieties.

The jute goods market opened the week on a steady note but in later dealings sentiment turned quiet on selling pressure following reports of cancellation of import licences by the Argentine. Hessian 40"×10 oz Ready closed on Friday last at Rs 41.30 while B Twills was done at Rs 103.00. Elsewhere July-Sept Hessian 40"×10 oz was placed at Rs 41.50 and B Twills at Rs 104.10.

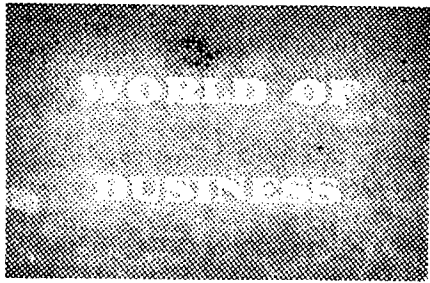
Prices all along the line declined sharply on Saturday due to selling pressure in Fatka and the market closed easy as follows: Hessian 40"×10 oz Ready Rs 40.65 and B Twills Rs 101.40. In forward deliveries, Hessian 40"×10 oz July-Sept. was finally placed at Rs 40.85 and B Twills at Rs 102.85.

After a quiet opening on Monday prices declined further on continued selling pressure on the Argentine news. Hessian 40"×10 oz Ready was marked down to Rs 40.10 and B Twills lost another 40 nP to be placed at Rs 101.00. July-Sept Hessian 40"×10 oz was done at Rs 40.30 with B Twills at Rs 102.30.

The undertone continued to be quiet on Tuesday following reports that a ship scheduled to take hessian for the Argentine had cancelled the item. Toward close, however, prices slightly recovered on some covering. The market closed as follows: Hessian 40"×10 oz Ready Rs 40.20 and B Twills Rs 100.90. Elsewhere Hessian 40"×10 oz July-Sept was done at Rs 40.50 and B Twills at Rs 102.60.

Though the undertone was weak when the market opened on Wednesday, prices displayed some steadiness in later dealings on announcement of stock figures as at the end of April. The sizable decline in hessian stocks helped arrest the downtrend in hessian while B Twills also recovered in sympathy. The market closed as follows: Hessian 40"×10 oz Ready Rs 40.35 and B Twills Rs 101.00. July Sept Hessian 40"×10 oz Rs 40.70 and B Twills Rs 102.50.

The raw jute market also ruled quiet and Assam Bottoms declined to Rs 25.50 from Rs 26.35. It would appear the weakness of the raw jute section is also partly due to the favourable reports from the jute growing areas.



Aluminium Makes the Grade

Mr K. C. Mahindra's stimulating address to the 20th Annual Meeting of the Indian Aluminium Co Ltd presents an encouraging account of the progress and prospects of the Aluminium Industry in the country. At a time when the implementation of several plan projects is in doubt, because of the shortage of resources, it is satisfactory to find that the growth of the Aluminium Industry is not likely to be held up for these reasons. The industry itself is a successful and striking example of fruitful collaboration between foreign capital and technique with indigenous enterprise. Together, they have set a high standard in the rapid development of the country's resources. The demand for aluminium by 1960-61 is estimated at about 35,000 to 40,000 tons. The Second Five Year Plan has provided for increasing the capacity for production of aluminium to 30,000 tons. In attaining that target the Indian Aluminium has been playing a very important role; and it is encouraging to find that satisfactory arrangements have been completed with the parent company for the provision of additional capital required for the programme of expansion. The Company has secured a loan of upto 5 million dollars from Canada, which will be sufficient to cover the foreign exchange requirements of the expansion scheme.

The Company has also been adopting a policy of conservation of resources during its phase of expansion. Mr Mahindra told the annual meeting that the work at Hirakud is progressing well and that the time schedules of construction has been closely maintained so that the new smelter will go on stream, as planned, early in 1959. The ordinary share capital of the company has been increased from Rs 201 lakhs at the end of 1956 to Rs 385 lakhs at the end of 1957, following the conversion of the major part of the convertible loan into ordinary shares. The Directors have recommended a dividend of 6 per cent on the enlarged capital.

The Chairman's speech has drawn attention to change in the pattern of sales of the company's products. The plate and sheet products are now in increased demand whereas circle sales have declined. The sale of sheet products which was 39 per cent of the total sales of rolled products in 1955 has increased to nearly two-

thirds of the total in 1957. At the same time there was a growing demand for extrusions which have increased from 119 tons in 1955 to 673 tons in 1957. Mr Mahindra has drawn attention to these changes in the sales patterns as examples of the increasing acceptance of aluminium particularly in the field of transportation, which is the result to a large extent of the Company's development efforts.

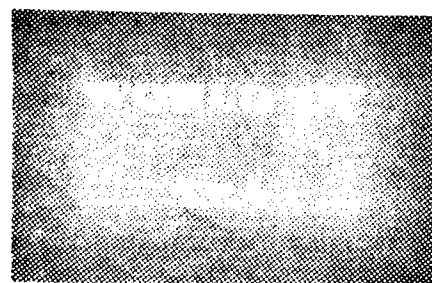
Mr Mahindra has some interesting observations on the general economic situation in the context of planning. He has emphasised that the important thing is to maintain the tempo of development and recognised that measures taken last year to relieve the strain on the economy through the policy of selective credit control and tax adjustments have been on the whole successful. In relation to the food problem which he described as the Problem Number One, Mr Mahindra has made an interesting suggestion that the income-tax payer should be permitted to invest 10 per cent of the tax amount in soil improvement and soil productivity in the locality of his choice. While the Central Government will lose 10 per cent of income tax collections, the positive gain in the enlistment of individual zeal in matters of agriculture will be immense. Small tax payers, he suggested, may be given the option to contribute their tithe to the local co-operative of their choice, so long as the co-operative does not engage in purely credit operations. Those who pay a significant amount in taxes, individuals and corporations, may choose to select a village area or a block of villages for such investment. If the Government is able to evolve a method of keeping track of these investments and see that they are utilised for the purpose intended, the unusual suggestion made by Mr Mahindra will enable the tax system to be utilised for diverting industrial initiative, enterprise and resources for the urgent tasks of agricultural development.

★

Aid for Exports

Three points made by Mr Kanungo, Union Minister for Commerce, in his address to the Indian Council of Foreign Trade deserve special mention. The first was about the need to curtail domestic consumption in order to make more goods available for export. Secondly he urged the trade to show better salesmanship in order to retain their place in the highly competitive markets abroad. And finally, he stressed the point, which is sometimes overlooked in our enthusiasm for new export lines, that, for some considerable time, India's foreign exchange earnings would have to come from traditional exports, tea, jute and cotton textiles.

As regards reduction of domestic consumption, offtake of cotton textiles last year was well below the output. Here was an opportunity for exporters. But it does not



Prospects for 1958-59 Season

THE dominant trend in the Tea markets, during the past few weeks, has been a general fall in prices and weaker demand. That it is more than a month since the Commerce Minister promised relief to the Common tea producer through some revision in tea duties, is a known fact. The delay in the announcement of the nature of the relief indicates that the Government of India are still to decide how it should be readjusted. Probably, an ad valorem duty will be resented, because high-grown teas will thus

be handicapped towards subsidizing low-grades.

The industry is reported to have made certain proposals designed to assist the industry. These include a flat reduction of the export duty on all teas by two annas per pound and suspension of the tea cess of Rs 4 per 100 pounds. Another proposal is the calculation of export duty on the weighted average price of tea sold in Cochin, Calcutta and London instead of on the London price only.

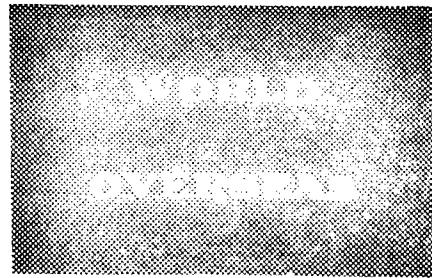
In the absence of any agreement to regulate, not only exports, but also plucking and extension of planting, the existence of the Common tea producer in India is becoming more problematical now. India may be better placed because of a potential and increasing domestic demand and because tastes all the world over and in Britain still favour better teas produced here. But, the export demand cannot be viewed with complacency in the face of growing competition. However, it is generally felt that an early announcement of the revised duties will remove the uncertainty in the market and ensure a better market

appear that any special enterprise was shown in pushing sales abroad. Instead, we have the sorry spectacles of the Mills complaining of accumulation of cloth stocks. The reasons for the failure to increase exports last year deserve careful investigation by the Export Promotion Council. Last year's experience in respect of cotton textiles would suggest that curtailment of domestic demand would not by itself increase the volume of exports. This is a point which may be kept in view when considering the schemes for increasing sugar exports which involve increase in the internal prices of sugar.

It will also be useful to bear in mind that salesmanship is not merely a matter of display and patter. These may help to catch the attention of foreign consumers, but once that is done, the interest aroused must be retained by quality and competitive prices. It has been suggested that concessional rates railway freight on export consignments will be helpful. The Government is at present allowing rebate of excise and customs duties on a wide range of products. A simplification of the procedure will also be of great assistance. In this connexion the President of the Indian Council of Foreign Trade has suggested replacement of rebate by a regular subsidy of exports of specialised, non-traditional items. This may encourage many young industries to try their luck in foreign markets. He has also returned to the suggestion he made last year, for the establishment of free trade Zones at the Main Ports, where goods for export could be manufactured or processed in bonded areas, without paying duties or undergoing the complicated procedure for rebate.

Crisis Conference

The crisis in the Cotton Textile Industry will be discussed when the representatives of the Mill Owners meet the Union Minister of Commerce and Industry on May 15. The majority of the mills in all the textile centres are reported to be affected by the crisis. The conditions in Kanpur and Calcutta are far worse than in Western India. The boom in Cotton Textiles has burst, catching the authorities unawares. Among the remedies suggested by the spokesmen of the industry are a further drastic reduction of the excise duty if not its complete abolition; freedom to the mills to rationalise without obligation to provide for the surplus personnel; larger supplies of imported cotton to enable the mills to produce the more profitable, fine grades of cloth; and fixing the age of retirement of male workers at 55 and female workers at 50. There is a general feeling that the reduction in excise duties announced last March has come too late to be really effective. The progress of rationalization is held up by the obligation imposed on management to absorb the personnel rendered surplus as a result of the adoption of modern machinery.



US Notes

One of the evidences of economic health in the United States is the emphasis being placed on long-term expansion in the midst of the current business adjustment. This stress on continued growth reflects not merely the hope nor even the confidence, but rather the underlying conviction that the American economy has before it a future of undimmed promise, even brighter perhaps than its brilliant past.

These bold words are promoted by the tale of many reports stressing this propensity for economic growth. It was released recently by the Rockefeller Brothers Fund, a non-profit organization that has sponsored a number of public studies in political, social and economic fields.

Contributors to this carefully documented economic reports include prominence in the fields of business, education and economics. The 30-man advisory panel was headed by Thomas B. McCabe, former Chairman of the US Federal Reserve Board, and included such men as Dr Arthur F. Burns, who for four years headed President Eisenhower's Council of Economic Advisors.

It is unfortunate, in a way, that so much of the publicity given this report has centered on its short-term analysis of economic trends and policies. As a matter of fact, the report was in preparation for many months, and was designed primarily as basic document on long-range US economic trends and requirements.

Only the intrusion of the present business declined turned some of its attention to the more controversial suggestions for stimulating short-term recovery. On some of these there is little argument: acceleration of public works, easing of money and credit, emergency federal aid to supplement state unemployment benefits to persons temporarily out of work.

In one important respect, the report goes farther than the Eisenhower Administration has been willing to venture thus far. That is in its espousal of a tax cut, which the administration at this moment still is inclined to forego unless the business adjustment proves so bulky as to justify it.

But it is in its appraisal of the long-term sweep of the US economy's potential that the report's full impact emerges. This appraisal's basic postulate is growth. And it does more than project the admittedly high standards of past performance; it looks to an even more scintillating performance in the future, using the next 10 years as a base.

The Rockefeller study notes that since 1950 the US gross national product—the total output of goods and services—has increased at an annual average rate of 3 per cent. In the past decade, the rate has been closer to 4 per cent—a notable achievement for an economy that has grown so large.

If the 4 per cent rate were to continue over the next decade, the gross national product would reach \$642,000 million, compared with 1957's \$434,000 million. But the Rockefeller panel has set its sights even higher than that; it holds out the possibility of a 5 per cent annual growth rate—a rate it believes to be within the economic capabilities of the United States. With this kind of growth, the panel points out, will come tremendous increases in real income and greater advances in human welfare than anything yet known.

This kind of unparalleled expansion will not come easily, of course. But the report's analysis indicates that it can be done within the framework of the free American society.

It is this emphasis on the feasibility as well as the desirability of continued healthy growth that helps make the Rockefeller report not just a collection of economic theories, but an important economic document.

The American public has changed its mind in recent years about Big Business—and looks at giant U.S. corporations with less disfavor than it used to.

This is the conclusion of a special National Planning Association study "The Economy of the American People—Progress, Problems, Prospects" by the economic staff of this private research group. The NPA is supported by US business, labor, farm and professional organizations.

A number of factors have gone into this change of American public opinion with respect to bigness in corporations, the study said:

1. There is "increasing recognition that competition among the few can be as keen as competition among the many and awareness of the importance of interindustry competition."

2. "The belief that size alone may lead to consumer exploitation has been diminished because of the realisation that large enterprises mean mass production for mass consumption with large unit volumes and, usually, with relatively small unit profits."

3. Corporate owners and managers can no longer build up fabulous personal fortunes.

4. "The more equitable distribution of income and wealth among Americans of virtually all social groups has been concurrent with the growth of large corporations."

5. "The notion that concentration of production must be accompanied by concentration of wealth in fewer and fewer private hands has been disproved by the fact that corporate ownership, especially of the large corporations, is widely dispersed among a great many stockholders."



INDIA

Oberoi Imperial, New Delhi - Oberoi Maidens Delhi - Oberoi Swiss, Delhi - Oberoi Cecil, Simla - Oberoi Clarke, Simla - Oberoi Palace, Srinagar - Oberoi Grand, Calcutta - Oberoi Palm Beach, Gopalpur-on-sea - Oberoi Mount Everest, Darjeeling - Oberoi Mount View Chandigarh

PAKISTAN

Oberoi Cecil, Murrees - Oberoi Flashman, Rawalpindi - Oberoi Deans, Peshawar - Oberoi Faletts, Lahore.

OBEROI HOTELS
INDIA & PAKISTAN

6. "Today, labor's ability to obtain a fair wage and favourable working conditions does not depend upon the uncertain benevolence of humanitarian employers. It is much more solidly based on the bargaining power of strong trade unions, the socially responsible labor relations policies of most business management, and the minimum standards enforced by government regulations."

The study forecasts that the growing public conviction that bigness, by itself, is not necessarily bad will lead increasingly to an antitrust enforcement policy based on the performance of the big companies and not just their size.

"The performance criterion," the study said, "that is, the test of whether economic power is actually used constructively or harmfully... is likely to be increasingly emphasized."

While the NPA economists accept concentration of economic power as a potentially serious problem, they report that there has been no "substantial" increase in economic concentration in recent years in America.

They say that a conclusion as to whether economic concentration has been growing slightly or is remaining unchanged appears to depend in part on the method of measurement.

Britain

INDIA, followed by Canada, South Africa, Australia, and the Federal Republic of Germany, was the best customer of the British aircraft industry in the first quarter of this year, when exports exceeded £36,000,000. The quarterly figure for exports was the second-highest on record, touching an annual rate 25 per cent higher than last year's record total of £116,000,000.

The Society of British Aircraft Constructors reports that the industry has earned over £668,000,000 in overseas markets since the war. It now exports more in 12 weeks than it did in as many months a few years ago.

The industry has received a further fillip from the Argentine Government's decree authorizing the airline Aerolineas Argentinas to buy six of the New Comet 4s, the world's first fully developed jet airliners, from the de Havilland Co. of Hatfield, England.

De Havillands now have orders for 31 aircraft of this new type, which is at present undergoing gruelling flight tests for three different operational roles. There will be a long-range inter-continental Comet 4 to carry 56 to 76 passengers on stages of up to 3,000 miles; a medium-range continental Comet 4-B for 100 passengers to be carried on 300- to 1,500-mile routes; and an intermediate Comet 4-C, combining the fuselage capacity of the 4-B with a range nearly equal to that of the Comet 4.

The Comet 4, with a speed of 510 mph, is twice as powerful, and can carry twice as many passengers twice as far, as the early Comet 1.

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

POTENTIALLY the most lucrative avenue of internal resources is also, unfortunately, a source the efforts in respect of which have so far been chicken-hearted and weak-kneed. I refer to the target for borrowings under the Second Plan; and, last week's announcement of the Centre's New Loan programme for 1958, offers fresh proof of an unimaginative approach. It is, however, not too late to address ourselves to a study of borrowing techniques and, therefore, of borrowing prospects, since I shall show presently, that we still have the opportunity to transform the basic picture in respect of resources for the Plan by the institution of a policy of borrowing from strength. I am afraid, I may be going over ground that is already partly familiar to readers, that is inevitable since Authority, which alone can initiate such a policy is showing itself as strangely obtuse in the matter. A further attempt at elucidation is, therefore, necessary. But I assure you, my arguments are not going to be entirely repetitive. Indeed, later in the gossip, I shall share with you an idea of revolutionary significance that I have conceived for attaining, without difficulty and much strain, a considerably higher target for borrowings under the Plan.

But, first about familiar ground and the ABC of borrowing. It seems to me, as I have often said before, that Government are yet to understand what I may call the rationale of a successful borrowing policy. Of fundamental importance, in this context, is one fact that the monetary authorities of this country, at least since Independence, seem incapable of understanding. It is this: Provided that the investor has available resources for putting into gilt-edged—or, for that matter, in any shares—his inclination to make fresh purchases will depend on whether or not his existing holdings have, in the interim or the recent past, suffered depreciation. If share prices have generally declined, or if the effect of a New Loan is to cause a downward adjustment in the quotations of the existing loans, he will be reluctant to subscribe to the New Loan since he will not be desirous of courting fresh capital depreciation—a prospect most dreaded by an investor. There is no more erroneous notion than that which

holds that the primary interest of the investor lies in the return that his investment offers and, therefore, the offer of a higher rate of interest on successive New Loans, is the surest way to ensure the success of fresh issues. The fact, on the other hand, is that the effect of such a series of loans is to depress the prices of the existing stocks so as to bring the yield thereon into conformity with the terms and conditions of the New Loan. What happens in such a case is that the "gain" accruing from a higher interest payment on the New Loan is much more than cancelled out by the depreciation in the existing issues. Consider, on the other hand, what happens when the terms on successive loans are made progressively more favourable to Government. As in the earlier case, the existing loans undergo an adjustment in their quotations so as to fit them into the new pattern set by the New Loan. Since such improvingly favourable terms will consist either of a reduction in the interest coupon or a drawing out of the maturity or a combination of both, the yield offered on the New Loan will be less than the yields obtaining on the existing loans. In this case, the lower interest coupon is a loss which is much more than offset by the capital appreciation that benefits the investor on his existing holdings. Let me give a graphic, though imaginary, example. Let us say, last year's issue was a 3½ per cent 1966 at par; and let us say that the new loan this year is a 4 per cent 1965 at par. The gain to the investor is half a per cent in the interest on the new loan; but, if the running yield on the 3½ per cent 1966 is "adjusted" to go up to the new interest rate of 4 per cent, the stock will decline by Rs 12.50! Of course, this is an exaggeration. But it works just the same in the favourable direction. If the loan issued last year was a 4 per cent 1965 at par, and this year's new loan is a 3½ per cent 1966, as against the "loss" in interest of half a per cent, the 4 per cent 1965 would be "lifted up" in adjustment to a quotation of Rs 114!

I admit you can't just push through a programme like this, and sit back for the "favourable terms" to work inexorably in your favour. For, the improvement in

the terms has to be almost imperceptibly carried through, and the terms of the new loan have first to be in conformity with the general structure of interest rates. And here, Government can hardly expect to borrow successfully at, say, 3½ per cent at a time when banks are prepared to pay well over 4 per cent on the Deposits they attract. And the trouble is that, in this country, the structure is woefully awry. So, as a prerequisite to instituting their "inspired" borrowing policy, Government will have to set right the disequilibrium in the structure of interest rates. The starting point must be in respect of the interest paid by the banking system on its Deposits. It is bad enough, in all conscience, that the banks should be engaged in such competition for Deposits as to offer rates of interest which exert upward pressure on the Government's own borrowing rate. It is a scandal, when such inducement need not, in the first instance, have been offered. Look, for example, at the following table, which shows the trend in bank Deposits since the beginning of the First Plan:

Last Friday of	Total Deposits	Of which Time Liabilities	Ratio of 2 to 1 %age
1	2	3	4
1951-52	848.34	281.05	33.1
1952-53	843.93	311.11	36.9
1953-54	855.77	327.01	38.2
1954-55	951.14	376.88	39.6
1955-56	1051.02	415.35	39.5
1956-57	1185.54	473.66	40.0
1957-58	1479.75	734.50	49.6

It is scarcely likely that Rs 630 crores of new Deposits have been attracted to the banking system either solely or even mainly as a result of the higher interest rates hawked. The planned disbursements had inevitably, by osmotic process, to percolate into the monetised sector. This has happened. What was not expected, but should have been, and is rather unpleasant, is the sharp rise in Time Liabilities. Almost in every year since the beginning of the First Plan, Time Liabilities as a percentage of total Deposits have shown a rise. So, the higher interest rates have succeeded—succeeded, that is, in increasing the volume of higher interest bearing Deposits.

The banks are beginning to feel the hurt, and hence the focal attention paid, in the current crop of bankers' speeches, to the need for restraint in the offering of interest on Deposits. But it needs to be acknowledged that Government and the monetary authorities must accept the part they have played in giving an impetus to the trend of higher interest rates. The borrowing programme of this country since the First Plan has been an unending series of New Loans which successively have caused depreciation in the existing loans. The higher interest paid by Government has in turn impelled the banks to pay more for their Deposits; but it has altogether failed in eliciting a greater response to the New Loans. It is no excuse to say that Government's borrowing rate has moved up, because the other money market rates were headed upward. In this enlightened era of borrowing since the First Plan, let us see how the Indian scheduled banks have reacted to the new loans. The following table sets out the Deposits and Investments of Scheduled Banks, and the ratio of the latter to the former:

Last Friday of	Total Deposits	Gilt-edged Investments	Ratio of 2 to 1 %age
1	2	3	4
1951-52	848.34	296.05	34.9
1952-53	843.93	303.31	35.9
1953-54	855.77	318.88	37.3
1954-55	951.14	344.15	36.2
1955-56	1051.02	359.90	34.2
1956-57	1185.54	347.18	29.3
1957-58	1479.75	440.36	29.8

During a period when Deposits rose by over Rs 630 crores, gilt-edged holdings of Scheduled Banks went up by scarcely Rs 145 crores. This clearly shows the antipathy of the banking system to gilt-edged. And why? Firstly because they were paying more than the interest they received on the Deposits they "bought", and secondly and more importantly because they have continually been experiencing a depreciation in their holdings. First things first, and so Government must consider their inescapable and immediate duty to lie in a statutory control of rates paid on Deposits, so that the way may be cleared for their being able to

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come out with New Loans on a more favourable term basis, and so that, ultimately, their borrowing programme is thunderously successful. The Reserve Bank is already possessed of the powers to act in this behalf, and this is a weapon which need not lie unused in the armoury.

Then again, why rebel against the world wide trend of lower interest rates that obtains today? The complaint these last few years has been that interest rates in India were not going up in parity with rates elsewhere. The same argument can now be used to suggest that a downward correction is now desirable. And how desirable it is, will only be known when the new evolved borrowing policy begins to produce results.

Let me now recast the resources that Government should count on from market borrowings. According to the Planning Commission, market loans were to fetch Rs 700 crores net, or Rs 1100 crores

gross; and the contribution from small savings was put down at Rs 500 crores. In the light of the experience of the last two years, it seems unlikely that small savings will yield more than Rs 400 crores. This means that, to fulfil the Plan target, market loans must realise Rs 1,200 crores gross. Here, too, the experience of the last two years has been anything but encouraging. Nor does the target for the third year, just announced, begin to approach the objective. If the target is to be achieved, and if, besides, we are to hope to secure something more, so that we can reduce deficit financing, gross realisations from market loans in the three remaining years of the Plan will have to touch what seems a fantastic figure of Rs 1,200 crores. I shall show why such an objective need not merely be a dream, and how we may set about attaining the target.

Take first, the State Government loans. They realised over Rs 68 crores in 1956-57, and a Rs 70 crore

average will be assured of success by subscriptions from Provident Funds and generally this class of institutional investor. So, for the remainder of the Plan period, we can take credit for, in round figures, Rs 200 crores. The question is, can the Central Government hope to secure nearly Rs 350 crores a year for the last three years of the Plan?

Hopeless as this target looks at first sight, it is still capable of realisation, if government would display both imagination and energy. Have those in authority given any thought to the possibilities opened up by what by common consent is the most important development in money market in the last few years? I am referring to the colossal increase in the deposits in scheduled banks. As the table earlier in the gossip shows, the total of deposits has increased by over Rs 630 crores in six years. In 1957, the accretion to deposit figures was of the order of Rs 300 crores. The first sixteen

Quick and easy communications are essential for the fulfilment of India's targets for steel. The Indian Railways are accordingly devoting their allotment under the Second Five Year Plan to develop and improve their capacity

THE STEEL

LINE

to handle traffic for the five steel plants. Thousands of labourers and hundreds of technicians and engineers are working round the clock on difficult terrain, levelling the earth, clearing thick forests, building embankments and bridges and laying over 700 miles of track over a vast area covering four major States.

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GATEWAY GOSSIP

AFTER the last parliamentary debate on the affairs of TELCO, it would have been thought that the issue had passed into the non-controversial realm, to the satisfaction of all. But after the lapse of six months, since the last parliamentary debate, TELCO has again been brought into the public focus, though not in as sensational a way, as on the previous occasion. The closeted study by the Public Accounts Committee of the Lok Sabha, unlike the open parliamentary debate, as on the previous time, explains this difference. But in content, there is practically little difference between the charges in the parliamentary debate and the present study by the Public Accounts Committee, since what the Committee has done has been to repeat all the previous charges against the TELCO.

Criticism at the last time, when the affairs of TELCO was debated by the Parliament, was directed against the favoured treatment enjoyed by the Company at the hands of the Government by way of double depreciation allowances, investment by the Government in the preference shares of the Company of the nominal value of Rs 2 crores, payment for the prices of locomotives ordered by the Government ahead of delivery and the exorbitant price paid for the locomotives produced at TELCO relatively to that of the Chittaranjan Locomotive Works.

Before going into the report of the Public Accounts Committee, it has to be pointed out that some of the charges were basically misconceived. As readers of this column might remember, in a previous article, some six months back, it has been made clear that no charge of financing the Company could be legitimately made in view of the fact that TELCO is a public limited company with a total paid-up capital of Rs 7 crores. Similarly the effect of the higher depreciation allowed to the company on future prices is too obvious to be overlooked, while lower rate of depreciation would only add to the production cost of a later period. It is indeed regrettable that the Public Accounts Committee should have chosen to repeat these charges.

The chief criticism of the Public Accounts Committee concerns the high price paid to the locomotives manufactured by the TELCO which the Committee considers as unjustified since according to it the cost of producing locomotives in some of the foreign countries such as Japan are lower than that of the TELCO. In this connection it points out that the landed cost of a locomotive imported from Germany was Rs 3,40,150 while the landed cost of a locomotive imported from Japan and England were Rs 3,18,334 and Rs 4,97,733 respectively. Since according to the agreement bet-

Price of Locomotives

ween the TELCO and the Government, the price paid to the TELCO were to be determined on the basis of the British figure it is made out that the prices paid to the TELCO by the Government are on the high side.

This argument ignores the differences in the conditions of production in various countries. To lump such advanced countries as Japan and Germany with India which is still in the rear of industrial development for purposes of cost comparison and for prescription of standards would, far from helping reduce cost of development, only have adverse reactions on the pace of progress. The observations of the Tariff Commission on this point of comparative cost of production are pertinent. The Commission dismissed the comparability of figures for different countries on the ground of divergence in working conditions of manufacturing units in different countries. The specific factors that tend to inflate cost of production in India according to the Tariff Commission are the early stage of development and lack of ancillary units for manufacture of essential components. Nothing has happened since the Tariff Commission reported, to alter the adverse conditions under which the Indian manufactures had to operate. The assistance given to foreign manufacturers by their Governments in the form of direct and indirect subsidies is another factor which precludes a comparison between the cost of production in India and elsewhere.

The report would seem to err on the same side of neglect of peculiar conditions associated with particular locations when it has demanded that the price paid for the YP locomotive manufactured by the TELCO should be 75 per cent of the cost of production of a WG locomotive manufactured at the Chittaranjan Locomotive Works. The Committee has based its view in this matter on the finding of a British firm as disclosed in the Tariff Commission's report that the total ex-works cost of a YP machine was normally 76 per cent of a WG locomotive. The following quotation from the report of the Tariff Commission in regard to difference in conditions of manufacture between the Chittaranjan Locomotive Works and the TELCO should be relevant. ".....most of the disparity in cost between TELCO and Chittaranjan can be explained either in terms of certain special advantages or in terms of certain special difficulties which Telco has suffered from, in comparison with Chittaranjan. Briefly Chittaranjan has been able to make liberal and continued use of imported balance 'components' to augment its production, whereas Telco was bound by the condition that at least 75 per cent of its planned indigenous production must be estab-

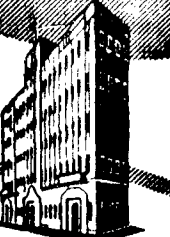
lished at its works by the time "first lot" of its planned locomotives was completed; secondly Chittaranjan was able to conclude the necessary arrangement for technical aid far more speedily than Telco; thirdly Chittaranjan could start with a nucleus of experienced locomotive workers from the railway workshop whereas Telco's men had little or no previous experience in locomotive manufacture.Telco is situated in an expensive labour area whereas Chittaranjan is more favourably placed in this respect.Chittaranjan had the advantage of being able to concentrate on only one type of locomotives whereas Telco had had to divide its energies between two types of locomotives and nine types of spare boilers". In the light of the differences in working conditions between the two manufacturing units, as brought out in the quotation given above with Chittaranjan commanding an advantage over Telco in almost all respects, the consequences of fixing the price for Telco locomotive on the basis of the cost of production of the WG locomotive at Chittaranjan could be damaging to the efficiency of Telco unless allowance is made in such price fixation for the disadvantages suffered by the Telco in comparison with Chittaranjan. The fact that even in foreign countries which are well advanced in locomotive manufacture established firms had to close down, because of uneconomic prices is sufficient warning against, any price fixation scheme which leaves little incentive for the manufacturing unit to expand production.

The Committee in its report had observed that it would be unfortunate if the interest of the railways is subordinated to the interest of a factory (TELCO) which has repeatedly failed to keep to the agreements entered into between itself and the Government. Such a heavy indictment which this statement implies of the functioning of the company could be supported only by more convincing reasons than what the Committee has given in its report. It is not to be denied that the cost of production of Telco locomotives is not on a par with cost of production in other parts of the world and admits of scope for reduction a great deal. TELCO has again been slow in starting production, slower than would have been warranted by the terms of the agreement. But the Committee should have taken into account the initial difficulties that an infant industry has to face before rushing to conclusions and framing charges. In its excessive pre-occupation with the terms of the agreement the Committee seems to have completely ignored the dynamics of development. Even the terms of the agreement on which the Committee has based its charges

do not appear to have been one-sidedly favourable to the TELCO.

While the Public Account Committee is extremely critical about the failures of the TELCO in regard to cost of production, it has nothing to say about the progress the company has made in the last few years, and the advantages it had conferred on the country which is handicapped in taking larger strides in industrial development by the absence of well developed heavy industries. The record of the Company in recent years in the field of production, it has to be admitted, has been remarkable. Up to this time it has manufactured more than 270 complete locomotives, 345 spare boilers, 1,857 underframes, 950 road rollers and over 14,000 diesel trucks valued at over Rs 55 crores in all. In terms of savings in foreign exchange, the benefits are even more obvious. The future production potential of TELCO is also of no mean order. Already production in the Locomotive Division has reached a figure of 100 locomotives a year, while in the Automobile division production is well above the 6,000 mark. The effect on the employment situation has been no less advantageous to the country at large. From a little over 1,000 at the time the company was started the labour strength had increased to about 7,500.

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WORLD OF COTTON

EICA's Suggestions: Cautious Trading

AT an informal meeting of cotton interests in Bombay held on Friday last, the prevailing unsatisfactory position, both in the cloth and cotton markets, was understood to have been discussed. Several suggestions were reported to have been mooted at the meeting, although no final decision seemed to have been arrived at. But, the adjourned meeting, held on Monday this week, concluded its deliberations. Following these deliberations, the Vice-Chairman of the East India Cotton Association has sent a telegram to the Union Minister for Commerce and Industry, urging immediate action in the form of (1) an export quota of 50,000 bales of 3/4 cotton as recommended by the Cotton Advisory Board and (2) permission to export 25,000 bales of old cop 25/32 and below. The telegram has also sought some immediate relief and incentive, especially to mills producing coarse and medium varieties, with a view to enabling them to dispose of their cloth stocks. The EICA is convinced that immediate action only on these lines will avert a crisis.

Although there has been some controversy about the manner in

which cotton export licences are issued, i.e. on the basis of "past performance" vis-a-vis the recent departure in the policy of "first-come-first-served" basis, the latter method has undoubtedly yielded good results. Judging from the fact that, between March 17 and May 1, as many as 38,042 bales were passed for shipment. Thus, it will be seen that, in about six weeks, a major portion of Bengal Deshi quota has been exported. It, therefore, seems reasonable to expect the entire quota to be absorbed in another fortnight or so.

Again, the statement by the Commerce and Industry Minister emphasising Government's awareness of the crisis facing the textile industry failed to impress the market. It was also pointed out that the Government would soon take up the question of mismanagement of textile mills leading to their closure. Traders, however, have felt that nothing tangible will come out of the assurance given by him. Another depressing factor is the Sudan Government's decision to remove the OGL for imports of cotton piecegoods. As Sudan is an

important buyer of Indian textiles, trade quarters fear that this step will tell adversely on cloth exports from India.

Meanwhile, it is expected that the Government of India will soon announce a fresh import quota of 30,000 bales of cotton stapling 1 13/16" and above from soft currency areas. The earlier release of an equal quantity, announced on April 8, came at an opportune time and mills utilised it for importing more 20,000 bales of Sudanese cotton. It is felt that purchases will, in future, be more from Egypt in view of the discount of 20.95 per cent offered by that country to India.

It is also expected that the three-week old dead-lock in regard to import of Egyptian cotton will be resolved soon. The new exchange rate, it is felt, will be favourable to India as it will take into account the discount of 21 per cent offered by Egypt to Indian mills for the purchase of cotton. The State Bank India will have a large credit account with the National Bank of Egypt and will operate both import bills for cotton and export bills for jute and tea.

Speculation is also rife about the import of US cotton for the current season. India has still unused cotton funds under PL 480 which can finance about 60,000 bales of Good Middling US growths stapling 1 1/16" and above. Reports from New Delhi suggest that the Government of India are eager to bring that cotton, while the authorities in the USA are not inclined to issue the authorisation orders on account of the shortage of good grade cottons in that country. Rumours are current that Indian mills will be offered varieties of stapling one inch and lower, which are not generally used in this country.

The Government of India have also decided to permit the import of Pakistani cotton against the quota of East African cotton, announced on February 28. The Government of India had released an import quota of 70,000 bales of East African cotton. The cotton should be of staple length of 1 1/16" and above and should be comparable to the East African cotton in quality and fineness.

COTTON FUTURES:

After ruling quiet during the most part of the week, cotton futures advanced moderately towards the close, thanks to buying by a prominent spot house. ICC Jharilla May delivery moved between Rs 641.50 and 646 and August Rs 655 and Rs 660.25.

SPOT MARKET:

The Spot market was devoid of any noteworthy activity. Mill demand was restricted to the bare requirements.

BOMBAY REVIEW

On the export front, Bengal Deshi evoked some enquiries from the local buyers. Turnover approximated 1,500 bales.

KARACHI COTTON MARKET:

The Karachi cotton market ruled quiet in the absence of fresh developments. The failure of foreign demand to revive to the desired extent, the continued delay in the reduction of export duty on cotton and the slackness in domestic mill demand led to fresh selling, especially in the distant July delivery. Consequently, values suffered a break. Sind Deshi was quoted at Rs 64; Punjab Deshi, at Rs 62-8; 4F Roller at Rs 69-14 and Saw Gin at Rs 80-10.

NEW YORK COTTON MARKET:

Following an early decline led by the spot May position, cotton futures on the New York market rallied on renewed demand, prompted by the continued unfavourable weather in sections of the belt. Helping the market was an indication of an improvement in textile business on the Worth Street market where it was reported that several million yards of premium quality eight-square print cloths were sold for third delivery. Middling Spot was quoted at 36.05 cents per pound.

LIVERPOOL COTTON MARKET

Values on the Liverpool cotton futures market showed little variation except for some easing in the distant deliveries on small American selling. The near-month of both contracts had further support from mill fixations and the market closed quiet at five points down with the mixed contract five points up to unchanged. The Sudan contract close quiet.

CLOTH AND PIECEGOODS

Although there was moderate demand for some varieties, there was no appreciable change in values on the Bombay Piecegoods market. In superfine cloth, there was satisfactory enquiry, while medium varieties met with increased demand. Traders, in general, are concerned with two developments. Talks are reported to have commenced in the UK between representatives of the Indian textile industry and their counterparts there on the reduction of exports of Indian cloth to that country. The other development related to the Sudan, one of India's important customers. The loss of this market, following the cancellation of the OGL, will, it is felt, adversely affect India's textile exports, resulting in the loss of the much-needed foreign exchange.

Conditions were dull on the export front. Burma is quiet in the absence of any clarification regarding the issue of fresh import licences. Indonesia has booked business only for negligible quantities.

GATEWAY NOTES

English in Schools

The members of the Bombay Municipal Corporation took a step of great significance for the future of education in the country, by extending their support to a resolution urging the Government of Bombay to reconsider its policy regarding teaching of English in schools. The resolution, which requested the Government to introduce the teaching of English from the V Standard instead of from the VIII Standard, had the support of all the parties. The willingness of the Congress party to support the resolution is regarded as an indication that the Corporation's request will be favourably considered by the Government. Speeches made on the resolution drew attention to deterioration in standards of education subsequent to the adoption of a policy under which English was introduced only at the VIII Standard. Some of the speakers suggested that the relegation of English to a later stage in the Secondary School course was one of the principal reasons for the deterioration in standards. One result of the reduced importance accorded to English was the rush for admission to the few schools where the medium of instruction was English leading to what is described as a racket in admissions. An important speech in support of the resolution was made by a Congress Muslim member, who said that the Congress party in the Corporation had, by supporting the resolution, taken a stand which should be an eye-opener to the Government. Referring to the language controversy in South India, he observed that self-complacency in such matters will result in great harm and, so long as things were what they were, every effort should be made to see that there is no deterioration in the standard of English. The resolution of the Bombay Corporation should inject a dose of realism among those who are in a hurry to banish English from the educational system.

Atomic Power

The revolutionary significance of atomic power for industry was emphasised in the presidential address of Mr. Vasant Seth, Director of Great Eastern Shipping Co. Ltd., to the Institution of Marine Technology. Before the discovery of atomic energy, the rapid depletion of the traditional sources of power was regarded as a threat to the survival of the industrial civilization. It is estimated that known reserves of Coal would not last beyond 2050, while the reserves of oil would be exhausted in 40 years. On the other hand deposit of Uranium and Thorium are sufficient to maintain the power supplies for at least 1000 years to come. Mr Seth also drew the attention to the fact that

the cost of atomic power compared favourably with power from Thermal stations. The capital cost of a reactor of 250 Mega Watts would be Rs 22 crores which works out to Rs 1470 per Kilo Watt. Dr Bhabha had indicated the possibility of erecting an atomic reactor at a cost only slightly greater than the cost of a thermal station. The power from such a reactor could be supplied to consumers at a cheap rate of about 0.7 annas Mr Seth looked forward to the day, which was not far off, when atomic energy would be applied for propulsion of ships, submarines, locomotives and aeroplanes. Mr Seth was not looking too far ahead when he spoke of atomic power for ship propulsion. Atomic powered ships are now within the range of practical possibility. British ship-builders have drawn up plans to construct a 65,000 ton nuclear-powered tanker which is estimated to cost about £11,500,000. Japan has also planned to build two atom-powered ships in the next five years and it is reported that Japanese scientists have already completed designs for three 40,000 ton tankers and one 30,000 ton tanker. They work on the principle of installing reactors in the existing type of service vessels. The fact that shipping has already entered the nuclear age is confirmed by the fact that the International Marine conference devoted its last session to discussion of problems of insurance of nuclear-powered ships.

Shipowners' Protest

The opposition of Indian shipowners to the definition of Indian shipping adopted in the Marine Shipping Bill, now before the Lok Sabha, was reiterated by Mrs. Sumati Morarji, President of the Indian National Steamship Owners' Association. The progress of Indian shipping during the pre-plan period, when Indian shipowners increased the tonnage from 42 vessels of 98,286 tons GRT in January 1946 to 97 vessels of 3,86,295 tons GRT in 1951, by investing over 22 crores from their own internal resources, showed that there was no need to invite foreign capital to participate in the shipping industry. Indian shipowners view with great concern the change which will open the door to foreign penetration in a field of vital importance to the nation's security. Mrs. Morarji emphasised that the shipping is a floating asset which has to stand the international competition and has to serve the country's security and strategic position. Shipping is also an efficient earner of foreign exchange. In view of these facts it is not advisable to change the existing policy regarding Indian shipping. The Indian National Steamship Owners' Association, a representative body of all the shipowners, had come to the unanimous conclusion that it would not be in the national interest if foreigners were allowed to participate or form a combine for the development of Indian shipping.

GATEWAY MARKETS

Recovery in Oilseeds

TRADING on the Bombay Oilseeds Exchange was highlighted by a modest improvement in Castorseed and Groundnut. The tendency in Linseed and Cottonseed was a shade steadier although price movements were confined to a narrow range.

With the commencement of the month of maturity of the current contracts in major oilseeds, interest in the market shifted to the possibility of spot offerings against forward sales. The offerings against castor futures, amounting to 1,100 candelis, have been generally in line with trade expectations. Tenders in groundnut have been understandably small at only 500 candelis, while there have been no deliveries against cottonseed contract. The volume of offerings against the linseed has tended to confirm earlier expectations that the sellers might prefer to unload spot supplies held by them in view of the current uninspiring situation facing the trade.

The slight recovery in Castor futures was attributed mainly to unconfirmed reports that Brazil had increased its prices of castor oil from 12 1/2 to 14 cents per pound on account of the damage to the crop resulting from adverse weather in growing areas. Strong rumours of a further relief in export duty also added the sentiment. Ready was placed at Rs 29.75 and Castor Oil, commercial quality, at Rs 15.31.

Encouraged by the strength of the spot section, bull operators continued to dominate trading in Groundnut. Bold quality ready was quoted at Rs 34.37 and Groundnut Oil at Rs 18.37.

Trading in the Linseed section was dull in the absence of fresh developments. However, price variations generally followed the pattern established by castorseed and groundnut. Ready position was quoted at Rs 29.25 and Linseed Oil at Rs 15.56.

Activity in Cottonseed futures was confined to end-of-account adjustment of outstanding business.

Gold & Silver

The bullion market was in the grip of bulls who manipulated prices to their advantage. Demand for spot continued to be brisk. Arrivals and offtake were balanced at 3,000 tolas, while unrefined metal receipts totalled 1,500 tolas. Forward rates moved between Rs 110.44 and Rs 110.56 and spot rates between Rs 113.62 and Rs 113.69. Sovereign ruled firm at Rs 73.00.

Although activity in Silver was not brisk, prices were well held as the market continued to be in the grip of bulls. Spot demand also remained encouraging. Arrivals and offtake were estimated at 17 and 15 bars respectively. Forward rates

moved between Rs 193.31 and Rs 193.47 and spot rates between Rs 197.06 and Rs 197.19.

Yarn

Conditions in the Bombay Yarn market presented a mixed pattern. While the Rayon section ruled firm despite reports of Continental manufacturers having cut their prices to some extent, Staple-Fibre and Cotton sections remained easy.

The firm trend in Rayon yarn was largely attributed to the scarcity of ready stocks, especially in the imported varieties. Even in the indigenous variety, the feeling was that actual users were put to a considerable hardship as they were not in a position to avail of the facility offered in the marketing of the 70 per cent of the indigenous production.

As a result of the continued ban on the import of Art Silk yarn through established importers and the artificial rise in prices in the absence of adequate supplies, the Bombay Yarn Merchants' Association has preferred not to allow trading in the June delivery. Efforts are, however, being made in the meanwhile by certain trade interests to persuade the Government to allow a small quota to established importers.

There is also no likelihood of futures trading in the indigenous yarn as a result of the restrictions placed on the margin of profit of trade under the new distribution scheme. Reports are, that some of the traders have approached the Government of India to permit an ad hoc import quota to help relieve the scarcity.

The market for Cotton yarns continued to remain depressed due to lack of demand from handloom weavers, which is attributed to accumulation of stocks, lack of demand for cloth and tight money conditions.

Tin

The decision of the International Tin Council to maintain the status quo with regard to the buffer stock prices has not surprised traders in Non-Ferrous Metals. In view of the increased production and encouraging demand, it is suggested in some quarters that the support price should be reduced.

Consumer countries like India would have benefitted if this suggestion had been accepted; but the producer members have a stronger voice in the Council. The reduction in support price would have presumably affected the members of the Council adversely, because they would have to face a loss on the stocks already held. The Council has, therefore, decided in favour of status quo. According to the current scheme, the manager of the Council is bound to support the price between the range of £70 and £780 per ton. As regards the export quota, the Council has decided to maintain the overall figure at 23,000 tons for the next period. Some alterations have been made in country-wise allocations.

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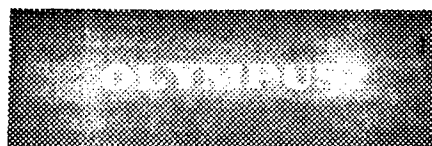
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CONSIDERING its early promise of high drama, the episode of Mr Nehru's unsuccessful request for permission to retire temporarily from office ended on a note of anticlimax. For nearly a week, it pushed out of notice every other important event. But when he announced on Saturday that in all humility and with his deep feelings for what was being said, he shall not proceed to take this step; it was a tame end to an exciting 'story'.

Consider the sequence of events. On the day he arrived back from his tour of the South, and almost immediately, Mr Nehru sprung on his colleagues in the Parliamentary party the carefully prepared statement he had dictated on his journey back. He also met the President and acquainted him with his desire to relinquish office for a while, subject to his party's approval. As Mr Nehru explained subsequently, the timing of the announcement had been carefully considered by him beforehand. His idea was, to ask for his party's leave to go into temporary retirement on his return from the tour of Kerala. Since the present session of Parliament had still days to last, the request would give his colleagues in the party some time to think over the matter and make consequential arrangements. Thirdly, Mr Nehru wanted to take advantage of the presence of the Chief Ministers of the States in Delhi in connection with the meeting of the National Development Council.

Despite the fact that the public at large had some inkling that Mr Nehru was contemplating some step along the lines he announced, the effect of his announcement was electric. At the meeting of the Parliamentary party at which Mr Nehru read his prepared speech, the reaction was spontaneous and against the idea. Indeed, so automatic was the reaction that Mr Nehru had to chide them mildly the next day telling them that they should think about the question and make up their minds instead of instinctively reacting to it. In the country at large too, the reaction was immediate and by and large, against it. And after two or three days of deliberations, at which public reaction at home and abroad was given due weight, the party requested Mr Nehru to withdraw his request to relinquish, even for a temporary period, his present responsibilities. Mr Nehru has agreed to this unanimous request.

But, though the chapter is now closed, at least for the present, the ambiguities of the situation are yet to be wholly cleared up. One thing alone seems certain; that the party is not willing to deprive itself, even temporarily, of the ad-

Mr Nehru Agrees to Stay in Office

vantages of Mr Nehru's leadership. That is why, the cartoon in a Tamil weekly, (usually very shrewd in its political comments) missed the point by miles when it presented a Nehru surrounded by a number of colleagues pressing him to go on a holiday and offering a variety of blandishments to persuade him to do so. Of course, the reasons, for the party's anxiety for Mr Nehru's continuance in office, are not entirely clear, despite the resolution passed by the Congress Parliamentary party. In any case, one cannot escape the feeling that the real reasons have not been fully elucidated in the published versions of the deliberations. Mr Nehru's speech bowing to the party's wishes refers rather obscurely to considerations that he had not taken into account when he first asked to be allowed to go away temporarily but which the party, had brought home to him. What those considerations were, in precise terms, are yet to be elucidated. Can it be that the Congress party means that it just cannot carry on even for a day if Mr Nehru is not there to tell it what to do? Or would it be that the party fears that there is no acceptable alternative leader? Of course, considering how powerful centrifugal forces are in the country, there is a case for saying that it will be dangerous to experiment with alternative leadership even as a temporary measure. The question of official language, for instance, is something that is dividing the country deeply and it is only the possibility that Mr Nehru will reconcile the different points of view that is holding the hand of people who feel differently from the official Congress view. Likewise, the bilingual Bombay issue is still one on which public opinion is unsettled. And, at a still lower level, the fortunes of the Congress party at the moment are such as to make it impossible for it to do without Mr Nehru's immediate presence, guidance and at the very least, continued association. That this last consideration weighed to some extent with Mr Nehru is evident from the fact that in his third speech he was at great pains to explain his rather sharp comments about his party in his earlier speech. And, finally, Mr Nehru seems to have been also influenced by the possible effect of his decision on the international scene. It is now known for certain that Mr Nehru received a communication from President Eisenhower just before he went in to attend the party meeting on Thursday. It is believed that this letter requested Mr Nehru not to withdraw his influence and guidance at a time of delicate international situation. How far decisive this evidence of his indispensability in the international scene was in Mr Nehru's

changing his mind, it is difficult to say. But it is clear that it must have had something to do with it.

If there were certain unexplained features about the final decision of Mr Nehru, the perplexities about why, in the first instance, Mr Nehru wanted to go away for a while, are equally unresolved. Mr Nehru's successive elucidations have not entirely cleared up matters. As originally formulated at a press conference some time ago and later in his letters to his colleagues, it looked as though it was merely a personal predicament. He had grown stale and flat, he said, and he had fallen into set ways of thinking. In other words, Mr Nehru seemed to be revolting against the familiar compulsions of living against which poets who have always revolted, the steady accumulation of dust on even the freshest of things, the corrosion of the liveliest of moral idealism by routine, even when that routine is imposed in order to realise the ends of that idealism. The drying up of the sources of original thinking that a too unrelaxed and too insistent preoccupations with affairs was what we thought was the problem that bothered Mr Nehru.

But in his own painfully honest way, he has pointed out that there were other strands in his desire to quit office. It was his feeling that the atmosphere of public life was getting more and more stifling, that idealism had fled the regions of public life and that the quality of public life had become coarser and more vulgar. There were also other manifestations in public life which he disliked immensely. Among these was what he called a certain revivalism, a certain primitive fall-back on a narrower intolerance, as against the more liberal and humane tolerance of the days before independence.

Now these reasons are substantially different from the first. And whereas on the first ground, Mr Nehru's request for a short spell of holiday was perfectly justified, it is somewhat difficult to see how a general disenchantment with political life as such (to which, after all, his other reasons boil down) can justify a temporary respite from work. On the other hand, the ills afflicting political life in our country which Mr Nehru listed—and he is substantially right in his diagnosis—needs his presence rather than his absence. But, perhaps, I am being too literal. In the first place, as Mr Nehru himself stated, these various reasons are rationalisations of a mood and may or may not be correct. The fact, perhaps, is that Mr Nehru thought—or rather felt—that he would like to get away from it all for a while and these were some of the reasons that occurred to

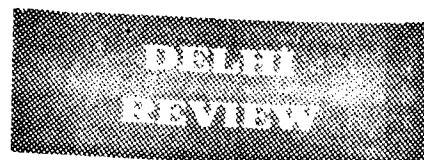
him when he tried to find a rational basis for his feeling. Secondly, after all, Mr Nehru may be able to think better about how to deal with these problems in his enforced leisure than if he lived in the very atmosphere he deplors. In any case, he now seems to think that other considerations which his colleagues canvassed outweigh these rationalisations of his own and he has decided to stay.

There can be no doubt that decision has been received with relief by all concerned. But one cannot escape the uneasy feeling that the problem has once again been evaded rather than solved. While no one is to blame for the way things took shape—indeed, everyone is relieved at Mr Nehru's decision to stay—it seems that this way of demonstrating Mr Nehru's indispensability has its dangers. It is not, of course, that Mr Nehru has allowed himself to be easily persuaded—indeed, quite the contrary. At one stage, it looked as though, his mind was quite made up. But it looks strange that the Congress party should feel so completely lost even at the merest possibility of Mr Nehru's absence even for a temporary period. The bearing of this episode on the question of 'After Nehru—What' is only too clear.

In any case, one or two things can and should be done. One is, to allow Mr Nehru, a temporary holiday, even if he is to continue to be the Prime Minister. He needs rest badly and should be given it. Secondly, he should conserve himself more carefully and take more frequent holidays, even if they were only for week ends respite from work—as do the British Prime Ministers. And this also implies that he should shed a lot of work which others can do just as well. A good deal of routine work which he is taking on himself should be delegated to others. He can, even while in office, devote more time to the kind of fundamental thinking that he wanted to do by going away from Delhi.

And, finally, this episode will have served no purpose if the Congress does not set its house in order. Some Congressmen referred to Mr Nehru's announcement as an atom bomb thrown among them. It is very much to be hoped that they do not lapse into complacency because they have converted it into something not unlike a damp squib. If they do not restore to public life some of the original idealism that Mr Nehru misses now, they would have reduced to a farce what must have been two painful decisions: the first one to leave public life for a while, and second and even more painful decision to revoke the first.

Indian Finance



May 10, 1958



University Education

The Estimates Committee of the Lok Sabha can congratulate itself on the recommendations it has made for improving University education in the country. The Committee's chief concern was with overcrowding in Universities in the country and with improving the scope for scientific studies in the University curriculum. The recommendation of the Committee that higher mathematics should be specially encouraged and that every University should specialise in one or two scientific subjects for intensive advanced studies for scientific and technical education is intended to promote scientific education in Universities.

The limitation of admission in the arts courses to those who have special aptitude for literary and academic studies as recommended by the Committee is aimed at reducing the pressure of students in the arts courses. The suggestion in regard to the abolition of the degree qualification for recruitment to lower and middle level public services follows the recognition of the adverse effects on employment which limitation of admission in the arts courses would have. Further this would also greatly conduce to improvement in the standards of education by reducing the teacher pupil ratio.

The Committee does not seem to be unduly perturbed by the student indiscipline and is hopeful that the problem is capable of being solved by leaving the students a large measure of freedom to manage their own affairs especially in regard to extra-curricular activities. "A measure of self-government" is therefore what the Committee prescribes for preserving discipline among the students.

Reform of the present examination system is another aspect of education to which the Committee has applied its mind. But the Committee has not suggested any new system to replace the old one. This has been left to be decided by a small expert body, on the basis of statistical methods available to standardise the results of examinations and thus evolve a uniform standard of marking in the different universities. To improve efficiency of teaching and learning, emphasis is laid on the students' record of the class work. The Committee has therefore endorsed the recommendation of the University Education Commission that one-third of marks allotted to each subject be reserved for work done during the course of instruction and this be adopted forthwith in the B.Sc. M.A. and M.Sc. Examinations.

The Committee is also against the Education Ministry taking upon itself administrative and executive responsibility and wants

the Ministry to confine itself to functions of supervision and policy making. The other recommendations of the Committee include exchange of teachers of outstanding merit, provision of liberal scholarship to intelligent women students to enable them to prosecute higher studies and starting of evening classes in big cities.

Cotton Textile Industry

Though the excise duties on mill-made cloth have been reduced following the grave crisis in the industry as reflected in huge accumulation of stocks, whether the measure would by itself, enable the industry and the various mills to stabilise the working conditions is open to doubt. The committee of the Bengal Millowners' Association seem to be of the view that without further reductions in the excise duty it would be impossible to clear the entire stocks that have accumulated with the mills. A readjustment of production between the various sectors is also indicated as a possible source of relief for the industry since it had been found that overproduction of coarse varieties was at the root of the troubles suffered by the industry last year. But if the mills are to effect their salvation themselves in this way, a change in policy in regard to the allocation of quotas for imported cotton would seem to be warranted. Restriction on the production of printed cloth is another anomaly in the textile policy of the Government which needs revision if production by mills is to be brought into line with consumer requirements. These points were raised at the meeting of the committee of the Bengal Millowners' Association which was attended by Mr D. S. Joshi, Textile Commissioner, Union Government.

For the industry in West Bengal, the beneficial effects of the reduction in central excise duties on mill-made cloth seem to have been negated by the continuance of sales tax by the State Government on the products of cotton cloth. The Bharat Chamber of Commerce has therefore suggested the total abolition of the licensing and sales tax on such products of cotton cloth as readymade cotton garments and waterproof cotton canvas. There is a certain element of inconsistency in the continuance of such taxes especially after the centralisation of excise duties on mill-made cloth.

In the course of the discussion between the representatives of the Bharat Chamber of Commerce and Mr Joshi, Textile Commissioner, Mr K. L. Dhandhan, President of the Chamber, pointed out that the imbalance between production and internal absorption has to be correlated with the increase in the overall burden of excise duty on mill-made cloth. Difficulties of the hosiery industry and the cotton textile trade to which Mr Dhandhan drew attention, are the symptoms of the persisting crisis at the coarse sector of the industry and therefore call for more liberal measures than have so far been conceded.



Fall in Shellac Prices

THE Shellac market in Calcutta has continued to rule weak with Pure TN quality quoting around Rs 64 per maund. Shipments during May, until the 3rd, were 6,882 packages comprising 1,313 packages of shellac; 5,143 packages of seedlac; 110 packages of button-lac and 316 packages of other varieties.

The steady decline in prices is attributed to growing arrivals of lac from the Bysakhi crop. In spite of continued American purchases of seedlac and moderate interest from Europe and other areas, the spot price was pushed down at one time to Rs 60.

In this connection, Mr Lall, Joint Secretary, Ministry of Commerce and Industry, has stated that the Government have noted with concern the steady and unhealthy fall in the price of the commodity and added that, one of the reasons why shellac is giving way to synthetics is, the prices of the latter have been more stable than the prices of shellac.

A suggestion is made that the State Trading Corporation should immediately enter the market and purchase shellac for building up a buffer stock. Mr Lall, however, feels that it is the Government's policy to use the Corporation only to solve the problems which the traders are unable to solve by themselves. He is not sure that the problems of shellac are in this category.

It is also suggested that, by an adjustment of the cess leviable under the Indian Lac Cess Act, it will be possible to achieve stability in shellac prices. A scheme for the levy of such cess is placed before the meeting by the Shellac Traders' Association to consider the scheme. It is agreed that the Chairman of the Export Promotion Council should immediately convene a meeting of shellac exporters with a view to organising an association for regulating prices and trade.

The shellac market in London also rules quiet. TN quality is quoted at 161sh 6d per cwt for June delivery and 164sh for August.

Sugar

Sugar markets, which had been ruling steady till the end of last week, have turned quiet following the release of a further quantity of 1.66 lakh tons for free sale. Following mill-delivery rates (per maund) are quoted in the Hapur market:—Khatauli (B. 29) Rs 38.25; Iqbalpore (C. 29) Rs 37.00; Mansoorpur (C. 29) Rs 37.25; Rohana (B. 29) Rs 38; Daurala (B. 29) Rs 37.50; Mowana (C. 29) Rs 37; Shamli

(C. 29) Rs 37; Amroha (D. 29) Rs 35.12; Binore (E. 29) Rs 35.56 and Modinagar (C. 29) Rs 36.87.

The Khandsari market, however, continues to rule steady, thanks to good demand from the consuming areas. Production is gradually coming to a close. Rates are moving between Rs 30 and Rs 34 per maund, according to quality.

Gur

Gur season has almost come to a close; and daily arrivals in the Hapur market are only 200 maunds per day. Bears and bulls, in a tussle to give a favourable turn in their favour, are purchasing the commodity at rates varying from Rs 14 to Rs 15.50 per maund. Outside demand is, however, slack, while stocks are estimated around 1.47 lakh maunds.

Arrivals in the Muzaffarnagar market have also gone down to an average of 1,000 maunds and prices are almost stagnant. Chakku quality is quoted at Rs 16 to Rs 17.25 and Shakkar Masala at Rs 21 to Rs 23.

Foodgrains

Quietly steady conditions are noticed in the Hapur Foodgrains market. Wheat prices have recorded a fall of about 75 nP per maund. The market for Rice continues to rule steady, while that for Gram remains unchanged. Bejhar arrivals are small and this accounts for the steady conditions in the prices of this grain. Arrivals of Peas and Arhar have continued to be heavy and stocks are reported to have swelled. Peas arrivals average 1,500 maunds and those of arhar about 1,000 maunds daily. Urad and Moong remain unchanged.

In the Delhi grains market, Rice has shown a rally of about a rupee per maund despite better arrivals amounting to 10,000 bags following the imposition of restrictions on the movement of the commodity by the Punjab Government. Gram rules quiet, while Barja has eased by 50 nP. The market for Maize rules slightly steadier, while other grains are quiet.

The all-India final estimate of Maize for 1957-58 puts the current year's area and production of the crop at 9,762,000 acres and 3,064,000 tons respectively as against the partially-revised estimate of 9,197,000 acres and 3,009,000 tons for 1956-57. This shows an increase of 565,000 acres in area and 55,000 tons in production during the current year as compared to last year.

The All-India final estimate of Jowar for the season 1957-58, places the current year's area and production of the crop at 41,411,000 acres and 8,056,000 tons respectively, as against the partially revised estimate of 40,367,000 acres and 7,249,000 tons for 1956-57.

This shows an increase of 1,044,000 acres or 2.6 per cent in area and 807,000 tons or 11.1 per cent in production of Jowar during the current year as compared to the previous year.

MADRAS REVIEW

CONFIDENCE seems to be the first casualty in the fight against difficulties which the Second Plan had to encounter in the course of its working in the last two years. It has become the fashion for the critics of the Plan to predict the inevitability of the Plan's failure. In fairness, it is to be pointed out that the Plan has reached a critical stage where it stands face to face with really formidable obstacles and the reported downward revision of the Plan to a total outlay of Rs 4,500 crores, is an official admission of the difficulties inherent in the task of carrying the Plan through in its original size. But the chief fault with the critics is their tendency to magnify the difficulties which gives an impression of rigidity of outlook on the part of the Government. The latest revision of the Plan target in regard to total outlay, should serve to silence these critics in regard to the attitude of the Government to the Second Plan.

Such criticism has not been confined to Central Plan but has also been equally evident in regard to State Plans. Almost in every State the failure of the Plan in a few sectors has become the stock argument of the opposition parties against the Congress Governments. In the recent session of the Mysore Legislature such criticisms were heard from spokesmen of all the opposition parties. The main point in the criticism made against the Plan was the non-utilisation of the money allotted for expenditure for the first two years of the Plan and the resulting carry-over of expenditure from which it was an easy step to predict the impossibility of utilising the total expenditure envisaged for the Plan period.

But the optimist that he is, Mr Nijalingappa, Chief Minister of the State, could not be forced to yield to the view points of the critics in regard to the State's Second Plan. It was the very mark of his leadership that far from being worried about any shortfall in expenditure Mr Nijalingappa was even confident that the State would be able to secure further Central assistance on the basis of proper performance especially in regard to timely utilisation of the outlay allocated to the State. The task that awaits him, in this connection is by no means either easy or small considering that out of a total outlay of Rs 145 crores for the whole of the Plan period, about Rs 87 crores have been reserved for the last two years of the Plan.

Part of the shortfall in expenditure in the first two years of the Plan is made up of the carry-over of expenditure from the First Plan, such amount being estimated at Rs 15 crores. Naturally as pointed out by one member in the legislative Council this underlines the need for proper coordination bet-

ween the activities of the spending departments and also for a definite expenditure Plan as well as for constant scrutiny of the progress made by various development schemes. How in the face of such marked lag in expenditure an increase in outlay as demanded by some members could be profitably absorbed is difficult to understand? It is an example of confused thinking that the very critics who criticised the working of the State's Second Plan on the score of the shortfall in expenditure should make such demands for increase in outlay.

When Mr Nijalingappa spoke of the ability of the State Government to carry through the Plan in its original size of Rs 145 crores he was basing himself on the improved performance in the last six months as also on the organisational changes that have been introduced to expedite progress. He has in this connection drawn attention to the setting up of an efficient machinery to push through the schemes. He was also aware of the importance of public cooperation in successfully implementing the Plan and did not fail to stress it. He attributed the retarded progress of the Plan to the effects of the States Reorganisation scheme. It was but natural that with five different areas to be integrated to form the enlarged Mysore State and with resultant dislocation of the administrative machinery, the pace of progress should refuse to be kept up. Since normalcy has been restored in administrative functioning Mr Nijalingappa is right in expecting improved performance in all fields.

Against the arguments of those who are prone to belittle the achievements of the Plan so far, Mr Nijalingappa has pointed to some tangible achievements. While in the food front, today, people are getting 14.6 oz per head against 12.3 oz ten years ago progress was more remarkable in lengthening the span of human life in the country, from 26 to 32. These point to nothing if not a definite improvement in the standard of living in the country. The criticism against the Plan is true only in so far as it indicates the leeway to be made up in improving the standard of living.

Apart from this, progress in Mysore itself has been of no mean order in almost all the spheres, and particularly notable in regard to industrialisation and irrigation and power schemes. Thungabhadra, Laccavalli and Sharavathi are the three multi-purpose projects which stand as the symbols of the coming era of prosperity for the agriculturists in the State. Already 900 families have been settled in the Thungabhadra area while about 95,000 acres of land have been brought under irrigation. The Ghataprabha scheme is credited

Development of Mysore

with an irrigation potential of nearly five lakh acres but is reported to have been held back because of the unsettled issue of boundaries on the border of the Maharashtra area. With the improvements that these promise in the agricultural situation food production should not take long to be increased so as to make the State self-sufficient in food supplies. The irrigation potential would further be increased with completion of the many minor irrigation schemes that have been envisaged. In this connection Mr Nijalingappa pointed out that the Government wanted to spend during the next year Rs 100 to 120 lakhs on new minor irrigation schemes and for repairing the existing minor irrigation sources like tanks. The chief defect in regard to irrigation planning has not been lack of facilities but unwillingness on the part of the cultivators to avail of the facilities already created. Mr Nijalingappa could not help regretting that only a small extent under the Thungabhadra ayacut had been brought under irrigation. He has attributed this to the fact that people in that area were new to wet cultivation. The need for a proper and efficient machinery to educate the cultivators in the scientific methods of cultivation and in the benefits of wet cultivation is therefore urgent.

Industrialisation is a field in which the Mysore State has left some of its neighbours in the Peninsular region far behind. Though much of the progress it has made in this sphere, it owes to the existence of rich minerals, without an enterprising policy progress would have been as little as in some of the backward States of the country. The present Government was in this respect fortunate in inheriting such an enterprising policy from the previous regime of the Maharaj. While in all the other States industrial progress has been of recent birth, the Mysore State is able to lay claim to a long tradition of enlightened policy in regard to industrialisation. Progress in the last decade has been even more remarkable. The Hindustan Aircraft, the Indian Telephone Industries etc are some of the new industries that were set up in the post-independence era but which however the State owes more to Central initiative. In the Mysore Iron and Steel works the State has a heavy industry which is conspicuously absent in the other States in the South. With the inauguration of the new spun pipe plant, at the Mysore Iron and Steel Works last month by Sardar Swaran Singh, Union Minister for Steel Mines and Fuel a new milestone has been passed on the road to further industrialisation. The new plant is credited with the capacity to meet besides the increased demand for steel in the

country, the increased demands of ferro-silicon, steel and other schemes for ancillary services. Production of stainless steel and special types of steel are mentioned as additional possibilities. Industrialisation is therefore a field in which Mr Nijalingappa has the least misgivings. While there are physical resources in abundance he is also sure of extra-assistance from the Centre and he is refreshingly free from having any grouse against the Centre on the score of unsympathetic attitude. In this connection he felt compelled to refer to the charges of discrimination made against the Centre in the matter of industrial development of the South. On the basis of the recent experience in connection with the opening of the new spun pipe plant at Bhadravathi which was made possible entirely by Central assistance he had little difficulty in dismissing such charges as frivolous. As he rightly pointed out such criticisms essentially spring from a refusal to view the Plan on an all India basis.

Power production is another field in which the State has made rapid strides. The Government have shown equal concern in developing the power potential and Mr Nijalingappa has stated that the Government would be spending Rs 2½ crores this year on the Sharavathi project, while another sum of Rs 3½ crores has been indicated for the next year. He has also given an assurance that though not in the core of the Plan, the Sharavathi project would be completed in the scheduled time without much delay.

Improvement of the forests and the fishing industry is also envisaged under the Second Plan. The development of the fishing industry which is a good dollar earner has been taken care of by a provision of Rs 1 crore. The policy towards the forests is aimed at raising the return from them to the maximum. With the steps that are contemplated for the improvement of the forest wealth, the total income from them is expected to go up from the present level of Rs 4½ crores to Rs 6 crores in about two years.

While Mr Nijalingappa is satisfied with progress in all these different spheres, he has expressed doubts about the adequacy of the present system of transport and communications, and has referred to the fact that the Capital of the State is still unconnected with important towns in the integrated areas by means of railways. The smallness of the railway mileage is the sign of the undeveloped transport system of the State. The adverse effects on industrial progress, of an insufficient transport system is too obvious to be overlooked. Development of transport is therefore a matter which assumes overwhelming importance.

THE PENINSULA

SOUTH INDIAN NOTES

Rural Development

The administrative report of the Rural Development Projects Department in Madras, reveals real progress in rural welfare activities initiated by the Government in the form of Community Development projects and also points to increasing enthusiasm among the rural people for schemes connected with rural development. The report in this connection shows the people's contribution to the implementation of the Community Development programme during the year 1956-57, at Rs 28 lakhs by way of cash and Rs 27 lakhs by way of contribution of labour.

Agricultural development seems to have bulked large in the activities of the Community Development blocks and this is only as it should be, since progress in agriculture has so far been tardy. The report in this connection shows that during 1956-57 17.36 lakhs maunds of fertilisers and 106,130 maunds of improved seeds were distributed. Progress is also reported in the use and cultivation of green manure, the area that has been brought under green manure being put at 1.79 lakhs acres. Among the other achievements in the agricultural sphere were the growing popularity of the Japanese method of rice cultivation, and the attempt to bring an area of 1.37 lakhs acres under improved method of cultivation.

In the non-agricultural field progress was most noteworthy in regard to rural electrification. The specific achievements in this field were the completion of schemes costing Rs 166.5 lakhs as a result of which 428 villages are reported to have benefited. Schemes which are in progress are estimated to cost Rs 151 lakhs. Under the highways programme, the year witnessed the completion of 15 miles of national highways.

Progress, in social welfare was marked by the growing tempo of activities in connection with the construction of two hospital buildings, and 13 community halls etc. In the educational field 435 new schools were started and 272 ordinary schools were converted into basic schools. In addition, the report points out that more than a thousand adult education centres were opened bringing the benefit of literacy to nearly 45,000 adults.

The number of co-operatives functioning in the Community Development areas has been placed at 4,226 the share capital and membership of these societies being estimated at Rs 4.465 lakhs and Rs 2.94 lakhs respectively. The non-credit societies numbered 243 of which 92 were co-operative stores 22 sales societies and 129 weavers' societies.

Bangalore Corporation Budget

The new budget of the Bangalore city Corporation reflects the increasing responsibilities that have accrued to it consequent on the rapid expansion of the city. This has set the Corporation authorities looking about for more revenue to meet the growing expenditure. This has been met by incorporating increases in tax rates in regard to a few items, in the budget.

The lighting tax has been raised by 1 per cent and this is credited with an increase to the tune of Rs 2.72 lakhs which according to the Mr Jinabhai Davidoss, Chairman of the Taxation Finance Commission of the City Corporation, would work out at 10 nP per month on buildings with monthly rental value of Rs 10. Mr Jinabhai also justified the tax on property at 18½ per cent on the rental value for 10 months, which according to him was the lowest in the whole country.

Though the outmoded nature of the octroi is recognised the abolition of such a tax is explained as inconsistent with the present level of finances of the Corporation since by abolishing this tax the Corporation would be faced with a loss of revenue to the tune of Rs 40 to Rs 50 lakhs. On the contrary possibilities of extending this tax to Government departments including the Electricity Board are being explored.

Scope for increasing the revenue resources of the Corporation is indicated by the current evasion of the profession tax. This is sought to be plugged by the creation of a separate department for profession tax. The suggestion to give up levying cycle tax has also been turned down in view of the present stringent financial position.

Increase in the share of the entertainment tax levied by the Government is a possible field for augmenting the revenue of the corporation. In this connection it has been explained by Mr Jinabhai that the Corporation should make further efforts to make the Government agree to raising the Corporation's share of that tax from 18½ per cent to 25 per cent and also to vest control of the collection of the tax in the Corporation. The non-allocation of a share from the vehicles tax in spite of the fact that the vehicles were plying on the roads maintained by the Corporation was listed as an anomaly which could be rectified to the advantage of the Corporation. Mr Jinabhai has in this connection expressed the view that the Corporation should make efforts to secure from the Government a lump sum grant of Rs 5 lakhs per year for the maintenance of the roads in the Corporation areas.

The other methods of augmenting the finances of the Corporation suggested by Mr Jinabhai were the levy of water charges on all Government buildings for water consumed thereon, and rationalising the street lighting and securing a lower rate for the water supplied by the Government to the Corporation for distribution to the people.

SOUTH INDIAN MARKETS

Pepper Gives Way

PEPPER markets have been ruling weak. In the Alleppey market, the rates are quoted at Rs 593.75 for superior Palai variety and Rs 587.50 for inferior Thekkan variety. In the Calicut market, Wynaad quality is quoted at Rs 660 and the Country variety at Rs 630 to Rs 650 per candy.

Weakness in the commodity has been attributed to heavy selling in old crop by Singapore where the new crop is due by the middle of this month. It is reported that the USA has bought large quantities from Singapore. As the new crop is expected soon, Singapore appears to be keen on clearing old stocks and it is now offering at 24 cents per pound instead of about 26 cents at which it sold earlier.

The future of the market, at the moment, appears uncertain. Everybody in the trade is looking forward to the first official estimate of Sarawak pepper and the attitude of growers there. The exportable surplus of Malabar Black pepper, as on the 1st May, is estimated at 8,000 tons after deducting the normal carryover of about 3,000 tons year to year. The political situation in Indonesia, the size of the new production of Sarawak pepper and the demand from New York and Europe are some of the major factors that will shape the price of the commodity in the future. Fear of a recession in the USA developing into world recession in the near future seems to be responsible for the present strike-like attitude of buyers in New York.

In the New York market, Malabar and Lampung spot are quoted at 26 cents per pound. But as Singapore is offering at 24 cents per pound, the immediate prospects of business with the USA are reduced. Notwithstanding the present developments, prices are not, however, expected to decline appreciably as some Communist countries are continuing as buyers at lower levels.

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Coffee

As mentioned in these columns earlier, the year 1957-58 was proved to be a vital year for the Coffee industry throughout the world. It was that year which witnessed the end of the seller's market for the commodity and also large accumulation of unsaleable coffee, especially in the coffee-producing centres of South America. Thus, the Coffee Board achieved a record export of over 15,000 tons in that year. The growers drew high dividends at Rs 2.65. But, at all this was posable, because of the highest recorded coffee crop of over 41,600 tons grown in the preceding year 1956-57. The 1957-58 crop is, however, expected to be substantially lower, although it may not be as low as 35,000 tons as some apprehended, or 37,000 tons as the Board had first estimated.

The latest official estimates indicate a crop of 39,920 tons. Even this represents a considerable decline as against the previous year's crop, and this is mainly attributable to the poor crop in Coorg, which is estimated to account for only 11,900 tons as against 15,000 tons for the previous year.

The prospects for coffee exports do not seem to be very encouraging; and some fear that they may not reach even the 10,000 tons suggested by the Export Promotion Committee.

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Groundnut

The Madras Groundnut market exhibited a steadier tendency although the volume of business continued to be small. Arrivals averaged 40 to 50 tons per day. Business was reported done in summer crop at Rs 150 per candy and in Coromandel variety at Rs 151.

New crop peanut has begun to move into the market and the major portion of the arrivals constitute this variety. Better arrivals are reported in summer crop in South Arcot and Tanjore districts.

In the Groundnut Oil section, activity was subdued. Calcutta interests did not show much interest and they were buying only small quantities in order to test the market. The rate for the ready position was quoted slightly lower at Rs 312 per candy.

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Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow Hides showed no change and the market for these ruled quiet. Arrivals of Buff, Buff Calf and Cow Calf were about the same as in the previous week and there was no change in prices.

In the export section, satisfactory business was reported done. In general, Madras sellers were not willing to reduce prices, while buyers were bidding progressively lower prices which were about 4d every alternative day. Buyers' ideas in the UK were reported to be 51/46/41d for 5/5½ lbs and 33½/3d for fifths alone in 8/8½ lbs. In the Calf section, one or two marks of prime Buff Calf in run selections were in request at 66/67d. Inferior selections were wanted at cheap prices; but supplies were small.

In the Tanned Skins section, arrivals of both Goat and Sheep skins were restricted which was explained as due to accumulation of stocks in Madras. Consequently, commission merchants were unwilling to enter into fresh commitments. Clearings were small as normal buyers were not showing any interest.

On the export front, trading in Goat skins was slow. The Continent was interested only in skins suitable for special purposes. There was some business in light weight skins on French account. In the Sheep skins section, conditions may be described as stagnant. It is difficult to forecast the price levels and everything seems to depend on the public auction in London, to be held on the 5th May.

Unsettled Conditions

Watch-Dog Writes:

CONDITIONS in stock markets have generally remained unsettled during the week under review. Although attempts at rally are being made, there is a tendency to book profits at bulges in the absence of any incentive.

The Calcutta Stock Exchange displayed a very steady undertone with selected Miscellaneous scrips making further headway on investment demand.

The Bombay Stock Exchange ruled dull and featureless in the absence of sustained support.

Quietly steady conditions were witnessed on the Madras Stock Exchange.

Wall Street closed with an irregular higher tendency, ranging mostly to a dollar or so.

Calcutta

Calcutta, Friday Evening.

ACTIVITY on the local Stock Exchange, during the week under review, was mainly confined to the Miscellaneous section, which provided many firm features, thanks to renewed investment demand. Speculative issues recovered from the initial low levels, whilst other scrips ruled quiet.

In general, trading was dull and dealings were thin as operators were reluctant to extend their commitments.

JENSON AND NICHOLSON (INDIA) LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting of Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Tuesday, 27th May, 1958 at 11 A.M. for the following Purposes:—

1. To receive and consider the Directors' and Auditors' Reports and the Profit & Loss Account for the year ended 31st December, 1957 and the Balance Sheet as at that date.
2. To declare Dividends.
3. To elect a Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from the 20th to 27th May, 1958, both days inclusive.

By Order of the Board,
H. S. CHALLIS
Secretary.

2, Fairlie Place,
Calcutta,
22nd April, 1958.

NOTE: A member entitled to attend and vote at the above Meeting may appoint a proxy to attend and vote instead of him. A proxy need not also be a Member of the Company.

Fears of additional taxation this year, the delay in the announcement of retention prices of steel and cement, the proposed strike in the two leading steel units, uncertain outlook for the textile industry, rumours of the possibility of a strike in the Raneeungee coal area and the absence of any relief in respect of export duty on tea—all these factors contributed to the depressed sentiment in the market.

Despite the announcement of the three new plans, the Giltedged market was well maintained. 3 per cent 1986 Conversion Loan opened at Rs. 71.15 and, after improving at one time to Rs 71.40, receded at the close to Rs 71.25.

Bank shares remained practically unchanged.

The weakness of the jute goods market following the reports of an increase in stocks with the mills and the withdrawal of purchases by the Argentine due to exchange difficulties, had an adverse effect on sentiment in the Jute section. National were on offer at as low as Rs 22.25 against Rs 24; New Central at Rs 13.62 against Rs 13.81 and Barnagore at Rs 82.00 against Rs 83.50. Howrah changed hands at Rs 15.00 to Rs 15.37, while Anglo-India were marked back to Rs 141.50 from Rs 144, the opening rate. Coal shares were dull and featureless following the uncertainty about selling prices for the commodity. Rumours of the possibility of a strike in the Raneeungee coal area were also a contributory factor. Bengal and Burrakur ruled practically unchanged at Rs 230 and Rs 22 respectively, while central India changed hands at Rs 7.56 to Rs 7.69 and Western Bengal at Rs 5.75 to Rs 5.81.

Trading in the Tea section continued to be restricted in view of the uncertain outlook for the commodity in the coming season. Batel were offered at Rs 18.62 against Rs 19, while Gungaram were maintained at Rs 118. Brooke Bond met with some business at Rs 16.05 to Rs 16.35; Grob 'A' at Rs 23.44 to Rs 23.50; Jayshree at Rs 10.00 to Rs 10.18; Patrakola at Rs 128 to Rs 131 and New Doonars at Rs 264 to Rs 267.

Sugar shares came in for restricted enquiry as operators were inclined to await the Government announcement with regard to the export policy. S.K.G. remained very steady at Rs 10.00 following the publication of encouraging results, while Carew turned a shade quieter at Rs 7.12 against Rs 7.19 and U. P. at Rs 14.00 against Rs 14.25.

Little or no interest was shown in the Textiles section where Elgins changed hands on the ex-dividend basis at Rs 11.69 to Rs 11.75. New Victoria finished better at Rs 1.37 after touching a low of Rs 1.34 from Rs 1.41. Price movements in the Engineering section were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to settlement considerations till mid-week. Against the week-end closing of Rs 21.67, Indian Irons opened lower at Rs 21.63 and receded further to Rs 21.45 at which level some replacement coupled with short-covering pushed up the rate again to Rs 21.75, to finish the week at Rs 21.43. TEXMACO touched a high of Rs 18.25 and a low of Rs 18.10, to finish the week at Rs 18.10. Jessop, after being offered at as low as Rs 18.50 from Rs 20.12, improved at the close to Rs 19.50. Braithwaite turned quiet at Rs 26 against Rs 26.31 with Marshalls nearly maintained at Rs 5.56 and Britannia at Rs 11.37.

The Miscellaneous section continued to provide many firm spots, thanks to sustained investment support. Most prominent were Dunlop having buyers at Rs 25.18 to Rs 25.81; Indian Cable at Rs 29.69 to Rs 30.75; Indian Aluminium at Rs 13.06 to Rs 13.25; Aluminium Corporation at Rs 10.75 to Rs 10.94; Aikali Chemicals at Rs 14.50 to Rs 14.69; Indian Oxygen at Rs 17.94 to Rs 18.37; NICO at Rs 86.00 to Rs 27.06 and India Steamship at Rs 11.06 to Rs 11.19. Indian Copper were neglected, hovering idly around Rs 3.13. In the Paper section, Orient moved rather erratically between Rs 29.15 and Rs 29.60 on alternate buying and selling to finish at Rs 29.25. Tita-gur remained almost firm at Rs 26.62 with India Pulp being enquired at Rs 19.08 to Rs 19.37 and Sirpur at Rs 9.87 to Rs 10.00.

Bombay

AFTER a quiet opening the Bombay Stock exchange staged a moderate rally under the leadership of Textiles, in the absence of fresh interest, the market again developed a sagging tendency towards close. Though steel shares showed some improvement around midweek mainly in sympathy with textiles, the gains could not be retained for long due to the continued uncertainty about the labour situation in both the steel works. Tata Steel closed quietly steady at Rs 181.50 on Thursday while Indian Irons was finally placed at Rs 21.72.

In the textile section, Bombay Dyeling turned ex-dividend and was quoted at Rs 53.10 on Monday. In later dealings the scrip met with buying interest and closed at Rs 54.20. Elsewhere, National Rayon steadied up to close at Rs 234.25. Bombay Burmah after closing at Rs 559 on Wednesday was subdued at close at Rs 556. ACC was a steady feature on renewed hopes of increase in selling price of cement and closed at Rs 154.

Madras

QUIETLY steady conditions prevailed on the Madras Stock Exchange. Turnover continued to be small.

Plantings: The fact, that dividend announcements were not quite up to expectations, continued to dampen sentiment in this section, resulting in shares being subjected to selling pressure. This was especially so in Rubber and Tea shares. Coffee shares were, however, very active. Cowcoody was bid higher at Rs 10 against Rs 9.54. Rajendras were taken up to Rs 10.25, Mysore upto Rs 3.15 and Consolidated upto Rs 24.80. Oucherlony remained very steady at Rs 4.78.

Rubber shares were weak. Cochin Malabars were marked down to Rs 4.90, while Midlands were neglected around Rs 16.25. Thirumbadis were done at Rs 1.60 and T.R.Ts. at Rs 7.05. Rajagiris, however, met with some enquiry at the market rate.

The unusual delay in the announcement of relief in respect of export duty had an adverse effect on Tea shares. Nonsuch changed hands at Rs 21.30 to Rs 21.50 and Chembra Peaks at Rs 3.65 to Rs 3.70. Peermades were, however, on offer at Rs 22.10 and Periakaramalais at Rs 4.20 and Twyfrids at Rs 13.30.

Textiles: This section ruled weak with sellers predominating for most of the shares. Metturs dropped further to Rs 343, while Cambodias, Rajalakshmis, Vijaykumars and Kotharis attracted sellers at the market rates. Travancore Rayons, however, improved to Rs 12.90 buyers. Maduras were quoted at Rs 33, while Coimbatore Spinnings eased off to Rs 54.50 from Rs 56.

Miscellaneous: In an otherwise dull session, this section provided a few bright features. Cement shares were an active counter. Travancore were enquired upto Rs 9 and Andhras upto Rs 11.25. In the Chemicals section, Metturs were supported upto Rs 9.50. Among others, T. Stanes were done at Rs 20.75; Textools at Rs 176.50; Aluminium Industries at Rs 13.37; Ashok Leylands at Rs 4.31 c.d.; Spencer at Rs 17.12 and Mysore Tobaccoes at Rs 12.55. Mysore Paper and Parry's Confectionery noted sellers at the market rates.

New York

ALTHOUGH corrective profit-taking remained a limiting factor, prices on Wall Street managed to register a new 1958 high. Covering and investment demand enabled the list to develop a fairly representation of mostly fractional advances. Demand could be traced mainly to continued hopes of a business upturn developing in the next few months.

The hardening tendency in values was led by heavy industry shares, notably Steels, Aircrafts, Tobaccos, Cameras, Chemicals and Rails. United Aircrafts provided some feature running ahead of the main body of stocks with a rise of more than two dollars, reflecting expectations of good first quarter results. Leading Motors were mostly lower with April car production at the lowest level for the month since 1948.

THE INDO-BURMA PETROLEUM COMPANY LIMITED

NOTICE IS HEREBY GIVEN that the FIFTIETH ANNUAL GENERAL MEETING of the members will be held at the Registered Office of the Company at Gillander House, Netaji Subhas Road, Calcutta, on Friday the 30th May 1958, at 10 a.m. to transact the following business:—

1. To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December 1957.
2. To sanction the declaration of a dividend.
3. To consider and, if thought fit, to pass the following Resolution of which a Notice as required by Section 257 of the Companies Act, 1956, has been received by the Company.

As an Ordinary Resolution:

That H. H. Maharaja Sir Pratap Chandra Bhanj Deo, K.C.I.E., LL.D., of Mayurbhanj be appointed a Director in place of Mr. M. I. Kee Kee Bhai who retires by rotation but does not seek re-election.

4. To consider and, if thought fit, to pass the following resolution of which Special Notice as required by Section 261 (2) of the Companies Act, 1956, has been received by the Company.

As a Special Resolution:

That Mr. J. N. C. Killick, who is an employee of Messrs. Steel Brothers and Company Ltd., the Managing Agents, be and is hereby appointed a Director of the Company in place of Mr. W. Hutchinson who retires by rotation but does not seek re-election.

5. To appoint Auditors for the year ending 31st December 1958 and to fix their remuneration.

Notice is further given that the Ordinary Register of Members will be closed from the 20th May 1958, to 29th May 1958, both days inclusive.

By Order of the Board,
STEEL BROTHERS AND COMPANY LTD.,
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
25th April, 1958.

N.B.

- (1) A member entitled to attend and vote at the above-mentioned Meeting may appoint a proxy who need not be a member to attend and, on a poll, to vote on his behalf.
- (2) An explanatory statement concerning item 4 as required by Section 173(2) of the Companies Act, 1956, has been posted to the shareholders.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended	25-5-58	25-4-58	3-5-57
LIABILITIES:				
Notes in Banking Dept.	21,16,30	32,94,34	9,04,38	
Notes in Circulation...	1619,62,07	1619,12,50	1577,11,07	
	1640,78,37	1652,06,84	1586,15,45	
ASSETS:				
A Gold Coin & Bullion:				
(a) In India	117,76,03	117,76,03	117,76,03	
(b) Outside India...	...	...	...	
Sterling Securities	204,70,69	228,79,78	412,51,91	
Total of A	322,46,72	346,55,81	530,27,94	
(B) Rupee Coin	130,72,50	132,00,97	126,00,20	
Rupee Securities	1187,59,15	1173,50,06	929,87,31	
	1640,78,37	1652,06,84	1586,15,45	

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	5,00,00
National Agricultural Credit (Long-term Operations) Fund	20,00,00	20,00,00	15,00,00
National Agricultural Credit (Stabilisation) Fund	2,00,00	2,00,00	1,00,00
Deposits:			
(a) Central Govt.	49,65,26	53,05,16	51,81,43
(b) Other Govt's	16,11,92	15,64,20	4,25,50
(c) Banks	98,49,17	94,13,57	64,06,24
(d) Others	111,99,03	112,31,62	76,02,34
Bills Payable	14,46,80	14,33,12	19,25,35
Other Liabilities	44,26,50	43,26,15	121,15,45
	441,98,68	439,73,82	362,56,31

ASSETS:			
Notes	21,16,30	32,94,34	9,04,38
Rupee Coin	4,84	10,30	4,84
Subsidiary Coin	1,57	2,30	6,68
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	14,17,39	17,38,12	7,81,16
Loans held abroad	58,02,80	39,00,89	83,90,33
Loans & adv. to Govt	53,10,78	54,71,80	15,72,46
Other Loans & Adv.	57,02,36	54,68,88	105,30,90
Investments	224,57,90	227,27,30	127,14,47
Other Assets	13,84,74	13,59,89	13,51,09
	441,98,68	439,73,82	362,56,31

(1) The item 'Other Loans and Advances' includes Rs. 18,16,00,000 ad. raised to subsidised banks against unenclosed bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	Week Ended	25-4-58*	18-4-58*	26-4-57
Demand Liabilities in India				
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	17,35,61	18,17,99	8,34,14	
(ii) Other demand liabilities	757,43,59	754,70,32	720,09,42	
Time Liabilities in India				
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	14,73,50	15,29,00	2,52,00	
(ii) Other time liabilities...	753,96,13	748,02,45	500,42,56	
Borrowings in India from the State Bank and/or a notified Bank				
(i) Demand Liabilities	5,70,82	6,64,93	8,03,55	
(ii) Time Liabilities	85,00	95,00	...	
Borrowings in India from the R. B. I.	19,85,40	19,79,25	72,71,24	
Cash in India	41,96,54	39,32,01	38,01,79	
Balances with the Reserve Bank of India	90,78,34	86,81,96	65,28,07	
Balances with other banks in current account in India	11,84,92	12,53,84	10,25,17	
Money at call and short notice in India	56,01,89	55,80,50	16,85,89	
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	445,00,54	443,26,74	344,47,89	
Advances in India	797,15,30	800,25,76	725,48,40	
Inland Bills Purchased and Discounted in India	118,14,04	116,65,58	126,17,92	
Foreign Bills Purchased and Discounted in India	40,97,29	40,52,39	57,42,89	

*Figures are provisional since complete returns have not been received from R.B.I. also.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees).

	Week Ended	25-5-58	25-4-58	3-5-57
LIABILITIES:				
Capital Paid-up	5,62,50	5,62,50	5,62,50	
Reserve Funds	6,62,50	6,62,50	6,37,50	
Deposits and other Accounts	422,19,88	422,12,49	296,95,50	
Borrowings from other Banks, Agents, etc.	...	...	27,00	
Bills Payable	8,37,81	9,03,18	7,15,48	
Bills for Collection as per contra	85,16	84,50	77,70	
Acceptances etc. for constituents as per contra	69,98	70,13	4,29	
Other Liabilities Including Inter-office Adjustments	3,83,97	3,40,80	7,75,50	
Total	448,21,80	448,36,10	324,95,47	
ASSETS:				
Cash in hand and with R. B. I.	38,17,90	34,84,23	20,48,36	
Balances with other Banks	2,20,08	2,52,44	3,58,46	
Money at call and short notice	1,33,33	2,20,00	1,26,67	
Government and other Trustee Securities	180,59,13	180,45,94	94,06,07	
Other Authorised Investments	10,38,34	10,33,34	11,30,33	
Loans Advances cash credits & Over Drafts	186,50,75	186,12,94	160,06,41	
Bills Discounted and Purchased	19,37,54	20,27,05	27,85,78	
Bills for collection as per contra	85,16	84,50	77,70	
Constituents' Liabilities, etc. as per contra	69,98	70,13	4,29	
Dead Stock	2,03,00	2,02,22	1,86,37	
Other Assets	6,06,29	8,03,31	3,65,83	
Total	448,21,80	448,36,10	324,95,47	

CLEARING HOUSE RETURNS

Week ended 2nd May 1958

Clearing House	No.	Amount
		Rs. nP
Madras	88583	9,76,39,961 00
Delhi	39293	5,97,60,995 78
Kanpur	21462	4,49,80,129 00
Bombay	337658	74,31,93,000 00

BANK OF ENGLAND

(In Million £)

	Week ended.	30-4-58	23-4-58	1-5-57
Notes in Circulation	2,010'4	2,008'0	1,952'2	
Notes in Banking Department	39'0	42'4	23'2	
Govt. debt and securities	2,046'2	2,046'2	1,971'2	
Other securities	0'7	0'7	0'8	
Gold Coin and Bullion	0'4	0'4	0'4	

BANKING DEPARTMENT:

DEPOSITS:			
Public Accounts	9'9	12'0	11'8
Treasury Special Account	...	...	...
Bankers	220'4	214'0	219'5
Other	73'1	74'0	74'0
Total	303'4	300'0	305'3
SECURITIES:			
Government	230'9	230'9	243'4
Discount and Advances	29'1	22'8	35'3
Other	18'9	19'2	18'9
Total	278'9	272'9	297'6
Banking Department reserves	42'3	44'8	25'6
"Proportion" %	13'9	14'9	8'3

Government debt is £11,015,000 capital £14,553,000
Fiduciary issue reduced to £2,050 million from £2,000 million on March 26, 1958.

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT: (In 000's of Rupees).

	(in 000s of Rupees)		
		Week Ended	
LIABILITIES:	25-4-58	18-4-58	26-4-57
Notes in Banking Dept. .	6,45,63	6,11,99	13,42,96
Notes in circulation ...	342,48,38	342,90,96	328,06,87
	348,94,01	349,02,95	341,39,83
ASSETS:			
(A) Gold Coin & Bullion	11,40,93	11,40,93	11,33,41
Approved Foreign Exchange	66,77,92	66,09,36	104,38,03
India Notes receivable from Reserve Bank ...	43,02,30	43,02,30	43,02,30
(B) Rupee Coin ...	3,63,50	3,72,44	5,26,83
Govt. of Pak. Securities Held with Reserve Bank of India pending transfer	218,19,30	218,87,86	171,59,11
Gold coin & Bullion ...	19,02	19,02	19,01
Sterling Securities ...	4,40,63	4,40,63	4,40,63
Govt. of India Securities	1,00,90	1,00,90	1,08,94
Rupee coin ...	29,51	29,51	29,51
Total ...	348,94,01	349,02,95	341,49,83

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(Incorporated in Indore 1920)
Authorized Capital - Rs. 50,00,000 Paid-up Capital - Rs. 15,30,375
Subscribed Capital - " 30,60,750 Reserve Fund - " 28,00,000

Head Office:—1, PRINCE YESHWANT ROAD, INDORE CITY
Bombay Office:—44, HANAN STREET, FORT AND JAI HIND ESTATE, BHULESHWAR
Branch Offices:—Cloth Market, Siyaganj and Sanyogitaganj (Indore City).
Branches:—Anjad, Bhopal, Dhar, Khargone, Mhow, Ratlam, Sanawad, Shujalpur, Mandi, Tarana, Ujjain.

Pay Offices:—Jaora (Madhya Pradesh), and Seeshwa.
SAFEDEPOSIT LOCKERS are available at Head Office, Siyaganj and Cloth Market, Indore. Branches at Mhow, Ujjain, Ratlam, Sanawad, Dhar, and Pay Offices at Jaora and Seeshwa on favourable terms.

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Indian Finance

HIGHLIGHTS OF THIS ISSUE

Indian Finance

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Saturday

May 17, 1958

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Volume LXI No 20

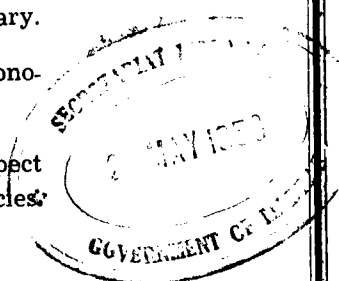
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All schools of economic thought are agreed that savings are disinflationary.

Mr Paul Einzig, however, has reason to question the validity of this economic axiom in the light of changed conditions and circumstances.

Read his article in the World of Finance Section to discover how one aspect of savings could actually contribute to aggravation of inflationary tendencies.



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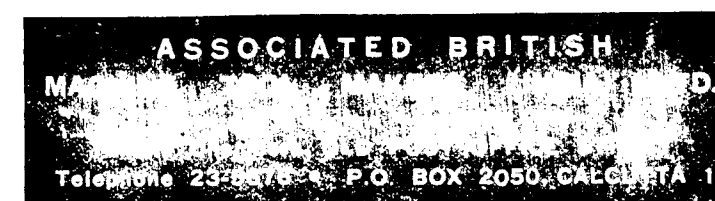
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Subscribed Capital - " 30,60,750 Reserve Fund - " 28,00,000

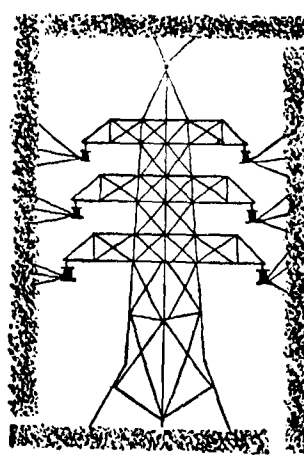
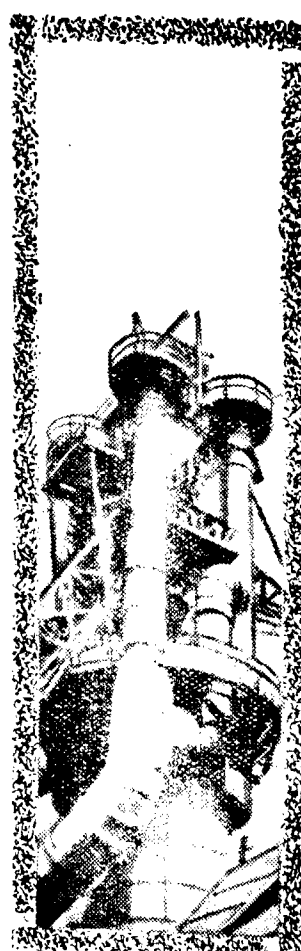
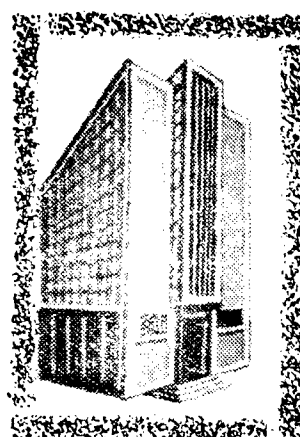
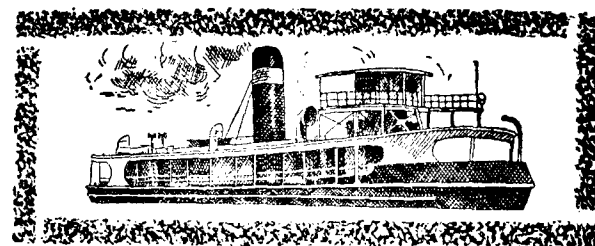
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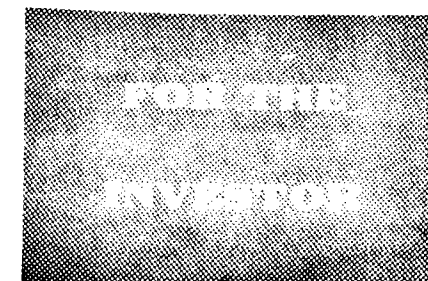
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Fluctuations—But Prices Unaltered

Investment Gossip:

IT was not a week without fluctuations; but the net result of the two-way movements that we have witnessed is largely to leave the prices unaltered. This apparently would suggest that factors influencing stock exchange activity have been both-sided. However, the fact is that there has been very little by way of specific development, and all that has happened is the narrow vicissitudes which would characterise a stock exchange that is not altogether moribund.

I really don't know what it is by way of positively favourable development that the market today expects. For, there can be no doubt that such an expectancy is in the air. This alone would explain the market's steadiness during a period when the news was anything but cheerful. My broker friends tell me that their view of prospects is based upon the anticipation of the imminent announcement of satisfactory increases in the steel retention prices.

As far as I personally am concerned, I like to believe—and I hope I am not deluding myself—that it is the fact that the market is intrinsically strong which is responsible for the steadiness in share prices. The worst, I should say, is behind us, and even the Reserve Bank of India Bulletin mentions, though guardedly, that "the eighteen-month old bear phase seemed to have ended, yielding place to a general uptrend, reflecting mainly a revival of confidence."

So, I wouldn't set too much store by wishful hopes of favourable Government announcements. Instead, the investor should take note of the emergence of a set of conditions in which the professional operator finds it hard to depress prices. In recent weeks, indeed, many such opportunities were offering; and some of these were seized, but the reaction in prices has been nominal.

In this line of reasoning, it would be difficult for the merely speculative factors solely to influence trends; and it may then be that, in view of the slowly reviving confidence, prices will be steadily upward.

There is, however, one occurrence in the corporate field that

needs to be remarked. Invoking I do not quite know what power, the Government have announced that the management of Jessops has been taken over, in the sense that a new Board has been appointed. The new Chairman is Sir B. P. Singh Roy. Dr B. D. Kalelkar and Mr S. D. Srinivasan join the Board as Directors. The four technical directors—Mr Sitwell, Mr Graham, Mr Cargin and Mr Mitchell—continue in office. Thus, with a minimum of officious intervention, and with private sector interests in, as it were, full charge, the running of Jessops has been entrusted to a respected management for a period of three years.

The market greeted this news with a spurt in Jessops.

£ R S

Investment Notes:

JESSOPS have recovered to Rs 19.25 from a low of Rs 18.34 touched early in the week. This is in response to the report that the Government of India have decided to take control of the company by appointing its own directors on the Board. It needs to be explained that what is being taken over is not the ownership of the company, but its management. It remains to be seen whether the above step will enable the directors to consider paying a dividend for last year.

The directors of the Andhra Cement Company Limited have decided to give up the establishment of a cement factory at Nadikuda, Guntur district, sanctioned by the Government of India. Consequently, the proposal for the issue of 2,50,000 Cumulative tax-free second Preference shares of Rs 10 each has been dropped.

Kalasa Tea & Produce Company has proposed to raise the authorised capital from Rs 5 lakhs to Rs 9 lakhs by the creation of 40,000 new shares of Rs 9 each. These new shares and each of the 60,000 issued Ordinary shares of Rs 9 each will be sub-divided into shares of Re 1 each by the capitalisation of Rs 60,000 out of the General Reserve for the issue of 60,000 ordinary shares in the proportion of one share for every 9 shares held. Thereafter, these shares of Re 1 each will be consolidated into shares of Rs 2 each. The new shares will rank for dividend paripassu with the existing shares.

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Investment Briefs:

BHARAT Line, Bombay has recommended a dividend of Rs 6 and a bonus of Rs 6 per share for 1957 as against only a dividend of Rs 6 in the previous year.

Spencer & Company, Madras, has declared an interim dividend of 5 per cent for the year ended 30th June, 1958.

Sri Balasubramania Mills have halved the dividend to 7½ per cent for 1957.

Satisfactory Sugar Results

Balance-Sheet Reviews:

FOUR Sugar mills—SKG Sugar, Darbhanga, Maharashtra and Mysore—have presented their reports and accounts for last year. All of them have produced satisfactory results.

SKG Sugar

Despite increased earnings, the Shree Krishna Gyanodaya Sugar Limited has maintained the dividend on the ordinary shares at Re 1 per share for the year ended 31st July, 1957. Factories at Hathwa and Lauriya have crushed 34.89 and 42.27 lakh maunds of sugarcane and produced 3.49 and 4.10 lakh maunds respectively of sugar. The cane crushed at Lauriya is the highest recorded so far in the factory. Sales have risen to Rs 2.85 crores from 2.38 crores, while the net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 5.28 lakhs as against Rs 4.75 lakhs in the previous year. In respect of allocations to funds, the Depreciation amount is reduced to Rs 4.93 lakhs from Rs 5.83 lakhs, while Taxation provision is raised to Rs 5.60 lakhs from Rs 4.10 lakhs.

According to the directors' report, the crush during the current year is likely to be slightly less due to continued drought conditions, which have had an adverse effect on the sugarcane crop.

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Darbhanga Sugar

The accounts of the Darbhanga Sugar Company, for 1957, show that sales at the company's two factories (Lohar and Sakri) are considerably higher at Rs 125.43 lakhs and Rs 88.66 lakhs as against Rs 73.62 lakhs and Rs 57.72 lakhs respectively in the previous year. After providing Rs 10.10 lakhs for taxes, the amount available for distribution is Rs 6.42 lakhs. Dividend is maintained at 20 per cent and the balance is carried forward.

Total cane crushed, during the year, is 73.19 lakh maunds and sugar produced 6.86 lakh maunds as against 64.56 and 6.40 lakh maunds respectively in the previous year. The recovery percentage has dropped from 9.31 to 9.37.

£ R S

Maharashtra Sugar

The Maharashtra Sugar Mills Limited has made a gross profit of Rs 53.82 lakhs for the year ended 30th September 1957 as against Rs 43.75 lakhs in the previous year. The results have been an all-time record with the marked improvement in the yield of sugarcane. The directors have recommended a dividend of Rs 75 plus a bonus of Rs 25 per share on the increased capital as against Rs 250.

It will be recalled that, during the year, equity capital was increased to Rs 67.50 lakhs from Rs 45 lakhs by the issue of one bonus share of Rs 250 each for every two shares. With the result, the number of Ordinary shares has increased

to 27,000 from 18,000 on which the dividend is being paid.

In respect of allocations to Funds, the Depreciation amount is reduced to Rs 3.84 lakhs from Rs 4.06 lakhs, while taxation provision is raised to Rs 28 lakhs from Rs 22 lakhs and General Reserve to Rs 4 lakhs from Rs 2 lakhs.

£ R S

Mysore Sugar

Despite a decline in earnings, the Mysore Sugar Company Limited has maintained the dividend at 20 per cent for the year ended 30th June 1957. The decline in earnings is mainly due to lower production on account of inadequate supply of cane and a drop in production and sale of spirits. Sales are shown at only Rs 2.35 crores against Rs 2.82 crores, while the net profit, after providing for Depreciation and Wealth Tax, amounts only 3.83 lakhs as against Rs 4.09 lakhs in the previous year. The Depreciation amount is raised to Rs 6.63 lakhs from Rs 5.29 lakhs, while no provision is made for taxation as the amount at credit of taxation reserve is estimated to be adequate to meet the year's liability. The total quantity of cane crushed is 2.24 lakh tons and the quantity of sugar production is 21,631 tons.

£ R S

Indo-Burma Petroleum

Despite a rise in earnings, the Indo-Burma Petroleum Company Limited has maintained the ordinary dividend at Rs 2 per share for the year ended 31st December, 1957. The net profit, after Depreciation and Taxation, amounts to as much as Rs 23,96,477 as against only Rs 17,48,635 in the previous year. Apart from providing a sum of Rs 1.09 lakhs for Development Rebate, the Depreciation amount is raised to Rs 4.09 lakhs from Rs 3.90 lakhs and Taxation provision to Rs 30.43 lakhs from Rs 28.93 lakhs.

The main refinery erected near Rangoon by BOC (1954) Limited, in which the company is interested, came on to full production from indigenous crude oil in 1957; and Burma is now virtually self-sufficient in the major petroleum products.

£ R S

Guest, Keen, Williams

Sales by Guest, Keen, Williams Limited have increased to Rs 9.07 crores in 1957 from Rs 7.94 crores in the previous year. The level of company's production is generally higher than during 1956 and this, together with two statutory rises in steel prices, has resulted in an increase in sales. Rising costs of production have, however, affected profit margins. Operating costs have amounted to Rs 7.54 crores against Rs 6.28 crores. Depreciation provided amounts to Rs 20.34 lakhs against Rs 18.11 lakhs and Taxation provision to Rs 77.76 lakhs against Rs 84 lakhs. The final dividend has been reduced to 12 from 15 per cent, thus making a total of 20 against 23 per cent. A sum of Rs 25.90 lakhs (Rs 38 lakhs) is transferred to General Reserve.

The paid-up capital is Rs 2 crores in 20 lakhs shares of Rs 10

sphere of foodgrain production. Secondly, progress in the industrial sphere is fairly satisfactory.

We would now refer to the question of resources. The Planning Commission have largely confirmed the indication given in the columns of Indian Finance by assessing the additional taxation so far instituted by the Central Government at Rs 725 crores; and this compares with the figure of Rs 703 crores suggested by Indian Finance. Then, the State Governments have promulgated measures which, over the five year period, are expected to yield Rs 173 crores. Unfortunately, tax effort of this magnitude, far in excess of what had been postulated by the Plan, has "not provided resources for the Plan". Defence, non-development expenditure and development expenditure outside the Plan have eaten into the revenues contributed by additional taxes which, strictly speaking, should have been available for the Plan as such. Then, in regard to loans and small savings, the Planning Commission now expect Rs 1044 crores as against Rs 1200 crores in the original estimates. The figure given by Indian Finance in this regard was Rs 825 crores. But, as we shall show later, this is a head under which we should anticipate a much larger contribution. The contribution of the Railways is now put down at Rs 250 crores and conforms to the figure given by Indian Finance, being Rs 100 crores higher than the original estimates. In spite of additional taxation, the balance from current revenues is now envisaged to be Rs 899 crores against Rs 1200 crores in the Plan. Deficit financing is unchanged, but anticipation of external assistance is placed at 1038 crores against Rs 800 crores. In sum, the resources are placed at Rs 4500 crores as against Rs 4800 crores.

Does all this mean that the Second Plan is in train of being cut a second time? For, the original Plan of Rs 4800 crores, it was obvious, would cost between Rs 5200 crores and Rs 5400 crores to implement. The decision then was taken not to change the targeted expenditure from the previous figure of Rs 4800 crores. This meant, automatically, the giving up of certain physical targets. Now, we are to learn that the resources being planned and outlay allocated are on the basis of a total of Rs 4500 crores. But then, this relates merely to Part A of the Plan, and Part B with an outlay of Rs 300 crores contains projects which, the Planning Commission say, "could be undertaken to the extent to which additional resources become available". In other words, Part B projects are to receive a lower priority, but have not altogether been given up.

Our own view, as the series by Eavesdropper in Clive Street Gossip have stressed, is that the Second Plan is unlikely to present any difficulty in the matter of resources. Particularly is this so, since conditions in the money market and the gilt-edged market are so developing as to ensure that the resources raised by Government borrowings could be very much higher than even the Planning Commission's original estimates. In this regard, 1958-59 will be a significant year. The Centre has already come out with a loan which may raise anything like Rs 130 crores in new cash. The State Governments will certainly be on the market for anything like Rs 50 crores to Rs 70 crores. Then, in the course of the last three or four months, the Reserve Bank is understood to have sold through the tap securities for a sum aggregating Rs 100 crores. Finally, the trends in the money market being what they are, we envisage a further famine of gilt-edged around August/September this year, which could be satisfied only by a second Government loan. For all these reasons, the realisations from market borrowing in 1958-59 may in the event prove surprisingly pleasant. Thus, we would

say that the picture of resources for the Second Plan is in the process of being miraculously transformed, not by any action taken by Government, but by compelling developments in the money market. Government will find that they will be raising more from new loans, not because they hoped to do so, but because there had developed a practically insatiable demand for gilt-edged. In a word, we would say, as far as it goes, the Planning Commission's

Monetary Policy for an Expanding Economy

By P. C. JAIN

IN AN expanding economy, especially in the case of an underdeveloped country like India, the monetary authority faces the difficult task of striking a balance between currency and credit expansion to meet the greater needs of trade and industry due to more rapid growth and credit squeeze to curb inflationary pressures which might arise because of the money supply increasing faster than the supply of goods. No special problem of this nature was created by the first five-year Plan but it was expected that India's second Plan, with the increased rate of investment and a larger amount of deficit financing, would create difficulties for the monetary authority. To forestall this it was decided to give the Reserve Bank of India more powers and to make its policy more flexible by amending the Reserve Bank of India Act and the Banking Companies Act, soon after the second Plan came into operation. Under these amendments (i) the Reserve Bank was allowed to revalue its reserves of gold coin and bullion at Rs 62.50 per tola instead of Rs 21.24 per tola and (ii) the 'proportional reserve system' was changed to the 'minimum reserve system' and it was provided that, instead of holding two-thirds of the assets of the Issue Department in gold coin and bullion and foreign securities of which gold coin and bullion should not be less than Rs 40 crores, the Reserve Bank would hold a minimum currency reserve of Rs 515 crores out of which foreign securities would be of Rs 400 crores and gold coin and bullion of Rs 115 crores. It was further provided that in an emergency, with the Government's permission, the minimum currency reserve could be reduced to Rs 415 crores of which foreign securities would be Rs 300 crores. The object of these amendments was to enable the Reserve Bank to expand currency and credit without hindrance in order to give monetary support to the expanded programmes under the second Plan. An ordinance issued on October 31, 1957, which was later replaced by an amendment to the Act, changed the minimum reserve requirements from Rs 515 crores to Rs 200 crores, of which gold coin and bullion should not be less than Rs 115 crores. The object of this amendment was not to enable the Reserve Bank to expand currency and credit but to release foreign assets to fill part of the foreign exchange gap.

Among other powers, the Reserve Bank was authorised to vary the reserve requirements of banks from 2 per cent to 8 per cent in respect of time liabilities and from 5 per cent to 20 per cent in respect of demand liabilities. Under Section 35A and 35B of the Banking Companies (Amendment) Act, 1956 the Reserve Bank was given power to issue directives to any banking company in regard to matters of policy or administration in the national interest or in the interests of the banking company itself. The Reserve Bank had not had occasion to use its power to vary the reserve requirements of banks but it has used its power to issue directives.

reappraisal of the Plan is cheerful enough and realistic enough. Indeed, even in these two regards it errs on the conservative side because the Planning Commission have failed to take note of this important phenomenon in the money market. For the success of the Second Plan, and for the successful raising of the resources for implementing it, we, for one, pin our faith upon a complete transformation of the gilt-edged market and outlook.

It was expected that armed with these powers the monetary authority would be able to fulfil the needs of trade and industry for credit while at the same time preventing an inflationary rise in the price level. It must be said to the credit of the Reserve Bank that it has increased the accommodation available to banks through its bill market scheme and otherwise. Without this accommodation the Indian money market would have been paralysed. But the Reserve Bank authorities have failed to remove the acute stringency of credit which Indian trade and industry have experienced ever since the commencement of the second five-year Plan.

Indian industry would have faced still greater difficulties if the commercial banks had not come to its aid to the full extent of their limited resources. As a result, bank credit in India increased by Rs 153 crores in 1956 as against only Rs 97 crores in 1955 and Rs 77 crores in 1954. It would have increased to a higher level in 1957 but it actually declined to Rs 82 crores because the monetary authority imposed all kinds of restrictions on it. The fact that the ratio of advances to deposits in the case of scheduled banks in India was at an unduly high level of 76 per cent in May 1957 and above 65 per cent in March 1958 gives some idea of the stringency of bank credit. Indian businessmen have not been getting adequate credit facilities for trading operations and for industrial expansion and they have to pay more for whatever facilities they are able to get than they should in order to sustain the increased rate of economic growth.

Why did the monetary authority in India not increase the credit base of commercial banks to enable them to increase the supply of credit to businessmen? One solution to this mystery is provided by the observation in the Report of the Central Board of Directors of the Reserve Bank of India for 1956-57 that "the current phase of financial stringency does not reflect absolute shortage of money but expanded demand for it. A basic solution to the problem of stringency is to be sought in an increase in savings so as to effect a better balance between the demand for funds (for investment) and their supply (through savings)". According to the theory of economic growth it is necessary to make investments in the economy in excess of the available savings so that employment, output and incomes might rise and increase the sum total of savings available in the system. In this way, when the adjustment is complete savings become equal to investments. But in the process the banks have to supply credit to fill the gap between the amount of investments and savings. The monetary authority in India has failed to do so. If the argument were to be accepted that to effect a balance between the demand for funds and their supply people's savings should first be increased it would amount to arguing that the banks have no part to play in this dynamic process of economic growth when investments increase in-

come and that in its turn increases savings to the level of investment. If banks refuse to supply credit to fill the gap between savings and investment, as would appear to be the intention of the monetary authority in India, increased investment and through that increased employment, outputs and incomes would become impossible. Whatever progress has been made by the private sector of the Indian economy in the first two years of the second Plan has largely been due to the limited help which the commercial banks have been able to give, the funds which the businessmen have been able to raise from outside the organised money market and from their own resources. The private sector in India would have faced less difficulties and would have made greater progress if the monetary authority had not followed a policy of credit squeeze.

The other reason which appears to have prevented the monetary authority in India from expanding bank credit, as is evident from the observations of Mr H. V. R. Iengar, Governor of the Reserve Bank of India, at the joint informal discussions on "Current Problems of Credit and Fiscal Policy" at the 12th meeting of the Board of Governors in Washington in September 1957 and some speeches which he made in India, is the fear that such a course would add to the inflationary pressures and would thus still further increase the price level. The mistake of the monetary authority lies in misjudging the connection between expansion of credit and inflationary pressures in India. It is true that in the case of a highly developed economy which has reached conditions of full employment or near full employment any expansion of bank credit would necessarily be inflationary and in order to prevent a rise in the price level the volume of bank credit should be reduced. For one thing the Indian economy has not yet reached a condition of full employment or near full employment in any sense of the term and what employment in the more advanced countries is not true of the more advanced countries is not necessarily true of India so far as the connection between bank credit and inflation is concerned. Moreover, there are a number of peculiar features of the Indian economy, which are well known to the monetary authority and some of which will be indicated later in this article, which make it quite clear that increased supply of credit by the commercial banks would not have added to inflationary pressures. The monetary authority adopted the policy of credit squeeze because it ignored these basic facts about the Indian economy.

In any case, the monetary authority was expected to strike a balance between credit expansion and credit squeeze. It did not expand the credit base of commercial banks but instead applied the brakes in the shape of selective credit control. The result has been the very opposite of a balanced monetary policy.

The policy of selective credit control was enforced through directives issued to the scheduled banks under the Banking Companies (Amendment) Act 1956. The first such directive was issued on May 17, 1956 to all the scheduled banks not to increase any credit limits against rice and not to issue any fresh credit limits against rice and paddy in excess of Rs 50,000 to any party. A number of other directives were subsequently issued, withdrawn and re-issued for such commodities as foodgrains, sugar and cotton textiles. According to the monetary authority the justification for the policy of selective credit control was that (i) bank credit had increased by a 'high' level of Rs 153 crores in 1956 and this was increasing the inflationary pressure in India, (ii) in the slack season (May to October) of 1955, instead of the usual decline, there was an increase in bank credit, and (iii) in June 1957 the bank credit had increased to a peak level of Rs 934 crores as against the earlier peak of only Rs 613

crores in June 1955. The monetary authority considered a level of Rs 800 crores as the maximum limit of bank credit in the slack season and desired the scheduled banks to bring it to that level. It must be said to the credit of the scheduled banks that, although many of them were not convinced of the wisdom of the Reserve Bank's action, they tried hard to reduce bank credit in conformity with its directives with the consequence that bank credit by the third week of September 1957 came down to the level of Rs 845 crores. With the onset of the busy season (November to April) bank credit increased but rather slowly to Rs 910 crores by the end of January 1958, Rs 932 crores by the end of February 1958 and possibly a little less than Rs 950 crores by the end of March 1958.

The policy of selective credit control has not produced the desired result of reducing inflationary pressures because of the failure of the monetary authority (i) to realise the fact that with expanded industrial and economic activity, brought about by the second Plan, the demand for bank credit was bound to increase. There was nothing abnormal if bank credit in 1956 increased by Rs 153 crores. It should have increased by a still higher level in 1957 to sustain the increased tempo of economic development; (ii) to appreciate the fact that credit against foodgrains, sugar and cotton textiles was not sought necessarily for speculative purpose but for financing the movement of crops in the case of foodgrains and for financing unsold stocks of goods in the case of sugar and cotton textiles, for which the mills could not find buyers. The result of imposing restrictions on credit was to hinder the movement of crops thereby making the supply condition in the consuming centres worse and to force the mills to use funds, which they would normally have used for expanding the output, for carrying heavy stocks thereby preventing as much increase in production as should otherwise have been possible. The Reserve Bank authorities appear to have realised their mistake and have now come to the conclusion that the policy of credit control should be announced in advance and should not be changed during the season for harvesting and moving the crop. So far as industry is concerned, it was emphasised by the Reserve Bank in its directives to the scheduled banks that credit needs of industry for productive purposes should be met while credit for speculative purpose should be discouraged. But the banks were not told how to distinguish between the two. Industry raises credit from banks on the basis of its stocks of raw materials and finished commodities and it is not always possible to control the real 'motives' for seeking such accommodation. Restrictions on credit for speculative purposes are bound to reduce credit for productive purposes. The distinction between 'general' credit squeeze and 'selective' credit control in the Indian context is artificial and unreal.

But even if it is granted that credit is sought mostly for speculative purposes the policy of selective credit control is not the correct approach because (i) bank credit supplies only 5 to 7 per cent and in some extreme cases not more than 10 per cent of the total amount of money invested in such hoarding and even the complete denial of bank credit could not possibly make a vital difference so far as hoarding is concerned; (ii) in India there is a big non-monetised sector and control over bank credit could only influence hoarding in the monetised sector while most of the hoarding in the case of foodgrains is done in the non-monetised sector by cultivators who do not sell their surplus stocks; and (iii) the basic assumption underlying the policy of selective credit control that inflation in India is due to an excessive supply of money is wrong and the policy based on it was bound to fail.

It is a matter of coincidence that the price level in India has begun to decline. It is not possible to establish any co-relation between the policy of selective credit control enforced since the middle of 1956 and a mild decline in prices since the middle of 1957. The decline in the price level, which has been due mostly to the falling prices of foodgrains, is accounted for by the fact that (i) the total output of foodgrains in 1956-57 was higher than in 1955-56, (ii) the output in 1957-58 is expected to be still higher, and (iii) the imports of foodgrains have increased substantially. All these favourable conditions naturally began to assert themselves in the second half of 1957 and the price level registered a fall.

If the policy of selective credit control is not the correct policy for controlling inflation in India, what is the correct policy? The answer to this question would depend on the view we take of the basic cause of inflation in India. Is inflation due to an excessive supply of currency and credit or is it due to the policy of deficit financing which has increased the purchasing power in the hands of consumers without a corresponding increase in the supply of goods on which this increased purchasing power could be spent? The main emphasis of India's second Plan is on long-period projects and it has not been possible to increase the supply of goods as fast as the purchasing power in the hands of consumers. During the past two years our foreign exchange resources were used for importing consumer and other goods which to some extent counter-balanced the increased purchasing power in the hands of the consumers, but the depletion of our foreign exchange reserves and the necessity of reducing imports has removed this cushion against inflation. If we take the view that the basic cause of inflation in India is not an excessive supply of money but an excessive supply of purchasing power in the hands of consumers any reduction in the money supply by selective credit control or otherwise would not reduce the purchasing power in the hands of consumers and would thus be ineffective in reducing the inflationary pressure. The only result of credit squeeze in India would be to create difficulties for businessmen and to prevent an increase in production thereby making the inflationary conditions worse. An effective method of controlling inflation in India would be (i) to reduce the amount of deficit financing and the rate of investment under the second Plan and (ii) to make more concerted efforts to increase the production of foodgrains, manufactured goods and services on which people might spend their increased purchasing power. The policy of credit squeeze might have shown some good result if it were combined with the policy of reducing deficit financing and curtailing the rate of investment in the economy but by itself, and so long as the volcanic forces of deficit financing are constantly throwing the economic system out of gear, it cannot possibly keep the inflationary forces under control.

An important fact which the Government of India appear to have ignored is that the success of any monetary policy depends on the confidence which people have in the impartiality and wisdom of the monetary authority. There is an impression in India, as was also emphasised by Mr C. H. Bhabha, Chairman of the Indian Banks' Association at the annual general meeting of the Association on 24th March 1958, that the Reserve Bank of India is subservient to the Finance Ministry and does not take independent decisions although in theory it is an autonomous institution and frequent official assurances are given about non-interference by Government. In a speech at the Madras Chamber of Commerce, Mr Iengar denied that the Finance Ministry has been interfering with the Reserve Bank of India. He went further and observed that although the Government have the power to issue directives

to the Reserve Bank that power has not hitherto been exercised. The question is not about written directives. If the Government were to issue written directives for the guidance of the Reserve Bank it would not constitute interference. The Government have been given power to do so by Parliament and the Reserve Bank, like every other institution in the country, has to fall in line with the policy of the Government. Interference in the real sense arises when the Finance Ministry or some other official of the Government begins to give unwritten 'advice' to the Reserve Bank authorities for which the former are not prepared to take responsibility but the latter are obliged to accept it or when the Reserve Bank authorities allow themselves to be 'cowed down' by the Ministers and secretaries to the Government. The public got the first indication of such interference when Sir B. Rama Rau resigned from the office of Governor of the Reserve Bank on 14th January 1957 much before the expiry of his term. Apparently he did not see eye-to-eye with the Finance Ministry. Another instance was in connection with the reduction of the minimum currency reserve from Rs 515 crores to Rs 200 crores. There is no doubt that it had become necessary to release the sterling and other securities in the currency reserve for meeting part of the foreign exchange gap. But when the Finance Ministry proposed it the Reserve Bank authorities instead of taking a balanced view tried

to outdo the Finance Ministry by observing that the currency reserve was in fact a 'relic of the past' and should not be retained. The public is bound to get the impression that the Reserve Bank authorities are not independent when they are always found dittoing what the Finance Ministry says and advancing arguments in support of the latter's announcements. Such impressions would be prevented if the Reserve Bank authorities took a more independent attitude. In most cases it would serve the interests of the country better if the Reserve Bank authorities made their advice public. This would prevent the Finance Ministry from taking an unreasonable attitude and would free the monetary authority from any suspicion of surveillance. Not all will agree with Mr Iengar that the Reserve Bank "can carry out its functions very much better now if its views on controversial fiscal problems were communicated to Government in confidence". The implication of Mr Iengar's remark is that now after nationalisation it would be better if the Reserve Bank tendered its advice to the Government confidentially. But the fact of nationalisation should make no difference and in a democracy in vital matters a more correct decision is likely to be taken by the Government if it has before it not only the views of the Reserve Bank but public reactions to the Reserve Bank's views, which is exactly what was happening before nationalisation of the Reserve Bank.

Economics of Automation—I

By NITISH R. DE

ALTHOUGH growth of substantially automatic processes in a number of scattered fields, such as electricity generation, chemical industry, blowing of electric lamp bulbs, etc., can be traced back to inter-war periods, automation as a revolutionising industrial technique is a post-war development. Automation, as it is understood now, largely eliminates human labour and detailed human control. In mechanisation, the work is performed by the machine itself but remains under the operational control of human agency, whereas, in automation, human operative control is done away with as the machine itself controls its own action. The impact of this innovation in engineering mass production and in routine office work has been outstanding. The electronic computer installed by J. Lyons & Co Ltd in its London office can do the work of 600 office workers. A computer by doing such work as stock control, mill order records, accounting, etc., can, it is estimated, become so economical as to be used in offices employing even fifteen clerks.

In engineering industries, the impact is phenomenal. In the Ford Factory at Cleveland, 531 operations in machining six-cylinder blocks for cars are all automatic with the result that 154 blocks are turned out each hour by a complement of 41 workers as against 117 under the replaced system. Automatic machines introduced at the Longbridge Works of Austin Motor Co, while increasing output by 20 per cent, reduced labour costs by 80 per cent. In the USA, 14 glass-blowing machines, each operated by only one worker, are sufficient to produce nine tenths of the country's requirements in electric bulbs and all glass tubes used in radio and television sets. In the same country, two workers in an automated wireless factory can produce 1,000 sets a day. In the ESSO Petroleum Co's oil refinery at Fawley, Great Britain, six workers on a shift produce one third of the whole country's oil products. There are instances of a fully automatic concrete mixing station in the USA with no manual labour on its pay-roll and of a British biscuit company which claims to have increased output ten-fold with one-third

less labour. Replacement of transfer machine type with linking processes by the programme-controlled machine has further augmented the efficacy of automation. In such a modern piston-making plant in the USSR aluminium ingots fed into the machine are melted in shape, receive heat treatment and finally emerge out of the machine in neatly packed boxes. With nine men per shift turning out 3,500 pistons in a day, this machine cuts production costs to a half, total staff to one-quarter and manual labour to one-sixteenth. It is reported that an automatic ball-bearing factory at Moscow can produce 900,000 ball-bearings and 600,000 roller-bearings a year with a total staff of 160.

These illustrations chosen at random are sufficient to prove that automation as a technique has come to stay in the industrial world. It is equally clear that its effects on the pace and character of industrialisation and industrial relations are likely to be varied and complex to such an extent that, with our present knowledge, it is not easy to undertake an accurate assessment.

Certain advantages and benefits of automation are obvious. The output per man-hour, i.e., productivity, will increase many-fold. Services of a large number of operators, manual and technical, are dispensed with, and yet output records an increase as in the case of A40 cars at the Austin Factory at Longbridge. Although sufficient data are not available, it is presumed that the capital and overhead costs of automated equipment are either very little more than those of the equipment they replace or may be even less. As a result, automation brings about very substantial savings in production costs.

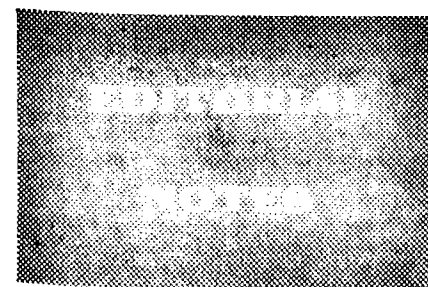
Automation also raises the average level of skill of the workers. Repetitive processes and at times highly skilled jobs are taken over by automated equipment with the result that only high grade maintenance and production technicians will be required to attend on machines. There will be hardly any room for unskilled or semi-skilled workers in the system. But the trend raises the intricate

problem of re-training the redundant workers to make them suitable for the new jobs. The pattern of technical education will have to be recast, keeping in view the requirements of the automatic age.

Reduction of production costs under the automated system is not, however, a simplified affair. There are several determinants on which depends the extent to which automated equipment will replace labour. In a large degree, it depends on the relative costs of the two elements. When the depreciation costs of automatic machines are more than the depreciation costs of old machines plus the cost of labour replaced by automation, then, introduction of automation is uneconomic, and vice versa. Here, the prime varying factor is the wage-cost. Thus, we face a piquant situation in that organised and determined labour fighting for higher wages and shorter working hours may justify the need to automate industries in a free-enterprise economy. The same may be the case where there is a perennial shortage of skilled labour in an expanding economy. Judged from this angle, an underdeveloped, overpopulated country with comparative lower wage-cost would justify the retention or introduction of obsolete techniques of production. But, then, there are too many variable cost factors in the issue to support this tentative conclusion. The need for re-training in new skills will require the employer to spend not only money but to lose on the time-lag factor. Besides, the fear of saturation of markets resulting in over-production may recurrently bring in the problem of recession when idle automated machines will be a mere liability. They cannot be retrenched like surplus labour. In addition, if the automatic technique brought about by heavy capital expenditure, is not found easily adaptable to new designs of product, then, the expenditure will have to be written off quickly to enable modified plant to be installed to suit the craze for new products. Moreover, introduction of automation will result in scrapping of existing non-automatic equipment and it will lead to considerable depreciation of existing investment and a reduction in the rate of profit.

The prospect of unemployment looms large in the perspective of automation. It is often argued that, in the long run, the boons of automation will create sufficient incentives for industrial expansion which will absorb redundant labour. In a free enterprise economy, however, various psychological propensities may very often offset the logic of economic development. It is also suggested that, with proper planning, natural wastage such as death, retirement, resignation, etc., will make up for the redundancy. This is possible, but in conditions other than the "boon" the problem of surplus labour will recur. As a matter of fact, it is found from experience that, along with higher productivity, automation also brings about shrinkage of employment potential. In the USA industrial production has gone up by 45 per cent since 1947 while the number of industrial workers has increased by only 3 per cent in the same period. Chemical production in the USA has increased by 50 per cent since 1947, but the number of production and maintenance workers has gone up by 1 per cent only.

Because of unemployment prospects, trade unions are generally opposed to automation unless, of course, their programme of mitigating the evils of unemployment are accepted. This programme includes shortening of working hours; introduction of multiple shifts; higher wages following higher productivity; guaranteed re-training of displaced workers; lowering of the retiring age; increase of unemployment benefits and so on. It is needless to point out that costing of automation requires re-assessment in the light of this charter of demands.



Dr Khan Saheb

The tragic death of Dr Khan Saheb is a mournful event for the common people of India and Pakistan to whose service he had dedicated his life. He was among the foremost in the fight for national freedom. Together with his brother, Dr Khan Saheb brought greater amplitude to the Gandhian movement by bringing in the Frontier Pathans within its ambit. In those days the organisation of the Pathans under the banner of non-violence was regarded as a miracle, which gave a great impetus to the nationalist movement in the country. The British Government who were always sensitive to developments in the Frontier, unleashed a policy of unmitigated repression. The Red Shirts and their heroic leaders were made to pay a heavy price for their patriotism, but they remained staunch to the last. Apart from his part in the movements of direct action, Dr Khan Saheb also gave his people leadership as administrator and legislator. An uncompromising opponent of British rule, yet he earned and retained the respect of the British officers.

Though Independence came to Pakistan along with India as a result of the sacrifices made by Dr Khan Saheb and his colleagues, he was one of the stalwarts whose trials did not end with the advent of freedom. For nearly seven years, he and his illustrious brother were

kept imprisoned by the Muslim League Government of Pakistan. His release in 1954 followed by that of his brother appeared to the beginning of a better deal for that country. But the hopes were short-lived. Though he was inducted in the Government, first as a member of the Central Government and later as Chief Minister of the one-unit West Pakistan, he could not remain long in office in the murky political atmosphere. He was preparing to participate in the elections when his life was struck down by the hand of an assassin. From first reports it appeared that it was the act of an individual with a grievance. Later developments, however, suggest that there may be more to it than the chagrin of a disappointed supplicant for favour.

Ferment in Orissa

Since the unusual incidents of April 27 which gave it a Ruritanian flavour, politics in Orissa had assumed a puzzling pattern, in which it became increasingly difficult to indicate the correct course of action. Even after the submission of the resignation of his Ministry by Dr Mahatab, the tangle is far from being resolved. After the general election, Dr Mahatab had taken on the difficult task of providing the State with a stable and progressive administration on an insecure base of legislative support. The Congress party did not command a majority in the legislature. But with the help of members who had crossed the floor, and the support of the Jharkhand party, Dr Mahatab was able to maintain the Ministry in office and to initiate far-reaching schemes of land reform. The problem he had to face was not made easier by an Opposition consisting of ex-rulers who regarded themselves as the natural leaders of the people. But in the face of all difficulties, the Congress Ministry was able to command a working majority. In spite of defections from party ranks, the Ministry was able to command a majority of two votes on the crucial voting of the Appropriation Bill. Its position was further strengthened in the recent bye-election and it hopes to win the other two pending elections. Its prospects were definitely improving. Judged by conventional standards there was no reason why the Ministry should resign when there was little to show that it had forfeited the confidence of the people. But it has been made clear that the Congress has set up a very high standard for itself and is anxious that there should not be the slightest breath of suspicion regarding its adherence to democratic principles. As the party responsible for the Government at the Centre and in all States except one, it has taken on itself the responsibility for setting up healthy standards and conventions. As the statement issued by the Congress General Secretary observes: "The Congress has a responsibility to give a Government to the people of Orissa. But the Congress can do so only in an atmosphere of dignity and con-

fidence. Somehow or other misgivings have been created that the Congress wants to stick to power and the arrest and custody of two of the M.L.A.'s on the 27th have been utilised to support this argument."

The resignation of Dr Mahatab's Ministry has not solved the problem in Orissa. We have the strange spectacle of a Parishad-P.S.P combination seeking to form a Government with the support of the Communists. Even another election, according to competent observers, may not return any single party in a majority. While the principle of the action taken by the Congress High Command will be widely acclaimed, there is room for doubt whether they have not been less than just to the local Congress party and especially its leader, Dr Mahatab, who will continue to remain the leader despite his resignation. It is not clear that the High Command in seeking to establish democratic conventions, was duly mindful of democratic procedures in handling the issue of the Ministry's resignation.

Slow Slum Clearance

The slow progress of the programme of slum clearance is one of the most disappointing features in the implementation of Plan projects. An official team led by Mr S. K. Patil, Minister of Transport, which investigated these programmes has found that achievements in this field, during the first two years of the Plan, were negligible both in physical and financial terms. Though the Second Plan has provided Rs 20 crores for slum clearance, detailed programmes for the utilisation of the allotment have yet to be drawn up. Activity so far has been confined to preliminaries. The State Governments apparently were caught unprepared and hastily improvised schemes are generally held up as a result of detailed scrutiny of their financial aspects. The main difficulty in initiating schemes of slum clearance is not in drawing up a programme for construction of new dwellings, or in finding money for the purpose, but in providing large numbers of slum dwellers with alternative accommodation and in ensuring that the new buildings that will replace the slums will be utilised by the people for whom they are intended.

The provision of alternative accommodation is the crux of the matter and until it is satisfactorily dealt with, it is not possible to expect any noticeable improvement in the pace of slum clearance. As soon as one slum is cleared, a number of new ones will grow up in the neighbourhood. The difficulty is aggravated by the fact that accommodation has to be provided within easy reach of the places where the people who dwell in slums earn their livelihood. Otherwise the impressive multistoreyed structures put up for their use will remain unutilised by those for whom they are intended.

In this connection the suggestion put forward by Mr S. C. Roy, She-

riff of Calcutta, for the dispersal of Government Offices and other big establishments deserves careful consideration. In his brochure "Welfare State in Our Time", Mr Roy has observed that the dispersal of offices will make it practicable to resettle the present occupants of the slums in outlying areas of the city where land may be available at cheaper rates. He has also stressed that a piecemeal attack on the problem, instead of improving matters will only aggravate the position.

The Party Line

The Prime Minister, perhaps, was not on strong ground when he twitted the CPI with wobbling over the Yugoslav Communist party. Apparently the Communists have some sort of answer. The Secretary of the Indian Communist Party has stated that the formal message of goodwill was later revoked in the light of fuller knowledge about the Yugoslav thesis, and that their views in this matter were not influenced by the views of the Communist parties of other countries of which they were unaware when they put forward their own criticism. We do not feel called upon to express any opinion on whether the Indian Communists are capable of thinking for themselves. But the controversy over the draft programme of the Yugoslav Communist party draws attention to the inner contradictions of the Communist world.

Apart from its reactions on Indian Communists, the Prime Minister's remarks are significant for this is the first occasion when he has commented on the ideological controversies in the Communist World while advising Congressmen to keep clear of the dangers of "ideological rigidity and intolerance".

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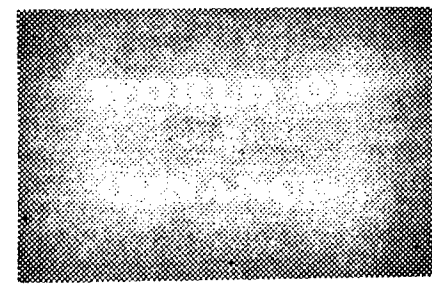
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The "Successful" Loan Programme

AS expected, the Centre's New Loan programme for 1958 has proved successful, though the extent of over-subscription barely exceeds 5 per cent and though the lists could be closed only on the day appointed for the purpose. Also, as expected, the short term loan has proved to be the most popular, the long term loan is only slightly less so, but the medium term loan in any manner of reckoning is a bit of a failure. The reception accorded to the 3½ per cent 1963, to which subscriptions aggregated Rs 58.06 crores, is indicative of the fairly substantial support that was forthcoming for the New Loan programme from the Scheduled Banks. For, it is generally believed that the short term loan has been taken up largely by the Scheduled Banks. In the second place, the success of the 4 per cent 1973, which brought in Rs 49.47 crores, is an index of the subscriptions from Provident Funds, Life Insurance Corporation and other similar institutional investors. The 3½ per cent 1968 fetched Rs 34.34 crores—and it did not have the particular support, we are to presume, of either the Scheduled Banks or the other institutional investors. However, the 3½

per cent 1968 must be deemed to have served its purpose in that, had such a loan not been offered, the subscriptions thereagainst might have opted for the short term rather than the long term. Since 1968 is a free year, and 1963 is not, we might say that, in spite of its relative "failure", the 3½ per cent 1968 has proved useful.

As against the amount on offer of Rs 135 crores, subscriptions have totalled Rs 141.87 crores; and all subscriptions are to be allotted in full. The subscriptions by conversion of the two maturing loans were for an amount of Rs 9.47 crores; and cash subscriptions, therefore, have totalled Rs 132.40 crores. However, net new cash accruing to the Central Government from the loan programme for 1958 will be less than this figure of Rs 132.40 crores, since holders of the 4½ per cent 1958-68 and the 3 per cent 1958 who did not choose to convert will have to be paid in cash in June and August; and this will absorb Rs 12.62 crores. Thus, the net new cash brought in by the new loan programme will be in the environs of Rs 120 crores.

The impact of the New Loan, as discernible in the returns of the Reserve Bank for May 16, is likely to be reflected in the Central Government's Deposits, the Rupee Securities of the Reserve Bank and the Reserve Balances of member banks. Since the bulk of the New Loan subscriptions is in cash, the Centre's Balances would be replenished by a very large amount. The Central Government might utilise this opportunity to make some payments to the State Governments. On the other hand, it is much more likely that the Central Government would institute reverse ad hocs for anything like Rs 100 crores. The cancella-

tion is likely to be reflected in the Banking Department rather than the Issue Department, because such large scale contraction against Rupee Securities in the Issue Department could not be offset by a countervailing transfer from Balances Held Abroad to Foreign Securities. Presumably, thus, after contraction against Rupee Securities, a transfer would be effected from Investments in the Banking Department. Then, as far as the Reserve Balances of member banks are concerned, they should be affected by the considerable subscriptions of the Scheduled Banks. Thus, it is to be anticipated that a fairly sharp decline might occur in the Reserve Balances of member banks.

By next week, we would also know the size of the State Bank's subscriptions to the New Loan programme. However, we should have to wait a week more to learn the size of the subscriptions of other Scheduled Banks to the New Loan programme.

While the subscriptions of the Scheduled Banks will have no repercussions on their Deposits, they will be reflected in a decline in cash balances, including the Reserve Balances. The fall in Cash Balances could be quite substantial, if the present judgment, that Scheduled Banks' subscriptions have been heavy, is proved true. But the subscriptions from other entities, and in respect of the 3½ per cent 1968 and 4 per cent 1973 Loans, will make their impact felt upon Deposits. A substantial decline in Deposits is on the cards, and this is likely to occur under the head of Time Liabilities rather than Demand Liabilities.

It is not enough that the Central Government have successfully borrowed in the market. Credit has to be kept up and for this reason giltedged prices must not be allowed to show any signs of a declining trend. The money market has taken the New Loan programme well in its stride, and there is no reason why the borrowing effort of the State Governments, and also a second New Loan later in the current year by the Central Government, should in any way be found too much for the money market to bear.

The "Unusual" Busy Season: 1957-58

OUR anticipation that the 1957-58 busy season would not present insuperable difficulties for the banking system has, as evidenced by the figures made available last week, more than materialised. It may be recalled that, in November last year, we had, in summing up the prospects for the ensuing busy season, suggested to the monetary authorities "that there is no need to be unduly apprehensive of intolerable strains cropping up during the 1957-58 busy season". This was the conclusion that we reached after allowing for an expansion in monetary demand on a liberal scale. We may note that the actual expansion in Advances recorded during the busy season has been much lower than we had thought at first. But we find that two of our estimates, in regard to the Deposits of Scheduled Banks, were astonishingly accurate. We had stated, in Indian Finance of November 23, 1957 that, "at the peak of the 1957-58 busy season, the State Bank's Deposits might be placed at Rs 425 crores". As the table published on this page shows, Deposits of the State Bank at the end of April 1958 were, in fact, at a level of Rs 422.12 crores. Then, in respect of the Deposits of other Scheduled Banks, at a time when there was as yet no confidence in the trend of a quickening tempo in the accrual of funds with the banking system, we had suggested that the Deposits of member banks other than the State Bank "would be placed at Rs 1100 crores at the peak of the 1957-58 busy season". In fact, the Deposits of the other Scheduled Banks, at the end of April 1958, were even higher at Rs 1121.37 crores.

In many ways, the 1957-58 busy season will go on record as having witnessed changes unusual to a period of the year when, normally, the demand for funds is almost aggressive. Active Note circulation rose by Rs 132.92 crores, and the expansion is a smaller one for the second consecutive year. Indeed, the rise in Active Notes is the

smallest to have occurred during a busy season since the 1952-53 busy season. The Reserve Balances of member banks, it is true, declined by Rs 12.77 crores; and this compares with a rise of Rs 16.21 crores in the 1956-57 busy season. However, it is noteworthy that, simultaneously, there is apparently a reduction in the indebtedness of Scheduled Banks to the Reserve Bank. The Other Loans and Advances of the Reserve Bank have, for the first time since the beginning of planned endeavours, shown a decline instead of a rise during the busy season. The decline in the Other Loans and Advances of the Reserve Bank is slightly larger than the size of the fall in the Reserve Balances of member banks. So, if these two heads are taken together, it is noteworthy that, during the busy season, the Scheduled Banks improved their position vis-a-vis the Reserve Bank during the busy season—a phenomenon that does not find a precedent since the beginning of the First Plan. Again, the Reserve Bank's advances against usance bills have consistently expanded during a busy season ever since the inauguration of the scheme; but, in the 1957-58 busy season such Advances have recorded a decline of Rs 9.91 crores.

Turning to the figures of the State Bank, it is to be noticed that Deposits have risen by a somewhat smaller amount during the 1957-58 busy season than in the previous busy season. But the total of Advances has also risen by a smaller amount, so that the State Bank was able to meet the increase in Advances from its accruing Deposits. At the busy season peak, the Advances/Deposits ratio of the State Bank was placed at 48.9 per cent as against 61.3 per cent at the peak of the last busy season. The latest ratio is lower than the level obtaining on the eve of the 1956-57 busy season. In every busy season since the beginning of the First Plan, except during 1954-55, the giltedged portfolio of the State Bank showed a decline. In 1954-55, there was a small rise of Rs 2.79 crores. However, in the 1957-58 busy season, during a time when banks figure as sellers of giltedged, the State Bank added to its portfolio by Rs 36.53 crores.

The most fantastic changes relate to the figures of the other Scheduled Banks. The increase in the Deposits of this category of banks during 1957-58 busy season amounted to Rs 92.43 crores—a rise that has not even been approached in any of the previous busy seasons and was bettered only by the improvement that took place during the 1957 slack season. As we have already seen, the other Scheduled Banks reduced their borrowings from the Reserve Bank during the season—a unique occurrence. Again an unusual happening is the rise of Rs 14.53 crores in the giltedged portfolio. In each of the previous busy seasons since the beginning of the First Plan, a decline has occurred. Lastly, the Advances of the other Scheduled Banks rose

only by Rs 47.58 crores, or slightly more than half of the expansion during the previous busy season. The expansion during the 1957-58 busy season is the smallest since the 1951-52 busy season. The rise in Advances was more than covered by the increase in Deposits, so that we have had the strange spectacle of the Advances/Deposits ratio declining during the busy season. At the eve of the 1957-58 busy season, this ratio for the other Scheduled Banks was 68.3 per cent; at the end of April 1958, the ratio had gone down to 66.9 per cent.

There can, thus, be no doubt whatever that the impact of Plan disbursements on a gigantic scale upon the Deposit resources of Scheduled Banks, on the one hand, and the slowing down in the demand for funds as a result of selective monetary control, on the other, have combined to lessen the severity of the busy season—a severity that threatened to disturb the equilibrium of the banking system during the 1956-57 busy season.

Steep Switch to Time Liabilities

Month early disbursements, which caused barely a ripple in the returns of the Reserve Bank for the week ended May 2, have apparently spilled over and have made a more deeply felt impress in the statement for May 9. Active Notes, which had staged a nominal rise in the earlier week, have expanded by Rs 10.34 crores to Rs 1629.96 crores. On top of the decline of Rs 1.28 crores in Rupee Coin last week, the latest returns indicate a further outflow of Rs 1.47 crores. In the result, the Reserve Bank's cash in the till has been drained to the tune of Rs 11.81 crores and is placed at Rs 9.36 crores.

Currency has been expanded for Rs 19.88 crores against Rupee Securities, and this apparently is indicative of deficit financing. This, however, is offset by a countervailing transfer from Foreign Securities to Balances Held Abroad in the statement of the Banking Department.

At this stage, we have also to remark that Investments in the Banking Department have been marked up by Rs 20.38 crores. The apparent conclusion is that this rise is also suggestive of deficit financing, and that ad hocs sold in favour of the Reserve Bank have been for roughly Rs 40 crores during the week. But such a conclusion would be erroneous, and the rise under Investments can be explained by reference to the return of the State Bank for the week under review. For the present, we are to assume that deficit financing as can be traced out in the Reserve Bank returns is for, roughly, Rs 20 crores.

The Centre's balances would have been replenished, thus, with Rs 20 crores representing sales of ad hocs. But its Deposits have

risen only by Rs 3.64 crores. This would suggest that the Central Government's net disbursements have been fairly heavy. One reason why the Centre might have had fairly onerous commitments to meet may lie in the fact that the Reserve Bank's holdings of Treasury Bills in the Banking Department are sharply lower by Rs 10.17 crores. We may recall that this portfolio went up rather unusually some weeks ago, and presumably related to purchases of ad hocs from the State Governments. The ad hocs have now matured, and, during the week, the Central Government were compelled to meet the liability; hence, the sizeable dose of deficit financing.

Balances of State Governments are slightly lower at Rs 15.73 crores, against Rs 16.12 crores last week; and their indebtedness to the Reserve Bank has mounted to Rs 57.53 crores from Rs 53.11 crores.

The increasingly comfortable position of scheduled banks is indicated by the substantial rise of Rs 13.50 crores to Rs 111.99 crores in their Reserve Balances. At the same time, the Other Loans and Advances of the Reserve Bank are marked down at Rs 55.95 crores against Rs 57.02 crores. However, it may be noted that the rise under Reserve Balances is, as we shall see, mainly due to the State Bank.

After transfer of Rs 19.88 crores from the Issue Department, the portfolio, Balances Held Abroad, shows a rise of Rs 15.60 crores; and the drain of Rs 4.28 crores reflects the continuing import surplus.

The intriguing fact is revealed in the return of the State Bank for May 9 that disinvestment has occurred in giltedged for Rs 20 crores, in round figures. This can be linked up to the rise in the Investments of the Reserve Bank, suggesting purchase by the latter from the State Bank. Also, the State Bank's cash in hand and with Reserve Bank is higher by Rs 13.54 crores, which would account for the rise in the Reserve Balances of member banks with the Reserve Bank. But the question that we have to answer is: Why has the State Bank figured as a seller of giltedged? (The decline cannot relate to maturing securities being paid off in cash, since the two loans come up for maturity later in the year). One possible explanation, that is hardly flattering to the monetary authorities, is that the State Bank has in this wise got ready larger resources for subscribing to the New Loan. For the rest, Deposits show a small drop to Rs 418.28 crores from Rs 422.20 crores; and Advances have declined by Rs 1 crore odd.

The return of Scheduled Banks for May 2 hardly bears the impress of month early disbursements. Deposits are higher by Rs 1.07 crores at Rs 1543.56 crores; the total of Advances has declined by nearly Rs 1 crore to Rs 955.39

crores; and cash balances have improved by over Rs 6 crores to Rs 206.69 crores. But the significant development is that, with an apparent switch from Demand Liabilities, Time Liabilities have drawn sharply ahead of Demand Liabilities. The present position is that Time Liabilities are nearly Rs 40 crores higher at Rs 791.06 crores against a figure of Rs 752.50 crores for Demand Liabilities. This is the price that Scheduled Banks pay for offering such suicidally high interest rates on Deposits. However, in New Loan week, draws from Deposits in respect of public subscriptions may be expected to occur mainly under Time Liabilities.

Inflation Through Saving

By Paul Einzig

IN given circumstances saving is liable to produce inflationary effects. This may appear at first sight the height of absurdity. For all economists, whether classical, Keynesian, or Socialist, agree that saving, by reducing spending, tends to be disinflationary. There can of course be no doubt about it that if a higher proportion of a given amount of national income is saved it must necessarily mean that both the proportion and the absolute volume of spending becomes reduced to a corresponding extent. Under static theory the disinflationary character of saving is, therefore axiomatic. For this reason it has been taken for granted until now that any increase in saving tends to reduce inflation.

There is room for a closer investigation of this allegedly disinflationary character of every form of saving. It is based on the assumption that an increase in the proportion of the national income that is saved necessarily means a reduction in the absolute amount spent. This is doubtless true if the national income remains static, but it is not true if the national income is increasing. In that case a smaller percentage of spending resulting from an increase in saving may mean a larger absolute amount of spending. In other words, under conditions of rising national income—such as most countries have witnessed since the war—an increased proportion of saving is liable to be accompanied by an inflationary increase in the aggregate demand.

This means that during a period of expansion even a substantial increase in the proportion of saving need not necessarily prevent inflation, even though it may mitigate its extent. What is much more important and interesting is that increased saving itself is liable to become the cause of an expansion of the national income, thereby becoming the cause of inflation. This result may arise if the increase in saving assumes the form of superannuation schemes arranged by business firms for their em-

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			(In Crores of Rupees)			
Reserve Bank:	26-10-56	26-4-57	Change	25-10-57	25-4-58	Change
Active Notes	1418.89	1561.91	+143.02	1486.20	1619.12	+132.92
Banks' Deposits	51.39	67.80	+16.21	106.91	94.14	-12.77
Other Loans and Advances	83.35	96.24	+12.89	97.87	54.59	-43.28
Advances against Usance Bills	40.29	53.24	+12.95	27.63	17.72	-9.91
State Bank of India:						
Deposits	229.60	289.15	+59.55	367.00	422.12	+55.12
Borrowings	9.00	0.51	-8.49	—	—	—
Giltedged Investments	96.15	94.07	-2.08	143.93	180.46	+36.53
Total of Advances	129.76	183.38	+53.62	165.64	206.40	+40.76
Advances/Deposits ratio (%)	(56.5)	(61.3)	—	(45.1)	(48.9)	—
Other Scheduled Banks:						
Deposits	874.38	932.84	+58.46	1028.94	1121.37	+92.43
Borrowings from Reserve Bank	48.81	72.50	+23.69	29.77	19.85	-9.92
Giltedged Investments	275.38	250.44	-24.94	250.02	264.55	+14.53
Total of Advances	630.38	724.56	+94.18	702.29	749.87	+47.58
Advances/Deposits ratio (%)	(72.1)	(77.7)	—	(68.3)	(66.9)	—

employees. During recent years there has been a considerable increase in the number of such schemes operating in Britain and other industrial countries, and the total of annual premiums paid under them has come to represent a very considerable proportion of personal saving. Indeed in Britain during

1957 other types of personal savings—holdings of Savings Certificates, Defence Bonds, savings bank deposits &c.—stagnated, while savings in the form of contributions to private superannuation schemes increased considerably.

Official publications and comments on them by economists

presented the facts and figures relating to the expansion of this type of personal saving as indicating an increase of a disinflationary influence. Yet the undeniable fact remains that in 1957 inflation continued in Britain. This may of course be explained on the ground that wage increases making for

inflation heavily outweighed the increase in premiums paid under superannuation schemes. But it is my contention that these schemes, so far from tending to offset inflation, actually stimulated it.

In a period of rising prices business firms are not likely to meet out of their profit margins their contributions to the premium under superannuation schemes. They are in a position to add this extra expense to their prices. As far as the employers' contributions are concerned, the increase in the total of premium under superannuation schemes does not in such circumstances constitute a saving in any conceivable sense. It simply means a further increase in prices which, in prevailing conditions, tends to stimulate wage demands, leading to an increase in the total of national income and in the monetary aggregate of consumer demand.

As for the employees' contributions to the premium, during periods of rising prices and wages they are liable to lead to additional wage demands. If the weekly wage payments are reduced by the amount of these contributions, pressure for compensating wage increases is liable to develop. It is a popular fallacy that employees accept superannuation schemes in the place of wage increases. While workers over fifty years of age, who are nearing retirement, may welcome such schemes, younger workers are only remotely interested in the receipt of annuities in twenty, thirty, forty years' time. So far from appreciating the employers' contributions to the schemes, they resent the immediate burden represented by their share of the contributions. As a result, the chances are that the consumer is made to pay for the employees' contributions as well as for the employers' contributions, in the form of higher prices.

Thus the net result of the adoption of superannuation schemes is an addition to the national income corresponding to the total of premiums paid by both employers and employees towards the schemes. There is virtually no saving in the sense of abstention from spending. What happens is that the amount of accumulated savings increases. In other words, there is no reduction of present demand but there is increase of potential future demand.

Of course it may be arguable that amidst conditions of scarcity of labour there is bound to be pressure for higher wages and employers are bound to yield to the pressure, regardless to whether part of the wages is detached in the form of contributions to superannuation schemes, and even regardless to whether the employers' contributions to the schemes has caused an increase in prices. But even if we were to accept this view for the sake of argument, the fact remains that the addition of, say, £100 million to the amount of the national income simultaneously with the

addition of, say, £50 million to "savings" represented by employees' contributions to superannuation schemes increases the absolute amount of spending.

Yet another point is well worth some attention. The adoption of superannuation schemes tends to reduce considerably other form of personal saving. Employees who are assured a reasonable retirement benefit through these superannuation schemes may no longer consider it necessary to save part of their earnings for their old age. In so far as they are compensated

for their contributions to the premium by corresponding wage increases, the chances are that they will spend more and not less than before the arrangement of the superannuation schemes. Possibly the decline in direct personal saving in Britain during 1957 was to a large extent the consequence of the increase in the proportion of employees covered by superannuation schemes.

Other aspects of savings statistics, too, deserve closer attention than they have been given by the authorities or by economists com-

menting on them. From the point of view of its effect on consumer demand it makes considerable difference whether the increase in total saving is due to increased middle class saving or increased working class saving. For middle class spending is largely on goods which are not primary necessities and demand for which does not affect the cost of living to the same extent as working class spending. Admittedly, the money spent by owners of middle incomes is liable to be re-spent by its recipients who may belong to the lower

income groups. Even so, the disinflationary effect of genuine saving by owners of middle and higher incomes is bound to be less than the disinflationary effect of genuine saving by owners of lower incomes.

These observations merely aim at indicating the directions in which research could and should be pursued. What is important from the point of view of economic policy is to avoid any unwarranted optimism about the disinflationary effect of saving before that effect is subject to much closer analysis.

—Copyright

FOOD FOR THOUGHT

A handful of Rice



FOR THE RURAL CHEMICALS...BURMAH-SHELL

India has more acreage under rice than any other country in the world. Yet production is not large enough to meet the demand. During 1957 it was found necessary to import 7,00,000 tons of rice at an estimated cost of Rs. 30 crores.

The country has been making steady progress in increasing production by improved methods of cultivation. Among these, control of the paddy stem borer is of special importance as it has been estimated that this deadly insect pest costs the country over Rs. 30 crores a year. The States worst affected are those of

Andhra, Kerala, Madras, Mysore and Orissa.

Shell endrin provides effective, persistent control of the paddy stem borer and can thus increase rice yields on affected fields by up to 50%.

True—Shell endrin has to be imported because it is not manufactured in India: indigenous materials are however used in its formulations. And for every rupee spent on importing Shell endrin, as much as ten rupees worth of rice can be protected—which is a sensible way of saving foreign exchange whichever way you look at it.

SHELL Chemicals can save crops

and Foreign Exchange too!

I A C DELIVERS THE GOODS

A welcome sight indeed to its young is the eagle winging home over the inaccessible mountains with the much awaited morsel.

IAC planes have become an even more welcome and common part of Indian skies. To the needy and the stranded they bring food, medicine and clothing; to the tourist and the busy executive they signify comfortable and speedy travel. The manufacturer and the merchant know that when IAC delivers the goods, they can always make the market.

As a vital link in India's economy IAC is proud of its effort in quickening the country's pace of progress.

In 1956-57 IAC recorded:

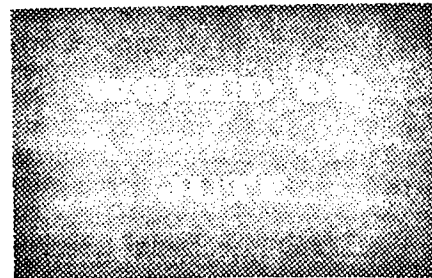
19,201,903 miles by air

571,106 passengers

50,194 tons of cargo

5,221 tons of mail

INDIAN AIRLINES CORPORATION



Steady undertone in Hessian

THE jute goods market has ruled steadier during the past week with prices in both the hessian and sacking sections higher on balance. Rumours that the Argentine has lifted the ban on imports of hessian has been largely responsible for the improvement in sentiment in the hessian section in earlier dealings. The latest reports, however, would appear to indicate that the relaxation of the import ban is confined to hessian shipments which were due in April. This will render the outlook for future hessian exports to the Argentine rather uncertain. The steadiness of sacking has stemmed from reports of enquiries from Russia.

Production of jute goods during April has recorded an increase of 2,700 tons over that of the previous month at 88,000 tons against 85,300 tons. Mills have worked 200.5 hours as compared with 197.5 hours in March. Of the total output during April, hessian has accounted for 30,900 tons, Sackings for 50,600 tons and other varieties for 6,500 tons. All the three varieties have contributed to the increase, hessian 500 tons, sacking 1100 tons and other varieties 1100 tons. It is evident that the pattern of production has not undergone any change during the month as the emphasis continues to be placed on the production of heavy goods. During the corresponding month of the previous year, production amounted to 86,800 tons comprising 36,200 tons hessian, 44,800 tons sacking and 5,800 tons other varieties. It is significant to note that during April 1957 mills working 209 hours produced only 86,800 tons of goods while during April 1958 they have produced 88,000 tons working only 200.5 hours.

The jute goods market opened the week on a quiet note with selling pressure particularly heavy in the sacking section. Business passing was, however, on a meagre level. The market closed the day quiet as follows: Hessian 40"x10 oz Ready Rs 40.50 and B Twills Rs 100.80. July-Sept. Hessian 40"x10 oz was done at Rs 40.70 and B Twills at Rs 101.80.

Sentiment somewhat improved in later dealings on Saturday following speculative support for hessian presumably on expectation of favourable news about import of hessian into the Argentine. Sackings also recovered in sympathy. Hessian 40"x10 oz Ready gained 30 nP to be placed at Rs 40.80 while B Twills was, however, listless at Rs 100.70. Elsewhere, Hessian 40"x10 oz July-Sept moved up to Rs 41

and B Twills was fractionally better at Rs 101.85.

In earlier dealings on Monday the market was active with prices in both the hessian and sacking sections recording sizable improvement. Renewed interest had resulted from persistent rumours that Argentine would be lifting the earlier ban on the import of hessian. As is to be expected, hessian was in the lead and later on the improvement spread to the sacking section also. But in the absence of genuine business, prices developed a sagging tendency and the market closed as follows: Hessian 40"x10 oz Ready 41.30 and B Twills Rs 101.05. July-Sept. Hessian 40"x10 oz was done at Rs 41.45 and B Twills at Rs 102.15.

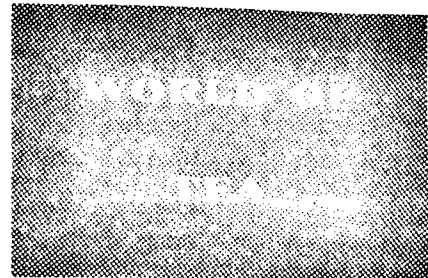
In the absence of confirmation of the rumour about the lifting of the Argentine import ban, bears were enabled to exert pressure on Tuesday and prices once again declined. Toward close, however, there was some covering at the lower levels and the market closed quietly steady as follows: Hessian 40"x10 oz Ready Rs 41.25 and B Twills Rs 101.05. July-Sept. Hessian 40"x10 oz 41.40 and B Twills Rs 102.10.

The market closed the week on Wednesday on a steadier note following reports of issue of import licences by the Argentine covering April due shipments. Hessian 40"x10 oz Ready was finally placed at Rs 41.50 and B Twills at Rs 101.10. Elsewhere Hessian July-Sept. was done at Rs 41.65 and B Twills Rs 102.20.

PRICE TRENDS				
		Opening	Closing	
		Rs.	Rs.	
Hessian:				
40"x10 oz.	Ready ...	40.50	41.50	
"	July/Sept.	40.70	41.65	
"	Oct./Dec.	40.45	41.45	
Sacking:				
B Twills	Ready ...	100.80	101.10	
"	July/Sept.	101.80	102.20	
"	Oct./Dec.	101.35	102.10	
Hy. Cees Green	...	100.25	101.00	
Cornacks	...	101.50	101.50	
Cubans	...	120.50	124.50	
A Twills	...	120.00	120.00	
L Twills	...	111.50	112.00	
D W Flour	...	113.00	114.50	
Sugar Bags	...	112.00	112.50	

The raw jute market has been displaying a steady undertone though business passing has been at a low ebb most of the time. Sellers who were keen for business in earlier sessions became somewhat reserved later on. Toward close mills evinced fair interest in both the old and new crops. Old crop Assam Bottoms May-June delivery was done at Rs 25.75 and New crop at Rs 26.00 per maund.

The prospects for the new crop seem to be good. It would appear that if no serious upsetting factor intervenes, jute supply in the coming season will be plentiful. Reports from growing areas are very encouraging as so far the weather conditions have been quite conducive to the healthy growth of the plants. As has been already noted in this column the steadiness of the raw jute market now is largely due to marketmen's idea of a tight supply position till the new crop begins to move into the markets in quantity. They have evidently based their calculation on the Government estimates as regards the production of jute and mesta during the current season.



Prospects for Common Grades

A NOTABLE feature is that the 1957-58 season for the North Indian crop seems to have ended with a sound statistical position. Also, the world statistical position has become healthier. The evidence suggests that a large portion of the past year's crop has been sold and there is a near balance between supply and demand. However, the supply of Common tea is excessive, while the output of quality grades is not adequate.

The apprehension is, that producers of Common teas in this country cannot compete with producers elsewhere in world markets, because of the rise in the former's production costs. It is, therefore, hoped that the Government of India will soon formulate a scheme which will make the marketing of Common grades remunerative by giving fiscal reliefs.

Latest crop figures reveal that the output of Northern India crop has declined to 16.31 million pounds in April from 19.56 million pounds in the corresponding month of last year, the average for the last three years being 19.51 million pounds. Ceylon has harvested a crop of 37.9 million pounds in March last year. Total production, for the first quarter of the year, amounts to 102.6 million pounds as against 105.9 million pounds in the corresponding period of last year. The Pakistani crop is placed at 2.59 million pounds in April as compared to 1.53 million pounds in the corresponding of last year.

Meanwhile, in the Export Sale No "A", held in Calcutta this week, offerings were 6,636 packages of New Season's Darjeeling teas. There was a strong and active demand and some high prices were realised for the finest of the offerings. As the sale progressed, there was a slightly easier tendency and some irregularity. A number of teas failed to realise valuations and sold up to 50 nP per pound below and there were a few withdrawals.

In the Internal Sale, offerings were 20,150 packages of Dusts. There was a good general demand. When the sale opened, orthodox styles were 4 to 6 nP per pound easier; but this strengthened as the sale progressed and, towards the close, were only 2 nP easier. The black leafy descriptions were again in demand for the best liquoring CTC types and prices tended easier, especially towards the close when these were selling upto 20 nP below valuations. The medium CTC types

with bright liquors were, however, a strong feature and often sold at dearer rates.

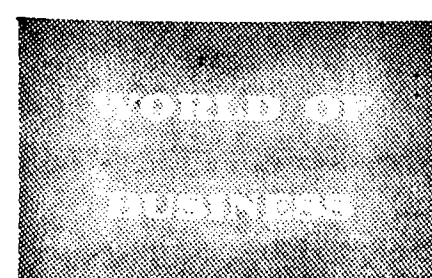
The Darjeeling teas, on offer, were of ordinary quality and sold at about valuations. Following rates were quoted:—Medium Doars Dust Rs 1.68; Medium Assam Gralmy Dust Rs 1.70 to Rs 1.72; Medium Assam CTC Dust Rs 2.15 to Rs 2.35 and Best Assam CTC Dust Rs 2.80 to Rs 3.00. Also, 557 packages of Leaf grades were offered for internal consumption.

In the Export Quota section, the rate for Special Export Licence, after touching a high of 3½ nP, weakened gradually towards the close to 1½ nP. At the close, buyers did not show interest above 1 nP per pound. For the greater part of the week, non-transferable Shipping Licence was disposed of 2½ nP. Towards the end, the price declined to 1 nP. Small quantities of 1958-59 Export Quota changed hands at 17 nP and a negligible quantity at 16 nP per pound.

For the first time, Argentina's teas were offered in Mining Lane. Offerings consisted of 137 half-chests of all grades. Experts have stated that the Argentine tea is "quite a useful green-leaf tea of promising quality". This country is said to have an exportable surplus of about 1,000 tons of tea this year. Two shipments of 11,000 pounds each have so far been despatched to London and the 8,000 tea planters in the Argentine are anxiously awaiting the prices which the first consignment will fetch at plantation house.

According to reports from Chittagong, there were no shipments of Pakistani teas to overseas countries in March, whereas 93,800 pounds were exported in the corresponding month of last year. During the first quarter of 1958, total shipments amounted to 10.4 million pounds of which exports accounted for 1.3 million pounds and shipments to Karachi for 9.1 million pounds. The corresponding figures for the first quarter of last year were 16.8 million; 5.9 million pounds and 10.9 million pounds. Out of the total exports during the quarter under review, the UK accounted for 1.6 million pounds and other countries for 122,400 pounds against 5.2 million pounds and 459,500 pounds respectively in January/March, 1957.

The returns from the Board of Trade, London, reveal that tea imports into the UK, during the quarter ended March 1958, were lower at 130.98 million pounds as against 209.66 million pounds in the corresponding quarter of last year. During March alone, imports were only 55.85 million pounds as against 67.64 million pounds in the corresponding month of last year. The decline in imports was shared by almost all countries with arrivals of Indian tea falling from 37.39 million pounds in March 1957 to 35.23 million pounds during the month under review. Supplies from Indonesia were, however, maintained at 968,100 pounds.



Programme for Paints

A comprehensive programme for the development of the paint industry was outlined by Mr Manubhai Shah, Union Minister of Industry, in his inaugural address to the annual meeting of the Indian Paints Manufacturers' Association, held in Calcutta last week. The programme has been drawn up for the attainment of the following objectives which between them cover the major requirements of the industry and the consumers: (1) increased production of synthetic finishes, nitrocellulose lacquers and specialised surface coatings for specific industrial applications; (2) maximum self-sufficiency of raw materials; (3) fullest possible use of indigenous raw materials; (4) local fabrication of machinery; (5) improvement in the technical efficiency of the whole industry; (6) elimination of the inferior grades of products in the market and maintenance and enforcement of quality standards; (7) utilisation of idle capacity by development of export markets; and (8) reduction in the cost of manufacture.

This is no doubt a big programme of development, but not too big to be achieved. The industry has already set up a satisfactory record of progress. The output of the organised sector of the industry alone has increased from 27,950 tons in 1950 to nearly 42,000 tons in 1957. Over the same period the value of the total production in the paint industries had risen from Rs 5.5 crores to Rs 13 crores in 1957. Manufacture of new items shows satisfactory progress. The production of structural coatings and industrial finishes has registered a greater rate of increase. On the basis of the past record, the industry should be able to achieve the Second Plan target of 60,000 tons by the end of 1960-61. Success in this respect, however, will depend on the regular and adequate supply of raw materials. This point has been emphasised in the presidential address of Mr C. L. Jhunjhunwala. He has pointed out that as the prospect of establishment of a Research and Development Laboratory for the Paint industry is brighter than ever before, there is every reason to hope that the expansion of the industry will be on progressive lines.

Some progress has already been made in the manufacture of materials required by the paint industry. There are now units in operation producing alkylid resins, ana-

tase titanium dioxide and aluminium paste pigment. But the supply of materials, especially of anatase titanium dioxide, is inadequate as the indigenous unit is not able to meet the growing demand. The attainment of self-sufficiency in raw materials is a matter of time. In the meantime there is need to adjust import policy to the requirements of the industry. The Development Wing of the Ministry of Commerce and Industry has been helpful in this respect and has issued licences for import of the material to actual users.

The production of quality paints is also important from the point of view of development of export markets. Indian paints have to meet severe competition in neighbouring countries from the products of UK and USA. However, it is satisfactory to note that the value of paints and varnishes exported from India has risen from Rs 24 lakhs in 1954-55 to Rs 35 lakhs in 1956-57. The President of the Association is confident that it will be possible to step up the earnings of foreign exchange through paint exports, if the necessary facilities are provided.

Manufacture of industrial finishes is an intricate process calling for a high level of technical and scientific knowledge. Success in the maintenance of standards of quality depend on the rapidity with which the results of research, regarding the materials and the formulations, are adopted by the manufacturing units. Both the Minister and the President of the Association have agreed on the need for establishment of a Central Paint Research laboratory. Mr Jhunjhunwala has stated that the prospects of its coming into existence "are now brighter than ever before." He has also suggested that, if voluntary contributions by the industry prove inadequate, a levy on production subject to a

ceiling may be imposed. And, on behalf of the Indian manufacturers, he has assured the Government "that they will fully cooperate in such a constructive action and will accept this imposition on them as a national necessity." Another levy on the top of the excise duty will be an onerous burden, and the readiness of the manufacturers to bear it is heartening evidence of the progressive outlook of Indian industrialists which deserves recognition.

An adjustment of the present system of levying excise duties, as the President has suggested, will relieve the hardships experi-

enced by the paint manufacturers. At present, if the production in any year exceeded the specified limit, duty was levied at the higher rate on the entire output, with retrospective effect. Mr Jhunjhunwala has reiterated the plea for introduction of the slab system for the levy of excise duty. If Government are unable to agree to this course, he has suggested that the higher rate of excise duty should be imposed from the date on which production exceeds the lower limit and only on the quantity produced since then, instead of with retrospective effect on the entire production from the beginning of the year.

ANOTHER STEP FORWARD

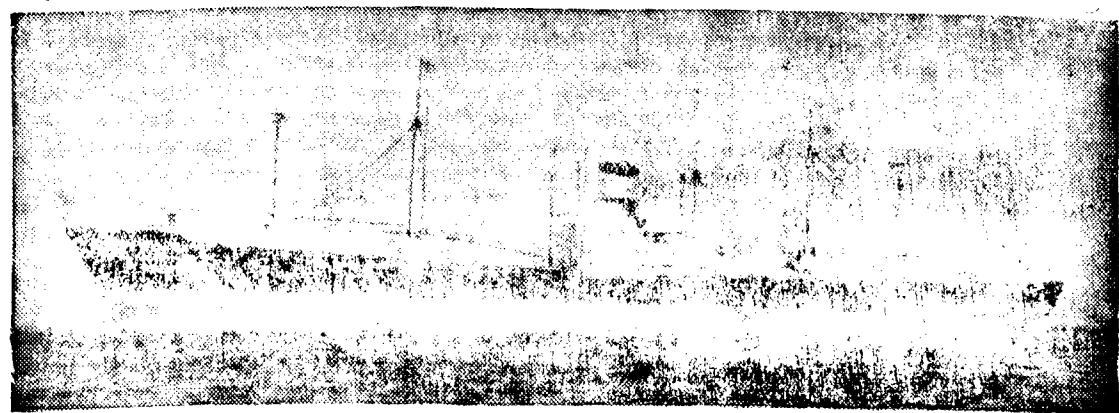
31st December 1957

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the point—the comparative futility of conventional arming in these days, and at variance with our professions and so forth. It seems that the old sneering alternative between guns and butter, which we used righteously in other contexts, should be remembered in our own. And a third source of drain is non-developmental expenditure outside the Plan. Normally, there should be no exception to this. But it seems to be rather odd that there should at all be any developmental expenditure outside the Plan. I dare say some accounting or procedural principle is involved in this distinction, but it seems to be a distinction without a difference. After all, there is no reason why the Plan should not contain within itself the details of such non-Plan development expenditure, so that

the public might know what other beneficent activities other than those contained in the Plan are being pursued. There is no reason for the authorities to hide their lamps under an accounting bushel. In these days of total planning, there seems to be scarcely any reason for making provision for development that does not form part of the Plan. Such arrangements merely tend to confuse things.

The other thing that has gone awry is the expectation from borrowing. I have dealt with this subject often enough and have done so as recently as last week. There is scarcely any doubt that the receipts from market borrowings have been disappointing because of the lack of well articulated borrowing policy. Imagina-

tive ideas like gold bearer bonds which will bring into the open a good deal of hoarded gold are given the most perfunctory attention. As I have always said, it is better to borrow than to tax, just as it is better to tax than to beg and better to beg than to steal (which deficit financing can, in certain circumstances, become by depreciating real values.)

★
The moral? People are willing enough to make the effort and sacrifice needed to finance the Plan and these efforts and sacrifices are those that hurt them most. This is evident from the success achieved in realising the targets. Friendly foreign countries are only too willing to help. What is needed is, more prudent spending and more single mindedness in

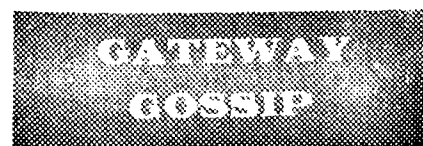
pursuing the aims of the Plan rather than running after the frills of a modern state. Finding the money is not the problem. Spending it wisely is.

★
A report on security precautions in America is, unintentionally of course, hilariously funny. The funniest bit (according to the Miscellany column of The Manchester Guardian) concerns a scientist employed by the US Air Force. The security people refuse to give him clearance but he stubbornly goes on producing brilliant ideas which the generals find irresistible. The established procedure for dealing with this man is to adopt his plans, classify them as "top secret" and thereby deny him any further access to them!

EAVESDROPPER

Indian Finance

May 17, 1958



THE fact that nearly 29 per cent of the total outlay under the Second Five Year Plan has been allotted to the development of transport and communications shows the importance attached to this sector of the national economy by our planners. The task of expansion of transport facilities has become doubly difficult because it is not merely a question of addition to or modernisation of existing facilities but has involved the orientation of a transport system which has been built up to serve trade and administration, to the needs of industrial development. The Planning Commission have also pointed out that when an economy develops rapidly, the pressure on transport increases to an even greater extent. The vital role of an adequate transport system in a growing economy is well brought out in the following observation of the Commission: "During a period of rapid development an efficient system of transport can yield high dividends if it is coordinated effectively with programmes for increased production."

While it has been accepted that all forms of transport have to be expanded, it has rightly been considered inevitable that a major portion of the burden in the shape of an increase in the volume of goods traffic has to be borne by the Railways which with a total mileage of about 35,000 are the largest among the organised modes of transport in the country. Moreover, by ably fulfilling the targets set for them under the First Five Year Plan, the Railways have qualified for top priority under the Second Plan's transport programme.

Considerable importance has also been given to the development of road transport. Apart from its position as a complementary system to the railways, road transport plays a vital role in the economy of the rural areas. The Nagpur Plan has drawn pointed attention to the need for the rapid expansion of this system and has formulated a plan according to which no village in a developed agricultural area will be more than five miles from a main road when the programme is completed. It has been estimated that at the end of the Second Plan about two-thirds of the target set in the Nagpur plan will be realised.

Spokesmen of industry and trade in the country have been sceptical about the adequacy of the transport programme to meet the anticipated increase in the demand for transport during the plan period. While they have been in full agreement with the decision to allot the principal role to the railways, they have been advocating a bolder programme for the development of road transport. For, in the first place, there is a limit to the capacity of the railways even if their entire expansion plan is imple-

Development of Road Transport

mented as scheduled. Secondly, the balance of goods traffic that will be left over after the railways' capacity has been utilised in full will be still too much for the other systems of transport to cope with.

The urgent need for taking steps to augment transport facilities is indicated by the growing difficulty felt in the country in the quick movement of goods. It is, however, generally felt that by bestowing on road transport the attention it deserves, a sizable improvement in the transport situation can be effected. Speaking at the Annual General Meeting of Mahindra & Mahindra Limited, Mr K. C. Mahindra, the Chairman, has pointed out that a satisfactory solution to the transport problem lies in finding "a medium with greater flexibility and accessibility (than the Railways)". The obvious first choice is road transport with the emphasis on the use of trucks, truck-trailers and tractor-trailers. Mr Mahindra arrives at this conclusion because the capacity of the railways even after the completion of their Rs 1000 crore development programme will be inadequate to meet the entire demand for transport in the country. For it is estimated that the Railways will be able to carry an additional load of 47 million tons by 1960-61. But the

increase in goods traffic will be much larger than this figure as will be seen from the fact that the additional load in respect of the steel industry alone during the current plan period will be about 36 million tons a year. Mr Mahindra has also given another compelling reason for the urgent improvement of road transport. According to him the high food grains prices in the country is "principally due to maldistribution and to the failure to reach food-grains to the hotspots within time."

Referring to the problem of supply of trucks, Mr Mahindra has suggested that a plan for the supply of a minimum of 50,000 trucks a year and 5000 tractor trailer combinations must be drawn up. As the producers of trucks, tractors and trailers in the country are not equipped to produce this quantity, a concerted and co-ordinated programme to attain the target will become necessary. In this regard he has pointed out that the proposed Refinance Corporation for Industry should meet the requirements of capital finance of the manufacturers for their expansion plans. He has estimated that the money required will be about Rs 10 crores. It is not enough if the installed capacity

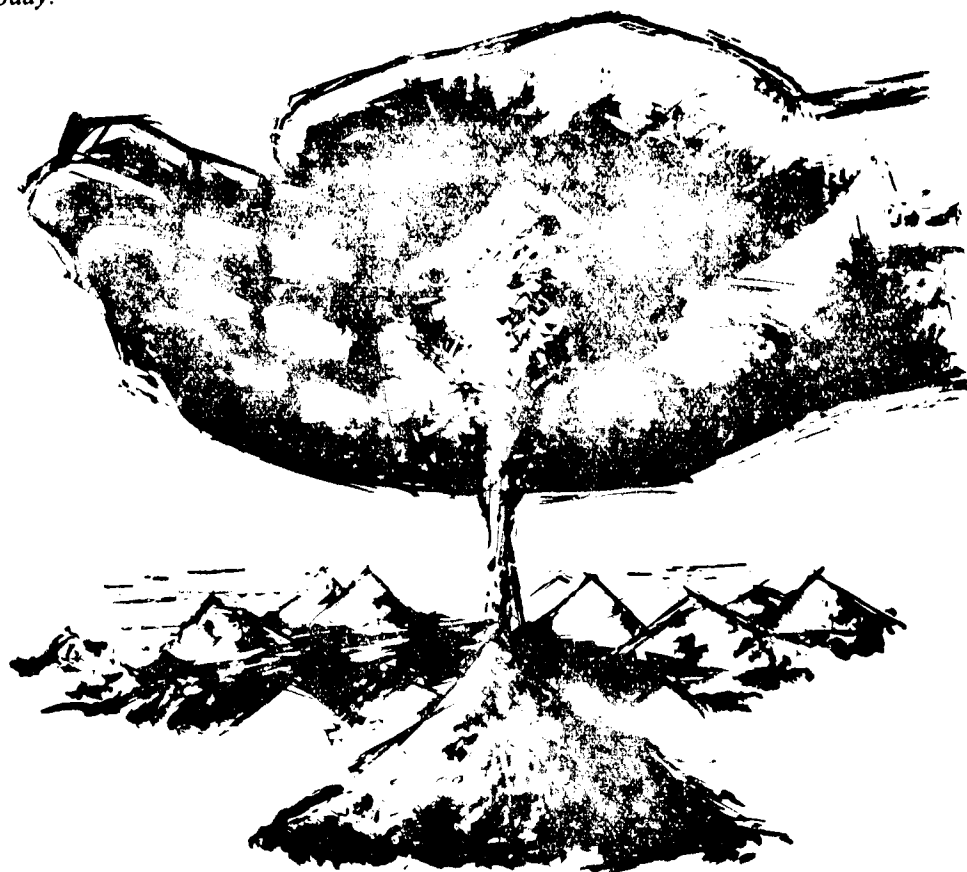
for truck production in the country is increased because there is the problem of ensuring a corresponding increase in the offtake. For under present conditions it is idle to expect operators to come forward in large numbers to engage themselves in road transport. The main deterrent is the high level of taxation applicable to transport. The irrational methods adopted by some State Governments to control inter-State movement of goods by road are another discouraging factor. Yet another deterrent is the frequent threat of nationalisation of goods transport. Though it has been made clear that goods transport by road will not be nationalised till the end of the Third Five Year Plan, it is generally felt that the period is too short to engender much enthusiasm. A major problem would, however, appear to be the finding of the necessary funds for the purchase of trucks by the private operators. Mr Mahindra's suggestion is that a Truck Finance & Development Corporation with a capital fund of Rs 50 crores should be constituted. The proposed corporation will guarantee manufacturers the purchase of all the vehicles they can produce and will simultaneously offer the operators easy payment terms on an instalment basis.

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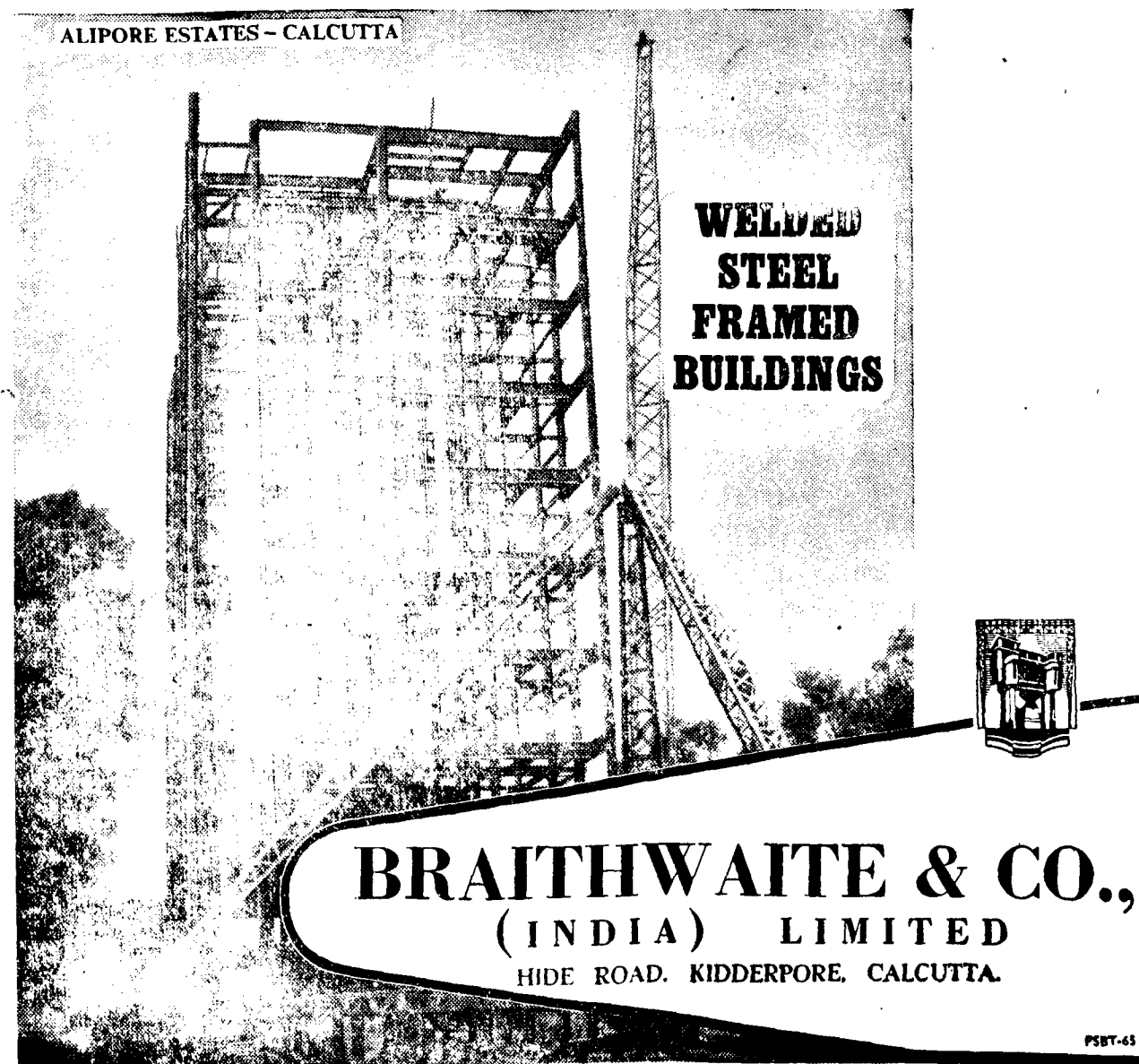
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BOMBAY
REVIEW

Irrigation in Bombay

If the country should still be dogged by scarcity of foodgrains and persisting low levels of agricultural productivity, in spite of the numerous schemes of development initiated under the two five Year Plans, this only points to the lack of resources needed for the various development schemes and not to the exhaustion of the potentialities of development. In the field of agricultural production, irrigation remains the single factor which could make the biggest difference to the existing state of stagnancy in productivity, but which is hampered by lack of finance. It has in this connection

been estimated that the utilisation of the irrigation potential of the rivers all over the country is only about 5 to 6 per cent. Even after the inauguration of the many major irrigation schemes under the First Plan, the area irrigated in the country does not amount to more than 20 per cent of the total area. In the face of such glaring under-exploitation of irrigation potentials it would be unfair to make too much of what is called the backward methods adopted by the agriculturists in the country. For it has to be recognised that the agriculturists have to carry on their operations in an environment

which permits little scope for the introduction of improved methods. Even the very incentive and inducement to adopt the improved methods would be reduced in the absence of the vitally required irrigation facilities.

The low average of irrigated area for India cancels wide difference between States. For example, Bombay State which is noted for high level of progress in almost all respects, and especially in the field of industrialisation has an irrigated area of a bare 5 per cent. Thus the description of Indian agriculture being a gamble in the monsoon would seem to fit the conditions in Bombay State better than elsewhere. This low acreage of irrigated land would seem to have been at the root of the chronic deficits in the food resources of the State. It was only with the inauguration of the South Food Zone and the consequent cutting of the traditional sources of food supplies in Andhra Pradesh and Madhya Pradesh that the real pinch came to be felt. The scope for extending irrigation in the interest of increasing the food resources of the State and making it self-sufficient in food supplies would therefore appear to be great.

It is not as if the State Government are not aware of the need for initiating bigger schemes and of the scope for it. The Government can take credit for seeing the problem in its proper perspective, and taking the necessary steps consistent with the financial position of the State. Irrigation in the Second Plan has been assigned a major role with a total outlay of Rs 88.12 crores. As against this the provision under the First Plan was only about Rs 22 crores while the total expenditure incurred in all irrigation works during the British period was only Rs 10.71 crores.

Further a State Irrigation Board has been recently created to take care of the schemes under irrigation. Inaugurating the Board Mr Y. B. Chavan, Chief Minister of the State, pointed out that the creation of the Board was one of the most of important measures taken by the Government during the last 12 months and that it represented an important milestone in the irrigation development of the State. Though he admitted the great scope for extension of irrigation facilities in the Bombay State Mr Chavan also pleaded that the problems of water resources should be tackled from a broad and patriotic point of view and not from the parochial point of view of a particular region or a district or a tract.

Manufacture of Drugs

Speaking at the annual conference of the Gujarat, Saurashtra and Cutch Medical Association in

Ahmedabad last week, Dr Ramanlal Desai, has urged the Government to take over the existing capacity of pharmaceuticals in the country and make available to the people cheap and good drugs. While it is true that there is need for stepping up indigenous production of drugs Dr Desai's allegation that no Indian pharmaceutical firm is genuinely engaged in drug production does not seem to accord with facts. Moreover, production of drugs is an extremely complicated matter depending on a number of factors. The difficulties confronting a rapid expansion of the drug industry in the country have been clearly stated by the Planning Commission.

Before taking steps to expand the capacity of the industry, it is to be found out whether the products which are proposed to be manufactured will have an adequate demand. This is particularly true in a country like India. Though it will appear that the requirements of drugs will be large, the effective demand may actually be much smaller. For, the demand for drugs depends on the extent of medical facilities available in the country. The establishment of new lines of manufacture as far as this industry is concerned is to be embarked upon with caution because this is an industry in which rapid changes are taking place. It is also wrong to say that self sufficiency in raw materials for the industry has not been attained due to lack of attention on this aspect. For, most of the new drugs involve complex processes of manufacture and require a variety of raw materials. We have first to acquire the necessary technical know-how. It is also to be remembered that in the advanced countries the progress of the Drug and Pharmaceutical industry is closely linked with the development of the chemical industry which has to provide the raw material. Unless there is an adequate expansion of other industries like plastics which can absorb the products of the chemical industries along with the drugs industry, the production of basic chemicals, an essential requisite of the drugs industry, will not be economical. These are some of the important points that have to be considered before embarking upon any ambitious expansion programme for the development of the Drugs industry.

Even so, considerable progress has been made in the manufacture of indigenous drugs during the past decade. Government have taken upon themselves the task of manufacturing antibiotics while the private sector has been given considerable encouragement to take up new lines of production either independently or with foreign collaboration.

GATEWAY
NOTESWORLD OF
COTTON

QUIET conditions have continued to prevail in the domestic sector of the Bombay Cloth market. While demand is moderate, prices are not satisfactory. With the approach of the end of the hot season, enquiry for superfine goods is tapering off, while the demand for medium varieties is negligible with prices moving down from the last week's levels.

On the other hand, the outlook for exports is discouraging. Trading has been dull as traders are upset by the decision of the Government of Uganda to impose heavy duties on cloth imports from India and other Eastern countries. In this connection, it may be stated that Uganda has been an important customer of the Indian textile industry, buying to the extent of 75 million yards of cloth every year. Although other suppliers like Japan and Hong Kong will also be adversely affected, it is pointed out that India will be the worst hit as she has specialised in the export of grey goods and ready-made garments.

The Government of Uganda has suddenly raised the import duty on cloth to meet partially its foreign exchange deficit. The duty on grey piecegoods has been raised from 22 to 30 per cent or 50 cents per square yard, whichever is higher, and that on blankets, ready-made garments and hosiery to 15 per cent or 30 per cent of the value.

It appears that the Uganda Government has taken the above step with a view to protecting its own nationalised textile industry. Rumour are also current that that country is inclined to enter into a barter trade agreement with cloth producers against the supply of cotton. India was, till last year, an important buyer of East African cotton; but, this year, she has bought only 70,000 bales from that country. Although Uganda has sold most of its cotton crop this season, the problem of the disposal of the commodity may loom large next year on account of the recession in the American market.

For obvious reasons, all the shipments to Uganda have been suspended for the present, pending a clear picture of the situation. It is stated that the new move will place the British textiles in a better position in the East African market. There were some shipments to Iraq last week; but other foreign markets were again quiet with regard to the cotton piecegoods from India.

Meanwhile, British cotton interests are drawing some consolation from the fact that the London talks between India, Pakistan and Britain on voluntary limitation of cotton textiles imports into Britain have produced at least one thing—acceptance of the principle of limitation of such imports into Britain. The failure of the London talks,

despite the cautious wording of the British Cotton Board's announcement, has been due to differences about the ceiling for imports into Britain.

FUTURES MARKET:

Opening with a quietly steady tone, prices in the cotton futures market fluctuated within a narrow range of 4 points. At lower levels, there was heavy speculative support following revived rumours that the authorities would soon announce an export quota. Sentiment was also aided by better spot advices.

SPOT MARKET:

The Spot market ruled very steady with active demand noted for Jaydhar, CO/2 and other staple varieties. A local group of mills was reported to have purchased fairly good quantities of Kalyan and Broach.

On the export front, shippers bought good quality lots of Bengals for their immediate requirements although they did not show much interest in other varieties. Pakistan's decision not to reduce the export duty on her Deshi short-staple cotton provided a welcome relief to shippers.

In the foreign section, enquiries were few and mainly confined to small quantities of Egyptians and Sudans. It was felt that the revised procedure for the payment of Egyptian cotton would now help remove the suspense which had hitherto been hanging over this issue and that it would facilitate resumption of purchases of Egyptian cotton by India. The official rate of exchange has been fixed at 7.3131 piastres for one rupee on the basis of which the equivalent of £(E)1 works out to Rs 13.6740917.

Cloth Market Quietly Steady

BOMBAY
REVIEW

KARACHI COTTON MARKET:

Despite the announcement by the Government of Pakistan that the export duty on Deshi cotton would not be reduced, the Karachi cotton futures market ruled firm last week. This was due to emergence of fresh speculative support induced by expectations that large purchases would be made by China and Russia. There were reports that Pakistan would enter into barater trade agreements with these two countries and sell its cotton in exchange for capital goods. The Government of India's notification permitting import of Pakistan cotton against the quota for East African cotton, also imparted some strength to the market. Sind Deshi was quoted at Rs 63-8; Punjab Deshi at Rs 62-8; 4F Roller at Rs 71-15 and 4F Saw Gin at Rs 80-7.

LIVERPOOL COTTON MARKET:

In the absence of any finalised details for the operation of the American export subsidy, the Liverpool cotton futures market was still without any definite lead. Trading was, therefore, restricted. Whatever activity there was, was mainly confined to the transferring of long positions in the May/June contract into later deliveries.

NEW YORK COTTON MARKET:

Prices on the New York cotton futures market showed a further advance of reports of fairly heavy rains over a large portion of the United States cotton belt causing delay in the normal crop development. Near positions moved rather irregularly on sporadic trade buying and intermittent liquidation by longs; but new crops continued to show strength. Middling Spot was quoted at 38.10 cents per pound.

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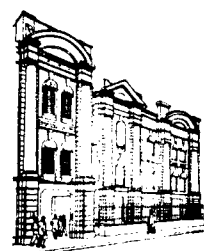
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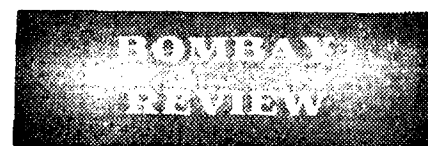
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Yarn Market Depressed

SENTIMENT on the Bombay Yarn market continued to remain depressed in the absence of any support. Rayon and staple-fibre yarns declined further to the extent of 4 to 9 nP per pound in many varieties, while cotton yarn was steady except for a small break in coarse counts. The daily turnover was negligible as most of the upcountry weavers preferred to defer their purchases.

Nylon and perlon yarns also declined due to consumer resistance at higher levels. Acetate yarn, however, remained unchanged with bright 150 variety having

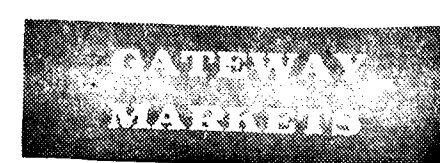
good buyers at Rs 6.37 and 120 variety at Rs 7.12 per pound.

Heavy arrivals, tight money conditions and the end of the pre-monsoon purchase of raw material by weavers told adversely on the prices of staple-fibre yarns. The cotton yarn section ruled steady; but many coarse counts gave way to selling pressure at upcountry centres, resulting in a loss of about 5 nP per pound. Easy conditions in raw cotton also compelled buyers to be away from the market for some time.

Meanwhile, it is understood that the Government of India will

shortly modify their policy regarding the distribution of imported raw silk with a view to accommodating the traditional dealers in the commodity. This assumes significance in view of the ban on imports of raw silk by established importers during the last three years and the consequent loss of trade suffered by the business community.

Imports of raw silk are handled, at present, exclusively by the State Trading Corporation and the supplies are distributed to indigenous weavers throughout the country by the Central Silk Board. The Gov-



Oils and Oilseeds

Prices on the Bombay Oilseeds Exchange showed a mixed trend. Castorseed suffered a further sharp drop with buyers sidelined. Groundnuts were more or less maintained with early attempts at improvements marred by profit-taking. Linseed and Cottonseed fluctuated in sympathy.

Trading in the Castorseed section was dull in the absence of fresh developments and the decline in prices was attributed to discouraging overseas advices for castor oil. Shippers reported only stray deals for small quantities with the UK at about £111 for the commercial quality in bulk and £119 for the BSS quality. Although the US prices for castor oil were stated to have advanced to 13½ cents per pound, there was hardly any business with that country. Castor September delivery closed at Rs 149.12 after touching a high of Rs 153. Ready was quoted at Rs 15.25.

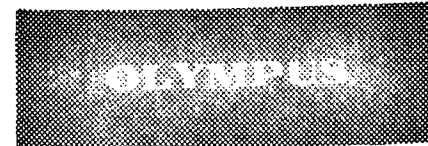
Although the Groundnut section remained steady during the major portion of the week due to smaller arrivals, prices succumbed to liquidation at the close. August delivery closed at Rs 165.75 after touching a high of Rs 167. Ready Bold was quoted at Rs 34 and Groundnut oil at Rs 16.25.

Trading in Linseed was highlighted by sustained speculative interest with upcountry bulls providing the lead. Although fresh business in linseed oil continued to be difficult with the UK quoting £102, traders were hopeful that the disparity in prices would disappear in the near future. September delivery closed at Rs 30.87 after touching a high of Rs 31.12. Ready was done at Rs 29.75 and Linseed Oil at Rs 15.75.

Gold & Silver

Prices on the Bombay Bullion Exchange developed an easier tendency. The spot sections were more vulnerable, reflecting waning spot demand for both the metals. Arrivals and offtake were estimated at 4,000 and 2,000 tolas respectively. Unrefined metal receipts amounted to 4,000 tolas. The rate for ready gold opened at Rs 112.84 and, after touching a high of Rs 112.97 and a low of Rs 112.81, finished at Rs 112.94. Sovereign ruled firm at Rs 72.37.

Arrivals and offtake of Silver were estimated at 12 and 10 bars respectively. Unrefined metal receipts amounted to 21 bars. Ready rate opened at Rs 193.81 and, after touching a high of Rs 193.87 and a low of Rs 193.44, closed at Rs 193.56.



Budget Session—A Retrospect



THE Budget session of Parliament that has just ended was a memorable one for a variety of reasons, but none of them the usual one. Normally, as the name indicates, it is the financial proposals for the coming year that provide the greatest interest. This year, the impact of the Budget was negligible. It is true, a new tax, the Gifts Tax, was debated and passed. But it was done without much fuss and with a rather weary acceptance of its inevitability. So, when this session is recalled, it will, paradoxically, be not in strictly parliamentary context. For, the real preoccupations of the legislators were, especially at the beginning and at the end of the session, other than making laws.

The beginning of the session was dominated by l'affaire Mundhra. Though overshadowed by the tragic death of Maulana Azad, shortly thereafter, the extraordinary public interest in the episode was at one time all absorbing. The episode itself had too many loose ends and too many unexplained features, even at the end of the probe. But, from the point of view of Parliament, it was undoubtedly a landmark. As Parliamentarians were not slow to point out, it was Parliamentary vigilance and persistence that brought matters to a head. The Inquiry Commission was appointed only when it became clear that Parliament would be satisfied with nothing less. And the upshot of it all was that an able Finance Minister had to quit office at a time when the Plan's fortunes practically required his presence. That the country and Parliament should accept this fact with equanimity showed that both were willing to pay the price for high standards of public life. The constitutional issues connected with this resignation are still a matter of controversy. The resigning Minister himself did not admit any vicarious responsibility for the acts of officials under him, in the circumstances of this case. His own reason for resigning was the strategic requirement of a position of strength for a Finance Minister at times like the present. Persistent efforts made by Parliamentarians to obtain clarification of the precise degree of the Finance Minister's actual and constitutional responsibility were largely unsuccessful.

All exclusive as was the interest roused by the Mundhra affair, it was completely put out of shade by the unexpected death of Maulana Azad. Parliament never quite recovered from the shock of his passing away: the Prime Minister, in particular, appears to continue to be still under its shadow. Usually a resilient person, he appears to be still unsettled by the emotional stress of the Maulana's passing away. His increasingly articulate dissatisfaction with the state

of public life, more particularly his complaints about lack of consideration to minority communities, seems to be directly related to his state of mind following the Maulana's death. There can be no doubt that Maulana Azad was a universally respected leader of exceptional maturity and poise whose very presence was a silent admonition of any kind of pettiness. It is now plain how dependent Mr Nehru was, even emotionally, on Maulana Azad. His death brings to a close a chapter of Indian life, and things would never be the same without him.

Like the earlier part of the session, the latter half was characterised by preoccupations not strictly legislative. This time, it was Mr Nehru's request to be relieved of his office of Prime Ministership. This created consternation among Congressmen and there was hectic activity among them to persuade Mr Nehru to withdraw his request. As I said earlier, ever since Maulana Azad died, Mr Nehru seems to have become increasingly dissatisfied with the quality of public life in the country. It is not that the death of the Maulana suddenly let loose more than the usual amount of political delinquency, or that Mr Nehru was not aware before of what he called the progressive coarsening of our public life. It is only that, in the state of mind that followed Maulana Azad's death, Mr Nehru was even more sensitive to a quality in the country's political life which was the reverse of all that the departed leader symbolised in his life and outlook. Mr Nehru did not open out his heart or mind completely from the beginning: at first, he talked of his personal feeling of flatness and staleness, which seemed to imply nothing worse than a weariness with doing the same thing. Later, however, he referred to his dissatisfaction with his own party and the way in which its original inspiration was being distorted in practice. Later still, he generalised this indictment to a wider complaint about the state of public life in this country. But, despite all his dissatisfaction, he has allowed himself to be persuaded to stay in office. From subsequent clarifications, it would appear that the chief reason that weighed with him was the effect his quitting office is likely to have on the international situation. It is doubtless an important consideration and, in any case, there seems to be general relief at his decision to stay in office. It is rare tribute to a man to be so universally desired as a leader, for, it would appear that even the Communists wanted Mr Nehru to continue in office!

One consequence of Mr Nehru's wanting to quit office temporarily has been the intensification of heart searching among Congressmen. The last week has been an

"introspection session" for the AICC. A determined effort appears to have been made to evolve methods by which the organisation may be made worthy of Mr Nehru's leadership. (This way of putting the matter is not mine, but Mr Dhebar's). Mr Nehru's speeches at these sessions were remarkable in that he spoke out his mind about specific maladies in the country and in his party that upset him. He elaborated his earlier complaints of a revivalist spirit, by referring to his feeling that the minorities were not getting a fair deal in the matter of employment opportunities. Here, there are ambiguities in basic attitudes whose full extent Mr Nehru does not seem to realise. It is always a vexed question to answer—how to reconcile faith in equality of opportunity with the economic needs of a comparatively backward group. In so far as the disabilities of any minority flow strictly from insistence on equal opportunity and the acceptance of only the best, it is difficult to object—at least theoretically. For, it is legitimate democratic theory that the majority should not be penalised merely because it is the majority. But, in so far as the disability of the minorities flowed from special requirements which palpably weighted the scales against them, Mr Nehru's complaint is justified. Mr Nehru himself referred to the requirements of passing Hindi before one is eligible for appointment and he was understandably warm on the subject. On the whole, it is the spirit of narrowness, rather than any specific acts of ungenerousness, that Mr Nehru deplores. It is mental reservations, as revealed, for instance, in antipathy to Urdu and so forth that infuriates Mr Nehru. Mr Nehru pleads not only for giving the minorities what one might consider their legitimate due, but for being generous to them.

For the rest, Mr Nehru lashed against what he called "bossism" at the States' level. A point is lent to Mr Nehru's criticism by the convincing defeat of the UP Congress boss in the Mahuhu bye-election—his second defeat within a year, and that, at what was considered a safe seat. At first sight, it would appear that the party choice of candidates has no relation to popular wishes. Of course, election results are not always a true guide to the quality of the candidate or even the precise degree of his acceptability to the people. But, when a man who has once been defeated in what was considered a crucial election, is again set up as a candidate only to be defeated again, and that man also happens to be a controversial figure in the context of "bossism", doubts about the considerations that weighed in his choice as a

candidate are legitimate.

But bossism is not a simple problem for which there is a simple answer. In a relatively unself-conscious but virile democracy, there are natural checks on bossism. But it is always difficult to say when leadership degenerates into bossism and when discipline is reduced into abject servility. The Working Committee itself was accused by some members of being out of touch with the people and that because of its being a nominated body. Though the comparison is misleading, it shows that, in these matters, it is not the machinery but the quality of the individual that counts.

But evidence of firmness in dealing with local Congress delinquency was to be had here even during the last few days. It certainly would appear that Congress leadership is less willing to temporise with dubious acts at the State Government level. The direction to the Orissa Congress Ministry to resign—despite its winning a crucial vote—is considered to be significant in this context. In this, as in certain other matters like sending Mr Patil to campaign in Devicolum, Mr Nehru's intervention was apparently decisive—a fact that is not altogether comforting, for two reasons. Firstly, it seems that, but for Mr Nehru, the party might have taken a different decision. This shows that the much advertised purification of the party is in danger of dying even before it has started. Secondly, and what is even more disturbing, there is the seemingly complete dependence of the party on him. It cannot be a good thing for a party to be so ill-provided with alternative resources of wisdom.

The reader will have perceived how my account of the Budget session has mostly recorded non-parliamentary activity. This indicates the pattern of the preoccupation of Parliamentarians themselves. But there is one interesting development, strictly parliamentary, that deserves mention. It is the possibility of the emergence of a united non-Communist opposition group in Parliament. Of course, the PSP, the United Progressive group and Ganatantra Parishad constitute a somewhat motley crowd. It is especially difficult to conceive of the last as anything but a strange bedfellow of socialism. But, in politics, policy is often a follower of necessity and it may well be that Ganatantra Parishad may suffer a sea-change by an act that has begun as a mere expedient. If that happens, it would be good thing, especially for Orissa, where the Ganatantra Parishad has still to prove its mettle. As the germ of a political opposition other than Communism, this merger is to be welcomed.



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DELHI REVIEW

Results of the prison reforms introduced in the Uttar Pradesh, should be an eye-opener to the rest of India in regard to the treatment of prisoners in jails. The approach to the problem posed by prisoners has, so far, been punitive in character instead of being corrective. U.P. was the first State to launch an experiment based on psychological approach which aimed at the moral and mental rehabilitation of the convicts.

Of the various schemes introduced by the U.P. Government which included opening up of vocational centres, the most spectacular one was the starting of open-air camps at dam sites where the inmates were allowed to work without any surveillance. The efficiency of the prisoners is said to be greater than that of free labour.

The total wages earned by the inmates of the two camps during 1957 have been estimated at about Rs 3,22,162.18 out of which they paid Rs 4,67,441.92 towards the cost of their maintenance to the Government, the balance being sent to their dependents. The experience of the Government have even encouraged them to increase the pocket money from 12 nP to 25 nP per day. Even people convicted for heinous crimes are reported to have responded favourably to the new schemes started by the Government.

Certain new schemes for the gainful occupation of the convicts have been suggested by the Jail Reform Committee and these include the starting of brick kiln and jail press, opening of farms for intensive cultivation, installation of dehydration plants in Central prisons and co-operative farming at district jails. Introduction of Ambar charkhas in the prisons is also envisaged in four jails, the prisoners working on these charkhas being entitled to daily wages.

As the sole man behind the new scheme Dr Sampurnanand, the Chief Minister of the State, could rightly claim the entire credit for the success of the bold experiment. The encouraging results have falsified the general assumption that the criminals are beyond mental and moral redemption. That convicts are not convicts by either temperament or nature but are the products of extraneous factors including mal-adjustments in society and with a change in environment and proper treatment could be moulded in the proper way, having thus been demonstrated, the need for a new approach which takes into account the effects of such factors and which provides for their mental rehabilitation is only obvious. Now that the U.P. Government have shown the way it is for the other State Governments to follow the example.

Prison Reforms

Slum Clearance

Slum clearance has figured in the report of the official team which investigated into Government's slum clearance programme as the most neglected field of social activity in point of implementation. The report has disclosed that achievements in the last two years were negligible both in physical and financial terms. The Second Plan in regard to slum clearance schemes does not seem to have got beyond the stage of marking out of total outlay for the schemes. For according to the report the major part of the Government's efforts till now in respect of the programme of slum clearance for which a sum of Rs 20 crores has been made in the Plan, has been confined to working out basic preliminaries. Progress on projected schemes in Mysore, U.P. and West Bengal is noted to be nil, while in Bombay work on only one out of the four schemes is shown to have begun. This does little credit to the efficiency of the administrative agencies responsible for executing the programmes for slum clearance. By way of explanation for this meagre progress the report has stated that the Plan provision on slum clearance took many implementing agencies unprepared.

Far from there being any progress, the trend, it is evident from the report of the team, seems to have been in the reverse direction towards creation of new slums. The team has in this connection drawn attention to the tendency to permit establishment of new industries in the already overcrowded and congested parts of cities without any regard as to whether adequate provision exists there, for water supply electricity, drainage and other facilities. The danger of new colonies relapsing into slums has also been noted in the report. In the opinion of the team the tendency to sublet or let out completely by self-denial of the new accommodation, in order to make additional income in view of the high rents that could be obtained thereby, is responsible for this. Therefore slum clearance schemes which do not take into account the new developments which go to aggravate the conditions in existing slum areas have little prospects of achieving any substantial progress in the field. The team has also emphasised the need for the slum dwellers to imbibe some of the Japanese habits of creating cleanliness and spaciousness out of shortage of accommodation.

Shifting of industries to villages and improvement of living conditions there by providing most of the amenities obtaining in the cities is the remedy which the team has prescribed for eradicating slums. How far shifting of existing established industries

could be profitable could only be ascertained by balancing the benefits of such shifting against the cost involved. At least in the case of industries using heavy machinery and depending on skilled labour obtainable only in particular locations such shifting could safely be ruled out. The team's proposal for the creation of a statutory corporation in all the states for implementing programmes in connection with slum clearance is to be welcomed since what is sought to be achieved by the setting up of such corporations is rapid progress in slum clearance schemes.

Social Welfare

Non-utilisation of funds has become such a recurrent feature of many fields of activity that they have come to represent a clear danger to progress in those fields. In such circumstances instead of insufficiency of outlay being the limiting factor of progress, full utilisation of funds becomes the criterion of progress. Such shortfalls in expenditure could be most disconcerting if they occur in fields where rapid progress is desired. Social welfare is a sphere of activity where the leeway to be made up is still great and as such call for sustained efforts, to expedite progress. The first step in this, naturally, is the utilisation of funds since it has been revealed by the Estimates Committee of the Lok Sabha, that in the First Plan utilisation was short of total outlay originally allotted by more than 50 per cent.

Avoidance of wastage in expenditure is another important norm to be kept in view by the agencies of social welfare work. The Committee has pointed to the existence of such wasteful expenditure and has also suggested action to be taken to put an end to this. In this connection it has stated that the feasibility of pooling jeeps, in the use of which extravagance has been discerned by the Committee, amongst the workers of the community development organisation and the workers of the State Social Welfare Boards might be examined with a view to reducing the expenditure under this head. Utilisation of alternative modes of transport is another fruitful line of action to conserve scarce finance.

Public co-operation is a vital factor in the progress of the Social Welfare Programmes. The lack of such co-operation has been a limiting factor in the progress of the Social Welfare schemes in many States. With a view to enlist such co-operation it has been suggested by the Committee that before starting rural welfare projects public co-operation should be enlisted to a reasonable extent, since the ultimate aim was to hand over those activities to the people themselves.

NORTH INDIAN NOTES

The Committee has also suggested the linking up of rural welfare projects with the Ministry of Community Development. At State levels the Committee is in favour of the State Governments entrusting all social welfare work to State social welfare boards which would be assisted by welfare departments. Shortage of trained personnel has been noted as another defect militating against progress and therefore the utilisation to the full capacity of the Gram Sevika Training Centres of the Kasturba Gandhi Trust, has been suggested.

The West Bengal Guest Control Order

Those who remember the working of Guest Control Orders during the war and the immediate post-war years may be pardoned if they are sceptical about the results likely to be achieved by the reported decision of the West Bengal Government to promulgate a Guest Control Order, prohibiting the service of rice and wheat to more than 100 guests at weddings and to more than 50 guests at other functions. Under similar orders in the war years, there were remarkably few prosecutions although they were being almost daily infringed or got round, in the big cities.

This time it is to be hoped, there will be a stricter enforcement. But even then the liberal list of exemptions as reported is likely to limit scope and utility of the order in alleviating food scarcity in the State greatly.

The promulgation of the order will, however, serve the purpose of underlining the gravity of the food situation in West Bengal. Tales of distress and high prices of food grains in West Dinajpur, Jalpaiguri and Murshidabad continue to pour in. The fact that the Government have started fairly extensive test relief work is indicative of the scarcity conditions in these districts.

On the last day of the session of Parliament just concluded, Mr A. P. Jain, the Union Minister for Food and Agriculture admitted that the food situation in West Bengal was causing the Union Government great concern. He stated, however, that the situation was under control and informed the House that the Centre has argued to advance Rs 1.5 crores to the West Bengal Government for granting loans to the farmers. The Centre has also agreed to supply about 6,00,000 tons of wheat and 175,000 tons of rice to meet the overall shortage of 8,00,000 tons of foodgrains.

The coming months will show whether this help from the Centre will be sufficient to bring food prices down and beat back the spectre of famine.

NORTH INDIAN MARKETS

ALTHOUGH the Government of India have been actively considering the question of Sugar exports for a considerable time now, no concrete scheme appears to have been evolved yet for this purpose. As the State Trading Corporation will be out of the picture, it is feared that the onus of exporting the commodity will fall on the industry. Some reports have suggested that every sugar factory will be compelled, by legislation, to export 10 per cent of its output, even at a loss.

On the basis of an export of 2 lakh tons, it looks as if the loss may amount to Rs 6.34 crores at the present level of world prices. If to this are added the fiscal losses, such as remission of excise duty and cesses, the total loss can amount to Rs 13.18 crores. A section of the trade thinks that sugar must be exported; but the resulting loss should be passed on to the consumers in India by increasing the domestic prices of the commodity. While consumers are already paying dearly for sugar, it is feared that there will be consumer resistance to higher prices. Rumours are, therefore, current that the excise duty on sugar will be increased to compensate the loss in respect of exports by mills.

Sugar Export Prospects

Meanwhile, the Government of India have made a special release of a further quantity of one lakh tons of sugar for free sale from the 1957-58 season's production. Production and despatches of indigenous sugar, during the current season, amounted to 19.11 lakh tons and 9.91 lakh tons upto April 30, 1958 as against 18.22 lakh tons and 10.35 lakh tons respectively in the corresponding period of last year. Stocks with the factories, as on the 30th April 1958, were 13.49 lakh tons as compared to 13.14 lakh tons on the corresponding date of last year.

Prices have recorded further gains during the week due to pre-monsoon buying by South Indian traders and poor stock position at the important consuming centres. Following rates (per maund) are quoted in the Hapur market:—Meerut (D.28) Rs 37.06; Simbhuli (E.29) 37.00; Mansoorpur (C.29) Rs 38; Daurala (B.29) Rs 38.10; Mowana (B.29) Rs 38.06; Amroha (D.29) Rs 36.12; Bijnore (E.29) Rs 36 and Seohara (D.28) Rs 36.34.

The Khandsari market has continued to rule steady due to good demand and in line with prices of crystal sugar. Production is gradually declining. Rates are moving between Rs 30 to Rs 34 per maund, according to quality.

In the Muzaffarnagar market, steady to firm conditions have prevailed and ex-mill delivery prices have advanced by 31 nP to 62 nP per maund. Substantial business is reported to have been done for the Punjab and Delhi.

Gur

The Gur season has come to a close; but arrivals, in the Hapur market, from the producers' stocks average 200 maunds daily, which are lifted upto Rs 15.50 per maund. Demand from the consuming centres has improved due to pre-monsoon buying. Stocks are estimated around 1.42 lakh maunds as against 96,000 maunds at this time last year.

Foodgrains

Steady to firm conditions are noticed in the Hapur Foodgrains market. Wheat crop all over Uttar Pradesh is now admitted, in official circles, to be below than last year. Producers are reported to be retaining their stocks, expecting better prices later. With the result, prices have recorded an improvement of about Re 1 per maund, to be quoted at Rs 15.75 for the average quality and Rs 17.25 for the farm variety. Rice prices have also recorded gains in line

with the prices of other foodgrains and reports of overall shortage in the country. Paucity of stocks and scanty arrivals of the new crop have accounted for a further gain of 25 nP per maund in Barley. Bejher has also improved slightly in sympathy. Arhar prices have, however, sagged slightly.

In the Delhi grains market, Wheat has improved by about 50 nP per maund due to slackened supply, while Rice has improved further by about a rupee following decreased arrivals. Barley rates have risen by 75 nP on higher advices from the producing centres. Among Coarse grains, Bajra is in good enquiry, which has resulted in a small rise in rates.

The Bombay grains market has presented a steady appearance. Rice prices have declined by about Rs 10 per candy following strong rumours that Madhya Pradesh is about to lift its ban on exports. Trading in indigenous Wheat has reflected a steady undertone. In the Coarse grains section, prices of Bajra have improved by Rs 4 per candy. Although the demand for this commodity continues to be subdued, the market is helped by smaller arrivals and comparatively higher prices ruling at the terminal centres. Jowar rules steady.

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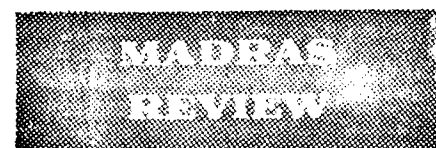
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Institute of Science

SCIENCE in independent India has been accorded a top place in the educational policy of the Government. This follows the recognition of the importance of scientific studies for technological and industrial progress and of the need to meet the growing needs of industries for trained technical men. In furtherance of this aim, many new scientific institutions have been set up for the promotion of scientific studies, typical of which is the Institute of Science at Bangalore. The Institute was intended to be developed as a higher technological institute principally occupied with post-graduate teaching and research, and represents a unique institution of its kind for the wide variety of subjects included in its studies and for the large floor space which it provides for the students.

It is the progress made by these institutions together with the efforts of the Government at expanding facilities for further scientific studies which determines the pace of progress in the scientific field and therefore in an indirect way the country's progress towards increased levels of production. Whether the record of some of these institutes has corresponded to expectations is to be doubted in the light of the findings of the Reviewing Committee, on the working of the Institute of Science at Bangalore.

The Committee which was headed by Dr J. C. Ghosh Member, Planning Commission, has in its report revealed the existence of grave defects in the working of the Institute, chief of which being the thin strength of student population in various departments of the Institute. Under-utilisation of facilities provided, represents a kind of extravagance which militates against consolidation of efforts so far made, for the promotion of science. This is indeed deplorable considering that the need of the country for scientists and technicians for the immediate task of implementing the Second Plan is far in excess of the existing supply.

The Committee has attributed the low student population in the Institute to two factors, namely low value of the scholarship offered by the Institute to the students and the nature of the conferments of the Institute, which, because it is unconventional is not properly appreciated by the prospective students. As the Committee points out the advantage of increasing the number of students are not confined to the fact that the expensive technical facilities would thereby be more fully utilised but also that the very tone of the Institute would be improved with favourable effects on the quality of work when there are more number of students working in close collaboration on the many subjects for which the Institute at present provides facilities.

With this object of increasing the number of students, the Committee has recommended substantial increases in the number of students in most departments and has made the necessary provisions for making this effective. Scholarship tenable for three years of the value of Rs 150 per mensem in the first year, Rs 175 in the second year and Rs 200 in the third year has been suggested, for research students in the Science faculty. In the engineering division the value of the scholarship has been increased to Rs 200 per mensem though the tenure has been reduced to two years. A sum of Rs 50,000 has also been recommended to improve the present hostel amenities. The need to change the nature of the conferments of the Institute has also been recognised and provided for in the report of the Committee.

The tendency of several departments of the Institute to burden themselves with too many subjects for investigation and study has been noted to be another weakness of the Institute and has been recognised by the Committee as inconsistent with the need for specialisation of studies. This is out of line with the practice in institutions of similar type in the foreign countries where the general rule is specialisation to be followed by collaboration between allied departments of studies. The Committee has therefore suggested that there should be some changes towards concentration of efforts on smaller number of subjects. This method, the Committee considers has better chances of making substantial contribution towards scientific advancement. To rectify lack of cooperation between different departments a number of projects has been suggested by the Senate of the Institute. Proposals for work on atomic reactors, on gas turbines power production and on electronic computation illustrate the projects which involve collaboration between different departments. The provision of certain amenities to enable the members of the different departments to work in close collaboration has also been suggested.

The Plan for increasing the number of students in different departments to be realistic has to be related to the needs of the country for technicians of various types. The strength of various departments has therefore to be brought in line with the trend in present and future demands. The Committee has not failed to stress this aspect of divergent demands for particular types of skill. The Committee has for example observed that in such a department as physics where there is no shortage at present the demand in the future is bound to increase and has therefore underlined the need to make provisions in anticipation of future requirements.

While the Committee is in favour of concentration on certain narrow and restricted fields of study it is also aware of the dangers of making experiments with ambitious projects which are not supported with practical experience of the subject, since according to the Committee more often than not, such projects turn out to be sterile and profitless. A modest approach to problems is therefore a safeguard against the waste in expenditure and efforts involved in risky and ambitious projects. But the rigidity is relaxed to take account of new developments and the provision of a large grant to be placed at the disposal of the director to be used to support such studies has been recommended. The emphasis laid on group research is evidently meant to obtain quick results.

One of the recommendations of the Committee has to do with the need for the Institute to develop and prepare their own instruments and equipments necessary for research and not to depend on imported articles. With his view it has suggested that special facilities might be provided for instrument design and construction. Particular stress has been laid on the need for establishing a section for glass-blowing since it is considered vitally important for a wide range of modern researches and especially for promotion and development of wireless industry. Equipments related to electron microscopy, photomicroscopy, infra-red spectrometre, tracer technique equipment, X-ray power analysis and electron defraction have been listed as indispensable in the laboratory which the Committee envisages for the Institute.

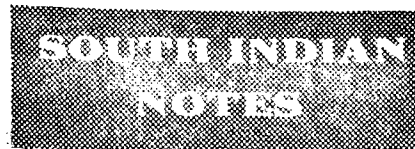
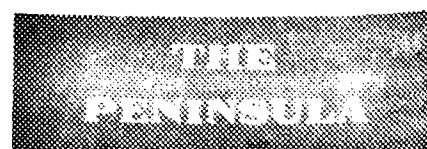
The most important part of the recommendations of the Committee relates to the need for mutual collaboration between scientists at the Institute and scientists working on particular industries. The efforts of the Institute to contribute to the industrial development of the country which is its aim would remain infructuous if men of the Institutes keep themselves from the main currents in industry. Coordination of efforts would also enable as the Committee has pointed out, pooling of common resources of knowledge and saving of time and money. Without a conscious attempt to promote such collaboration, the relations between the Institute and industry have little chance of becoming closer. The best way for ensuring such mutual contacts would be to introduce subjects having a practical bearing on industries for study and investigation in the Institute, and for arranging mutual discussion on such problems with representatives of industry. By way of making a beginning in such relations it has been suggested by the Committee that a number of symposia and residential study courses should be held at Bangalore on carefully chosen subjects on the model of those

held in Kharagpur and elsewhere. To enable the organisation of such courses the Committee has made proposals to improve amenities. Since the object of the Institute is to promote the industrialisation of the country and help solve the particular problems faced by industries, the Committee expects the latter to support the Institute in various ways. This is only as it should be since the industries are ultimately reaping the benefits of the training which the Institute provides to technicians, in different fields.

The organisational and administrative changes suggested by the Committee are meant to increase efficiency of working of the Institute. As the Committee points out such changes are designed to improve the relations of the Institute with the Universities, industry, central research institutes, and departments of Government. The important recommendations of the Committee in this field, centre around the responsibilities of the Director, and would have the effect of lightening his responsibilities, which the Committee recognises, has increased in recent times. With this view it has been proposed that the Director should be relieved of all responsibilities of a department of the Institute so as to enable him to spend more time on general duties. As for the qualifications of a Director the Committee expects him to be "a man of established scientific reputation, and wide scientific interests, no longer seriously concerned with his career as a scientist but deeply interested in the progress of science and in industry within India".

Administrative flexibility, was one important objective in the administrative field which has been kept in view by the Committee in its recommendations. The Committee has made a number of proposals towards simplifying rules and procedures, operating within the Institute. The unsuitability of the system of rules and procedures obtaining in Government departments and industrial undertakings for the purpose of the Institute in such matters relating to financial control, recruitment and promotion has also been recognised and the need to evolve its own appropriate system has been stressed.

The Committee can congratulate itself on the report which it had brought forth on the working of the Bangalore Institute. Though the report is critical of the functioning of the Institute it is only mildly so, and the Committee has not overlooked some of the limiting factors under which the Institute had to function. The recommendations of the Committee are all aimed at improving the atmosphere as well as the general tone of the work carried on in the Institute. With the implementation of the suggestions of the Committee, there can be no doubt, that the Bangalore Institute would emerge as a model one of its kind in the country.



One of the industries to be brought to a parlous light consequent on the drastic cuts in imports is the film industry. With the cut in imports of cinematographic raw film, and with the depletion of stock of 40 million feet of raw film which it had with it at the time when the cut came into force, the industry in the South has almost been brought to a standstill. The plight of the industry in the South would be evident from the fact that at present there are more than 200 pictures in all the five languages under production involving a minimum capital outlay of about Rs 6 crores. With about 165 applicants who are awaiting allotment of film quota, the theatres which had announced release dates are in a dilemma.

Speaking to pressmen at Madras, Mr B. Nagi Reddi, member of the Madras Raw Film Committee, appealed to the Government to come to the help of the industry by restoring the cut of 40 per cent in the import of raw film. In the alternative it has been suggested that the supply of raw film should be arranged from the rupee area through the State Trading Corporation. In support of his argument for restoring the cut in imports it has been pointed out by Mr Nagi Reddi that the amount involved was only about Rs 2 crores which was only a quarter per cent of the value of total imports.

The case for sympathetic consideration of the plea for ensuring adequate supply of raw film rests on the advantages that the industry in its present size, bestows on the country. For example the industry earned Rs 2 to 3 crores for the Central Government by way of Income-tax and large amounts by way of entertainment tax for the State Governments. Possibilities of the industry earning foreign exchange which has been vindicated by the success abroad of some of the films produced in the country strengthen the case for giving a fair deal to the industry in regard to its foreign exchange requirements.

The size of the industry in the South that would be adversely affected is another argument that has to be given due weight in the Government's attitude towards the industry. With the increase in exhibition centres from 1,504 to 2,285 during the past two years and of studios from 28 to 72 floors with a capital investment of more than Rs 10 crores and employing more than 9,000 persons the impact of the cut in imports on the industry could not be anything but adverse.

A Pioneer Industry

Mr P. P. Cherian, of Kerala is to be congratulated for his discovery of a process for the manufacture of bricks from lime and

Plight of Film Industry

sand. In a land where pioneering inventions are conspicuously few, Mr Cherian's invention would stand out as one of the most outstanding. As a result of his labours the establishment of a pioneer industry of the heavy variety has become a distinct possibility.

The product discovered by Mr Cherian is credited with many advantages which only go to enhance the value of his invention. The marble-like white colour with polished surface, the weather resistant quality which is reported to be greater than that of the wire-cut bricks of the best quality, low requirements of mortar in building construction, low water absorption and the consequent fitness for underwater construction are some of the distinct merits claimed for the sand and lime bricks. It is also reported, that the use of these bricks would enable the thickness of the walls being reduced in any kind of construction thereby effecting economy. After due examination by the Planning Commission, the Government of India have sanctioned the starting of the factory based on Mr Cherian's invention in Kerala State.

The factory is proposed to be opened at Shertallai and would be registered as a public limited company with an authorised capital of Rs 11 lakhs. The Kerala Government are reported to have decided to take up 51 per cent of the share capital the balance being thrown open to public subscription for a specific period to be filled up later by the State Government in the event of under-subscription, by the public.

The estimated capacity of production of the factory is about 40,000 bricks a day on the basis of two shifts of eight hours a day. The factory is expected to go into production within one year. The raw materials required such as white sands, lime shells etc are also reported to be available in abundance in Shertallai and the adjoining areas between the Arabian Sea and Vembanad Lake.

The advantages to Kerala where the industry would be located spring from the employment potential thrown open by the factory. In the initial stages the industry is expected to give employment to about 200 workers. But when sand-lime bricks are in the market the resultant activity in the building industry is expected to provide avenues of employment for many more hundreds of workers in ancillary industries. On the basis of the result of working of the first factory, a string of other factories are also proposed to be set up.

Ayurvedic Medicine

Though Ayurveda as a system of medicine is of well-proven merits and has time-old experience and research to back its claims it has

in recent times been in general neglect, perhaps because of the tendency of the moderns to look down on it in favour of allopathic system. A revival of the system and its popularisation in the country at large is desirable at least in the interest of expansion of medical facilities especially in the villages.

Inaugurating the first Andhra Pradesh Ayurveda Mahamandali Conference last week, Mr M. Ananthasayanam Iyengar, Speaker, Lok Sabha, stressed the importance of the Ayurvedic system of medicine and explained the steps that are needed to popularise it. Establishment of research institutes in different regions, as also of a Central Board to set up standards, minimum qualifications and codes for the Ayurvedic doctors, reservation of a certain part of forests by the Forest Department for planting medicinal herbs and organisation of pharmaceutical druggists, are the measures that Mr Ananthasayanam Iyengar has emphasised as needed for putting the Ayurvedic system of medicine on a popular and stable footing. The need for proper diagnosis is also of great significance if the system is to attract popular attention and patronage. The suggestion made by him that the candi-

dates undergoing training in Allopathy should have a knowledge of Ayurveda is also of value since this would enable the combination of the best in the two systems of medicine.

A proper system of training in the Ayurvedic medicine and adequate recognition by the Government for those engaged in its practice are of particular importance if any measure of success is to be attained in popularising Ayurveda. Though as early as 1946, a suggestion has been made for the training of village vaids through the Village Vaids Training Scheme which was first mooted then, the programme does not seem to have made any headway. The failure of the scheme highlights the lack of support from the State Governments to the promotion of the Ayurvedic system. The absence of a proper system of training for the practitioners of Ayurveda would only bring the system into disrepute since the field would remain wide open for quacks to flourish. Therefore the suggestion made by Mr A. Kaleswara Rao, Speaker of Andhra Pradesh Legislative Assembly that the Government should start Ayurvedic and Unani colleges and hospitals side by side with Allopathic ones deserves consideration.

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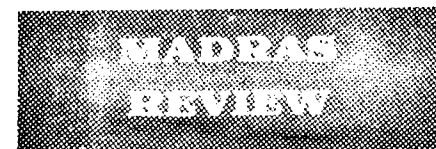
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Natural Rubber Prospects Good

ACCORDING to the Chairman of the Rubber Growers' Association, London, long-term prospects for natural Rubber are good although it is imperative for estates to be efficient enough to produce at substantially less than the cost of synthetic. He adds that this is within the competence of efficiently-run estates and that no artificial tinkering with the law of supply and demand is likely to afford an effective substitute.

The Chairman denies that the Association is opposed to research; but has stated that it is not in favour of the industry's money being wasted upon research based on an outmoded mandate. All sections of the industry are agreed that the object of research should be to lower production costs. It should also aim at improving the technical properties of natural rubber. He concludes by saying that any increased prosperity for companies with estates outside Indonesia, in the next twelve months, must depend upon good labour relations, a recovery in business in

America and the demand for natural rubber by Communist countries not drying up.

Meanwhile, production as well as consumption of natural rubber in India have shown a rise in March as compared to the previous month. Production has risen to 1,366 tons from 951 tons and consumption to 2,922 tons from 2,747 tons. Stocks with the estates and dealers have gone down to 3,100 tons from 4,201 tons, while those with the manufacturers have risen to 6,049 tons from 5,309 tons. Imports are shown at 1,195 tons and stocks of synthetic rubber at 847 tons. Thus, there is a total available supply of 9,996 tons.

Pepper

Pepper markets have continued to remain inactive with the rates quoted at Rs 600 for superior Palai quality and Rs 587.50 per candy for inferior Thekkam variety in the Alleppey market. Singapore, after the rise of nearly Str \$4 in black and Str \$6 in white, has remained steady with the undertone healthy.

Nothing is so far definitely known regarding the possible size of the new crop Sarawak pepper as no official estimate is available. Arrivals of the crop are reported to be very poor. Most of the stock of Lampong have remained in strong hands. Small replacement demand from New York and Europe is likely to push up the prices, as Sarawak sellers are likely to remain reserved as long as there is tension in Indonesia. Indian growers are sure to exploit the situation by raising their asking price at every small sale. It appears that there is trial of strength between the growers at origin and the buyers overseas. It remains to be seen who wins.

Cashew

The Government of Mysore have a programme to bring, under Cashew, 1,38 lakh acres and have assigned waste lands on longer leases for the purpose. The West Coast in general and the coastal regions of Mysore in particular, are well suited for cashew cultivation. There is also scope for its cultivation in old Mysore and Coorg. It is hoped to bring the additional area under cultivation by the end of 1960/61 with an additional yield of one lakh tons of raw nuts annually.

Groundnut

The Groundnut market in Madras continued to rule quiet with prices developing an easier tendency due to selling pressure. Arrivals averaged 60 to 65 tons per candy. Local small crushers took up summer crop peanuts around Rs 149 per candy. In winter crop, there were no eager buyers, the rate being quoted around Rs 150 per candy.

Fairly good showers are reported from most of the southern districts. It is stated that the rains will be helpful to the late-sown summer crop.

In the Groundnut Oil section, the rate for the ready position declined to Rs 307 from Rs 312 per candy. Calcutta interests bought only small quantities, while business in the forward section was restricted on lower Bombay advices.

Hides and Skins

In the Madras Tanned Hides market, arrivals of hides showed no change, while clearances were fair.

On the export front, business did not show any improvement and, excepting for 5/5½ lbs and 8/8½ lbs, enquiries were patchy. Inferior Cow hides continued to be difficult to sell on account of higher prices ruling.

In the Tanned Skins section, arrivals of both Goat and Sheep skins were restricted and there was only a small clearance. There were plentiful stocks of Sheep skins in the market.

In the export section, business was quiet on account of the London auctions. Some sales were reported in light weight goat fifties and inferior fifties at lower prices.

In London auction, prices of Goat skins were 3d to 9d lower on the first day. On the second and third day, the market was on the

RAJNAGAR TEA COMPANY, LIMITED.

Notice is hereby given that the Sixty-fifth Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Monday the 9th June, 1958 at 3 P.M. for the following purposes:

- (1) To receive the Directors' Report and the Audited Accounts for the year ended 31st December, 1957.
- (2) To declare a Dividend.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their Remuneration.

The Transfer Register will be closed from the 3rd June, 1958 to 9th June, 1958, both days inclusive.

N.B. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

By Order of the Board,
SHAW WALLACE & COMPANY
LTD.,
Managing Agents.
Calcutta, 9th May, 1958.



same level. On the fourth day, the very best examples were fully upto March levels, while other qualities showed no change as compared to the first three days. On comparison with the actual sales, Madras shippers find that everything realised is 1sh less, while some parcels have fetched as much as 1sh 6d lower than March averages.

THE INDIAN CABLE COMPANY LIMITED

Issue of 8,28,848 Ordinary Shares of Rs. 10/- Each at Par.

(THIS IS NOT AN OFFER)

Notice is hereby given that the Board of Directors have determined to issue 8,28,848 new Ordinary Shares of Rs. 10/- each at par. The new Ordinary shares will be offered for subscription at par for cash to members whose names are registered in the Register of Members of the Company on 11th June 1958 in the proportion of one new Ordinary share for every two shares, Ordinary and/or Preference held by the member on that date (no fractional entitlement being given) with the right to renounce all or any of the shares so offered in favour of third parties.

The aforementioned members will also be entitled to apply for additional shares at par for cash, to be allotted to them subject to the conditions laid down by the Controller of Capital Issues and the Reserve Bank of India in the event of any Rights Shares not being taken up as aforesaid.

The Register of Members of the Company will remain closed from 28th May 1958 to 11th June 1958 (both days inclusive).

Persons holding shares on blank transfer deeds are advised in their own interests to lodge properly completed transfer deeds with the relative share certificates at the Company's Registered Office, 9, Hare Street, Calcutta, for registration of the shares in their names before 28th May 1958 in default of which no claims by such persons shall lie against the Company.

Circular Letters setting out the terms of the offer and detailing the procedure to be followed and Letters of Rights with forms of Renunciation, Acceptance and Request for additional shares will be issued to the aforementioned members on 11th June 1958 or as soon as practicable thereafter.

By Order of the Board,
THE INDIAN CABLE COMPANY
LIMITED
B. J. WOODLEY,
CHAIRMAN.

9, Hare Street,
Calcutta, 8th May 1958.

Mahindra & Mahindra Limited

Satisfactory Operations, Bigger Turnover, Higher Earnings

Plan Approved for Doubling Jeep Production Capacity

The Problem of Raw Materials for Indian Industry

Speech of Mr K. C. Mahindra, the Chairman

The following is an abbreviated version of the speech made by the Chairman, Mr. K. C. Mahindra, at the Annual General Meeting of Mahindra & Mahindra Limited, held in Bombay on May 12th, 1958.

It is my privilege to welcome you to the 12th Annual General Meeting of your Company today. The Report that has been presented to the shareholders shows a year of very satisfactory operations with a bigger turnover and higher earnings.

The Company is fortunate in having two new Directors on your Board. Sardar H. S. Malik has a long and meritorious record in the Government, serving the country as her representative overseas for many years, and finally retiring from service as our Ambassador, to France. His varied experience and mature judgment will be available for directing the policies of your Company. At the last Annual General Meeting I expressed our appreciation of the assistance received from our American associates, the Willys Overland Export Corporation, who helped the Company to overcome the difficulties caused by shortage of foreign exchange. As a measure of further confidence in the future of your Company, and in their earnest desire to assist in its operational activity as an automobile manufacturer, their President has accepted the invitation extended by your Directors to join the Board. Mr. Stephen A. Girard is our new Director and his rich experience in the automotive field will assist the Company in the many intricate problems which arise day to day in processing the progressive manufacture of a complex and high precision engineering product.

The turnover in Jeeps and allied vehicles was about 33% higher than in the previous year. The Company's dealers and distributors have added additional facilities in order to meet the growing demand for after-sales service. Their co-operation has been forthcoming very readily in spite of reduction in their gross remuneration made last year by the Tariff Commission.

Tractor sales show a heavy decline due principally to the severe restrictions imposed by Government on import quotas. Unfortunately for your Company, Government chose to base the licence

quota on the imports for the year 1954-55 which was the first full year of our handling the David Brown franchise, and when our sales were comparatively small. Repeated representations to Government for additional ad hoc licences have not borne any fruit. To me it is surprising indeed that with the continuous threat of food-grains deficiency and the urgent need for substantial increase year by year in the quantum of our agricultural products, the very highest priority is not being given to such instruments of higher productivity as tractors and implements. Even our programme for the progressive manufacture of Tractors in India prepared in collaboration with David Brown, and submitted in November 1956 to Government, is still awaiting decision.

The Trailer Division shows a turnover of about 35% over last year's figures. In order to meet the expanding need for Trailers in the country, your Directors have decided to separate this activity in a new subsidiary company. Import licences have not been readily forthcoming for essential components which are not available locally. Arrangements have therefore been concluded with the well-known British firm of Rubery Owen & Co. Ltd., to provide the Plant, Tooling and Designs required to commence the manufacture of these components. In return for the supply of these equipments Rubery Owen will be allotted equivalent shares in the company up to 49% of the total capital. The balance 51% will be held by your Company. This arrangement will not only ensure the production of complete Trailers in the country, but will enable the new company to enlarge the range, size and scope of Trailers. The excellent research facilities and design improvements available with Rubery Owen in Britain will be at the disposal of the Indian Company.

The turnover of the Steel Division shows a phenomenal increase. As I reported to you last year, the margin of profit on this type of business is small, and large volume is necessary to show appreciable earnings. It has been possible to reach these high figures of sales as the Division maintained an active and detailed up-to-date study of the varying conditions effecting the world prices of steel and its availability. Your Company has been

vigilant in keeping abreast of the changing circumstances and were able to negotiate successfully for large contracts. With the completion of Tata and Indian Iron and Steel expansions this year and the nearing completion of the three new steel works in 1959-61, the business in import of steel must decline. Currently, and the next two years, shortage of foreign exchange will restrict severely the steel incomes from abroad. The future of your Company's Steel Division would appear gloomy but for the fact that as approved controlled stockists, your Company hopes to participate in the internal distribution of the increasing amount of steel that would become available as expansions and new plants get into production. The volume passing through the stockists will perhaps decline as compared to the imports, but it is hoped that the margins per ton of steel so processed will increase as compared to the very low present margin in the import business. The large business in steel has led to the development of a very efficient and technically well equipped steel division in the Company, and new avenues for utilisation of this skill are being investigated.

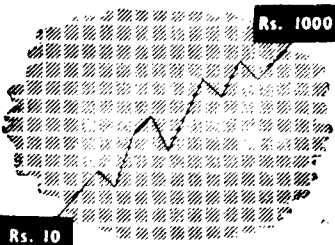
In accordance with the findings of the Tariff Commission that the demand in the country for Jeeps would progressively increase to 5,000 units by 1961, a phased programme for increasing the production capacity of your Company was submitted to the Government. The progressive schedule to double the rate of production in order to cater for this growth in demand has now received approval. The details of the foreign exchange required for additional plant, machinery and tooling are with the Government and receiving their consideration. Indications are that sanction for this purpose will be forthcoming soon, particularly as plans relate to the manufacture of special utility vehicles.

In planning manufacturing facilities to produce automotive vehicles in volumes of 5,000 units or more, the basic requirements for an economic operation change. On a small volume production even scattered facilities might suffice, but for larger volumes the economics of the scheme dictate the need for consolidated and integrated facilities. Systematic storekeeping and straight line flow of production, efficient handling of compon-

ent manufactures and good house-keeping both in the factory and the warehouses become an economic essential. Need for flexibility for further expansions calls for meticulous planning in great detail. With this in view, the engineers of your Company have been making elaborate studies and although a year or two ago it was not possible to contemplate a large building programme, the easing of construction materials in the market makes it now a practical proposition. Your Company already owns over 100 acres of land at Pimpri near Poona, and provided further facilities like water, power and railheads can be arranged, plans to build in that area may materialise. For the purpose of doubling our present targets for production of Jeeps and for integrated development, substantial finance will be required. Recognising such a need, your Directors recommend as a first step that the authorised capital of the Company be increased and certain resolutions have been placed before you for consideration at today's meeting. The Company's application for issue of additional capital is under discussion with the Controller of Capital Issues and as soon as the details are finalised the shareholders will receive prompt intimation.

In concluding this survey of Company's operations and hopes for the future, may I say that despite stringent conditions of operations in an economy presaging a world wide recession amidst inflationary potential, the results of the current half year indicate that your Company's executives have been adapting themselves to meet these new and diverse circumstances and have maintained a high level of management efficiency. These are relative terms. In the ultimate analysis volume of sales, quality production, development outlook and profits are the criteria of your judgment. Of sales and profit, the balance sheet is a good testimony; of the quality of the product made in India, Willys engineers have spoken highly. The design and development section of your Company is today in an embryonic stage, but a sound beginning has been made and the basic thinking behind these developments is under proper guidance. I place considerable emphasis on this aspect, as in my opinion with our present knowledge of automobile designs and

You can start from scratch...



And have a good bank balance

LITTLE SAVINGS
GROW INTO
BIG ACCOUNTS
SAVE REGULARLY
AND
PUT YOUR SAVINGS
IN ACCOUNT WITH THE UCO BANK



HEAD OFFICE: CALCUTTA
Head Office: CALCUTTA
SUBSCRIBED CAPITAL Rs. 4,00,00,000
PAID UP CAPITAL Rs. 2,00,00,000
RESERVE FUND Rs. 1,34,00,000

Chairman General Manager
G. D. BIRLA S. T. SADASIVAN

Manager, Calcutta Branch
K. R. K. IYENGAR

with the scanty manufacturing facilities in the country, lot of useful effort is being wasted in attempting to do too much.

Government deserves praise for initiating an aggressive programme for increasing industrial production, and a considerable measure of success has attended these efforts, but to sustain the increase and keep on a progressive rate of growth two essential conditions must be satisfied, namely, demand to keep pace with supply and raw materials to be made available in abundance and in time. To create temporary employment is not the answer to the four hundred million problem. A modern socialist planner asks us never to forget that the "end of a rational economic activity is to make possible more production and more consumption and that expansion of employment has to allow the maximum expansion of production, but should not be made in a way as to be detrimental to the latter". Yet, today industries in India face serious dislocation. In the engineering field non-availability of even the essential raw materials like pig iron and coke dictates a position of almost complete helplessness and warrants a justifiable criticism of inadequate instruments of Government planning. Planning postulates that correct emphasis is placed on the right industries and once included within the Plan no effort is spared to provide the means for that industry to reach maximum production desired and to ensure consumption of the products of industry.

Take the problem of food which would need first attention of planners in India for many decades to come. It is becoming apparent that the luxury of fractioning the land-holding may have to be abandoned in favour of a policy which will produce more food immediately; acreages need to be worked out to permit economic mechanical cultivation and steps taken to provide the cultivators with the means by which they can increase production per acre. As the food situation is tackled, serious examination is needed of the methods of transporting what the soil produces from the areas of cultivation to the regions of consumption. In an economy like ours the need to develop artefacts against the overpowering pressure of population is urgent, and it is slowly being recognised that a more than cursory study is required of the problems of distribution, which in simple words means distribution to the consumers at the right time, at the right price and in the cheapest manner.

Transportation has been sometimes defined as the conveyor belt of industry. India has a widespread and complicated railway system originally established to cater for activities in port towns in so far as industrial economy was concerned. The overhaul and rehabilitation of the system has consumed vast sums of money. With the increased demands placed on this system by the contemplated

growth in the economy it was correctly recognised that a major effort would be required in expanding the system and almost 25% of the Second Plan outlay was devoted for this purpose. With the expenditure of over Rs. 1,000 crores on the system the railways are expected to be able to haul 162 million tons by 1960/61, an increase of about 47 million tons over 1955/56. When we consider that the steel industry expansion alone will require a movement of 36 million tons a year, the added increase in the carrying capacity of the railway system appears much too inadequate for the rest of the economy in India. When we consider that the eruption of high food-grain prices in various corners of the country is principally due to mal-distribution and to the failure to reach the food-grains to the hot-spots within time the matter becomes extremely urgent for an exhaustive re-examination of the transport position. It would appear that despite the best efforts to rehabilitate track and extend rolling stock it will still not be possible for the railways to service the distribution needs. A medium with greater flexibility and accessibility must be found. In considering the various alternatives there is but little choice. It is the use of trucks, truck-trailers and tractor-trailers alone which would ease the burden on the overloaded railways and on our meagre coastal services.

There are a number of factors which act today as deterrent to the development of an extensive Truck Haulage Service. The recent announcement of an Inter State Transport Commission with comprehensive powers over development, co-ordination and regulation and of Transport Development Council at the ministerial level and of Road and Inland Water Transport Advisory Committee composed of official and non-official members is a welcome recognition of the importance of the distribution problem. It is acknowledged that the level of taxation in India so far as transport is concerned is perhaps the highest in the world; that Inter State controls on movement from one State to another are irrational and obstructive without yielding a single tangible benefit to any party; that threat of nationalisation of Goods Haulage Services in various States is a positive disincentive to development. There are not sufficient trucks coming off the manufacturers' lines, nor are operators coming forward in sufficient numbers to take up the service. The Minister of Transport and Communication stated the other day that the Plan provides for the production of 136,000 vehicles between the years 1957 and 1961. This volume, even if achieved, plus the existing fleet computed to be about 130,000 vehicles less obsolescence is hardly adequate for what is estimated as the minimum requirement for moving the products of the Second Plan economy. Some special effort would be necessary as much for

supply of more vehicles as for improving the road system, including the bridging of important rivers and provision of feeder roads from and to centres of production and consumption. We have the triple problem in road transport which must find a solution if the planned economy is to achieve even a modicum of success in operation. There is first the problem of building the balance of 114 bridges as planned; of extending the mileage of national highways to a minimum of 15,000 miles; of a concerted and intelligent development of feeder roads and bye-ways. This problem, we are assured, is being energetically tackled by the Transport Ministry. The second problem is the quick supply within the next few years of an adequate number of trucks with pay-loads ranging from one-ton to ten-tons and of truck-trailer and tractor-trailer combinations for service on the main routes. I reckon that from now provision of a minimum of 50,000 trucks a year and say 5,000 tractor trailer combinations should be made. The producers of trucks, tractors, trailers in India are not equipped today to furnish this quantity of vehicles. A concerted and co-ordinated programme as between the various manufacturers, a decision to speed up local manufactures and a direction to get the results at any cost is the desideratum of planning in this context. Finance is the mobilizer and I suggest that while the Ministry and the Planning Commission engage themselves in devising methods of co-ordination and direction, the proposed Refinance Corporation for Industry Private Limited should take up, as a matter of priority, the requirements for capital finance of the various manufacturers for the speedup. I reckon that a matter of Rs. 10 crores will be needed and this is not a large amount for insuring the production of 50,000 trucks and 5,000 tractor trailer combinations a year in the country.

Alongside such production there will be the question of off-take—who will buy these vehicles and who will operate? This is problem number three. The decision that the moratorium on the nationalisation of goods transport has been extended till the end of the Third Five Year Plan period is good as far as it goes, but it is not enough. Apart from long-term inducements for people to engage themselves in this service with its high obsolescence mark, there is the vital question of finance. Money for financing the purchase every year of 50,000 truck services and for finding operating costs thereof is simply not there in the country. I suggest a Truck Finance and Development Corporation which would guarantee the manufacturers the purchase of all the vehicles they can produce and which would simultaneously offer the operators easy payment terms on an instalment basis. The Hire Purchase System has become a normal and essential part of the automotive trade in America and in Europe.

Private agencies no doubt have flourished in India too, but their scale of operations is too small and their finances insufficient. The Truck Finance and Development Corporation which I am asking the State to sponsor should be able to meet the demands of the problem as posed by me with capital fund of say Rs. 50 crores—a small sum as compared to the huge outlay on the railways system. If the charter of the Refinance Corporation cannot be specially amended to render assistance in full scale to the present manufacturers for they may not come in the category of "medium industries", their capital finance will need to be provided by the Truck Finance and Development Corporation which I have proposed.

Railway transport in India quite correctly received priority, but there are physical limitations to its quick growth. For a Road Haulage Service the limitations are minor and of not such colossal magnitude in capital expenditure as in the railways. Rupee for Rupee, investment in a properly co-ordinated Road Transport organisation will yield much richer dividends than in the railways. I am convinced that what I have suggested in the matter of transport organisation will not only provide prominent additional employment, but also lay securely the foundations of a modern transport system as has been the experience in other countries.

With the result of operations over last year as presented to you today, you will join me. I am sure, in expressing our appreciation as shareholders of the Company of the very fine effort made by the staff and the workers, and I hope that they will continue to work with equal zeal and enthusiasm over the coming years.

Note:—This does not purport to be a record of the proceedings of the Annual General Meeting.

S. E. RLY. TENDERS

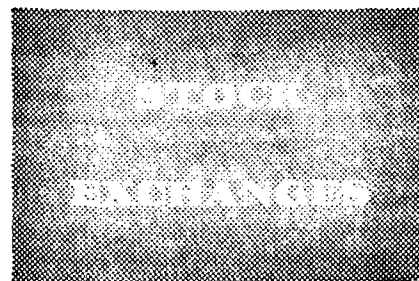
Sealed tenders are invited for supply of the following items:—
Tender No. PA/COS/5422/WS/MED/494-B/GB-10 for supply of D.D.T. Wettable powder 50% for 78 Cwts.

Tender forms are obtainable from the Controller of Stores, Garden Reach, South Eastern Railway, Calcutta—23 P.A. Sec. on remittance of Rs. 2/- (not refundable) per copy per tender by money order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, South Eastern Rly., Garden Reach, Calcutta—23 by local firms. Earnest Money is Rs. 200/- (closing date of the tender is 10-6-58 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid income-tax clearance certificate along with the Earnest Money receipt with the Tender.

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Indian Finance

May 17, 1958



Narrow Fluctuations

Watch-Dog Writes:

NARROW fluctuations, in the absence of any fresh influence, have characterised trading in stock markets during the week under review. Transactions are few and far between, and the slight improvement in the middle of the week is attributed more to scattered bear-covering than to fresh bull support.

The Calcutta Stock Exchange displayed a steady trend and activity was confined to a few selected scrips.

Cheerless conditions continued on the Bombay Stock Exchange where prices generally drifted lower after a brief spell of steadiness.

With only few transactions, the Madras Stock Exchange presented a cheerless look.

On the London Stock Exchange, there was a general disposition to await the outcome of the new railway peace-plan talks.

Calcutta

Calcutta, Friday Evening.

DEALINGS on the local Stock Exchange were characterised by a state of uncertainty during the week under review. Due to lack of incentives, there was no fresh

S. E. RLY. TENDERS

Sealed tenders are invited for Tender No. CON/COS/8/F2/194/58 for supply of 50 Nos. standard T. W. battery cup Board as per drawing No. SE/T/106. Tender will be opened on 20-6-58 at 12 noon.

Tender forms (not transferable) are obtainable from the office of the undermentioned (Construction Section), Garden Reach, Calcutta-23 at Rs. 2/- (not refundable) per copy by M.O. to him direct in the case of outside firms and on production of cash receipt from this Railway's Chief Cashier by local firms.

Tender forms should accompany the receipt for depositing earnest money of Rs. 260/- from this Rly's Chief Cashier together with a valid Income Tax Clearance Certificate without which the tender is liable to be rejected. Contractors having permanent deposit of Rs. 1000/- with the undermentioned are exempted.

CONTROLLER OF STORES
S12

support; and the news of the postponement of the threatened token strike at the TISCO Works had no effect on sentiment. Amongst the factors, which acted against the expansion of activity, were the possibility of a return of stringent conditions in the money market following the subscription to the new loans, the delay in the announcement of steel and cement retention prices, of the selling price of coal and of the reduction in the export duty on tea; uncertain outlook for the textile industry, the threatened strike by coal-miners in West Bengal and Bihar and fears of a slow-down in the engineering industry on account of raw material difficulties. Thus, the general feeling in the market was to take quick turns, resulting in the higher levels having continued to attract offerings. The market did not, however, manifest any sign of nervousness due to selective support, being influenced by the news that the LIC might, in future, place direct orders with the brokers instead of buying by means of offers.

The recent firmness was less evident in the Gilt-edged market. Following the announcement of the new loans, institutional investors were inclined to sell existing loans to invest the proceeds in the new loans. Since the opening of the lists, however, the selling pressure abated and there was a slight recovery in all dated issues. 3 per cent 1986 Conversion Loan, after opening at Rs. 71.17 and improving at one time to Rs. 71.75, receded at the close to Rs. 71.15.

Bank shares were quiet and fractional losses were common. The only firm feature was Punjab National, being taken upto Rs. 52.50. United Commercial, after touching a low of Rs. 58.50 from Rs. 60.00, closed better at Rs. 59.50.

Jute shares ruled fairly steady in view of the sound statistical position. There was a feeling that the present easiness in raw jute prices coupled with the advantages of modernized mills would help the mills to make better profits during the current year. Nuddea had buyers at Rs. 36.50 to Rs. 37.50; New Central at Rs. 13.75 to Rs. 14.94; Megna at Rs. 99 to Rs. 101; Birlas at Rs. 15.00 to Rs. 15.25 and Howrah at Rs. 14.94 to Rs. 15.37. India closed better at Rs. 113 against Rs. 111; Alliance at Rs. 75 against Rs. 70 and Anglo-India at Rs. 142 against Rs. 141.50.

Despite the threatened strike by miners in West Bengal and Bihar, Coal shares ruled reasonably steady. Bengal were the only bright feature, having improved to Rs. 242 from Rs. 230. Burrakur turned a shade quieter at Rs. 21.75 against Rs. 22.00, while Western Bengal remained at Rs. 5.75 and so also South Karanpura at Rs. 9.56. Central India had buyers at Rs. 7.62 to Rs. 7.81.

Expectations of some relief in excise duty were responsible for inducing a better tendency in the Textile section early in the week. Higher levels could not, however, be maintained till the end as ope-

rators were inclined to restrict commitments until such time they knew positively about the immediate prospects for the industry. Jayshree were at one time taken upto Rs. 6.56 from Rs. 6.37 and Elgins upto Rs. 12.37 from Rs. 12.19, and Rs. 12.31 respectively. Bowreah, after a long time, came in for business at Rs. 103.50 against Rs. 106, while New Victoria remained quiet at Rs. 1.34.

Trading in the Tea section continued to be restricted as operators took a cautious view of the 1957-59 season. Apart from the inordinate delay in the announcement of relief to the industry, fears were entertained that the working results of companies for last year would be poor in view of the unremunerative prices obtained for Common teas the supply of which continued to be excessive. The only redeeming feature of trading was the support still being lent to a few selected scrips. Most prominent amongst these were Bagmati changing hands at Rs. 19.25 to Rs. 19.62; Brahmapootra at Rs. 2.35 to Rs. 3.06; Brooke Bond at Rs. 16.81 to Rs. 17.25; Bishnauth at Rs. 18.87 to Rs. 19.25; Dhekhakhat at Rs. 21.19 to Rs. 22.50; Hattikhtra at Rs. 10.00 to Rs. 10.50; Jayshree at Rs. 10.06 to Rs. 10.31; Methoni at Rs. 16.62 to Rs. 17.81; Raungamattee at Rs. 63.50 to Rs. 67.00 and Patrakola at Rs. 132 to Rs. 135.50.

Sugar shares came in for selective enquiry as there was a general disposition to await the announcement of the Government's export policy. Raza/Baland had buyers at Rs. 13.87 to Rs. 14.06; Balram-pore at Rs. 6.25 to Rs. 6.50; S.K.G. at Rs. 9.94 to Rs. 10.18 and Dyer Meakin at Rs. 9.87 to Rs. 9.94.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons. Against the week-end closing of Rs. 21.43, Indian Irons opened better at Rs. 21.55 and, after advancing at one time to Rs. 21.75, receded again at the close to Rs. 21.59 on profit-taking. In sympathy, TEXMACO were taken upto Rs. 18.25 from Rs. 18.15, to finish at Rs. 18.00. The news, that the Government would be taking over control of the management of the company, caused a recovery in Jessop to Rs. 19.25 from a low of Rs. 18.94 touched early in the week. Marshalls changed hands at Rs. 5.37 to Rs. 5.53; Kumardhubi at Rs. 9.00 to Rs. 9.12; Britannia at Rs. 11.00 to Rs. 11.19 and Burn at Rs. 330 to Rs. 339.

A refreshing feature of trading during the past many weeks was the large support coming in for the investment scrips in the Miscellaneous section. Although there was intermittent profit-taking, selected scrips continued to maintain a firmer tendency. Among such scrips were Dunlop Rubber having sustained buyers upto Rs. 26.19 from Rs. 25.50; Rohtas upto Rs. 18.06 from Rs. 17.00; NICCO at Rs. 26.50 to Rs. 27.12; Aluminium Corporation upto Rs. 11.06 from Rs. 10.87; Indian Aluminium upto Rs.

13.81 from Rs. 13.12; Indian Cable upto Rs. 30.87 from Rs. 30.31; India Steamship upto Rs. 11.19 from Rs. 11.00 and Alkali Chemicals upto Rs. 15.00 from Rs. 14.69. Paper shares were in good demand, mainly due to the expectation of larger profits in consequence of import restrictions and a sharp rise in the price of the indigenous variety. Orient touched a high of Rs. 29.80 from a low of Rs. 29.35; Shree Gopal Rs. 15.31 from Rs. 15.06 and India Pulp Rs. 20.62 from Rs. 19.69, to finish the week at Rs. 29.60; Rs. 15.19 and Rs. 20.62 respectively. Titagur remained firm at Rs. 36.50. Among other scrips, Phillips were a steady feature at Rs. 14.00, while Indian Oxygen improved to Rs. 18.25 from Rs. 18.06 and Hindustan Lever to Rs. 21.37 from Rs. 21.06. Indian Copper were a narrow market, moving between Rs. 3.11 and Rs. 3.14. B.I.C., after being offered at as low as Rs. 3.40, improved to Rs. 25.19 from Rs. 24.12 and Hindustan Motors to Rs. 7.00 from Rs. 6.81.

★

Bombay

THE Stock market has ruled steadier during the past week though the volume of business passing has not recorded any sizable improvement. It would appear that while both operators and investors are in no hurry to liquidate their holdings, they are also reluctant to extend commitments. The recommendation of the Planning Commission that the shortfall in the internal resources of the Plan should be made up from fresh taxation has naturally engendered a cautious approach to equities. For in the event of a decision in favour of fresh levies the outlook for equities would have to be again marked as gloomy. The continued labour unrest in the two steel works

S. E. RLY. TENDERS

Sealed tenders are invited for supply of the following items:—

Tender No. PA/COS/4/464/IP/GB10 for supply of 99 Cwts. Cane China best picked (1st quality) in lengths of not less than 15 to 16 ft. each with Knots not less than 9" distance apart the thickness of the cane should not be less than 3/8" or more than 1/2".

Tender forms (not transferable) are obtainable from the undermentioned at Garden Reach, South Eastern Railway, Calcutta-23 (P.A. Section) on remittance of Rs. 2/- (not refundable) per copy per tender by money order to him direct in the case of outside firms and on production of cash receipt from this Rly's Chief Cashier, by local firms. Earnest Money against the tender is Rs. 1,500/-. Closing date of the tender is 19-6-58 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid income-tax clearance certificate along with the Earnest Money receipt with the Tender.

CONTROLLER OF STORES
S13

is another restraining influence. Though the token strike in TISCO has not adversely affected production, there is still the anxiety regarding labour unrest. The textile section which has been somewhat cheerful last week on expectation of some further relief in view of the continued lower offtake of cloth is rather depressed though now and then revived hopes of fresh relief have imparted some steadiness to the section.

Steels: Steel shares opened the week on a quiet note following adverse rumours about the labour situation in the works. Tata Iron opened on Friday at Rs 179.75 and after touching a high of Rs 180 and a low of Rs 179 closed unchanged on balance at Rs 179.75. The rates were generally unchanged during the next two sessions but on Tuesday sentiment was steadier and at one time the scrip was done up to Rs 181. Following reports that the token strike has not interfered with the day's output at the works, sentiment rallied and at one time on Wednesday the scrip was done up to Rs 183. The closing was steady at Rs 182.25. Indian Irons was also higher on balance at Rs 21.68.

Textiles: Textile shares showed some improvement toward mid-week but in the absence of follow-through support the higher levels could not be maintained till

the last. Bombay Dyeing which opened the week at Rs 53.70 was wanted up to Rs 54.30 in earlier dealings on Wednesday but toward close again reacted to close at Rs 53.90. Century was lower on balance at Rs 42.9. Kohinoor was quiet at Rs 266.

Miscellaneous: In the miscellaneous section, National Rayon opened at Rs 232 but improved to Rs 236 on Saturday. By close on Tuesday it was again back at Rs 235 with the reactionary tendency becoming more pronounced on Wednesday when the day's closing quotation was placed at Rs 233.25. Telco was a steady spot at Rs 166.50. Bombay Burmah was wanted up to Rs 554.50 on favourable reports.

Madras

WITH fewer transactions, the Madras Stock Exchange presented a cheerless look during the week under review. In the absence of any stimulating development, fresh buying was absent and price fluctuations were negligible.

Textiles: The downward tendency in this section continued and several scrips lost further ground. The news,

that handloom textiles had been moving more briskly, and the improvement in the yarn market, failed to cheer up the market. Radhakrishnas had sellers at as low as Rs 122, while Lakshmi declined to Rs 99 from Rs 104.50. Coimbatore Spinnings, Rajapalayams, Kotharis and Maduras attracted sellers at the market rates. The only steady feature was Travancore Rayon, which remained steady at Rs. 13.05

Plantings: This section ruled comparatively steady. Coffee shares accounted for good business. Coffee Lands were a little higher at Rs 35.12, while Consolidated Coffees gained fractionally at Rs 25.10. There were some enquiries for Mysore Coffees and Rajandras at the quoted rates.

Among Tea shares, there was buying support for Chennabas and Norsuch at the market rates. United Nilgiris attracted some selling at Rs 15.40, while Coorgs dropped down to Rs 10.75 on lack of support.

In the Rubber section, there were buyers of Malankaras, Valkundams and Rajagiris. Travancore declined to Rs 6.60 on receipt of four per cent dividend.

Miscellaneous: In this section, there was large absorption of Aluminium In-

dustries upto Rs 13.30. Cement and Chemical shares accounted for the usual volume of business, although some selling was noticed in Travancore Cements at the market rate. FACT's were done at Rs 5.18. Mettur Chemicals at Rs 5.66 and Parry's Confectionery at Rs 3.19. Ashok Leylands changed hands upto Rs 4.15 c.d.

London

CONDITIONS on the London Stock Exchange ruled generally quiet as there was a general disposition to await the outcome of the new railway peace-plan talks. End of account considerations were also a restraining influence and small selling produced a slight preponderance of small losses in most sections.

Industrials were uncertain with price movements mainly influenced by company news. Rolls Royce shares were firm following the results. Textiles were generally lower under the influence of some disappointing dividends. Oil shares were particularly depressed by events in Lebanon with the cutting of the Iraq petroleum pipeline. Glitged securities, after ruling quiet early in the week, developed a steadier tendency towards the close.

★

Assets.	1957	1956	1955
G. Block	15,213,930	12,989,141	12,885,135
Depreciation	8,925,545	8,231,727	7,753,811
Block (net)	6,288,385	4,757,414	5,131,324
Cap. Exp. in Progress	275,262	475,662	188,623
Crops in Progress	473,348	666,161	727,603
Stores	3,626,076	3,717,261	3,176,013
Stocks	3,244,734	6,084,581	5,370,472
Outstandings	586,191	191,374	551,185
Do More than 3 months	213,843	231,932	...
Mis. Deposits and Advances	4,131,985	3,597,401	6,266,189
Investments	3,496,607	2,251,943	1,403,771
Cash	247,519	385,550	1,056,053
Total	22,583,950	22,359,279	23,871,236
Liq. Assets	16,020,303	17,126,203	18,551,289

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Capital:—Authorised Rs 1,600,000. Subscribed Rs 1,589,000 in 158,900 Ord. shares of Rs 10 each.

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Capital:—Authorised Rs 400,000. Subscribed Rs 320,000 in 32,000 Ord. shares of Rs 10 each.

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...



Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

Assets.	1957	1956	1955
G. Block	...	...	...
Depreciation	...	...	...
Block (net)	...	...	...
Cap. Exp. in Progress	...	...	...
Works in Progress	...	...	...
Stores	...	...	...
Stocks	...	...	...
Outstandings	...	...	...
Do More than 3 months	...	...	...
Mis. Deposits and Advances	...	...	...
Investments	...	...	...
Cash	...	...	...
Total	9,323,456	10,079,472	...
Liq. Assets	7,656,784	8,418,069	...

(Annual General Meeting on 30-5-58 at 4-30 p.m.)			
Books closed from 7-5-58 to 30-5-58.)			
*After transferring	Rs 100,000 from General Reserve.		
Capital:—Authorised	Rs 2,500,000.	Subscribed	Rs
2,100,000 in 1,000—7 per cent cum. pref. shares of Rs 100 each and 200,000 ordy. shares of Rs 10 each.			
Synopsis of balanced sheet as on the last day of Dec.			
Liabilities.			
	1957	1956	1955
Capital Paid-up:	Rs.	Rs.	Rs.
(i) Pref. ...	100,000	100,000	100,000
(ii) Ordy. ...	2,000,000	2,000,000	2,000,000
Reserve Fund ...	500,000	600,000	600,000
Other Funds ...	1,400,000	1,400,000	1,400,000
Taxation Provision ...	16,983		32,074
Loans Secured ...	470,745	154,441	...
Debts ...	481,353	388,248	806,949
Carry Forward ...	...	53,534	27,593
Total ...	4,969,081	4,696,223	5,055,616

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Banks			
Allahabad 6% 100	105.50	107.00	
Behar 5% 50	19.75	22.25	
Electrics			
Calcutta 5% 100	10.38†	9.06†	
Dishergarh 5% 100	74.50	98.00	
Dishergarh 4½% 100	84.00	88.50	
Jorhat 6% 100	90.00	90.00*	
Kurseong 6% 100	90.00	90.00*	
Coal			
Asso. K'pura, 4½% 100	24.50	24.50	
B-Nagpur 7% 100	68.00	83.50	
Bharat 5½% 100	45.00	51.00	
Borra 8% 100	86.75	100.00	
Burrakur 7% 100	95.00†	113.50	
Burrakur 6% 100	7.17†	8.12	
Equitable 6% 100	90.00	99.00	
Ghusick & Muslia 100	95.00	103.00	
Gourangdi 5% 100	40.00	40.00*	
Jogta 5% 100	30.00	45.00*	
K'pura 5½% 100	44.50	54.25	
Khas Kajora 5% 10	5.00	3.75	
N. Beerbhoom 7% 10	10.69	12.00	
N. Churulia 5% 10	2.50	2.50	
N. Huntodih 5% 100	60.00	64.00	
Ondal 6½% 100	95.00	108.00	
Parasea 5½% 100	42.50	50.75	
Uni. Colliery 5% 100	88.00	85.50	

Jute:

Agarpara 7% 100	91.50	99.00	
Alexandra 7% 100	76.00	94.00	
Alliance 6% 100	70.00	79.00	
Anglo-India 7% 100	84.00	102.00	
Auckland 5½% 100	58.00	73.50	
Auckland 4½% 100	50.00	57.50	
Baly 7% 100	84.50	100.00*	
Barnagore 5% 100	80.00	85.00	
Belvedere 7% 100	85.00	97.00	
Bengal 5½% 100	72.50	77.00	
Birla 7½% 100	75.50	90.00	
Budge-Budge 7% 100	85.00	102.00	
Calcutta 6½% 100	78.00	78.00	
Caledonian 7% 100	84.50	102.00	
Cheviot 7% 100	80.00	101.00	
Chitavaleah 7% 100	87.50	97.50	
Clive 6% 100	63.75	78.00	
Clive 7% 100	74.00	91.00	
Dalhousie 7% 100	79.00	90.00	
Delta 5% 100	70.00	85.00	
Empire 7% 100	84.50	99.50	
F. Gloster 7% 100	96.50	108.00	
F. Gloster 5% 100	64.00	69.50	
F. William 7% 100	91.50	107.00	
Ganger Mfg. 8% 100	96.00	112.00	
Gourepore 6% 100	72.00	79.00	
Hastings 6% 100	84.00	85.00	
Hooghly I 10	7.75	8.06	
Howrah A Pref. 100	86.00	101.00	
Howrah 7% 100	90.00	104.00	
H'chand 7% 100	82.25	104.00	
K'hatty 6% 100	60.00	84.00	
K'narrab 6% 100	77.00	87.50	
Kedarnath 6% 100	68.00	68.00	
Kedarnath 7% 100	85.00	95.00	
Kelvin 7% 100	82.08	104.50	
Khardah 6% 100	72.25	86.00	
Kinnison 7% 100	80.25	102.00	
Lansdowne 7% 100	73.50	100.00	
Lawrence 7% 100	95.00	102.00	
Lawrence 5½% 100	65.00	69.00	
Nahati 7% 100	82.00	88.00	
Nahati 4½% 100	57.00	58.50	
National 7% 100	88.00†	108.50	
Nellmaria 6% 100	79.00	91.56	
N. Central 7% 100	86.00	99.50	
Northbrook 5½% 100	63.00	76.00	
Rameshwara 6% 10	10.19	10.19	
Reliance 7% 100	58.75	79.00	

TEA

Amuckie 7% 100	53.00		
Bornah Jan 6% 100	74.00	80.00	
Brooke Bond 6% 100	67.00	84.50	
Dhunseri 7% 100	3	2.62	2.68†
Dimakushi 8% 100	10.50	12.62	
Kingsley Gola 6% 100	92.00	98.00	
Moheema 6% 100	7.97	8.75	
Tezpor 2% 100	10.75	12.25	
Darjeeling:			
Gielle 6% 100	75.00	81.00	
Okayi 7% 100	93.00	100.00	
Pussimbing 7% 100	95.00	85.00	
Singtom 5% 100	7.12	6.75	
Dooars			
Kamarhati 6½% 100	112.50	119.00	
Birpara 9% (Pref.) 100	112.00	120.00	
C'bhutti 6½% 100	114.00	120.00	
Hantapara 5% 100	114.00	122.00	
Hasimara 7% 100	109.00	115.00	
N. Dooars 6½% 100	110.50	120.00	
Cachar			
Sonal River 5% 100	93.00	101.00	
Sylhet			
N. Samanbagh 8% 100	100.00	100.00	
S. Indian			
Kotamullai 6% 20	16.50	18.00	
Tera			
Atal 4½% cp 100	6.12	4.00	
Tirrihannah 10% 100	14.00	15.00	
Sugar			
Carew 6½% 100	81.00	99.50	
Cawnpore 8% 100	109.50	111.00	
Gwallor 7% 100	65.00	68.00	
Gwallor 5% 100	65.00	69.00	
Jaswant 7½% 100	75.00	80.00*	
Mohini 5% 100	70.00	111.00	
New India 7½% 100	101.00	122.50	
Purtab 10% 100	13.62	13.87	
Ramnugger 6% 100	94.50	100.50	
Ryam 6% 100	9.00	9.00	
S. Behar 9% 100	20.50	20.50	
S. Hanuman 8% 100	80.00	85.00	
S. K. Gyan 6% 100	85.00	94.00	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
S. K. Gyan 5% 100	75.00	75.00	
Upper Ganges 5% 100	65.00	80.00	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Asso. Mining 5% 50	32.00	31.00	
Ch. Mica 5½% 100	55.00	55.00	
Metal Corp. 5% 100	50.00	84.00	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Dalmia Bharat 6% 100	84.00	94.00	
Jaipur Udyog 3% 100	40.00	32.00	
K'pur Lime 6% 100	80.00	80.00	
K'pur Lime 6% cp 100	100.50	100.50	
K'dhubi Fire 7% 100	101.00	108.00	
K'dhubi Fire 5½% 100	54.50	66.50*	
Orissa Cement 4% 100	40.00		

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Alkali 5% 100	94.50	96.00	
Bathgate 4½% 100	40.50	42.00	
Beng. Chem. 7½% 100	11.25	12.75	
Beng. Chem. 4½% 100	77.50	82.00	
Frank Ross 4½% 100	36.50	41.00	
Lister Anti. 6% 100	13.00	13.00	
Smith Stani 10% 50	61.50	87.00	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
I. B. Petrol 7% 100	84.00	97.00	
N. I. Oil 6% 100	40.00	56.00	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Beng. Paper 7% 50	57.25	64.25	
Beng. Paper 7% 100	108.00	128.50	
Beng. Paper 6% 100	72.69	81.69	
Orient 5½% 100	84.00	96.50	
Orient 5½% 100	58.00	72.00	
S. Gopal 4% cp 100	99.00	116.00	
Star Paper 5% 100	61.00	67.00	
Titagur 8% 100	125.00†	135.00	
Titagur 4½% 100	76.50†	87.25	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Bhagwati 5% rcp 100	45.00	50.00	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Darj. Prop. 6% 10	4.00	4.00	
Humayun 6% 20	7.58	9.08	
New India Bldg. 60	15.00	21.00	
Reg. Estate 5% 100	32.50	35.00	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Ben. Timber 8% 100	33.50	32.75	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
B-A Steam 7% cp 60	61.50	75.00	
I.G.N. 6% cpt 100	64.00	68.50	
I. Steam 5% rcp 100	81.00	84.50	

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Alum. Corp. 5% 10	69.00	74.00	
Alum. Corp. 6% 100	86.00	94.00	
Amal. Dev. 5% 100	49.25	60.00	
Asso. Hotel 7% 100	58.00	61.00	
Bharat Veg. 5% 100	30.00*	30.00	
Birds Inv. 5½% 100	48.50	71.00	
Br. Biscuits 8% cp 10	10.50	11.37	
B. Cey. Corp. 6% 10	8.50	8.50	
B. I. Corp. 8% 100	101.00	121.50	
Cal. Cr. Corp 6% 100	50.00	55.00	
Cal. Cr. Corp 5½% 100	40.00		
Cal. Gas 5½% rcp 100	62.50	66.00	
Cal. Silk 6% cp 100	40.00	40.00	
Cal. Tanneries 5% 10	40.00	40.00	
Cal. Trams 5% cpt 21	7.14	7.75	
Duncan Bros. 4% 100	53.75	58.00	
Dunlop 6% 100	116.50	119.00	
Dunlop 6% 100	77.50	88.00	
Eastern Inv. 5% 100	75.00	77.50	

ELECTRICS

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Agra	100	134.00	145.00
Amalgamated 10	8.83	9.25*	
Allgarh 10	10.00*	10.00*	
Bareilly 10	13.00	14.75	
Benares 10	13.25	16.69	
Bhagalpur 8	7.50	8.12	
Calcutta 41	13.94	12.62	
Cuttack 10	7.75	8.75	
Dharwar 50	30.00*	30.00*	
Dishergarh 100	81.50	86.00	
Eastern UP 10	7.00	7.00*	
Jubbulpore 10	11.87	12.81	
Jorhat 10	8.00*	8.00*	
Jhansi 10	7.50	8.50	
Kurseong 10	2.19	3.44	
Mirzapore 8	8.10	8.25	
Muttra 10	9.94	8.81	
Muzaffarpore 10	8.12	6.07	
Patna 10	10.75	10.75	

*Nominal. †Ex-Dividend. ‡Cum-Dividend.

§Ex-Rights.

Ordinary Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Allahabad 100	367.00	347.00	
Allahabad 50	180.00	180.00	
Bank of Bikaner 25	23.75	18.25	
Bank of Bihar 100	30.00	30.00	
Bank of India 50	126.00	129.25	
Central 25	51.00	48.00	
Central A 25	49.00	50.00	
Hind 50	54.75	33.62	
Hindust. Comm. 50	10.00	9.75	
Hindust. Mercan. 50	13.37	11.50	
Punjab National 25	51.50	52.87	
United A 50	20.75†	20.25	
United B 25	11.25†	9.19	
United C 20	7.87†	7.56	
United D 10	4.19†	4.37	
United Comm. 50	59.50	53.75	

BANKS

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Allahabad 100	367.00	347.00	
Allahabad 50	180.00	180.00	
Bank of Bikaner 25	23.75	18.25	
Bank of Bihar 100	30.00	30.00	
Bank of India 50	126.00	129.25	
Central 25	51.00	48.00	
Central A 25	49.00	50.00	
Hind 50	54.75	33.62	
Hindust. Comm. 50	10.00	9.75	
Hindust. Mercan. 50	13.37	11.50	
Punjab National 25	51.50	52.87	
United A 50	20.75†	20.25	
United B 25	11.25†	9.19	
United C 20	7.87†	7.56	
United D 10	4.19†	4.37	
United Comm. 50	59.50	53.75	

*Nominal. †Ex-Dividend. ‡Cum-Dividend.

§Ex-Rights.

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Shahjahanpur 10	7.06	5.87	
Shillong Hydro. 2	4.84	5.00	
Sijua Jheriah 10	10.50	10.75	
U. P. 100	120.00	146.00	
Upper Ganges 10	12.25	13.06	
Upper Jumna 10	16.25	16.97	

NAME	Paid-up per share.	Quotation as on	
		9-5-58 Rs nP	9-5-57 Rs nP
Raza ...	10	13.87	...
Sree Anand ...	10	20.00	21.50
Semastipur ...	10	12.25	11.50
Sree Anand ...	10	10.25	10.50
Sitalpur ...	10	2.37	4.37
South Behar ...	10	1.37	1.00
Sri Hanuman ...	10	16.25	16.00
S. K. Gyan ...	10	10.00	10.06
Sree Sitaram ...	10	11.00	13.00
Upper India 'A' ...	100	127.00	127.00
Upper India 'B' ...	25	15.00	15.00
Upper Ganges ...	10	55.00	58.00
Uni. Province ...	10	14.00	13.50

MININGS AND MINERALS

Assam Sulphurite ...	10	10.25	...
Assoc. Minings ...	10	8.50	9.00
Mira Stone Lime ...	10	28.75	32.00
Burma Mines ...	4s	1.45	2.43
Consolid. Tin ...	5s	0.65	1.56
Chr. Mica ...	10	10.50	14.24
Indian Copper ...	2s	3.10	3.28
Kangra Valley ...	100	85.00	100.00
Karanpura Devel. ...	10	9.19	12.50
Metal Corp. ...	10	7.21	8.75
Orissa Minerals ...	10	24.06	18.50
Putna Stone Lime ...	10	20.12	18.00
Tavoy Tin ...	2s1	0.45	0.56

CEMENT, POTTERY & FIRECLAY

A-B. Cement ...	10	4.03	6.44
Ashoka Cement ...	10	8.00	10.12
Bengal Potteries ...	24	3.00	3.37
Dalmia Bharat ...	10	10.00	11.92
Dalmia Bharat ...	24	2.51	2.94
Jaypur Udyog ...	10	12.00	12.12
Kalyanpur Lime ...	100	102.00	100.00
K'dhubi Fireclay ...	10	24.00	25.00
Reliance Firebrick ...	10	22.00	20.00
Orissa Cement ...	10	12.25	1.25
Sone Valley ...	5	4.94	6.25

CHEMICALS

Alkali ...	10	14.69	11.94
Bathgate ...	10	1.00	1.25
Bengal Chem. ...	100	86.00	101.00
Bharat Starch ...	10	8.06	3.06
Burma Lime ...	10	8.00	8.50
Dharangdhara ...	100	85.00	137.00
Frank Rose ...	5	2.19	2.19
Indian Starch ...	10	5.81*	5.81*
Lister Antiseptic ...	100	4.87	4.87
Smith Stanistreet ...	5	12.12	11.59

FLOUR MILLS

Bengal ...	10	30.05	31.37
Chital ...	10	16.00	11.00
Hooghly ...	10	40.25	21.62
United ...	10	24.37	39.00

OILS

B. B. Petrol ...	5s	2.03	2.60
Cochin Behar Oil ...	10	2.00	...
I. B. Petrol ...	10	25.50	28.75
Northern India Oil ...	10	2.31	1.62
Tide Water Oil ...	10	14.00	13.31

PAPER MILLS

Bengal Paper ...	25	60.00	100.00
India Paper ...	10	19.62	21.19
Mysore ...	10	14.62	16.50
Orient Paper ...	10	29.25	28.20
Sree Gopal Paper ...	10	15.31	14.93
Sitapur Paper ...	10	9.94	...
Star Paper ...	10	11.00	9.62
Titagarh ...	10	36.50†	33.87
Titagarh P.O. ...	24	4.00†	3.88
U. I. Couper ...	100	60.00	60.00

PRESSING

Shagwati ...	10	7.00	4.06
Old. Hydraulic ...	100	45.00	61.00
Camperdown ...	100	118.00	121.00
Central Hydraulic ...	100	119.00	129.00
Hooghly Ganges ...	10	5.40	4.37
Shiva Jute ...	100	65.00	100.00*

REAL PROPERTY

Bengal Bonded A ...	500	765.00	825.00
Bengal Bonded B ...	624	102.88	107.00
Bengal Bonded C ...	100	145.00	166.00
Bengal Bonded D ...	124	18.38	22.25

NAME	Paid-up per share.	Quotation as on	
		9-5-58 Rs nP	9-5-57 Rs nP
Comm. Prop. ...	5	0.65	0.50
Darjeeling Prop. ...	10	1.00	5.00
Hindustan Bldg. ...	10	3.72†	6.75
Humayan Prop. ...	10	10.75	13.00
New India Bldg. ...	5	0.60	1.00
Midnapore Zamin ...	100	22.00	21.00
Regent Estate ...	10	1.00	2.00

SAW MILLS AND TIMBER

Assam Saws ...	5	1.94	3.03
Bengal Timber ...	100	10.00	41.00

SHIPPING

BA Steam ...	100	107.00	139.00
Cal. Landing ...	10	13.50	12.12
Cal. Steam ...	10	13.50	16.50
Fraser & Co. ...	10	15.36	14.25
I. G. Navigation ...	210	51.50	68.00
India Steam ...	10	11.06	10.00
Port Shipping ...	10	15.75	16.37
Scindia Steam ...	20	17.25	20.25

MISCELLANEOUS

Airways (India) ...	10	4.87	4.94
Alum. Corp. ...	10	10.75	9.43
Amalgam. Devel. ...	100	50.00	60.00
Anglo Bros. ...	10	17.50	18.19
Asso. Hotel ...	10	4.47	10.75
Assam Match ...	10	15.31	19.12†
Balmer Lawrie ...	100	146.00	145.00
Bararee Coke ...	10	10.75	16.25
Bharat Commerce ...	10	3.81	3.37
Bharat Vegetable ...	10	5.25	5.25
Bhartia Co. ...	100	54.75	50.56
Bhartia Sons ...	10	2.37	2.37
Birds Invest. ...	10	9.81	13.75
Bihar Rice ...	10	1.50	1.75
Bri. Biscuits ...	10	13.25	12.81
Br. Ceylon Corp. ...	10	10.12	9.56
B. I. Corp. ...	5	3.45	6.25
Cal. Credit Corp. ...	10	4.12	5.44
Calcutta Gas ...	10	6.00	6.75
Cal. Invest. ...	100	50.00*	50.00*
Calcutta Safe ...	10	7.69	8.50
Calcutta Silk ...	10	4.06	4.25
Cal. Tanneries ...	10	0.50	0.50
Calcutta Trams ...	21	16.19	16.06
Camby Invest. ...	100	101.00	82.00
Corp. ...	100	101.00	82.00
Cherra Chhatak ...	5	4.50	4.75
Clive Row Inv. ...	10	8.75	9.59
Darjeeling Rope ...	10	8.75	6.00
Duffan Bros. ...	100	125.00	100.00
Dunlop ...	10	25.50†	24.12
Eastern Invest. ...	100	106.00	106.50
Elec. Const. ...	10	9.37	9.81
F. & C. Osler ...	10	1.81	5.81
French Motor ...	10	25.25	21.87
Ganges Rope ...	100	134.00	103.00
Gilanders ...	10	10.75	11.31
Godfrey Phillips ...	10	18.00	23.50
G. E. Hotel ...	250	255.00	226.00
Greaves Cotton ...	100	116.50	124.00
Hall & Anderson ...	10	7.75	9.00
Hindustan Gas ...	7	8.62	9.37
Hindustan Ice ...	5	0.75	1.25
Hindustan Lever ...	10	21.60	...
Hindus. Motors ...	10	6.81	...
Hind. Nat. Glass ...	10	5.70	3.00†
Hindus. Pilkington ...	10	10.00	10.00
Hoare Miller ...	10	6.50	7.56
Ideal Invest. ...	10	7.25	7.25
Impl. Tobacco ...	10	11.87	13.75
Indian Oxygen ...	10	18.12	...
Indian Alum. ...	10	13.12†	12.81
Indian Cable ...	10	30.37	24.12
Indian Plastic ...	10	5.25	5.62
Indian Rubber ...	10	17.00	26.25
Indian Wood ...	10	45.00	39.37
In. Turpentine A ...	10	11.00*	12.00*
In. Turpentine B ...	5	5.62	6.12
Indust. Inv. ...	100	59.50*	65.00*
Ind. Corp. of Ben ...	10	0.31	0.31
Ivan Jones ...	2	2.00	3.00
James Wright ...	5	3.12	4.12
James Henderson ...	100	53.50	74.00
James Alexander ...	10	5.05	5.08
Jeewanial ...	10	6.00	5.87
John Paterson ...	10	2.00	2.00*
Kalimpong Rope ...	10	3.00	1.94
Kettellwell Bullen ...	100	150.00	159.00
Kishore Trading ...	100	75.00	70.00
Kusum Products ...	10	5.75	5.75
Macfarlane ...	5	3.25	3.06

NAME	Paid-up per share.	Quotation as on	
		9-5-58 Rs nP	9-5-57 Rs nP
Martin-Burn ...	10	24.25	23.31
Marwar Trading ...	100	200.00	209.00
Metal Box ...	10	28.00	27.62
Moradabad Water ...	10	4.50	5.56
Nat. Carbon ...	10	24.87	24.62
N. I. Cables ...	10	27.06	19.31
Nat. Rolling ...	10	10.56	10.00
Nat. Rubber Mfg. ...	10	12.25	...
Nat. Tanneries ...	10	2.40	1.50
Nat. Tobacco ...	10	10.00	9.87
Nat. Safe ...	5	2.50	2.37
New I. Invest. ...	75	33.50	53.00
Osler Elec. Lamp ...	5	1.31	3.12
Pearl Invest. ...	10	1.25	1.25
Phillips India ...	10	14.12	...
Phosphate Co. ...	100	170.00	...
Publicity Society ...	4	5.70†	10.00
Prem. Trans. ...	10	1.50	1.50
Railis ...	100	34.00	30.00
R. B. Rodda & Co. ...	10	5.25	8.31
Rohas ...	10	17.00	18.06
Sen Raleigh ...	10	13.00	12.62
Sodepur Glass ...	10	1.56	2.12
Shaw Wallace ...	10	10.41	11.44
Spence's Hotel ...	2	1.06	1.06
Spencer & Co. ...	10	16.00	16.00
Star Co. ...	100	81.00	81.50
Star Trading ...	25	8.00	8.00
Straw Products ...	10	14.50	15.12†
Union Co. ...	100	75.00	107.50
Union Tobacco ...	10	0.25	0.25
Walfords ...	1	2.06	2.02
Walford (Po) ...	1	1.53	1.87
W. Stockholder ...	1	0.75	0.80

(Rupee Counterparts).

44% Loan (1958-59) 100.55 102.62

Preference Shares

MADRAS

NAME	Paid-up per share.	Quotation as on	
		9-5-58 Rs nP	9-5-57 Rs nP
Canara Bkg. 5% ...	50	47.50	50.00
Canara B'ing 44% ...	50	41.75	45.00
Canara I. & B. 6% ...	100	108.00	109.00
Canara I. & B. 5% ...	10	9.80	9.50

BANKS

Canara Bkg. 5% ...	50	47.50	50.00
Canara B'ing 44% ...	50	41.75	45.00
Canara I. & B. 6% ...	100	108.00	109.00
Canara I. & B. 5% ...	10	9.80	9.50

ELECTRICS

Berhampur 6% ...	10	8.90	9.00
Kumbakonam 6% ...	10	8.90	9.62
Negapatam 6% ...	10	8.65	9.25
Salem Erode 64% ...	10	10.25	10.25
S. Madras 51% 1st ...	10	9.57	10.00
S. Madras 51% 2nd ...	10	9.47	10.12
Tin. T. Madras 64% ...	10	9.88	10.25
Vellore 6% ...	10	7.55	8.08
W. Coast 54% ...	10	7.25	7.25

SUGAR

Cauvery 6% ...	100	91.00	...
Decan 7% ...	5	5.75	6.12
E.I.D. 7% ...	20s	16.15	16.15
India 74% ...	100	98.00	106.75
Jeyapore 6% ...	100z	93.00	100.00
K.C.P. 5% ...	100	100.00	100.00
Kirilampudi 54% ...	100	88.00	82.00
Travancore 5% ...	10	6.95	8.00

PLANTINGS

Be Be 61% R. 10	6.04	5.34
Chandamalai 74% 2	2.00	7.06
Cochin Malabar 74% 50	50.00	58.00
Coffee Lands 5% 100	81.50	87.50
Cons. Coffee 6% 25	23.75	27.75
Coonoor Tea 6% 100	101.00	106.37
Coonoor Tea 64% 5	4.12	1.81
Cottanad 74% 10	10.55	13.00
Devon 74% 100	96.50	10.00
Holleyburia 5% 100	86.00	80.00
Highland 6% 10	9.27	9.62
Kadur Coffee 64% 10	7.16	7.81
Karikode 6% 10	8.30	9.19
Kil Kotagiri 6% 10	9.57	9.87
Kurchemala 64% 10	7.75	8.37

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Svadeshi 5% ... 100	91.00	115.00	
Svadeshi (Kan.) 100	86.00*	92.00*	
Vishnu 7% ... 800	520.00	557.50	

SHIPPING

Gr. Eastern 5 1/2% 100	91.50	96.00	
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STEEL

Indian Iron 5% 100	97.00	100.00*	
Tata 1st 6% ... 150	150.00	155.00	
Tata 2nd 7 1/2% 100	111.00	117.50	

PLANTATION

Highland 6% ... 10	9.20*	9.75*	
Midland 6% ... 10	7.80*	9.75*	
Nellampathy 6% 10	8.80*	9.50*	
Rajagiri 6% ... 10	7.40*	9.00*	
Waterfall 6% ... 10	8.80*	9.75*	

SUGAR

Bhopal 5% ... 100	94.00	94.00	
Cauvery 6% ... 100	90.00*		
Maharashtra 7% 200	240.00	260.00	
Revalgaon 5 1/2% 100	65.00		
S. Behar 7% ... 100	20.00*	20.00*	
Walchand 7% ... 100	130.00	135.00	

CEMENT

Andhra 6% ... 100	100.00*	106.00*	
Dalmia 7% ... 100	84.50	100.00	
Dalmia 7% ... 40	29.80	40.00	
Digvijay 6% ... 100	84.70	93.50	

MISCELLANEOUS

Amar Dye 6% ... 100	85.00	90.00	
Amar Dye 6% ... 100	100.00*	100.00*	
Bom. Pott. 8% 100	75.50	65.00	
Bom. Pott. 4 1/2% 100	60.50	50.00	
Bom. Silk 5% ... 100	47.50		
B. I. Corp., 8% 100	102.50	120.25	
Brunton Eng. 6% 10	8.00*	8.00	
Dhanga Chem. 100	83.00	91.00	
Digvij. Tiles 6% 100	96.50	96.50	
Estrella 5% ... 50	35.50	38.50	
Ferro Alloys. 6% 100	100.00		
Hind. Const. ... 100	68.00		
Hindus. Mec. 6% 100	82.00	82.00	
Hindus. Motor 6% 80	35.25		
Hingir Rampur 50	32.00	32.00*	
Indian Dye 6% 100	100.00*	100.00	
I. Hume Pipe 5% 100	57.80		
Jaipur Metals 6% 100	65.00	70.00	
Kamani Eng. 5 1/2% 100	84.00	89.00	
L. & Toubro 5% 100	100.00	101.50	
Mahindra 6% ... 100	36.00*	36.00*	
Motor & G. Fin. 25	90.00*	90.00*	
Nation. Elec. 4 1/2% 100	73.50	78.25	
Nat. Rayon 5% 100	90.00*	101.00*	
N. Cen. Jute 7% 100	101.00	101.00*	
N. I. Fisheries 6% 100	82.50	96.00*	
Orient Paper 1st 100	58.50	72.00	
Orient Paper 2nd 100	50.00	30.00*	
Poly Chem. 7% 50	84.70	87.00*	
Pulson 6% ... 100	84.50	94.00	
Prem. Const. 1st 100	80.00	89.75	
Prem. Const. 2nd 100	5.52		
Prem. Cons. 3rd 100	110.00*	122.00*	
Rohas 7 to 9% 100	58.00	65.00	
Rohas 4 1/2% 100	64.50	100.00*	
Sen Raleigh 5% 100	100.00*		
Stirrup Paper 6% 100	100.00*		
Structural Eng. 5% 100	100.00*		
Supreme Ind. 100	70.50	80.00*	
Tata Chem. 5% 200	85.00*	88.25	
Tuxmaco 1st 5 1/2% 100	85.00*	100.00*	
Tuxmaco 2nd 5 1/2% 100	84.00	100.00*	
W. Coast Paper 100	100.00	75.00	

Ordinary Shares

BOMBAY

NAME	Paid-up per share.	Quotation as on 9-5-58 Rs nP	9-5-57 Rs nP
Allahabad ... 50	380.00	360.00	
Baroda ... 80	115.50	102.00	
Bikaner ... 25	23.00	23.00	
Central ... 25	52.20	51.25	
Central (F.P.) ... 25	56.75	54.00	
Devk. Nanjee ... 50	46.50	38.50	
Hind. Comm. ... 80	10.00*	14.25	
Hind. Mercantile ... 50	13.40*	10.00*	
India ... 50	129.50	133.00	
India 'A' ... 80	133.00	138.00	
Jaipur ... 80	40.00	40.00	
Jodhpur Comm. ... 5	1.36	1.12	
Mysore ... 100	247.00*	247.00	
Punjab National ... 25	52.50	51.00*	
Punjab Sind ... 25	30.00*	30.00*	
Union ... 5	8.00	7.30	
United Comm. ... 50	59.00	54.25	

TEXTILES

Adoni ... 10	10.40	10.40	
Ahmed. Adv. ... 100	152.50	172.50	
Apollo ... 2	1.70	2.48	
Azam Jahi ... 100	58.00	79.00	
B. R. Cotton ... 100	20.00	38.00	
Berar ... 100	60.00	90.00	
Bhawani ... 10	10.00*		
Bom. Dyeing ... 25	53.80	54.25	
Bradbury ... 50	158.00	212.50	
Central India ... 100	84.50	114.50	
Century ... 100	429.00	450.00	
Colaba ... 100	38.00	65.00	
Coorla ... 100	121.00	131.90*	
Davangere ... 100	112.00	118.00	
Dawn ... 50	90.00	97.50*	
Edward Tex. ... 200	255.00	255.00	
Elphinstone ... 80	47.00	52.50	
Enlay ... 100	256.00	284.50	
Gokak ... 100	145.00	186.50	
Gold Mohur ... 100	206.00	210.00	
Hindustan F.P. 1000	4590.00	5525.00*	
Hindustan P.P. 250	992.50	992.50	
Hukumchand ... 100	105.00	105.00*	
India United ... 10	9.08	10.15	
Indian Manfg. 1000	4510.00	5215.00*	
Indore ... 100	708.50	139.00	
Jam. Ranjit ... 1000	1450.00	1505.00	
Jiya Jeerao ... 10	9.80	9.70	
Khandesh ... 1000	2000.00		
Khandesh ... 250	500.00		
Khatav ... 100	158.00	181.00	
Kohinoor ... 100	286.50	321.50	
Kothari ... 10	14.75	14.75	
Kothari (New) ... 10	12.00		
Lakshmi ... 250	433.75	680.00	
Madhusudan ... 100	97.50	101.25	
Madhusudan ... 50	20.00*	20.00*	
Mahendra ... 100	100.00		
Mahendra New ... 40	40.00*		
Mahendra ... 100	345.00	380.00	
Mafatial ... 100	70.50	84.00	
Minerva ... 250	163.75	179.25	
Model ... 100	215.50	211.25	
Morajee ... 50	95.00	101.25	
Mysore ... 100	105.00	133.75	
New City ... 100	201.00	230.00	
N. Kaiser-I-Hind ... 100	70.00	102.50	
Osmanshahi ... 100	48.00	58.50	
Phoenix ... 100	115.00	147.50	
Podar ... 100	136.00	164.00	
Pulgon ... 10	10.00		
R. Motilal ... 100	63.00	72.25	
Ruby ... 25	30.25		
Saason Silk ... 10	10.00	9.80	
Saason Spg. ... 10	41.10	39.50	
Sholapur ... 1000	450.00	1225.00	
Shrinivas ... 100	134.00	178.00	
Shubhalaxmi ... 100	125.00*		
Simplex ... 50	183.50	170.50	
Standard ... 100	420.00	443.00	
Svadeshi ... 100	174.25	214.00	
Svadeshi (Kan.) ... 10	12.00*	12.00*	
Svadesh (P.O.) ... 10	10.40*	11.90	
Swan ... 100	330.00	370.00*	
Tata ... 25	37.00	47.25	
Victoria ... 100	280.00	300.00	
Vishnu ... 100	101.00	125.00	
W. India ... 1000	4525.00	5180.00	

ELECTRICS

Ahmedabad ... 100	94.30	93.75	
Amalgamated ... 10	10.52	10.20	
A. Valley ... 1000	1152.50	1207.50	
Bassell ... 10	8.50*	8.50*	
Bom. Suburban ... 100	106.00	106.50	
Broach ... 10	7.52	9.50	
Dharwar ... 80	51.00	50.00*	
Poona ... 100	122.00	128.00	
Saharanpur ... 100	105.00*	100.00*	
S. Madras ... 10	10.95	10.95	
Surat ... 100	107.75	108.25	
Tata Hydro ... 100	118.00	123.00	
Tata Power ... 1000	1117.50	1223.75	

SHIPPING

Great Eastern ... 10	19.84	18.90	
Scindia ... 20	17.40	19.35	

STEEL

Indian Iron ... 10	21.44	20.45	
Mukund ... 10	13.12	13.25	
Tata ... 75	179.75	169.25	
Tata (new) ... 75	177.00		

PLANTATIONS

Blue Mountain ... 2	3.18	3.76	
Highland ... 10	11.72	13.85	
Halleyburia ... 10	18.40	22.50	
Kalpetta ... 10	19.78	26.25	
Midland ... 10	14.52	17.50	
Nellampathy ... 2	2.80	3.20	
Rajagiri ... 10	14.86	20.00*	
Twrford ... 10	2.40	17.50	
Waterfalls ... 3	3.88	4.36	

SUGAR

Belapur ... 50	245.50	227.00	
Bhopal ... 10	19.76	17.75	
Cauvery ... 100	87.00*		
Changdeo ... 124	26.00	30.75	
Kesar ... 40	51.00	48.25	
Kr. Gyanoday ... 10	10.04	10.90	
Maharashtra ... 250	830.00	810.00	
Modi ... 10	9.00	9.00*	
New Swadeshi ... 100	200.00	225.00*	
Oudh ... 100	130.00	140.00	
Phaltan ... 50	140.50	136.25	
Ravalgaon ... 50	124.00		
S. Behar ... 10	1.00*	1.00*	
Vishnu ... 100	235.00		
Walchand ... 100	264.25	250.50	

CEMENT

Andhra 'B' ... 10	11.84	12.50	
A-C-C ... 100	153.50	159.25	
A-C-C (new) ... 100	147.00		
Ashoka ... 10	7.80	9.90	
Bagalkot ... 10	9.00		
Dalmia ... 10	10.04	12.00	
Indian ... 10	26.00	33.00	
Jaipur Udyog ... 10	11.88	12.05	
Digvijay ... 100	145.00	145.50	
Orissa ... 10	12.24	13.25	

MISCELLANEOUS

Alemble ... 100	129.00	122.50	
Amar Dye ... 100	97.75	115.80	
Alcock ... 100	248.75	258.75	
Bom. Burma (Old) 100	554.50	560.50	
Bom. Burma (P.P.) 50	206.25	210.00	
Bom. Cycle ... 20	20.00	29.00*	
Bom. Potatoes ... 100	100.50	64.00	
Bom. Safe ... 200	500.00*	533.00*	
Bom. Silk ... 80	5.00		
Bom. Uganda ... 80	47.00	60.00*	
Brady Eng. ... 80	44.00		
B. B. Petrol ... 3at	2.02	2.60	
B. I. Corp. ... 5	3.48	6.50	
Brunton Eng. ... 10	5.00	5.00	
C. I. Coal ... 10	6.36	6.00*	
C. I. Machinery ... 10	10.00*		
C. I. Machy (new) 10	10.00*		
C. P. Railway ... 100	58.00	69.50	
Chemo. Pharma. 21	25.00*		
Chemo. Pharma. 25	25.00*		
Commerce (1985) 10	25.00*		
Cooper Eng. ... 100	90.80		

RESERVE BANK OF INDIA

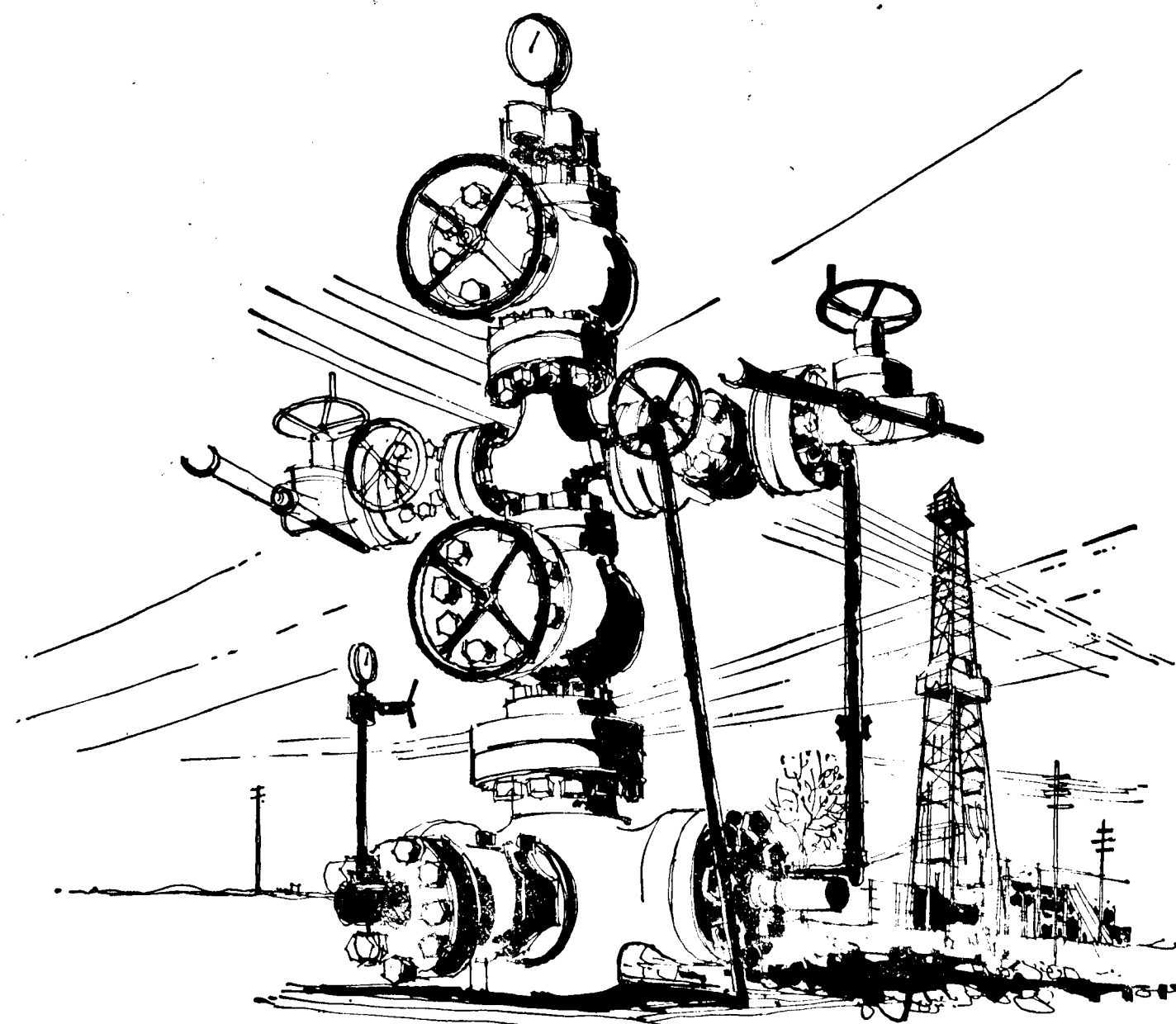
ISSUE DEPARTMENT: (In 000's of Rupees)

	9-5-58	2-5-58	10-5-57
LIABILITIES:			
Notes in Banking Dept.	9,35,73	21,16,30	9,87,34
Notes in Circulation	1629,95,58	1619,62,07	1595,36,03
	1639,31,31	1640,78,37	1605,23,37
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India			
Sterling Securities	184,83,19	204,70,69	412,51,91
Total A	302,59,22	322,46,72	530,27,94
(B) Rupee Coin	129,25,44	130,72,50	125,08,12
Rupee Securities	1207,46,65	1187,59,15	949,87,31
	1639,31,31	1640,78,37	1605,23,37

BANKING DEPARTMENT:

Hingir Rampur	50	30.75	41.25
Indian Dyestuff	100	120.50	125.00
I. Copper	2al	3.10	3.30
Indian Tool	100	125.00	...
Indian Veg.	100	114.00	...
Ind. Cr. & Inv. Corpn.	100	73.00	75.00
Ind. Inv. Trust.	100	72.80	75.50
Jaipur Metals	100	65.00	52.00
Jost. Eng.	50	52.50	66.00
Kamani Eng.	10	5.84	6.20
Kemp	200	184.00	197.50
Killick Indus.	100	147.50	162.00
L. and Toubno	10	15.80	15.25
Mahindra	10	18.68	15.50
Man Indus. Corpn.	100	107.50	77.00
McKenzie	100	65.00	76.00
Mtor & Gen. Fin.	10	40.00*	40.00*
Mys. Krioskar	100	100.00*	100.00*
Nat. Elec. Indus.	50	70.00	70.00
National Rayon	100	232.75	227.25
N. Central Jute	10	13.68	12.10
N. I. Fisheries	100	101.00	101.00
Orient Paper	10	30.00	29.40
Poison	100	183.25	104.50
Polychem	50	50.50	49.25
Prem. Auto	100	82.70	90.00
Prem. Const.	30	192.00	162.00
Rohas Indus.	10	16.92	16.50
Sardar Carbonic	100	312.50	312.50
Sathe Biscuits	100	100.00*	100.00*
Sathe Biscuits	50		

The Story of Oil—8



Trees of steel

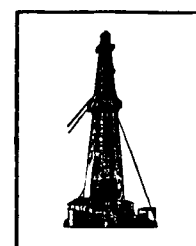
When a well strikes oil, the first consideration is to stop it gushing. Such an occurrence, though spectacular and common in the early days of drilling, is wasteful. To counteract the pressure, therefore, the mud used during drilling is pumped into the well. The drill is then replaced by narrow tubing which stretches from the bottom of the newly discovered deposits to the 'Christmas Tree' on the surface. The latter is a system of valves which control the flow of oil.

Crude oil, by itself, cannot move. It usually lies between natural gas (on top) and water, so that when the oil trap is pierced by the well, any gas present seeks to expand and pushes down on the oil, driving it upwards. Or gas may be dissolved in the oil itself, and as it expands it pushes the oil to the surface. If, however, a large quantity of water lies below the oil, it forces the oil out of the porous rock

and into the well. Sometimes a combination of gas and water pressure drives the oil to the surface.

Normally this pressure is sufficient to keep a well flowing for some time. But as the porous rocks are drained, the pressure declines. Then one of several artificial methods can be used to keep the oil flowing. The 'Christmas Tree' can be replaced by a mechanical suction pump which draws the oil up to the surface. Or gas can be fed into the deposits (between the casing and the tubing) to mix with the oil and bring it to the surface. Or, as a last resort, gas or water can be pumped down a neighbouring well to recreate the original pressure.

Thirty or forty years ago, only a quarter of the oil discovered could be recovered. With today's production techniques a much larger recovery percentage is possible.



Assam Oil

A full-scale petroleum industry

This is one of a series of informative advertisements about the petroleum industry.



Indian Finance

HIGHLIGHTS OF THIS ISSUE

Indian Finance

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Saturday

May 24, 1958

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Volume LXI No 21

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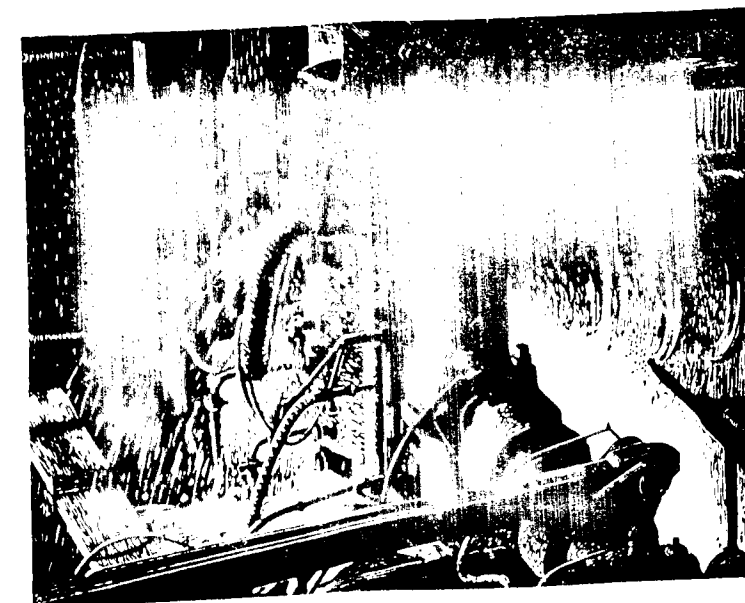
Price: Rs 1.50

The Case of the Missing Millions could well be a title of a mystery by that gifted writer, Erle Stanley Gardner.

What we are concerned with is the Mystery of the Missing Crores; the amount involved is large, Rs 65 crores.

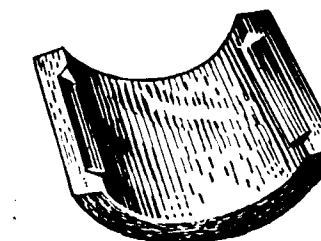
Some detection was called for; and the result of such sleuthing is to be seen in this week's World of Finance.

NON-FERROUS CASTINGS



BEARINGS FOR STEEL ROLLING MILLS

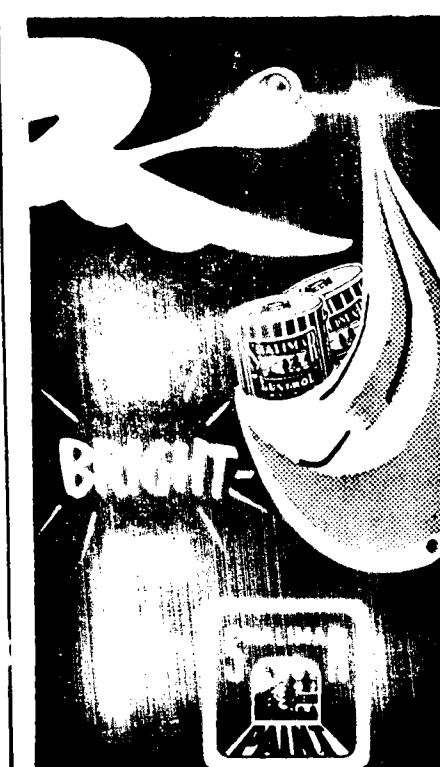
For all sizes of Roughing & Finishing Mills, Bearings are manufactured in our Mechanised Non-Ferrous Foundry to tested specifications.



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Managing Agents

MARTIN BURN LTD.
12 MISSION ROW, CALCUTTA



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Confucius.

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INDIAN TRADE & GENERAL INSURANCE COMPANY LTD.

10, HASTINGS STREET,
CALCUTTA.
TELEPHONE: 2563
General Manager: T. M. TELANG

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(Incorporated in England by Royal Charter 1853)
(Liability of Stockholders Limited)
Affiliated Institution:—
THE ALLAHABAD BANK LTD.
Head Office:
38, BISHOPSGATE, LONDON, E.C.2.
West End Branch, London:
28, CHARLES II ST., S.W.1.
and at
MANCHESTER, LIVERPOOL, NEW YORK and HAMBURG.
Branches of the Bank are established at most centres of commercial importance throughout Southern and South-Eastern Asia and the Far East.
Branches of The Eastern Bank Limited, a wholly-owned subsidiary of The Chartered Bank, are established in Iraq, Bahrain, Qatar (Persian Gulf), Lebanon and Hadramaut and in India, Pakistan, Ceylon, Aden, Singapore and Malaya.
Calcutta Office:
4, Netaji Subhas Road
Sub Branch: F. G. WEENHAM,
31, Chowringhee Road. Manager.

ALLAHABAD BANK LIMITED
ESTABLISHED 1865
Affiliated to the Chartered Bank

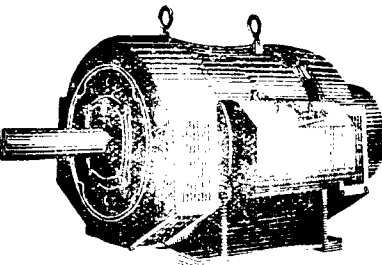
Authorised Capital	-	Rs. 1,00,00,000
Subscribed Capital	-	Rs. 60,00,000
Paid-up Capital	-	Rs. 45,50,000
Reserve Fund	-	Rs. 1,08,00,000

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AB 2

M. J. MacLaren,
General Manager

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MOTORS UPTO 200 H.P.



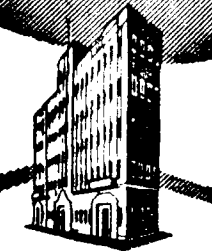
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BOMBAY
CALCUTTA
NEW DELHI

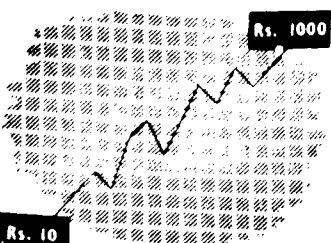
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SUBSCRIBED CAPITAL Rs. 4,00,00,000
PAID UP CAPITAL Rs. 2,00,00,000
RESERVE FUND Rs. 1,34,00,000
Chairman: G. D. BIRLA
General Manager: S. T. SADASIYAN
Manager, Calcutta Branch: K. R. K. IYENGAR



Prices: the Status is no More Quo

Investment Gossip:

THE steel strike struck terror into the hearts of bull operators on the Stock Exchanges and, during the early part of the week, there was a fairly sizeable erosion of values, particularly in the steel section. Nor were developments other than the steel strike such as to afford the market some grounds for a more cheerful outlook.

The port situation was threatening. Nothing further came to be known of the anticipated increase in steel retention prices. The status was still quo in the matter of retention prices in cement. In this background, what is surprising is that the loss in values was not larger than it actually was. This, of course, I take to mean the intrinsic strength of the markets generally; and thus I am hopeful of a quick recovery in prices, perhaps as early as the next week.

Thus, the weakness of the steels was partly obscured by firmness in all other sections. On Lyons Range, even Jutes put on a show of strength, in the expectation that working for the last year will be found to prove satisfactory.

A scarcity obtains in the paper market, and this heralded a general rise, that was highlighted by a quite sharp marking up of Orient Paper.

Among the Miscellaneous scrip, there was particular reason for prices being headed upward. The decision to include Indian Cable and Indian Aluminium in the forward list was greeted with pleasure and sustained trading at higher levels.

The Calcutta Stock Exchange now offers four scrip on the forward list whereby the shareholder can buy Indian: Indian Iron, Indian Copper, Indian Cables and Indian Aluminium.

In this context, may I repeat what I suggested some years ago? I had then said that all trends pointed to the desirability of the investor buying Indian. The present circumstances justify the iteration of that suggestion.

Even Madras has got into the act. The forward list bug has bitten the Madras Stock Exchange authorities, and information is that it is proposed to have eleven scrip in which forward trading would be permitted.

All this improvement, let it be noted, has been in response to atmosphere, or to the view of op-

erators that the conditions favour a more prosperous future generally.

So, by midweek, these influences, such as I have thus listed, were helping to keep the market quite steady, the while that the steel scrip were losing ground.

Then, as the week ended, even the steels began to recover.

This was because the steel strike, though there were some unseemly scenes, was quite clearly a failure. Mr Chokshi vouchsafed the information that production might be affected till the middle of June, or may be even the third week. But the market was not disheartened by this, being instead gratified that the storm had been, as it were, confined to a tea-cup.

Now, then, is the juncture at which all pessimism may be discarded. The New Loan, involving Rs 132 crores of cash subscriptions, has not (as I had fully anticipated) adversely affected the stock exchanges. The British Bank Rate cut is thought a favourable factor, and there is here the general anticipation that, even if the Indian Bank Rate as such is not reduced, the trends in interest rates are bound to be downward; and this, of course, is of bull connotation to markets.

ER\$

Investment Notes:

FOR the first time since they were listed ex-right in February this year, the shares of New India Assurance have touched a new high level of Rs 50, to be presently quoted at Rs 48.50. The firmness in price is attributed to renewed hopes that the directors, who are to meet after a few days, may decide to raise the dividend from Rs 3.00 to Rs 3.50 per share for 1957. The company is said to have done exceedingly well.

Premier Automobiles have decided to offer 1,60,000-6½ per cent Convertible Debentures of Rs 100 each, at par, out of an issue of 2,00,000-6½ per cent Convertible Debentures of Rs 100 each. The Debentures, now offered to the shareholders, will require payment of Rs 50 on application and Rs 50 on allotment. The permission of the Controller of Capital Issues has been obtained. The company has made arrangements with the Industrial Finance Corporation, the Industrial Credit and Investment Corporation of India Limited and the LIC for the underwriting of the issue.

It is learnt that the issue of shares by the CEAT Tyres of India has been over-subscribed. More details about the subscription are expected to be made available in the next few days.

ER\$

Investment Briefs:

IN Andrew Yule Jute group, Cheviot, Delta and Orient have passed over the Ordinary dividends for the year ended 30th November, 1957 as against Rs 2; Rs 5 and Rs 5 per

share respectively paid in the previous year.

Ramnugger Cane has reduced the dividend from Rs 2 to Rs 1.50 per share for last year, while the bonus scheme has been shelved due to high incidence of bonus tax.

Kyang Tea Seed Company has reduced the dividend from 7½ to 5 per cent for 1957.

Kil Kotagiri, Madras, has reduced the dividend from 20 to 15 per cent for the year ended 31st October, 1957.

ER\$

Trend of Textile Profits

Balance-Sheet Reviews:

SEVEN more textile mills—Commercial, Modern, Gopal, New Commercial, Jupiter, Adoni Spinning and Trichinopoly—have presented their reports and accounts for 1957. The working results are rather discouraging, reflecting the difficult trading conditions generally experienced by the industry during the year under review.

ER\$

Commercial Mills

The gross profit of the Commercial Ahmedabad Mills Company Limited for 1957 has decreased to Rs 10.06 lakhs from Rs 21.53 lakhs, while sales are lower by Rs 12 lakhs at Rs 1.41 crores. The dividend is, however, maintained at Rs 35 per share, including a bonus of Rs 5 per share. This dividend is paid only after transferring the necessary amount from Reserve. Following appropriations are made:—Depreciation Rs 5.49 lakhs (Rs 4.49 lakhs); Taxation Rs 2.00 lakhs (Rs 5.00 lakhs) and Development Rs 1.50 lakhs (Rs 2.30 lakhs).

ER\$

Modern Mills

The Modern Mills Limited has made a profit of Rs 9.35 lakhs for the year ended 31st October, 1957. Out of this, a provision of Rs 2.39 lakhs has been made for bonus to the employees; Rs 3.31 lakhs for Depreciation and Rs 44.145 for Wealth Tax. The directors have transferred Rs 1 lakh from Taxation Reserve which they have allocated to General Reserve. A dividend of Rs 5 per share has been recommended. Sales are lower at Rs 1.62 crores against Rs 1.86 crores.

During the year, the capital was increased by way of new issue of 22,130 shares at a premium of Rs 10 per share.

ER\$

Gopal Mills

The Gopal Mills of Broach, which had changed hands some time ago, have not resumed operations. The accounts for the year 1956 show a loss of Rs 10 lakhs which, with the carry-forward debit amount of Rs 1.36 lakhs, makes a total of Rs 12.10 lakhs. The directors have transferred Rs 5 lakhs from General Reserve. With the result, the loss of Rs 7 lakhs is carried forward. Sales

have fetched Rs 96.47 lakhs as against Rs 1.09 crores.

ER\$

New Commercial Mills

The New Commercial Mills Company Limited has earned a gross profit of Rs 16.18 lakhs for 1957 as against Rs 31.04 lakhs in the previous year. The dividend on the Ordinary shares is maintained at Rs 25, including a bonus of Rs 5 per share. The directors have transferred Rs 7.72 lakhs from General Reserve and Rs 78,483 from Development Rebate Reserve being excess provided in the previous year. Sales are lower at Rs 2.16 crores against Rs 2.24 crores. A sum of Rs 7.66 lakhs (Rs 7.18 lakhs) is provided for Depreciation; Rs 2.60 lakhs (Rs 9.65 lakhs) for Taxation; Rs 2.00 lakhs (Rs 1.47 lakhs) for shortfall of taxation and Rs 4.59 lakhs (Rs 1.45 lakhs) for Development Rebate.

ER\$

Adoni Spinning

The anticipated improvement in the working results of the Adoni Spinning & Weaving Company Limited in the year 1957 has not materialised on account of the depressed conditions in the yarn market. The net profit, before providing for Depreciation, is, however, Rs 2.69 lakhs as against Rs 1.880 in the previous year, thanks to a substantial rise in sales from Rs 7.39 lakhs to as much as Rs 34.88 lakhs.

According to the directors' report, building for the installation of the balance of 12,000 spindles is nearing completion. Erection of the machinery is expected to commence about July next and production sometime in October. In order to finance the expansion programme, debenture capital for Rs 17 lakhs has been raised between the State Bank of India and the Life Insurance Corporation of India.

ER\$

Trichinopoly Mills

A sharp decline in the earnings of the Trichinopoly Mills Limited for 1957 has been reported. The net profit is only Rs 2.99 lakhs as against as much as Rs 5.88 lakhs in the previous year. The amount set aside to Depreciation is Rs 1.18 lakhs (Rs 1.20 lakhs); Taxation Rs 1.2 lakhs (Rs 1.75 lakhs) and Development Rebate Rs 50,940 (nil). The dividend on the Ordinary shares is reduced to 9 per cent from 11½ per cent.

ER\$

Jupiter Mills

The Ahmedabad Jupiter Spinning, Weaving & Manufacturing Company Limited has maintained the dividend at Rs 15 per Ordinary share for 1957. The gross profit amounts to only Rs 16.25 lakhs as against as much as Rs 21.68 lakhs in the previous year. The directors have, however, transferred Rs 4.50 lakhs from General Reserve. Sales have gone up from Rs 1.38 crores to Rs 1.69 crores. Following appropriations are made:—Depreciation Rs 8.42 lakhs (Rs 8.00 lakhs); Taxation Rs 2.25 lakhs (Rs 5.26 lakhs); Rs 1.47 lakhs (nil) for ad-

Indian Finance

Managing Editor:
C. S. RANGASWAMI
Editorial Adviser:
P. R. SRINIVAS

Editor:
C. SWAMINATHA
RANGASWAMI JR.

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ditional taxation ann Rs 3.76 lakhs (Rs 1.02 lakhs) for Development Rebate.

₹ ₹

Anil Starch Products

Sales of the Anil Starch Products Limited, for 1957, have increased by Rs 46 lakhs to Rs 1.91 crores. The gross profit amounts to Rs 17.08 lakhs against Rs 13.35 lakhs. The directors have transferred Rs 6.05 lakhs from General Reserve and recommended a dividend of Rs 20 (including a bonus of Rs 10) on the Ordinary shares. After setting aside a sum of Rs 5 lakhs for Taxation, the Depreciation amount is raised to Rs 8.68 lakhs from Rs 4.32 lakhs and Development Rebate to Rs 7.89 lakhs from Rs 4.77 lakhs.

₹ ₹

Atul Products

Atul Products Limited has reported an increase in sales from Rs 1.83 crores to Rs 2.71 crores for 1957. The gross profit amounts to Rs 51.27 lakhs as against Rs 31.95 lakhs in the previous year. The directors have, after providing Rs 16.76 lakhs (Rs 12.68 lakhs) for Depreciation; Rs 5.89 lakhs (Rs 6.91 lakhs) for arrears of depreciation; Rs 1.50 lakhs (nil) for Wealth Tax; Rs 3.50 lakhs (nil) for Development Rebate and Rs 7.50 lakhs (nil) for Depreciation Reserve, have raised the dividend from Rs 6 to Rs 8 per share.

₹ ₹

Bharat Line

Bharat Line Limited has produced excellent results for 1957. Freight income has increased to as much as 2.52 crores from Rs 2.20 crores and the gross profit to Rs 66.40 lakhs from Rs 38.81 lakhs. Out of the gross profit, the directors have provided Rs 27.59 lakhs (Rs 27.66 lakhs) for Depreciation and Rs 21.36 lakhs (nil) for deferred revenue expenditure. There is no transfer to General Reserve against Rs 4.75 lakhs. Taxation has been provided at Rs 80,000 as against nil. The directors have recommended a dividend of Rs 6 plus a bonus of Rs 6 per share as against Rs 6 in the previous year.

₹ ₹

Assam Match

The Assam Match Company Limited, on a gross sale of Rs 1.41 crores, has paid excise duty of Rs 74.49 lakhs in 1957 as against Rs 66.40 lakhs on sale of Rs 1.35

crores. After providing Rs 1.91 lakhs (Rs 1.36 lakhs) for Depreciation; Rs 5.70 lakhs (Rs 4.80 lakhs) for Taxation, the net profit comes to Rs 4.63 lakhs against Rs 5.44 lakhs in the previous year. The directors have transferred Rs 50,000 to Reserves as against Rs 1.15 lakhs. The dividend is maintained at Rs 1.25 (including a bonus of 25 np).

₹ ₹

Aspinwall & Company

The net profit of Aspinwall & Company Limited, before providing for Depreciation and Taxation, amounts to Rs 6.83 lakhs for 1957 as against Rs 8.29 lakhs in the previous year. The charge on account of Depreciation is Rs 1 lakh (Rs 92,551) and Taxation Rs 3.36 lakhs (Rs 3.42 lakhs). After transferring to Development Rebate Reserve Rs 9,959 (nil), the Ordinary dividend has been reduced to 6 from 10 per cent.

₹ ₹

Canara Banking Corporation

The Canara Banking Corporation Limited, Udipi, has reported a slight increase in the net profit to Rs 3,74,673 for 1957 from Rs 3,54,778 in the previous year. The directors have, after transferring Rs 80,000 to Statutory Reserve Fund and Rs 1.60 lakhs to Taxation, recommended a dividend of 8 per cent and a bonus of 2 per cent, i.e. Rs 5.00 per share on the Ordinary shares. There has been an around improvement in the business of the bank as is evident from the fact that Deposits, Advances, Reserves, Profits and total working capital have all moved up. The liquid resources by way of cash on hand and with bankers in current and other deposits and call loans together with investments work out at 52.5 per cent of the total deposits and borrowings. 78.5 per cent of the total advances outstanding are fully secured.

₹ ₹

Canara Bank

The directors of the Canara Bank have announced that they have invested a sum of Rs 110 lakhs in the new Central Loans. Further, as a gesture of the bank's traditionally hearty co-operation with the Mysore Government, they have also decided to earmark a very substantial sum for investment in the Mysore State Development Loan whenever it will be announced.

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Full Personal and Social Life

THAT the greatest shortfall in Plan achievements so far lies in the field of agriculture, is a commonly held view, and if there is any uncertainty about India's ability to put the Second Plan through, it is because of the apprehension that the requisite national effort, as measured by an increase in the agricultural production, may not be forthcoming. And yet, paradoxically, it is the scope before agriculture and the promise of achievement which may be said to offer significant hope that the endeavours now being undertaken will not be doomed to failure. At the present stage, there are signs that the Planners are in the process of pointedly focussing attention upon what they have to do in the agricultural sector, and early this week, Sir V. T. Krishnamachari, Deputy Chairman of the Planning Commission, addressed himself to a masterly assessment of the position in this regard. He is, of course, fully aware of the magnitude of the task ahead and the difficulties that lie in the way; but he has not allowed himself to surrender meekly to the notion that the outlook is bleak. On the contrary, he says that his view is "that there is no need for defeatism." Sir V. T. has added: "There are indications which afford grounds for believing that this social change can be brought about on the scale that we desire and that leadership will emerge in the villages and at district and State levels to direct the movement."

The social change that the Deputy Chairman of the Planning Commission referred to was the bringing into being of a change in the outlook and desire for new knowledge and ways of life among the 300 million people, who eke out their living in rural India. Necessarily, effort is called for if this revolution is to occur, a revolution that would enable rural families to share fully in the increase in the standards of living which accrue under the successive Five Year Plans. And it is here that we have to break through the manner and pace of development work in agriculture. Sir V. T. revealed that, in the past, between the creation of irrigational facilities and their full utilisation, there generally occurred a time lag of ten to fifteen years. This is a time lag which India cannot, for a number of reasons, afford. From the financial point of view, in the light of over Rs 1300 crores estimated to be spent, during the first two Plans, on irrigational facilities, this time lag of ten to fifteen years will mean that, by way of interest alone, the loss to the nation would work out to between Rs 30 crores and Rs 40 crores a year; and, in terms of output, the loss would be three to four times such an amount. So, in order to draw out the maximum benefit from the irrigational schemes, it would be necessary, in order to minimise the time lag, to synchronise and coordinate the following four processes:

- construction of the dam or barrage for storing water;
- construction of the canal and distributary system by the Government agency ending at definite and convenient points in every village;
- construction according to a time schedule fitting into item (ii) by the beneficiaries of field channels in every village

so as to irrigate every acre that could be served by the project as soon as water is available in the canals; and

- improvement of agricultural techniques so that by their adoption the maximum agricultural output can be secured.

Sir V. T. then peered into the future, utilising his great powers of vision and knowledge. At time of partition, irrigable area was placed at 26.5 million acres. The First and Second Plans would enhance this figure by another 37.5 million acres. The possible limit for expansion, in respect of large and medium irrigation, would be 40 to 45 million acres. Thus, from these sources, the irrigable area potential would exceed slightly the 100 million acre mark. Sir V. T. expects that, by 1976, the area actually irrigated by multipurpose, large and medium irrigation projects would be about 90 million acres; and another 90 million acres to 100 million acres would also be under irrigation from minor irrigation works including tanks, wells and tube-wells.

An indication of the task before us is available in the fact that, for full utilisation of such irrigation facilities, some 30,000 to 40,000 miles of field channels would have to be constructed annually for the next two decades.

But, as Sir V. T. has done well to reiterate, all families united in the village institutions will "have to undertake through self-help and in cooperation with their neighbours the responsibility of carrying out" the programmes for achieving "the long term objective of improving the standards of life which has been placed before the country." There is a nice reference to the fact that the aim of this movement is to imbue men and women "with a sense of both individual and joint responsibility, so that they may rise individually to a full personal life and collectively to a full social life." This, Sir V. T. remarks, is the way in which the rural life can become characterised by a "social and moral cohesion which is the only basis for national unity." But all this means that the task for tomorrow is one which "calls for a much greater sense of urgency than now exists."

Two Financial Hoaxes

By S. KESAVA IYENGAR

THE Balwant Rai Committee Report on the working of Community Development Projects, the plain talk by Sir Malcolm Darling on the new co-operative programme on the basis of the Reserve Bank Rural Credit Survey, and the Prime Minister's exposition of co-operative principles at the recent Co-operative Congress, have all come none too soon. Very recently, Dr. P. S. Deshmukh said that a revision of the co-operative programme was possible, but there is the danger of the possibility evaporating into thin air, thus leaving the way open for a total collapse by three or four years.

So far as the Community Development projects are concerned, the targets with regard to the area covered and the number of units are higher than any other—even food targets. On a temporary basis, different kinds of short

courses have been organised for Block Development Officers, Social Education Organisers, Village Level Workers, Co-operative personnel, etc., the curricula and syllabuses flying far above the heads of the trainees, given time from a few weeks to a few months. To any dispassionate observer, the Community Development Schemes are too extensive with little chance of leaving even five per cent permanent results on the area covered. Why not hasten slowly? An intensive programme might cover a smaller area, but with lasting benefits.

In addition to the well-known defects of the Co-operative Movement in India, namely, no independent evaluation, boosted figures, book adjustments, overdues, etc., crop value and prospective value of land as the basis for credit under the new dispensation, although very encouraging, do not fit into the framework of the banker. "Co-operatives to order" are growing more fashionable. Rs 270 crores for cottage industries, 3000 co-operative farms, 10,400 large-sized credit co-operatives, 5,850 warehouses, 1,800 primary marketing co-operatives, 35 co-operative sugar factories, 48 co-operative cotton gins, 188 other processing co-operatives—although optimistic and high-sounding, are illusory because co-operation presupposes popular response. It may not be known to many that except, for Mr V. L. Mehta, the new protagonists of the co-operative drama have had little field experience. Co-operative education and training has been monopolised by the Reserve Bank of India, but its programme is much too insufficient for equipping the rank and file of co-operative workers. The co-operative colleges run by the Reserve Bank of India are somewhat like the few Universities in this country in the 1900s. The new gospel of state participation has made the Co-operative Movement much more official than before, and this should not be. Like Industrial estates in the field of small and medium industries, why not co-operative and proprietary effort be facilitated by the Government directly providing necessary conditions in the shape of more agricultural regulated markets and warehouses? As in the case of smallscale industries, why not give proprietary peasants loans upto Rs 10,000 on approved security?

Under the universal tenant purchase system, who is to provide the credit necessary for development? In the duration of instalments payable to the retiring landholders, the tenant purchaser is not the owner. Even after that, his rights of alienation are closely restricted. Co-operative farms have been decided upon, but peasant proprietorship was the goal of land reforms. With millions of acres getting perennial water for irrigation, with state farms not contemplated, with capitalist farms unauthorised, with rural credit becoming dry to the bone, the prospect of co-operation serving agriculture has indeed become much duller than before.

If urban co-operation had been better studied and attended to, we should have developed models by now for the rural areas to emulate. But unfortunately and mysteriously, the Reserve Bank of India has construed urban co-operation as "non-co-operative". Even present figures show how the bulk of funds in

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urban co-operatives are drawn from private deposits, mostly from non-members.

Do we want co-operation as such or co-operation as a tool for heading towards communism, as in the case of Russia and China? The financial implications exceed a thousand crores during the rest of the Second Plan, and the sooner matters are frankly and fundamentally reviewed, the better.

Economics of Automation—II

By NITISH R. DE

HAVING taken into account the various factors which are inextricably linked up with the issue of automation, it is useful to undertake a review of India's plan for industrialisation in the context of the progress of the automatic technique.

Full scale automation of productive processes demands as its pre-condition a certain level of technical development, particularly in the machine building, electronics and instrument industries. It also presupposes mass-scale production. These pre-conditions are now existent, to some measure or other, in the USA, the UK, the USSR, West Germany, Czechoslovakia, Canada, Japan and some other industrially advanced countries. In the industrialised West, great progress has so far been made in applying techniques of automation in such industries as automobile, electricity generation, oil refining, branches of the chemical industry, breweries, food processing, rayon, cement, communications, plastics, etc. The Soviet Union in its Sixth Five-Year plan (1956-60) has undertaken schemes to automate factories. According to Mr Isaac Deutscher (The Times, 3 February, 1956), "The plan appears to foreshadow automation on a scale larger than that attempted in the West so far. This has now been emphasised by the setting up of a special Ministry for Automation. Soviet trade unions . . . will certainly be eager to cooperate in speeding up automation." Because of all round planning, the spectre of unemployment has been kept away. According to the ILO, "Despite the scope of automatic production in the USSR, the number of workers and employers has increased by 9½ millions between the years of 1951 and 1955". It is also planned to reduce the maximum working week by 1960 to 41 hours in all factories and offices, and to 36 hours for miners and young workers.

This short account indicates as to what extent progress in automation has been possible in these countries. In India, in spite of programmes of planned development, current levels of living are still low, production is insufficient even for satisfying the minimum essential needs of the population and technical development is still at a nascent stage. Apart from the backlog of unemployment totalling over 5 million, during the second plan period new entrants to labour force will number 10 million and even the planners did not undertake the ambitious task of providing them all with gainful employment during the plan period.

In view of this, it is easy to conclude that India is not ripe for automatic technique and that the objectives of the Second Plan would be realised with obsolete techniques of production. This tentative conclusion, however, does not take into account the fact that automation will tend to exaggerate the already existing uneven development between the industrially progressive countries and the under-developed countries. Countries of the West by automating mills and factories will increase produc-

tivity many-fold and lower the cost of production and will succeed in widening still further the gap of uneven economic growth. One result of such a development will be that India will fail substantially to improve its balance of payments position. Its items of exports will remain the traditional ones, namely, tea, jute goods, iron and other mineral ores, hides and skins, vegetable oils, etc. Diversification of exports by extending markets for cotton textiles, silk and rayon textiles, plastic goods and engineering goods to South East Asia, Middle East and Africa will indeed become difficult because countries with vastly improved techniques will enter into competition in these areas.

The primary objectives of India's Second Plan are to increase national income so as to raise the level of living in the country and rapid industrialisation with particular emphasis on development of basic and heavy industries. Two other objectives, namely, expansion of employment opportunities and reduction of inequalities of income and wealth are dependent on the success of the first two objectives. These objectives, within the framework of the socialist pattern of society, are likely to guide the Third Plan also, because the success of the Second Plan itself will not raise the standard of living to such a plane as to place India on a par with other progressive countries. Foreign exchange difficulties and other impediments have already shaken the complete success of the plan. On the other hand, the progressive West would accelerate its industrial pace by utilising innovations offered by automation and atomic power.

India will, therefore, in tune with the world development, have to make sufficient room in its future planning programmes for introduction of automatic technique to effect rapid industrialisation. In the Second Plan itself, the need for such an eventuality was indeed visualised. While discussing the key factors in development, the planners expressed the opinion that "it is no exaggeration to say that the most important single factor in promoting economic development is the community's readiness to develop and apply modern technology to processes of production. . . . Countries which start late on their industrial career have some advantage in that they have, in the main, to take over and apply techniques that have been worked successfully in more advanced countries. But, there is need simultaneously for keeping abreast of the latest developments in science and technology, if the time lag in economic advance is to be progressively narrowed" (Second Plan page 6). Although the soundness of this logic of economic advancement was admitted in principle in the plan, in actual implementation hardly any serious attention was paid to the need for adoption of the fruits of science and technology. With sufficient foresight, the Government should have realised much earlier the need for setting up heavy machinery building industries as well as machine tools industries along with the much publicised steel projects. Now that the central heavy machinery building plant is being set up at Ranchi with Russian collaboration, a foundry forge plant at the same place with Czech assistance and a heavy electrical plant at Bhopal with the cooperation of a British firm, every care should be taken to ensure that these projects become most up-to-date in technique so that they, along with other similar projects, can form the nucleus of advancement toward realisation of automatic technique in our country.

Efforts are being made to seek help from West Germany to set up a heavy machine tool plant in India. As a matter of fact, very little progress has so far been made in this key industry. At the present value of goods, production in this industry will have to be raised three times by the end of the plan period on

the basis of production in 1957. There is a good deal of scope for automatic technique in this field, and unless proper steps are taken in time while the industry is still in a developing stage, India may face the same sort of crisis as the UK. Although the British machine tool industry is the oldest in the world, Sir Leonard Lord, Chairman of the British Motor Corporation Ltd, in a speech at the annual dinner of the Institution of Production Engineers in London in 1955, said that "the advanced machine tools of to-day could not be obtained from the British machine-tool trade. They liked to make old fashioned drilling machines and milling machines. Some people in this country who wanted advanced machines had to go to Germany. . . ." To guard against this eventuality resulting in scrapping of machines which we are going to install at a great cost, we should plan our production designs and methods in a careful manner so that the machine tool industry can be made standardised and automatic in the foreseeable future. While seeking German collaboration in this field, it should be remembered that the German machine tool industry has far advanced in transfer variety and other automatic machines and is among the world leaders. Oil refining is another industry in which automatic technique has made great strides. We have already cited the instance of Esso's Petroleum refinery at Fawley where six workers on a shift produce a third of the UK's oil products. India has already set up four oil refineries and the fifth one, the first in the public sector, will be erected at Gauhati with Rumanian collaboration. The scope of introducing automatic technique in this field should not be lost sight of. India is making satisfactory progress in the light electrical industries such as electric fans and radio sets and in the light mechanical industries such as ball bearings; and, in these industries, western countries have successfully introduced automatic techniques. We should, therefore, instead of gloating over our modest success, strive hard to improve on the technique so that, in course of time, we can hold our own.

In the spirit of perspective planning, India should make provision in its future planning programmes for automatising its industries to get higher productivity at lesser costs. In this regard, emphasis should not be so much on importing automatic machines as on setting up industries to build automatic machines. Secondly, the employment aspects of planning should be re-assessed in view of the labour saving machines coming so much in the picture. Harmony of the application of technological development in industrialisation at considerable capital investment with the rapid elimination of unemployment will be the supreme challenge to the future planners. Thirdly, as an essential pre-condition to automatization of industries, a sufficient number of qualified technicians are required. It is reported that, for increasing the availability of technical manpower for the Third Plan, Government have prepared a scheme for a target of 15,000 engineering graduates during each year of the plan. While this foresight on the part of the Government is welcome, we should not forget that automation demands an altogether different type of training. The production and maintenance engineers of automatic factories should have a grasp of all facets of modern industry. As Mr L. L. Goodman puts it, "Automation cuts across the normal boundaries of professional training. A comprehensive knowledge of, and training in, industrial engineering, production and product design, human relations, and management. . . . will be imperative. . . ." (Man and Automation, page 214). Thus, revision of curricula as also the provision of adequate opportunities to receive practical training in foreign countries are indicated for the automation engineers.



Crisis in France

The crisis precipitated by the Army coup in Algiers on May 14 continues, and, with it, the threat to the Fourth Republic. The possibility of a civil war which appeared very imminent has receded with the disclaimer by General De Gaulle of any intention of violating the Constitution. But as he himself has observed, "what is now happening in Algeria in relation to Metropolitan France and in Metropolitan France in relation to Algeria can lead to an extremely grave national crisis." The statement came after the assumption of special powers by the French Government, and was made to the accompaniment of a strike of Communist workers in Paris which brought transport to a standstill. And, by a singular coincidence, US papers on the previous day had published special reports suggesting that Vice President Nixon, just back from a tour of South America, had decided that the USA must adopt a stronger policy towards South American dictatorships. His formula, according to the New York Times, was that "for dictators the USA should have only a handshake, while for free Governments it should have a warm embrace."

The immediate question for France is whether the civil government is strong enough to control the army revolt without giving up the effort to reach a solution of

the colonial problem which will not be repugnant to the enlightened conscience of the world. France today is paying the price for trying to prolong 19th century colonialism into the nuclear age. The war against the insurgents has been fought with a savage ferocity which has left its mark on the national psyche and brought France very low in the esteem of the civilised world. French policy in Algeria is also seen as a source of weakness to the entire western alliance. Re-emergence of De Gaulle is calculated to make matters worse.

France's allies, for understandable reasons, are maintaining an impressive silence which is more eloquent than words. Journals which offer an unending stream of advice on Kashmir or the Middle East prefer to keep mum. The position, as Mr Eisenhower described the situation in Lebanon, is very delicate. Suspicion that M. Pflimlin's Government may be susceptible to external influence was the immediate cause of the flare-up. The coup was preceded by demonstrations by De Gaulle's admirers in which the American cultural centre in Algiers was attacked.

General De Gaulle's statement, that he would take no steps to assume power in response to the call from Algiers, is at the same time an invitation to the National Assembly to invest him with supreme authority. Such action would virtually amount to the suspension of the constitution. While the National Assembly may not be eager to commit hara kiri, the pressure on the Government to stick to a reactionary policy in Algeria is likely to grow stronger. And France's allies will have to consider whether Soviet Russia should be left as the sole champion of the rights of subject peoples in the colonial territories still struggling for freedom from Western European Imperialism.

For National Integration

While the Congress Working Committee has drawn up a programme of national integration, a conference held in Calcutta has put forward a suggestion whose adoption would speed up the process and make it painless. The All India Sanskrit Rashtrabhasa Conference has adopted a resolution proposing that Sanskrit be adopted in place of Hindi as the official language of the Indian Union. Speakers at the conference advanced many cogent arguments in support of this minority view. The difficulty, however, is not in building up a case which will appeal to the intellect, but in putting it across to those who count in the political life of the country. So far none of the political parties in the country has chosen to support Sanskrit. And Sanskrit scholars are too few in numbers and, in many cases, too much out of touch with the spirit of the times to make an impression in a democracy. The price has to be paid for the mistake of making Sanskrit

the language of the elite. But there is no gainsaying the merits of the proposal.

Adoption of Sanskrit as the official language will act as a solvent of many of the problems which stand in the way of national integration and hamper the growth of a feeling of common national consciousness. It will exorcise the fear of Hindi domination which is widespread in most non-Hindi speaking areas and is found in its most extreme forms in Madras. Sanskrit as official language will not place any linguistic area or religious group at a disadvantage, and no one will have any unfair advantage in politics or administration. The adoption of Sanskrit will also make it possible to introduce a rational pattern of instruction in languages in the schools, which will provide for a classical language, the regional language or mother tongue as well as English. On the other hand, with Hindi as official language, students in non-Hindi areas will in practice have to give up Sanskrit which will be a greater deprivation than the disadvantage in politics and administration.

The objectives of all the parties to the linguistic controversy—those who are apprehensive of Hindi as official language, those who do not like to have English as official language for all time for sentimental reasons, those who wish to retain English as official language for practical considerations and even those who wish to see Hindi develop into the national language of India—will be served by formal recognition of Sanskrit as the official language of the country. The non-Hindi areas will have no reason to nurse a grievance. Until Sanskrit knowledge is sufficiently widespread, there will be no hurry in any quarter to replace English, nor will there be any interested pressure for its elimination from the school curriculum. In the meantime Sanskrit will be taught in schools and the generation of pupils which has learned Sanskrit at school will find it easier to learn Hindi. It is common knowledge that persons with a sound knowledge of Sanskrit are able to pick up a competent knowledge of Hindi with greater facility than those without that advantage. Moreover, whatever language is recognised for official purposes, it will be an advantage in the day-to-day affairs of life for the people of Hindi speaking regions to learn the language of the largest, compact, linguistic group in the country. With the fear of domination eliminated, the psychological resistance to Hindi will also disappear. The recognition of Sanskrit as official language may well prepare the ground for the emergence of Hindi as the de facto national language.

Law of the Sea

Though the conference on the law of the sea which concluded in Geneva on April 28 did not reach agreement on the contentious issue

of the limit of territorial waters, it was nevertheless able to register substantial progress in certain other directions. The adoption of four conventions which now await ratification is a matter of satisfaction. One of these, which relates to the question of access of landlocked States to the sea through the territories of neighbouring countries, is of particular interest to India in view of the dispute with Portugal. The conference has laid down that the right of access to the sea across the territory of a neighbouring country is not a fundamental principle of law, but was a matter of agreement between the countries concerned.

The Indian Delegation led by Mr A. K. Sen, Minister for Law, played a leading part in seeking a revision of the present convention which fixes the limit of territorial waters at three miles. While the Western Powers generally, as well as Japan, supported the three-mile limit, other nations preferred a wider area. The Indian initiative was able to persuade the great maritime powers to give up their insistence on the three-mile limit. India had proposed that the breadth of the territorial sea be extended to 12 miles and that each coastal State shall be allowed to set its own distance within that limit. In the Indian view a six-mile limit would be reasonable. While this proposal was not accepted, the suggestion of a six-mile limit found support in the compromise resolutions introduced by Britain, the USA and Canada. Though none of the compromise proposals secured the requisite two-thirds majority, the voting made it clear that the majority of the 86 nations participating in the conference was in favour of revising the existing convention.

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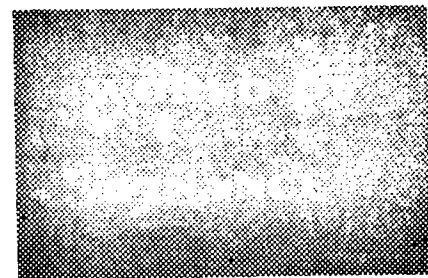
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Reverse Ad Hoc for Rs 95 Crores?

THE impact of the New Loan is duly discernible in the returns of the Reserve Bank and the State Bank for the week ended May 16. The pattern of changes in figures generally conforms to our assessment of last week, but there appears to be irrefutable evidence that, while there has been institution of reverse ad hocs, the amount involved is far from the Rs 100 crores that, last week, we had thought possible. We shall endeavour to read between the lines of the latest banking returns with a view to discovering, if possible, more about the New Loan.

The cash subscriptions to the New Loan amounted, we may recall, to Rs 132 crores. According to the return of the State Bank, there is an indication that the subscriptions of this institution were for roughly Rs 35 crores. For, although investments as such show no change, there is a steep rise of this size in Other Assets. This presumably relates to subscriptions to the New Loan, against which kutch receipts have been obtained from the Reserve Bank, pending the completion of the formalities in regard to the New Loan. The Reserve Balances were drawn upon by the State Bank for Rs 26 crores,

and, moreover, Rs 6 crores had to be borrowed from the Reserve Bank. Looking at it in another way, the State Bank found Rs 6 crores for the New Loan through borrowings from the Reserve Bank; an additional Rs 20 crores was vouchsafed by the sale, just prior to the New Loan, of securities to the Reserve Bank; and, consequently, New Loan subscriptions which were, as it were, financed directly by the State Bank amounted to Rs 9 crores. The other aspects are relatively unimportant, since accruing deposits, in due course, will enable the State Bank to repay its borrowings and to repurchase giltedged which it had sold to the Reserve Bank, but the main point is that the subscriptions to the New Loan as such of the State Bank amounted to Rs 35 crores.

It is possible to formulate for ourselves, even before the receipt of the return of Scheduled Banks for May 16, an idea of the subscriptions of the other Scheduled Banks. The process of detection involved is as follows:

- (i) The decline in the Reserve Balances of member banks with the Reserve Bank amounted to Rs 38 crores during the week; and, of this, as we have already seen, Rs 26 crores are accounted for by the State Bank. Thus, the decline in the Reserve Balances of other Scheduled Banks may be put at Rs 12 crores.
- (ii) The increase in the Other Loans and Advances of the Reserve Bank during the week was placed at Rs 13 crores. Of this, the State Bank was responsible for Rs 6 crores, and it would appear, consequently, that the other Scheduled Banks borrowed from the Reserve Bank to the tune of Rs 7 crores.

(iii) It would not be altogether wrong to assume that the decline in Reserve Balances and rise in Other Loans and Advances are both due to subscriptions to the New Loan programme. So, in broad terms, it may be stated that the subscriptions of the other Scheduled Banks to the New Loan would have been at a minimum of Rs 19 crores.

(iv) Thus, the Scheduled Banks put together may be seen, in the returns of the Reserve Bank and of the State Bank, to have subscribed Rs 54 crores toward the Loan programme. The subscriptions to the 3½ per cent 1963 Loan were placed at Rs 58 crores; and since it is generally believed that the Scheduled Banks concentrated their subscriptions to the short term five year loan, it would appear that the reconciliation thus attempted here is more or less correct.

Harking back to cash subscriptions, as against a total of Rs 132 crores, the following figures are made evident in the Reserve Bank returns:

- (a) The Balances of the Central Government improved by Rs 22 crores.
- (b) Rupee Securities in the Issue Department have declined by Rs 25 crores.
- (c) Investments in the Banking Department are marked lower by Rs 18 crores.
- (d) The decline under Rupee Securities and Investments is surely indicative of reverse ad hocs, or the cancellation of Treasury Bills before their maturity; and reverse ad hocs thus appear to be in the environs of Rs 45 crores.
- (e) But the improvement in the Centre's Balances and traceable reverse ad hocs total only Rs 67 crores. The question we have to answer is: What has happened to the missing Rs 65 crores of cash subscriptions?

Our view is that, over and above the subscriptions from the Scheduled Banks, other institutional investors put in roughly Rs 27 crores. The balance of Rs 50 crores was, we believe, subscribed by the Reserve Bank. But, in that case, Investments of the Reserve Bank would have correspondingly risen; and so, too, the balances of the Central Government. Our hypothesis is that, after purchase by the Reserve Bank of Rs 50 crores of New Loan, reverse ad hocs there-against had been instituted. Thus, reverse ad hocs during New Loan week may be, we are led to think, in the environs of Rs 95 crores.

As we have seen, the Centre's Balances improved by Rs 22 crores; and reverse ad hocs may have been instituted for Rs 95 crores. There remains Rs 15 crores to be accounted for, but this could easily represent the net disbursements during the week of the Central Government.

From the hypothesis we have thus presented, it would follow that new loan subscriptions which would make an impact upon the Deposits of Scheduled Banks would have amounted only to Rs 27

crores. All these are matters which could be confirmed next week. At the present stage, we are confining our comment to this brief assessment that we have undertaken. But the conclusion should not be that the fact of the Reserve Bank having subscribed Rs 50 crores in any way detracts from the success of the borrowing programme; and, of this, we shall have more to say next week.

State Bank: Rs 35 Crores for New Loan?

There are not many points to note, over and above the impress of new loan subscriptions, in the returns of the Reserve Bank for the week ended May 16. Slack season influences are responsible for and reflected in a decline of Rs 15.13 crores to Rs 1614.83 crores in note circulation; and Rupee Coin has returned from circulation for Rs 0.17 crores. The reverse ad hocs instituted in the Issue Department, to which reference has already been made, has been offset by a countervailing transfer to Foreign Securities from Balances Held Abroad in the Banking Department; the amount involved is Rs 24.85 crores. In the result, the Reserve Bank's cash in the till has improved by Rs 15.29 crores to Rs 24.65 crores.

In the Banking Department, as already noted, the Centre's balances have improved by Rs 21.78 crores to Rs 75.07 crores; and Investments have declined by Rs 17.92 crores to Rs 227.04 crores. The latter change presumably relates to reverse ad hocs, while the former reflects the cash receipts of the Central Government. Balances of State Governments are lower by Rs 2.04 crores at Rs 13.69 crores, and their indebtedness to the Reserve Bank on account of ways and means advances has risen by Rs 2.27 crores to Rs 59.80 crores. Obviously, the Central Government have made no payments as yet from their new loan receipts.

The member banks have drawn upon their Reserve Balances to the tune of Rs 38.11 crores, and these are now placed at Rs 73.88 crores. Also, they would appear to have had resort to the Reserve Bank for borrowings, since the Other Loans and Advances of the central banking institution are marked up by Rs 13.38 crores at Rs 69.33 crores. Both these changes reflect subscriptions of Scheduled Banks to the new loan programme.

Balances Held Abroad are steeply lower by Rs 30.79 crores at Rs 42.84 crores; a transfer was effected to the Issue Department for Rs 24.85 crores; but the net drain during the week was fairly high at nearly Rs 6 crores.

The State Bank return for May 16 reveals the consequential changes arising from its subscriptions to the new loan programme. Cash in hand and with Reserve

May 24, 1958

Bank is sharply lower by Rs 26.71 crores at Rs 25.01 crores. The State Bank figures as borrowing Rs 6 crores from the Reserve Bank. Deposits have declined by Rs 0.61 crores to Rs 417.66 crores; but Advances fell by Rs 3.50 crores. And so the size of the State Bank's subscriptions appears to be measurable in the rise that has occurred in Other Assets, which are higher by Rs 35.17 crores.

Slack season influences are strongly indicated in the return of Scheduled Banks for May 9. Deposits show a small drop of Rs 1.19 crores to Rs 1542.37 crores, but, since the State Bank in the relevant week lost deposits for nearly Rs 4 crores, it is clear that the other Scheduled Banks experienced an improvement in theirs. The total of Advances is lower by Rs 6.75 crores at Rs 948.64 crores, and this, too, is largely on account of the other Scheduled Banks. Investments have fallen steeply by Rs 18.60 crores to Rs 425.46 crores; and this was, as we saw last week, due to the sale of securities by the State Bank. Borrowings from the State Bank are nominally lower, while indebtedness to the Reserve Bank declined by Rs 2.29 crores to Rs 18.64 crores. In the result, cash balances improved by the considerable amount of Rs 12.06 crores to a new high of Rs 218.75 crores. But, of course, the cash balances would have been drawn upon during the week ended May 16 in order to subscribe to the New Loan.

Britain's Bid for Dollar Loan

Paul Einzig

ONCE more, for the second time within three months, two senior Treasury officials, Sir Leslie Rowan and Sir Robert Hall, are crossing the Atlantic in an attempt to sound official circles in Washington about the possibility of securing substantial dollar facilities. In February their visit was meant to be a closely-guarded secret, but after their return to London their mission was apparently allowed to transpire—presumably in order to ascertain the attitude of the Press about the dollar loan scheme.

This time there is no secrecy about their visit. According to the "Times" the two officials were invited to Washington by the United States authorities. The official explanation is that it is just a routine visit. But it is unofficially suggested that the main object of the visit is to ascertain whether the business recession in the United States is expected to become aggravated, and if so whether the United States Government would be interested in a scheme by which the capacity of the Sterling Area to buy dollar goods would be maintained with the aid of dollar facilities to be placed at Britain's disposal.

Various versions of the idea have been canvassed lately. According to one version a Commonwealth Bank would be established and it

would be financed with the aid of a dollar loan. According to another version all member Governments of the International Monetary Fund would double or treble their contributions to the Fund. The United States, having the largest quota, would make the biggest contribution in dollars.

According to yet another version, Britain is on the verge of restoring the convertibility of sterling for current transactions by unifying the transferable sterling rate with the official rate. To be able to do so the authorities would like to obtain substantial dollar facilities, in addition to the amounts already borrowed last year to support sterling. A fourth version was suggested a few weeks ago, accord-

ing to which Britain would borrow dollars to finance the nuclear development programme.

What actual form the transaction is meant to assume is a matter of detail. What is essential is that the Government has now come out into the open with its intention of securing a substantial dollar reserve by means of borrowing in some form in the United States. The argument in support of the idea is that, while the United Kingdom could now hold sterling quite well out of her own resources, the raw material producing countries of the Sterling Area are certain to need assistance. The Treasury is anxious that some means should be found to meet the pressure on sterling that is liable

to arise if Australia, New Zealand and other Sterling Area countries should feel compelled to draw very heavily on their sterling balances in order to meet their balance of payments deficits.

This suggestion implies that, were it not for the difficulties of the Sterling Area countries, Britain would be able to relax the drastic measures adopted last year. In view of the 3 per cent wage increase granted to the employees of British Railways, however, it seems that the credit squeeze has not yet been sufficient to halt the inflationary rise in wages. Compared with last year's 5 per cent increase granted to the railway employees, this year's increase may appear relatively moderate. Having re-

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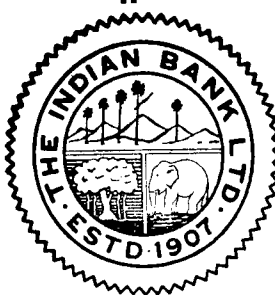
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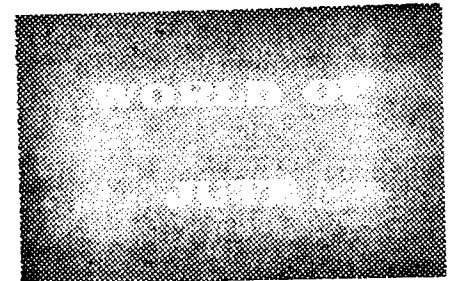
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Jute Markets Depressed

After a promising start following news of a substantial order from Russia for both hessian and sacking, the jute goods market developed a reactionary tendency in later dealings last week. From Monday onwards sentiment was depressed and prices especially in the heavy goods section were easier with B Twills pushed down to a level below that of IJMA minimum price. It would appear that the strike threat by dockers has been mainly responsible for the present reactionary trend.

A contributory factor for the easier trend has been the fact that hessian consumption in US during April has been two million yards lower than in the previous month at 69 million yards. Stocks are unchanged at 242 million yards comprising 138 million yards spot and 104 millions afloat. At the end of March spot were placed at 131 million yards and afloat at 111 million yards thus making a total stock of 242 million yards. The trend of burlap consumption in US during the first four months of the current year is however encouraging as the total works out to 281 million yards as against 278 million yards during the corresponding period of the previous year. But taking the period July-April 1958 it will be found that the trend is disappointing. For during the 10 month period ending April 1958 the total US burlap consumption has amounted to 691 million yards as against 741 million yards during the corresponding period of the previous season.

The position as regards despatches of jute goods makes a mixed showing. During the past month, total despatches have been a little over 2000 tons lower at 83,874 tons as compared with March when despatches totalled 86,000 tons. Exports have however, been higher at 65,907 tons as against 65,335 tons. The higher figure is due to the larger hessian exports which have totalled 32,363 tons as against 31,267 tons and higher offtake of other varieties which amounted to 1,992 tons against 1,511 tons. Sacking exports are lower at 31,552 tons as such exports in March were placed at 32,757 tons. The decline in the grand total has been brought about by the lower offtake at 17,967 tons against 20,465 tons of goods for internal consumption.

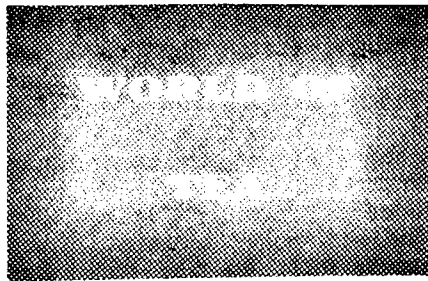
In the first four months of the current year, total despatches have amounted to 331,200 tons as against 327,800 tons during the corresponding period of the pre-

vious year. Exports, however, are lower at 254,400 tons as against 265,100 tons. The higher total offtake is accounted for by an increase in local consumption. Taking the ten month period ending April 1958, the position is quite encouraging. For total despatches have amounted to 891,300 tons as against 876,000 tons during the corresponding period of last season. Here again the increase is almost solely due to a sizeable improvement in internal consumption which is placed at 166,400 tons as against 152,000 tons. Exports have been maintained at 724,900 tons.

Arrivals of raw jute into Calcutta and Mill stations during last month were placed at 414,600 bales as compared with 495,000 bales during March. But compared with the corresponding month of the previous year, they were higher by 38,300 bales. Of the April 1958 total, arrivals from India were of the order of 376,100 bales against 476,000 bales in March. During April 1957 such arrivals were only 340,840 bales. Imports from Pakistan last month were substantially higher than during the previous month at 38,500 bales. They were also 3000 bales higher when compared with the corresponding month of the previous year.

Total arrivals of raw jute during the ten months ending April amounted to 5,412,700 bales and compared with 5,486,100 bales during the corresponding period of the previous year. Arrivals of jute of Indian origin were placed at 4,852,500 bales against 4,925,400 bales while those from Pakistan were 500 bales lower at 560,200 bales.

Prices on Thursday were fully steady all along the line as there were reports of a fresh Egyptian tender for heavy goods. Sentiment was also helped by the speculative buying in the futures market. Hessian 40" x 10 oz Ready was done at Rs 41.50 and B Twills at Rs 101.75. On Friday there were rumours of purchase of a substantial quantity of hessian by Russia. The news imparted some steadiness to the hessian section and the market closed steady as follows: Hessian 40" x 10 oz Ready Rs 41.50 and B Twills Rs 101.35. From Saturday onwards prices developed a sagging tendency due to selling pressure. At close on Saturday Hessian 40" x 10 oz Ready was placed at Rs 41.35 while B Twills lost 45 nP to be quoted at Rs 101.05. Prices declined sharply in both the sections on Monday due to speculative selling in the futures market. B Twills Ready eased to Rs 99.85 while Hessian 40" x 10 oz also declined in sympathy to be done at Rs 41. Selling pressure continued unabated on Tuesday and prices were further marked down as follows: Hessian 40" x 10 oz Ready Rs 40.60 and B Twills Rs 99.30. Wednesday found the market in a depressed condition with prices recording further losses. Hessian 40" x 10 oz Ready was finally placed at Rs 40.55 while B Twills lost another 30 nP to be marked down to Rs 99.



Buyers Follow Quality

ALTHOUGH the year 1957 closed with a closer balance between production and demand, the outlook for 1958 tea appears very uncertain. From the active demand manifested at the special Export Sale held in Calcutta last week, one should not predict an improved state of things for the industry. For the Calcutta sales summary, for the period ended 30th April 1958, reveal that the average export price obtained was only Rs 2.10 against Rs 2.37 per pound last year. Again, the price for internal Leaf was Rs 1.37 against Rs 1.46 and for Dusts Rs 1.87 against Rs 2.09 per pound.

It is true that, at the last sale, some of the finest varieties of Darjeeling tea fetched higher prices. But, generally speaking, Darjeeling teas were priced at the sale 50 nP per pound below valuations. Again, the strong and active demand for quality teas, manifested at the sale, might be due to the current labour unrest in Ceylon which compelled Russia and the UK to divert their demand to Calcutta. But, this is a temporary factor and it remains to be seen what happens when this factor disappears.

Common teas, which form 60 per cent of the Indian output, show signs of over-production. These categories will have to face greater difficulties unless home market expands to such an extent as to absorb any surplus that may be produced, especially when it is known for a certainty that the world production of tea will be up by over 9 million pounds.

No doubt, buyers have been active during the past few weeks to cover their requirements until such time as 1958 teas from North-East India will be available. Blenders in London will have to rely on their stocks till the arrivals of the new crop, while their other sources of supply are South India and Ceylon.

Unlike in North India, weather in South India is very favourable. The yield is expected to be higher by 50 per cent than that of the previous corresponding period. The rush period has begun. If weather continues to be favourable, there will be a record yield in South India. According to planters, there is the possibility of a larger incidence of pest attack.

South India, which harvested a record crop of 144.7 million pounds in 1957, is expected to produce an even bigger crop during the current year. Although the crop of last year was absorbed, prices were well below the 1956 level. The average

price in Cochin auction was Rs 1.93 per pound as compared to Rs 2.23 in 1956. Buyers clearly indicated their desire for better quality teas and consistently paid a premium for them.

Some quarters feel that prices are unlikely to go lower, while the labour unrest in Ceylon continues. Moreover, reports from there say that floods have damaged roads and some difficulty is likely to be encountered in moving tea off the gardens. The labour troubles at Colombo have resulted in a big hold-up in the movement of tea, both internally and for export. Trade quarters, in London, think that as much as 80 million pounds of tea may be immobilised. London buyers have, therefore, been following quality closely, this being particularly noticeable among the Ceylon teas where some improved quality invoices from the south-west side of the island have registered advances of upto 4d per pound.

In the Internal Sale held in Calcutta this week, offerings were 19,513 packages of Dusts. There was a fair general demand, but the tone of the market was easier. Orthodox descriptions declined by 6 nP and sometimes by 8 nP per pound. Black leafy teas, suitable for export, were the strongest feature of the sale and declined by 2 to 4 nP. "Teas for price" met with competition and were generally steady.

CTC Assams were easier. The best often selling at 20 to 25 nP below valuations and were the weakest feature of the sale. Following rates were quoted:—Medium Dooars Dust Rs 1.64 to Rs 1.66; Medium Assam Grainy Dust Rs 1.70; Medium Assam CTC Dust Rs 2.00 to Rs 2.10 and Best Assam CTC Dust Rs 2.65 to Rs 2.85. There was a total of 551 packages of Leaf grades on offer.

In the Export Quota section, business was done in Special Licence at 1 nP. Non-transferable Shipping Licence was done at 1½ nP and, at the close, there were sellers at only 2 nP. In New Season's teas, there were buyers at 16 with sellers at 16½ nP per pound; but no business was transacted.

In the Cochin market, offerings were about 1.2 million pounds. Quality from all districts showed a further decline. The market opened to a strong general demand. The better liquoring Nilgiri Broken met with less enquiry, selling at irregularly lower prices, while similar Fannings found ready buyers at a drop of up to 20 nP per pound. Useful support was seen for Good Mediums teas, but prices were generally slightly lower than last. Medium, Low Medium and low-grown Broken were the strongest features of the sale.

Black Leaf Broken and Fannings came to a strong market and were generally a little dearer. Whole Leaf grades met with less demand and were irregularly easier. Following rates were quoted:—Plain BP Rs 1.48 (nominal); Low Mediums Rs 1.70 to Rs 1.85; Mediums Rs 1.85 to Rs 2.15; Good Mediums Rs 2.10 to Rs 2.45 and Quality Rs 2.40 to Rs 3.60.



INDIA

Oberoi Imperial, New Delhi - Oberoi Maidens Delhi - Oberoi Swiss, Delhi - Oberoi Cecil, Simla - Oberoi Clarke, Simla - Oberoi Palace, Shimla - Oberoi Grand, Calcutta - Oberoi Palm Beach, Gopalspur-on-sea - Oberoi Mount Everest, Darjeeling - Oberoi Mount View Chandigarh

PAKISTAN

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A RATHER truant disposition takes me away from my desk once in a while and, when I return guilt-ridden and shame-faced, I dread the moment of first encounter with my desk. Piled with tell tale evidence of my delinquency, its more-in-sorrow-than-in-anger air of mute reproach would drive a less hardened man crazy. This week, in particular, my misdemeanours have been more than usually grave. I have not even looked at the papers and history has not apparently been standing still in the meantime. One would not, for example, have thought it possible for France to be in a greater mess than it was about ten days ago. And yet, when my back was, so to speak, turned, it has got into its worst crisis since 1848. And nearer home, Devikolam has voted Communist, and if one were to believe all one reads on the event, something fatefully decisive has taken place. Though Dr Johnson may be right when he says that no one sleeps an hour less or eats an ounce less because public affairs go awry, there is a sense in which events "bother" you. But of these I shall not speak today. These shall catch me up soon enough; and, continuing my runaway mood, I shall instead talk of other things.

A self-imposed discipline of a paper-less week was an interesting experience. As far back as I care to remember, my first conscious act on waking has been to grope for the paper, which is kindly put there by folks that have been indulgent to my whims. This week's experiment in self-denial was revealing. In its early stages, the symptoms of frustration were not unlike those that, we are told, follow a drug addict undergoing a cure. It was sheer will power that kept me away from the seductive headlines. Of course, I had taken the precaution of providing myself with other printed matter, yet it was tough going.

The most important thing I learnt from this experiment was how, deep down, we were all sensationalists and how much of vicious drama the daily press brought into our lives. It is not that the papers I usually read are purveyors of sex and violence. Indeed, my preferences are for the staid sort and, in any case, Indian newspapers do not peddle that kind of

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

cheap thrills. But even The Times satisfies not so much a thirst for information, as a hunger for vicarious life. It may be Tensing on the top of Everest or Dr Fuchs at the South Pole, or it may be Mr Peter Townsend at Clarence House or Haridas Mundhra at the Bank-shall Court. It is involvement, however remote, that makes you lap it all up. And this sneaking thrill by proxy is present even in the absorption of the dreariest of news. The complaint against the "popular press", as it obtains in Britain, is not that it manufactures thrills; it is that it deliberately enlarges the area of this emotional participation involving a corresponding cutting down of the area where the mind is engaged. But that such satisfaction is to be had even when no attempt is made deliberately to present in gaudily seductive forms can be denied only with hypocrisy. Otherwise, it is difficult to explain the frustration that follows the absence of the paper.

And when I realised that the majority of my countrymen do not read any newspaper at all. I was somewhat taken aback. Apparently, this particular deprivation is not as distracting to them as it was to me, at least in the first two days. In Great Britain, the situation is entirely different. As Mr Francis Williams puts it in an extremely readable book called *Dangerous Estate—The Anatomy of Newspapers*, "No other people on earth are such avid readers of newspapers as the British". Nine out of ten inhabitants of the British Isles begin their day by reading morning papers. I do not readily have the corresponding figures for India. But it can be nowhere near that percentage. Could this, saving the presence of Newspaper Proprietors, be a blessing? I would hesitate to say yes on some grounds, but on others, I am not so sure. My paperless week has also been coincidentally one in which I have been reading quantities of literature on "Mass Culture". Incidentally, this slavery to the printed word is a phenomenon that is worth a probe. Even when I denied myself the thrills of the daily press, I had around handy other reading matter. It is quite possible that my modes of amusing myself are rather limited. But I am not sure that some of the "Depth Boys" or motivation researchers that American adver-

tising employs at fabulous fees will not find in this a devious satisfaction of dark and largely unfulfilled passions or a rather paltry compensation for a deep seated sense of personal inadequacy. It is no use explaining that it is only a furniture catalogue I was reading. I suppose they will call it the book-worm complex or something worse.

To get back to mass culture and the steady erosion of sensibility of a large number of people by the impact of mass media of instruction and entertainment. These include, besides the "popular" paper, the film, the television (particularly commercial), and even Canasta and Bridge parties on a mass scale. ("It is our contention that, in fact, widespread participation in card playing is an index of the extent to which the forms of small-group living have been conditioned by the impact of mass society.... Card playing mitigates boredom through structured group action. The game also functions to create and discharge feelings of group obligation."—Irving Crespi in *Mass Culture: The Popular Arts in America*. Of course, there is a point of sorts made in this pendant breaking of the butterfly on the wheel, but none need take it too somberly. Incidentally, it is the humourless labouring of a half-obvious point that makes much American sociological writing so heavy-going.) It cannot, however, be denied that the masses have by and large lost their defences against boredom ever since communal living had ceased to impose its traditional obligations. Consequently, they are wide open to the most blatant assaults on their sensibility which those merchandising pleasure have not been slow to exploit. The consequence has been the "Admass" on the one hand and its obverse, the self-conscious, snobbish minority culture. The admass, deprived of traditional mystiques, creates its ritualism—the "bridge party" or the football match; denied its familiar pieties, creates new ones like antisemitism and Ku Klux Klan; not finding familiar objects of worship, puts up cheesecake instead to the contemplation of which it brings only an exhausted adoration.

We have, to be sure, one crushing load of problems, but in any grateful counting of our blessings,

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Dasenagar, Howrah.

we should perhaps include the absence of this predicament in India. Or have I been a little quick in my complacency? What about our own admass? Our city pavements would seem to testify to the fact that our cities at least are more or less assimilated to the admass-minority culture pattern that obtains elsewhere. (Only the minority is even more microscopic here than elsewhere, which is hardly any comfort). Elsewhere, too, we have the most incongruous betwixt and between situation: I have seen village homes, where the walls were impartially pasted with Ravi Varma prints of familiar deities and pictures of film stars and other examples of our versions of cheese cake (which, by the way, are excessively clothed as concession to modesty—this has always struck me as more obscene than its Western counterpart). I shall be told that this steady infiltration into traditional mores of elements foreign to it is inevitable. I am afraid that it is so, though not for the reason usually given—you cannot make an omelette without breaking the egg. It is possible, of course, so to order our way of life without destroying its mores, but it will involve a degree of regimentation and imposition that will be self destructive. After all, if reports are to be credited, the Soviet Union does not have the kind of cultural problem implied by the word Admass.

Perhaps it is wrong to find scapegoats elsewhere, but it cannot be denied that our task today has been made infinitely more difficult by the kind of pattern for journalism and entertainment fit for mass consumption that has already been set. And Gresham's law has a universal validity. But one need not yield too easily to despair. According to Francis Williams, the present situation in Britain is due to failure on two fronts in the years following the creation of a new reading public by the Act of 1870. The "quality papers" failed to respond to the challenge of the new readership. "They gathered skirts and fled to the ivory towers. They cannot but have been aware of the immense opportunity and responsibility presented to journalism by this new reading public. It was their professional business to understand it. But they did nothing about it." On the other

hand, the popular press symbolised and in fact partly created by Northcliffe failed by quietly pandering to the lowest common denominator and flattering its most ignorant prejudices. We, with our substantial readership still to come, can avoid this error. It is by no means

easy, especially when there are so many around wanting to take the easier (and infinitely more profitable) line of Northcliffe. By and large, our press has been irresponsible. But has it been interesting? I know the difficulties, for example, in the way of making deficit financ-

ing interesting. Nor do I underestimate the monumental dullness of much that passes for public life in our country. But there are exciting things happening in this world which can and should be put across to the people. Take a thing like the Zeta or our own first ato-

mic reactor at Trombay. I agree that, to explain these things properly and interestingly, we need journalists of the calibre of Ritchie Calder and Arthur Koestler. But they must be found if our newspapers are to discharge their true duties to our new and eager readers that are coming in the world in increasing numbers every year.

"A fool, A fool! I met a fool in the forest." Yes, I did, only the one I met did not even have the excuse he was wearing motley. The fool I met was well-dressed and looked also well-fed. And it is not often that you come across such an authentic moron. At any rate, this is only the second time I have run into stupidity of this vintage. The first time, if I remember right, was early 1950. It was at the club where he was waxing indignant to the accompaniment of clucking noises from a small circle of sympathisers. Hot and perspiring, he was repeating indignantly, "Why don't these chaps stay and put up a fight? Cowardly, I call it. Running away at the first wheeze of trouble and dislocating traffic in Calcutta!" He was apparently referring to those unfortunates who were obliged to leave East Pakistan because of a fresh wave of communal violence and whose unscheduled arrival had upset his own plans for the evening. It was obvious that he was deeply moved and none present was inclined to quarrel with what appeared a genuine, though somewhat shallow, grievance. But when carried away by the very fervour of his words, he added, "If I were there, I would have showed them!"

It was too much even for the complaisant crowd. Some one said, "You!" with such withering contempt that the man visibly shrivelled up into the pitiful fool he obviously was. The man I met the other day must be his blood brother. Again, it was at the club I met him. (Any inference you draw about my club and the company I apparently keep from what I have just said will, let me warn you at once, be non-sequitur, and probably libellous. My club sues and is sued in its name). "What does he want a holiday for?" I heard him saying as I was entering the room, and it was obvious that he was referring to Mr Nehru. And when no one bothered to enlighten him, he added, by a process of reasoning that was not very clear to me, "As though the whole ruddy outfit will collapse if he goes." Some one was moved to remonstrate at this stage and said, "Well, if it won't why are you beefing about his giving himself a short holiday?" "But why should he? I am objecting to the principle of the thing. There are millions in this country who cannot afford a holiday in the Kulu Valley. And here he is taking an IAF plane too, while we poor devils will be sweating our guts out here in this heat." I should like to think that it was the heat that was responsible for his outburst, but I very much fear it is not so.

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GATEWAY GOSSIP

THE failure of the recent reduction in the excise duty on all varieties of millmade cloth to bring about the desired improvement in the condition of the cotton textile industry shows that the illness that is currently afflicting the industry is much more serious than earlier thought to be. The spokesmen of the industry nevertheless think that a stronger dose of the medicine will lead to a quick recovery. But Government seem to think that further treatment should await the result of fresh diagnosis. The re-examination is to be conducted by an expert committee which will include representatives of the industry, labour, consumers and Government. The announcement in this regard has been made by Mr Lal Bahadur Shastri, Union Minister for Commerce and Industry last week in Bombay on the course of his discussion on the present crisis in the industry with the delegation of the Indian Cotton Mills Federation. In view of this announcement, Mr Shastri's statement that no further reduction in the excise duty is under consideration by Government cannot be taken to mean that such a possibility is entirely ruled out.

This committee which will be a small expert body, is expected to complete its task within a short period of time. The decision to appoint an expert committee is a clear indication of Government's anxiety to put the industry on an even keel. As Mr Shastri has pointed out that the findings of the expert committee will make it easy for Government to arrive at quick decisions, it is not surprising that no steps are contemplated before the report of the committee is available.

The plea for a further reduction in the excise duty is based on the assumption that the continued low offtake of cloth is due to the fact that cloth prices are found to be still too high. It is said that Government are not likely to make any further reduction in the excise duty for the simple reason that they are not convinced that there has been a decline in demand. Moreover, since the accumulation is heavier in regard to coarse cloth than in regard to other varieties, further reduction in excise duty will not be of much benefit to the industry as a whole.

Opinion in the country is by no means unanimous on the question of the demand for cloth. There is a school of thought which believes that the heavy accumulation of stocks with mills is largely due to the change that has taken place during the past year in the pattern of production of mills. Due to the higher incidence of the excise duty on finer qualities, there has been a general swing toward production of coarse cloth thereby increasing the supply of this category of cloth

to an enormous extent. The potential consumers of this variety of cloth, unfortunately, have not been in a position to buy even their normal requirements because of the increase in the price of food-grains during the period. The correct remedy, therefore, would appear to lie in an improvement in the food position in the country and in the swing back to their original pattern of production by mills.

Some aver that the present troubles of the industry have their origin in overproduction. This argument is buttressed by the fact that the organised sector has already attained the target of production set for it under the Second Five Year Plan. This view is based on the assumption that cloth consumption in the country has not recorded the anticipated rate of expansion. Thus, while consumption has remained more or less static production has proceeded on a quicker than scheduled pace. The result is a glut in the market. In this view the obvious remedy would be a curtailment of production. It may be recalled that such a course has been advocated by some spokesmen of the handloom industry. While it is true that internal consumption of cloth during the past year has declined by over 500 million yards it is still rather difficult to reconcile the statement that this points to the absence of an increase in demand with the fact that there has been a steady rise in cloth consumption in the country in the eight nine years prior to 1957. As has been noted above it is yet to be proved conclusively that there has been a fall in cloth consumption as such in the country during the past year. The facts that there has been a sizable increase in the production of medium and coarse cloth and that a major portion of the stocks with mills is accounted for by both these categories should not be lightly brushed aside.

A lasting solution of the problems of the industry will obtain only when energetic steps are taken to bring down the cost of production. This matter has gained added urgency because of the growing competition for Indian textiles in foreign markets. For success in their export promotion programme, the industry's products should satisfy two essential requirements. In the first place the quality of the cloth should be high and secondly prices should be competitive. It is said that our products now are lacking in both requirements. Indian mills are not in a position to lower the prices of their finished products because they are utterly helpless as the trend in cost of production is upward due to a variety of factors. By far the most powerful militating influence is the backwardness of the Indian industry so far as production and

marketing techniques are concerned. India's competitors in world markets on the other hand have already access to the latest machinery and techniques. For instance the great majority of the equipment now in place in Japan is said to be of the latest type machinery of very high efficiency. The comparative productivity of the Indian and Japanese textile industry will be evident from the fact that whereas in India the number of spindles handled by one operative is only 380, in Japan it is as high as 1,600 to 2,000. Again the number of automatic looms handled by a Japanese textile worker is between 60 and 100, while in India it is somewhere near the half way mark. It is no doubt true that a provision has been made in the current five year plan for a steady modernisation of the industry by the sanction of the installation of 18,000 additional automatic looms. But very little progress seems to have been made by mills in this regard. It is said that the exacting and penal conditions attached to the installation of automatic looms coupled with the paucity of funds with the industry due to high taxation and rising spiral of production costs, have rendered it impossible for the industry to embark on a programme of modernisation. But the problem of rehabilitation and modernisation is an urgent one for the Indian industry because its productive equipment is not only antiquated but is in a run-down condition.

There are indications that Authority may be thinking in terms of suitable relaxations of the conditions governing the installation of automatic looms with a view to improve the competitiveness of Indian mills in world markets. But it is idle to expect any hurried revision of Government policy in view of the resistance of labour to the progressive introduction of modernisation and rationalisation measures. It is also incumbent on Government to ensure that there is no serious dislocation in the handloom sector. The present crisis in the industry which has already resulted in large scale unemployment may serve to impress on labour the need for taking a realistic view of the situation. For if the obsolete equipment of mills is not replaced by more efficient modern machinery, Indian textile goods will steadily lose their hold in foreign

markets and the consequence will be disastrous for the industry as a whole. It is inconceivable that in such a situation labour can hope to remain unaffected. But if labour agrees to cooperate with the industry in its urgent task of rationalisation without further loss of time, there is every possibility of averting large scale unemployment. Moreover, in a phased programme of modernisation the chances of dislocation are negligible. By the same token Government have perforce to consider sooner or later the advisability of arriving at a workable formula for the modernisation of mills. Apart from the aspect of labour resistance there is the question of obtaining the necessary modern machinery. Though considerable progress has been made in the country in recent years toward indigenous manufacture of textile machinery and stores, the industry has still to rely largely on imports for its requirements.

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(1) Post signal (Lattice), (2) Ladders complete (Lattice) of various sizes and (3) Bracing, guard, hand rail, top platform (ladder).

Tender will be opened at 12 noon on 27-6-58.

Tender forms (not transferable) with full particulars are obtainable from the office of the Controller of Stores (Construction Section), Garden Reach, Calcutta-23 at Rs 5/- (not refundable) per set by money order to him direct in the case of outside firms and on production of cash receipt from this Rly's Chief Cashier by local firms.

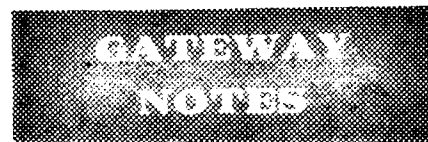
Tender forms should accompany the receipt for depositing earnest money of Rs 1,000/- with this Rly's Chief Cashier without which the tender is liable to be rejected. Contractors having permanent deposit of Rs 1,000/- with the Controller of Stores are exempted. Firms not on this Rly's list of approved contractors must enclose a valid Income Tax Clearance Certificate with the tender.

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SPEAKING at the first meeting of the Central Advisory Council of the Exports Risk Insurance Corporation, Mr Lal Bahadur Shastri, Union Minister for Commerce and Industry has said that if a lasting solution to the present problem of shortage of foreign exchange is to be found, there is no alternative but to step up exports. With its emphasis on the development of basic industries and transport, the Second Five Year Plan involves a heavy strain on foreign exchange resources. Even after taking into account the possible receipts from external assistance, the Planning Commission have estimated that there will be an uncovered gap in the financial resources of the Plan. While indicating the possibility of external assistance being available on a larger scale than anticipated, the Commission have made it clear that the "accent of policy has necessarily to be on maximising export earnings and on economising to the utmost on imports". In the last two years the strain on foreign exchange resources has become heavier than anticipated due to a variety of reasons such as large imports of foodgrains, decline in export earnings, a sizeable increase in import costs, etc. In their recent memorandum to Parliament, the Planning Commission have pointed out that the shortfall in foreign exchange resources is not likely to be made up by further foreign assistance. The utmost economy in the spending of foreign exchange has already been effected by means of the new import policy which now allows only the imports of the most essential articles. Even so, there is urgent need for augmenting foreign exchange resources and this can be done only by concerted efforts toward export promotion.

But the fact that earnings from traditional exports such as tea and jute have shown a declining trend in the past two, three years indicates the need for adding more and more items to our export list while taking active steps to expand the market for the established items. Referring to the present difficult situation in the cotton textile industry, Mr Shastri has pointed out that there is urgent need for increasing exports. But this has proved to be a complex problem requiring the close cooperation of the industry and Government. Export promotion in textiles should first of all ensure that there is no undue rise in internal prices. It is also to be noted that "exports can be built up sometimes only at considerable sacrifice". The sugar industry for instance is now confronted with a similar problem.

One of the important steps taken by Government toward promotion of exports is the establishment of the Export Risk Insurance Corporation which is a business concern in the public sector. It is wholly

owned by Government and is worked on a no profit—no loss basis. The Corporation covers those risks which are not normally insured with commercial insurers in the private sector. The Central Advisory Council serves as a link between the Corporation and the export trade by advising the Corporation regarding the insurance needs of the export trade, the changes taking place in the export trade and the steps to be taken to provide for new conditions.

Explaining the working of the Corporation, Mr Shastri has pointed out that though it works within the scope prescribed by the Government Resolution, in the matter of risks covered and procedure to be adopted it has to work on the basis of the Export Credit Guarantee Committee's report. The Advisory Council is free to recommend any change in the practice of the Corporation if it thinks that such a measure will help promote exports. Mr Shastri, however, has cautioned against making any change which will have the potentialities of deteriorating the standard export practices.

★

Calcite Deposits

Once in a state of flourishing growth when the wartime scarcity of certain mineral powders gave it an immense boost, the calcite industry of Saurashtra, has, in recent times, been languishing for want of proper encouragement, the products of the industry having been ousted from their traditional markets by cheap fine mineral powders. In the competition between the calcite products and mineral powders, the higher mining and production costs of the former are a distinct disadvantage which prevents it from standing on its own legs.

The survival of the industry in such circumstances is only possible if the necessary steps to develop it are taken by the Government. The case for the revival of the industry rests on the wide variety of uses to which the calcite can be put as well as on the wide distribution of calcite in the region of Saurashtra.

Manufacture of calcium carbide, bleaching powder, its usefulness as a flux in metallurgical operations, for making glaze in pottery and in making industrial lime for a variety of purposes are the important outlets for the calcite. Suitability for use as a whitening in rubber, textiles, paper mills, glass works, tanneries, sugar factories etc. should further enhance its utility. Manufacture of chemicals is yet another important line which however needs more of exploratory work for being finally established. Further though the excessive opaqueness of calcite crystals renders them unfit for optical purposes, in

the preparation of nicols prisms the transparent crystals of calcite should prove an invaluable ingredient. On the basis of the immense potentialities of calcite the geologists who had carried on investigations into the calcite deposits in Saurashtra and who had studied the economics of its mining and utilisation in industry, had advanced the case of the industry for consideration by the Government so that it could be reestablished in all its diverse lines.

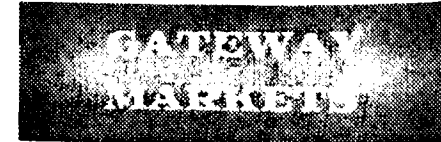
The richness of the present deposits in Saurashtra should facilitate quick development of the industry. The deposits in Saurashtra are considered to be not only the best in the country but also unique ones of their kind in the whole world, for the reason that they run over long distances in different directions and besides persist upto 30 to 50 feet or more in depth. Nawanagar, Porbandar, Junagadh, Bhavanagar, Gondal, Morvi, Palitana, and Wadhawan are all noted for their calcite deposits. However it is Amreli which with a deposit of 28,000 tons within a depth of 15 feet alone, takes the credit for the most important and the richest deposit. The new mineral concession rules of the Government of Saurashtra is another favourable factor in the conservation of the calcite deposits of the region since the previous system of monopoly rights had led to considerable waste.

★

Cooperative Movement

Bombay is foremost among the few States where the cooperative movement has been able to achieve considerable progress. That the movement continues to be popular in this region is evident from the annual report on the working of the cooperative societies during the year 1955-56 in the former Bombay State. Total number of cooperative societies which stood at 18,847 at the end of 1954-55 increased to 19,447—an increase of 600 societies. Of the total, agricultural credit including multi-purpose societies were 11,598, agricultural non-credit societies 1,812 and non-agricultural non-credit societies 3,933. Membership of societies had increased from 29.66 lakhs to 31.54 lakhs.

Total working capital of the societies also show a substantial rise of Rs 18.39 crores at Rs 139.92 crores. Owned funds at Rs 47.89 crores show an increase of 26 per cent over those of the previous year. The popularity of the movement is well brought out by the fact that the percentage of population served by all types of societies which admit of duplication of membership is placed at 43.9. Nearly 30 per cent of the cultivating population is actively participating in the movement.



Export Outlook for Castor Oil

UNCERTAINTY still persists about the outlook for Indian Castor Oil. Pessimism stems essentially from the continued absence of the US buyers from the Indian market. Against its annual consumption of about 55,000 tons of castor oil, the US imported nearly 22,000 tons last year from India. This year, it is not known to have bought anything so far; but its implications can be easily exaggerated.

During the period January/March 1958, America has taken 12,700 tons of castor oil from Brazil. Imports, during the same period last year, totalled 15,060 tons, comprising 5,884 tons from Brazil, 8,167 tons from India, 587 tons from Argentina and 422 tons from Africa. Reduced imports by the US reflect partly some decline in actual consumption caused by the slackness in industrial activity and partly due to the trade's desire to reduce inventories of all raw materials.

Consumption in March is put at around 3,800 tons against 4,900 tons in March 1957. On the basis of consumption during the first quarter, the total figure this year may be down by 10,000 to 12,000 tons over the year. Total stocks of castor oil with the American trade, at the end of March 1958, are mentioned at around 14,530 tons as compared with 11,520 tons at the end of March last year.

Reliable reports are, that the US buyers have recently paid 13½ cents per pound for Brazilian castor oil. This indicates that the demand persists and that Brazil is no longer an eager seller. Indian commercial oil often commands a premium of about half a cent per pound over Brazil's grade III.

In spite of adverse developments, a section of the trade is still disinclined to take an alarming view of the situation from the long-term angle. It is pointed out that, while limited re-sales by Rumania and vague reports of competition by China may have an immediate adverse effect on overseas markets, the potential US demand will continue to hold out hopes for the country. The general feeling is, that the demand will pick up once the picture of the Brazilian crop is clear.

From the domestic angle, too, the position is not totally bad. Hyderabad—the major producer of castor seed—has already marketed the bulk of its output and stocks with the growers are reported to be very small in Bihar. Gujarat has yet to market the bulk of its crop; but this is not expected to cause anything worse than spells of temporary weakness.

On the other hand, the total supplies of castor oil, including the carryover, are estimated at about

35,000 tons. Of this quantity, nearly 5,000 tons have already been shipped abroad and commitments have been outstanding for nearly 3,000 tons. Domestic consumption is expected to be higher this year. The net exportable surplus is, thus, estimated at about 15,000 tons; and there are at least six months more to ship this quantity.

Meanwhile, in the futures section, September delivery touched a high of Rs 151.50 and a low of Rs 150.50, to finish at Rs 151.37. In the ready section, the rate was quoted at Rs 29.50 and Castor Oil, Commercial quality, at Rs 15.12.

In the Groundnut section, price movements were rather irregular. August delivery moved between Rs 168 and Rs 169, to finish at Rs 168.50. Ready Bold quality was done at Rs 34.62 and Groundnut Oil at Rs 18.31.

Trading in the Linseed section was dull and featureless. September touched a high of Rs 31.37 and a low of Rs 31.19 to close at Rs 31.37.

Sentiment in the Cottonseed section remained rather depressed with September delivery moving between Rs 107.25 and Rs 108.

★

Gold & Silver

Conditions on the Bombay Bullion Exchange remained quiet and prices continued to ease under discouraging advices from the spot section, while lower upcountry markets and tapering off demand held buyers in check.

In Silver, the buying season appears to be drawing to an end with offtake shrinking not only in Bombay, but also at other upcountry centres. Arrivals and offtake were estimated at 30 and 17 bars respectively. Unrefined metal receipts were heavy at 36 bars. Spot changed hands at Rs 189.69 to Rs 190.62.

In the Gold section, arrivals and offtake were balanced at 6,000 tolas. Unrefined metal receipts totalled 4,500 tolas. Spot changed hands at Rs 111.16 to Rs 111.59, while Sovereign was quoted around Rs 72.00.

★

Yarn

Art Silk Yarn prices have eased considerably during the last few days. It appears that the new scheme of distribution, which seeks to restrict the profit, is having its effects on the prices of indigenous material. The easiness in prices is welcome from the point of view of the industries using art silk yarn as raw material. It is widely complained, however, that the distribution scheme is still not working to full satisfaction. It has been difficult for the small-scale manufacturers to secure their full requirements at reasonable prices. It is, therefore, obvious that the scheme will succeed in achieving

its aims only if the malpractices are effectively checked.

In distinct contrast to the depressing trend of cotton textile exports, shipment of Rayon fabrics is steadily rising. Apart from this, an equally big, if not a bigger quantity, has been sent abroad through post parcels. It should be said that the efforts of the Silk Rayon Textiles Export Promotion Council have started paying dividends.

As regards Staple-Fibre yarns, prices have remained very steady in ready deliveries and, in some

cases, there has been moderate improvement in prices. There is a good demand, both for hanks and cones; and the demand is likely to show improvement in the next few weeks. In case of dull cones, a large amount of business has been transacted, mainly in the Punjab centres for forward delivery. On the whole, situation in staple in yarns continues more or less satisfactory as compared with the situation in art silk yarns.

There is, however, absolutely no change in the case of Cotton yarns.

Reports from almost all important consuming centres go to show that, in spite of all the efforts taken by Government, there has been no material improvement in the prices of handloom cloth.

As regards export markets in the last few months, the demand has considerably fallen off. In spite of some of the mills having recently lowered the prices for export, actual business resulting has been very small. The future tendency remains uncertain.

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United Industrial Bank Ltd.

BALANCE SHEET AS AT 31st DECEMBER, 1957

[illegible]

Profit and Loss Account for the Year Ended 31st December, 1957

EXPENDITURE		INCOME	
Ra. NP.		Ra. NP.	
303,949.87	1. Interest paid on Deposits, Borrowings, etc. ...	7,21,063.26	1. Interest and Discount ...
	2. Salaries and Allowances and Provident Fund (including Salaries and Allowances of General Manager, Rs. 17,054.84) ..	50,530.93	2. Commission, Exchange and Brokerage ...
349,051.69	3. Directors' and Local Committees Members' Fees and Allowances ...	Nil	3. Rents ...
	4. Rent, Taxes, Insurance, Lighting, etc.	Nil	4. Net Profit on sale of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account) ...
3,200.00	5. Law Charges ...		5. Net profit on revaluation of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account) ...
46,723.44	6. Postage, Telegrams and Stamps ...		6. Income from Non-Banking Assets and profit from sale of or dealing with such Assets
8,515.60	7. Auditors' Fees ...	44,425.25	7. Other Receipts ...
3,964.81	8. Depreciation on and Repairs to the Banking Company's Property	Nil	8. Losses ...
8,000.00	9. Stationery, Printing, Advertisement, etc.		
7,836.41	10. Loss from sale of or dealing with Non-Banking Assets ...		
22,333.21	11. Other Expenditure ...		
	12. Balance of Profit ..		
Nil	TOTAL Rs. ...	52,304.03	TOTAL Rs. ...
20,236.98			
47,196.45			
<u>Rs. 16,039.46</u>		<u>Rs. 16,039.46</u>	

Particulars of Advances

(I) Debts considered good in respect of which the Banking Company is fully secured	31-12-56. Rs. nP.	31-12-57. Rs. nP.
(II) Debts considered good for which the Banking Company holds no other security than the debtors' personal security	90,52,117.78	93,06,011.48
(III) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the Debtors	8,03,134.47	8,06,574.23
(IV) Debts considered doubtful or bad, not provided for	47,274.64	37,572.39
(V) Debts due by Directors or officers of the Banking Company or any of them either severally or jointly with any other persons	Nil	Nil
(VI) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of Private Companies as Members	99,02,528.89	1,01,48,158.06
(VII) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons	60,390.61	77,568.91
(VIII) Maximum total amount of advances, including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of Private Companies, as Members	Nil	Nil
(IX) Due from Banking Companies	6,30,302.57	79,447.19

Auditors' Report to the Shareholders

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory. In our opinion proper books of account have been kept by the Bank as required by law so far as appears from our examination of those books, and proper returns adequate for the purposes of our audit have been received from the Branches, which have not been visited by us.

We have examined the Balance Sheet of the United Industrial Bank Ltd., as at 31st December, 1957, and the annexed Profit and Loss Account for the year ended on that date, which are in agreement with the books of account and returns.

The transactions of the Bank which have come to our notice have been within the powers of the Bank.

In our opinion and to the best of our information and according to the explanations given to us, the accounts of the Bank are properly drawn up so as to disclose, in the case of Balance Sheet, the state of the Bank's affairs as at 31st December, 1957, and in the case of Profit and Loss Account, a true balance of Profit for the year ended on that date, so far as is required by the provisions of the Companies Act, 1956, and the Banking Companies Act, 1949.

Calcutta,
17th March, 1958.

LOVELOCK & LEWES,
Chartered Accountants

M. K. BHATTACHARYA,
General Manager.

Sd/- JADU NATH ROY	}	Directors.	}
Sd/- K. D. ROY			
Sd/- S. C. LAW			

Sd/- JADU NATH ROY	}	Directors.	Sd/- S. K. DAS
Sd/- K. D. ROY			Sd/- P. N. ROY

BOMBAY
REVIEW

ACCORDING to official figures, total shipments of cotton piecegoods from the Bombay Port, during the first quarter of 1958, at 165.42 million yards, have shown a decline of nearly 30 per cent as compared to the figures for the corresponding of last year. Excepting the American zone, shipments to all other zones have shown a decline. The most disquieting feature is the steep fall in exports to the Asian zone.

Oftake by countries in the Asian zone, during the period under review, totalled 39.44 million yards as against 86.97 million yards in the first quarter of 1957. The only consolation, however, is that export to the American zone have improved slightly to 7.48 million yards from 6.5 million yards.

Goods passed for shipment, during April, were 50.35 million yards as against 53.95 million yards during the previous month and 81.97 million yards in the corresponding month of last year. At this rate of dwindling exports, it is doubtful if exports, during the current calendar year, will exceed 650 million yards although India had exported about 850 million yards during last year.

There is a general opinion that, in spite of the recent cut in the excise duty, the offtake of cloth has not improved much. Although the quantity of unsold stocks with the mills has tended to decline in recent weeks, it is significant that the output of cloth has also been lower. According to some reports, some 26 mills have ceased working completely and about 37 units have closed down partially.

For obvious reasons, the Bombay cloth market has exhibited a subdued tone and the offtake may be said to be comparatively on a reduced scale. The recent withdrawal of the OGL in Sudan and reports from East Africa of the imposition of heavy import duties have also caused serious disappointments, as these two destinations have been consuming substantial quantity of Indian textiles. Export business is, therefore, likely to dwindle further for some time to come. It is high time that exporters should explore new avenues as well as consolidate the traditional markets with the help of the Government and co-operation of the industry.

Enquiries from the UK do not still seem to gather momentum. Meanwhile, the tripartite discussions between the representatives of the trade and industry in the UK, India and Pakistan do not seem to have met with success in the absence of any agreement on the import of grey goods from India and Pakistan. The Lancashire interests do not seem to have yet lost hopes as the Indian and Pakistani delegations have accepted in principle to limit exports.

The disheartening news of a sudden heavy increase in the scale of import duty on all categories of

cloth by the East African authorities has had an adverse effect on the export market. This sudden heavy increase in the customs tariff has put a temporary halt to the brisk activity for this destination. But, exporters hope that this destination will yet resume activity for some of the qualities after a week or so.

Again, the present structure of the railway freight has increased the incidence of cost which ultimately affects our competitive character in the foreign markets. It is, therefore, urged that the Government should immediately announce some rational basis of railway freight for the purpose of exports of cloth and other items, which may go a long way in reducing the price of our cloth exports.

Yarn production has also been steadily declining. This has acted adversely on the consumption of indigenous cotton which, since February, has been showing a progressive decline. It may be noted, in this connection, that, of late, there has been a shift in the consumer preference from coarse and medium to fine and superfine goods. This change in the consumer preference will, it is stated, worsen the prevailing situation in lower varieties of cotton.

FUTURES MARKET:

After an early spell of dullness, cotton futures soared on heavy buying by leading spot house and bulls. Informed circles stated that the Government would soon allow export of 25,000 bales of 25/32" stapling cotton to China as urged by the Chinese Government. This changed the entire sentiment. ICC Moglaj Jharilla closed at Rs 671.50 after touching a high of Rs 673.23 and a low of Rs 670.25.

SPOT MARKET:

The Spot section ruled steady in rather restricted activity. There was sustained demand for staple varieties, the qualities sought after being CO/2, Lakshmi, Jaydhar and 0394, etc.

Meanwhile, the Government of India have decided that "floor" and ceiling prices of Indian cotton for 1958-59 season should be maintained at the same level as for the 1957-58 season. The price schedule, with the necessary amendments, will be issued in due course.

In the export section, enquiry for Bengal Deshi has been steadily receding with the absorption of first-come-first-served quota. Shippers are anxiously awaiting the new quota.

In the foreign section, spinners were forced to buy at advancing rates following the scarcity of foreign varieties.

Textile interests seem to be deeply concerned over the delay in the

Piecegoods Exports

WORLD OF
COTTON

announcement of the allocation of American cotton. It appears that the negotiations, which the Government of India have been carrying on with the US Government in this respect, will involve a considerable time to take a concrete shape. In fact, some people are of the opinion that the announcement cannot be expected, at any rate, till the first week of August when the US Bureau's new crop report will be released.

This means, that no foreign cotton will be available to Indian mills till the end of the current year, if the Government are to count on American cotton only. As the position now stands, mills are already working on a hand-to-mouth basis so far as foreign cotton is concerned. Mill interests have, therefore, suggested to the Government that, in order to enable them to plan their production programme in advance, import of an additional quantity of one lakh bales of East African cotton should be urgently allowed. The ruling prices of East African cotton are relatively much cheaper than those of American growths.

STATISTICS:

Exports by rail, from 1st September 1957 to the 15th May 1958, were 206,696 bales. Estimated mill consumption in Bombay, during the same period, was 908,915 bales as against 948,288 bales in the corresponding period of last year. Estimated stock of raw cotton, held by exporters, dealers and mills in Bombay on the 15th May, was 720,006 bales as compared to 35,535 bales on the corresponding date of last year.

According to official statistics, Indian mills consumed, during March, 354,288 bales of domestic and 47,643 bales of foreign growths. In the same month last year, consumption was 399,609 bales of Indian cotton and 46,428 bales of foreign. Consumption, since the commencement of this season on 1st September 1957 upto March 1958, totalled 2,650,949 bales of Indian and 340,929 bales of foreign cotton against 2,724,023 bales of Indian and 338,725 bales of foreign cotton in the corresponding period of the previous season.

The decline in domestic cotton consumption reflects the cut in production due to the closure of some mills and the stoppage of additional shifts by some others. The improvement in foreign cotton consumption underlines the increased consumer interest in finer fabrics at the expense of coarse and medium cloth varieties.

NEW YORK COTTON MARKET:

Following an irregular opening, prices on the New York cotton futures market extended their

recent downward movement under hedging and commission house liquidation along with uncovering of some stoploss orders. The market's action reflected improved weather in the south. Selling eventually tapered off and the market developed rallying tendencies on trade buying against textile operations and short-covering. Middling Spot was quoted at 36.40 cents per pound.

The Agriculture Department, New Orleans, has announced the export sale of 60,787 bales of United States Government-owned cotton at 28.63 cents per pound basis middling inch cotton. At the previous sale of this cotton on May 1, the Department sold 73,139 bales at 28.44 cents per pound. Net sales of this short-staple cotton, from the time the 1957-58 disposal programme started in March 1957, totalled 5,705,601 bales.

Textiles and Technology

In the context of the current controversy over rationalisation in the Cotton Textile Industry, and especially the opposition of Labour Unions, the findings of the Textile Committee of the I.L.O. are of considerable interest. The committee consisting of delegates representing Governments, employees and workers of 20 member countries examined the effects of technological developments and the level of employment in the textile industry, and the working conditions in that industry. The resolution adopted by the committee on the effects of technical developments states that "these lead to lower production costs, higher consumption of textile goods, thus creating a situation, leading to social progress, whereby a steadier and higher level of employment can be maintained, fair wages can be paid and good working conditions and amenities of labour provided, together with a higher level of real earnings".

This conclusion of the I.L.O. committee should persuade Trade Unions to take a more helpful attitude on the question of rationalisation. They may, however, point to the inevitable time lag between introduction of technological developments which will throw men out of their jobs immediately and the higher level of employment possible in the future as a result of social progress. In the absence of provision for unemployment relief, the transition can cause real and widespread hardship. But the difficulties can be minimised by close cooperation between representatives of management and workers and the Government to deal with effects of redundancy. And a fair distribution of the benefits arising from technological developments will create the conditions in which such co-operation can be effective.

PREScription

A week's hard thinking, first by the AICC and later by the Working Committee, has resulted in the enunciation of certain basic principles that should govern the conduct of Congressmen. The formulation of this code has been the result of a session of heart searching, goaded on by Mr Nehru's public dissatisfaction with the state of the party's health. As I reported last week, the Congress President had prepared a note for the AICC in which he indicated what in his opinion needed to be done in order that, as he put it, they might deserve Mr Nehru's continued association with the Congress. This note was debated and elucidated, among others by Mr Nehru himself. The sum of the wisdom garnished after much discussion has now been embodied in the form of a code. There is every indication that top leadership is determined to see that this code is strictly honoured in observance.

It is a fourteen-point programme dealing with all aspects of Congressmen's public conduct. But its principal presumptions are broadly four. The first is what has come to be called the problem of communalism and casteism. The second is group rivalries and factional bickering in the party set-up. The third is the education of Congressmen in the fundamentals of its ideology and the administrative and social instruments of such ideology. The fourth is the all important subject of winning back the confidence of the public where it has been lost and of improving the efficiency of the administration.

On the subject of casteism and communalism, the Congress has so far been talking in unexceptionable but general terms. During the current series of introspection, however, aspects of the problem that were formerly obscured by vague generalisations were brought into sharp focus. Mr Nehru himself took the lead in the matter and indicated his misgiving that minorities have not had a square deal in matters like employment opportunities. He also referred to onerous conditions like Hindi tests for appointments, and the unconscious resistance to giving Urdu its due place as the language of the country. That is one aspect of the problem. The other is the communally oriented politics at the State level. The Working Committee's suggestion in this regard is that "casteism both in its social and political aspects should be faced boldly and systematically" and put an end to. The emphasis is both on courage and continuous effort. If action matches this profession and every time an act inspired by communal consideration is sternly suppressed, even if such sternness meant the losing of an election, it would indeed have a tonic effect on the organisation. If,

on the other hand, the present tendency to temporise and compound with misconduct continues, then no amount of exhortation can help. The test is whether or not the High Command is willing to examine every case where there is an allegation of communal consideration at work. It might be that such allegations themselves are 'inspired'. But they should be investigated instead of being shelved because of the possibility that they might hurt Congress 'prestige', or offend principal interests. There is evidence that a basic departure from the former attitude is in the offing and that the High Command proposes to act in the spirit of its recent decisions. The investigation of and the final findings on the affairs of the Punjab Congress, especially on the conduct of Sirdar Pratap Singh Kiron, by the Congress President are an instance in point.

On the question of casteism in the context of bread and butter, the code prescribes that, except for scheduled castes and tribes, the criterion of assistance and award of scholarship, etc., should be based on economic and not caste considerations. Here again, the test would come only when actual occasions for distribution of largesse arise. One extreme test of this code would be whether a member of nominally progressive community, say, the South Indian Brahmin, would qualify, on grounds of economic disability to financial assistance in one form or another. It seems exceedingly unlikely that such assistance would be automatic. The fact is, casteism, in one form or other, has entrenched itself in all forms of economic vested interests and dislodging it is possible only when it is a conscious and continuous act of faith. Every time a blow is struck on behalf of the principle enunciated in the code brings us nearer the objective of a casteless society. And every time an act offending the principle is allowed to go unchallenged, either by apathy or by ulterior motives, the evil is allowed to gather further strength—the strength of inertia of the status quo. The Congress will still face its severest test in this aspect of its new code. The only consolation for the Congress, from the point of view of party political fortunes, would be that other parties, too, will have to reckon with the same problems, unless they are, like the DK and DMK in Madras, frankly communal in their ideology.

As regards factional and group rivalry, its commonest form, other than that of barely disguised communal affiliations, as in Mysore, is friction between those that run the Government and those that run the party. Often it is the case of the party man being jealous of the

power of his colleague who has the resources of Government under him. This rivalry takes all kinds of ugly shapes: the party boss tries to interfere in Government, and this often leads to needless straining of loyalty of the officials at all levels. The Minister, on the other hand, may behave in utter disregard of party feelings, because of his notion that he is the man who dispenses the real favours. Another aspect of the problem is the rivalry between the Parliamentary and non-Parliamentary wing of the party: the constructive worker often feels, not without justification, that despite lip-service paid to his central importance, he is treated as a nobody by the Parliamentarians. Not often, the scramble to get a ticket for election is nothing more than the compelling desire to get on to the right racket. All the familiar ills that follow a situation in which too many contend for few prizes—nepotism, sycophancy and jockeying for position—are there. And above all, petty intrigue, the most demoralising influence in Congress politics at the State level, is at work all the time.

The prescription for these ills cannot, by its nature, be specific. Some that were canvassed during the AICC session were abandoned. One was that top leaders should resign from Government and take charge of the party affairs. This desperate remedy was rightly rejected, for the reason that derives its justification from Goldsmith's famous cautionary moral from Burke's life: one should not give to the party what belongs to the nation. Mr Nehru more practically suggested that the Chief Minister of a State should be the party boss of the area. This might solve personal rivalry at that level, but it is doubtful if the party will be properly looked after. Here as elsewhere, there is no substitute for character. No doubt, organisational streamlining will help, though its ultimate efficacy must be a matter of either self-discipline or party-discipline. The code prescribes, among others, a strengthening of the Mandal Congress Committee with a minimum programme of palpable achievement. This will include increase in agricultural production, mobilising small savings and participation in community development work. Targets have been fixed for the next six months. Each mandal committee, each MLA and each member of Parliament should collect by way of small savings Rs 1000, Rs 1000 and Rs 2000 respectively. This is certainly a sensible way of combining a test for the mettle of partymen with an important national endeavour. The idea is a variation of Gandhian insistence on compulsory spinning, and an evaluation of the success of the experi-

ment in concrete terms of increased figures of small savings will be awaited with interest.

It is possible to think up many such ideas that will at once serve as an item of immediate national service and a test of the Congressman's determination to purify himself and his party. Of course, it is possible that one can carry these ideas to absurd lengths, but with some sense of proportion, it should serve the primary purpose for which it is devised.

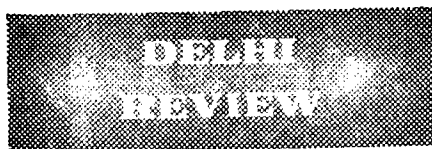
For the rest, the code contains specific recommendations for co-ordination between party and Government. A sub-committee of the Pradesh Congress Committee should meet periodically, the State Cabinet to discuss problems of development and also to redress popular grievances. This is designed to minimise and to assuage the party feeling that its wishes are not respected.

All this is to go with an effort at giving the rank and file of the party a good grounding in the ideology of the party. It is proposed to produce suitable literature for the purpose and to have it distributed. Discussion groups, seminars and study circles are also contemplated. The ideology sought to be propagated is designed in the code itself as broadly the fundamentals of socialism and democracy. The ideals of a secular state are also part of this ideology. One need not seriously quarrel with this aspect of the programme, except for giving the warning that rigidity is a danger that is to be avoided in any effort to work up an ideological enthusiasm. For, as Communist history demonstrates, ideological enthusiasm is often in direct proportion to the rigidity of the central faith. Such enthusiasm might well be bought at too high a price.

A rather odd omission in the educational programme outlined by the Working Committee is detailed instruction in the aims, methods and tasks of the Plan. One hopes that the proposed study circles will discuss these rather than doctrinaire points of ideology. Another item in the Congress programme for the immediate future is the training of a cadre of workers for implementing and participating in the Plan. This certainly is a very vital undertaking and one which is likely to help both the party and the country.

It is indeed in this manner that attention must be focused on the constructive activities that can and should be undertaken as part of their tasks by the rank and file of the party. And there is no getting away from the feeling that such endeavours would importantly contribute to the achievement of targets under the Second plan.

DELHI
REVIEW



Following the wave of closures of mills which swept many sectors of industrial activity and particularly the cotton textile industry, the employment situation for industrial labour in the country has shown a marked deterioration. This is a development which could not but be viewed with concern and as such it was only natural that this should have figured prominently in the Indian Labour Conference which was held at Nainital.

The discussion of the causes for such closures and the remedy suggested for them revealed wide differences in the viewpoints of different members, with the Communist leader Mr S. A. Dange going to the extreme extent of equating such closures by employers to pure fraud. A dose of preventive detention would according to him once for all, forestall such closures in future.

Even the leaders of the INTUC were tempted to read more into it than would have been warranted by actual facts. Mr Somnath Dave of the Indian National Trade Union Congress stated that it was incompetence that was responsible for the closures, and on this basis, took his stand against any cutting down of wages so as to keep the mills going. Bombay's Labour Minister, Mr Shantilal Shah, while he justified the action of the workers of the Sholapur Mills in accepting lesser pay as being meant to absorb shock, was however not inclined to give in to the demand for the extension of cut in wages to other mills.

There was thus little inclination on the part of the labour leaders to understand the difficulties of the mills which were neither the result of incompetence as made out by the INTUC leader nor of pure fraud as the AITUC leader Mr Dange would have it. As it had turned out, it was overproduction of coarse cloth that formed the real core of the difficulties in the textile industry. The authenticity of this analysis is confirmed by the very recommendation made at the Conference to the effect that Government should give grant or loan assistance to the industry for rehabilitation and modernisation of machinery as also for provision of long staple cotton so that production of finer cloth which is more easily saleable would be facilitated.

The conference also made a number of recommendations to prevent closure of mills in other sectors of industrial activity. For the jute industry outside West Bengal transfer of looms from one unit to another without prior permission of the State Government is sought to be banned by a recommendation. In regard to closure of tea plantations in Assam the conference has recommended to the Government of India to take suitable steps to

avoid closures after examining the recommendations of the Plantation Enquiry Commission and the Industrial Committee on Plantation.

So far as the engineering industry was concerned how the closures in this sector could be eliminated without assuring sufficient supply of steel was something for which the conference could not suggest anything. The conference had but to recognise the difficulties experienced by the engineering industry in regard to steel and had in this connection drawn the attention of the Government to the need for ensuring better supplies of steel to the engineering units. Appreciation of this difficulty resulted in the liberalisation of the standing order which requires mills to give two months prior notice in case of closure, to one month for individual units in real difficulties.

The difficulty faced by the engineering industry in regard to its steel requirements highlights the general shortage of imported equipments consequent on which many industries had to restrict production with adverse effects on employment prospects. Though Mr G. L. Nanda, Union Labour Minister referred to this and even hinted at worse effects in the future he could not suggest any remedy to counter their effects on employment. Since the Central Government have set up a working group to study and review periodically the question of closures it might be hoped that untoward developments affecting employment position and prospects for the workers would be properly dealt with.

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Threatened Port Strike

The failure of the talks between the Central Government and the Working Committee of the All-India Port and Dock Workers' Federation is to be regretted. As a result the shadow of strike in the major ports of the country has again loomed up. At a time when the country is struggling with a bewildering variety of problems to implement the Second Plan, it can ill stand the jolt of the type which it would receive from the stoppage of the flow of materials in and out of the country which would result when the strike materialises. It is indeed a sad irony that the decision should have been taken at a time when the Indian Labour Conference was meeting at Nainital to discuss the question of evolving a satisfactory machinery for settling industrial disputes in both the private and public sectors.

According to Mr S. C. C. Anthony Pillai, M.P., Vice-President of the All-India Port and Dock Workers' Federation, the decision was precipitated by the intransigence of the Government in not meeting the demands of the Federation. The main points in the dispute between

the Central Government and Federation relate to the unwillingness of the Government to accept the recommendations of the Chaudhury report regarding gratuity benefit to the port workers, lack of provident fund benefits to the port workers on the lines of such benefits to other Government employees, and the demand of the port workers for treatment on a basis of equality with other Government employees. While the Federation has taken its stand on the report of Mr Chaudhury, the Central Government seem to have preferred to await the report of the Second Pay Commission before making any commitments in regard to provident fund benefits and gratuity scheme.

Rationalisation of the pay scales of the port workers to bring uniformity in the major ports which is an important head of recommendation in the Chaudhury report is yet another item in regard to which the two parties could not come to an agreement for negotiations.

But in spite of what Mr Anthony Pillai has alleged about the long-standing nature of the dispute and the Government's refusal to give a fair deal to the port workers the decision to strike would be premature since the Central Government have only asked for some more time to study the report of Mr Chaudhury. In view of this, the claim made by Mr Anthony Pillai that they had explored all other possible avenues of settlement without any success is rather untenable. Considering the grave consequences to the economy that would follow the strike, it may be hoped that the strike may yet be averted.

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Small Scale Industries

The difficulties of the small scale industries in implementing the targets, seem only to have been aggravated by the foreign exchange shortage which evidently seems to be having widespread repercussions on the pace of progress of the economy. While it has been estimated that the annual requirements of foreign exchange for the small scale sector are of the order of Rs 1.3 crores, the allocations for the current licensing period are far short of the requirements of the industry. Against the pending demand for imported machinery of the value of Rs 70 lakhs the allocation, for the licensing period of April-September is only for about Rs 15 lakhs. This has been viewed with great concern at the eleventh session of the All-India Small-scale Industries Board which met at Mussoorie last week. Since it is certain that in the absence of adequate foreign exchange the pace of progress in the small-scale sector would be retarded, whether it would be

possible to meet the needs of the sector by making minor adjustments under various heads of foreign exchange has to be looked into by the Government.

Assistance by the Government by way of Government contracts is another factor which governs the progress of the small-scale industries. The volume of such assistance has in recent times shown a sizable increase, the value of contracts having gone up from Rs 4.68 lakhs in 1955-56 to Rs 62.15 lakhs in 1957-58. But the organisational side of this activity has been found to be deficient on the side of proper coordination. Mr Kennard Weddell, Chief of the small Business Programme in the U.S. Air Purchase Organisation who recently visited India and made a special study of the assistance rendered by the Government to the industry has in this connection stated that the activities of the State Directorates of Industry, the Service Institutes of Industry, and the National Small Industries Corporation should be properly coordinated to prevent duplication and mutual encroachment in functions. If such coordination is to be achieved the tendency of the Institute Directors to set up their own individual lobbies to contact purchasing officers and of the State Directors to bypass the liaison officers and to set up their own direct contacts with purchasing officers needs to be curbed.

Price differential in favour of the products of the small-scale sector is another important plank in the Government's policy towards the small-scale industry. The danger in this policy lies in the temptation which it might give to the Institute Directors to perpetuate such price differentials as a permanent measure of help. Mr Weddell is critical of such a policy being pursued on a permanent basis. He has therefore recommended that in every case of a price differential being paid to a small concern, the Institute Director should be notified the amount of the price differential as well as the percentage involved and that the Director should make a definite point of having his staff follow up with the concern giving it all proper assistance in getting its cost more in line, so that on future procurements it could be truly competitive.

SOUTH EASTERN RAILWAY

CANCELLATION OF TENDER

NOTICE

The tender Notice (Tender No. CON/GM/9/HD/58) for supply of 850000 ft. Capping T. W. 1 1/2" x 1/4" as per CME's Drg. No 3358A which was published in this paper recently, is hereby cancelled.

S14

GENERAL MANAGER

Indian Finance



NORTH INDIAN MARKETS

SUGAR markets, which had been ruling firm during the past many weeks, have turned a shade quieter with prices developing a slightly easier tendency, thanks to a special release of one lakh tons for free sale besides the monthly quota of 1.66 lakh tons issued only a fortnight ago. In the Hapur market, following mill-delivery rates (per maund) are quoted:—Meerut (D.28) Rs 36.69; Daurala (B.29) Rs 37.87; Mowana (C.29) Rs 37.25; Bijnore (E.29) Rs 35.56; Amroha (D.29) Rs 35.75; Mansoorpur (B.29) Rs 38.31 and Modinagar (D.29) Rs 36.60. In the Bombay market, too, prices suffered a slight setback with "D" quality declining by about Rs 1.50 to Rs 109 per bag.

On the whole, considerable speculative activity is still reported in the market in anticipation of the levy of a cess on domestic sales in order to meet the loss on exports. Trade circles are rather apprehensive whether the supplementary quota will help to bring down prices to normal levels. The previous quota, it is pointed out, has not yet been exported and there will be difficulty in getting sufficient railway wagons for the movement of the new release.

That the supplementary quota will have a psychological effect on the price trend, is conceded. But, this may prove to be only temporary. Any further delay in clearing the mist about export cess will not only mean a heavier burden on the consumer for the remaining period of the current season—nearly half of the output has already been marketed—but may hamper export programme as well.

The Khandasari market continues to rule steady due to good demand and in line with steady conditions in the crystal section. Rates are moving between Rs 30 and Rs 34 per maund, according to quality.

Crushing for sugar is finished in West Uttar Pradesh.

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Gur

Poor arrivals due to off season and better outside demand before rains set in accounted for the slight advance in ready Gur prices in the Hapur market. Arrivals averaged 100 maunds per day, while local stocks are estimated around 1.40 lakh maunds. The rate is quoted at Rs 15.75 per maund.

In the Muzaffarnagar market, prices have also improved fractionally due to better outside demand and good loading facilities. Daily arrivals are lower. Gur Chakku Minja is quoted at Rs 17 to Rs 17.62 and Khurpa Rusket at Rs 10 to Rs 11 per maund.

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Shellac

Quiet conditions are witnessed in the Calcutta Shellac market



Sugar Markets Quiet

where Pure TN quality is quoted at Rs 66 per maund. Slackness of demand from overseas buyers and growing competition from Thailand are the contributory factors. Shipments, during the current month up to the 14th, were 19,364 packages, comprising 6,900 packages of shellac; 11,038 packages of seedlac; 310 packages of buttonlac and 1,026 packages of other varieties.

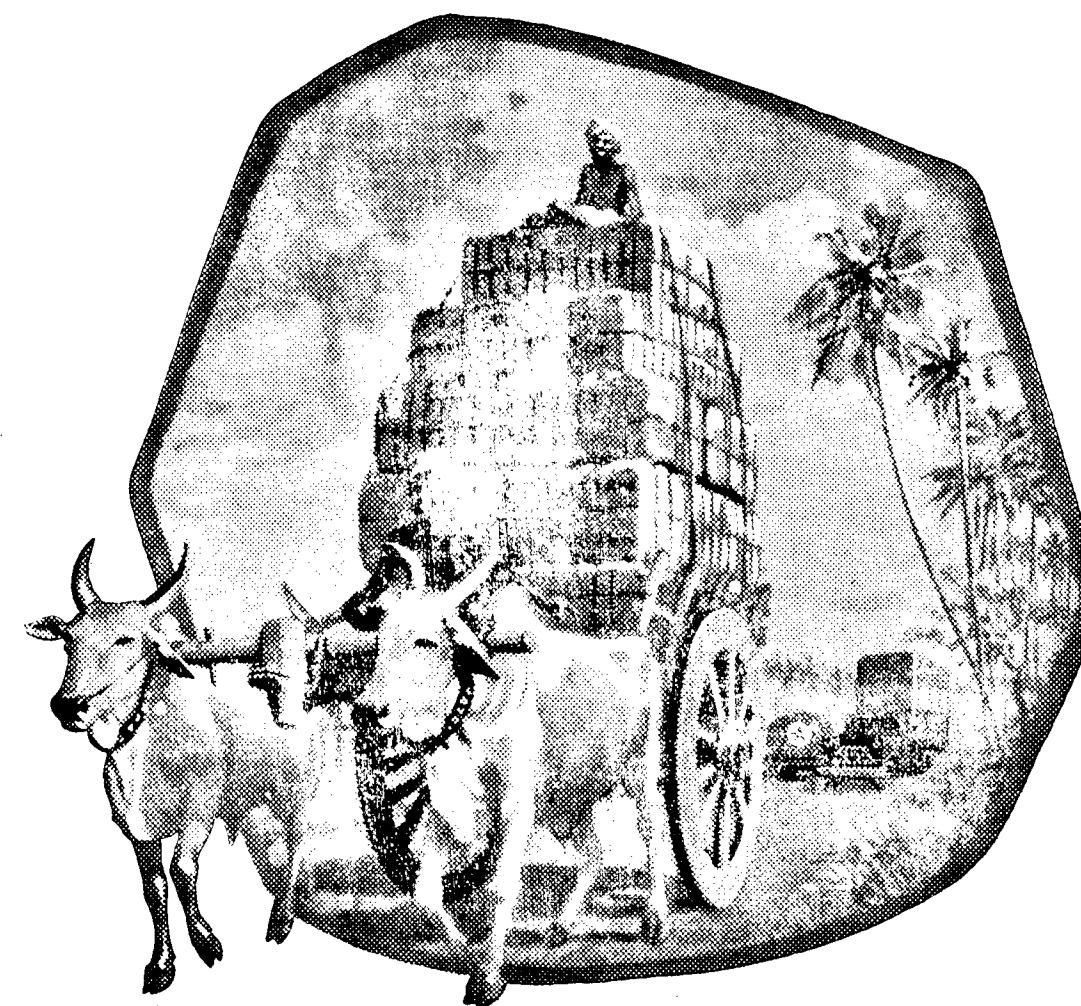
Export earnings from lac have dropped sharply to Rs 5.97 crores in the first ten months of 1957 from Rs 7.72 crores in the corresponding period of the previous year. The decline in earnings is entirely due

to the fall in the price of the commodity as the quantum of exports at 450,1000 cwts, during the period under review, have shown a rise of 32,700 cwts. In addition to growing competition from Thailand, the decline in prices is attributed to the availability of substitutes at cheaper rates.

Foodgrains

Steady conditions are witnessed in the Hapur Foodgrains market. Daily arrivals here and in other centres of Uttar Pradesh are reported to be less. Wheat prices

hovered around Rs 15.75 for the average quality and around Rs 17 for the farm quality. The market for Rice remains steady, while Barley and Bejher have registered fresh gains following poor arrivals. Peas and Arhar are still reaching the market in sufficient quantity at an average of 1,000 maunds each daily. While Arhar prices have improved slightly, peas prices continue to be steady. Total arrivals of peas in the Hapur market, from the beginning of the current season, are about one lakh maunds and that of Arhar about 30,000 maunds.

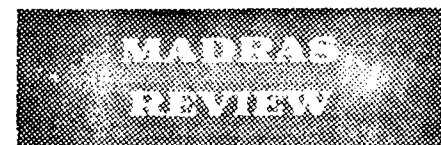


International Panorama of Progress

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A COMPARATIVELY new item to figure prominently in newspapers and public discussions alike, in recent times, was the question of public schools and their place in the educational system of the country. It was the 20th annual conference of the heads of Indian Public Schools which took place at New Delhi in the third week of April which first brought the issue of public schools before the public eye. The issue of public schools again filled a few pages in the ninth report of the Ministry of Education and Scientific Research of the Estimates Committee of the Lok Sabha. Now for the third time, at the centenary celebrations of the Lawrence School, Lovedale, in South India, the future of public schools became the subject of the speech of Mr K. G. Saiyidain, Educational Advisor to the Government of India who delivered the commemoration address.

It is the particular way, in which the subject of public schools was made news of, on all these occasions, that elicited wide public interest. At the New Delhi conference Dr K. D. Shrimali, dwelt on the defects of the system, as it presently operates and stressed the need for the public schools to fit themselves into the general framework of national education, while in the report of the Ministry of Education and Scientific Research, public schools were treated to a further dose of criticism for what the report alleges to be the exclusive character of such institutions and the extraneous source of their inspiration.

As it had evolved, the system was the product of British rule in the country, being copied from the original types of public schools of England. The system in the way in which it had developed and grown in the country of its origin, has come to mean an educational institution (originally only for boys, but nowadays for girls also or for girls separately) mainly, though not necessarily, residential and better housed, better equipped and generally better-staffed than the ordinary State or grant-in-aid schools. But the most important feature of such institutions is the almost complete freedom from State control which they enjoy. The schools in England are directly controlled by their own Boards of Governors which are entirely independent of the Government and the County Council Education authorities.

But more than all these things, it is for their exclusive character and the limited scope which they offer for boys of poor parents that these schools have now come to be known. And the very name public school, in such circumstances sounds a complete misnomer, having lost the literal content of its meaning in the course of its deve-

Future of Public Schools

lopment as citadels of the privileged classes.

In India, the public schools have in their functioning kept up the pattern of their British model and had catered generally to the needs of the wealthier classes, the cost of education in the public schools being prohibitive enough to preclude admission to poor students. Though few in number some of these schools have a long record of service in the cause of education, the notable of which being the Lawrence School at Lovedale in South India which only last week celebrated its centenary.

The problem before these schools is to adjust themselves to the democratic temperament of the age. Mr Saiyidain, speaking at the centenary celebrations of the Lawrence School described the basic problem as being one of being in tune with the social ideology and needs of the times, and training the children in such a way that they might be able to take their place in the new context of a democratic citizenship. Luxurious and ostentatious living which public school symbolises is repugnant to the ideal of socialistic pattern of society which has been accepted as the goal of our country, while the idea of public schools as preserves of only the wealthier classes runs against the very spirit of the constitution which guarantees equality of opportunity to all. The objective according to Mr Saiyidain should be for each school to become "an idealised epitome of the larger community around reflecting suitably and in a simplified and idealised form the best elements of its life and activities." Such an ideal according to him would cut across the very roots of narrow group loyalties which the present day public schools tend to foster in their students.

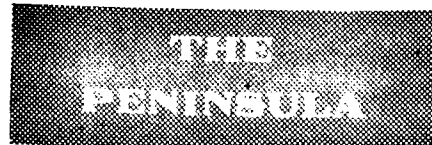
In support of the need for a change in the outlook of the public schools in the country, Mr Saiyidain has quoted the statement of Sir John Sargent, a former Education Commissioner with the Government of India, about the limited intellectual range of the studies in the public schools in England, their tendency to breed narrow sympathies and social arrogance in their students. Against these he has held the ideal of training in democratic leadership and social sensitiveness.

While in the light of their limitations the need to change the outlook of the public schools would not be denied how to bring them to subserv the new needs of the country has not been sufficiently explained by anybody. Reduction in the cost of maintenance of these public schools has found favour with some as the important element in the changes required to reform them. At the New Delhi conference Dr K. L. Shrimall laid

particular stress on this. How far this could be effected without affecting the standard of education maintained by public schools in the country remains yet to be clarified. One of the chief merits of public schools has been the high standard of education which they had kept up in their institutions relatively to other schools, and the major factor in this high standard has been the quality of the teaching staff as well as the quality of the equipment. Salaries of teachers and cost of equipment being the major heads of expenses for the schools, scope for economies would seem to be limited and attempt to force economies in these two heads would only have adverse effects on the quality of education imparted in these schools. If instead of reducing the salary of teachers, attempts were made to reduce the number of teachers, the effect would be no better, in view of the fact that this would affect the teacher pupil ratio, and consequently the individual attention which is such an important element in the quality of education. Even Mr Saiyidain could not but admit the limited scope for effecting economies especially in the salary of teachers which he further accepted as the main factor, in the expensiveness of education in the public schools.

One basic truth about public schools which the controversy has brought to light, is that public schools are expensive because education which aims at high standards has, of necessity, to be costly. But between high standards with expensiveness and cheapness with low standards, the former is to be preferred in view of the fact that a country aspiring to take its place among the advanced nations of the present day, would be left far behind, if the education which it provides falls below recognised standards. In the ordinary mass schools of the present day the low teacher pupil ratio and their inability to attract qualified teachers are clear disadvantages which preclude high standard. The fact that even middle class families prefer to send their children to public schools in disregard of the heavy inroads such an education makes into their limited incomes is witness to the low quality of education imparted in the ordinary schools and by reverse reasoning to the high standards maintained by public schools. In fact together with the need for spreading mass literacy by making primary and secondary education compulsory, the problem of raising standards of education has assumed great significance.

The problem is thus one of combining higher standards with provision for promising students with limited means to avail of them. There would seem to be some incompatibility between these two aims. But the conflict is more apparent than real and could be met



by financial assistance from the Government meant to benefit poor students. In this connection a suggestion has been made at the New Delhi conference of the heads of the Indian public schools that Government should give merit scholarship to students for whom such education would otherwise remain inaccessible. Even in England there has in recent times been a marked trend towards increase in the number of Government scholarship holders in the public schools. The acceptance of this policy by the Government which was indicated by Dr Shrimall is therefore gratifying.

An alternative suggestion has been made by an important personage connected with public schools in India to the effect that each of the State Governments should establish on the lines of the Netarhat Vidhyalaya started by the Government of Bihar one or more residential schools of the highest quality in the healthiest region admission in which would be regulated on the basis of merit, students of poor means being subsidised by the Government according to their income. This offers an ideal and democratic solution, since under this system standards will not only be maintained but schools of such types would also be shorn of their exclusive character.

Inextricably bound up with the question of maintaining standards is the issue of medium of instruction in the public schools. While English is now holding the ground, the language controversy that has been raging in the country has threatened its place, in the public schools as the medium of instruction. Dr Shrimall has in this connection asked the public schools to switch over to Hindi, though the question of the official language of the country is yet to be settled to the satisfaction of all. At least so far as the public schools are concerned a change in the medium in favour of Hindi could only do more harm than good in view of the fact that there are few good prescribed text-books of recognised standards in that language.

The continued existence of public schools with their present high standards is largely a matter of the Government's attitude and policy towards these institutions. As an expression of disapproval of the exclusive character of these institutions, the Government have withdrawn the grants originally to them. The criticisms levelled against them have further created apprehensions about the place of public schools in the future educational set up of the country. In this context, the statement of Mr Saiyidain that the Government would not put education in a straight laced jacket and that they would welcome the existence of schools which set higher standards is reassuring.



The Kerala Government must be finding itself in a quandary in regard to the problem of handloom weavers. The Government have accepted loan assistance from the Centre to the tune of Rs 64 lakhs for the introduction of powerlooms in the State. How the programme could be successfully implemented without entailing rise in unemployment especially in the rural areas, it is difficult to foresee. The problem of unemployment that introduction of powerlooms would result in, would be of a serious nature considering that one powerloom alone is capable of displacing about 10 handlooms.

Mr M. Somappa, Chairman of the All-India Handloom Society has urged the Kerala Government to utilise the loan assistance of the Centre to improve the conditions of the weavers instead of in the installation of powerlooms. This is an argument which ignores the more important question of the capacity of the handlooms to progress in a state of competition with the modernised mill sector. The high cost of production is a disadvantage with the handloom industry which has to be taken into account in any policy meant to benefit the handloom weavers. The case for the installation of powerlooms rests on this very consideration of reduced cost of production compared with the handlooms, the cost of production in the powerlooms being estimated at a level 15 to 20 per cent lower than in the handloom industry.

Subsidisation of handlooms thus involves the sacrifice of the distinct benefits in terms of quality, efficiency and economy, credited to powerlooms. The Textile Enquiry Commission had in its report made out a case for the conversion of handlooms into powerlooms as the only possible solution to the frequent crises which the handloom industry had been experiencing at regular intervals. Arguments about the unemployment advanced against the introduction of powerlooms is valid only in the case of wholesale displacement of handlooms which certainly could be averted by a phased programme for the installation of powerlooms, and provision of alternative occupations to those thrown out of their jobs.

The attempt of the Kerala Government in thus solving the problems of handloom weavers by the introduction of powerlooms would be watched with interest since the feasibility of further conversion in other States would depend essentially on the success of the Kerala Government's programme.

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Spices and Foreign Exchange

Though spices and cashew are important foreign exchange earners, attempts to exploit their potentialities for earning more foreign exchange have not been as vigorous as could have been wished in the

Handloom Vs Powerloom

present context of foreign exchange shortage. Cultivation in this sphere is still marked by unscientific methods and therefore has to go a long way to reach the standards of cultivators in foreign countries. In cashew cultivation while there are stray cases of individual trees yielding as much as 100 lbs, the average yield in the country does not amount to more than 10 lbs. What the industry thus earns by way of foreign exchange is more or less neutralised by the foreign exchange expended upon the imports which in view of the insufficiency of internal production have become necessary to feed the cashew industry in the country. A further source of drain lies in the absence of cultivation of particular types, for which however the demand in the country is of a sizable order. For example, on the imports of cloves alone, it has been estimated that a sum of Rs 1.6 crores have been incurred on an average during the last three years. Development of spice and cashew cultivation with particular reference to possibilities of extending their acreage and raising the yield per acre is of overwhelming importance.

The need to start development schemes was first underlined by the Spices Enquiry Committee. The committee in its report outlined a number of measures for introduction as part of the development schemes. The establishment of a number of research stations for the development of spices followed the recommendations of the Committee. The Government of India also sanctioned a dozen schemes additional to those recommended by the Committee. As an outcome of this new drive towards improvement of yields in cashew cultivation Brazilian trees have been introduced in the country. Though the suitability of the Brazilian varieties has been proved beyond doubt the area covered by those exotic varieties forms a small part of the total area. In the absence of rapid improvement in the yield per acre the targets fixed under the Second Plan would be difficult to achieve.

One of the problems faced by spices is erratic fluctuations in the prices of these articles. In conditions of such movements in prices one of the main incentives for increase in production would be ineffective. The unfavourable effects of such behaviour of prices on incentive and consequently on production and the need to overcome them was stressed by Mr C. M. Poonacha the Minister for Industry and Commerce in the Mysore Government in the course of his address to the Seminar on spices and cashewnut held at Mercara last week. Mr Poonacha has suggested the setting up of market boards for spices as a first step in assuring adequate return to the producers.

The waste involved in the non-utilisation of about 2 lakh tons of

cashew apples was also brought to light at the seminar. Research into the food value of cashew apples should point to useful outlets for the utilisation of cashew apple.

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Allwyn Metal Works

The production of the thousandth bus body by the Allwyn Metal Works Limited was celebrated at a function at the premises of the factory at Hyderabad last week. This is an achievement of no mean order considering that the production of bus bodies represents a highly specialised job requiring great capital and other resources. The fact that the Company is now in a position to plan for large-scale exports of its products in the immediate future is a measure of the progress the Company had made since its start in 1946. The Company has the additional distinction of being the first successful manufacturers in the country of half lift-type windows.

In the chequered progress of the company which is owned by the Andhra Pradesh Government it was the help given by the Birlas which put it on the road to stability and efficiency. More than the achievements in the sphere of production it is the co-operation between the public and private sector in industrial development which is illustrated in the Company's working, which is important. Mr N. Sanjiva Reddi, Chief Minister, Andhra Pradesh who was the chief guest on the occasion, referred to this as one of the most pleasing aspects of the working of the company. On the basis of this happy co-operation between the private and public sector in the case of Allwyn Metal Works he dismissed the controversy between the relative merits of the two sectors as totally irrelevant and frivolous. By taking up the management of the company at a critical stage of its working the private sector has demonstrated its capacity to respond to appeals for cooperation.

Production of refrigerators is an additional line of activity of the company, though progress seems to have been hampered by foreign exchange difficulties. Speaking in this connection Mr G. S. Nevatia, the representative of the Birlas in the Company, stated that while the installed capacity was about 10,000 refrigerators, foreign exchange difficulties limited production possibilities to 1,500 to 2,000 a year. The adverse effects of restricted allotment of steel on the production of steel office and household furniture by the company was also referred to by Mr Nevatia in his speech.

With possibilities of entering into new lines such as manufacture of integral bodies, trolley bus bodies and diesel rail coaches for the railways, the company is assured of a bright future.



Illegal Trading in Spices

THE recent spurt in the prices of Spices such as pepper, cinnamon and cloves, and reported illegal forward trading in these commodities have been causing a serious concern to the Forward Markets Commission for some time past. In fact, the Commission has asked the Associations concerned to take immediate steps to stop illegal trading.

Acting on the Commission's directive, all the Associations concerned have warned their members against entering into any types of contracts which contravene the rules of non-transferable specific delivery contracts and have advised them to abstain from entering into option deals. The Commission has also pointed out that it may take drastic measures, including legal action against dealers indulging in such transactions. In such an event, the dealers will themselves be responsible for their action.

Feeling has been growing in the Bombay Pepper market that the City should be recognised for conducting futures trading in the commodity. At present, futures trading is being conducted only at Cochin. It is pointed out, in this connection, that Bombay's case has become stronger in certain respects in the light of developments in the past fifteen months. Nearly 25 per cent of the country's production comes to Bombay, which also handles an estimated 75 per cent of India's export trade. In these conditions, the need for hedging facilities has increased.

Meanwhile, the Chairman of the Indian Pepper and Spice Trade Association has stressed the need for a reduction in freight rates for shipping pepper to America on account of a precipitate fall in the price of the commodity. He feels that the weighing and unloading charges as well as re-cleaning and warehousing expenses in the USA have been disproportionately high.

Black pepper exports are slowly, but steadily making up the leeway. For the month of March, exports from India improved to 39,614 cwts though, as compared to a year ago, they were lower by about 6,000 cwts. For the five months ended 31st March 1958, total exports came to 151,501 cwts as against 176,263 cwts for the corresponding period of last year.

Exports of Ginger, during the current season, have remained very poor and, for the five months ended 31st March 1958, they have totalled 62,466 cwts as against 133,729 cwts, thus showing a decline of 71,263 cwts.

In the Alleppey market, rates are quoted at Rs 600 per candy for superior Palai variety and Rs 12.50

per candy lower for the interior Thekkan variety. Ginger is neglected around Rs 212.50 per candy. In the Calicut market, Wynaad pepper is quoted at Rs 650 and the Country variety at Rs 625. Ginger best quality is quoted at Rs 235 per candy.

Coffee

Applications from nearly 120 small Coffee planters for assistance for extending and improving cultivation have so far been sanctioned by the Indian Coffee Board. This assistance is being provided under the Five-Year Plan for increasing the production of coffee which was launched in October, 1956. The total amount sanctioned up to the end of February was about Rs 5.4 lakhs. A number of applications.

registered during 1957-58 for grant of loans, are also being considered. Bigger growers are being helped by higher advances against the value of the crop.

Groundnut

Conditions in the Madras Groundnut market developed a firmer tendency, thanks to a steady buying enquiry. Arrivals averaged 60 to 65 tons per candy, local crushers taking up these quantities. Business was done in summer crop peanut at Rs 149 to Rs 151 per candy. In winter crop, business was reported around Rs 154 per candy.

Arrivals of the summer crop in the South Arcot district centres are estimated at about 175 tons a day, Villupuram alone reporting

arrivals of about 100 tons a day. Arrivals are stated to be small in the Tanjore district centres.

In the Groundnut Oil section, the ready rate was quoted at Rs 315 as against Rs 308 per candy in the previous week. Calcutta interests took up sizable quantities and they were the main supporters of the market.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides were on the same level as previously and clearances were good with prices ruling unchanged. In the export section, demand was good. Arrivals of Buff hides were small and prices remained firm. Arrivals and clearances of Cow Calf were better with prices having advanced

by about 4 nP per pound. UK buyers continued to be interested in light weight fourths. Arrivals of Buff Calf were on the same level as in the previous week with prices ruling firm.

In the Tanned Skins section, market quality Goat skins showed no change in prices. Sheep skins of the heavily-adulterated type showed a reduction of 6 nP per pound, while the lesser-adulterated types remained unchanged.

In the Raw Skins section, Bangalore Goat skins were reported Rs 10 to Rs 15 higher per 100 skins and Sheep skins Rs 10 to Rs 20 higher. However, in Bez-wada, goat skins were reported Rs 5 easier with sheep skins ruling unchanged.

THE BENGAL FLOUR MILLS CO. LTD.

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting (being the One Hundred and Twenty-fourth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Friday, the 20th June 1958, at 12 noon to consider

the Profit and Loss Account for the year ended 31st December 1957 and the Balance as at that date, the Report of the Auditors thereon, the Report of the Board of Directors, to declare a dividend, to transact other ordinary general business of the Company and the under-mentioned special business.

SPECIAL BUSINESS.

NOTICE is also hereby given of the following Resolution which will be proposed as an Ordinary Resolution, of which special notice dated 8th May 1958, as required by Section 281 of the Companies Act 1956, has been received:—

"That pursuant to the provisions of Section 281 of the Companies Act 1956, it is hereby declared that the age limit imposed by Section 280 of that Act shall not apply to Mr. S. C. Law, a director of the Company, who has attained the age of 65 years on 14th January 1958 and that the said Mr. S. C. Law be and is hereby re-appointed a Director of the Company."

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 6th June 1958 to 20th June 1958 both days inclusive.

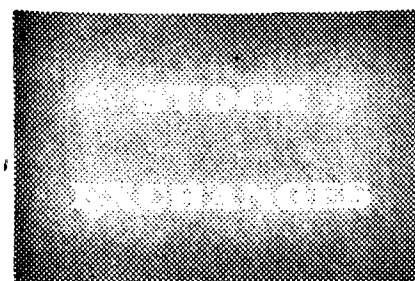
By Order of the Board,
BALMER LAWRIE & CO. LTD.
D. MANSON,
Secretary,
Managing Agents.

21, Netaji Subhas Road,
Calcutta, 9th May 1958.

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

Indian Finance

May 24, 1958



Indecisive and Lethargic

Watch-Dog Writes:

IN the absence of any helpful developments, stock markets have been indecisive and lethargic during the week under review. Reports regarding the labour situation in Jamshedpur have a depressing effect on sentiment. Operators are reluctant to enter into commitments owing to various other uncertainties. Although a slight recovery in prices is noticed, the undertone remains hesitant.

Except for a sharp setback in the speculative issues, conditions in other sections on the Calcutta Stock Exchange ruled generally steady.

Sentiment on the Bombay Stock Exchange was dominated by the reports of the labour situation in Jamshedpur.

On the Madras Stock Exchange, price movements were uninteresting.

Business on the London Stock Exchange did not show any marked expansion.

Wall Street closed barely steady.

Calcutta

Calcutta, Friday Evening.

SENTIMENT on the local Stock Exchange remained generally depressed last week when there was little incentive to boost up the feeling of operators. Main factors, affecting the market sentiment, were the strike situation in Jamshedpur, the threatened all-India strike by port and dock-workers, the difficult conditions experienced by textile industry, anxiety to know the quantum of increase in the retention price of steel and the delay in the announcement of an increase in cement prices. Above all, there was a feeling that fresh investible funds might not be available in view of the possibility of a return to stringent conditions in the money market owing to the subscriptions to the new loans, which would be followed soon by the issue of State Loans. Thus, the week's dealings were characterised by a state of uncertainty.

The Glitgedged market ruled steady. The success of the new loans was the main reason for the improvement in sentiment, and the absorption of funds hardly provided any tightness in the money market owing to the comfortable supply position. There were some stray buyers in some of the dated securities, which recorded fractional gains. 3 per cent 1986 Conversion Loan opened at Rs 71.08

and, after improving at one time to Rs 71.55, receded at the close to Rs 71.30.

Bank shares were generally quiet due to some selling pressure. Hind were marked down to Rs 51.37 from Rs 52.25, while Punjab National were better at Rs 52.75 against Rs 52.50. United Commercial were a steady feature at Rs 59.25.

With a broadening of enquiries, Jute shares emerged steadier on selective support. The news of the Argentine Government reinstating import licences for Indian Jute goods concerning April shipments led to a feeling that a similar action might be taken in respect of the current month's shipments. Above all, mills were expected to make better profits at current prices for the raw commodity. Howrah were taken up to Rs 16.56 from Rs 15.25; New Central up to Rs 14.81 from Rs 14.37; Union up to Rs 122 from Rs 118; Kamarhaty up to Rs 93 from Rs 87.50; Megna up to Rs 105 from Rs 102; Anglo-India up to Rs 149 from Rs 142 and Alliance up to Rs 81 from Rs 79. Fort Gloster remained very firm at Rs 320 with Gourepore hardening to Rs 255 from Rs 252.

Coal shares ruled steady. The general reaction to the announcement of an increase in the selling prices of coal and coke was one of quiet satisfaction. Operators felt that this would enable well-run companies to earn reasonable profits. Another contributory factor was the withdrawal of strike by coal-miners in West Bengal and Bihar following the settlement between the labour and management. Amalgamated had buyers at Rs 17.37 to Rs 17.50; Central India at Rs 7.53 to Rs 7.75; Western Bengal at Rs 5.78 to Rs 5.87 and Bengal at Rs 240 to Rs 242. Burra-kur, after touching a low of Rs 21.37 from Rs 21.75, recovered towards the close at Rs 21.87.

The Tea section recorded a fair turnover at improved levels, although buying was selective. The main impetus to investors to take a cautious re-entry was provided by the good start by the new season's Darjeeling teas. Latest indications, that the Centre was expected to give relief soon to the industry in regard to export and excise duties, were also a contributory factor. Most prominent were Bishnauth changing hands at Rs 18.87 to Rs 19.50; Gohpur at Rs 21.62 to Rs 21.87; Jayshree at Rs 10.12 to Rs 10.37 and Patrakola at Rs 134 to Rs 136. Hantapara were a steady feature at Rs 115.

In the Sugar section there was a general disposition to await the Government's export policy on the sweet commodity. Carew were enquired up to Rs 7.19 from Rs 7.12, while SKG moved narrowly between Rs 9.87 and Rs 10 and Dyer Meakin between Rs 9.87 and Rs 10.

Textile scrips were generally neglected in the absence of any relief in excise duty. Discouraging annual results for some mills and lower cloth exports during the first four months of this year were also contributory factors. The only bright spot was Kesoram, which were enquired up to Rs 11 from Rs 10.25. Jayshree remained almost

unchanged at Rs 6.44 with New Victoria hovering idly around Rs 1.28

In the week's dealings, Engineering issues were the worst hit under the influence of selling pressure in Indian Irons following weaker Bombay advices. Against the week-end closing of Rs 21.58, Indian Irons opened lower at Rs 21.38 and, after receding further to Rs 20.94, improved towards the close to Rs 21.35. The settlement rate was fixed at Rs 21.06 as against last settlement of Rs 21.68. TEXMACO, were marked down at one time to Rs 17.50 from Rs 17.85 and G. K. Williams to Rs 31.12 from Rs 31.37, to recover at the close to Rs 17.90 and Rs 31.56 respectively. Jessop were, however, enquired up to Rs 20.12 from Rs 19.56. Britannia changed hands at Rs 10.44 to Rs 10.50; Kumardhubi at Rs 9.12 to Rs 9.62 and Marshalls at Rs 5.25 to Rs 5.50. Burn firmed up to Rs 342 from Rs 339 on good investment demand.

As usual, the Miscellaneous section continued to provide several bright features although a few were subjected to slight profit-taking at higher levels. Dealings in Indian Cable and Indian Aluminium were very prominent, thanks to the inclusion of these scrips on the forward list. The scrips were taken up to Rs 35.00 and Rs 14.69 from Rs 31.87 and Rs 14.31, to finish at Rs 34.50 and Rs 14.69 respectively. Dunlop had buyers at Rs 25.56 to Rs 26.00 (Rs 25.81); Aluminium Corporation at Rs 10.87 to Rs 11.06 (Rs 11.06); Indian Oxygen at Rs 18.12 to Rs 18.37 (Rs 18.00); NICCO at Rs 26.00 to Rs 26.50 (Rs 26.50); Rohtas at Rs 17.43 to Rs 18.31 (Rs 18.31); Alkali Chemicals at Rs 14.50 to Rs 14.69 (Rs 14.62); Orient Paper at Rs 29.15 to Rs 30.60 (Rs 30.60); Titagur at Rs 37.12 to Rs 38.12 (Rs 38.00); Sirpur Paper at Rs 10.19 to Rs 10.53 (Rs 10.53); Shree Gopal at Rs 15.30 to Rs 16.25 (Rs 15.81) and India Steamship at Rs 10.84 to Rs 10.94 (Rs 10.91). Figures shown within brackets were the week's closing rates. Indian Copper, after touching a few low of Rs 3.05 from Rs 3.12, finished better at Rs 3.10. BIC moved narrowly between Rs 3.62 and Rs 3.84 with Some Valley hovering narrowly around Rs 4.87.

Bombay

Disturbing reports about the labour situation at Jamshedpur dominated proceedings on the stock exchange throughout the past week. Steel shares recorded a sharp decline on the opening day on adverse news and the downward trend was further accentuated in the subsequent two sessions. Though textiles ruled comparatively steady the depression in steels rendered the recovery ineffective. Toward close, however, a steadier undertone was noticeable on hopes of an early improvement in the labour situation at Jamshedpur.

STEELS:

Tata Steel closed on Monday three points lower on balance at Rs 178.00. Though sentiment continued to be depressed, the closing level on Tuesday was unchanged

at Rs 178.00. Wednesday found the scrip again moving down to close at Rs 177.00. The scrip opened steady on Thursday and by close gained 1½ points to be finally placed at Rs 178.50. After a two-way movement, Indian Irons closed steady at Rs 21.32.

TEXTILES:

Textiles were a steady market. Bombay Dyeing after ruling steady during most part of the week improved to close one point higher on balance at Rs 53.70. Kohinoor was quiet in earlier dealings but recovered to close at Rs 263.50. Central was easier at Rs 81.00. Century after initial setback moved up to finish better at Rs 426.00.

MISCELLANEOUS:

Miscellaneous scrips were generally steadier at close. Bombay Burmah was three points higher on balance at Rs 547.00 Tata Loco was in request at Rs 168.25. National Rayon after initial setback recovered to close at Rs 232.50.

Madras

TRADING on the Madras Stock Exchange was generally dull and featureless. Due to lack of support, Plantation shares drifted further lower, while Textile scrips ruled quiet. Activity in other counters was much restricted.

Textiles: Activity in this section was poor and sellers predominated in several scrips in the absence of relief in excise duty. The only steady feature was Metturs, which improved to Rs 347 on buying support. Lakshmi dropped to Rs 94, while 'A' shares were offered lower at Rs 45. Selling enquiries continued for Coimbatore Pioneers and Coimbatore Spinnings. Travancore Rayons maintained interest at Rs 1332 cd. Buckinghams were quoted at Rs 125 and Bangalore Woollens at Rs 111.

Plantings: Prices of Plantation shares drifted further lower and the result of the bye-election in Devicoolam had not been quite anticipated and sentiment was generally depressed. Tea shares ruled dull. Peermades declined to Rs 20.25, while Twyford were offered at the market rate. Periakaramalams were done at Rs 4.07 and United Nilgiris at Rs 15.30.

Rubber shares were rather sticky with several scrips on offer at slightly below the market rates. Cochim Malabars changed hands at Rs 4.40 to Rs 4.45, while Midlands dropped to Rs 16.10 after being done at Rs 16.20. T.R.Ts. were marked at Rs 6.60 cd.

Coffee shares met with slight profit-taking at the recent high levels. Consolidated Coffees and Coffee Lands were easier at Rs 24.55 and Rs 34.85 respectively. Cowcoody, however, dropped to Rs 10.40 on some selling pressure, while Savamalais were done at Rs 4.20 and Shevroys at Rs 2.10.

Miscellaneous: This section accounted for a good turnover. Mysore Stonewares were bid at Rs 12, while buying enquiries were seen for Radio Electricals at the market rate. FACTS were done at Rs 5.05 in the absence of buying support. Spencer Ordinaries were, however, on good favour up to Rs 17.35. Aluminium Industries had buyers up to Rs 13.32 and Railis up to Rs 33.37. Parry's Confectionery were slightly lower at Rs 1 with Ashok Leylands quoting around Rs 4.15 cd.

London

THE big event on the London Stock Exchange was the announcement of a cut in the Bank Rate from 6 to 5½ per cent. The news took the market by surprise. Business, however, failed to show any marked expansion except in the Glitgedged section, where prices steadily improved on an increased demand. Rubber shares were quietly steady, but Tea shares improved.

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MADRAS—NEW DELHI—BANGALORE—COCHIN—AHMEDABAD—
SECUNDERABAD—NAGPUR—JAIPUR—COIMBATORE

With the TUSHAR you get

- A continuous supply of instantly-cooled water at the touch of a button—no unhygienic refilling or storing.
- A choice of two handsome models.
- Ease of installation.
- Economical to run.



NATIONAL RAYON CORPORATION LIMITED.

Mg. Agents:—Chinal & Co. (Private) Ltd.

Year ended Decr.	1957	1956	1955
Sales	53,747,628	42,238,151	34,249,798
Interest, Dividends & Mts. Income	217,028	311,137	175,435
Stocks	3,817,344	2,231,721	1,607,961
Net profit	13,674,483	14,294,045	10,213,247
Taxation	1,200,000	2,661,000	5,000,000
Depreciation	7,500,000	6,000,000	5,000,000
Reserve Fund	1,335,386	700,000	1,000,000
Res. for Deft. Taxa	1,000,000	500,000	500,000
Other Funds	1,000,000	1,000,000	1,000,000
Div. A/m't Ord.	2,248,694	2,250,416	1,901,808
Div. A/m't Pref.	864,260	596,920	871,430
Carry Forward	123,937	597,794	512,085
Div. % Ord.	14	14	12
Div. % Pref.	5	5	5

(Annual General Meeting on 12-6-58 at 4-15 p.m.)

Capital:—Authorised Rs 100,000,000. Subscribed Rs 33,487,350 in 174,243—5 per cent Cum. Pref. shares and 160,634 Ord. shares both of Rs 100 each, less calls unpaid Rs 650.

Synopsis of balance sheet as on the last day of Dec.

Liabilities	1957	1956	1955
Capital Paid-up:			
(i) Pref.	17,424,600	17,428,600	17,428,600
(ii) Ord.	16,062,750	16,063,750	15,761,000
Forfeited Shares	43,500	33,000	185,000
Debentures	15,000,000	15,000,000	15,000,000
Share Premium	614,705	614,705	...
Reserve Fund	4,600,000	3,200,000	2,500,000
Other Funds	9,000,000	8,000,000	6,000,000
Staff Gratuity etc.	750,000	450,000	250,000
Taxation Provision	2,116,965	2,692,052	2,105
Loans Secured	11,835,141	9,442,839	...
Loans Unsecured	4,244,393	2,833,476	162,500
Debts	10,497,759	10,408,262	7,948,751
Carry Forward	123,937	597,794	512,085
Total	92,313,750	86,767,478	65,750,041

Assets	1957	1956	1955
G. Block	105,596,105	94,621,101	68,471,095
Depreciation	34,000,000	26,500,000	20,500,000
Block (net)	71,596,105	68,121,101	47,971,095
Stores	7,530,109	5,431,133	6,648,877
Raw Materials	4,359,115	6,512,002	4,941,309
Stocks	3,817,344	2,231,721	1,607,961
Outstandings	1,215,047	1,363,698	278,244
Mis. Deposits and Advances	3,016,832	2,353,843	2,159,805
Investments	110,200	110,200	100,000
Cash	668,998	643,780	2,042,750
Total	92,313,750	86,767,478	65,750,041
Liq. Assets	20,717,645	18,646,377	17,778,946

HINDUSTAN GENERAL ELECTRICAL CORPORATION LIMITED.

Mg. Agents:—Mr. Karam Chand Thapar & Bros. Private, Ltd.

Year ended July.	1957	1956	1955
Sales	2,848,968	1,477,681	...
Stocks	861,202	701,806	...
Works in Progress	402,925	149,514	...
Net profit	233,174	371,960	...
Taxation	...	9,111	...
Depreciation	222,098	71,008	...
Carry Forward	3,657,782	3,668,858	...
Div. % Ord.	Nil	Nil	...
Div. % Pref.	Nil	Nil	...
Div. % Deft.	Nil	Nil	...

(Annual General Meeting on 30-5-58 at 3 p.m.)

Capital:—Authorised Rs 5,000,000. Subscribed Rs 2,920,300 in 8,452—5 per cent Cum. Pref. shares and 300,000—Equity shares both of Rs 10 each, less calls in arrears Rs 32,093.

Synopsis of balance sheet as on the last day of July.

Liabilities	1957	1956	1955
Capital Paid-up:			
(i) Preference	845,200	845,200	...
(ii) Ordinary	1,899,850	1,899,850	...
(iii) Deferred	175,250	175,250	...
Forfeited Shares	76,543	76,543	...
Taxation Provision	...	9,111	...
Loans Secured	1,080,000	1,080,000	...
Loans Unsecured	7,740,398	6,350,195	...
Debts	1,119,756	701,621	...
Total	12,937,097	11,117,870	...

Assets	1957	1956	1955
G. Block	4,904,567	4,534,190	...
Depreciation	878,875	658,116	...
Block (net)	4,025,692	3,876,074	...
Development & Patent &c.	496,795	440,293	...
Prell. Exp.	194,282	194,282	...
Cap. Exp. in Progress	41,076	28,408	...
Works in Progress	402,926	149,514	...
Stores	2,467,140	1,508,953	...
Stocks	861,202	701,806	...
Outstandings	199,607	197,990	...
Mis. Deposits and Advances	542,725	319,071	...
Cash	47,870	32,521	...
Debit Balance	3,657,782	3,668,858	...
Total	12,937,097	11,117,870	...
Liq. Assets	4,521,470	2,909,956	...

ASPINWALL & COMPANY, LIMITED.

Secretary:—Sri A. Venkatachalam Iyer.

Year ended December.	1957	1956	1955
Sales	8,558,608	10,937,535	...
Interest and Other Incomes	2,814,968	2,219,471	...
Stocks	1,895,162	1,467,477	...
Net profit	683,829	828,324	...
Taxation	335,645	402,283	...
Depreciation	100,448	92,551	...
Development Rebate	8,959	...	...
Div. Amount Ord.	215,280	358,800	...
Div. Amount Pref.	8,795	12,840	...
Carry Forward	16,480	1,778	...
Div. % Ord.	6	10	...
Div. % Pref.	6	6	...

(Annual General Meeting on 10-6-58 at 10 a.m.)

Books closed from 26-5-58 to 11-6-58).

Capital:—Authorised Rs 4,000,000. Subscribed Rs 3,802,000 in 21,400—6 per cent Cum. Pref. shares and 358,800 Ord. shares both of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities	1957	1956	1955
Capital Paid-up:			
(i) Pref.	214,000	214,000	...
(ii) Ord.	3,588,000	3,588,000	...
Capital Reserve	217,084	613,387	...
Reserve Fund	44,051	44,051	...
Other Funds	424,495	415,536	...
Taxation Provision	197,997	296,385	...
Loans Secured	2,257,111	1,574,863	...
Loans Unsecured	2,357,592	3,234,836	...
Debts	16,480	1,778	...
Carry Forward	...	...	...
Total	9,720,214	9,982,836	...

Assets	1957	1956	1955
G. Block	3,199,932	2,943,024	...
Depreciation	1,711,892	1,622,080	...
Block (net)	1,488,040	1,320,944	...
Stores	282,421	267,598	...
Raw Materials	1,895,162	1,467,477	...
Stocks	585,672	1,346,454	...
Outstandings	75,207	149,052	...
Do. More than 3 months	4,600,912	4,435,579	...
Mis. Deposits and Advances	596,359	597,722	...
Investments	196,441	398,900	...
Cash	...	...	...
Total	9,720,214	9,982,836	...
Liq. Assets	8,232,174	8,662,782	...

PUNJAB MINERALS COMPANY, LIMITED.

Mg. Agents:—Bird & Co. (Private) Ltd.

Year ended Sept.	1957	1956	1955
Sales	89,611	51,084	21,556
Stocks	105	221	...
Net profit	709	57,432	2,581
Depreciation	49	89	96
Carry Forward	134,171	134,831	77,310
Div. % Ord.	Nil	Nil	Nil
Div. % Pref.	Nil	Nil	Nil
Div. % Deft.	Nil	Nil	Nil

(Annual General Meeting on 26-5-58 at 3 p.m.)

Books closed from 12-5-58 to 26-5-58).

Capital:—Authorised Rs 4,000,000. Subscribed Rs 300,000 in 30,000—ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Sept.

Liabilities	1957	1956	1955
Capital Paid-up	300,000	300,000	300,000
Loans unsecured	14,000	10,000	10,000
Debts	17,390	9,247	4,870
Total	331,390	319,247	314,870
Assets			
G. Block	163,798	163,798	224,537
Depreciation	1,580	1,531	1,441
Block (net)	162,218	162,267	223,096
Prell. Exp.	8,615	8,615	8,615
Stocks	105	221	...
Outstandings	25,513	12,402	3,301
Investments	87	87	...
Cash	681	824	2,461
Debit Balance	134,171	134,831	77,310
Total	331,390	319,247	314,870
Liq. Assets	26,386	13,534	5,849

BHARAT COMMERCE AND INDUSTRIES LIMITED.

Secretaries:—Board of Directors.

Year ended Decr.	1957	1956
Sales	3,450,713	...
Charter operation	259,602	...
Stocks	478,716	...
Net profit	128,040*	129,895
Taxation	140,083†	...
Depreciation	30,150	30,059
Carry Forward	4,119,181	4,086,988
Div. % Ord.	Nil	Nil

(Annual General Meeting held on 19-5-58 at 3 p.m.)

*After transferring Rs 80,000 from provision for contingency no longer required.

†Income-tax for the accounting years from 1948-49 to calendar year 1955.

Capital:—Authorised Rs 50,000,000. Subscribed Rs 8,000,000 in 30,000—5 per cent cum. pref. shares of Rs 100 each and 500,000 Equity shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities	1957	1956
Capital Paid-up:		
(i) Pref.	3,000,000	3,000,000
(ii) Ord.	5,000,000	5,000,000
Taxation Provision	242,121	...
Loans Secured	215,825	50,000
Loans Unsecured	1,316,587	199,584
Debts	...	...
Total	9,774,533	8,249,584

Assets	1957	1956
G. Block	4,170,777	382,175
Depreciation	85,789	55,639
Block (net)	4,084,988	326,536
Works in Progress	217,084	...
Stores	255,515	196,004
Raw Materials	34,616	...
Stocks	261,522	132,208
Outstandings	127,593	303,007
Do. More than 3 months	290,338	1,385,147
Mis. Deposits & Advances	321,206	1,460,720
Investments	62,480	358,974
Cash	4,119,181	4,086,988
Debit Balance	...	...
Total	9,774,533	8,249,584
Liq. Assets	1,570,364	3,836,000

ADONI SPINNING & WEAVING CO., LTD.

Mg. Agents:—M/s. Kothari & Sons.

Year ended December	1957	1956
Sales	3,487,811	...
Stocks	298,628	...
Works in Progress	30,246	...
Net profit	269,397	...
Depreciation	261,336	...
Carry Forward	9,068	...
Div. % Ord.	Nil	...
Div. % Pref.	Nil	...

(Annual General Meeting on 9-6-58 at 4 p.m.)

Books closed from 2-6-58 to 9-6-58).

Capital:—Authorised Rs 10,000,000. Subscribed Rs 4,967,907 in 2,00,000—6 per cent Cum. Pref. shares and 300,000—Equity shares both of Rs 10 each, less calls in arrears Rs 32,093.

Synopsis of balance sheet as on the last day of Dec.

Liabilities	1957	1956
Capital Paid-up	4,967,907	4,967,907
Loans Unsecured	656,894	261,336
Debts	668,282	...
Carry Forward	9,068	...
Total	6,302,151	5,230,243
Assets		
G. Block	3,578,543	3,578,543
Prell. Exp. etc.	133,702	...
Cap. Exp. in Progress	159,226	...
Works in Progress	95,958	...
Stores	827,884	...
Raw Material	298,628	...
Stocks	41,336	...
Outstandings	528,188	...
Mis. Deposits & Advances	608,440	...
Cash	6,302,151	...
Total	6,302,151	5,230,243
Liq. Assets	2,430,680	...

Indian Finance

LIST OF QUOTED SHARES

Preference Shares
CALCUTTA

NAME	Paid-up per share.	Quotation as on 16-5-58 Rs nP	16-5-57 Rs nP
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Alahabad 6% 100 105.50 107.00

Behar 5% 50 19.75 22.25

Calcutta 5% 100 10.47† 9.15†

Dahergarh 5% 100 84.00 88.50

Dahergarh 41% 100 105.00 90.00*

Jorhat 6% 100 90.00 90.00*

Kurseong 6% 100 24.50 24.50

Asso. K'pura 41% 100 68.00 83.50

B-Nagpur 7% 100 45.50 51.00

NAME	Paid-up share.	Quotation as on 16-5-58	16-5-57	NAME	Paid-up share.	Quotation as on 16-5-58	16-5-57	NAME	Paid-up share.	Quotation as on 16-5-58	16-5-57	NAME	Paid-up share.	Quotation as on 16-5-58	16-5-57
Banar	10	14.00	...	Comm. Prop.	5	0.65	0.50	Martin-Burn	10	25.06	23.12	34% Loan (1962)	...	97.85	97.85
Banar	10	20.00	21.50	Darjeeling Prop.	10	1.00	5.00	Marwar Trading	100	200.00	208.00	34% Loan (1961)	...	99.50	99.50
Banar	10	12.25	11.50	Hindustan Bldg.	10	3.87	6.75	Metal Box	10	28.00	26.50	34% Loan (1964)	...	98.23	98.40
Banar	10	10.25	10.50	Humayun Prop.	10	10.75	13.00	Moradabad Water	10	4.50	5.56	34% Loan (1965)	...	97.83	98.34
Banar	10	2.37	4.37	New India Bldg.	5	0.50	1.00	Nat. Carbon	10	25.12	23.69	34% Loan (1967)	...	97.65	98.53
Banar	10	1.37	1.00	Midnapore Zamin	100	21.00	21.00	N. I. Cables	10	26.62	19.31	34% Loan (1967)	...	99.74	...
Banar	10	15.25	16.00	Regent Estate	10	1.00	2.00	Nat. Rolling	10	10.56	10.00	34% Loan (1974)	...	98.28	98.53
Banar	10	9.94	10.00					Nat. Rubber Mfg.	10	12.25	...	4% Loan (1980 70)	...	100.44	100.97
Banar	10	11.00	13.90					Nat. Tanneries	10	2.40	1.50	4% Loan (1972)	...	100.25	...
Banar	10	127.00	127.00					Nat. Tobacco	10	10.94	9.31				
Banar	10	15.00	15.00					Nat. Safe	5	2.75	2.25				
Banar	10	55.00	58.00					New I. Invest.	75	33.50	53.00				
Banar	10	14.00	13.50					Oiler Elec. Lamp	5	1.31	2.97				
								Pearl Invest.	10	1.25	1.25				
								Phillips India	7	14.00	...				
								Phosphate Co.	100	170.00	...				
								Publicity Society	4	5.70	10.00				
								Prem. Trans.	10	1.50	1.50				
								Rallis	100	34.00	30.00				
								R. B. Rodda & Co.	10	5.25	8.31				
								Rohas	10	17.50	16.75				
								Sen Raleigh	10	13.00	12.62				
								Sodepur Glass	10	1.56	2.12				
								Shaw Wallace	10	10.31	11.44				
								Spence's Hotel	2	1.06	1.06				
								Spencer & Co.	10	18.00	18.00				
								Star Co.	100	81.00	81.50				
								Star Trading	25	8.00	8.00				
								Straw Products	10	14.50	15.12				
								Union Co.	100	75.00	107.50				
								Union Tobacco	10	0.25	0.25				
								Walford	1	2.03	2.02				
								Walford (Po)	1	1.58	1.87				
								W. Stockholder	1	0.78	0.84				

May 24, 1958

NAME	Paid-up per share.	Quotation as on	
		16-5-58 Rs nP	16-5-57 Rs nP
Udayagiri 7%	10	11.00	11.10
Vellimalai 7%	10	8.40	9.55
Waterfalls 6%	10	8.50	9.02
Woodcote 6%	5	3.79	4.12
Woodlands 6%	10	8.80	9.45
Woodlands 6%	10	8.87	9.47

TEXTILES

Adoni 6%	10	9.80	10.10
Anglo-French 6%	100	80.00	85.00
Anglo-French 6%	100	110.00	123.50
Buckingham 7%	100	128.00	143.50
Cambodia 7%	100	108.00	115.00
Cauvery Spg. 6%	100	92.00	95.50
Coim. Muru. 6%	100	94.00	100.00
Co. Pioneer 6%	100	98.25	104.75
Hamalatha 5%	100	80.00	...
Kochan Tex. 6%	10	8.35	9.25
Loyal 5%	100	65.25	71.00
Palani Andavar 7%	50	58.50	63.00
Rajalakshmi 6%	50	58.00	56.00
Thirupati 6%	10	10.00	10.00
Trav. Rayon 5%	10	7.45	8.50
Vasanta 6%	100	101.00	108.00
Vasanta 6%	100	91.00	95.00
Venkatam 4%	50	53.00	53.50
Vijayakumar 6%	100	91.00	103.00
Vijayamohini 6%	100	95.00	98.00
Virudunagar 5%	100	80.00	77.50

MISCELLANEOUS

Amrutalan 7%	100	127.50	107.00
A. Cement 6%	100	102.00	108.00
Aspinwall 6%	10	9.40	10.00
A.V. Thomas 6%	100	73.00	79.00
A. V. Thomas 1.5%	10	6.50	6.12
Brunton 6%	10	6.75	7.87
Can. Scientific 6%	5	4.60	5.20
Dal. Cement 6%	100	81.00	92.00
Dal. Cement 6%	40	29.87	31.75
Dal. Cement 6%	10	10.00	10.00
Enfield 6%	100	100.00	...
India Cement 5%	100	86.00	89.50
I. S. Rolling 5%	10	8.48	9.12
Mad Vase 5%	100	33.00	33.00
Marikar 6%	50	44.00	50.00
Mettur Chem. 6%	100	88.00	91.00
Mys. Chem. Mfg. 6%	10	8.78	9.28
Mys. Lamp 4%	10	5.60	6.00
Orissa Cem. 4%	100	95.50	100.00
Parry 5%	10	7.85	8.75
Rallis 6%	100	56.00	62.00
Rane 6%	5	4.70	5.00
Rane 7%	5	4.90	5.25
Ruby 6%	10	9.75	10.00
Sen. Raleigh 5%	100	71.00	78.00
Spencer A 6%	10	7.75	8.50
Spencer B 6%	10	10.25	10.31
Stand. Motor 6%	100	90.00	98.00
Trav. Chem. 6%	10	9.37	10.00
T. Stanes 7%	100	93.00	100.00
United Elec. 5%	10	10.00	10.00
Vanguard Fire 6%	10	9.28	9.83
W. I. Plywoods	100	94.00	...

Ordinary Shares

MADRAS

NAME	Paid-up per share.	Quotation as on	
		16-5-58 Rs nP	16-5-57 Rs nP
Andhra	100	109.00	115.75
Andhra	85	88.00	99.00
Bank of Mysore	100	250.00	246.50
Canara Banking	50	75.00	80.00
Canara I. & B. A.	100	170.00	177.50
Canara I. & B. C.	1	1.71	1.86
Indian Bank	100	201.00	184.00
Indian Bank	80	172.00	...
Indian Overseas	100	143.00	138.00
Indo-Comm. 'A'	100	42.50	42.50
Indo-Comm. 'B'	25	11.00	10.50
Indo-Comm. 'C'	80	25.50	16.30
Pandyan	25	35.62	38.12
Punjab National	25	52.15	52.50
Travancore	25	16.80	15.50
Trav. Forward	10	4.05	4.57

NAME	Paid-up per share.	Quotation as on	
		16-5-58 Rs nP	16-5-57 Rs nP
Andhra	10	6.35	7.75
Cochin	10	9.50	10.40
Ellore	10	11.00	11.50
Karakkai	10	9.45	10.00
Kumbakonam	10	11.25	11.70
Nagapattinam	10	10.00	10.60
Salem-Brods	10	13.00	13.70
South Madras	10	12.55	11.37
Tin-Puticorin	10	12.75	13.62
Vellore	10	13.75	14.00
West Coast	10	16.50	14.50

SUGAR

Andhra	10	16.50	18.75
Cauvery	100	90.50	...
Deccan	5	8.22	7.90
E. I. Distil.	20	27.25	27.00
India	10	13.25	15.50
Jeyore	10	13.30	13.50
K. C. P.	100	120.00	128.00
Kirilampudi	100	41.00	36.50
Mysore	10	33.75	37.37
Travancore	10	9.90	10.60
United Brew	75	192.00	166.00

PLANTATION

Alageswar	2	2.85	3.25
Amalgamated	10	11.25	11.75
Anandam	10	15.40	20.50
Anapara	10	4.85	4.40
Arthala	5	4.90	4.00
Athmakulam	2	1.26	1.03
Bababudin	5	12.00	11.00
Badra	2	3.75	3.37
Balanor	10	16.00	18.87
Balmadies	2	3.45	3.35
Be Be	5	3.40	4.38
Blue Mountain	2	3.00	3.60
Chandramalai	2	3.19	3.95
Chembra	2	3.88	3.80
Cochin Malabar	3	4.55	7.70
Coffee Lands	10	35.00	26.00
Cons. Coffee	10	24.85	22.10
Coonor	10	20.50	23.75
Coorg	5	10.75	11.35
Cottanad	10	14.50	17.25
Cowwoody	2	10.75	7.50
Devashola	10	18.40	19.87
Devon	10	17.25	17.37
Emerald Valley	5	6.90	7.00
Gokul	2	1.50	1.75
Halleyburia	10	17.87	22.50
Highland	10	13.50	14.25
Kadur	3	2.85	3.00
Kallas	2	4.18	4.95
Kallas	9	15.40	14.20
Kalpetta	10	25.50	24.00
Karikode	10	10.35	12.50
Kilkotagiri	2	5.45	5.95
Kumergode	2	9.60	6.25
Kurchemala	10	6.30	7.50
Lucky Valley	10	9.60	11.25
Malabar Agr.	10	8.75	11.00
Malabar Indust.	10	15.50	21.50
Malankara	10	16.50	28.75
Manar	2	2.75	3.12
Manimala	10	8.75	10.00
Mercara	5	6.50	8.20
Midland	10	16.35	17.00
Miamallay	25	32.00	45.50
Mys. Amalgam	5	5.00	4.50
Mysore Coffee	2	3.20	2.90
Mys. Plantations	2	1.75	1.98
Neelamalai	5	4.60	5.90
Nellampathy	2	3.06	3.00
Nellithanam	10	11.85	12.60
Nemmeny	10	14.10	20.25
Nilambur	10	12.85	16.50
Nilgiri	10	8.50	8.85
Nonsuch	10	21.62	22.75
Ochterlony	2	4.80	4.87
Panchura	1	3.20	3.75
Parkside	10	16.32	16.00
Peermade	10	20.87	25.75
Perinsular	10	19.00	27.50
Periakaramalai	2	4.10	7.80
Ponnudi	2	1.55	1.75
Pullangode	2	1.77	2.35
Puthuthottam	2	2.85	3.50
Rajagiri	10	15.90	18.40
Rajendra	5	10.25	11.87
Sanganeshwar	2	3.03	2.43
Savarnalai	2	4.17	...
Shevarai	2	2.10	1.97
Stanes Amalgam	10	14.10	18.85

NAME	Paid-up per share.	Quotation as on	
		16-5-58 Rs nP	16-5-57 Rs nP
Swinton	5	2.45	...
Talsay	10	9.00	10.55
Teekoy	10	6.30	8.06
Thirumappally	10	26.00	27.00
Thirumabadi	1	1.55	1.85
Trav. Rubber	10	15.00	16.75
T. B. & T. Co.	10	6.62	8.90
Tropical	25	20.25	30.25
Twrford	10	13.25	17.00
Udayagiri	10	11.75	15.00
Uni. Nilgiris	10	15.40	17.45
Valkundam	10	20.10	29.30
Vayitri	2	1.55	1.80
Vellimalai	5	5.40	7.25
Waterfall	2	3.10	4.20
Woodcote	1	1.56	1.70
Woodland	10	7.75	9.50

TEXTILES

Adoni	10	7.75	9.50
Anglo-French	100	89.00	80.00
Balasubramania	40	56.00	65.00
Balasubramania B	70	103.00	120.00
Bangl. Wooden	100	164.00	173.00
Buckingham	100	165.00	170.00
Cambodia	10	8.30	13.00
Cambodia	100	144.50	165.00
Cauvery	11	12.00	11.37
Coim Cotton	100	141.00	170.00
Coim. Kamala	100	102.00	105.50
Coim. Kamala	80	50.00	50.00
Coim. Murugan	100	115.00	214.00
Coim. Pioneer	100	222.00	288.00
Coim. Spg.	50	49.00	86.00
Dhanalakshmi	100	177.00	340.00
Hemalatha	10	8.80	...
Janardana	50	76.00	91.00
Jawahar	5	12.25	14.50
Kadri	100	161.00	175.00
Kadri	10	16.00	17.50
Kaleswarar	100	325.00	335.00
Kannapiran	10	9.40	...
Kasthuri	25	24.75	28.50
Kothari	10	10.00	14.10
Kr. Rajendra	50	79.00	104.00
Lakshmi	50	98.25	139.00
Lakshmi A	25	48.00	70.00
Loyal	50	35.50	49.00
Madura	15	32.50	41.25
Mettur	100	345.00	396.00
Mysore Silk	10	1.30	2.31
Palamalai Rangam	100	103.00	109.00
Palani Andavar A	50	135.00	147.00
Palani Andavar B	75	197.50	212.00
Pankaja	100	45.00	70.00
Premier	100	142.00	185.00
Pullikar	100	130.00	...
Radhakrishna	100	122.00	275.00
Radhakrishna B	50	65.50	139.50
Rajalakshmi	50	70.00	137.00
Rajapalayam	100	129.00	140.00
Ramakrishna	100	175.00	170.00
R. C. Ambika	100	146.00	232.00
Rangavilas	50	60.50	87.00
Ravaseema	100	105.00	135.00
Sivanandha	10	14.00	...
Thirumurti	100	120.00	...
Thirupati	10	9.75	10.00
Trav. Rayon	10	13.20	13.55
Trichinopoly	10	11.70	12.20
Vasanta	100	239.00	289.00
Venkatam	80	130.00	153.50
Vijayakumar	100	107.50	135.00
Vijayalakshmi	100	100.00	134.50
Vijayamohini	100	81.00	81.00
Vijayawari	100	90.00	...
Virudhunagar	50	31.00	33.50

MISCELLANEOUS

Alum. Indus.	10	13.32	13.40
A. Cement B	10	11.50	12.80
Andra Incoe	80	80.00	100.00
Andra Scientific	10	3.70	3.69
Ashok Leyland	5	4.15	5.12
Aspinwall	10	7.50	10.00
Aspinwall Trav.	10	7.50	...
A. V. Thomas	10	16.80	10.06
A. V. Thomas I	10	14.87	3.62
Bang. Prite	10	10.80	...
Binny	100	152.00	174.00
Brunton	10	4.56	5.58
Central Scientific	5	5.75	6.12
Dalmia Cement	10	9.96	11.75
Enfield	10	10.00	...

NAME	Paid-up per share.	Quotation as on	
		16-5-58 Rs nP	16-5-57 Rs nP
FACTS	10	5.10	5.70
Forest Indus. ...	4	1.85	1.80
Genl. Papers ...	10	9.00	8.00
Hindustan Lever	10	21.60	...
India Cement	25	27.60	27.00
Ind. Steel Rolling	10	11.15	11.00

Secured Advances of Scheduled Banks

	March 14, 1958.	Feb. 28, 1958.	Feb. 14, 1958.	Jan. 31, 1958.
Number of Reporting Offices ...	3,000	3,000	3,000	3,000
I. Food Articles:				
(1) Paddy and Rice ...	11.59	11.11	10.20	8.76
(2) Wheat ...	1.47	1.06	1.78	2.09
(3) Jowar ...	35	31	27	30
(4) Bajra ...	30	32	29	29
(5) Maize ...	77	74	79	88
(6) Grams ...	88	88	98	1.31
(7) Other Grains and Pulses ...	2.99	2.45	2.52	2.75
Total of I to VII ...	6.46	6.36	6.63	7.62
Total of I ...	18.05	17.47	18.83	16.38
II. Industrial Raw Materials:				
(8) Groundnuts ...	12.25	11.84	11.30	10.99
(9) Other Oilseeds ...	10.43	9.72	9.73	9.96
(10) Cotton and Kapas ...	73.50	71.61	71.09	68.69
(11) Raw Jute ...	47.49	18.06	18.87	19.07
(12) Hides and Skins ...	6.23	6.04	5.80	5.65
Total of II ...	119.90	117.27	116.79	114.36
III. Plantation Products:				
(13) Pepper and other spices ...	2.35	2.50	2.78	1.91
(14) Cashewnuts ...	2.31	2.24	2.33	1.69
(15) Tea ...	26.27	26.69	26.63	26.47
(16) Coffee ...	5.05	4.08	3.28	3.10
Total of III ...	35.98	35.51	35.02	33.17
IV. Manufactures and Minerals:				
(17) Sugar and Gur ...	54.02	50.23	44.85	38.43
(18) Rubber and Rubber Products ...	2.96	3.27	2.58	1.76
(19) Vegetable Oils including Vanaspathy ...	6.19	6.13	6.89	6.49
(20) Jute Textiles ...	104.01	106.13	107.13	104.51
(21) Cotton Textiles (including yarns) ...	15.29	15.48	15.95	15.10
(22) Other Textiles (Silk, Art Silk, Woolen, etc.) ...	14.03	14.36	14.31	14.06
(23) Iron, Steel and Engineering Products ...	89.57	88.20	90.47	91.26
(24) Other Metals and Metal Products ...	10.52	11.39	10.48	10.90
(25) Coal, Manganese, Mica and other Minerals ...	9.80	9.37	9.16	9.55
(26) Chemicals, Dyes and Pharmaceuticals ...	16.77	16.91	16.75	17.02
(27) Glass and Glass Ware, Pottery and Ceramic Products ...	1.27	1.29	1.26	1.32
(28) Electrical Goods ...	6.15	5.68	5.68	5.56
(29) Cement ...	3.74	3.26	2.04	1.58
Total of IV ...	334.32	331.70	327.72	317.63
V. Other Securities:				
(30) Real Estate ...	16.34	16.06	16.40	16.24
(31) Gold and Silver Bullion (other than to banks) ...	1.49	1.87	1.91	2.43
(32) Fixed Deposits ...	12.75	13.06	12.41	12.30
(33) Government and Other Trustee Securities ...	45.07	43.97	44.26	43.17
(34) Shares and Debentures of Joint Stock Companies ...	78.41	74.10	74.30	74.47
(35) Assets of Industrial Concerns—Fixed or Floating (other than those specified under above categories) ...	34.99	33.65	33.42	32.58
(36) Other Secured advances not mentioned above ...	61.60	62.77	62.34	57.75
(37) Composite advances ...	20.64	22.13	20.54	21.00
Total of V ...	266.29	267.61	265.58	260.84
Grand Total (I to V) ...	774.52	769.58	761.92	742.28

SMALL SAVINGS (in lakhs of rupees)

Year/Month	5 Year	7 Year	12 Year	10 Year National Plan Savings Certificates	Post Office Savings Bank Deposits	10 Year Treasury Savings Deposit Certificates	15 Year Annuity Certificates	TOTAL
	Outstand- ings.	Outstand- ings.	Outstand- ings.	Receipts.	Outstand- ings.	Receipts.	Outstand- ings.	Outstand- ings.
1952-53 ...	6.83	3.26	84.17	...	...	...	...	...
1955-56 ...	3.76	5.48	144.37	...	...	...	...	...
1956-57 ...	3.00	6.01	163.68	...	...	...	...	...
February, 1957 ...	3.07	5.81	161.04	...	...	...	...	...
March, ...	3.00	6.01	163.68	...	...	...	...	...
April, ...	2.83	5.82	164.82	...	...	...	...	...
May, ...	2.88	5.84	165.59	...	...	...	...	...
June, ...	2.82	5.72	165.59	...	...	...	...	...
July, ...	2.74	5.81	164.57	...	...	...	...	...
August, ...	2.68	5.49	162.36	...	...	...	...	...
September, ...	2.60	5.36	158.23	...	...	...	...	...
October, ...	2.54	5.26	155.82	...	...	...	...	...
November, ...	2.48	5.14	153.40	...	...	...	...	...
December, ...	2.43	5.06	151.07	...	...	...	...	...
January, 1958 ...	2.37	4.94	148.57	...	...	...	...	...
February, ...	2.31	4.83	146.14	...	...	...	...	...
March, ...	...	...	...	...	...	...	...	...

Yields on Industrial Securities-All-India

	October, 1957.	Nov. Dec.	Per cent per annum.	January, 1958.	Feb. March
Debentures ...	4.18	4.20	4.27	4.14	4.14
Preference Shares ...	6.00	6.01	6.03	6.08	6.09
Electricity ...	4.85	4.85	4.84	4.84	4.81
Cotton Textiles ...	6.62	6.68	6.66	7.00	7.01
Jute Textiles ...	7.37	7.20	6.98	7.08	7.19
Coal ...	6.59	6.63	6.76	6.86	6.93
Sugar ...	7.03	7.03	7.03	7.02	7.00
Paper ...	5.90	5.90	5.93	6.08	6.08
Plantation ...	6.53	6.66	6.73	6.82	6.83
Miscellaneous ...	4.70	4.82	4.87	4.89	4.86
Variable dividend securities ...	7.09	7.02	7.20	7.26	7.19
Financial Banks ...	6.61	6.57	6.42	6.36	6.32
Insurance ...	7.59	7.45	7.33	7.25	7.06
Investment trust ...	7.76	7.80	7.83	8.60	6.10
Public utilities ...	7.20	7.16	7.17	7.21	7.18
Electricity ...	6.63	6.42	6.37	6.32	6.31
Shipping and other transport ...	7.38	7.17	7.44	7.61	7.63
Manufacturing industries ...	5.17	5.56	6.62	6.78	6.80
Cotton Textiles ...	5.72	5.44	5.43	5.39	5.22
Jute Textiles ...	7.63	7.76	7.64	7.89	7.81
Iron and Steel ...	5.89	5.90	5.94	5.97	5.89
Paper ...	6.32	6.30	6.64	6.78	6.85
Cement ...	6.18	6.17	6.23	6.41	6.28
General Engineering ...	6.49	6.62	6.77	6.85	7.16
Sugar ...	7.55	7.45	7.26	7.11	7.25
Chemicals ...	8.58	8.18	9.01	9.03	8.82
Non-manufacturing industries ...	10.16	10.35	10.67	10.87	10.77
Coal ...	8.17	8.00	8.04	8.02	7.76
Mining and Oil ...	...	...	...	...	...
Plantations ...	...	...	...	...	...
Miscellaneous ...	...	...	...	...	...

Discounts Rates of Central Banks

	Central Bank of	Present Rate.	Previous Rate.	Date Effective.
Austria ...	...	5.00	4.50	17th November, 1957
Belgium ...	...	4.50	3.50	26th July, 1957
Burma ...	...	3.00	...	February, 1949
Canada ...	...	3.87	3.83	November, 1957
Ceylon ...	...	2.50	3.00	11th June, 1954
Chile ...	...	5.00	4.50	February, 1957
Costa Rica ...	...	5.00	4.00	1st April, 1954
Denmark ...	...	5.50	5.00	26th May, 1956
El Salvador ...	...	4.00	3.00	April, 1957
France ...	...	5.00	4.00	18th August, 1957
Germany ...	...	3.00	4.00	17th January, 1958
Greece ...	...	10.00	9.00	May, 1956
India ...	...	4.00	3.50	16th May, 1957
Indonesia ...	...	3.00	4.00	1st April, 1948
Italy ...	...	4.00	4.50	6th April, 1950
Japan ...	...	8.40	7.67	8th May, 1957
Mexico ...	...	4.50	4.00	4th June, 1942
Netherlands ...	...	5.00	5.00	24th January, 1958
New Zealand ...	...	7.00	6.00	19th October, 1955
Norway ...	...	3.50	2.50	14th February, 1957
Pakistan ...	...	3.00	5.00	1st July, 1948
Peru ...	...	6.00	3.00	13th November, 1947
Philippines ...	...	4.30	3.00	September, 1957
Portugal ...	...	2.80	4.00	12th January, 1944
South Africa ...	...	4.50	4.25	29th September, 1956
Spain ...	...	5.00	4.00	July, 1957
Sweden ...	...	5.00	4.00	11th July, 1957
Switzerland ...	...	2.50	1.50	16th May, 1957
Thailand ...	...	7.00	6.00	February, 1945
Turkey ...	...	6.00	4.50	June, 1956
United Kingdom ...	...	7.00	5.00	19th September, 1957
USA ...	...	3.00	3.1	...
Venezuela ...	...	2.00	...	...

May, 1947

May 24, 1958

RESERVE BANK OF INDIA

	16-5-58	9-5-58	17-5-57
LIABILITIES:			
Notes in Banking Dept.	24,65.09	9,35.73	15,17.23
Notes in Circulation...	1614,83.14	1629,95.58	1590,23.03
	1639,48.23	1639,31.31	1605,40.26
ASSETS:			
A Gold Coin & Bullion:			
(a) In India ...	117,76.03	117,76.03	117,76.03
(b) Outside India...	...	...	...
Sterling Securities ...	209,67.56	184,83.19	412,51.91
Total of A ...	327,43.59	302,59.22	530,27.94
(B) Rupee Coin ...	129,42.36	129,25.44	125,35.01
Rupee Securities ...	1182,62.28	1207,46.65	949,87.31
	1639,48.23	1639,31.31	1605,40.26
BANKING DEPARTMENT:			
Capital Paid-up ...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	80,00.00	80,00.00	5,00.00
National Agricultural Credit (Long-term Operations) Fund ...	20,00.00	20,00.00	15,00.00
National Agricultural Credit (Stabilisation) Fund ...	2,00.00	2,00.00	1,00.00
Deposits:			
(a) Central Govt. ...	75,06.93	53,29.16	49,86.90
(b) Other Govt's ...	13,68.56	15,72.76	3,07.81
(c) Banks ...	73,88.09	111,98.74	62,54.98
(d) Others ...	113,18.92	112,42.24	85,29.74
Bills Payable ...	14,41.21	14,96.76	15,46.02
Other Liabilities ...	43,85.59	44,02.71	121,84.82
	441,09.30	459,42.37	364,10.27
ASSETS:			
Notes ...	24,65.09	9,35.73	15,17.23
Rupee Coin ...	10,30	3,34	8,52
Subsidiary Coin ...	2,04	2,06	6,87
Bills Discounted:			
Internal ...	...	...	...
External ...	...	...	...
Govt. Treasury Bills ...	3,63.51	3,99.59	2,32.06
Balances held abroad ...	42,83.85	73,63.35	65,07.22
Loans & adv. to Govt ...	59,80.15	57,53.03	20,69.46
Other Loans & Adv. ...	69,32.81	55,95.43	119,73.17
Investments ...	227,04.19	244,95.91	127,30.19
Other Assets ...	13,67.36	13,94.03	13,65.55
	441,09.30	459,42.37	364,10.27

(1) The item "Other Loans and Advances" includes Rs. 24,51,50,000 ad. issued by scheduled banks against unsecured bills under section 17 (4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

	9-5-58*	2-5-58*	10-5-57
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A) ...	19,83.84	18,77.09	11,82.88
(ii) Other demand liabilities ...	732,32.77	733,73.11	707,66.48
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A) ...	16,23.50	15,99.50	3,18.00
(ii) Other time liabilities ...	773,96.44	775,06.85	514,04.16
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities ...	5,74.43	5,98.17	11,12.64
(ii) Time Liabilities ...	95.00	80.00	...
Borrowings in India from the R. B. I.			
Cash in India ...	18,63.87	20,92.67	89,64.37
Balances with the Reserve Bank of India ...	40,35.37	40,15.46	38,05.50
Balances with other banks in current account in India ...	12,48.03	12,06.07	9,91.37
Money at call and short notice in India ...	58,61.26	55,31.62	18,85.75
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Department Receipts ...			
Advances in India ...	425,45.74	444,06.19	344,10.65
Indian Bills Purchased and Discounted in India ...	795,17.70	798,26.89	749,64.43
Foreign Bills Purchased and Discounted in India ...	111,42.01	115,52.78	127,35.71
	42,94.61	41,58.96	58,39.55

*Figures are provisional since complete returns have not been received from R.B.I. also.

A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

	(In 000's of Rupees).		
	Week Ended		
	16-5-58	9-5-58	17-5-57
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	6,62.50	6,62.50	6,37.50
Deposits and other Accounts	417,66.34	418,27.66	301,58.29
Borrowings from other Banks, Agents, etc.	6,00.00	.....	3,39.00
Bills Payable	7,39.25	8,09.57	5,99.20
Bills for Collection as per contra	82.05	86.39	70.77
Acceptances etc. for constituents as per contra	94.43	81.00	7.06
Other Liabilities Including Inter-office Adjustments	4,40.11	4,08.13	3,63.57
Total	449,47.18	444,37.75	327,37.89
ASSETS:			
Cash in hand and with R. B. I.	25,01.28	51,71.77	19,81.74
Balances with other Banks	2,30.63	2,57.94	2,90.43
Money at call and short Notice	1,80.00	1,33.33	1,40.00
Government and other Trustee Securities....	160,75.91	160,80.81	94,11.94
Other Authorised Investments	10,28.32	10,38.34	11,50,87.87
Loans Advances cash credits & Over Drafts	182,17.38	185,38.23	161,90,01.01
Bills Discounted and Purchased	18,99.32	19,28.09	29,00.73
Bills for collection as per contra	82.05	86.39	70.77
Constituents' Liabilities etc. as per contra....	94.43	81.00	7.06
Dead Stock	2,02.60	2,03.09	1,85.62
Other Assets	44,35.26	9,18.76	4,08.72
Total	449,47.18	444,37.75	327,37.89

For Service & Security
PANDYAN BANK LTD.

Central Office: MADURAI

Madras Office: 121, ARMENIAN STREET

Paid-up Capital ... Rs. 10,00,000

Reserve Fund ... Rs. 10,25,000

Working Funds as on 31-12-1957 ... Rs. 3,27,81,916

55 Convenient Offices in Southern Districts

Banking Business of every description transacted

S. N. K. SUNDARAM, Mg. Director.

THE BANK OF INDIA LIMITED

(Established 7th September, 1906)

Capital Authorized, Issued & Subscribed Rs. 5,50,00,000

Capital Paid-up - - - - - Rs. 3,00,00,000

Reserve Fund - - - - - Rs. 3,10,00,000

Head Office: MAHATMA GANDHI ROAD, FORT, BOMBAY.

Branches in the principal cities of India

BRANCHES OUTSIDE INDIA:

LONDON—17, Moorgate, London E.C. 2.

ADEN. DAR-ES-SALAAM. JINJA. KAMPALA. KARACHI.

MOMBASA. NAIROBI. OSAKA. SINGAPORE. TOKYO.

DIRECTORS:

Sir Cowasjee Jehangir Barot, G.B.E., K.O.I.E., Chairman.

Mr. Ambalal Sarabhai, Mr. Krishnaraj M. D. Thackeray.

Sir Joseph Kay, K.B.E., Mr. A. D. Shroff.

Mr. Ramjiwasi Ramnarain, Mr. Madanmohan Mangaldas.

Mr. Bhagvandas O. Mehta, Mr. N. K. Pethigara.

Mr. Vithal N. Chandavarkar.

Every Description of Banking Business Undertaken.

T. R. LALWANI, General Manager.

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Indian Finance

HIGHLIGHTS OF THIS ISSUE

The Sherlock Holmes who is our World of Finance scribe detected that the Reserve Bank had subscribed Rs 50 crores to the 1958 New Loan programme. The net cash subscriptions to the New Loan amounted roughly to Rs 132 crores.

Does the fact that the Reserve Bank had to take so large a chunk of it, mean that the 1958 New Loan programme is a failure?

Read World of Finance to find the proper perspective in which the New Loan programme just ended must be studied.

Indian Finance

Saturday

May 31, 1958

Volume LXI No 22

Price: Rs 1.50

JAIPURIA ENTERPRISES

TEXTILE MILLS

Swadeshi Cotton Mills Co. Ltd.
Kanpur, U.P.

Swadeshi Cotton Mills Co. Ltd.
Pondicherry, S.I.

SUGAR MILLS

Ganesh Sugar Mills Ltd.
Anandnagar, Dist. Gorakhpur,
U.P. (N.R.)

Shree Anand Sugar Mills Ltd.
Khalilabad, Dist. Basti, U.P.
(N.R.)

COAL MINES:

Samla Collieries Ltd.

Collieries at:

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Jaipuria-Kajora Collieries Ltd., Rly. Station, Ondal (E.R.)

VANASPATI:

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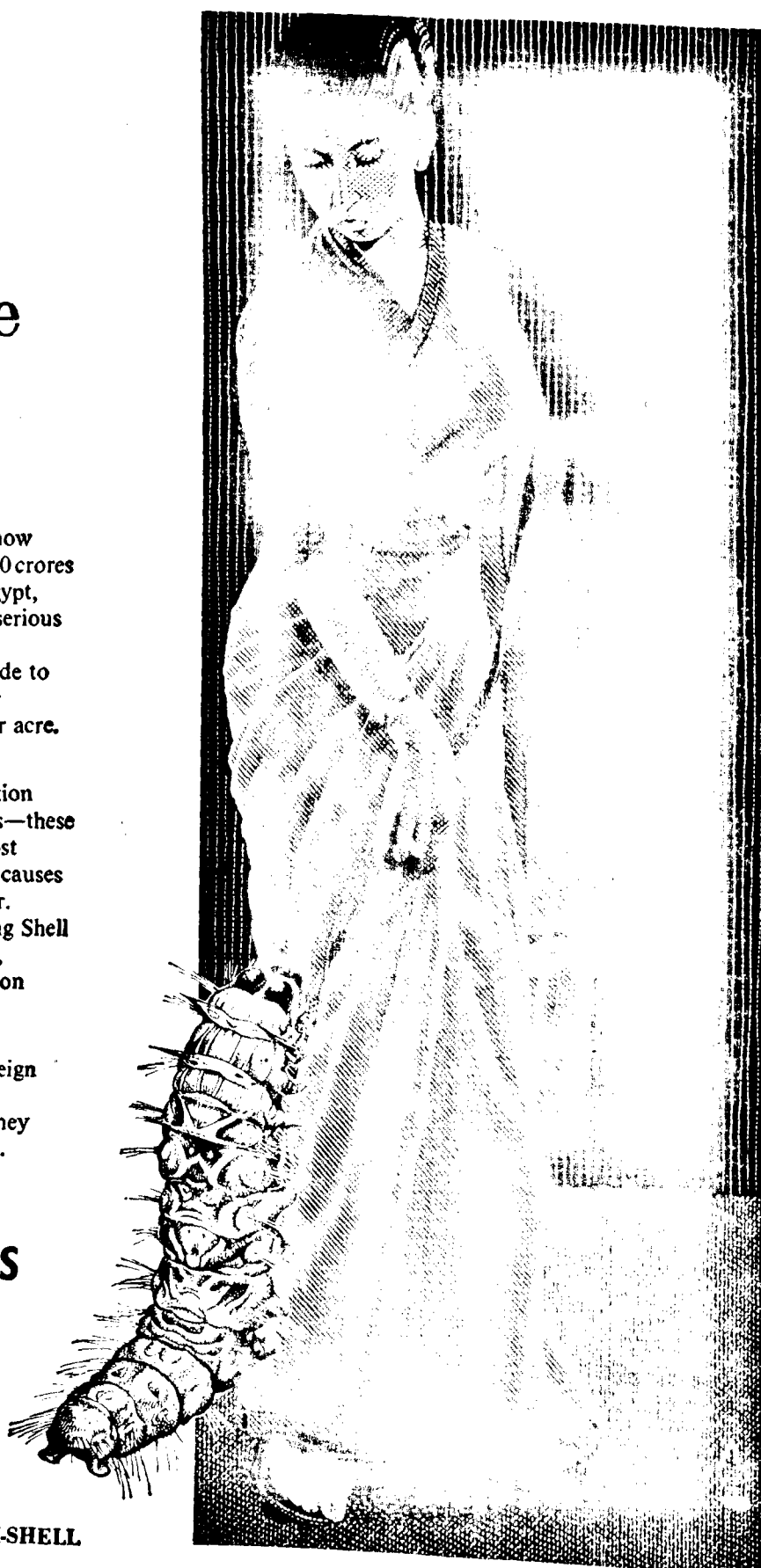
Talking about cotton...very few people know that the country spends something like Rs. 50 crores a year importing superior cotton—from Egypt, U.S.A. and East Africa. This is indeed a serious drain on the country's foreign exchange resources, but a genuine effort is being made to increase indigenous production of superior cotton primarily by increasing the yield per acre. How is this being done?

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Anticipation of Cheerful Mood

Investment Gossip :

THERE has been a practically im-
perceptible improvement in the
tone and tenor of the Stock Ex-
changes. Jamshedpur has returned
to near normalcy, and steel quo-
tations have consequently shrugged
off their erstwhile lassitude.

Sentiment is also aided by the
fact that the New Loan has hardly
affected the money market. The
Deposits of Scheduled Banks fell
by a scant Rs 12 crores in the re-
levant period, and so it is reasoned
that there has been no considerable
"diversion" of funds from equity
to gilt-edged.

Of course, the State Government
loans are in the offing; and it may
be that these will make a greater
call upon the Deposits of the bank-
ing system. But, even then, it is
by now clear that the additional
resources accruing to banks are of
such dimensions as to ensure that
there is, in the immediate future,
no threat of monetary stringency.

But turnover was reported to be
at a somewhat less brisk pace,
though activity in miscellaneous
industrials has consistently been at
a rising tempo. Papers in parti-
cular are popular. Even Jutes, in
spite of some poor results, are hold-
ing fairly firm.

I again suggest that the cause of
all this steadiness should justly be
attributed to that subtlest of all
influences—the hawa. You hear the
same thing these days, that, on the
present reckoning, the long-term
outlook is undoubtedly good.

Then, the difficulties that the
country appears to have run into,
in respect of foreign exchange,
have pointed to the possibility of
Government taking suitable steps
to provide a fillip to exports.

Talked about in the market place
is an imminent reduction in the
export duty on common teas. Any
time, you hear, any time.

Similarly, it is taken for granted
that Government will perforce
come up with a scheme for export
of sugar: some sort of subsidy is
expected.

It is, therefore, not altogether
wrong to suggest that the market
is in a mood of anticipatory cheer.
Thus far, a general upward move-
ment has been circumscribed by a
particular weakness in speculatives.
Once the cause of this peculiarly
debilitating influence on specu-

tives is removed, it seems certain
that a swifter improvement will be
discernible in stock exchange prices.

It would be foolhardy on my
part to predict when exactly this
strident upward trend is likely to
commence. But one thing is sure.
That is, that we can assert, with
some degree of confidence, that we
have possibly left behind us any
chance of a general fall in stock
exchange quotations.

In this light, I would like to re-
iterate that it is time for the Inves-
tor, out of his accrued funds, to
make some shrewd purchases of
blue-chips.

£ R \$

Investment Notes :

JAYSHREE Textiles Limited has
announced the issue of 2,500 Se-
cond Mortgage Debentures of Rs
1,000 each of the face value of Rs
25 lakhs, bearing an interest of 7
per cent per annum, taxable. The
proceeds of the proposed issue are
to be utilised as follows:—(a) the
sum of Rs 13.71 lakhs for repay-
ment of the principal money se-
cured by the First Mortgage De-
bentures and (b) the remaining
amount of Rs 11.29 lakhs for cap-
ital expenditure towards expan-
sion. The company may redeem
the whole or any part of the De-
bentures on or at any time after
1st January 1963, at par, plus ac-
crued interest on giving not less
than 6 months' notice.

Killick Industries, Bombay, have
proposed to issue 25,000 new Ordi-
nary shares of Rs 100 each at a
premium of Rs 20 per share in the
proportion of one share for every
5 shares held. The sanction of the
Controller of Capital Issues has
been obtained in this connection.
The new shares will rank for divi-
dend with the existing shares on
the amounts paid-up from the date
of allotment.

The Madras Stock Exchange
Association, which is conducting
cash business for the last several
years, is contemplating to intro-
duce forward trading in eleven
popular scrips, with effect from
July 4. It is understood that the
Bank of India will act as the clear-
ing house; and settlement will be
effected on a fortnightly basis. The
scrips, that are placed in the for-
ward list, are Blue Mountains,
Periakaramalai, Cochin Malabar,
Consolidated Coffee, Ouchterlony
Valley, Madura Mills, Lakshmi
Mills (both shares), Travancore
Rayons, Deccan Sugar and Alumi-
nium Industries.

£ R \$

Investment Briefs :

Kanknarrah and Kamarhatty, in
Jardine Henderson Jute group, have
passed over the dividends, both on
the Ordinary and Preference
shares, again for the year ended
31st December, 1957.

Marshall Sons have maintained
the dividend at 20 per cent for the
year ended 30th June, 1957.

India Sugars & Refineries have
reduced the dividend from 11½ to 10

per cent for the year ended 30th
September, 1957.

Bangalore Printing & Publishing
Company has maintained the divi-
dend at 10 per cent for 1957.

£ R \$

Disappointing Jute Results

Balance-Sheet Reviews :

THAT the jute industry has conti-
nued to experience difficult trading
conditions is a known fact. Three
mills—Cheviot, Delta and Orient—
in Andrew Yule group, which have
just issued reports, show continued
working losses despite the fact that,
last year, India exported a record
quantity of jute goods. Though
these mills have paid dividends on
the Preference shares after trans-
ferring from Reserves, the payment
of any dividend on the Ordinary
shares, especially by Kanknarrah
and Kamarhatty, in Jardine Hen-
derson group, now appears to be a
far cry.

Judged by the present situation
in the jute mill industry, it seems
that the debit balances will con-
tinue for some time to come and
it will, indeed, be a far off day
when they may possibly resume
to pay any dividend at all on the
Ordinary shares, especially when
trading conditions have turned out
to be adverse in the absence of any
demand for jute goods from over-
seas buyers. To make matters
worse, the situation in Argentina
is too bad to hope for any substan-
tial orders from that quarter. The
only hope for the industry, there-
fore, lies in the expansion of the
internal market.

£ R \$

Cheviot Jute

Despite an increase in sales from
Rs 91.86 lakhs to Rs 94.79 lakhs,
the Cheviot Jute Mill has reported
a loss, after providing for Depre-
ciation, of Rs 82,708 for the year
ended 30th November 1957 as
against a loss of as much as Rs
3.97 lakhs in the previous year. A
sum of Rs 1.08 lakhs has been
provided for Depreciation against
Rs 1.1 lakhs. After transferring
Rs 1.73 lakhs from General Reserve,
the directors have transferred Rs
23,000 to Wealth Tax and recom-
mended the dividend only on the
Preference shares. Last year, an
Ordinary dividend of Rs 2 per
share was paid.

£ R \$

Delta Jute

This mill has also reported a loss
of Rs 2.7 lakhs for the same year
as against a loss of Rs 2.69 lakhs
in the previous year. Sales are
slightly lower at Rs 1.02 crores
against Rs 1.3 crores. Depreciation
has been raised to Rs 1.25 lakhs
from Rs 66,000. After making a
transfer of Rs 3.3 lakhs from
various Reserves, the directors
have allocated Rs 34,500 to Wealth

Tax and recommended the divi-
dend on the Preference shares
only. A dividend of Rs 5 per
share was paid on the Ordinary
shares in the previous year.

£ R \$

Orient Jute

The Orient Jute Mills Company
Limited has incurred a loss of Rs
55,117 as against a loss of Rs 2.25
lakhs in the previous year, while
sales are lower at Rs 94.39 lakhs
against Rs 97.60 lakhs. The De-
preciation amount is reduced to Rs
1.00 lakh from Rs 1.10 lakhs. After
transferring a sum of Rs 72,000
from General Reserve, the directors
have set apart Rs 22,000 for Wealth
Tax. The Ordinary dividend is
passed over against Rs 5 per share.

With a view to having direct
contacts with overseas markets,
the above three mills, together
with other jute mills in the same
managing group, have formed a
new company under the style
"Budge-Budge & Allied Jute Mills
Exports (Private) Limited". All
the Jute mills have subscribed equ-
ally to the capital of the newly-
formed company.

£ R \$

Podar Mills

In the context of extremely dif-
ficult trading conditions through-
out the cotton textile industry
had to pass last year, the results
of the Podar Mills Limited, for the
year 1957, should be considered
satisfactory. Reviewing the work-
ing of the year, the directors have
stated that the margin between the
raw material and yarn and cloth
prices considerably narrowed down
last year.

Despite a rise in sales, the pro-
fit for the year is considerably
lower at Rs 1.31 lakhs as against
Rs 10 lakhs in the previous year.
The provision for Depreciation is
slightly higher at Rs 1.34 lakhs
against Rs 1.25 lakhs. No provision
has been made for Taxation and
Wealth Tax as the same is covered
by the provision for taxation made
in the previous years.

In view of the decline in the
profits, the directors have lowered
the dividend from 12 to 10 per
cent, which includes Rs 2 by way
of bonus for the previous year.
The company is carrying huge
stocks of the finished products of
the value of Rs 47.46 lakhs, which
are more than 2½ times as com-
pared to the previous year's stocks
amounting to Rs 18.76 lakhs. As a
consequence, the third shift of the
spinning department, started by the
mills in February 1957, was closed
by the end of the year.

£ R \$

Svadeshi Mills

The results of the Svadeshi Mills
Company Limited are in line with
the trend of textile profits released
so far. The net profit, after provid-
ing Rs 13.68 lakhs for Deprecia-
tion (Rs 14.39 lakhs) and Rs 2.50
lakhs for Wealth Tax (nil), shows
a substantial reduction to Rs 6.78
lakhs from Rs 31.76 lakhs in the
previous year. After transferring

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Rs 9.75 lakhs from General Reserve No 1, the directors have allocated a sum of Rs 6.78 lakhs to General Reserve No 2. A dividend of Rs 9 per share is recommended on the equity capital. Sales total Rs 3.72 crores.

The directors have transferred a sum of Rs 43.86 lakhs from General Reserve to General Reserve No 1 and the balance of Rs 54.13 lakhs to General Reserve No 2. This splitting of the General Reserve into two parts has been done with the object of segregating in the general Reserve No 1 profits which have already been taxed and which are available (if required) for payment of non-taxable dividends.

The General Reserve No 2 consists of other profits, i.e. profits which have either not been taxed or which, for income-tax purposes, have been deemed to have been utilised for payment of non-taxable dividends in the past.

£ R S

Tata Mills

The Tata Mills Limited has reported disappointing results for the past year. After providing Rs 50,000 for managing agents' commission (Rs 1.68 lakhs); Rs 10.25 lakhs for Depreciation (Rs 11.87 lakhs) and Rs 50,000 for Wealth Tax (nil), the net profit is Rs 1.70 lakhs as against Rs 18.27 lakhs in the previous year. With Rs 17,925 brought in from the previous year, and transferring a sum of Rs 5.24 lakhs from General Reserve for the payment of dividend, the amount available for distribution is Rs 7.13 lakhs. A sum of Rs 1.70 lakh has been allocated to General Reserve No 2. The Ordinary dividend is Rs 2 per share.

Sales of cloth, yarn and waste total Rs 3.34 crores against Rs 3.08 crores. Stocks are higher around Rs 79.04 lakhs as against Rs 66.95 lakhs.

£ R S

Ahmedabad New Cotton

The Ahmedabad New Cotton Mills Company Limited has reported a loss of Rs 5.56 lakhs as against a profit of Rs 3.45 lakhs in the previous year. Sales are lower by Rs 10 lakhs at Rs 1.11 crores, while stocks have gone up to Rs 22.38 lakhs from Rs 17.42 lakhs. The directors have, however, maintained the distribution at Rs 20 per share by transferring a sum of Rs 2.55 lakhs from Dividend Equali-

sation Reserve and Rs 79,609 from the Congingency Fund.

£ R S

Victoria Mills

The Victoria Mills of Bombay has earned a lower gross profit of Rs 10.68 lakhs as against Rs 21.11 lakhs in the previous year. The Directors have provided a sum of Rs 7.29 lakhs (Rs 7.07 lakhs) for Depreciation; Rs 1.73 lakhs (Rs 3.24 lakhs) for Development Reserve and Rs 45,000 (Rs 2.50 lakhs) for Taxation. The dividend on the Ordinary shares has been maintained at Rs 20, including a bonus of Rs 5 per share. Sales have fetched Rs 2.02 crores against Rs 2.03 crores.

£ R S

Tarun Commercial Mills

The Tarun Commercial Mills Limited has reported a gross profit of only Rs 3.57 lakhs as against as much as Rs 8.22 lakhs in the previous year. The directors have transferred a sum of Rs 1.50 lakhs from General Reserve. The Depreciation amount is reduced to Rs 1.30 lakhs from Rs 3.88 lakhs and Taxation provision to Rs 84,000 from Rs 1.30 lakhs. The dividend is reduced from Rs 11 to Rs 10 per share. Sales are lower at Rs 1.27 crores against Rs 1.48 crores.

£ R S

Bengal Flour Mills

Thanks to the installation of a new milling plant, the Bengal Flour Mills Company Limited has been able to report an increase in earnings for the year ended 31st December, 1957. Despite a decline in sales from Rs 2.18 crores to Rs 2.14 crores, the net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 9.11 lakhs as against only Rs 5.14 lakhs in the previous year. In respect of allocations to Funds, the Depreciation amount is raised to Rs 1.79 lakhs from Rs 1.66 lakhs and Taxation to Rs 10.88 lakhs from Rs 4.52 lakhs. The dividend is, however, maintained at 25 per cent.

The directors have planned a further extensive programme of modernisation and improvement. This is at present held up owing to the difficulty in obtaining foreign exchange; but it is necessary to build up funds against the time when it will be possible to purchase imported plant. They have, therefore, transferred a sum of Rs 5.00 lakhs (Rs 2.00 lakhs) to General Reserve with this idea in view.

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Employment and Labour Policy

CAN there be a firm basis for any programme for improvement of emoluments and amenities enjoyed by industrial labour without a simultaneous effort to tackle the problem of unemployment? Though this question is neither asked nor answered at Labour Conferences, it casts its shadow over their proceedings and it endows them with an air of unreality. Recently, industrial relations and labour legislation in the country were comprehensively surveyed at two high level conferences held in Nainital. From the Labour Ministers' Conference emerged the important recommendation for integration of security services on the lines suggested by the Menon Committee. Other recommendations of the conference relate to extension of the Provident Fund Act to small establishments employing twenty persons or more, increase in the contribution from 6 1/4 per cent to 8 1/3 per cent both for employers and workers, and raising the employers' contribution under the State Insurance Scheme to 4 1/2 per cent. While the recommendations considered by themselves appear not only unexceptionable, but also urgently necessary, it is not clear whether the impact of the additional burdens on industry and the consequent repercussions on employment have been fully taken into account. The adverse effect on unemployment is likely to be particularly pronounced at a time when shortage of materials and rigours of import control have created serious difficulties for trade and industry in day to day working. This raises the further question whether the purpose of the Labour Conference is confined to a discussion of the measures to promote the welfare of the existing body of industrial labour and their inter-caste squabbles, and whether a conference at which the employers, workers and Government are represented has no responsibility to consider all measures against the background of the overall employment situation in the country.

In his address to the Indian Labour Conference, which was held immediately after the conference of Labour Ministers, Mr G. L. Nanda, the Union Minister for Labour and Employment, did make a reference to the shrinkage of employment in establishments, and said he could not understand the phenomenon in the context of a developing economy. But there is no evidence in the discussions that followed of any awareness of the gravity of the problem, or of the bearing of the decisions taken at this conference and the preceding one, on the volume of employment in the country. Mr Nanda had pointed out that, if the total outlay on the Plan had to be limited to Rs 4,500 crores, the employment content of the Plan would shrink from eight million jobs envisaged in the original Plan to 6.5 million. The result will be that the total volume of unemployment in the country at the end of the Plan period will be nearly double that at the beginning. The results of the failure of the Plan to achieve even its modest employment targets can be catastrophic. The decline in employment opportunities resulting from the curtailment of outlay in the public sector must be compensated by the adoption of realistic policies which will encourage expansion of employment in the private sector, and especially in small industries. For the worker, a job today is

more important than the receipt of a pension at the end of thirty years' service; and the majority of them would prefer the former. In view of the expectation of life in this country, and the hazards that beset the possibility of surviving to the age of retirement, they cannot be blamed for taking a shortsighted view. The problem of unemployment in India is too large to be amenable to any practicable scheme of relief. Mr Nanda dropped a suggestion of an unemployment levy which, if implemented, may benefit employees of concerns which are obliged to close down. But it does not hold even the distant promise of relief to the vast army of the unemployed.

The problem of unemployment has to be tackled at the highest level as it involves questions of industrial policy rather than industrial welfare. The welfare measures in fact will have no adequate basis and there will be no assurance of social stability until it is possible to break the hard core of unemployment. Labour leaders should be wise enough to recognise that unemployment sets a severe limit to the improvements that they can hope to extract by exerting pressure, which is not always legitimate, on employers. But from the reports appearing in the press, none of the three parties to the labour conference showed any awareness of this ominous challenge. While intrusion of politics in trade union activity was rightly disapproved, nobody seems to have thought of the political significance of the existence of a vast army of the unemployed or of how continuous frustration breeds a dangerous mood of receptivity to desperate remedies. The leftists may be taking too much for granted, if they think that the unemployed are always on their side. In the eyes of the unemployed, those who have managed to secure a job, especially in organised industry with its statutory benefits, belong to the privileged classes, pampered alike by the Government and labour leaders. They will be prepared to follow any demagogue who promises them jobs, to break up any Workers' Union irrespective of its party affiliation. It will be tempting fate to bank on the fact that no such demagogue has yet put in an appearance.

The two important topics which engaged the attention of the conference were the closure of industrial undertakings, especially in the cotton textile industry, and the problem of industrial relations. The reports of the conference proceedings indicate the apparently unbridgeable gulf between the respective standpoints of employers and of organised labour. The employers consider that lack of purchasing power among the masses, the decline in demand and consequent accumulation of stocks, shortage of working capital, heavy taxation and difficulties in getting essential materials are responsible for the closures. Mr G. D. Somani, representing the employers, told the conference that, in the period of the last 20 months, even efficient units in the textile industry had been forced to draw on their reserves. According to figures published by Government, twenty-six mills have closed down and another 36 mills have been forced to curtail operations. The workers' delegates, on the other hand, appear to be convinced that there is nothing more to it than incompetence, if not worse. Mr S. A. Dange went so far as

to declare that the closures arose from "pure fraud" and suggested a "dose of preventive detention" as the remedy. As Mr Dange pointed out, it may be that this weapon has been employed in the past against labour leaders. But apart from making scores even, it is not clear how its application to recalcitrant managements will enable mills which are working at a loss to continue operations. The provisions of existing legislation regarding closures are sufficiently onerous to deter managements who wish to close down their concerns for other than inescapable, economic reasons. They may prefer incarceration to incurring further financial loss, for that will at least endow them with the essential qualification for political leadership, which they can use with great effect in organising a party of conservative elements in the country whose strength is not negligible. It is, however, a matter for gratification that the Labour Minister has taken a balanced view of the situation. In his address, he had referred to all the relevant factors which had led to the present impasse.

The Conference has endorsed the suggestion for the appointment of an expert committee to examine individual units and for a system of advance intelligence to enable action to be taken at the first symptom of trouble. The Conference has also recommended grant of development loans to the textile industry to enable the mills to modernise their equipment. The accumulation of stocks, in most cases, is in respect of coarse and medium varieties of cloth. In his presidential address to the first quarterly meeting of the Bengal Mill Owners' Association, Mr B. K. Birla had referred to this problem and suggested that the quotas of imported long staple cotton should be increased so that mills could manufacture fine grades which are in demand. It is satisfactory to note this suggestion has been endorsed by the Conference, which has recommended a liberal supply of imported cotton. The conference has also recommended a reduction in the margin on loans granted by the State Bank to the cotton textile industry.

One of the controversial recommendations relates to the amendment of standing orders, so that two months' notice will be required before any shift was closed, and three months' notice before total closure. The engineering industry, which lives from hand to mouth, will find it particularly difficult to give extended notice before closure. The question of reducing the period of notice in individual cases, where it will cause hardship, has been left to the discretion of State Governments.

The most notable achievement of the conference was the agreement reached among the four representative workers' organisations on a code of conduct governing inter-union relations. On the question of compulsory adjudication, the consensus of opinion at the two Conferences appears to be against its hasty abolition. This does not mean that the system has been working to the satisfaction of either workers or employers.

The judicial procedure with its inevitable delays is calculated to maximise dissatisfaction on either side. By the time one set of grievances has been disposed of, sufficient time has elapsed for new ones to develop. Having set

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It is along the lines of the Indian Aluminium Co's policy of collective bargaining that one can see real progress towards sound industrial relations. Workers, through the various joint committees, are associated with the management in any major changes that take place in

"Really speaking, if one wants an agreement desperately enough, one gets it, and if one acted as if one wanted it, he would get it. There will inevitably be some difficulties, perhaps even a breakdown of the talks. The important thing is to keep on talking. If one gets stuck on one point, move to something else. In other words, narrow down the area of discussion. Success in one aspect will make for success in other aspects also. Another point to note is to keep temper down although, naturally, very often you come to the point of losing it.' and 'It is true the saying that the management gets the union it deserves!'"

Income should mean world income, or it should mean nothing. A hypothetical case is of a rich mill-owner having lands cultivated by tenants (who signed nowkarnamas) yielding Rs 5,400 net per annum, and a bona fide cultivating big family with an income of Rs 6,000 net per annum (all agricultural). To axe the latter and let alone the former would amount to rubbing Communism against the grain.

Is the game worth the candle? Partitions, sales, sub-marginal lands, scattered plots, immobility of tenants and agricultural labourers, and above all, the absence of an effective administrative machinery—all these must contribute to a sorry tale of high-sounding promises from house tops followed by the emergence of a rat out of a mountain.

So far the pattern of events was not uncommon. The company had not been reactionary. They had recognised and negotiated with the union, had introduced a bonus scheme by agreement, and improved wages, but they had not been able to establish sound relations or convince the union of their good intentions. There were the usual complaints of victimization from the union, and the usual

All this would seem to suggest that Belur has been unusually fortunate, but it must be remembered that without constructive leader-

A Case Study in Industrial Relations

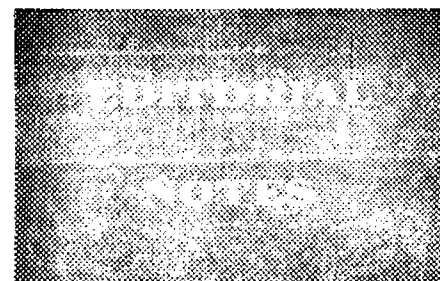
By M. SUR

The Land Reforms Bogey: Latest Phase in Andhra Pradesh

By S. KESAVA IYENGAR

THE proposed upgrading of the ceiling of landholdings in Andhra Pradesh State from Rs 3,600 net per annum to Rs 5,400 net per annum is a welcome change, but even this figure is quite niggardly compared to temporary costs of living and avowed aspirations of the Indian Welfare State. Rs 5,400 net per annum works at Rs 90 per capita per month (assuming that the average family consists of five persons), and in so far as the bulk of cultivators depend entirely on agriculture, this figure must result in the total disappearance of all agricultural enterprise in the State at a time when big and small irrigation works are fast increasing perennial irrigation facilities. Distress cultivation can never make India self-sufficient in food grains, and enable the country to earn sufficient foreign exchange for meeting developmental investment costs.

It is common knowledge that among the



Vacuum Fillers

Coyly, and with many gyrations, the PSP has cast itself for the role of successor to the Indian National Congress. The chairman's address, as well as the resolutions, at the party's annual conference held in Poona have drawn a lurid picture of the disintegration of the Congress which, they fear, would leave a political vacuum and have affirmed the party's heroic resolve to fill it. There must be some strange influence in the atmosphere of Poona, shades of Peshwas or spooks of red-faced colonels, which encourage illusions of grandeur. Anticipating the disappearance of the Congress, the PSP asks "Koi Hai", and itself answers, "Huzoor." The PSP proposes; and the people will dispose.

It is surprising that a party which regards itself as an instrument of "democratic socialism", should see its opportunity in the disintegration, real or fancied, of the Indian National Congress. Parliamentary democracy, as every tyro knows, requires two, strong, well-organised parties for its proper functioning. The disintegration of one cannot in any circumstances be source of strength to the other. In India, the disintegration of the Congress will result, not in the installation of PSP in power in New Delhi and in the State capitals, but in utter chaos. And it is difficult to visualise the PSP

leaders in the role of furies riding the storm.

It is a pity that the party should be so much preoccupied with the imminent collapse of the Congress, that it has not apparently devoted sufficient attentions to its own weaknesses and contradictions. The Prime Minister, during the last session, raised a laugh in Lok Sabha by referring to the PSP 'which was led in such a distinguished manner by Acharya Kripalani'. He was referring to the obvious contradictions between the leader of the party and Mr Asoka Mehta, the Finance Minister in the shadow cabinet, over questions of economic policy. While the Acharya is an unrelenting critic of the Second Plan, and is for a decentralised economy and village industries as opposed to heavy industry, his distinguished lieutenant is even more enthusiastic about the Plan than the Planning Commission, and would be prepared to impose heavier burdens on the people for its implementation than the Planning Commission would dare to propose. And while the party has voted for Hindi as official language and against any change in the Constitutional provision, the leader of the party in West Bengal, speaking on the language resolution which was unanimously passed by the legislature, attacked Hindi in language which might have been less offensive to Hindi-speaking people. The State PSP parties have been following each its own line, guided solely by the opportunities of the moment.

Many theories have been advanced about the weaknesses of the Congress about which that party periodically indulges in an orgy of introspection. Perhaps, the real reason for the failings of the Congress administration may be the failure of the PSP, so far, to function as an effective, democratic opposition in the Central and State legislatures. A party must cut a convincing figure as an opposition, before its claims to be regarded as an alternative Government could be taken seriously. An opportunist combination of motley elements, each pulling in a different direction, will not do duty for a genuine opposition. A party in opposition should be more concerned with the logical coherence of the principles for which it stands, than in the number of votes which it can muster in divisions, which in any case are bound to go in favour of the party in power.

Code for Trade Unions

Against the background of the unfortunate developments in Jamshedpur, and the overhanging threat of country-wide strike of dock workers, it is difficult to consider the proceedings of the Labour Conference at Nainital with the seriousness they deserve. The discussion on closure of textile mills provided an opportunity for political posturing. The communist leader even proposed application of Preventive Detention to those who were unable to keep their concerns running on account of recurring

losses. The references made to the wartime profits of the textile industry in the present context remind one of the fable of the lamb and the wolf. Despite the verbal warfare, the conference was able to reach agreement on a code of conduct for maintaining harmonious relations between different trade unions. All the four trade union organisations are reported to have agreed to this code. How far its provisions, which look admirable in print, will be observed by unions contending for supremacy, remains to be seen. The trouble in Jamshedpur started with inter-union rivalry for recognition. It also seems rather strange how the representatives of labour, employers and Government, who could readily agree on a code of conduct, at Nainital, could not avert the trouble at Jamshedpur.

Labour intransigence and failure to take preventive action in time has forced the biggest steel works in Asia to stop production for a month. It is not easy to estimate who has gained by this unwarranted strike; certainly not the workers of the company who were hitherto regarded as the most privileged section of industrial workers in the country. The company and the nation have lost one month's production of steel. The strike and its sequel will have an immediate effect on the employment situation in West Bengal, where the engineering industries are facing prospects of closure as a result of shortage of raw material. As it is, the shortage has been so severe for some months that anything made of iron fetched a good price; and anti-social elements had a strong incentive to steal railway material in bulk, as well as corporation man-hole covers.

Fortunately violence and destruction of property took place away from the steel works. The Plant and vital communications have been preserved intact. But in view of what has happened the management of TISCO cannot be blamed if they have to adopt a procedure of strict screening before issuing permits to willing workers to enter the Plant. The Communists are said to be responsible for the strike which led to the trouble. If that is the case, all the prestige they had gained in Devicolam they have lost in Jamshedpur.

Cheaper Oil

It is only a few weeks since the Minister for Natural Resources confessed in the Lok Sabha to a feeling of frustration regarding the slow progress of the negotiations with oil companies regarding prices. The agreement now announced will, therefore, be greeted with satisfaction, even though the public are not to benefit from the interim reduction in prices to which the companies have agreed. The total saving to the country is estimated at Rs 10 crores a year and this sum will be used to augment resources for the Plan. Even more important is the fact that agreement has been reached on a method of evolving a new price formula to replace

the present complicated procedure. The new formula will be based on the results of an investigation by the Government Cost Accountant of the cost structure of the oil companies. That the companies have agreed to this examination is itself a great step forward in the effort to reach a satisfactory basis of oil prices. The agreement is particularly gratifying as it will help to dispel popular misconceptions and clear the obstacles in the way of mutually satisfactory relations with an industry responsible for an investment of Rs 100 crores in the country.

Chaprasis

According to a "Hindustan Times" columnist, an experiment is being carried out in Udyog Bhavan on the effect on chaprasis of low-ceilinged, fanless corridors. We have written earlier in these columns heartily endorsing the Prime Minister's suggestion for the abolition of the institution of chaprasis. But it is one thing to advocate that the whole lot of chaprasis be sacked, so that they may have a chance to become useful workers, and quite another to treat them as guinea pigs for a singularly point less experiment.

The House Committee of the Udyog Bhavan could have got all the relevant information they wanted by spending a few minutes in the location instead of wasting their time, for which they are presumably highly paid, in watching chaprasis behaviour under sweltering conditions. The very idea of the experiment is born of the mental attitude which regards the chaprasis as a different and inferior category of human being. The efficiency of the chaprasis is presumably to be tested by the speed of his responses to the calls on his services.

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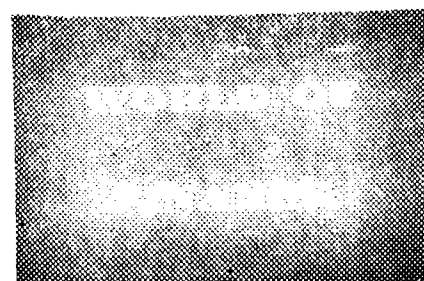
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Significance of 1958 New Loan

HAS the 1958 New Loan programme been a success? If regard is had for the fact that there was over-subscription, and that the loan has the bulk of it been on a cash basis, the answer to the question that we have raised cannot be but in the affirmative. On the other hand, if it is borne in mind that subscriptions emanating from the Reserve Bank, and now traceable to the Reserve Bank, were for as large an amount as Rs 50 crores, the answer could conceivably be in the negative. But either answer, on the basis merely of the two considerations that we have postulated, would not be quite correct. There are many other factors which we have to take into account in assessing what we shall show to be the significance of the 1958 New Loan programme.

It is true that the New Loan was over-subscribed only because the Reserve Bank put in Rs 50 crores. It is also undeniable that the State Bank subscribed Rs 35 crores. This would mean that cash subscriptions from all other entities were placed somewhat below Rs 50 crores. Thus, on the face of it, the market was able to absorb only Rs 50 crores of the New Loan. But, then, this is to overlook the fact that, since the commencement of the 1957-58 busy season, and up to the eve of the New Loan, the Scheduled Banks had absorbed Rs 50 crores of securities. And it is also more or less common knowledge that the Reserve Bank has, during the period, sold Rs 100 crores of securities through the tap. In other words, the absorption of new loan to the tune of Rs 50 crores is on top of purchases from the Reserve Bank, during the recent past, of securities adding up to another Rs 100 crores. Thus, if the Reserve Bank figures as a purchaser of gilt-edged, it is because the central banking institution was replacing partly its denuded portfolio. So, the Reserve Bank must be said to have subscribed, because it became necessary to acquire marketable securities which, in order to satisfy anticipated demand during the rest of the 1958 slack season, it could sell through the tap. Again, if the "outside" entities have, at new loan time, taken up only Rs 50 crores, it is because they have already invested Rs 100 crores of their funds. If the Reserve Bank had not steadily made available securities through the tap, it would not have been necessary for the Reserve Bank to subscribe to the New Loan; nor

could the outside entities have restricted their subscriptions to Rs 50 crores.

We trust that it is clear that the steady, continuing and substantial sale of securities through the tap in the past few months is responsible for so distorting the pattern of subscriptions to the New Loan programme as to have raised the doubt whether it is a success or not.

We need, however, to note that, of Scheduled Banks' absorption of securities during the current busy season, an amount which we have seen to be in the environs of Rs 50 crores, much the bulk of it, Rs 36 crores, is traceable to the State Bank. Again, for the 1958 New Loan programme, the State Bank has subscribed another Rs 35 crores. We have now to examine the position of the State Bank in regard to its investment portfolio. The latest return of the State Bank shows that, against Deposits of Rs 416 crores, Advances are placed at Rs 198 crores; and Investments, if we include the Rs 35 crores subscribed to the New Loan, would be at Rs 195 crores. This leaves rather a slender margin for cash which, in the case of the State Bank, works out to scarcely 7 per cent of Deposits. Undoubtedly, the Deposits accruing to the State Bank in regard to US Counterpart Funds enabled the State Bank to step up considerably its investment in gilt-edged. We have to be prepared for the contingency of these wind-fall Deposits being taken out of the State Bank. If these Deposits were to be withdrawn all of a sudden and in their totality, the State Bank would be compelled to sell securities to the Reserve Bank. But this is hardly likely to happen. On the other hand, it is to be expected that the drawal on these balances will be gradual. Again, if, for example, Rs 26 crores are to be handed over to the Refinance Corporation when it is instituted, it may prove only to be a book-keeping entry, since the Refinance Corporation might possibly keep its account with the State Bank. So, no loss in Deposits in this regard may occur. What we should like to stress is that we can brush aside as being but remotely possible any necessity arising for the State Bank to dispose of any considerable part of its investments in the near or foreseeable future. Meantime, in common with the banking system generally, the State Bank will without doubt experience fresh accretions to its Deposits. So, far from the State Bank figuring as a seller of gilt-edged, we are likely to witness conditions in which the State Bank will have more and accruing resources during the current slack season for fresh investment in gilt-edged.

The "outside" entities that we have spoken of may be sub-divided into the Scheduled Banks other than State Bank, on the one hand, and such institutions as the Life Insurance Corporation, Provident Funds and the like, on the other. As far as the latter is concerned, we have seen last week that the subscrip-

tions to New Loan of this category of investor amounted, roughly, to Rs 30 crores. On the face of it, this is a very feeble effort. But we are disposed to think that there has been deliberate under-subscription to the Central Government Loans, because of the decision already taken to concentrate investment in the State Government Loans which will soon be available. We fancy that the States may be able to obtain anything like Rs 50 crores to Rs 60 crores from this class of investor in their 1958 loan programme. Then, as far as the other Scheduled Banks are concerned, if their subscriptions to the Central Government's programme were a meagre Rs 20 crores, we may be sure that, as the slack season progresses, and as the banking system continues to experience a decline in Advances coupled with an increase in Deposits, they will be compelled to seek new investment in gilt-edged. We would not be surprised if slack season sales of the Reserve Bank through the tap should amount to Rs 50 crores; and we moreover anticipate, as we have often remarked in the past, that the Central Government will be able to issue a second tranche of the New Loan in September-October this year. The amount that could be realised by the Central Government at that time, including subscriptions by way of conversion,—we believe that conversion in advance should be offered in respect of the 3 per cent 1959-61—may be anywhere in the neighbourhood of Rs 100 crores.

Thus, the Central Government's effort in the middle of May should not be considered in its isolation and not, therefore, be thought as constituting the sum of the 1958 New Loan programme. Govern-

ment borrowings, from the beginning of 1957-58 busy season to the end of 1958 slack season, must be said to be roughly somewhat as follows: (a) Sales of securities through the Reserve Bank tap for Rs 100 crores (This apparently including the created issue of Rs 30 crores in 34 per cent 1962); (b) net New Loan borrowing in May 1958 amounting to Rs 132 crores; (c) further sales through the tap during 1958 slack season for roughly Rs 50 crores; (d) State Governments' borrowing for a net amount of Rs 50 crores; and (e) a second tranche of New Loan to be issued in September-October for Rs 100 crores, which, however, would bring in new cash for Rs 50 crores, it being anticipated that subscription by conversion would be for Rs 50 crores.

It will be seen that the figures that we have suggested add up to a total of Rs 382 crores. This is the borrowing effort which we expect can and will be put through successfully by the Central Government and the State Governments during the current year. And the New Loan programme of May 1958 must be deemed to be eminently successful, as forming a part of this larger borrowing effort that we have envisaged for 1958.

Loan's Impact on Banking Figures

CONFIRMATION is available in the latest banking returns of the hypothesis that was advanced in this column last week as to the composition of the subscriptions to the New Loan. The statement relating to Government of India Treasury Bills discloses that the total amount outstanding dec-

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lined by Rs 102 crores to Rs 1221 crores in the week ended May 16. This confirms that reverse ad hocs were instituted for Rs 102 crores during New Loan week. Our view last week was, we may recall, that there had occurred reverse ad hocs for Rs 95 crores. The very fact that reverse ad hocs were for such a large amount, as against only Rs 45 crores traceable in the returns of the Reserve Bank for May 16, is again confirmation of our view that the balance of reverse ad hocs, for nearly Rs 60 crores, was indicative of large scale Reserve Bank subscriptions to the New Loan programme. Our view continues to be that the Reserve Bank has subscribed Rs 50 crores. Then, the State Bank, it is a fact, subscribed Rs 35 crores and this was made known in the return of the bank for May 16. But, as we saw last week, the State Bank shows its subscriptions to New Loan under Other Assets, and the Investment Portfolio is yet to reflect these subscriptions. So, the increase of Rs 15 crores in the Investment portfolio of the Scheduled Banks in the return for May 16 can relate only to the New Loan subscriptions of the other Scheduled Banks. We should expect the return of the Scheduled Banks for May 23 to reflect the balance of subscriptions of the other Scheduled Banks; and we again continue to hold the view that the subscriptions of the Scheduled Banks, including the State Bank, would have aggregated roughly Rs 55 crores. Lastly, the subscriptions of other entities would necessarily have amounted to Rs 27 crores. It is the subscription of this class of investor which has made its impact felt on the Deposits of the Scheduled Banks. But the decline in Deposits during the relevant week is for less than half of this amount, the accruing deposits of the banking system presumably offsetting a moiety of the drain on Deposits occasioned by the subscriptions.

The return of the Reserve Bank for May 23 reveals a further drop in Active Note circulation; Active Notes have fallen by Rs 16.15 crores to Rs 1598.69 crores. Rupee Coin has returned from circulation for Rs 0.69 crores. Currency has been contracted against Rupee Securities for Rs 15 crores by transfer to Investments in the Banking Department. In the result, the Reserve Bank's cash in the till is marked slightly higher by Rs 1.83 crores at Rs 26.48 crores.

The balances of the Central Government are higher by exactly Rs 1 crore at Rs 76.06 crores. The State Governments experienced an improvement of Rs 2.81 crores to Rs 16.49 crores in their Deposits; but their indebtedness is also higher at Rs 60.83 crores against Rs 59.80 crores. The Reserve Balances of member banks are practically unchanged at Rs 73.14 crores against Rs 73.88 crores. However, they would appear to have reduced sharply the fresh indebtedness to the Reserve Bank that they had incurred during New Loan week. The Other Loans and

Advances of the Reserve Bank, which rose by Rs 13.37 crores in New Loan week, have declined, in the period under review, by Rs 9.81 crores to Rs 59.52 crores. As we shall see, the State Bank is responsible for Rs 2 crores of the decline in the indebtedness of member banks. The Reserve Bank's Advances against usance bills are lower by Rs 6.28 crores at Rs 20.03 crores. Investments, by dint of the transfer from the Issue Department, are higher by Rs 14.60 crores at Rs 240.64 crores. Lastly, the import surplus is again reflected in a decline of Rs 4.40 crores to Rs 38.40 crores in Balances Held Abroad.

The return of the State Bank for May 12 is largely featureless. Deposits are lower by Rs 1.46 crores at Rs 416.21 crores. A decline of Rs 2.50 crores to Rs 198.67 crores in Advances has enabled a reduction in borrowings from Rs 6 crores to Rs 4 crores. Cash Balances are lower by roughly Rs 1 crore. The Investment portfolio is unchanged, and the State Bank's subscription to the New Loan continues to be shown under Other Assets.

The New Loan subscriptions of "outside" entities has caused a decline in the Deposits of Scheduled Banks during the week ended May 16. As against estimated subscriptions from such sources amounting to Rs 27 crores, the decline in Deposits is much lower at Rs 11.86 crores to Rs 1530.51 crores. The Investments of Scheduled Banks have been marked up by Rs 14.85 crores to Rs 440.31 crores. This relates to the subscriptions of the other Scheduled Banks. Cash Balances have been drawn on steeply for the subscriptions of Scheduled Banks to the New Loan, the decline amounting to Rs 48.12 crores. At the same time, borrowings from the Reserve Bank also rose by Rs 13.22 crores to Rs 31.86 crores. Lastly, as an index of the slack season getting into stride, the total of Advances has declined for the sixth consecutive week. During the week ended May 16, the fall is as large as Rs 8.75 crores to Rs 939.89 crores.

A New Method of Disinflation

Paul Einzig

THE much-awaited reduction of the Bank rate from 6 to 5½ per cent on May 22 appears to indicate that the Government is not unduly worried about the prospects of another round of wage increases initiated by granting the employees of British Railways an increase of 3 per cent. The Bank rate decision was made on the very day when an increase in the cost of living index by 2 points in April was announced, and when it was also announced that the terms of trade have moved against Britain. Wage demands by trade unions representing 8½ million workers are under consideration, and their outcome may decisively influence the trend of prices and exports. Yet the authorities decided to relax the

disinflationary drive by further lowering the Bank rate from its crisis-level.

This official optimism is based on the development of a new formula which, the Government hopes, would be able to neutralise inflation created by wage increases. This formula was actually applied in the terms of the railway wage settlement. The 3 per cent increase was granted on the understanding that the additional £10 million a year for wages would be found by cutting down services to a corresponding degree. A number of branch lines which have been run at a loss will be closed down, even though this will be gravely detrimental to the interests of the districts they serve. The number of passenger trains will be reduced, even though this is bound to cause considerable inconvenience to the travelling public. As a result, many thousands of employees will become redundant, and through their dismissal the total wages paid by British Railways is hoped to be kept down at its present figure in spite of the 3 per cent increase in wages.

There are distinct indications that the Government will make an effort to ensure the application of this formula to other wage settlements. This is feasible in the case of nationalised industries. The National Coal Board intends to close down a number of uneconomical coalfields, in order to be able to concede part of the wage increases demanded by the National Mineworkers Union.

When it comes to privately owned industries, however, the matter is not so simple. The public services may save money by producing less, but if private firms should do the same the decline in their output would wipe out the benefit of the reduction in their staffs. It would be a totally different matter if the trade unions were to agree that a smaller number of men would maintain the same output, and if such agreements were to be honoured by the men. But judging by past experience it would be foolish to grant wage increases on the strength of such agreements.

The Government's new formula would not even pretend to provide a remedy against cost inflation. Its declared aim is to keep down demand by preventing an increase in the total of consumer purchasing power resulting from the higher wages. But higher wages mean higher costs per unit of output, and this must mean a further increase in prices. It is true, in the absence of a corresponding expansion of purchasing power, consumers would not be able to maintain the volume of purchases on the basis of the higher prices. In theory, therefore, this should prevent an increase in the price level, or it would tend to bring down the increased prices to their previous level. But in practice the higher prices would result in additional wage claims which, if satisfied to any considerable extent, would provide the purchasing

power to maintain the demand in spite of the higher prices.

Even in the public services the Government's formula could not be continued to be applied indefinitely. There is a limit beyond which these services could not be reduced. As for private firms, any attempt to maintain a limit to total wage payments in face of the rising wage rates would necessarily lead to a curtailment of the output which again would reinforce the rising trend of prices.

It seems that the Government's enthusiasm for its newly-invented formula of disinflation through redundancy is misplaced. Perhaps the Government is well aware of this. But the alternative to putting forward this formula would be either to stand firm against wage demands at the risk of major strikes or to admit candidly that the disinflationary drive has failed. So the new formula is as good a face-saving device as any that could be devised at short notice.

Nothing can stem the tide of inflationary wage increases so long as the conception that organised labour is entitled to be compensated for any increase in the cost of living, even if it is caused by the previous wage increases, continues to prevail. There are no indications of any possibility of inducing the trade unions to abandon that conception. Indeed, the latest Socialist formula is that workers are entitled to annual wage increases corresponding to the increase in the cost of living plus the increase in the output. If such a super-inflationary formula should be widely accepted Britain's economy would be doomed to runaway inflation. (Copyright)

S. E. RLY TENDERS

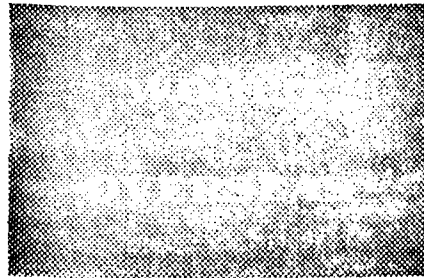
Sealed tenders are invited for tender No. CON/GM/13.F2/58 for supply of (1) 2500 Nos Cross arm 3" deep 4 way for rail post and (2) 4060 Nos. Cross arm 3" deep 6 way for rail post as per Drg. No. 24322/1/SE. (Material:—I.R.S. M 5, class II to be hot galvanized after manufacture). Tender will be opened at 12 noon on 4.7.58.

Tender forms (not transferable) with full particulars are obtainable from the office of the Controller of Stores (Construction Section), Garden Reach, Cal 23 at Rs. 5/- (not refundable) per set by money order to him direct in the case of outside firms and on production of cash receipt from this Railway's Chief Cashier by local firms.

Tender forms should accompany the receipt for depositing earnest money of Rs. 1000/- with this Railway's Chief Cashier without which the tender is liable to be rejected. Contractors having permanent deposit of Rs. 1000/- with the Controller of Stores are exempted. Firms not on this Railway's list of approved contractors must enclose a valid income Tax Clearance Certificate with the tender.

GENERAL MANAGER

S18



US Notes

THE Eisenhower Administration sent to Congress this past week (May 22) its formal legislative proposal for a five-year domestic minerals stabilization programme.

In general, the proposed legislation follows closely the programme that was first outlined on April 28 to the minerals subcommittee of the Senate Interior Committee by Secretary of the Interior Fred A. Seaton. However, it incorporates operating details and modifications that would add to its effectiveness in helping American minerals industries and in safeguarding the interests of other producing countries.

As in the plan described by Mr Seaton a month ago, the recommended legislation provides for government "stabilization" payments to domestic producers of newly mined ores or concentrates of copper, lead, zinc, acidgrade fluorspar, and tungsten trioxide.

This means that a producer of these ores or concentrates would be paid an amount not to exceed the difference between what he actually receives from their sale, and what he would have received if the market price, at the time of the sale, had been equal to a specified stabilization price.

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As in the original proposal, the stabilization prices would be 27.5 cents a pound for copper, 14.75 cents a pound for lead, 12.75 cents a pound for zinc, \$48 a short ton for fluorspar, and \$36 a short ton unit for tungsten. (A short ton is about 0.91 metric tons.) Where a producer further processes these ores or concentrates without selling them, their equivalent market value at the time of processing would be used in computing the stabilization payments.

Also, as in the earlier proposal, there would be annual limitations on the quantities eligible for stabilization payments. The maximum annual tonnage would be one million short tons of copper, 350,000 short tons of lead, 550,000 short tons of zinc, 180,000 short tons of fluorspar, and 375,000 short ton units of tungsten trioxide.

However, under the Administration's legislative proposal, the Secretary of the Interior would divide the programme into quarterly allotments subject to certain limitations. Within these limitations, a domestic producer would, in effect, be guaranteed support payments in each quarter at least 2,500 short tons of copper, 1,250 short tons of fluorspar, and 3,000 short ton units of tungsten. Individual amounts above these limits would be subject to adjustment in payment when it appeared that the quarterly totals were exceeding schedules.

This provision would help distribute the producer's benefits to the producers in an equitable manner. One important effect would be to help protect the position of the smaller producers.

There is a special provision regarding tungsten. In this case, stabilization payments on the sales of any one producer would be limited to 15,000 short ton units per quarter from output originating in any one mining district.

The Administration bill goes beyond the original proposal in another important way by specifying maximum stabilization payments to domestic producers. These would be 3.50 cents a pound on copper, 3.375 cents a pound on lead, 2.50 cents a pound on zinc, \$8.00 a short ton on fluorspar, and \$18 short ton unit on tungsten.

These limits, it is believed, would tend to prevent any manipulation of market levels as a result of the stabilization programme. More particularly, they would help safeguard the competitive position of foreign producers by deterring domestic producers from cutting their prices sharply and then relying on government payments to cover any possible losses.

They also might have the effect of reducing the estimated initial annual cost of the programme.

The cost is expected to decline still further in ensuing years as the US economy recovers from its current adjustment and market demand for the five affected materials shows the anticipated increase.

Moreover, the bill as sent to Congress would provide for the suspension of stabilization payments when total quarterly production under programme outran

the quarterly limitations by more than certain specified amounts in each of two successive quarters. The specified amounts are 30,000 tons of copper, 9,000 tons of lead, 15,000 tons of zinc, 5,000 tons of fluorspar, and 55,000 short ton units of tungsten. Stabilization payments would be resumed when the Interior Secretary was satisfied that the production rate was approximating the quarterly schedules.

These in the main, are the features of the Administration's proposed minerals stabilization legislation. It would become effective in the first quarter following its final approval by Congress and the President, and would terminate automatically on June 30, 1963. Whether it meets with the approval of Congress remains to be seen, of course, also there is possibility that Congress will make some changes.

The programme's purpose is clear. It is designed to help certain hard-hit US minerals industries maintain staple production rates without damaging the economies of other nations.

Britain

The Bank Rate—determinant of interest rates throughout Britain—has been reduced by 1½ per cent to 5½ per cent. The reduction was announced by the Bank of England on May 22 in London.

This is the second reduction in nine weeks, and comes just over five weeks after the Budget. On

March 20 the rate was cut 1 per cent to 6 per cent, after having been 7 per cent for six months.

Official sources in London point out that the adjustment in the rate is based on the same general considerations which governed the reduction to 6 per cent in March. As on previous occasions, lowering of the rate does not imply any general relaxation of monetary policy. The exchange reserves have continued to gain ground steadily since the last reduction and, as on that occasion, the present reduction could have been justified on market grounds some time earlier. It has, however, seemed wiser to proceed slowly and cautiously.

Speaking in London on May 22, Prime Minister Harold Macmillan said Britain's financial restrictions aimed at halting inflation and putting a brake on rising prices were working. What the Government was aiming at now was a short pause before Britain took a forward step again.

He recalled that the gold and dollar reserves had risen since the September troubles—apart from borrowing from international institutions—by £291,000,000, which was more by £102,000,000 than the United Kingdom's losses in the summer of last year.

He said there was a special Commonwealth interest in the welfare of sterling—"all these matters are going to be explored round the conference table in Montreal at the end of this summer at what will be the most ambitious effort at Commonwealth economic co-operation for a quarter of a century".

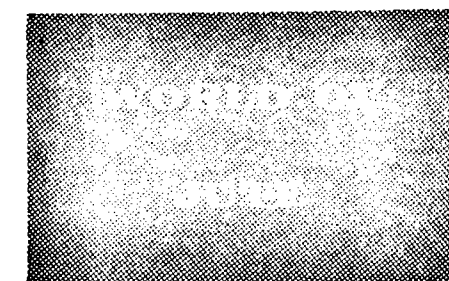
an exciting book
for the moment
— but tea
is so exciting
at all times!



I am Tea

I am the friend
of those who write and those who read





Minimum Prices to be Maintained

PRICES in the jute goods market have continued to move downward during most part of the past week. While the absence of fresh enquiries has been responsible to a certain extent for the sagging tendency, it would appear that the speculative elements are taking advantage of the threatened port workers' strike to depress price levels unduly. With the announcement of the IJMA decision to maintain minimum prices on Tuesday evening, there has been some improvement in the undertone.

In a press note, the IJMA have said that it has been unanimously decided at a meeting of the Committee that the minimum selling prices for gunnies fixed by the Committee last February should be maintained by mills. The Committee has further pointed out that the reasons for fixing the minimum prices are still valid and that the statistical position does not warrant the downward pressure on prices brought about in the past few days by the manipulations of bear operators.

The statistical position of the industry is quite satisfactory. For stocks as at the end of April totalled 97,200 tons comprising 20,400 tons hessian, 60,000 tons sacking and 16,800 tons other varieties. Output during the month had been placed at 88,000 tons comprising 30,900 tons hessian, 50,600 tons sacking and 6,500 tons other varieties. Total despatches during the month were placed at 83,874 tons. From the above figures it will be evident that stocks in the case of hessian are lower than one month's production while they are somewhat higher than one month's output in the case of sacking. Despatches of jute goods during the first four months of the current year have been higher than during the corresponding period of the previous year. It is also to be noted that shipments so far during May have been at a fair level. In view of the low stock position in the US and in view of the steady improvement in business conditions in that country, it is expected that coming weeks will witness expansion in offtake from that direction. As it is believed that there would be further relaxation in Argentina as regards import licences, it is expected that hessian shipments to that country may become easier. As for heavy goods, it is said that there will at least be a sizable increase in internal offtake.

The jute goods market opened the week last Thursday in a listless mood with prices in the sacking section showing a weakening tendency. Hessians, however, were generally unchanged. Hessian 40" x 10 oz Ready was finally placed at Rs 40.70 while B Twills was marked at Rs 98.30. Prices declined further on Friday in the absence of fresh foreign interest. Hessian 40" x 10 oz eased to Rs 40.37 while B Twills was pushed down by 10 nP to be placed at Rs 98.20.

An irregular tendency prevailed on Monday due to some bear covering in hessian and continued selling pressure in heavy goods. Business however was mostly of a speculative type with mills keeping out of the market. Hessian 40" x 10 oz Ready recovered to Rs 40.70 but B Twills reacted to close easier at Rs 97.25. Conditions were practically unchanged on Tuesday and the day's closing prices were as follows: Hessian 40" x 10 oz Ready Rs 40.69 and B Twills Rs 97.75. Following the announcement of the decision of the IJMA mills to maintain the minimum prices fixed in last February, sentiment in the jute goods market improved on Wednesday. Hessian 40" x 10 oz Ready was however lower at Rs 40.56 B Twills Ready recorded a marked improvement to be finally placed at Rs 98.00.

The raw jute market began the week on a quiet note with mills showing no interest at prevailing levels. Assam Bottoms May/June shipment was quoted at Rs 24.75. Though business passing continued to be at a low ebb on Friday also, the undertone appeared to be steadier as Assam Bottoms was done up to Rs 25.00. Conditions on Monday were again listless with no mill business and Assam Bottoms receded to Rs 24.75. In the continued absence of mill business the market ruled weaker on Tuesday with Assam Bottoms further marked down to Rs 24.50. Wednesday found the market in a steadier condition following fair mill business at the lower levels. The market closed on a steady note with Assam Bottoms done up to Rs 24.75.

From indications so far available, it would appear that the new jute crop will become available not only in time but it will be plentiful also. According to the latest weather report from the growing areas, the weather is quite favourable in Assam and Northern districts but hot and dry in all other jute growing areas. In most of the areas sowing has been to the full extent.

PRICE TRENDS

		Opening	Closing
Hessian:	Rs.	Rs.	
40" x 10 oz. Ready	40.70	40.56	
" " July/Sept.	40.75	40.50	
Sacking:			
B Twills Ready	98.30	98.00	
" " July/Sept.	100.30	100.00	
Hy. Coes Green	98.00	97.00	
Cornacks	99.50	99.25	
Cubans	122.00	120.50	
A Twills	118.25	117.50	
L Twills	110.25	109.30	
D W Flour	112.25	111.50	
Sugar Bags	111.00	110.00	



Production Expanding

THE world Tea crop, which has expanded steadily over the past few years, shows signs of increasing further during the current year. Though the outturn of tea in North-East India was lower at 16.3 million pounds in April as against 19.6 million pounds in the corresponding month of last year due to adverse weather conditions, the shortfall is expected to be made good in the current month.

South India has harvested a record crop of 50.63 million pounds in the first four months of 1958 as compared to only 40.73 million pounds in the corresponding period of 1957. Pakistan has also expanded her production by a million pounds to 2.6 millions in April. Ceylon has, however, reported a nominal fall of 3.3 million pounds in March this year as compared to the corresponding month of last year. Output in Indonesia and British East Africa, in the first two months of 1958, were also well maintained at 16.4 million pounds and 13.2 million pounds respectively. In addition to these main producing countries, China, Japan and Formosa have launched programmes for expanding production, while teas from the new producing countries, such as Iran, Argentina and Brazil, are regularly flowing to the world markets.

Commenting on this continuous increase in the world tea crop, a leading firm of tea brokers has observed that, although consumption is also increasing particularly in India itself, the ratio of increase is undoubtedly disproportionate. Stocks in the major consuming countries are high and a tight financial position has discouraged speculation. The brokers conclude by stating that it will not be in the interest of India to curtail the annual crop by drastic artificial measures so long as neighbouring countries continue to make up such deficits.

In a bid to relieve congestion in the estates resulting from nearly a month-old strike in agency houses, traders in Colombo have even begun private daily auctions. In this connection, it will be recalled that, so far, four weekly auctions have been put off as a result of the strike. Average offtake at each auction had been over 7 million pounds.

At the first auction held in Colombo towards the end of last week, a million pounds of mixed offerings were disposed of. Traders expect to ship the teas, now auctioned, from the Port of Trincomli

on the East Coast and Galle in the South, as movement through Colombo has been rendered difficult by the strike.

In the Export Sale "B" held in Calcutta this week, offerings were 7,113 packages. There was a fairly general decline in quality as compared to the previous sale, but was preferable to Sale "B" of last year and there were a number of useful First Flush teas with attractive flavour. There was good general demand and most of the offerings were sold readily at satisfactory prices, especially the more flavoury kinds which were keenly competed for and realised useful prices well above valuations. No rates were quoted.

Meanwhile, it appears that a portion of the tea crop of 1957-58 is available for export. To facilitate the export of such teas, it has been decided that the period of validity of special tea export licences should be extended till June 30.

In the Internal Sale, offerings were 20,424 packages of Dusts. Prices generally fell heavily for all descriptions. When the market opened, prices were easier and, as the sale progressed, there was a further decline. Orthodox descriptions were from 12 to 16 nP per pound easier, while CTC Assams were occasionally as much as 30 nP easier and sometimes more. Following rates were quoted:—Medium Doonars Dust Rs 1.52; Medium Assam Grainy Dust Rs 1.56; Medium Assam CTC Dust Rs 1.80 to Rs 2.00 and Best Assam CTC Dust Rs 2.40 to Rs 2.60 (nominal). Also, 544 packages of Leaf grades for internal consumption.

In the Export Quota section, business was done in Special Export Licence at 9 nP. Non-transferable Shipping Licence, after opening at 2 nP, steadily improved at the close to 7½ nP. In New Season's teas, the rate developed a hardening tendency to 15 nP from 13 nP per pound.

In the Sale No. "K" held in Cochin, offerings comprised nearly 1,150,000 pounds of Dusts. There was a strong general demand from the outset. High-grown Dusts came to a selective market and were irregular, but generally upto 30 nP per pound easier. Good Mediums were well supported, but at a drop of up to 10 nP. Mediums from Travancore and the Wynaad met with keen competition, but were only barely steady on last prices. Milled and Residual kinds were again strong features and were quoted dearer. Black Leaf Dusts found buyers only at lower levels.

Tea stocks in the UK, as at 16th May 1958, were lower at 116.83 million pounds as compared to 118.56 million pounds in the previous week. Total amount to be landed, on the same date, was 11.68 million pounds. Total afloat was 22.85 million pounds, including 12.67 million pounds from Cochin; 3.34 million pounds from Colombo and 3.06 million pounds from other Ports.



INDIA

Oberoi Imperial, New Delhi - Oberoi Maidens
Delhi - Oberoi Swiss, Delhi - Oberoi Cecil,
Simla - Oberoi Clarke, Simla - Oberoi Palace,
Srinagar - Oberoi Grand, Calcutta - Oberoi
Palm Beach, Gopalpur-on-sea - Oberoi Mount
Everest, Darjeeling - Oberoi Mount View
Chandigarh

PAKISTAN

Oberoi Cecil, Murree - Oberoi Flashmans,
Rawalpindi - Oberoi Deans, Peshawar - Oberoi
Faleotis, Lahore.

OBEROI HOTELS
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ONE of the fascinating things about democracy as we know and practise it is its multitudinous agencies. These constantly define and redefine the nature of our liberties and social policy. Parliament, of course, is supreme, being the final source and fountain of our public life. But even Parliament has to function according to rules made for its own functioning. Many an ardent spirit has learnt, in its time, that, irksome and obstructive of progress as these rules may seem, they are adversely there to regulate the fervour of one's own enthusiasm. Then, there is the executive, whose devious encroachments on our rights is a matter of constant lament, but its inexorability is accepted with greater or less protest. Then there is the judiciary, whose nominal purpose is to interpret the law of the land. This function carries with it an implied and often unnoticed power to "make the law".

The interesting thing about these agencies is the simultaneous presence of two apparently contradictory attitudes toward each other. On the one hand, Parliament resents the supererogation of the executive in taking on itself powers that seem to be dangerously uncircumscribed. (Of course, these are powers that have been delegated by Parliament itself, which fact, interestingly, makes it seem all the more unfortunate!) On the other hand, there seems to be also a secret relief that a good deal of its own work is taken out of its hand. In such a mood, it would appear that the fact of its having delegated the power is remembered, not fretfully but as a kind of salve to its own conscience. After all, it has not abdicated its functions! Indeed, people like Belloc who talk of the servile state would appear to invest this ambivalence with the attributes of a conspiracy against the people by the "power elite".

Again, take the relationship between Parliament and executive, on the one hand, and the judiciary, on the other: we have seen often enough the spectacle of the impotent rage of a thwarted administration when the constitutional infirmities of its acts are exposed. And we have also witnessed scarcely concealed annoyance at the crop of writ petitions that swell the volume of litigation at courts. But, deep down, Parlia-

ment is really relieved that its own fallibility—also, alas, only too real—has no irrevocable finality. The courts, on the other hand, have their peculiar weapons. (Indeed, each one of these agencies has its own, which they use with much zest in their internecine warfare!) In the language of the Statutes, in the canons of interpretations, in the constitutional provisions, in the wily resourcefulness of their mature wisdom, they find the resources they need, in combating the executive and Parliament, on behalf of the people, whose servants are also their masters at times. Of course, much depends on the quality of the judge and the traditions that have shaped the judiciary. Otherwise, in the words of Belloc again, the courts will become an agency of the society for the prevention of annoyance to the rich. Ironically, such vexation will often be prevented through the invocation, of all things, of ancient liberties! But, as Justice Holmes, Justice Brandies and more recently Justice Earl Warren have shown, the courts can, without exceeding their powers, enlarge the area of human liberties, give substance to social justice and exercise their authority to make human conduct more humane and compassionate.

As I said, democracy recognises, formally and informally, and even with some element of a secret conspiracy, the limitations that its own agencies impose on each other, and on themselves. And the consequence has been nothing but good. Impatient idealists may chafe at the frustrations this brings about, at the hypocrisies this brings into existence. But scrapping these would lead us in to an uncharted wilderness.

Take the Supreme Court's findings on the constitutional propriety of some of the provisions of the Kerala Education Bill. To the Communist Government of Kerala, this has been a valuable lesson in self-discipline. It has also been a test of their recent professions about acceptance without reservations of the conventions of democracy. On the whole, they have come out of it very well. Though the reported comment of the Kerala Education Minister that they have "won the case on the whole" is somewhat naive (even engagingly so!) and

factually somewhat wrong, the readiness to submit to the finding of the courts is surely something to be put in their favour. Indeed, from the beginning, they have behaved quite correctly on the matter. What makes one hopeful about the final transformation of Communists into a reasonable political group is this compulsion to behave reasonably that a profession of democracy imposes. People who profess to be cynical about Communist professions of a conversion to legitimate democracy do not understand La Rochefoucauld's maxim on hypocrisy: it is the homage paid by vice to virtue. The point about hypocrisy is that it expresses not vice's duplicity but its secret shame. A time may come when the Communists will find the pretence either unnecessary or unbearable, but then it may be too late for them to drop the mask. Or, at least, let us hope so.

In any case, the fate of the Kerala Education Bill shows how democracy deals with an apparently recalcitrant problem. It is not unlike the ways of highly conventional society, whose very basis is a wholesome respect for hypocrisy. There is well recognised and unquestioningly accepted "code" and, to that, the experienced "hostess" brings a fine social tact and savoir faire. What would, for instance, Elsa Maxwell have done, if a brilliant and awkward guest arrived rather drunk at one of her parties? She will perhaps introduce him to a fussy precise but equally brilliant professor of philosophy, one of the logical positivists from Oxford—perhaps her latest "lion". The young man will have flamboyant witticisms put through their most exasperating analysis—pace: before the evening is out, he will be astonished at the number of unverifiable propositions he is making in a minute and how deplorably coloured by value judgments his whole outlook is.

The Central Government have been the perfect hostess. "Kerala Government? How do you do? By the way, have you met the Supreme Court? Oh! A most wise owl! Here it is. Supreme Court, Kerala Government. Hope you will have a wonderful time." Not that, having done the honours, they disappear from the scene. They did join in the conversation,

putting in a word here and a word there. The evening has, in the event, certainly been most fruitful.

From the beginning, it was clear that the Kerala Education Bill contained in its features which were unexceptionable side by side with features that were of dubious propriety. But what created the furore was, apart from party political considerations, a two-fold suspicion. One was that the measure was aimed at elimination of the hold on education that a religious group, whom the Communists considered their enemy, had. And the other and even graver fear was that the "nationalisation" of Schools was the thin end of the wedge of Communist indoctrination. "Snatching them young" was alleged to be the motto of the Communists. Of course, the opponents seized upon the very provisions that seemed to be unexceptionable on general grounds as indications of an ulterior diabolism. Naturally, that is the way the Communists will present it. They will say that asking schools to appoint teachers from a panel selected by the Public Service Commission is to ensure impartiality and standards. Asking the schools to surrender the fees to Government so that the disbursing of salaries may be done by the Government will be justified on the ground that private management often paid less than the stipulated sums to their teachers. But these are but the camouflage behind which every school will get manned with a party member and paid by the public. So ran the argument.

In an argument that runs at two levels neither touching the other—a situation only too familiar when Communist theory or practice is involved—there is no logical way of either proving or refuting one or the other. This, depending upon your emotional attitude to Communism, proves its innocence or its utter diabolism. But both the Communists and the non-Communists were not content with arguments. They used all their wiles to set at naught the other's purpose. Rousing public opinion in one's favour was a somewhat frustrating endeavour, for these efforts cancelled each other out. And except for loyalists on either side, the situation was something

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of a stalemate. Uncommitted public opinion outside the State was largely ambivalent, because of the obvious good points in the Bill. And the first round was won by the Kerala Government because of their majority in the State Assembly. And then the second round was the assent by the President. It was here that the Central Government played their role of honest broker with an admirable sense of constitutional tact. They had their obligations to the minorities and there were obviously features of the Bill that did seem to offend them. On the other hand, the State Government should not feel that extra constitutional considerations have influenced the President in coming to any decision against them. Hence the invoking of the constitutional provision for obtaining advice from the Supreme Court.

As the Supreme Court itself has pointed out, this advisory jurisdiction is something rather special to the Indian Constitution. It is

always to be sparingly used. There can be no doubt that, in this instant case, it has been quite rightly invoked. Put shortly, the Supreme Court has held that some among the provisions of the Bill, on which the President sought advice, offend Article 30(i) of the Constitution which gives minorities the right to establish and administer educational institutions of their own choice. In addition, some of them offend the provisions of Article 337 of the Constitution that guaranteed the continuance of financial assistance to Anglo-Indian schools for a stated period.

I shall not go into the question of what precisely the Supreme Court considers unconstitutional in the Bill, for that would not be conclusive of the matter. For the President referred only certain provisions of the Bill to the Supreme Court for its opinion; though an attempt was made to enlarge the scope of the reference and though the Supreme Court itself travelled a little beyond the

actual reference (but not to the extent prayed for by Counsels), it is clear that it would be wrong to imagine, as the Kerala Education Minister seems to do, that a mere tinkering with the impugned provisions will cure the constitutional infirmities of the Bill. There are, for instance, a number of questions raised but not answered by the Supreme Court, which may yet be answered on a future occasion against the Kerala Government if they still arose out of the rectified bill. Secondly, the whole tenor of the judgment would imply some very important principles which have been explicitly expressed in connection with the actual provision held to be unconstitutional. The Supreme Court says: "There can be no manner of doubt that our Constitution has guaranteed certain cherished rights to the minorities concerning their language, culture and religion. These concessions must have been made to them for good and valid reasons. Article 45 no doubt requires the State to provide for free and com-

pulsory education for all children but there is nothing to prevent the State from discharging that solemn obligation through Government and aided schools and Article 45 does not require that obligation to be discharged at the expense of the minority communities. So long as the Constitution stands as it is, and is not altered, it is, we conceive, the duty of this Court to uphold the fundamental rights and thereby honour our sacred obligations to the minority communities who are of our own." And again, they say, "Surrender of fundamental rights cannot be exacted as a price of aid doled by the State." To the argument that all that the Constitution guarantees to the minorities is the right to run their own schools and not to a right to their recognition or aid to them by Government, the Supreme Court has an admirable answer: "There is, no doubt, no such thing as a fundamental right to recognition by the State, but to deny recognition to educational institutions except on terms tantamount to the surrender of constitutional rights of administration of educational institutions of their choice is in truth and in effect to deprive them of their rights under Article 30(i). We repeat that the legislative power is subject to fundamental rights and the legislature could not indirectly take away or abridge the fundamental rights it could not do directly".

As I said, there may be other provisions in the Bill that were not argued on before the Supreme Court which may be guilty of precisely this kind of indirect abridgement of rights. The Kerala Government would, therefore, be well advised to seek to redraft the whole bill so that it may not run on the rock of constitutional impropriety once again. After all, there is much that is admirable in the bill and which is worth saving.

I have been a more than usually avid student of the Weather Reports during the past week; for one thing, weather in Calcutta has been making the front page; for another, it has been so deucedly hot that I have been every morning expecting some sort of unenviable record being attained. I have had no difficulty in following the weather reports in the Calcutta, Bombay and Delhi press where the local conditions are very conveniently given both in Fahrenheit and Centigrade. The Hindu of Madras, however, offers no such easy way out for the reader. For the curious who will be unable to assess the weather unless the temperature is known in terms of Fahrenheit. The Hindu, almost contemptuously, explains, in a sort of footnote, how the Centigrade temperature can be "converted". Is The Hindu trying in this manner to draw attention to the head for figures (of the arithmetical variety, of course) that the South Indian is supposed to be famous for?

EAVESDROPPER

May 31, 1958

GATEWAY GOSSIP

THE alarming trend in the interest paid by banks, which was thrust into the forefront of attention by Indian Finance, appears at long last to have aroused in the banking system a sense of urgency. I understand that, toward the end of the week, the Indian Banks Association is to consider this question and to draw up, if possible, some manner of scheme for arresting this ominous tendency. But I am afraid that, as far as I can gather, there is still no determination to act. Why is it that I apprehend that the deliberations will come to nought, may suitably be the subject of this week's despatch.

Leaving apart the outcry against high operating costs that we heard from the banking system in 1952-53, when Deposits tended to be stagnant and when the Reserve Bank was understood to have made some overtures or suggestions as regards the feasibility of a voluntary agreement among the banks to desist from a Deposits war, the question of interest rate began to assume an overshadowing importance from, say, the beginning of 1957. By this time, Deposits had already begun

Or Else . . . A Veiled Threat

to accrue to the banking system in a handsome manner. I am sorry to say that the banks themselves did not appear to recognise at the time the inevitability of planned disbursements thus finding their way into the resources of the banking system. Moreover, the position was somewhat obscured by the fact that the 1956-57 busy season imposed a substantial strain upon the monetary sector. Thus, both because of the monetary stringency and because of competition for Deposits, the matter further complicated by the fact that the Exchange Banks, finding it uneconomic to transfer funds from London, were active bidders in the Indian money market, there was a situation in which all pressures upon the interest rates were upward. I should think that the banks counted upon a continuation of the accentuated demand for funds, and, therefore, reasoned that, although they were paying more for their Deposits, the higher level of their Advances would earn more than enough to offset the increase in the interest paid and, perhaps, even to result in a larger balance of profit. The 1957 slack season was a sad disillusionment since, with the Reserve Bank rightly instituting a policy of selective monetary control, the Advances of member banks, instead of mounting or even being stagnant, perceptibly began to decline. The 1957-58 busy season was another eye-opener. The tempo of accretions to Deposits was found to be further accelerated, but the expansion in Advances was at a much slower rate. Thus, while interest paid went up sharply, there was not a corresponding improvement in the earnings from Advances. So much so, bank chairmen in their speeches relating to 1957 accounts chose for their emphatic consideration the question of interest paid. Unfortunately, except perhaps for a concrete suggestion from Dr N. N. Law, who called for drastic action being taken by the Reserve Bank, the bank chairmen were content to pose the issue, hoping perhaps to arrive at a solution by consultative deliberations. At the beginning of April, in this city, the Reserve Bank Governor did indeed refer to this matter in a talk with the representatives of the banking system. No official communique, if I remember right, was issued on these talks. Hearsay is that the bankers themselves were reported to have denounced the upward trend in interest paid; and, for his part, the Reserve Bank Governor, is said to have hinted that the banks should set about correcting the situation or else.. a veiled threat.

Undoubtedly, there must have been some manner of approach to the monetary authorities for statutory action being taken by the Reserve Bank to regulate the inter-

est paid on Deposits. Unfortunately, the monetary authorities have, quite correctly to my mind, chosen to disregard such entreaties as were made to them. I surmise that they are not prepared to exercise their statutory power in respect only of the interest paid; it may be that they would desire such control to be accompanied by similar restrictions on the rate charged on Advances. I am not saying that this is logically correct. On the other hand, this would cause too much rigidity in the banking system and there would be no scope for healthy competition among banks. Moreover, if the maximum for Advances were fixed, the marginal borrowers, who may be considered more risky by bankers, would be unable to get anything at all. But we have to appreciate that it may be embarrassing for Government to prescribe ceilings on Deposit rates, without restriction on Advances, since this would apparently—though only apparently—enable banks to keep down their expenditure, while in no way limiting their ability to increase their earnings by higher interest charged on Advances.

In any case, the monetary authorities may also think that it is not necessary for them to take any drastic action, for the simple reason that the banks, for their own survival, have perforce to come up with a solution. For, with a general policy of credit restraint, and with Deposits rising much more than proportionately to the expansion in Advances, the banks cannot afford to continue to pay high rates

of interest on Deposits. So, the view of the central bank authority may be that banks will be compelled of their own volition to put their house in order.

That indeed would appear to be what is happening, if we may be sure that the forthcoming meeting of the Indian Banks Association will strive to find an amicable settlement. But, as I said, the general sentiment seems to be that no voluntary agreements can work. For example, in the contingency that one of the parties to the voluntary agreement contravenes it, the Association would have no power to inspect such books as to confirm the infringement or take such measures to penalise the offender. So, for their part, the banks may be shirking any such voluntary agreement, and would much prefer statutory action; but, of course, they would not like any maxima to be fixed for their Advances.

In the final analysis, I expect the force of circumstance to compel action. May be, the present meeting will be infructuous. But I cannot envisage such conditions to continue for long. Certainly, well before the current slack season draws to its close, the banks will have to do something, anything. May be, there will be no voluntary agreement. But it is inescapable that some at least of the banks will, simply because they cannot afford it, cry halt to the high rates of interest paid.

It is in this wise that we may expect the structure of interest rates to be set right in the ensuing months.

BOMBAY REVIEW

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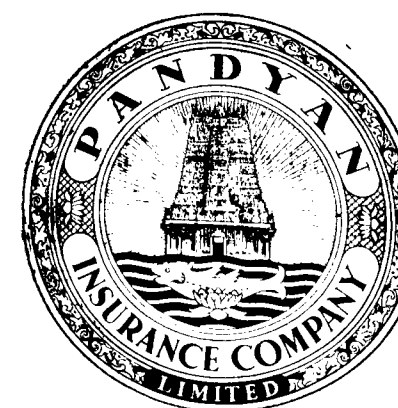
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Speaking at Surat early this week, Mr Morarji Desai, Union Finance Minister, has pointed out that it is undeniable that the recent reduction in the excise duty on cloth has had the effect of lessening the accumulation of stocks with mills. The fact that there has been no change in the position of stocks of medium and coarse varieties would seem to indicate that the demand for these varieties is less than has been expected. A probable reason, according to him, for the decline in offtake in this regard is the changed tastes of consumers. With the increase in the prosperity of the country consumption of finer varieties of cloth has also increased. The solution to the problem of continued accumulation of coarse cloth is that "producers should produce what the people want".

Opinion in the country is by no means unanimous that a further reduction in the excise duty will be able to bring about the desired improvement in the condition of the industry. In a memorandum submitted to Mr Lal Bahadur Shastri during his recent visit to Bombay, the Bombay Piece-goods Merchants Mahajan has pointed out that the present deterioration in the working of some mills is largely due to their short-sighted policy as regards distribution of their products. Considerable dislocation to the cloth trade has been caused by certain mills which have begun to deal directly with buyers who have little or no experience in the trade, thus the smooth and cordial relations that were obtaining between the established trade channel of distribution and the industry have been disturbed. The memorandum has drawn pointed attention to the fact that the close cooperation between the wholesalers and the industry has been largely responsible for the smooth working of the industry and trade.

Despite frequent assurances by Government spokesmen that the private sector is considered as important as the public sector, the business community generally is inclined to believe that the latter is getting a preferential treatment at the cost of the former. The heavy tax burden and the restrictions imposed on private enterprise during the past one, two years seem to have strengthened such a view. It is argued that if Government are really mindful of the interests of the private sector, they would not have clamped the heavy imposts which have resulted in slowing down the tempo of industrial activity in the country.

Speaking in Poona, Mr Manubhai Shah, Union Minister for Industry,

has again assured the business community that the policy of Government is to accord equal treatment to both the public and private sectors. For, both the sectors belong to the country and as such should be utilised for the good of the nation as a whole. It is the aim of Government to evolve an integrated pattern of the whole economy and to strike a social balance. That it is their intention to give private enterprise an important role in the development of the country is evidenced by the large share allotted to it under the Second Plan. The fact that Government have no "dogmatic or doctrinaire approach" to the problem of nationalisation of industries is added proof of the importance attached to the role of private sector by Authority.

The public sector is mainly concerned with supplying the missing links in the national economy. It has been found necessary that production of steel in the country should be stepped up expeditiously. But it has been realised at the same time that private enterprise will not be in a position to raise the enormous resources necessary to build the steel plants. That is why the three new steel plants have become the responsibility of the public sector.

The Bombay Government are taking active steps to eradicate illiteracy in the State. A liberal provision of Rs 23.06 crores has been made in the Budget and out of this amount as much as Rs 13.67 crores are to be spent on primary education. It is the Government's intention to introduce compulsory primary education for children of the age group 7-11 throughout the State and it is estimated that this will involve an additional annual expenditure of Rs 4 crores.

The State Government have also been evincing keen interest in improving the working conditions of teachers. It may be noted in this regard that the pay-scales of primary teachers in the State are higher than in most States in the country. Speaking at the annual meeting of the Bombay State Primary Teachers' Association in Dhulia last week, Mr Hitenra K. Desai, State Minister for Education, has assured the primary teachers that Government attach great importance to the role of primary teachers. They want the teachers to win an honoured position among the people. On their part Government are anxious to give the teachers a better deal and secure for them the status and prestige that should properly belong to those who are given the task of moulding the character of the younger generation. This is also the aim of the Government of India's scheme under which certificates and awards will be given to the teachers doing outstanding work. Mr Desai has rightly pointed out that a proper understanding of society and honest and sincere service on the part of the teachers are also necessary if the desired result is to be attained.

THE bullion market in Bombay has taken a bearish turn in the past few days with prices of both Gold and Silver receding to lower levels, the decline being more pronounced in the latter. The main reasons for the steady fall in silver prices included poor offtake, increased arrivals of unrefined metal in all centres, talks about the likely arrivals of Tibetan coins in larger quantities hereafter and lower advices from other centres. Thus, with the loosened bull grip over the market, the premium commanded by the spot metal over the futures has not only disappeared, but ready prices have come to be indicated at a discount. Arrivals amounted to 25 bars as against an offtake of 21 bars, while unrefined metal receipts totalled 28 bars. From the opening rate of Rs 118.75 the rate for the spot position receded gradually to Rs 185.44.

The Gold section also showed marked irregularity and the trend was unmistakably downward. Apart from the weakness of silver, factors responsible for the fall in price were reduced spot demand, reports of increased arrivals, resumption of Kolar Gold offerings and fears that the High Court ruling, on the gold seized under the Sea Customs Act, might give a fillip to smuggling activity. Bulls, therefore, liquidated their holdings and prices gradually came down. From the opening rate of Rs 111.44, the rate receded gradually to Rs 109.69. In sympathy, Sovereign turned quiet at Rs 71.50 against Rs 71.75.

Prices on the Bombay Oilseed Exchange showed a mixed trend. Groundnuts continued to be depressed under liquidation and on the issuance of higher tenders in the maturing delivery, while Castorseed maintained a steady undertone. Trading in Linseed and cottonseed remained dull.

Easier advice from the read-
section, issuance of more tenders
selling pressure from Hyderabad
and lack of speculative support
caused weakness in the futures sec-
tion. However, mills have been
evincing a consistent interest in the
available supplies of groundnut
although the behaviour of the
groundnut oil has been compara-
tively less encouraging. Advice
from the main growing areas has
also underlined the tight supply
position with the stockholders being
inclined to part with the goods
only at higher prices. It is genera-
lly believed that the supply posi-
tion will continue to remain difficult
for at least another fortnight.

The summer crop in South India is expected to be available in the beginning of June on a sizable

scale; but how far this will aid the situation in Bombay remains to be seen. Meanwhile, Groundnut Bold quality was quoted at Rs 34.25 and Groundnut Oil at Rs 18.50.

Trading in the Castorseed section was mainly of a squaring up nature; but sentiment remained bullish as prospects of castor oil exports appear to have brightened up now. Market circles believe that good demand is likely to emerge from the USA shortly. Also, reports suggest that enquiries are likely to emerge from the UK and the Continent as well. The rate for commercial oil is placed around £112 per ton. Business to the tune of 300 to 400 tons is already reported done at £110 per ton. Ready Castor seed was quoted at Rs 29.62 and Castor Oil, commercial quality, at Rs 15.12.

Trading in Linseed was dull although the undertone remained steady. Ready was quoted at Rs 30.37 and Linseed Oil at Rs 15.87.

Trading in cottonseed was listless with prices moving within a narrow range.

Conditions on the Bombay Yarn market continued to remain dull in the absence of any support. Daily activity was at a low ebb and prices moved in an irregular way, depicting no definite trend. Operators preferred to be cautious, pending a clearer picture of the supply of staple-fibre yarn in the coming months.

The imminent approach of the monsoon has told adversely on the turnover, while reports from up-country centres have indicated consumer resistance at higher prices in staple-fibre as well as rayon yarns. Weavers are reluctant to augment their stocks of raw material as they find prices very high.

In the Cotton yarn section, conditions have continued to remain depressed. In spite of the upward trend in the cotton market, prices have not improved. As for the export of Indian cotton yarn, there too, is no improvement due to keen competition from China, Italy and Pakistan, who are selling at lower rates than those offered by India.

Thanks to the issue of permits and the arrivals under the Colombo Aid Plan, the Copper supply situation is reported to have improved to some extent. It is stated that actual users are now in a position to obtain their requirements, although the non-ferrous metals market has not returned to normal.

It is learnt that manufacturers of copper and brass sheets contemplate to make their products cheaper next month. The availability of raw material at only 34 per cent above the imported cost has enabled them to reduce the prices. This will be a major adjustment in prices after a lapse of about six months. Sheet-rollers are presently selling copper sheets at Rs 210 per cwt and brass sheets at Rs 162

THE Cotton market in Bombay has received, with great relief, the eagerly-awaited announcement of a further export quota for 50,000 bales, consisting of 35,000 bales of all varieties of cotton not above 23/32 staple and 15,000 bales of 3rd staple and below. The export release has come at an opportune time and enabled the traders to wipe out practically all the earlier losses incurred by them.

There is a general satisfaction at the policy of distributing the quota on a "first-come-first-served" basis. Reports are current that half the quota for $\frac{1}{2}$ staple cotton has already been exhausted by shippers who had put through business with foreign buyers, subject to licences. Not more than 10 per cent of the quantity will be allowed for shipment by a single exporter from all Ports. As licensing will be stopped as soon as the ceiling is reached, shippers have rushed to secure export licences for $\frac{1}{2}$ staple cotton. Many of them have already put through business with buyers in Japan and the UK to the extent of 10,000 bales, subject to export permits. Meanwhile rumours are current that the Government will announce an additional export quota for $\frac{1}{2}$ cotton.

Total exports allowed this season have so far, amounted to 2.5 lakh bales of which 1.5 lakh bales are earmarked for Bengals; 85,000 bales for 23/32" staple and the balance is staple cotton. There has not been appreciable demand for 23/32" staple growths and a large part of the previous quota has still remained unutilised. Shippers feel that no more export of cotton will be permitted in the rest of the season.

With regard to imports, the Government of India have decided to release, for import, a further quantity of 30,000 bales of cotton staple 13/16 and above from the so-called currency areas. The import will be permitted against quota letters which will be issued to mills on application. Details regarding the procedure for imports will be issued in due course by the Joint Chief Controller of Imports, Bombay.

Meanwhile, it is learnt that the Government of India are negotiating the import of 80,000 bales of US cotton in Washington. It appears that the USA is not in a position to offer the quantity of cotton needed in this country owing to shortage at home. In these negotiations for the required quality of cotton fail, India will be obliged to try alternate sources of supply, say, East Africa. Whether further imports of East African cotton will be made in the normal manner or through a barter deal on lines similar to those with Egypt remains to be seen.

East Africa accounts for 10 per cent of India's annual exports of cotton piecegoods. On the other hand, India has been forced to curtail her imports of East African cotton goods.

last two years owing
ment under the
e. India's offtake of
cotton, in the past,
round 80 per cent of
African cotton crop.
e, felt that the trade
two countries should
to their mutual ad-
Government seem to
ized of the problem
nable to expect some
in this behalf in the
cs.

cotton. Sind Deshi was quoted at
Rs 64/8; Punjab Deshi at Rs 62; 4F
Roller at Rs 68/8 and 289F NT
Roller at Rs 78.

x

NEW YORK COTTON MARKET:

Prices on the New York cotton
futures market extended their re-
cent declines under selling, promp-
ted by favourable weather reports
and partly due to the sharp in-
creases in repossession from the
Government Loan for the week
ended May 16. Middling Spot was

According to Washington advices, the International Co-operation Administration issued, on May, 20, five-million dollar cotton authorisation to France covering about 30,000 bales with contracting period May 27th to October 31st and delivery period August 1st to December 31st.

1957-58	1956-57	Conditions on the Liverpool cotton futures market remained
94,756	251,017	Seiling pressure, recently started
48,841	36,199	was on account of the reports that
24,580	28,087	cotton, which had been sold by the
56,668	70,657	USA CCC for export, was being
		shipped in large quantities and
		consequent fears of heavy arrival
224,851	389,222	in Britain. The announcement of
2,918	1,472	the US Government that cotton ex-
16,432	17,618	port subsidy in kind would be paid
22,340	33,350	with effect from the 1st August 1957
		concurrently with the present sys-
266,541	441,662	

cement of the export
 to be a turning point
 res market suddenly
 though the improve-
 ves could not be sus-
 e close on lack of
 turnover was 15,000

market ruled steady
and confined to staple

port section, good busi-
ness reported done in Oomra.
Wagad with the trade
further export quota.

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port front, spinners' fairly good quantities of Egyptian cotton following announcement of the imminent week-end. Top Egyptian Karnaks and shipments from June last, were keenly sought, export licences. Some good interest in spot styles.

on the Karachi market
banks to heavy specu-
g. Speculative demand
n hopes that there was
very good export de-
Russia and China as
the prospective barter
gaid to imports of ca-
as. against export of

tem of sales on competitive basis, also affected sentiment. Trading, therefore, was at a low ebb, because of the delay in the announcement by the USA Government giving the initial cotton export subsidy rate for the coming season. Most likely the subsidy will be a permanently-fixed rate; but will be flexible in order to keep the USA exportable surplus at competitive levels with cotton from other producing countries.

Listless conditions prevailed on the Bombay Cotton Piecegoods market. While there was moderate activity in the domestic sector, the demand from overseas buyers was very poor. Hopes are still entertained that, despite the categorical statement by the Union Commerce Minister that there was no immediate chance of any reduction in the excise duty, some relief would be announced by the authorities before long. There are also expectations that demand for cloth will pick up before long in view of the festival season ahead.

On the export front, trading conditions continued to be unsatisfactory although there were a few stray enquiries from the UK and there was a revival of demand from the East African countries. The demand from the Persian Gulf area is reported to be tapering off.

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DEPOSITS EXCEED	...	Rs. 23 Crores
WORKING FUNDS EXCEED	...	Rs. 27½ Crores
NO. OF ACCOUNTS EXCEED	...	1,32,000

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DELHI
REVIEW

A TEAM of senior officials of the Finance Ministry is leaving India shortly for a six-week tour of Europe. The principal purpose of the tour is to negotiate with various governments agreements for relief on incomes taxed both in India and the respective countries. The team is headed by Mr A. K. Roy, Chairman, Central Board of Revenue and includes Mr V. K. Chari, Member of CBR, and is to visit Great Britain, West Germany, Switzerland, Sweden and France. It is also likely that the itinerary will include Denmark and Italy also.

Double taxation is a vexatious business that international commerce has brought in its wake. It is also a problem that bristles with difficulties on detail, since tax laws differ from country to country and the policy and philosophy behind taxation are so widely different. Moreover, financial loss or gain on balance to governments on agreeing to some form of relief to the assessee is a factor that influences readiness to conclude such agreements. On the other hand, considerations like the need for stepping up foreign investments in one's country, may be decisive with countries which are capital hungry. They may be willing to put up with some loss in revenue in return for productive investment in the country by foreigners. But, even here, the need for hard bargaining can hardly be overlooked.

India has by now a rich and varied experience in the matter of agreements for mitigating or avoiding altogether the hardship that is likely to arise from subjecting the same income to tax at two places. Such experience has been the result of a number of fortuitous circumstances. Besides agreement with a number of foreign countries, the Government of India had in the old days to make special

S. E. RLY TENDERS

Sealed tenders are invited for Tender No. GM10/PD/49/CS/GB8 for supply of 1809 Nos. T. W. Tables for clerks and 1198 Nos. T. W. Tables for Supervisors.

Tender forms are obtainable from the Controller of Stores, Garden Reach, South Eastern Railway, Calcutta-23 (PD Section) on remittance of Rs 5/- (not refundable) per copy per tender by Money Order to him direct in the case of outside firms and on production of cash receipt from this Railway's Chief Cashier by local firms. Earnest money against the tender is Rs 2,000/-. Closing date of the tender is 23.6.58 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid income tax clearance certificate along with the Earnest Money receipt with the tender.

S605

GENERAL MANAGER

Avoidance of Double Taxation

arrangements regarding relief in respect of income taxed by it and by the former Indian States, where income-tax was then being levied. Then when Burma separated from India, there was need for similar arrangements with that country. There were the Commonwealth countries with whom we had special ties and, nearer home, Ceylon was a country in which Indians had extensive business connections. In all these cases, India had agreements of relief for double taxation.

Such arrangements were complicated in detail, but the principle involved was simple enough. The covenanting governments agree to forego part of the taxes on the double taxed income in stated proportions (mostly a moiety each) so that the tax payer is obliged to pay to either or both only at the higher of the two rates. Simple as this seems, it involves a good deal of rule making and detailed scrutiny of the claims. There was also a certain amount of running from pillar to post, getting a clearance from one country and then presenting it to the other and so forth. Meantime, the tax paid in both countries lay locked up with governments. There was also the complication of triple taxation, especially in the case of banks, and financial houses. And sometimes (though very rarely) legitimate relief slipped through the fingers by failure to put in one's claim in time by oversight or by ignorance.

Partly because of these drawbacks in a system involving refund on admission of double taxation claims, the mechanism of double taxation avoidance has come increasingly into use. As far as India was concerned, its first agreement of this sort was with Pakistan immediately after partition. Historical reasons and near identity of the tax laws of the two countries, not to mention the common traditions of both countries, made it an agreement easy to negotiate. It is an admirable document, hardly four pages in length, and covers every conceivable situation. Though, in actual application, these provisions may sometimes give rise to difficult decisions—for the resolution of which the two governments have an informal machinery consisting of representatives of both governments—the agreement has put an end to the vexation involved in double taxation relief arrangements. The chief virtue of this "avoidance arrangement" is, of course, that there is no double taxation at all to begin with, each government agreeing not to tax certain categories of income that it would normally be entitled to tax under its own laws, provided that category is taxed by the other country also under its laws. The principles that govern this renunciation are eminently sensible. They are mostly based on the "situs" of the source

of income, and where the income has more than one situs, certain ad-hoc percentages have been agreed upon. These are in accordance with the trend of judicial decisions which had had to consider, in other contexts, the chargeability of income with multiple seats. Each country makes its computation under its own laws and in respect of income from stated categories, keeps the tax due in "abeyance" unilaterally for a year before which a certificate of taxation on those categories from the other dominion is to be produced. When that is done, the tax kept in abeyance is foregone.

This arrangement has, according to official sources, worked very well. (Perhaps, this is the only arrangement with Pakistan that has worked well!) Encouraged by the success of the agreement, Government have concluded a similar agreement with Ceylon and it appeared at one time that such agreements would set the model for others when they are concluded. But the extension of the area of such agreements, has not met with much success. India has been negotiating with Great Britain for a double taxation avoidance agreement for some years with no apparent success. (An agreement of avoidance of double taxation in respect of Estate Duty has, however, been concluded.) One reason for this difficulty is obvious. Such agreements for avoidance of taxation are normally easy between countries of more or less equal economic stature. In other words, such arrangements would, on balance, hurt, in terms of tax loss, the country that has lesser stakes in the other country than the other country has in it. Indian commercial interests in Britain are far less extensive than British commercial interests in India and our present policies are oriented toward increasing them, if possible. Our bargaining position in this matter is, therefore, somewhat weak. It may be that, in these cases, double taxation relief arrangements would be more advantageous to us rather than avoidance agreements. And since, in absolute terms, the loss in revenue to developed countries by the former arrangement may not be significantly more than under the latter, they may agree to a form of arrangement that does not cut in too deeply into India's tax receipts. Such willingness would also be in accordance with expressed sympathies for India's development.

But there are certain other things on which foreign governments, not to mention foreign commercial and financial interests, would need reassurance and clarification. And these may well turn out to be more important than arrangements to mitigate hardships arising out of double taxation. One of them is the vagaries

attendant on taxation which is extra-territorial in varying degrees, and the invention by revenue of whole series of "notional" incomes where none exists. Take Section 42 of the Indian Income Tax Act. Similar provisions exist in taxing statutes of other countries and so they are, it is true, in no position to throw the first stone. Moreover, extra-territorial tax legislation has become fiscally respectable because of judicial blessing. Section 42 provides that income arising out of what is called "business connection" with India is deemed to arise in India. The consequence is a foreigner who (for instance) gets royalties on his patents that are used in India will have to pay tax thereon, though he gets paid elsewhere. And, according to some decisions, even purchase operations by foreigners in India would bring about a "business connection" with India and the profit "attributable" to such operations must be deemed to have accrued in India. To a layman, it is not readily apparent how any man can make a profit out of purchases, but apparently the law thinks that it can be done. But, whatever may be the legal position, there is a case, especially in our present context, to mitigate the rigours of these provisions. At any rate, the vagueness and sometimes misunderstanding, of the precise scope of these provisions need not be removed. One of the functions of the official team may well be this.

There is one other matter to which the official team may have to give special attention and this is, unlike what I said in the earlier paragraph, something in which we are at the disadvantageous end. I am referring to the unfortunate fact that some of the incentives for foreign investment which we have provided in our tax laws at considerable deprivation to ourselves are being unwittingly thwarted by taxation laws of other countries. Dr Lokanathan had referred to them in his book on Taxation and Foreign Investment. Take, for instance, a concession like Development Rebate, a massive inducement in any manner of reckoning. But since income doubly taxed alone qualifies for exemption from taxation for capital exporters in their home-countries, no exemption from taxation is available to them in their own countries in respect of the amount of Development Rebate allowed in India. The edge of the incentive is, therefore, blunted as the capital exporter will have to pay tax on that in any case in his own country. The result is that India is needlessly losing revenue to another country and the assessee himself is unable to use the funds spared by India for the purpose it was spared for and is obliged to divert it to pay the taxes in his home country! This is a highly unsatisfactory state of affairs which requires immediate remedy.

NORTH INDIAN
NOTES

Chambal Project

Whether it is because of the impossibility of correctly assessing the benefits of schemes at the time of their planning some of the development schemes, have in the course of their implementation, demonstrated that there has been inadequate appreciation of the real benefits that would accrue from them. The Chambal Project is an instance where because of inadequate appreciation of benefits, utilisation of the project has been delayed.

The Irrigation and Power team of the Committee on Plan Projects which carried on an investigation into the working of the Chambal Projects has in its report come to the conclusion that the period of ten years for realising the benefits of irrigation can be reduced to half and had made a number of suggestions to give effect to this. The team considers the levelling of land in many places indispensable for maximising the benefits from the irrigation project at Chambal, the total area of land needing such levelling in the two States of Rajasthan and Madhya Pradesh being estimated by the team at about 14 lakh acres. The outlay that would be required for carrying out such operations has been estimated at about Rs 30 lakhs and Rs 46 lakhs for Rajasthan and Madhya Pradesh respectively. Possibilities for further extending the benefits of irrigation has been suggested in the scheme for the removal of wild, ber bush infesting the land in most areas coming under the Chambal Project in both States.

It is the increased potentialities for extending agriculture that provide the justification for the additional schemes suggested in the report of the team. The team has in this connection stated that the new schemes could bring about revolutionary changes in the agricultural economy of the States, and has pointed to the great potentialities for the horticultural industry which however are contingent on the implementation of the schemes recommended by the team. Development of the sugar industry for which the climate and soil have been found suitable is indicated as another possible field for profitably utilising the irrigation potential of the Chambal Project. These benefits should far outweigh considerations of increased cost that has to be incurred in implementing the recommendations of the team.

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Debate on Air Corporations

Those in charge of running the two Air Corporations must have been pleasantly surprised by the tone of the discussion raised in the Lok Sabha (a couple of days before the House was adjourned sine die) by the PSP member Mr Rajendra

Singh on the annual reports of the Indian Airlines Corporation and the Air India International. For, in the past, criticisms of the working of the Corporations—of the domestic one, in particular—has usually been adverse and unflattering. On this occasion, by contrast, the members who participated in the discussion were unstinted in their praise for the Air India International and though these were criticisms about the continuing loss in the running of the IAC, the general opinion of the speakers belonging to all sections of the House was appreciative of the efforts now being made to improve its working.

The IAC deserves the appreciation. At last it looks as if the teething troubles of the infant Corporation are disappearing and a new vigour and freshness is discernible in the way in which the innumerable organizational problems are being tackled.

But, notwithstanding the improvement which has been real and striking, it will be premature to expect the IAC to show a working profit in the near future. Mr S. K. Patil, the Minister for Communications, in his reply to the discussion was careful to point this out while praising the IAC in generous terms and describing it as "among the most progressive and efficient airlines in the world", he said that although air travel had increased manifold in recent years and it had become a necessity and not a luxury, it would take many more years before civil aviation became a commercial proposition in India.

The apparent contradiction and anomaly in the statement will be partly resolved when it is remembered that fares charged for air travel in India are amongst the lowest in the world and that the IAC has to pay more for aviation fuel than operators in other countries.

These are, however, not the only uneconomic factors. The wages bill of the IAC is exceptionally high as is the evergrowing cost of administration. There is also, after nearly five years of rationalisation, a lack of coordination in operation—a hangover from the pre 1953 days of private operators.

It is unfair, perhaps, to blame the corporation either about its failure to lower the wage structure or about its inability to alter the fare rates or to effect economies in fuel costs. For, these are matters not wholly within its control. But there is no reason why substantial economies cannot be made in administrative cost and uncoordinated operations checked. If the improvement in operational standards which has taken place in recent months is symptomatic of a general all round improvement, then it may be hoped, that before long better results in terms of financial return will obtain. If that happens early then the IAC will have justified the encomia the Union Minister and the members of Parliament bestowed on it.

NORTH INDIAN
MARKETS

Rice and Wheat Firm

RECENT trends in Rice and Wheat markets in North India, make an interesting study. The strength in Rice has been attributed mainly to the receding hopes, which were widely shared, some time ago, that Madhya Pradesh would shortly relax its ban on exports. This belief was so strong that the market had registered a substantial setback; but the growing disappointment on the issue has resulted in a rally to the former levels. The rise in prices has been aided also by the recent sharp decline in arrivals.

The advance in Wheat prices has been helped by higher advices from Rajasthan and Madhya Pradesh. While prices have been depressed in the Punjab zone, the undertone in Uttar Pradesh centres has been fairly steady. The crop in the Punjab, this year, has been fairly good and arrivals, too, have been satisfactory. Stockists have, therefore, been hesitant about building up holdings for fear of losses at a later stage should the Government invoke the provisions of the Essential Commodities Act.

In Uttar Pradesh, however, the crop is lower than last year's. Arrivals have also been restricted and only sufficient to meet the day-to-day requirements of consumers. Imports from outside the zone are not allowed. Agriculturists have been hesitant to part with the produce in anticipation of higher prices in the coming months.

Production figures (in thousand tons) of individual crops for 1957-58 as compared with the revised estimate for 1956-57 are as follows:—Rice 24,821 (28,282); Jowar 8,056 (7,249); Bajra 3,565 (2,885); Maize 3,064 (3,009) and Ragi 1,716 (1,715). The rice crop accounts for decrease of 3.5 million tons and is almost equal to the average for the first Five-Year Plan period; but the shortfall has been made up partially by the increase in production of other "khariff" cereals, especially of the two major millets, jowar and bajra. These two millets account for an increase of 1.5 million tons during the current year as compared with the previous year. The all-India final estimate of small millets for 1957-58 is still not available but that for the previous season 1956-57 puts the area and production at 12.21 million acres and 2.01 million tons respectively.

It is understood that the Government of India are arranging more of imports in order to build up sizable reserves. Negotiations are already in progress with the USA for the import of 3.5 million tons of wheat and a half million tons of rice. Burma's willingness to supply 2.7 lakh tons as against

her original commitment of 5 lakh tons during the year is stated to be an additional reason for increasing imports.

Meanwhile, conditions in the Hapur market have continued to remain quiet with the average quality wheat quoting around Rs 15.50 per maund and the farm quality at Rs 16.50. The markets for Rice and Gram have also been ruling steady. Barley and Bejher prices have, however, eased slightly, thanks to increased arrivals in the market. Arhar has recorded a further rise of about 75 nP on firmer Bombay, Madhya Pradesh and Mysore advices.

Sugar

Sugar prices have developed an easier tendency in the absence of any concrete scheme for exports. The supply position is also reported to be comfortable following the release off a special quota. The inordinary delay in the announcement of the export policy for sugar during the current season has even led to some rumours that the Government may given up the export plan. It is stated that the Government are now having second thoughts over the issue.

While it may be necessary to export sugar from the point of view of earning more foreign exchange, it is felt that the total loss involved in the export of, say, two lakh tons will exceed the corresponding foreign exchange earnings. The reported opposition by some State Governments to sacrifice the cane cess for export purposes is also said to have created a fresh problem.

According to the Indian Sugar Mills Association, production and despatches of indigenous sugar amounted to 19.47 lakh tons and 10.82 lakh tons respectively upto May 15, 1958 in the current season as against 19.13 lakh tons and 11.70 lakh tons in the corresponding period of the previous year. Stocks with the factories, as on the 15th May, were 12.90 lakh tons as compared to 12.70 lakh tons on the corresponding date of last year.

Following mill-delivery prices (per maund) are quoted in the Hapur market:—Rampur (B. 29) Rs 37.50; Buland (C. 29) Rs 37; Iqbalpore (C. 29) Rs 36.81; Mansoorpur (C. 29) Rs 37.25; Daurala (B. 29) Rs 37.50; Mowana (C. 29) Rs 36.87; Shamli (B. 29) Rs 37.75; Amroha (D. 29) Rs 35.50; Bijnore (C. 29) Rs 35.37; Meerut (D. 29) Rs 36.37 and Simbhauli (E. 29) Rs 36.62.

Sentiment in the Khandasari market also remained depressed due to fall in ready demand and in line with bearish conditions in the crystal section. Rates moved between Rs 30.50 and Rs 33.50 per maund, according to quality.

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Gur

Poor arrivals due to off season with better pre-monsoon demand have accounted for an improvement of about 75 nP per maund in the prices of dry quality Gur, which is quoted upto Rs 16.75.

MADRAS
REVIEW

THE critics of the Second Plan have been put on their feet by the many difficulties and bottlenecks that have emerged in the course of the last two years in the working of the Plan and might see in them the confirmation of their prognostications regarding the weakness of the Second Plan. Certainly the difficulties that have been experienced in the implementation of the Plan have directed attention to the question whether the Plan could be carried through successfully with the hard core in tact. No doubt the revision of the total outlay by the National Development Council has set at rest doubts about the unrealistic attitude of the Government, and has raised hopes that the hard core of the Plan, would be shielded from damage. But more importantly they have underlined the need on the part of the Government to keep abreast of developments so that contingencies as and when they arise in any sector of the National economy could be met with properly without risk to the execution of the Plan.

It is in this context that the question of export promotion assumes significance. The foreign exchange difficulties that the country experienced in recent times are a grim reminder of the lack of balance in the structure of the economy. The Government had reacted quickly by imposing drastic restrictions on imports of a large number of articles so as to arrest the drain on foreign exchange re-

THE CALCUTTA ELECTRIC
SUPPLY CORPORATION LIMITED
(Incorporated in England)5% RUPEE DEBENTURE STOCK
1970INTEREST FOR THE HALF-YEAR
ENDED 30TH JUNE, 1958.

Notice is hereby given that interest at the rate of Rs. 25/- (less Indian Income Tax) per Rs. 1,000/- of Stock will be paid on 1st July, 1958 to Debenture Stockholders registered in the books of the Company on 23rd June, 1958. Applications for transfers received at the Company's Office at Victoria House, Post Box 304, Chowringhee Sq., Calcutta, upto 23rd June, 1958 will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above interest.

Debenture Stock Transfer Books will be closed from 24th June, 1958 to 30th June, 1958 both dates inclusive.

By Order of the Board,
D. H. P. HENDERSON
Actg. Agent.
Victoria House,
Calcutta, 29th May 1958.

Export Promotion

serves. While the drain had been arrested by the impositions of severe cuts in imports, the needs of a developing economy which is short of the vitally needed capital goods and which has therefore perforce to import them preclude the pursuit of such a policy on a long-term basis. This leaves increasing internal production and vigorous export drive as the only alternatives in stabilising the economy.

The announcement of Mr Lal Bahadur Shastri Union Minister for Commerce and Industry, in the course of his inaugural address to the annual general meeting of the Hindustan Chamber of Commerce in Madras that he would be drawing up an export promotion scheme soon and take a final decision on this matter after holding consultations with other Ministries defines the Government's attitude to the problem of foreign exchange.

The ground that has to be covered in the export front is indicated by the fact that, at present, the exports add up to a bare 6 per cent of the total national income of the country. This brings to light the comparative neglect in which the problem has been treated so far. While between 1950 and 1957 world trade had increased by 85 per cent the exports of India increased only by 14 per cent. The problem of development of the country is in this sense one of bringing the trade of the country more in harmony with world trends.

Such export promotion drives involve exploration of new markets for old goods and of finding markets for new goods. The success of such experiments, while it depends on the enterprise and interest evinced by the industrialists is also vitally linked with the encouragement that the Government could give. Revision of long distance rates and local taxes levied at originating States and in the places through which the goods pass have been indicated by Mr Shastri as the chief elements in the orientation of the Government's attitude in the export drive. Provision of long-term and short-term loans and priority in the allocations of raw materials are other important considerations involved in the policy meant to promote exports.

As Mr Shastri has pointed out export promotion by its very nature could not be expected to yield tangible results in the short-run the scope for activities in the short-run, being limited to doing some spade work. This leaves the question of meeting the immediate requirements for foreign exchange unanswered. Foreign aid or loan might point the way out of such difficulties. Though Mr Shastri referred to the importance of such foreign aid in meeting immediate requirements he could not indicate whether any such aid would be forthcoming.

In such a situation relaxation of restrictions on imports would only aggravate the balance of payments position of the country. Such a policy is therefore out of the question especially in view of the fact referred to by Mr Shastri in his speech, that the country, in spite of the stringent restrictions already imposed, had not turned the corner in regard to the foreign exchange problem. Mr Shastri himself ruled out any hope of liberalisation and further pointed out that the hardships which the present restrictions imposed were only sectional affecting mainly specialised sections of trade and industry.

In regard to the problem of conserving the limited foreign exchange Mr Shastri has made some proposals. Diversion of the interests by the commercial and industrial community from imports of consumer goods to the imports of the more vitally needed goods is one of them. Mr Shastri has also stressed for the people in general to use indigenous goods in place of foreign imported ones.

The time-consuming nature of export promotion is perhaps more applicable to new goods than to those which had been figuring prominently in the exports of the country. In view of the quick results that might be expected of such export promotion drives in regard to established items of export, there is need for early and effective measures. In fact in regard to such items there is a clear danger of decline in their exports unless measures are taken to avert such an eventuality in time. With all the countries in the world being inspired by the same objectives and aspirations as India, in regard to economic matters there is possibility of a clash of interests especially in the international markets for exports. So unless there is a correspondence in the policy of the Government to suit the actions of the foreign governments, the country would be ill-equipped to stand the competition of foreign goods in foreign markets. This is true of many of the traditional goods which have bulked large in the exports of the country particularly cotton textiles, sugar, and tea. In all these cases the specific disadvantage of the Indian goods is their high prices. While the country for the first time was able to export sugar at a profit to neighbouring countries during the last year prospects for repeating the performance have faded with the decline in the international price of sugar. The difficulties experienced by these goods thus underline the need for concrete measures to boost exports.

Export promotion to succeed in any substantial way has to be built on the foundations of increasing industrial production. This is dependent on the effective functioning of the public and private sectors in an atmosphere of mutual cooperation and goodwill. There has been much misgivings on the

part of the business community in regard to the attitude of the Government towards it. Even at the meeting of the Chamber Mr C. A. Chettiar referred to the adverse effects on industrial production of the various tax measures imposed by the Government on the private sector. In view of the need to step up production the scope for giving some incentives to the private sector has therefore to be examined.

Foreign exchange shortage, though typical of the difficulties, the country has to face in the implementation of the Plan, is only one of them. There are also other questions relating to food production tapping internal resources and the need to keep an effective watch on the price level. Though these problems would seem to be formidable, to fight shy of them would be an act of despair. The statement of Mr Shastri that the Government would tackle the problems with determination is therefore reassuring. But the cooperation of the people is also a vital factor in the success of the Government's efforts.

MINERVA MILLS, LIMITED.

NOTICE TO SHAREHOLDERS.

NOTICE is hereby given that the Thirty-eighth Annual General Meeting of the above Company will be held at the Registered Office of the Company, Temple Bar Building, 70, Forbes Street, Fort, Bombay, on Tuesday the 15th day of July 1958 at 4.30 P.M. to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Statements of Accounts for the year ended 31st December 1957.
2. To appoint Directors in place of those who retire but are eligible for re-appointment.
3. To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books of the Company will be closed from the 20th day of June 1958 to the 12th day of July 1958, both days inclusive.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

Detailed Notice of the above Meeting is being published in the Press and is also being posted to the Shareholders individually.

By Order of the Board,
N. SIRUR & CO. PRIVATE LTD.,
Managing Agents,
V. N. CHANDAVARKAR
Managing Director.
Bombay, 21st May, 1958.

THE
PENINSULASOUTH INDIAN
NOTES

With emphasis being laid on industrialisation in the economic development of the country under the Second Plan the exploitation of mineral wealth of the country assumes great importance. The region that could yield the most fruitful results in these efforts towards development of mineral resources is the State of Andhra Pradesh. The State is credited with a variety of minerals which however have remained largely unexplored. Iron deposits at Nellore and Guntur districts, diamonds deposits in the Ananthapur district, coal deposits in the Godavari valley and other places are but a few of the minerals for which the State is famous.

Efforts to exploit the mineral potentialities in the State have so far not been on a scale so as to get the maximum benefits out of them for industrial development. The only fields in which efforts have so far been directed have been in respect of the development of coal and monazite. Besides the Singareni Collieries, coal at present is mined also in the Kothagudam collieries. For the exploitation of the monazite deposits the services and cooperation of the private

KAMARHATTY COMPANY,
LIMITED

NOTICE is hereby given that the One Hundred and Fifty-ninth Annual General Meeting of Members will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, at 3.00 P.M. on Friday, the 20th June, 1958, for the following purposes:—

- (1) To receive and consider the Audited Accounts for the year ended 31st December, 1957, and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- (2) To appoint a Director in place of one retiring.
- (3) To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 18th June to 20th June, 1958, both days inclusive.

By Order of the Board,
JARDINE HENDERSON, LIMITED,
D. FORDWOOD,
Secretary,
Managing Agents.

4, Clive Row,
Calcutta-1.
25th April, 1958.

NOTE: A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the Company.

Development of Minerals

sector have been enlisted and a ferro-manganese plant has also been set up. In the existence of zinc, copper and graphite deposits possibilities for the atomic industry are also indicated.

At the sixth meeting of the Mineral Advisory Board of the Ministry of Steel, Fuel and Mines, Government of India which was held at Hyderabad the need for paying proper attention to the exploitation of the mineral wealth of Andhra Pradesh was stressed by Mr Kala Venkata Rao, Minister for Revenue in the Andhra Pradesh Government. He requested the Government of India to undertake a geological survey of the Godavari Valley and map it in detail with particular reference to the availability of coal in that area. Development of mineral resources also holds forth great possibilities in overcoming the foreign exchange shortage.

Of more immediate importance is the need for strengthening the structure of the present export trade in minerals. This is a matter which has to be looked into by the State Trading Corporation since trade in minerals comes under the direct care and responsibility of the State Trading Corporation. The Mineral Advisory Board has in this connection made a suggestion for giving special consideration to small mine-owners in respect of export trade in minerals by the State Trading Corporation. The Board has also made other recommendation for stepping up production, and improving prospects of trade in them.

Briquetting Experiment at
Neyveli

The experiment in the pilot briquetting and carbonising plant erected at Neyveli was inaugurated last week by Mr Howard Houston Head of the United States Technical Cooperation Mission in India. The experiment is mainly intended to determine the capacity of the lignites in Neyveli to yield smokeless fuel of approved quality and on its success hinges the prospects for the starting of several new industries of the heavy variety as well as other types and especially the fertiliser plant. The pilot experiment is considered of great importance in finalising the specifications of the plant and machinery for commercial purposes, and represents a major step in the fuller exploitation, of the lignite resources of Neyveli.

It was the interest evinced by the Technical Cooperation Mission of the United States which made possible the erection of the briquetting and carbonising equipment. The fact that the plant was erected in a record time of six weeks is a tribute to Mr Prendargust, Deputy of the TCM who supervised its erection and further bears out

the unsolicited generosity which America is bringing to bear on the development of the underdeveloped countries of Asia, particularly India. In a reference to the help that America has extended to the Neyveli lignite project, Mr T. M. S. Mani Managing Director of the Neyveli Corporation expressed the hope that the Neyveli Corporation would be the precursor of similar close cooperation between all concerned in the development and implementation of the project, particularly in fertilizer, briquetting and carbonising schemes. Mr C. Subramaniam, Finance Minister of Madras also paid a tribute to the magnanimous role played by America in the development of the undeveloped areas of the world and dismissed misgivings about strings being attached to the American aid.

The industrial development of Madras is vitally linked with the development and exploitation of the fuel resources of the region. Considering that sources of thermal power are limited and few in the South the role of Neyveli in the industrial development of the State is only obvious. With industries in the State having, at present, to do with greatly restricted supplies of power the question of power development assumes great importance. In such circumstances it is only natural that great importance should be attached to the Neyveli project.

Panchayat Revenue

The Local Finance Sub-Committee of the Legislative Committee on Local Administration of Madras State had in its report on "Perspective Budget of Panchayat Administration" made important suggestions for augmenting the finances of the local bodies. The most important of the suggestions is the one relating to the levy of local cess to replace the present local taxes such as land cess, education cess, and land revenue surcharge. By way of a statutory definition, it has been mentioned in the report that the cess should ensure that the rate of local cess levied on any land does not fall short of 45 naye paise in the rupee of land revenue and that it should leave the maximum rate to be specified by statutory rules.

The sub-Committee is in favour of vesting the power to levy the rate within the minimum specified by law and the maximum specified by statutory rules to the Panchayat Union. But at the same time, the crediting of a part of the local cess collected by the Panchayat Union equivalent to about 20 naye paise per head of the village population to the Village Panchayat Fund is also considered desirable. The increase in revenue that will accrue to the Panchayat Union as a result of the replacement of the present system of taxes by the local cess is further expected to help the Panchayat

Union in meeting its share of Second Slab expenditure on education as well as the increased cost of local works and local services falling within its sphere of responsibility.

With increase in the rate of Stamp Duty Surcharge from 4 per cent to 5 per cent which the Committee has recommended, the revenue of the local bodies is further expected to rise. The yield of the tax after the increase in the rate is estimated to be 35 naye paise per capita on the average.

Though the Committee has suggested that nearly Rs 3½ crores would have to be provided by the State Government towards the Panchayat Development Expenditure it does not envisage any increase in State Taxation. But it holds Central Government Grant to the State Government as essential for the implementation of the Financial scheme recommended in its report. Under the division of burdens in respect of raising new resources for Panchayat Administration, which the Committee has suggested, the Central Government, the State Government and the Panchayat Administration would be responsible for one third each of the total revenue.

KANKNARRAH COMPANY,
LIMITED

NOTICE is hereby given that the One Hundred and Forty-ninth Annual General Meeting of Members will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, at 4.00 P.M. on Friday, the 20th June, 1958, for the following purposes:—

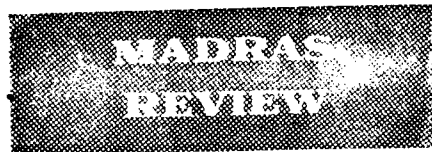
- (1) To receive and consider the Audited Accounts for the year ended 31st December, 1957, and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- (2) To appoint a Director in place of one retiring.
- (3) To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 18th June to 20th June, 1958, both days inclusive.

By Order of the Board,
JARDINE HENDERSON, LIMITED,
D. FORDWOOD,
Secretary,
Managing Agents.

4, Clive Row,
Calcutta-1.
25th April, 1958.

NOTE: A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the Company.



Russian Demand for Cashewnut

THERE has been a brisk demand for Indian Cashewnut from Russia during the past few days and the price of the exportable quality has risen from Rs 215 to Rs 250 per cwt on f.o.b. basis. In the New York market, prices have also risen from 44 to 50 cents per pound. In line with the upward trend, rates for African raw nuts have advanced, in India, from Rs 565 to Rs 675 per ton.

Purchases by Russia have assumed significance in that they have tended to reduce, to some extent, India's dependence on America. The USA has been a major buyer of Indian cashewnuts for the last several years, its share in exports, in 1957, amounting to about 9½ lakh cases out of the total exports of 12 lakh cases. On the other hand, Russia has shown a progressively increasing interest in the commodity since June 1956 when India sent its first shipment of about 18,400 cases to that country. In that year, Russia was reported to have bought an estimated quantity of 54,000 cases.

Thus, Russia has figured as a major buyer in India during the past two months with the exporters estimating its purchases at about 160,000 cases of 50 pounds each. The bulk of this business is reported to have been put through at Rs 214 to Rs 218 per cwt f.o.b. The first consignment of about 37,000 cases against the contracted business was made towards the end of last month and the balance will be sent by shipments extended to October.

THE MODERN MILLS, LIMITED.

Notice of 17th Dividend.

NOTICE IS HEREBY GIVEN THAT a Dividend of Rs. 5/- per share of Rs. 50/- for the year ended 31st October 1957, sanctioned by the Shareholders at the Twenty-fourth Annual General Meeting held on the 21st May 1958, is made payable at the State Bank of India, Bombay, on and after Monday the 26th May 1958 to those shareholders whose names stood on the Register of Members on the 25th April 1958, but only in respect of their holdings of shares allotted prior to 31st October 1957, i.e., shares bearing Nos. 1 to 66376. The dividend warrants are made negotiable at par at the State Bank of India, Bangalore.

By Order of the Board,
N. SIRUR & CO., PRIVATE LTD.,
Managing Agents,
V. N. CHANDAVARKAR,
Managing Director,

Registered Office:—
Temple Bar Building,
70 Forbes Street, Fort,
Bombay.
21st May 1958.

The outlook for exports to the USA is, however, good with the period of peak off-take ahead. The Continent is also likely to buy more this year, because of higher almond prices there.

Coffee

The Coffee Board has released, for export, 1,147 tons of coffee out of the 1958-59 crop. The quantity released consists of 805 tons of Plantation A; 138 tons of Plantation B; 157 tons of Plantation Triage and 47 tons of Arabica Cherry Flats. Tenders are due on June 12.

According to a newsletter issued by the Board, the prospects for the ensuing year have brightened up considerably since the beginning of last month. The estimate now made will be about 45,000 tons. As for the current crop of 1957-58, a further revision to the estimate has taken place, according to which the 1957-58 crop will be 41,687 tons of Plantation; 7,179 tons of Arabica Cherry and 13,685 tons of Robusta.

Receipt of coffee from the 1957-58 crop, in the Pool, up to the end of April, was 41,477 tons—about 2,000 tons more than what was received during the same period last year. This year's crop may equal, if not exceed last year's.

Out of the 11,684 tons earmarked for export, 5,499 tons have so far been sold till May 10, 1958 out of the current crop. Prices have been ruling steady since mid-April though they are low. There have been a sharp drop in internal releases during April; but this is expected to be made good in subsequent sales.

At the Pool auction held in Mysore, the quantity exposed for sale was 1,032 tons. Following were the range of prices (per cwt):—Plantation Peaberry Rs 237 to Rs 242.95; Plantation "A" Rs 208 to Rs 225; Arabica Cherry Flats Rs 191.65 to Rs 198; Arabica Cherry Peaberry Rs 195.10 to Rs 200.10; Robusta Cherry Flats Rs 156.65 to Rs 163.70 and Robusta Cherry Peaberry Rs 160.15 to Rs 162.10.

Pepper

The Indian Pepper and Spice Trade Association has announced that a quantity of 215,300 cwt of pepper was transacted in hedge contracts, while 1,500 cwt were transacted in transferable specific delivery contract in 1957. There was only one basic quality and all the deliveries were effected at Cochin. The total quantity delivered, during the year, was 5,350 cwt including 1,500 cwt against transferable specific delivery contract.

According to a prominent planter in Wynad, the coffee crop in Wynad is expected to be 25 per cent higher this year than last year, thanks to blossom showers

and sufficient rains. He adds that production is expected to reach 5,000 tons during 1958-59.

Meanwhile, pepper prices have been on a downward trend due to heavy selling pressure. The turnover in forward deliveries has been fairly large, while there is no report of any ready sale.

In the New York market, prices are held steady. Malabar spot is quoted at 25½ cents per pound.

Groundnut

Steady conditions prevailed in the Madras Groundnut market. Daily arrivals averaged 50 tons, which were mostly of the summer crop. Calcutta interests and local crushers gave good support to the market. Business was reported done at Rs 152 per candy for the summer crop.

In the Groundnut Oil section, both buyers and sellers remained reserved and the ready rates fluctuated between Rs 311 and Rs 314 per candy.

According to the third and final forecast report issued by the Madras State Government, the area, shown with groundnut in the State during 1957-58, is estimated at 1,794,000 acres as compared with the provisional area of 1,799,200 acres for the previous year. Harvest of the winter main crop is reported to be in progress. The yield is expected to be 860,000 tons of shelled nuts as against 854,300 tons for the previous year and 772,600 tons—the average for the five years ending 1956-57.

Hides and Skins

In the Madras Tanned Hides market, arrivals of Cow hides were on the same level as in the previous week and there was no change in prices. There was little change to report in Buff hides and Calf hides.

On the export front, business was poor as Madras sellers were asking higher prices. In several cases, offers were being made for combined runs, fourths and fifths, which were, however, not creating any interest on the buying side.

In the Tanned Skins section, arrivals of both Goat and Sheep skins showed no change and there was brisk clearance of market quality sheep skins, both adulterated and better class, at steady prices.

In the export section, trading in Goat skins was sporadic, the main demand being for light weight fifths and inferior fifths. In Sheep skins, overseas business was very quiet. There was practically little support from the UK and Continent, excepting for small enquiries for fifths and inferior fifths in middle class sheep skins.

Prices of Raw Hides remained practically unchanged. In Raw Skins section, all centres were reported to be unchanged to about Rs 15 per 100 skins lower as compared to the previous week.



As the present system of London public auctions is injurious to the E.I. Tanned Goat and Sheep tanning industry and trade, the Committee of the Southern India Skin and Hide Merchants' Association, Madras, has resolved to take steps to stop consignments to the London auctions and to request the Government of India to allow only exports on c.i.f. basis and exports of consignments for sale by private treaty and to ban all consignment exports for the London auctions.

THE INDIAN STANDARD WAGON COMPANY LTD.

NOTICE.

Notice is hereby given that the Annual General Meeting (being the thirty-ninth Ordinary General Meeting) of the Company will be held at the Registered Office, 12, Mission Row, Calcutta, at 11 a.m. on Thursday the 26th June, 1958, for the following purposes:

- To receive and adopt the Audited Accounts for the year ended 31st March, 1958, and the Directors' and Auditors' Reports thereon.
- To declare Dividends. The dividends if declared, will be paid to the shareholders whose names appear in the Company's books on the 26th June, 1958, or to their mandatees.
- To appoint Directors in place of those retiring. In this connection notice is hereby given that a Special Notice as defined in Section 190 of the Companies Act, 1956, has been received by the Company under Section 281 of that Act to move the following Resolution at the meeting: "That Sir Josna Ghosal be and is hereby appointed a Director of the Company and that it is hereby declared that the age limit laid down in Section 280 of the Companies Act, 1956, shall not apply to him."
- To appoint Auditors and fix their remuneration.

The Share Registers and the Transfer Books of the Company will be closed from the 18th June, 1958, to the 26th June, 1958, both days inclusive.

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

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

Calcutta,
30th May, 1958.



Better Sentiment

Watch-Dog Writes:

STOCK markets have ruled generally better during the week under review and prices have improved modestly in almost all the sections due to scattered bear-covering and the absence of fresh selling pressure. Sentiment is mainly aided by the reports of resumption of operations at the TISCO Works following the withdrawal of strike by the members of the Mazdoor Union.

The Calcutta Stock Exchange displayed a steady trend, activity being mostly confined to the Jute and Miscellaneous sections.

Reports, that the TISCO strike was called off, caused a firmer tendency in prices on the Bombay Stock Exchange, although higher levels could not be retained till the close due to lack of follow-up.

The Madras Stock Exchange ruled fairly active and buying enquiry was noted in selected scrips. Quiet and uninteresting conditions were witnessed on the London Stock Exchange.

Wall Street closed barely steady.

Calcutta

Calcutta, Friday Evening.

AFTER a fairly steady opening, equities on the local Stock Exchange showed a gradual improvement in prices during the week under review although higher levels could not be retained till the close due to profit-taking and lack of follow-up. Reports with regard to the resumption of operations at the TISCO Works following the withdrawal of the strike by the members of the Mazdoor Union induced fair short-covering. Moreover, there were few signs of willingness on the part of operators to lend support to selected good dividend-payers at the present bargaining prices. The revival of buying interest on the part of investors also reflected their confidence over the long-term outlook despite temporary and superficial lowering of prices due to other factors. However, the main factor, presenting the present recovery from gathering momentum, was the threatened strike by the dock labour with effect from the 16th June.

The Gilt-edged market presented dull conditions as activity was at a low ebb. Institutional investors were inclined to wait the announcement of the new State Loans, which were expected to be issued shortly. 3 per cent 1986 Conversion Loan opened quiet at Rs 71 and, after improving at the close to Rs 71.12, receded again at the close to Rs 71.12. Interest in Bank shares was limited with prices moving within a narrow range. Punjab National changed hands at Rs 53.12 to Rs 53.25; Hindustan

Commercial at Rs 10.12 and United Bank of India at Rs 4.12 to Rs 4.15.

Despite the weakness of the jute goods market and the disappointing results released by some of the important jute mills for last year, jute shares continued to attract buying interest. Operators were inclined to believe that the decline in jute goods prices were brought about, not by a fall in overseas demand, but by the improved outlook for the raw material. There were also indications that the raw jute crop would be better, both in quality and quantity. Anglo-India had buyers at Rs 149 to Rs 154; Barnagore at Rs 87 to Rs 90; India at Rs 128 to Rs 130; Birlas at Rs 15.37 to Rs 15.75; Howrah at Rs 16.25 to Rs 16.50; Nuddea at Rs 38.25 to Rs 39.00 and New Central at Rs 15.19 to Rs 16.00. National moved rather irregularly between Rs 22.12 and Rs 22.81, to close finally at Rs 22.50. Kinnison, after being taken up to Rs 111 from Rs 102, receded again at the close to Rs 108 on profit-taking.

Coal shares recorded only little change in values. Operators were hesitant to extend their commitments as they felt that the recent announcement with regard to the increase in selling prices of coal and coke would hardly benefit the companies. There was also disappointment over the delay of the publication of the Price Revision Committee's report. Bengal were nearly maintained at Rs 241, while East Indian turned quiet at Rs 19.87 against Rs 20.31 and Central India at Rs 7.56 against Rs 7.62. Western Bengal changed hands at Rs 5.87 to Rs 5.96 with Burrakur rather sticky at Rs 21.87.

Trading in the Tea section was restricted, although prices were more or less maintained. Operators were still awaiting the Government decision with regard to the relief to be granted to the industry. The fear of competition in inferior quality teas proved to be a deterrent to investment. Amongst the few transactions recorded were Brahmaputra changing hands at Rs 2.94 to Rs 3.00; Bhatkawa at Rs 23.12; Dheakhat at Rs 22.37; Methoni at Rs 16.62; Rydak at Rs 25.62 to Rs 25.87 and Patrakola at Rs 136.

Sugar shares were inactive on rumours that the Government might even give up the export plan due to the reported opposition by some State Governments to sacrifice cane cess. Baisampore changed hands at Rs 6.25 to Rs 7.06, while S. K. G. and Dyer Meakin were nearly maintained at Rs 10 each.

The obscure outlook for the industry had an adverse effect on the Textiles section, which was practically neglected. The only bright spot was Kesoram, which met with sustained enquiry up to Rs 10.75 from Rs 10.43. Jaysree moved between Rs 6.44 and Rs 6.56, while New Victoria eased off further to Rs 1.25 from Rs 1.28.

Price movements in the Engineering section were mainly influenced by the speculative activity in Indian Irons. Against the week-end closing of Rs 21.35, Indian Irons opened better at Rs 21.48 and, after improving further to Rs 21.58 on better Bombay advices, receded moderately at the close to Rs 21.51 on profit-taking. Similarly, TEXMACO were taken at one time up to Rs 18.08 and Burn up to Rs 34.4 from Rs 34.1, to finish at Rs 17.95 and Rs 34.2 respectively. Britannia changed hands at Rs 10.81 to Rs 10.87; Braithwaite at Rs 26.00 to Rs 26.31; Jessop at Rs 20.12 to Rs 20.25 and Marshalls at Rs 5.41 to Rs 5.50.

In the Miscellaneous section, dealings in Paper shares were more prominent and prices registered fresh higher levels on sustained demand, being influenced by the reports of production being doubled last year and the increasing demand for indigenous paper. Orient were keenly sought after up to Rs 32.25 from Rs 31.00; Titaghur up to Rs 21.00 from Rs 37.50; India Pulp up to Rs 21.00 from Rs 20.75; Sirpur up to Rs 16.00 from Rs 11.19 and Shree Gopal up to Rs 15.00 from Rs 15.81. There was investment demand for Indian Cable up to Rs 34.56 from Rs 34.25; Dunlop up to Rs 26.31 from Rs 25.56; Indian Oxygen up to Rs 18.56 from Rs 18.25; Indian Aluminium up to Rs 15.12 from Rs 14.62; Alkali up to Rs 15.12 from Rs 15.44 from Rs 15.12; Chemicals up to Rs 15.44 from Rs 15.12; Aluminium Corporation up to Rs 11.12 from Rs 10.87 and Rontas up to Rs 18.37

from Rs 17.87. Hindustan Lever were a firm feature at Rs 22.12 and so also Hindustan Motor at Rs 7.00. India Steamship fluctuated narrowly between Rs 10.87 and Rs 11.00 and Osler between Rs 1.75 and Rs 1.81. NICO were enquired up to Rs 27.37 from Rs 26.50 with National Carbon changing hands on the ex-dividend basis at Rs 24.75. Indian Copper idled around Rs 3.10.

PRESIDENCY JUTE MILLS COMPANY, LIMITED

NOTICE is hereby given that the Seventy-third Annual General Meeting of the Members of PRESIDENCY JUTE MILLS COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 27th day of June, 1958, at 3 O'clock in the afternoon, for the following purposes:

- To receive and consider the Profit and Loss Account for the thirteen months ended 31st July, 1957, the Balance Sheet as at that date and Reports of the Directors and Auditors.
- To declare a Dividend.
- To appoint Directors in place of Mr. Alec. A. Leslie and Mr. B. L. Bajoria, the Directors retiring by rotation at the Meeting.

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

"That Mr. B. L. Bajoria be and is hereby re-appointed a Director of the Company liable to retirement by rotation."

Special Notice of the intention to propose the foregoing resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956, has been received by the Company wherein it is stated that Mr. B. L. Bajoria is an "associate" of the Managing Agents within the meaning of the Act, and that therefore, he can only be re-appointed by a special resolution as a Director of the Company liable to retirement by rotation.

- To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

- To consider, and if thought fit, to pass the following resolution:

"That Dr. S. C. Law, who attained the age of sixty-five years in July, 1957, and who was, at a General Meeting held on the 21st May, 1957, appointed a Director of the Company whose period of office is liable to determination by retirement of directors by rotation be and is hereby permitted to continue in office as such Director, and it is hereby declared

Madras

THE Madras Stock Exchange ruled fairly active last week when buying enquiry was noticed in a few selective scrips.

Textiles: Although conditions in this section remained generally quiet, there was some revival of support for selected scrips. Coimbatore Pioneers improved by Rs 7 to Rs 227 in the absence of sellers,

in conformity with the provisions of Section 281 of the Companies Act, 1956, that the age limit prescribed by Section 280 of the Act shall not apply to him".

Special Notice of intention to propose the foregoing resolution has been received by the Company.

The Share Transfer Books of the Company will be closed from 13th to 27th June, 1958, both days inclusive.

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

By Order of the Board,
MCLEOD & CO. LTD.,
C. HOCKLEY,
Secretary,
Managing Agents.

3, Netaji Subhas Road,
Calcutta. 28th May, 1958.

Note:—Payment of the proposed dividend, if declared, will be made on or after 15th July, 1958, only to those members whose names are registered in the Books of the Company on 27th June, 1958, or to their Mandatees. Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT

Dr. S. C. Law, who has been a Director of the Company since 19th April, 1945, attained the age of sixty-five years in July, 1957. Unless, therefore, as provided by Section 281 of the Companies Act, 1956, a resolution is passed by the Company in general meeting approving his appointment and specifically declaring that the age limit prescribed in Section 280 shall not apply to him, he will be required to vacate his office at the conclusion of the forthcoming Annual General Meeting in terms of the provisions of the proviso to sub-section 2 of Section 280 of the Companies Act, 1956.

The resolution in item 5 of the above Notice, of which special notice of the intention to propose it has been received by the Company, is intended to satisfy the statutory requirements and will enable Dr. S. C. Law to continue in office as a Director of the Company after the conclusion of the forthcoming Annual General Meeting and to be reappointed as a Director of the Company at all material times in the future.

while Buckingham were enquired upto Rs 166. Camobidas were wanted at the slightly higher level of Rs 8.37. However, Sri Krishna Rajendras and Maduras attracted some selling enquiries. Travancore Rayons were absorbed upto Rs 13.40 c.d.

Plantations: Some of the shares met with renewed buying and showed fractional improvements in prices. Travancore Rubbers improved to Rs 15.25 with buyers at this level, while Cochin Malabar moved upto Rs 4.60. Rajagiris and Kalpettas continued to be offered at the market rates.

Among Tea shares, Peermades were quoted higher at Rs 20.25, while Peria-

karamalais closed fractionally higher at Rs 4.10 due to steady absorption. Devasholas, however, met with some sellers at the market rate.

In the Coffee section, Coffee Lands moved up to Rs 35.25 on consistent buying, while Consolidated Coffees were better at Rs 25. Ochterlony's moved narrowly between Rs 4.76 and Rs 4.79 with Blue Mountains hovering around Rs 2.95.

Miscellaneous: In this section, Aluminium Industries moved rather erratically on alternate bouts of buying and selling and closed substantially higher at Rs 14. Ashok Leylands met with good support upto Rs 4.50, while Radio Elec-

trics, Orissa Cements and Railis were offered at the market rates. Parrys Confectionery changed hands at Rs 3.18; India Cements at Rs 27.50 and Mysore Paper at Rs 16.25. Textiles were quoted at Rs 17.7.

London

VERY quiet and uninteresting conditions continued to prevail on the London Stock Exchange under the influence of political crisis in France and the UK labour situation. These two factors brought business almost to a standstill and, in many instances, prices were not tested.

New York

A somewhat brighter appearance developed on Wall Street as buying showed a temporary revival, aided by expectations of increased defence appropriations. However, sufficient caution was generated by prevailing uncertainties to limit gains.

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 23-5-58	23-5-57
Alahabad	6%	100	105.50
Behar	5%	50	19.75

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Soorah	7%	100	77.50
Standard	5%	100	101.00
Union	7%	100	85.00
Waverley	5%	50	25.00

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Soorah	7%	100	77.50
Standard	5%	100	101.00
Union	7%	100	85.00
Waverley	5%	50	25.00

NAME	Paid-up per share.	Quotation as on 23-5-58	23-5-57
S. Ambica	7 1/2%	100	79.00
Soorah	7%	100	77.50
Standard	5%	100	101.00
Union	7%	100	85.00
Waverley	5%	50	25.00

NAME	Paid-up per share.	Quotation as on 23-5-58	23-5-57
S. Ambica	7 1/2%	100	79.00
Soorah	7%	100	77.50
Standard	5%	100	101.00
Union	7%	100	85.00
Waverley	5%	50	25.00

NAME	Paid-up per share.	Quotation as on 23-5-58	23-5-57
S. Ambica	7 1/2%	100	79.00
Soorah	7%	100	77.50
Standard	5%	100	101.00
Union	7%	100	85.00
Waverley	5%	50	25.00

NAME	Paid-up per share.	Quotation as on 23-5-58	23-5-57
S. K. Gyan	5%	100	75.00
Upper Ganges	5%	100	64.00

NAME	Paid-up per share.	Quotation as on 23-5-58	23-5-57
S. K. Gyan	5%	100	75.00
Upper Ganges	5%	100	64.00

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S. K. Gyan	5%	100	75.00
Upper Ganges	5%	100	64.00

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S. K. Gyan	5%	100	75.00
Upper Ganges	5%	100	64.00

NAME	Paid-up per share.	Quotation as on 23-5-58	23-5-57
S. K. Gyan	5%	100	75.00
Upper Ganges	5%	100	64.00

NAME	Paid-up per share.	Quotation as on 23-5-58
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NAME	Paid-up per share.	Quotation as on 23-5-58 Rs nP	23-5-57 Rs nP
Udayagiri 7% ...	10	11.00	11.00
Vellina 7% ...	10	8.40	9.55
Waterfalls 6% ...	10	8.50	9.62
Woodcote 6% ...	5	3.79	4.12
Woodlands 6% ...	10	8.80	9.45
Woodlands 6% ...	10	8.87	9.47

TEXTILES

Adoni 6% ...	10	9.00	10.00
Anglo-French 6% ...	100	80.00	85.00
Core Wool 6% ...	100	110.00	123.50
Buckingham 7% ...	100	125.00	143.50
Cambodia 7% ...	100	108.00	115.00
Cauvery Spg. 6% ...	100	92.00	96.50
Cotin. Murr. 6% ...	100	94.00	100.00
Co. Pioneer 6% ...	100	98.25	104.75
Hemalatha 5% ...	100	80.00	...
Kothari Tex. 6% ...	10	8.35	9.25
Loyal 5% ...	100	65.25	71.00
Palani Andavar 7% ...	50	58.50	63.00
Rajalakshmi 6% ...	50	53.00	56.00
Thirupati 6% ...	10	10.00	10.00
Trav. Rayon 5% ...	10	7.50	8.50
Vasanta 6% ...	100	101.00	108.00
Vasanta 6% ...	100	91.00	95.00
Venkatesa 6% ...	50	53.00	53.50
Vijayakumar 6% ...	100	91.00	103.00
Vijayamohini 6% ...	100	95.00	95.00
Vrudunagar 6% ...	100	80.00	77.50

MISCELLANEOUS

Amrutnandan 7% ...	100	127.50	110.00
A. Cement 6% ...	100	102.00	106.00
A. Scientific 5% ...	10	5.12	5.12
Aspinwall 6% ...	10	9.40	10.00
A.V. Thomas 6% ...	100	73.00	70.00
A.V. Thomas L 5% ...	10	6.50	6.12
Brunton 6% ...	10	5.75	7.50
Can. Scientific 6% ...	5	4.60	5.20
Da. Cement 6% ...	100	81.00	82.00
Dal. Cement 6% ...	40	29.87	31.75
Dal. Cement 6% ...	10	10.00	10.00
Enfield 6% ...	100	100.00	...
India Cement 5% ...	100	86.00	89.50
I.S. Rolling 5% ...	100	8.48	9.12
Mad. Vana 5% ...	100	33.00	33.00
Mackar 5% ...	50	44.00	50.00
Mettur Chem. 6% ...	100	88.00	92.00
Mys. Chem. Mfg. 6% ...	10	8.78	9.28
Mys. Lamp 4% ...	100	5.40	6.00
Orissa Cmn. 4% ...	100	95.50	100.00
Parry 5% ...	10	7.85	8.75
Rail's 6% ...	100	57.50	62.00
Rane 6% ...	5	4.70	5.00
Rane 7% ...	5	4.90	5.25
Ruby 6% ...	10	9.75	10.00
Sen Raleigh 5% ...	100	71.00	78.00
Spencer A 6% ...	10	7.75	8.50
Spencer B 8% ...	10	10.25	10.32
Stand. Motor 6% ...	100	90.00	95.00
Trav. Chem. 6% ...	10	9.37	10.00
T. Stanes 7% ...	100	96.00	100.00
United Elec. 5% ...	10	10.00	10.00
Vanguard Fire 5% ...	10	9.28	9.83
W. I. Plywoods ...	100	94.00	...

Ordinary Shares

MADRAS

NAME	Paid-up per share.	Quotation as on 23-5-58 Rs nP	23-5-57 Rs nP
Andhra ...	100	109.00	115.75
Andhra ...	85	88.00	100.00
B. & K. of Mysore ...	100	251.50	245.50
Central Banking ...	50	75.50	80.00
Central I. & B. 'A' ...	100	170.00	177.50
Central I. & B. 'O' ...	1	1.71	1.86
Central Bank ...	100	201.00	184.00
Central Bank ...	80	171.00	...
Central Overseas ...	100	143.00	138.50
Central Comm. 'A' ...	100	42.50	42.50
Central Comm. 'B' ...	25	11.00	10.50
Central Comm. 'C' ...	50	23.50	16.50
Central Comm. 'D' ...	25	35.50	38.12
Central National ...	25	52.50	52.50
Central Forward ...	25	16.90	15.50
Central Forward ...	10	4.05	4.57

NAME	Paid-up per share.	Quotation as on 23-5-58 Rs nP	23-5-57 Rs nP
Berhampore ...	10	6.35	7.75
Cochin ...	10	9.10	10.40
Ellore ...	10	11.00	11.50
Karalkkal ...	10	9.45	10.00
Kumbakonam ...	10	11.25	11.70
Nagapattam ...	10	10.00	11.00
Salem-Erode ...	10	13.00	13.70
South Madras ...	10	12.60	11.25
Tin-Tuticorin ...	10	12.75	13.62
Vellore ...	10	13.75	14.00
West Coast ...	10	16.50	14.50

SUGAR

Andhra ...	10	16.50	18.75
Cauvery ...	100	90.50	...
Deccan ...	5	7.95	7.35
E. I. Distil. ...	20	27.25	26.75
India ...	10	13.25	15.50
Jeypore ...	10	13.30	13.50
K. C. P. ...	100	120.00	135.00
Kirampudi ...	100	41.00	38.00
Mysore ...	10	33.75	37.50
Travancore ...	10	9.90	10.80
United Brew ...	75	195.00	166.00

PLANTATION

Alageswar ...	2	2.85	3.25
Amalgamated ...	10	11.25	11.75
Anandam ...	10	15.40	20.50
Anapara ...	2	4.85	4.40
Arthala ...	5	4.00	4.00
Arthimattam ...	2	1.26	1.03
Bababudin ...	5	12.00	11.00
Badra ...	2	3.75	3.37
Balanor ...	10	16.00	18.87
Balmadies ...	2	3.35	3.40
Be Be ...	5	3.40	4.38
Blue Mountain ...	2	2.87	3.40
Chandramalai ...	2	3.19	4.00
Chembra ...	3	3.65	3.77
Cochin Malabar ...	3	4.43	7.55
Coffee Lands ...	10	35.05	24.50
Cons. Coffee ...	10	24.75	21.95
Coooor ...	10	20.50	23.75
Cootoor ...	5	10.75	11.35
Coorg ...	10	14.50	17.25
Cottanad ...	2	10.25	7.50
Cowooddy ...	10	18.40	19.87
Devasbola ...	10	17.25	17.37
Devon ...	10	6.90	7.00
Emerald Valley ...	5	6.90	1.85
Gokul ...	2	1.50	1.50
Halleyburia ...	20	18.00	21.50
Highland ...	10	13.50	14.00
Kadur ...	2	2.85	3.00
Kallias ...	2	4.18	4.85
Kalasa ...	9	15.30	14.20
Kalpetta ...	10	25.25	24.00
Karlkode ...	10	10.35	12.50
Kilkotagiri ...	2	5.43	5.93
Kumergode ...	2	6.90	6.20
Kurchermal ...	10	6.30	7.50
Lucky Valley ...	10	9.50	11.25
Malabar Agr. ...	10	6.75	11.00
Malabar Indust. ...	10	15.50	21.50
Malankara ...	10	16.60	28.75
Manar ...	2	2.75	3.12
Manimala ...	10	8.75	10.00
Mercara ...	5	6.50	8.20
Midland ...	10	16.80	16.75
Miamallay ...	25	32.00	45.50
Mysore Amalgam. ...	5	5.00	4.50
Mysore Coffee ...	2	3.20	2.90
Mys. Plantations ...	2	1.75	1.98
Neelamalai ...	5	4.25	5.75
Nellampathy ...	2	3.06	2.90
Nellithanam ...	10	11.88	12.00
Nemmeny ...	10	14.10	20.25
Nilambur ...	10	12.85	16.50
Nilgiri ...	10	8.50	8.88
Nonsuch ...	10	21.62	21.25
Ouchterlony ...	2	4.75	4.75
Panchura ...	1	3.20	3.75
Parkside ...	10	16.32	15.40
Peermade ...	10	20.00	25.00
Peninsular ...	10	19.02	27.50
Periakaramalai ...	2	4.08	7.25
Ponnudi ...	2	1.55	1.75
Puljagode ...	2	1.65	2.38
Puthuthotta m. ...	2	2.85	3.25
Rajagiri ...	10	15.90	17.50
Rajendra ...	5	10.25	11.77
Sangameshwar ...	2	3.03	2.40
Savamalai ...	2	4.47	...
Shevaroy ...	2	2.08	1.97
Stanes Amalgam. ...	10	13.75	18.65

NAME	Paid-up per share.	Quotation as on 23-5-58 Rs nP	23-5-57 Rs nP
Swinton ...	2	2.50	...
Talavar ...	10	9.00	10.55
Teeloo ...	10	6.30	8.06
Thamarapally ...	10	26.00	27.00
Thirumbadi ...	1	1.55	1.80
Trav. Rubber ...	10	15.00	16.00
T. R. & T. Co. ...	10	6.45	8.90
Troical ...	25	20.70	20.25
Twylford ...	10	13.15	16.50
Udaygiri ...	10	11.75	15.00
Unl. Nilgiris ...	10	15.30	17.45
Vaikundam ...	10	20.20	29.40
Vayitri ...	2	1.55	1.88
Vellimalai ...	5	5.30	7.25
Waterfall ...	2	3.05	4.10
Woodlote ...	1	1.55	1.70
Woodland ...	10	7.70	9.50

TEXTILES

Adoni ...	10	7.75	8.50
Anglo-French ...	100	89.00	90.00
Balasubramania ...	40	56.00	65.00
Bangl. Wooden ...	100	164.00	167.00
Buckingham ...	100	165.50	168.00
Cambodia ...	10	8.35	12.00
Cannanore ...	100	144.50	167.00
Cauvery ...	10	12.00	11.37
Colmb. Cotton ...	100	139.00	160.00
Colmb. Kamala ...	100	102.00	103.50
Colmb. Kamola ...	50	50.00	50.00
Colmb. Murugan ...	100	115.00	214.00
Colmb. Pioneer ...	100	220.00	268.00
Colmb. Spinning ...	50	49.00	86.50
Dhanalakshmi ...	100	177.00	340.00
Hemalathan ...	10	8.60	...
Janardana ...	50	75.00	90.00
Jawahar ...	5	12.25	14.50
Kadri ...	100	161.00	175.00
Kadri ...	10	16.00	17.50
Kaleeswarar ...	100	325.00	335.00
Kannappiran ...	10	9.40	...
Kasthuri ...	25	24.75	28.50
Kothari ...	10	9.87	14.00
Kr. Rajendra ...	50	77.00	104.00
Lakshmi ...	50	91.00	140.00
Lakshmi A ...	25	44.50	70.00
Loyal ...	50	35.50	48.75
Madura ...	15	32.50	40.75
Mettur ...	100	361.00	392.00
Mysore Silk ...	10	1.30	2.31
Palamalal Rangan ...	100	103.00	109.00
Palani Andavar A ...	50	130.00	147.00
Palani Andavar B ...	75	190.50	212.00
Pankaja ...	100	45.00	70.00
Premier ...	100	142.00	185.00
Pulliar ...	100	130.00	...
Radhakrishna ...	100	122.00	275.00
Radhakrishna B ...	50	65.50	139.50
R. G. Ambika ...	100	145.00	212.00
Rajalakshmi ...	50	89.00	136.50
Rajapalayam ...	100	129.00	149.00
Ramakrishna ...	100	175.00	170.90
R. G. Ambika ...	100	145.00	212.00
Rangavali ...	50	60.50	85.50
Royaseema ...	100	105.00	135.00
Sivanandha ...	10	14.00	...
Tirumurti ...	100	120.00	...
Thirupati ...	10	9.75	10.00
Trav. Rayon ...	10	13.32	13.35
Trichinopoly ...	10	11.70	12.30
Vasanta ...	100	239.00	289.00
Venkatesa ...	50	130.00	153.50
Vijayakumar ...	100	107.50	135.00
Vijayalakshmi ...	100	99.00	132.00
Vijayamohini ...	100	81.00	81.00
Vijayeswari ...	100	90.00	...
Vrudhunagar ...	50	31.00	33.00

DEFERRED SHARES

Dalmia Cement 1 ...	1	2.87	3.06
India Cement 5 ...	5	5.35	5.40
K. C. P. ...	10	132.00	145.00

Preference Shares

BOMBAY

NAME	Paid-up per share.	Quotation as on 23-5-58 Rs nP	23-5-57 Rs nP
Amalgam. 5% ...	100	88.50	101.25
Amalgam. 5% ...	100	82.50	90.00
Andhra Valley 7% ...	1000	1025.00	1065.00
Poona 7% ...	100	108.00	103.00
S. Madras 5% ...	10	10.00	10.00
S. Madras 2nd ...	10	10.00	10.00
Surat 6% ...	100	112.50	118.00
Tata Hydro. 7% ...	100	109.75	105.00
Tata Power 7% ...	1000	1117.50	1106.25

ELECTRICS

Amalgam. 5 1/2 %	100	88.50	101.25
Amalgam. 5 %	100	82.50	86.00
Andhra Valley 7 %	1000	1025.00	1065.00
Poona 7 %	100	103.08	103.00
S. Madras 5 1/2 %	10	10.00*	10.00*
S. Madras 2nd 10	10.00	10.00	10.00**
Surat 6 1/2 %	100	112.50	118.00
Tata Hydro. 7 %	100	109.75	106.00
Tata Power 7 1/2 %	1000	1117.50	1106.25



CHEVIOT MILLS COMPANY, LIMITED.

Mg. Agents:—M/s. Andrew Yule & Co., Ltd.

Year ended Nov.	1957	1956	1955
Sales	8,796,110	8,613,889	9,190,343
Stocks	683,387	568,992	650,971
Net profit	198,292	217,850	244,636
Taxation	23,000	...	50,000
Depreciation	108,000	110,000	100,000
Div. Amt. Ord.	...	31,900	159,500
Div. Amt. Pref.	70,000	70,000	70,000
Carry Forward	5,857	8,565	2,615
Div. % Ord.	Nil	2	10
Div. % Pref.	7	7	7

*After transferring Rs 103,000 from General Reserve and Rs 70,000 from Dividend Equalisation Reserve.

†After transferring Rs 425,000 from General Reserve, Rs 85,000 from Dividend Equalisation Reserve and Rs 19,500 from excess provision for taxation.

§After transferring Rs 75,000 from General Reserve; Rs 100,000 from Dividend Equalisation Reserve and Rs 15,000 from excess provision for taxation.

(Annual General Meeting on 12-6-58 at 11 a.m. Books closed from 29-5-58 to 12-6-58).

Capital:—Authorised Rs 2,600,000. Subscribed Rs 2,595,000 in 10,000—7 per cent Cum. Pref. shares and 15,950 ordinary shares both of Rs 100 each.

Synopsis of balance sheet as on the last day of Nov.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	1,000,000	1,000,000	1,000,000
(ii) Ord.	1,595,000	1,595,000	1,595,000
Forfeited Shares	2,500	2,500	2,500
Share Premium	393,750	393,750	393,750
Reserve Fund	1,323,622	1,428,622	1,400,000
Other Funds	300,000	370,000	906,622
Superannuation Res.	136,410	136,410	136,410
Taxation Provision	23,000	...	54,839
Loans Secured	...	478,070	...
Loans Unsecured	...	...	...
Debts	657,139	721,102	739,311
Carry Forward	5,857	8,565	2,615
Total	6,437,278	6,242,217	6,251,787

Assets.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
G. Block	8,502,301	8,273,766	8,134,656
Depreciation	5,878,175	5,770,175	5,660,175

Block (net)	1957	1956	1955
Works in Progress	2,624,126	2,503,591	2,474,480
Stores	211,179	169,731	126,179
Raw Materials	787,100	1,019,313	947,631
Stocks	647,399	1,526,330	1,390,935
Outstandings	683,387	568,992	650,971
Mis. Deposits and Advances	176,755	250,821	229,983
Investments	93,386	136,083	138,708
Deposit in Banks	83,791	66,291	66,291
Cash	130,155	1,065	26,611
Total	5,437,278	6,242,217	6,251,787

Liq. Assets	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
...	2,813,152	3,738,626	3,777,287

DELTA JUTE MILLS COMPANY, LIMITED.

Mg. Agents:—M/s. Andrew Yule & Co., Ltd.

Year ended Nov.	1957	1956	1955
Sales	11,821,776	12,143,019	12,042,136
Stocks	955,483	833,572	759,130
Net profit	183,846	219,635	360,904
Taxation	34,500	...	100,000
Depreciation	124,650	66,000	61,500
Other Funds	...	...	250,000
Div. Amt. Ord.	...	140,000	25,000
Div. Amt. Pref.	25,000	25,000	25,000
Carry Forward	4,243	4,547	15,912
Div. % Ord.	Nil	5	10
Div. % Pref.	5	5	5

*After transferring Rs 270,000 from General Reserve, Rs 25,000 from Dividend Equalisation Reserve and Rs 34,500 from Investment Realisation surplus.

†After transferring Rs 390,000 from General Reserve, Rs 32,500 from Dividend Equalisation Reserve and Rs 38,000 from excess provision for taxation.

§After writing back Rs 100,000 from excess provision for taxation and Rs 25,000 from provision against anticipated loss on forward contracts.

(Annual General Meeting on 12-6-58 at 10-30 a.m. Books closed from 29-5-58 to 12-6-58).

Capital:—Authorised and Subscribed Rs 3,300,000 in 5,000—5 per cent Cum. Pref. shares and 28,000 Ord. shares both of Rs 100 each.

Synopsis of balance sheet as on the last day of Nov.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	500,000	500,000	500,000
(ii) Ord.	2,800,000	2,800,000	2,800,000
Reserve Fund	1,488,414	1,758,414	1,500,000
Other Funds	1,993,515	2,053,015	2,733,929
Superannuation Res.	240,250	240,250	240,250
Taxation Provision	...	104,718	155,325
Loans Secured	...	214,950	...
Loans Unsecured	...	814,769	...
Debts	689,856	806,815	1,002,866
Carry Forward	4,243	4,547	15,912
Total	7,716,277	9,297,478	8,948,282

Assets.

G. Block	1957	1956	1955
Depreciation	8,287,464	7,735,542	7,556,699
Block (net)	3,346,704	2,969,432	2,856,589
Works in Progress	225,606	193,170	160,192
Stores	905,123	1,052,424	962,084
Raw Materials	955,944	2,242,763	1,122,696
Stocks	955,483	833,572	759,130
Outstandings	159,558	199,222	190,926
Mis. Deposits and Advances	102,797	291,119	317,277
Investments	49,380	1,513,729	1,513,729
Deposit in Banks	900,000	900,000	900,000
Cash	114,678	2,047	265,649
Total	7,716,277	9,297,478	8,948,282

Liq. Assets	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
...	3,469,573	6,328,046	6,091,693

ORIENT JUTE MILLS COMPANY, LIMITED.

Mg. Agents:—Andrew Yule & Co., Ltd.

Year ended Nov.	1957	1956	1955
Sales	8,967,141	9,154,977	9,449,930
Stocks	565,485	472,119	605,930
Net profit	116,883	190,045	284,778
Taxation	22,000	...	90,000
Depreciation	100,000	110,000	86,000
Div. Amt. Ord.	...	74,730	224,190
Carry Forward	5,981	11,098	5,783
Div. % Ord.	Nil	3	9

(Annual General Meeting on 12-6-58 at 10-45 a.m. Books closed from 29-5-58 to 12-6-58).

*After transferring Rs 72,000 from General Reserve.

†After transferring Rs 280,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.

§After transferring Rs 100,000 from Dividend Equalisation Reserve.

Capital:—Authorised Rs 10,00,000. Subscribed Rs 2,491,000 in 24,910—Ord. shares of Rs 100 each.

Synopsis of balance sheet as on the last day of Nov.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	2,491,000	2,491,000	2,491,000
(ii) Ord.	...	2,250	2,250
Reserve Fund	1,798,799	1,870,799	1,677,978
Other Funds	370,000	370,000	867,821
Superannuation Res.	133,000	133,000	133,000
Taxation Provision	22,874	109,872	110,480
Loans Secured	...	207,488	...
Loans Unsecured	...	481,149	...
Debts	444,846	510,091	788,680
Carry Forward	5,981	11,008	5,783
Total	5,268,750	6,195,747	6,076,992

Assets.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
G. Block	7,555,438	7,585,619	7,246,386
Depreciation	5,245,690	5,145,690	5,035,690

Block (net)	1957	1956	1955
Works in Progress	2,409,748	2,439,929	2,210,696
Stores	230,277	251,820	192,835
Raw Materials	783,695	872,459	962,035
Stocks	773,869	1,626,405	1,182,370
Outstandings	565,485	472,119	605,930
Mis. Deposits and Advances	216,290	280,088	286,909
Investments	87,559	196,344	118,496
Deposit in Banks	70,743	53,243	53,243
Cash	131,084	3,340	64,478
Total	5,268,750	6,195,747	6,076,992

Liq. Assets	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
...	2,850,002	3,755,818	3,866,286

BENGAL FLOUR MILLS COMPANY, LIMITED.

Mg. Agents:—M/s. Balmer Lawrie & Co., Ltd.

Year ended Dec.	1957	1956	1955
Sales	21,350,642	21,782,425	16,348,932
Stocks	608,612	480,073	1,070,282
Net profit	2,177,876	1,278,197	805,220
Taxation	1,088,086	452,210	289,562
Depreciation	178,882	165,938	141,164
Reserve Fund	500,000	200,000	200,000
Res. for Tax Contingencies	...	146,000	...
Div. Amt. Ord.	300,000	300,000	270,000
Carry Forward	201,787	90,879	76,830
Div. % Ord.	25	25	22

(Annual General Meeting on 20-6-58 at 12 noon. Books closed from 6-6-58 to 20-6-58).

*After transferring Rs 100,000 from Dividend Equalisation Fund.

Capital:—Authorised and Subscribed Rs 1,200,000 in 12,000—Ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.

Liabilities.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	1,200,000	1,200,000	1,200,000
(ii) Ord.	1,500,000	1,000,000	800,000
Other Funds	256,000	256,000	119,000
Taxation Provision	897,639	244,370	312,297
Loans Secured	549,171	477,929	496,284
Debts	879,156	684,422	682,837
Carry Forward	201,787	90,879	76,830
Total	5,482,753	3,953,500	3,677,248

Assets.	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
G. Block	3,456,743	3,330,386	3,137,448
Depreciation	2,724,743	2,671,386	2,405,448

Block (net)	1957	1956	1955
Stores	731,000	759,000	732,000
Stocks	205,536	308,408	396,668
Outstandings	608,612	490,231	829,049
Do. More than 3 months	1,286,961	1,483,753	1,070,497
Mis. Deposits and Advances	272,429	189,643	...
Investments	642,836	644,703	476,466
Deposit in Banks	34,649	34,649	34,649
Cash	1,600,000	1,000,000	1,000,000
Total	5,482,753	3,953,500	3,677,248

Liq. Assets	1957	1956	1955
Rs.	Rs.	Rs.	Rs.
...	4,751,753	3,194,500	2,945,248

INDIA SUGARS AND REFINERIES LIMITED.

Mg. Agents:—The India Sugar Agencies Private Ltd.

Year ended Sept.	1957	1956	1955
Cane Crushed (tons)	120,684	...	...
Sugar (tons)	7,950	...	...
Sales	8,235,082	9,772,480	9,936,827
Stocks	2,562,059	2,821,626	1,816,995
Net profit	...	1,204,274	1,174,826
Taxation	...	555,000	670,000
Depreciation	...	66,993	45,688
Div. Amt. Ord.	599,775	404,428	404,689
Div. Amt. Pref.	30,825	33,187	9,217
Carry Forward	46,085	676,986	512,020
Div. % Ord.	10	11	14
Div. % Pref.	7	7	7

*After transferring Rs 388,405 from General Reserve.

(Annual General Meeting on 16-6-58 at 10-15 a.m. Books closed from 1-6-58 to 16-6-58).

Capital:—Authorised Rs 10,00,000. Subscribed Rs 6,641,671 in 6,600—7½ per cent Taxable Cum. Pref. shares of Rs 100 each and 639,160 Ord. shares of Rs 10 each, less calls in arrears Rs 355,929.

Synopsis of balance sheet as on the last day of Sept.

Liabilities.	1957	Assets.	1957
Rs.	Rs.	Rs.	Rs.
Capital Paid-up:		G. Block	7,871,515
(i) Pref.	800,000	Depreciation	1,888,285
(ii) Ord.	6,041,671	Block (net)	5,983,280
Forfeited Shares	800	Stores	767,447
Share Premium	89,827	Stocks	2,562,059
Reserve Fund	1,011,595	Outstandings	12,097
Taxation Provision	1,621,922	Do More than 3 months	21,732
Loans Secured	2,707,191	Mis. Deposits & Advances	5,499,850
Debts	5,739,604	Investments	2,918,726
Carry Forward	46,085	Cash	93,354
Total	17,858,495	Total	17,858,495

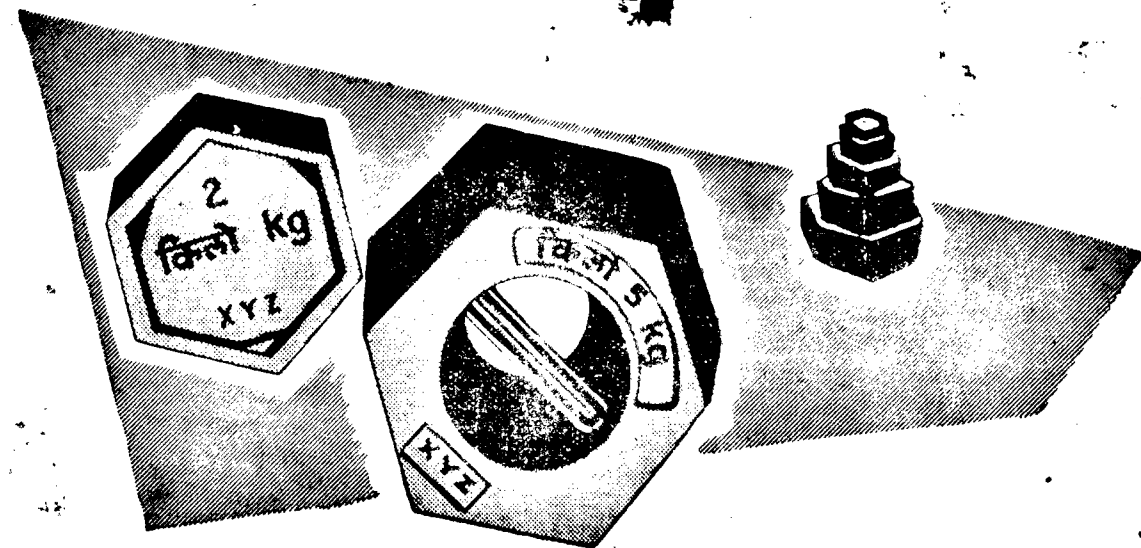
Liq. Assets	1957	Assets.	1957
Rs.	Rs.	Rs.	Rs.
...	11,875,205	...	...

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

ISSUE DEPARTMENT:		IN 1957-58	
	Week Ended		
	23-5-58	16-5-58	24-5-57
LIABILITIES:			
Notes in Banking Dept.	26,48,08	24,65,09	27,58,44
Notes in Circulation...	1598,68,63	1614,83,14	1578,39,66
	1625,16,71	1639,48,23	1605,98,10
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India...	...	...	...
Sterling Securities ...	209,67,56	209,67,56	412,51,91
Total of A ...	327,43,59	327,43,59	530,27,94
(B). Rupee Coin ...	130,10,84	129,42,36	125,82,85
Rupee Securities ...	1167,62,28	1182,62,28	949,97,31
	1625,16,71	1639,48,23	1605,98,10

CHANGING OVER TO THE METRIC SYSTEM



India has at present no common system of weights and measures. There are not less than 143 systems in use. This multiplicity gives room for malpractices. The introduction of a uniform system throughout the country based on Metric Weights and Measures will be very convenient and make calculations extremely easy, especially because the country has already adopted the decimal coinage. The Standards of Weights and Measures Act, 1956 has laid down the basic units under the metric system. The reform will be gradual so as to cause minimum inconvenience to the people.

Even after its introduction in an area or a trade, the traditional weights and measures will be permitted to be used for a period of three years.

**THE CHANGE-OVER TO THE
METRIC SYSTEM OF WEIGHTS
AND MEASURES BEGINS
FROM OCTOBER, 1958**

**KNOW
THE
METRIC
WEIGHTS**



The basic unit of weight is the
KILOGRAM— 1 seer 6 tolas (or
84 tolas.)
or 2 lb. 3 ozs.

SUB-UNITS

10 milligrams = 1 centigram
10 centigrams = 1 decigram
10 decigrams = 1 gram
10 grams = 1 decagram
10 decagrams = 1 hectogram
10 hectograms = 1 kilogram

MULTIPLES

100 kilograms = 1 quintal
10 quintals or
1000 kilograms = 1 metric tonne

ISSUED BY THE GOVERNMENT OF INDIA

The Calcutta Stock Exchange has ruled irregular during May but the undertone has been steady. To the renewed apprehensions caused by the Planning Commission's recommendation that the shortfall in internal resources should be made up by fresh taxation amongst other measures, have been added the anxiety about the labour situation in the steel works and the possibility of slowing down of investments in equities consequent on the opening of the Central Loans. Caution has also been engendered by the reported proximity of the announcement of the investment policy of the LIC and expectations of Government decisions on the selling price of coal, cement and the retention price for steel. The absence of aggressive buying in equities has been due to a large extent to the prevailing uncertainty about the future of cotton textile industry. People also anticipate that Authority will be taking early steps to afford some relief to the tea industry possibly in the shape of a reduction in the export duty.

Though the Planning Commission's recommendation has initially caused a reactionary tendency it has not seriously interfered with the activity on the stock exchange. For it is generally believed that fresh taxation affecting the corporate sector is a remote possibility because Government themselves know full well that the activity in the private sector has already been slowed down as a result of the prevailing rate of high taxation which has left little excess money with the private sector for expansion and rehabilitation.

The Central Loans have also not made much difference to the availability of funds for investment in equities. For it has been found that the Loans have hardly affected the money market. The anxiety about the labour situation in the steel works has however persisted over a considerable period as the situation has taken a turn for the worse in Jamshedpur. With the calling off of the strike and the consequent recommencement of normal activity in the steel works the more speculative counters which have lost ground earlier have regained most of the losses.

The month has witnessed the appointment of an expert committee by the Government to study the problems facing the cotton textile industry. The indication by Mr Lal Bahadur Shastri that the question of a further reduction in the excise duty on mill made cloth is not under consideration by Government has somewhat depressed sentiment. The outlook for textile shares is considered not quite bright as matters stand at present. The reduction in excise duty announced in March, has, contrary to expectations, not resulted in marked improvement in the offtake of cloth. Hence the main problem of the cotton textile industry has re-

mained unsolved. The appointment of the expert committee is the outcome of the recognition by Government of the fact that the industry's problems are deeprooted requiring detailed examination.

A significant development during the month on the Calcutta stock exchange is the renewed interest evinced by investors in jute shares. Selected jute shares have been in request at advancing prices. It would appear that investors are hopeful of the outlook for the jute goods industry. It is now gene-

ments will enable mills to reduce their cost of production.

A development of some importance in the Calcutta stock exchange during the month is the inclusion of Indian Aluminium and Indian Cable in the forward list. Thus there are now eight shares in the clearing and they are as follows: Indian Iron, Texmaco, Orient Paper, Indian Copper, Indian Aluminium, Indian Cable, Burrakur and National.

Sectionwise, Coal shares were dull but prices where marked dis-

PRICE TRENDS DURING MAY, 1958.

	Opening	Highest	Lowest	Closing
Gifts:				
3% 1986	71.08	71.75	70.75	70.95
Banks:				
Punjab National	52.00	53.25	51.50	53.25
United Commercial	59.50	60.00	58.50	59.25
Textiles:				
Kesoram	11.53	11.53	10.25	11.00
Coal:				
Burrakur	22.00	22.00	21.37	21.37
Bengal	230.00	242.00	229.00	241.00
Central India	7.90	7.96	7.50	7.56
Western Bengal	5.94	5.96	5.68	5.84
Jute:				
Anglo-India	143.50	154.00	141.50	153.00
Howrah	15.31	16.56	14.94	16.25
National	24.00	24.00	22.12	22.50
Teas:				
Banarhat	298.00	300.00	296.00	297.00
Blawanath	18.62	19.50	18.56	19.00
Brooke Bond	16.06	17.50	16.06	17.06
Hazimara	21.50	...	...	22.50
Tezpur	15.00	15.81	14.75	15.75
Engineering:				
Indian Iron	21.87	21.97	20.80	21.51
Texmaco	18.35	18.35	17.50	17.90
Jessop	20.50	20.50	18.50	20.25
Sugar:				
Carew	7.19	7.19	7.00	7.06
Champarun	20.37	...	...	20.37
Cawnpore	10.81	...	...	10.81
Miscellaneous:				
Indian Copper	3.15	3.15	3.05	3.09
Orient Paper	30.00	32.40	29.10	32.20
Titaghar	38.12	38.75	36.06	38.69
Indian Cable	30.19	35.00	29.69	34.19
India Steam	11.06	11.28	10.84	10.97
Martin Burn	24.19	26.00	24.12	26.00
Rohtas Indus.	16.94	19.00	16.62	18.81
Dunlop Rubber	25.31	26.31	25.12	26.19
Hind Motors	6.94	7.00	6.75	6.94
National Carbon	25.06	25.56	24.31	24.75x
Indian Alumm.	13.00	15.31	13.00	15.12
Hind Lever	21.60	22.25	21.06	22.25
Philips	14.00	14.19	13.75	14.06
Sone Valley	4.96	5.00	4.75	4.87

rally believed that jute companies will be able to record satisfactory results in the current year as they are in a better position to compete with jute manufacturers in other countries in world markets. Such optimism has stemmed from the satisfactory progress made by mills in their modernisation programme and the good prospects for the next jute crop. These two develop-

played a steady trend. Though the announcement of an increase in the selling prices of coal and coke had engendered quiet satisfaction, operators were inclined to await the report of the coal prices enquiry committee. The withdrawal of the strike notice by mineworkers in West Bengal and Bihar, however, was a helpful influence toward the close of the month. Bengal which

began the month at Rs 230 steadily improved to close at Rs 241. Burrakur moved narrowly to be finally placed at Rs 21.87. Central India was an active counter and closed higher on balance. Western Bengal was initially steady but was rather subdued at close.

Despite publication of disappointing result by some jute companies during the month, selected jute shares were in request throughout the month at advancing rates. Alliance closed at Rs 81 as against its opening rate of Rs 66. Anglo India was done upto Rs 154 from Rs 143.05 Birla was taken up to Rs 16 from Rs 15. Ganges moved up to Rs 51.50 from Rs 44.50. Nuddea closed higher on balance at Rs 38.75.

Business passing in the tea section was at a low ebb. It would appear that operators believed that so long as some relief is not forthcoming for common teas, the outlook for the commodity in the coming season could not be deemed satisfactory. However, a few selected shares met with some demand at improved levels. Bhatkawas gained more than two points to be finally placed at Rs 33.19. Hattikhira was a steady counter at Rs 10.75. Rungamatee was wanted up to Rs 67 from Rs 59.50.

Sugar shares were a listless market due to the continued uncertainty regarding export policy. It was believed that in view of the urgent need for earning foreign exchange Government would expeditiously devise a scheme for the export of the commodity. But as the Indian price is higher than world prices export prospects are not rated high. Balrampore was however a steady spot and improved to Rs 7.00. SKG was well maintained at Rs 10.06.

In the Engineering section, Indian Irons opened at Rs 21.87 and improved further on the beginning day itself to Rs 21.97. By Settlement Day (7th June) sentiment became somewhat subdued and the settlement rate was placed at Rs 21.68. This compared with the previous settlement rate of Rs 21.64. Throughout the next week the undertone was steady with fluctuations within a narrow groove. By the time of the Settlement on the 21st, sentiment was depressed with the rate at Rs 21.06. The reactionary trend was brought about largely by the deterioration in the labour situation at Jamshedpur. Following resumption of work at the Tata steel works steadier conditions were noticeable and the month's closing was on a steady note with the quotation at Rs 21.57.

With the taking over of the management by Government, Jessop recovered to close steady at Rs 20.25. Due to sustained investor interest, the miscellaneous section witnessed good activity with several shares making sizable gains. Following their inclusion in the clearing list Indian Cable and Indian Aluminium met with good request.

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS					Others Ra. 000
	May 1958 Ra. np.	May 1957 Ra. np.			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standings	Cash Balances		
	Ra. 000	Ra. 000			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	
Agarpara ...	8 44	7 87	10	6,000	39.23	5.00	19	80.82	120.20	53.26	4.02	92.06	42.65	1 53	6	
7% Cum. preference ...	91 50	99 00	100	1,000												
5½% Debentures ...	905 00	975 00	1000	1,200												
Alexandra ...	90 00	189 00	100	600	4.00	6.25	1.70	29.92	56.93	38.47	70	36.12	5.09	55	2.85	
7% Cum. preference ...	76 00	94 00	100	900												
5½% Debentures ...	455 00	475 00	500	600												
Alliance ...	80 00	64 00	100	3,000	275	250	-374	6,043	12,529	9,579	210	5,669	1,493	172	...	
6% Cum. preference ...	70 00	76 00	100	1,500												
Anglo India ...	144 00	136 00	100	4,921	50.00	16.00	1.78	180.78	311.47	203.15	41.18	155.12	29.31	3.29	45	
7% Cum. preference ...	85 50	102 00	100	4,000												
Auckland ...	85 00	75 00	100	4,006	12.50	20 84	-3.79	54.95	141.67	55.35	3.27	50.96	16.35	16	7.42	
5½% Cum. preference ...	58 00	73 50	100	1,000												
4½% R. Cum. preference ...	50 00	57 50	100	1,500												
4% Debentures ...	770 00	880 00	1000	1,500												
Baily ...	141 00	141 00	100	2,000	16.50	5.00	67	33.91	97.26	66.52	1.01	51.55	11.30	1.48	...	
7% Cum. preference ...	90 00	100 00	100	2,000												
Barnagore & ...	89 00	90 00	£5	275	2.15	4.10	-1.56	10.12	16.67	9.62	15	8.26	3.74	35	...	
5% Cum. preference ...	31 50	30 50	£5	200												
Belvedere ...	100 50	89 50	100	2,800	10.09	16.47	1	30.64	94.68	51.49	55	42.46	5.99	2	...	
7% Cum. preference ...	85 00	97 00	100	700												
Bengal ...	11 37	15 25	10	4,500	24.00	11.45	1.46	72.88	57.92	33.73	5	44.48	48.88	67.79	4	
5½% R. C. P. ...	72 50	77 00	100	1,000												
4½% Debentures ...	900 00	937 50	1000	1,000												
5½% Debentures ...	900 00	950 00	1000	1,000												
Birla ...	16 00	14 56	10	9,126	45.00	175.87	2.67	80.91	364.24	153.36	179.31	67.07	90.03	43.75	10.37	
7½% C. P. T. ...	75 50	90 00	100	2,364												
5½% R. C. P. ...	86 50	90 00	100	8,205	1.196	74	3	2,834	12,232	7,178	93	1,418	705	4	...	
Budge Budge ...	78 00	102 00	100	900												
7% Cum. Preference ...			100	1,800	23.19	3.27	21	23.53	87.44	45.04	46	30.37	4.96	1	...	
Caledonian ...	117 00	105 00	100	1,000												
7% Cum. preference ...	84 50	100 00	100	5,916		76.49	-7 24	63.66	228.05	119 61	2.06	67.89	12.63	46	39	
Chandprad ...	96 00	136 00	100	1,595	1,324	830	6	680	8,502	5,878	84	2,329	270	130	...	
Cheviot ...	141 00	126 00	100	1,000												
7% Cum. preference ...	86 00	101 00	100	3,015	18.00	9.00	1 01	22.00	66.69	48.44	9.11	33.90	9.46	29.90	...	
Chitavalah ...	14 00	11 94	10	100												
7% Cum. preference ...	87 50	97 50	500	1,069												
5% Debenture ...	445 00	475 00	10	2,400		900	-274	2,961	8,149	6,173	6	4,129	1,964	51	...	
Clive ...	13 75	13 94	100	800												
6% Cum. preference ...	53 75	78 00	100	800												
7% Cum. preference ...	74 00	91 00	100													
Dalhousie ...	64 75	84 00	100	3,149	8.72	44.48	-8.76	37.34	134.50	51.19	6.16	29 27	20.78	1	52	
7% Cum. preference ...	79 00	90 00	100	1,500												
5½% Debentures ...	900 00	950 00	1,000	2,048		2,234	4	690	8,237	4,890	49	3,043	262	915	...	
Delta ...	111 00	123 50	100	2,800	1,488											
5% Cum. preference ...	70 00	86 00	180	500												
Empire ...	16 25	14 44	10	1,500	24.50	10.00	76	14.17	83.93	60.86	9.37	32.28	13.37	5.20	...	
7% Cum. preference ...	84 50	99 50	100	1,000												
5% Debentures ...	450 00	472 50	500	886												
Fort Gloster ...	333 00	290 00	100	2,100	54.40	8.00	2.45	103.26	241.58	169.62	1.89	105.86	45.24	2.91	20	
7% Cum. preference ...	97 00	105 00	100	1,400												
5% Cum. preference ...	64 00	69 50	100	700												
5½% Debenture ...	96 00	99 00	100	1,795												
Fort William ...	18 87	16 00	10	2,100	14.50		1.71	81.35	120.16	58.00	1.18	45.94	17.95	97	36	
7% Cum. preference ...	91 50	107 00	100	1,000												
Ganges ...	51 50	46 50	100	8,432			-2.67	75.26	211.07	132.89	4.81	59.32	20.46	13	...	
8% Cum. preference ...	95 00	112 00	100	600												
Gondalpara ...	485 10	680 00	300	1,080	25.50	2.50	12	35.18	76.08	50.72	1.10	35.52	11.57	56	...	
Debitures ...			300	2												
Gourepore ...	260 00	234 00	100	2,400	3.50	21.00	45	131.25	222.42	158.82	44.09	80.66	21.26	45	...	
6% Cum. preference ...	72 00	79 00	100	2,650												
Hastings ...	110 00	119 00	100	4,000	21.50	37.93	3.00	61.47	1.8.36	58.69	33.63	56.77	28.23	61	...	
6% Cum. preference ...	84 00	85 00	100	2,500												
Hoghtly ...	9 50	18 50	10	1,630	160	1,577	7	1,197	6,657	4,947	83	2,738	1,248	19	...	
10% Preference [t] ...	7 75	7 81	10	1,176	12.76	34.50	-24 66	136.47	234.14	111.59	4.31	129.43	21.74	1.57	1.33	
Hewrah ...	16 25	14 44	100	875												
7% Cum. preference ...	90 00	104 00	100	1,750												
7% A. C. P. ...	86 00	101 00		3,000												
5½% Debentures ...	94 00	97 50	7½	5,250	25.37	3.50	1.14	119.98	293.22	157.52	16.02	75.53	35.83	4.42	...	
Hakumchand ...	17 87	22 00	100	4,000												
7% Cum. preference ...	91 00	104 00	1000	2,500												
3½% Debentures ...																
India ...	128 00	123 00	125	8,730		16.54	95	48.47	138.02	84.79	34.42	43.94	20.77	89	...	
Kamarhaty ...	93 00	88 00	100	2,400	12.00	6.25	-8.80	112.53	126.06	113.40	1.91	85.49	25.03	1.61	67 50	
B. Ordinary ...	87 00	85 00	100	1,920												
6% Cum. preference ...	60 00	84 00	100	1,600												
3½% Debentures ...	90 00	95 00		1,304												

NAME	Managing Agents, Agents/Secretaries	Locals		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission and allowances Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	Dividend %		
		Hessian	Sacking								Latest	First previous	Second previous
Kanknarrah...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 4% R. C. P. ... 5 1/4% Debentures	1,239	288	91.51	117.26	59.54	25	12-56 H	-11.38	-9.06	Nil	nil	nil
Kalvin ...	McLeod & Co. Ltd. ... 7% C. P. ...	394	309	9,614	15,776	4,177	54	5-57	846	1,176	9	12 1/2	26
Khardah ...	Anderson Wright Ltd. ... 6% C. P. ...	914	616	219.56	330.90	93.86	56	3-57	8.43	13.30	8	10	11
Kinnison ...	F. W. Heilgers & Co. Pri. ... 7% C. P. ... 5% Debentures	672	578	178.31	248.40	77.32	50	3-57	(a)8.97	(a11)19.87	6	12	12
Lanadowne ...	Bird & Co. Private ... 7% C. P. ...	579	352	118.02	177.38	22.83	45	3-57	(d)-1.85	(a12)73	nil	2	6
Lawrence ...	Bird & Co. Private ... 7% C. P. ... 5 1/4% 'B'. C. P. ... 5 1/4% Debentures	484	356	108.51	152.73	24.66	40	3-57	(p)-7.21	(a13)2.03	nil	3 1/2	7
Mahabir ...	Agrawal Brothers ... Directors	28	123	9.42	52.18	6.71	52	9-54	-1.02	-1.99	nil	5	nil
Magna ...	...	612	396	...	232.42	67.47	...	3-57	(a8)9.39	(a5)10.01	nil	5	nil
Naibati ...	F. W. Heilgers & Co. Pri. Ltd. ... 7% C. P. ... 4 1/4% R. C. P. ... 5 1/4% Debentures	493	322	104.38	162.08	28.63	45	3-57	(u)-4.37	(a27)6.44	Nil	nil	nil
Naskarpars ...	Howrah Trading Co. Private ... 5 1/4% Debentures	333	92	34.37	12.29	4.26	3,17	10-56	-7	5.78	nil	12 1/2	11 1/2
National ...	Andrew Yule & Co. ... 7% C. P. ...	573	279	7,921	12,945	837	50	10-57	(a20) 658	(k)474	7 50	7 45	17 1/2
Nellimarla ...	McLeod & Co. Ltd. ... 6% C. P. ... 4 1/4% Deb. ...	100	216	22.42	47.10	7.16	1.01	6-56 H	4.70	5.11	5	5	5
New Central ...	Sahu Jain Ltd. ... 7% C. P. ...	10.39	7.26	314.16	722.36	57.70	3,17	12-56	38.28	46.14	15	15	...
Northbrook ...	Bird & Co. Private Ltd. ... 5 1/4% C. P. ... 4% Deb. ...	214	353	87.63	133.18	50.76	40	3-57	(a28)4.97	15.51	nil	22 1/2	15
Nudda ...	Macneill & Barry ...	644	448	158.78	234.44	10.79	50	3-57	(a14)4.75	(16.04	nil	1	2
Orient ...	Andrew Yule & Co ...	551	50	4,662	8,967	5.55	50	11-57	(a21)117	(a) 190	nil	3	9
Premchand ...	R. J. Roy Bros. Private Ltd. ... McLeod & Co. Ltd. ... 4% Deb. ...	364	240	...	8,850	1,122	...	4-56	(a30)358	205	Nil	Nil	Nil
Presidency ...	...	238	162	41.08	66.26	3.69	1.43	12-55 H	1.29	2.24	2 1/2	3 1/2	3 1/2
Rameshwara ...	Birla Bros Private Ltd ... 6% C. P. ...	...	305	9.14	89.67	15.07	...	3-56	(a15)2.98	-54	Nil	Nil	Nil
Reliance ...	Jardine Henderson ... 7% C. P. ... 5% Deb. ...	924	352	118.85	181.21	49.27	50	3-57	-22.01	-11.43	Nil	Nil	Nil
Shree Ambica ...	Bagarla More ... 7 1/4% C.P. ...	703	208	72.45	196.22	21.28	2.01	3-56	8.82	12.45	2 1/2	10	10
Sorah ...	Hind Inv. Corp. ... 7% C. P. ... 4 1/4% Deb. ...	201	200	...	103.39	16.66	70	12-56	8.67	10.54	7 1/2	7 1/2	7 1/2
Standard ...	Bird & Co. Private Ltd. ... 6% C. P. ... 5 1/4% Debenture	367	283	83.16	128.12	22.03	40	3-57	(a29)1.82	-59	nil	nil	2
Union ...	Bad & Co. Private Ltd. ... 7% C. P. ... 4 1/4% Deb. ...	758	568	153.64	233.35	39.31	50	3-57	(v)-7.99	(a16) 8.82	nil	6	10
Waverley ...	McLeod & Co. Ltd. ... 5% C. P. P. ... 5 1/4% Debenture	306	159	5,105	7,894	1,219	32	5-57	-290	(a25)-40	nil	6 1/2	37 1/2

(a) After transferring Rs 3,00,000 from Development Rebate Reserve, Rs 1,55,000 from Reserve for Taxation Contingencies and Rs 63,186 from Jute Stock Reserve.

(b) After transferring Rs one lakhs from General and Dividend Reserve.

(c) After writing back Rs 1,26,328 from provision made for loss on stock of jute at mill. Afloat and forward jute purchases, etc.

(d) After transferring Rs 1,14,000 from Reserve for taxation contingencies and Rs 70,000 from Jute Stock Reserve.

(e) After writing back Rs 172,315 being provision against anticipated loss on raw jute stock and work in progress; and after transferring Rs 5,65,000 from General Reserve and Rs 63,000 from Dividend Equalisation Reserve.

(f) After transferring Rs 5,00,000 from General Reserve and Rs 3,00,000 from Machinery Renewal Reserve, Rs 2,00,000 from Dividend Equalisation Reserve and Rs 2,00,000 from Jute Stock Reserve.

(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.

(h) After transferring Rs 3,00,000 from General Reserve.

(i) After writing back Rs 38,000 being excess provision for taxation; and after transferring Rs 3,90,000 from General Reserve and Rs 32,500 from Dividend Equalisation Reserve.

(j) After transferring Rs 525,000 from Reserve and writing back Rs 30,000 from Workers' Provident Fund shown in excess in previous half-year and Rs 61,000 from provision for possible loss on forward contracts.

(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contracted for; Rs 14,000 being excess provision for taxation and Rs 1,95,000 from Dividend Equalisation Fund.

(l) After transferring Rs 8,50,000 from General Reserve.

(m) After transferring Rs 103,000 from General Reserve and Rs 70,000 from Dividend Equalisation Reserve.

(n) After transferring Rs 1,01,808 from General Reserve and Rs 6,879 from provision for taxation and after including Rs 1,25,809 being refund of taxes.

(o) After transferring Rs 2,00,934 from General Reserve and Rs 88,366 being excess depreciation.

(p) After transferring Rs 1,06,985 from Jute Stock Reserve; Rs 62,400 from Reserve for Tax contingencies; Rs 21,000 from Development Rebate Reserve; and writing back Rs 52,371 from provision for taxation and Rs 10,000 from lld liability.

(q) After transferring Rs 7,50,000 from General Reserve.

(r) After transferring Rs 5,80,000 from provision

for contingencies and Rs 1,00,000 from provision for taxation.

(s) After transferring Rs 8,23,000 from Reserve for Tax contingencies; Rs 2,30,000 from Jute Stock Reserve; and Rs 1,47,000 from Development Rebate Reserve and including Rs 1,89,365 being Requisition claim realised.

(t) Preference shares carry a dividend of 10 per cent of which only 5 per cent is cumulative.

(u) After transferring Rs 36,026 from Jute Stock Reserve.

(v) After transferring Rs 3,28,000 from Tax contingencies reserve; Rs 2,50,000 from Jute Stock Reserve and Rs 5,000 from Development Rebate Reserve.

(w) After transferring Rs 425,000 from General Reserve; Rs 85,000 from Dividend Equalisation Reserve; and Rs 19,500 from provision for taxation.

(x) After transferring Rs 2,80,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.

(y) After transferring Rs 5,94,144 from Capital Reserve and Rs 3,00,000 from Contingencies Reserve and after providing Rs 2,70,141 for Sales-tax Liability.

(z) After transferring Rs 2,70,000 from General Reserve; Rs 25,000 from Dividend Equalisation Reserve and Rs 34,500 from Investment Realisation Surplus.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Depreciation	Liquid Assets				
	May 1958	May 1957			General	Others	Carry forward				Investments	Stocks and Stores	Out-standings	Cash Balance	Others
	Ra. np.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Kanknarrah ...	47 00	57 50	100	3,000	6.00	2.75	-21.37	121.76	175.75	87.50	1.77	73.87	20.27	2.65	3.23
B. Ordinary ...	46 50	55 00	100	2,400	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	52 50	87 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	97 00N	100	1,269	...	...	...	...	...	...	...	...	...	...	...
5 1/4% Debentures	90 00	199 00	100	2,100	4,350	950	87	3,949	13,545	8,878	608	5,325	1,500	354	...
Kelvin ...	176 00	104 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference	82 08	120 00	100	5,400	2,333	...	27	133.40	196.61	122.04	1.40	110.88	31.56	1.34	...
Khardah ...	116 00	86 00	100	900	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	72 25	139 00	100	4,800	27.91	52.32	29	96.89	236.19	98.60	10.47	95.79	21.18	37	2
Kinnison ...	108 00	102 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference	80 25	965 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	900 00	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Lansdowne ...	78 00	80 00	100	2,448	11.74	25.76	-9.08	73.02	128.57	53.16	3.10	40.36	21.78	7	14
7% C. Preference	73 50	100 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Lawrence ...	76 50	90 00	100	2,800	9.78	43.49	-7.73	35.61	116.06	65.14	5.25	33.87	27.65	7	25.68
7% Cum. preference	95 00	102 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5 1/4% 'B' cum. preferen 8	55 00	69 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/4% Debentures	920 00	970 00	1000	1,919	...	...	...	...	...	...	...	...	...	...	...
Mahabir ...	85 00	85 00	100	1,078	...	22.04	-6.77	23.48	19.87	13.47	47	15.70	3.91	96	...
Magna ...	106 06	65 00	100	8,165	...	...	56	81.23	213.91	133.25	1.28	75.28	26.21	1.94	...
Naibati ...	58 00	54 00	100	2,999	12.04	22.58	-13.08	52.60	165.26	86.71	2.77	44.81	19.88	16	45
7% cum. preference	78 50	88 00	100	750	...	...	...	...	...	...	...	...	...	...	...
4 1/4% R. C. P.	49 50	58 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/4% Debentures	900 00	950 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Naskarpars ...	12 25	14 25	10	2,000	15.55	...	-1.65	48.88	56.03	21.34	5	28.39	15.35	29.30	...
5 1/4% Debentures	22 50xd	19 80xd	10	500	...	...	...	...	...	...	...	...	...	...	...
National ...	88 00xd	108 50	100	3,500	2,170	1,781	20	1,577	4,849	1,231	203	3,053	920	1,754	...
7% C. P.	12 44	11 43	100	2,625	17.25	9.75	1.29	20.60	28.31	20.72	5.88	25.21	23.22	23.24	...
Nellimarla ...	79 00	91 56	500	500	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	440 00	465 00	10	8,550	115.00	171.31	3.36	419.40	468.82	106.43	15.90	198.00	83.23	162.03	6.02
4 1/4% Debentures	15 19	11 25	100	3,300	...	...	...	...	...	...	...	...	...	...	...
New Central ...	86 00	99 50	10	1,680	16.48	30.11	9	54.42	123.05	56.38	4.68	63.59	12.37	10	5.48
7% Cum. preference	15 69	20 31	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Northbrook ...	62 80	76 00	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
5 1/4% Cum. pref.	800 00	880 00	50	6,680	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	38 75	32 87	100	2,491	1,799	5.05	6	4.68	7,655	5,246	71	2,353	3.04	131	...
Nudda ...	95 00	102 00	100	3,996	...	...	-2,623	2,568	5,872	4,426	76	1,933	453	34	...
Orient ...	3 97	3 62	5	2,500	5.00	1.23	52	13.46	80.86	65.22	2.33	25.97	7.97	1.35	...
Premchand ...	...	...	100	800	...	...	...	...	...	...	...	...	...	...	...
Presidency ...	850 00	930 00	1000	800	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	4 62	4 62	10	2,000	...	...	-9.18	22.87	26.98	8.39	38	19.63	1.97	11	...
Rameshwara ...	10 19	10 19	10	700	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	6 06	7 00	10	4,950	...	1.50	-38.95	79.04	124.76	64.71	1.91	62.93	9.98	1.21	...
Reliance ...	56 25	79 10	100	2,000	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	850 00	880 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	14 62	15 25	10	3,000	12.15	1.00	6	83.32	116.87	81.99	1.72	51.17	49.97	47	...
7 1/4% Cum. preference	79 00	81 00	100	1,170	...	...	...	...	...	...	...	...	...	...	...
Soorah ...	13 25	14 12xd	10	1,400	10.80	5	23	19.71	67.75	43.57	8.90	20.70	5.27	3.75	...
7% Cum. pref.	77 50	100 00xd	100	1,000	...	30.84	-8.76	35.73	126.57	57.29	4.84	31.79	10.66	32	11
4 1/4% Debenture	...	...	100	800	...	...	...	...	...	...	...	...	...	...	...
Standard ...	80 50	63 50	100	2,520	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	101 00	86 00	1000	900	...	...	...	...	...	...	...	...	...	...	...
5 1/4% Debentures	...	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...
Union ...	122 00	112 00	100	3,599	14.94	66.16	-13.52	86.05	201.41	89.48	3.93	52.71	37.93	1.11	1
7% C. P.	86 00	90 00	100	600	...	...	...	...	...	...	...	...	...	...	...
4 1/4% Debenture	900 00	965 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	2 94	3 12	1	250	300	335	-415	2,999	5,613	4,211	60	2,952	688	116	...
5% Cum. preference	25 00	38 75	50	750	...	...	...	...	...	...	...	...	...	...	...
5 1/4% Debenture	400 00	437 50	500	1,000	...	...	...	...	...	...	...	...	...	...	...
(20) After crediting Rs 14,84,925 being balance															
(20) After transferring Rs 1,00,000 from Dividend															

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' allowance and Commission	Year ended	Net Profit		Dividend PER CENT		
								Latest	Previous	Latest	Previous	Sa. Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA												
Alembic Chemical	Bhailal Amin & Sons Private Ltd.	1,889	7,866	13,866	2,292	408	12-56	1,515	1,120	10	8	8
	64% 1st Cum. Pref.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
	5% 2nd R. C. P.	...	...	...	...	...	...	...	...	5	5	5
	6% 3rd Cum. Pref.	...	...	...	...	...	...	...	...	5	5	5
Anil Starch Products	Kasturblal Lalbhai & Co.	...	92,01	145,51	3,78	61	12-56	(v)11,04	(c)9,25	10	10	10
	5% C. P.	...	...	...	...	...	...	...	...	6	6	6
Associated Cement Cos.	Cement Agencies	36,267	102,545	226,279	9,200	3,606	7-57	46,365	50,402	5	5	5
Associated Stoned Industries	Rajaputana Mining Agen. Pri. Ltd.	139	...	39,24	14,82	102	9-56	7,09	4,23	30	10	10
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Deferred	...	...	...	...	...	...	...	...	5	5	5
Atul Products	Lalbhais Sons & Co.	758	111,24	183,41	...	9	12-56	30,96	20,62	6 1/2	28 1/2	28 1/2
Automobile Products	Directors	11,52	126,32	134,73	41,00	...	7-56	8,39	5,90	5	5	5
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Bharat Line	Dinshaw Private	29,23	149,86	233,71	...	107	12-55	30,88	35,25	5	5	5
Bombay Burma Trading	Wallace & Co.	753	...	...	...	...	5-56	102,70	74,32	32	30	16
	Old Shares	...	...	...	...	...	...	...	...	...	...	...
	New shares	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas	Directors	541	37,78	7,73	...	...	12-54	15,41	15,27	12 1/2	12 1/2	7 1/2
Bombay Potteries & Tiles	Directors	391	439	...	...	...	9-56	400	414	4 1/2	4 1/2	4 1/2
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.	42	...	134	...	9	9-56	68	68	15	16	10
	Directors	...	...	7,540	924	...	12-56	(m)141	242	15	16	10
Bombay Uganda Co.	Directors	2,561	19,193	25,741	6,522	...	12-57	2,730	2,202	16 1/2	15	20
W. H. Brady & Co.	Directors	1,021	1,321	3,114	129	30	12-57	184	235	15	15	16 1/2
G. Claridge & Co.	W. H. Brady & Co. Ltd.	186	3,33	844	1,68	26	6-56	1,59	1,62	8	8	8
G. G. Dandekar Machine Works	Landekar Engineers	...	...	...	...	...	...	...	...	5	5	5
	Partly Paid Ordinary	...	...	...	...	...	...	...	...	...	...	...
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Dharamsi M. Chemical	D. Moraji & Co.	122	37,91	49,24	58,62	18	12-55	51	2,03	6	6	6
Digvijay Cement	Shree Laxmi Agents Ltd.	13,48	90,98	168,53	2,81	3,90	12-55	43,56	41,71	8 1/2	8 1/2	6
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Eastern Shipping Corp.	Scindia Steam Navigation	26,54	179,00	220,84	...	3,54	3-56	45,68	(r)25,36	5	5	5
Estrela Batteries	Chunilal Manilal Ltd.	14,19	23,27	57,54	18,84	33	3-56	4,79	2,70	5	4	6
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping	A. H. Bhivandiwala & Co. Privt.	28,28	...	372,29	...	8,31	6-57	(n)97,87	(l)81,81	15	15	(q)
	5 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co.	Directors	19,48	228,32	251,96	76,22	...	3-55	16,35	18,63	5 1/2	5 1/2	11
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	6% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co.	Dharamsinh & Co.	476	99,20	127,74	31,58	75	4-56	9,42	4,89	6	6	8
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever	Director's	21,637	282,814	331,924	63,091	...	12-57	28,385	24,971	14	12 1/2	20
Indian Cement	Director's	3	...	...	...	...	3-56	1,64	1,24	30	25	20
Indian Plastics	Directors	875	27,88	49,52	13,73	...	3-56	4,02	3,28	2 1/2	2 1/2	5 1/2
	5 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Indian Vegetable Products	F. F. Campbell & Co. Pri.	578	141,29	206,29	721	1,31	9-56	6,29	3,18	10	5	5 1/2
Indust. Cr. & Invt. Corp.	Directors	386	41,75	...	...	...	12-56	34,48	22,81	3 1/2	3 1/2	5
Industrial Investment	Premchand Roychand & Sons	23	716	...	...	56	12-57	617	603	5 1/2	5	4 1/2
Kemp & Co.	Directors	537	47,70	55,40	9,65	...	3-56	2,02	1,44	7 1/2	6	6
Killick Industries	Managing Director	669	...	...	...	...	6-56	26,27	27,63	11	11	11
Machinery Manfrs. Corp.	Mahindra & Mahindra	22,84	37,82	69,86	40,16	40	3-57	8,72	10,62	...	...	...
	4% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspati & Chem.	Loan from I. F. Corp.	...	96,34	110,33	6,71	15	12-53	4,60	-6,02	...	...	...
	Mohatta Bros.	...	...	...	...	...	...	...	...	...	...	...
National Elect. Industries	Navin Kumar Hansraj Pri. Ltd.	10,15	44,38	56,93	24,05	83	3-56	5,56	5,37	9	9	9
	4 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
National Machinery Manfrs.	Directors	37,64	75,06	152,62	81,06	...	12-55	26,23	10,80	...	4 1/2	4 1/2
National Newsprints & Paper	Directors	206	...	...	...	...	3-55	-4,42	-39	...	...	...
National Rayon Corp.	Chinai & Co. Private Ltd.	47,41	197,72	422,38	22,31	10,46	12-56	142,94	102,13	14	12	10
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Palampur Veg. Products	Investa Industrial Corp.	...	...	...	...	...	12-55	-1,13	-1,59	...	...	...
	5 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works	N. Pestonjee & Co.	78	...	984	26	38	12-54	1,78	1,71	...	...	...
	Ordry. Partly Paid	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd.	Polson Agencies Private Ltd.	783	47,32	92,12	11,44	1,47	12-56	10,75	13,29	12 1/2	10	10
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Sanitex Chem. Industries	M. B. Amin & Co.	342	978	18,76	9,69	24	12-55	0	30	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	Sathe Food Industries pri. Ltd.	134	1,511	3,437	485	30	3-57	352	200	...	...	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam	Directors	146,51	664,63	127,51	...	...	6-57	356,81	(b)265,89	6 1/2	5	2 1/2
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Shangrilla Food Products	Directors	141	754	12,27	1,49	...	3-56	-3,80	-3,30	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate	Killick Industries Ltd.	45,00	163,08	34,46	5,74	11-56	43,17	31,73	80	...	...	...
Supreme Industries	Mody & Co.	7,33	498	7,63	...	8	3-56	64	65	6 1/2	6 1/2	6 1/2
	6 1/2% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...
Tata Chemicals	Tata Industries Private	42,22	...	265,59	...	2,81	6-57	51,48	41,26	8	7 1/2	6 1/2
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Tata Oil Mills	Tata Industries Private	80,91	439,27	662,64	...	2,71	3-57	30,29	42,00	10	12	8
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
United Salt Works & Indus.	Salt & Industry Agency Pr. Lt.	11,24	...	33,81	9,93	48	9-55	44,16	4,49	4 1/2	4 1/2	4 1/2
Volta Ltd.	Directors	14,941	178,376	206,049	...	...	8-57	7,821	4,141	10	10	10
Western India Match	Swedish Match Co.	125,95	728,67	1016,87	22,84	13,06	12-55	78,54	78,38	11	11	11

(a) Traffic Revenue. (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income. *Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958 Rs. np.	May 1957 Rs. np.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Outstanding Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Alembic Chemicals ...	136 25	125 50	100	3,500	1,916	2,060	98	4,990	9,338	4,531	2,385	4,125	2,731	14	...
5 1/2% 1st C. P. ...	85 00	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products ...	...	...	100	2,926	13,02	7,38	14	3,79	91,88	23,35	6	22,65	25,08	2,27	...
5% C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement ...	148 50	154 50	100	157,912	20,000	84,276	259	143,328	308,175	112,918	8,017	140,858	32,271	13,885	15,488
Bharat Line ...	...	...	10	100,00	...	15,37	1,55	219,38	441,66	185,09	3,79	19,02	47,25	71	8,98
Associated Stoned Indust ...	...	...	100	850	...	3,15	...	10,98	7,26	5,10	20	16,15	12,48	2,86	...
6% C. P. ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	5	500	...	...	...	...	...	...	...	...	...	...	...
Atul Products ...	...	...	100	189,00	...	1,13	24	220,38	261,72	45,19	62,42	93,72	33,06	3,85	...
Automobile Products ...	...	...	10	28,00	...	...	4	74,66	59,72	10,24	...	48,22	13,06	8	...
5% R. C. P. ...	...	...	100	700	...	...	...	...	...	...	...	...	...	...	...
Bombay Burma Trading... ..	...	...	2500	250	70,98	349,16	40	270,42	398,85	171,93	113,38	108,33	149,34	153,51	34,81
Old Shares ...	547 00	534 00	125	5,000	...	...	...	...	...	...	...	...	...	...	...
New Shares ...	207 50	280 00	50	4,200	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas ...	...	...	100	4,000	11,14	21,79	2,55	38,71	61,49	26,52	10,27	11,82	10,97	46,15	...
Bombay Potteries & Tiles ...	100 50	64 00	100	1,418	15	262	5	518	2,678	1,130	10	793	129	865	...
6 1/4% C. P. ...	75 50	65 00	100	863	...	...	...	...	...	...	...	...	...	...	...
4 1/4% C. P. ...	60 50	50 00N	100	113	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit ...	50000 N	533 00N	200	240	71	...	...	1,72	5,68	4,23	2,70	...	16	52	...
Bombay Uganda Co. ...	47 00	60 00N	80	1,596	...	20	94	230	235	125	106	1,034	57	429	...
W. H. Brady & Co. ...	280 00	...	50	4,500	2,150	4,002	75	6,414	865	523	3,171	7,355	4,434	1,642	...
G. Claridge & Co. ...	175 00	...	100	900	600	682	19	795	2,088	1,540	12	1,152	1,161	21	...
G.G. Dandekar Mca. Works	...	...	100	400	1,00	67	8	4,65	10,06	5,33	4,74	1,68	2,69	9	...
Partly Paid Ordy ...	...	...	100	247	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Dharansi M. Chemical ...	61 00	47 25	50	1,369	1,70	1,00	1	33,12	41,22	21,00	18	17,44	9,66	7	1,94
Digvijay Cement ...	144 00	141 50	100	8,880	30,00	14,50	2,79	78,84	204,20	86,59*	29,42	47,87	14,69	11,42	39,69
5% R. C. P. ...	84 00	93 50	100	3,978	...	...	...	...	...	...	...	...	...	...	...
Eastern Shipping Corpn. ...	...	...	100	550,00	...	39,99	24	223,60	467,35	7,118	68,40	98	37,55	166,30	144,46
Estrela Batteries ...	36 00	37 75	50	1,497	3,15	7	22	15,50	28,61	1,941	3	17,66	12,81	70	3,50
5% C. P. ...	35 50	38 50	50	997	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping ...	19 92	19 10	10	9,000	76,00	61,60	1,84	367,08	490,84	86,21	2,74	36	72,77	140,71	...
5 1/4% R. C. P. ...	91 50	96 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co. ...	110 00	...	100	8,500	15,00	13,15	14	130,48	10,11	4,54	113,14	75,82	91,65	7,58	...
5% C. P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. ...	...	...	100	2,585	2,00	...	18	111,50	78,77	7,27	2,53	28,65	51,22	2,20	7,50
Hindustan Electric Co. ...	75 00	95 00	100	807	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	82 00	82 00	100	807	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever ...	22 48	19 60	10	55,700	4,000	7,177	8,994	47,194	47,960	13,562	103	70,465	13,987	4,110	...
Indian Cement ...	26 00	33 00	10	152	1,00	50	4	1,43	1,42	...	1,30	...	53	1,23	...
Indian Plastics ...	...	...	10	2,988	...	...	5	20,54	44,45	10,95	...	27,83	11,05	65	...
5 1/4% Cum. preference ...	...	...	100	2,250	...	1,95	8	16,10	25,35	20,52	69	9,18	10,92	16,21	...
Indian Vegetable Products ...	114 00	...	100	2,117	2,53	1,95	...	16,10	25,35	20,52	69	9,18	10,92	16,21	...
Indus.Cr. & Invest. Corp. ...	74 00	75 50	100	500,00	10,00	...	6,31	792,34	98	35	652,58	...	77,86	577,59	...
Industrial Investment ...	72 80	70 25ad	100	9,999	1,623	390	175	853	20	16	12,561	...	163	312	...
Kemp & Co. ...	183 00	197 50	200	1,200	3,50	2,86	15	14,86	24,75	11,68	78	9,90	8,25	1,33	...
Killick Industries ...	164 00	156 00	100	10,000	7,50	27,58	5	52,50	35,47	8,04	144,56	4,90	8,82	1,88	22
Machinery Manfra. Corpn. ...	...	...	100	3,924	...	14,42	23,18	90,45	129,21	36,37	21	53,70	10,89	1,16	1,00
4% Cum. preference ...	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...
4 1/4% C. P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Loan from I. F. Corpn. ...	...	...	...	4,909	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspathi Chems. ...	...	...	10	3,128	...	30	5,10	29,60	51,07	6,00	...	11,97	14,22	17	84
6% Debentures ...	...	...	50	1,500	...	...	...	...	...	...	...	...	...	...	...
National Elec. Industries ...	70 00	70 00	100	585	...	7,25	18	31,90	24,76	9,46	89	24,05	9,95	51	...
4 1/4% C. P. ...	80 00 N	80 00N	100	542	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfra. ...	...	...	100	252,40	...	12,36	61	115,89	245,11	99	...	95,13	30,54	90	58
National Newspaper & Paper ...	...	...	10	131,53	...	...	6,60	429,81	413,25	...	3	15,06	28,74	57,26	40,40
National Rayon Corpn. ...	235 25	216 25	100	160,64	32,00	86,15	5,52	259,08	946,21	265,00	1,10	141,75	37,17	6,48	...
3% Cum. Preference ...	75 00	76 00	100	174,28	...	...	...	...	...	...	...	...	...	...	...
5 1/4% Debentures ...	98 25	99 50	...	150,00	...	...	...	...	...	...	...	...	...	...	...
Palanpur Veg. Products... ..	...	...	10	1,500	...	...	23,90	28,59	27,97	...	10	1,84	9	1	28
5 1/4% C. P. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works... ..	...	...	100	1,179	18	66	2	4,74	9,55	6,26	4,63	3,05	2,88	86	2,75
Ordy. Partly Paid ...	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...
Palson Ltd. ...	145 00	163 75	100	2,160	14,50	11,45	46	25,66	38,81	12,53	1	16,93	20,19	10,27	...
6% C. P. T. ...	84 70	86 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus. ...	...	...	50	1,301	...	...	1	8,29	13,12	60	...	8,20	2,07	38	2,63
5% C. P. ...	...	...	100	449	...	133	19	1,883	3,111	629	56	492	419	70	...
Sathe Biscuits ...	100 00N	...	100	473	...	...	...	...	...	...	...	...	...	...	...
Partly Paid ...	90 00N	...	100	513	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam ...	17 40	17 85	20	939,98	80,00	1016,23	5,84	1191,95	249,665	57,900	58,497	25,65	405,59	357,79	343,62
4 1/4% Debentures ...	94 25	94 00	100	401,28	...	...	5,79	8,25	39,73	6,16	32	5,52	2,88	16	...
Shangrilla Food Products ...	...	...	100	1,700	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate ...	80 00	78 25	10	700	20,00	50,25	9	57,68	56,73	24,46	10,02	49,96	18,84	19,54	4,38
Supreme Industries ...	81 50	80 00	100	622	3,45	31	25	4,48	10,60	2,28	1,95	7,63	1,26	18	...
4 1/4% C. P. ...	70 50	80 00N	100	462	...	16,23	10	202,86	404,57	156,94	1,50	163,84	31,52	2,62	...
4 1/4% Chemical ...	14 00	16 30	100	139,96	...	...	...	...	...	...	...	...	...	...	...
3% Cum. Preference ...	91 50	99 25	100	3,997	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	99 00%	99 00	25	2,500	...	...	...	...	...	...	...	...	...	...	...
Tata Oil Mills ...	37 50	43 00	100	7,007	10,35	26,43	10	293,95	212,21	126,98	7,33	242,81	72,19	23,24	...
4 1/4% C. P. ...	55 80	...	100	2,989	...	...	...	...	...	...	...	...	...	...	...
United Salt Works Indus. ...	122 25	...	250	1,335	13,00	22,31	7,74	10,92	65,62	32,00	5,05	14,75	5,77	8,0	...
Volras ...	171 00	156 00	100	1,335	925	174	139	93,609	6,555	1,896	172	61,601	49,910	2,629	476
Western India Match ...	...	...	100	275,00	6,100	19,25	5,62	387,22	303,67	157,21	45	163,96	207,20	180,2	...

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents' Cowances and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT			
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Latest	Previous
NORTHERN INDIA													
Alkali & Chemical	Imp. Ch. Industries Private	1,527	91.72	22,546	4,686	...	9.57	5,111	4,020	8	8	8	8
All India Finance & Commerce	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5	5
	Kayell Siyal & Co.	30	...	1.69	...	20	5.56	96	88	7 1/2	8	8	8
Aluminium Corpn.	Ordinary	...	...	...	...	...	...	...	...	7 1/2	8	8	8
	7 1/2% C. P.	...	...	...	...	...	...	...	...	7 1/2	8	8	8
	J. K. Industries Private Ltd.	3,113	4,182	10,166	3,120	...	3.57	2,729	2,538	7 1/2	7 1/2	7 1/2	7 1/2
	6% Cum. preference	...	...	...	...	...	...	...	...	9	5	6	6
	5% Cum. preference	...	...	...	...	...	...	...	...	6	5	5	5
Amrit Banaspati	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil	nil
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
	3 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
	Amrit Agency Ltd.	2,06	354.43	367.26	66.68	18	3.55	22.07	19.54	nil	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	6	5	5
Anderson Wright	5% R. C. P.	...	...	...	...	...	...	...	...	nil	6	5	5
	Deferred	...	...	...	...	...	...	...	...	nil	5	5	5
	Directors	4.04	...	10.26	...	...	12.55	(2)1.67	5.02	nil	nil	7 1/2	6
Anglo Brothers	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2	4 1/2
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Asoka Cement	Turner Morrison & Co. Pri.	6.78	221.12	248.43	...	1.82	8.57	16.99	16.24	18	20	20	20
Assam Bengal Cement	Partly Paid	...	...	...	...	...	9.55	(65)	...	...	...	...	...
	Eastern Corporation	8.64	37.04	72.61	4.13	87	3.55	15.96	17.65	nil	nil	nil	nil
Assam Match Co.	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil	nil
	4% Debentures	...	...	...	...	...	...	...	...	nil	nil	nil	nil
	Directors	15.63	94.59	124.89	5.98	...	12.55	9.52	7.93	12 1/2	12 1/2	12 1/2	12 1/2
	Bird & Co. Private	4.34	...	34.53	5.38	...	9.56	1.74	81	12 1/2	12 1/2	12 1/2	12 1/2
	Oberoi Hotels (India) Private Ltd.	12.88	40.36	71.62	...	2.16	3.56	14.21	8.83	12	4	2	7
Associated Hotels	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	7% Cum. preference Tax	...	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% Debentures	...	...	...	...	...	...	...	...	7	7	7	7
	6 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	Ramkumar Agarwala	13	7.37	6.16	1.59	44	12.52	1.90	2.32	6	2	5	5
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Ballarpur Paper	K. C. Thapar & Bros. Ltd.	18.45	53.71	120.61	4.41	89	6.55	39.50	...	nil	nil	nil	nil
	5% R. C. P. P.	...	...	...	...	...	...	...	...	nil	nil	nil	nil
Balmer Lawrie & Co.	Directors	75.78	13,33.11	15,51.18	108.84	...	12.56	(a)42.87	35.33	15	12 1/2	13	13
Barroo coke	Jardine Henderson	3.46	9.25	20.61	3.29	17	9.56 HY	2.03	2.40	5	6	7	7
Bathgate & Co.	Directors	2.74	9.13	16.21	8.86	...	12.53	-6.31	-11.87	nil	nil	nil	nil
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	nil	nil	nil	nil
Behar Rice Mills	H. V. Low & Co.	...	...	...	...	...	6.54	...	...	...	...	...	...
	Andrew Yule & Co. Ltd.	8.19	20.65	32.90	...	73	10.56	36	7.98	(a)6)14.19	7 1/2	7 1/2	7 1/2
Bengal Assam Steamship	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	Directors	28.02	82.42	145.99	38.70	...	4.54	15.12	14.44	6	6	6	6
	7 1/2% Cum. preference	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2	7 1/2
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2	4 1/2
Bengal Chemicals	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
	...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Elec. Lamp	P. C. Datta	1.27	18.69	33.71	...	...	3.54	4.12	4.86	6 1/2	6 1/2	6 1/2	6 1/2
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	Balmer Lawrie & Co. Ltd.	581	17,516	21,351	609	225	12.57	2,178	1,278	25	25	22 1/2	...
	Directors	36.10	80.06	202.57	3.05	...	12.56	13.37	30.62	10	18 1/2	12 1/2	...
Bengal Paper	7% Cum. preference	...	...	...	...	...	...	...	...	7	7	7	7
	7% 'A' Cum. preference	...	...	...	...	...	...	...	...	7	7	7	7
	6% 'B' R. C. P. T.	...	...	...	...	...	...	...	...	6	6	5	5
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Potteries	B. R. Bhagat & Co.	27.09	13.26	91.13	10.48	...	12.56	14.93	11.13	10	10	10	10
	Ord. P. Paid	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	Jardine Henderson	1.34	13.66	24.68	6.48	...	6.55	...	1.01	...	...	...	...
	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	Ramdutt Ramkissoon	7	...	1.57	...	17	12.55	1.04	1.13	5	5	5	5
Bharat Carbon & Ribbon	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	Murari Lal Batra & Co.	1.63	14.71	19.61	4.03	11	12.55	1.12	1.06	7 1/2	7 1/2	7 1/2	7 1/2
Bharat Commers	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Bharat Commers	Directors	584	3,298	3,718	479	...	12.57	(a)138	130	6 1/2	6 1/2	6 1/2	6 1/2
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Bharat Starch & Chemical	K. C. Thapar & Bros.	1.65	38.41	37.48	12.65	67	1.55	6.10	5.37	...	...	...	...
	Directors	...	...	...	...	...	3.54	2.68	3.49	...	...	...	...
Bhartia Company	Lovlock & Lewes	...	...	5.71	...	12	9.56	3.49	4.73	10	12 1/2	12 1/2	12 1/2
Birds Investments	5 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Bisra Stone Lime	Bird & Co. Private Ltd.	38.34	...	76.66	1.27	1.00	3.57	9.82	(a)13.71	5 1/2	5 1/2	5 1/2	5 1/2
	Directors	...	75.80	149.69	...	...	3.57	18.74	17.70	10	10	10	10
Britannia Biscuits	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Br. Burma Petroleum & Br. Ceylon Corpn.	A. T. C. Inv. Co.	...	...	...	...	1.49	9.55	...	...	...	...	...	...
	Directors	...	...	...	...	...	3.56	37	34	5	5	5	5
British India Corpn.	6% Cum. Part preference	...	...	...	...	...	12.55	15.76	10.78	15	10	15	15
	Directors	178.72	428.71	761.45	399.76	...	12.56	(f)95.42	(a)11	15	8	15	...
Brushware	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	Begg Sutherland & Co. Pri. Ltd.	1.12	2.13	4.07	2.62	7	11.56	38	31	15	10	7 1/2	...
Burma Lime	S. C. Chunder & Co.	18	70	2.44	24	...	9.54	...	...	...	...	...	...
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
	...	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulics	Soorimull Nagarmull	...	...	...	...	1.49	9.55	6.38	7.06	6	5	...	...
	5 1/2% R.C.P.T.	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Investment Co.	4% Debentures	56	...	...	...	...	...	...	...	...	...	...	...
	Andrew Yule & Co.	...	...	...	...	20	6.56	...	...	5 1/2	5 1/2	...	...
Calcutta Landing & Shipping	Ramdutt Ramkissoon	3.39	...	3.43	...	3	12.54	(f)2.13	-62	...	...	...	...
	Gladstone Lyall	51	...	6.75	...	30	10.55 HY	7.11	3.95	...	...	...	...
Calcutta Safe Deposit	Anuridhi Ojha & Co	...	...	3.02	...	16	3.55	1.18	50	5	3 1/2	...	...
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958 Rs. np.	May 1957 Rs. np.			General Rs. 000	Other Rs. 000	Carry Forward Rs. 000				Invest- ments Rs. 000	Stock & Stores Rs. 000	Out Standing Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA															
Alkali & Chemical	15 00	12 62	10	24,842	28.00	70.65	1.20	122.91	249.14	60.65	...	106.21	35.81	145.29	26.39
5% Cum. Preference	98 00	96 00	100	3,100	53	18	...	13.21	36	8	73	10.66	7.76	68	...
All India Finance & Com. Ord.	...	...	10	190	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C.	...	...	110	128	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corpn.	11 00	8 82	10	5,750	2,000	17,957	234	3,027	38,129	8,696	1,572	4,997	1,396	319	...
6% Cum. preference	86 00	94 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	61 75	74 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 00	4 50	2 1/2	250	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	950 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debenture	...	...	1000	4,500	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	5,325	19.25	3.83	-14.14	152.86	160.85	53.32	36.36	85.91	25.33	1.40	...
6% C. P.	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
5% R. C. .	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	1,000	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	10	2,000	3.50	8.50	18	74.03	1.02	58	54.74	3.08	35.77	24	41.94
4 1/2% C.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Angelo Brothers	18 37	17 75	10	3,000	25.21	14.00	3.61	31.73	34.83	23.40	4.81	43.29	30.51	14.56	14
Ashoka Cement	8 19	9 87	10	1,500	...	...	...	71.64	92.94	...	...	38	2.09	1.25	1.22
Partly Paid	...	...	2 1/2	1,125	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	3 92	5 12	10	4,314	10.54	2.59	4.59	95.35	164.36	73.18	5.34	25.44	35.17	37.09	...
Deferred	0 84	1 25	1	471	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	2,498	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	14 06	19 12	10	3,000	6.10	2.75	1.18	27.46	38.39	20.85	6	19.69	24.66	5.44	10
Assam Saw Mills	1 87	2 75	3	1,400	7.20	20.59	-4.96	13.32	32.14	11.96	17.94	11.11	72	20	20
Associated Hotels	6 25	10 75	10	2,000	10.00	23.50	2.45	55.66	102.58	36.88	46.41	8.31	30.80	12.17	8
7% C. P. T.	38 00	61 00	100	2,167	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	850 00	860 00	1000	2,350	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	920 00	960 00	1000	660	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	8 50	9 00	10	892	...	...	33	3.33	2.77	94	9.90	3.05	3.15	3.01	...
5% C. P.	29 75	31 00	50	500	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 25	5 25	5	410	...	...	...	...	...	...	...	...	...	...	...
Ballarpur Paper	...	...	25	5,708	...	38	-47.41	147.09	219.74	97.20	...	32.08	16.08	1.66	3.03
5% R.C.P.P.	...	...	100	1,809	...	...	...	...	...	...	...	...	...	...	...
Balmer Lawrie & Co.	154 00	145 00	100	8,001	61.50	27.82	5.03	270.74	69.52	37.02	111.40	136.05	152.49	12.66	...
Sarao coke	10 75	16 25	10	1,200	8.00	50	9.21	37.37	35.08	...	6	10.30	12.69	5.28	...
Bathgate & Co.	0 85	1 25	10	4,000	...	...	-22.19	5.98	23.15	1.24	...	6.65	4.61	62	...
4 1/2% C. P.	40 50	42 00	10	1,000	...	...	-4.36	...	3	7.69	4.95	9.60	10	13	2
Behar Rice Mills	1 50	1 50	10	1,692	...	...	...	...	...	...	...	...	...	...	...
Bengal Assam Steamship	107 00	139 00	100	2,000	8.25	92.45	1.10	12.68	124.09	18.29	2.55	13	1.80	27.20	...
7% C. P.	61 50	75 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	86 00	101 00	100	4,533	19.50	21.55	11.46	54.56	104.59	47.91	16.62	46.92	63.31	4.79	...
7 1/2% C. P.	11 25	12 75	10	1,191	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	77 50	82 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	1,552	8.00	97	15	11.50	23.00	11.62	...	13.68	12.08	24	...
Bengal Elec. Lamp	...	...	1	139	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	1,200	1,500	256	202	2,325	3,456	2,725	35	8.14	2,202	101	...
Bengal Flour	30 00	23 88xd	10	4,500	17.00	18.72	5	46.00	208.82	156.73	1.28	56.76	41.70	1.48	4.46
Bengal Paper	66 00	100 00	25	200	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	57 25	64 25	50	400	...	...	...	...	...	...	...	...	...	...	...
7% A. C. P.	103 00	128 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% 'B' R. C. P. T.	72 69	81 69	100	490	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	500	3,170	5.15	...	11	54.34	70.66	33.38	2	29.13	36.06	27	...
Bengal Potteries	3 75	3 37	2 1/2	941	...	...	...	...	...	...	...	...	...	...	...
Ord. P. Paid	10 00	41 00	100	600	...	...	-5.56	19.06	7.35	7.22	1.00	6.52	14.42	43	...
Bengal Timber	33 50	32 75	100	300	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	7 00	4 86	10	400	1.10	...	2	2.62	10.18	2.28	75	...	93	1.16	...
Bhagwati Pressing	45 00	50 00	100	300	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	10	250	2.00	45	5	20.88	7.35	3.30	63	12.79	13.06	74	...
Bharat Carbon & Ribbon	...	...	100	181	...	...	...	...	...	...	...	...	...	...	...
B. Ord.	...	...	100	358	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	...	...	10	5,000	...	...	-4.119	1.774	4.171	86	...	769	739	62	...
Bharat Commerce	...	...	100	3,000	...	...	...	...	...	...	...	...	...	...	...
5% c. p.	...	...	10	1,000	3.78	1.60	-1,340	46.64	33.48	12.26	12	21.59	5.01	10	88
Bharat Starch & Chemical	8 06	3 06	10	2,100	...	...	-9	79	...	...	...	12.92	8.59	69	...
Bhartia Company	54 75	50 56	100	2,000	3.00	5.05	38	52.17	...	...	66.28	...	37.91	40	...
Birds Investment	9 19	13 87	10	2,400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P.	50 75	71 00	100	1,800	2.50	28.01	18	18.52	62.22	35.31	3	9.34	19.37	2.07	1.50
Bisra Stone Lame	28 75	32 00	10	4,597	20.00	14.62	1.85	35.60	114.31	37.07	...	26.50	25.91	3.43	11
Britannia Biscuits	13 44	13 50	10	15	...	...	...	...	...	...	...	...	...	...	...
8% Cum. preference	10 50	11 37	10	1,500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 00	100 00	...	...	...	...	...	...	...	...	...	...	...	...	...
Br. Burma Petroleum (S.)	1 90	2 37	4ah	750	...	1.82	35	1.85	9.35	...	2	...	1.52	63	...
Br. Ceylon Corporation	10 12	9 00	10	3,500	23.50	23.19	1.40	30.90	60.95	47.46	26.19	63.70	17.03	11.07	...
6% Cum. Part Pref.	8 50	9 07	10	1,750	...	...	...	...	...	...	...	...	...	...	...
Br. India Corporation	3 52	6 33xd	5	32,500	40.00	115.56	-1.23	461.72	900.58	233.80	182.52	492.27	240.47	36.05	...
8% Cum. preference	99 50	106 00xd	100	8,100	...	...	...	...	...	...	...	...	...	...	...
Brushware	...	...	10	100	...	1.21	7	1.66	2.43	2.34	1.30	3.11	1.40	3	...
Burma Lime	8 00	8 50	10	200	10	...	6	96	4.81	1.09	2	66	63	7	...
Partly Paid	...	...	1000	63	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	135	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	6 25	6 07xd	10	6,500	1.00	...	22	19.29	1	...	116.16	...	26.77	47	2.10
5 1/2% R. C. P. T.	52 50	59 50xd	100	3,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00N	820 00N	1000	3,000	1.75	1.52	21	36	14	12	10.13	...	1.30	39	...
Calcutta Hydraulic	45 00	81 00	100	800	19.00	4.12	95	24.40	17.50	4.10	...	45.95	43.91	22	...
Calcutta Investment Co.	50 00	50 00	100	5,500	...	1.75	3	5.16	18.47	12.32	99	30	4.64	1.41	...
Cal. Landing & Shipping	13 50	12 12	10	625	30	1.43	3	4.82	13.41	1.73	38	1	2.55	34	...
Calcutta Safe Deposit	7 69	8 50	1000	105	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

INDUSTRIALS—Contd.															
NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958	May 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standing	Cash	Others
	Ra. np.	Ra. np.													
NORTHERN INDIA (Continued)															
Calcutta Steam Navn...	13 50	15 96	10	1,260	524	648	73	1,303	6,589	3,915	...	212	918	4	...
Camperdown Pressing	118 00	121 00	100	430	85	15	...	45	2,12	...	2,87	...	...	76	...
Central Hydraulic	119 00	129 00	100	500	30	2,17	...	1,31	8,43	6,98	6,98	...	35	35	...
Cherra Chhatrakopway	4 50	4 88	5	475	4,75	...	...	87	12,52	9,78	15	2,57	3,99	47	...
Chrethan Mica Indus	10 25	14 34	10	3,000	14,08	8,70	1 64	57,78	66,99	21,17	23,11	55,86	37,19	10,21	...
Chrethan Mica Indus	55 00	55 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum. preference	6 50	7 12	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Deferred share	830 00	880 00	1000	1,500	...	2,06	8,17	2,08	3,16	48,88	7,63	4,14	37	4,48	3
4 1/2% Debentures	...	...	15	15	...	...	...	...	...	...	...	...	...	...	...
Clive Building	...	...	500	1,963	...	...	...	...	...	...	...	...	...	...	...
Management Shares	410 00	425 00	10	13,880	10,00	7,34	8,17	42,52	...	...	205 96	...	22	65	...
4 1/2% Debentures	8 69	9 87	...	...	...	...	...	...	...	...	...	...	...	...	...
Clive Row Inv.	...	...	10	6,000	25,00	40,05	2,85	158,13	105,62	39,55	194,60	77,37	19,19	16,07	3,38
Dalmia Cement	9 94	11 50	24	2,650	...	...	...	...	...	...	...	...	...	...	...
Ordinary	2 31	2 87	100	3,500	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	84 00	94 00	40	2,375	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	29 00	32 00	1	500	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 50	2 37	10	532	...	7	...	16	5,38	...	27	1	4	36	1
Darjeeling Properties	1 00	4 00	10	34	...	...	...	...	...	...	...	...	36	47	59
6% preference	4 00	4 00	10	248	2	43	1	41	4,01	1,08	...	...	...	...	...
Darjeeling Ropeway	5 75	6 00	10	100	...	...	...	...	...	...	...	...	...	...	...
1% Debentures	...	...	500	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills	16 00	11 00	10	560	8,00	...	1,51	14,36	37,96	22,97	4,94	9,15	10,21	1,09	...
7% Cum. preference	...	...	100	90	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Dhargadhra Chem. Works	81 00	137 00	100	2,150	40,00	18,68	1,11	79,77	140,07	37,67	...	27,61	24,95	58,94	...
Ordinary P. Paid	...	...	50	2,143	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	100	3,191	...	...	...	...	...	...	...	...	...	...	...
Duncan Brothers	125 00	100 00	100	9,000	65,00	25,50	5,36	126,39	24,02	9,83	183,46	3,35	88,16	68,10	...
4% Cum. preference	54 25	58 00	10	4,500	23,883	20,146	2,223	27,256	65,049	26,824	574	48,684	33,002	544	...
4% Cum. preference	25 12	23 12	10	3,000	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co.	116 50	119 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	77 50	88 50	100	10,251	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax	98 00	99 00	100	10,251	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	5,126	54,82	...	2,42	30,66	...	...	164,13	...	3	...	...
Eastern Investments	106 00	105 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	75 00	77 50	100	850	5,00	3,70	10	16,10	28,71	19,24	1	17,29	5,21	1,09	35
Eastern Manufacturing Co.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
F. & C. Osler	1 81	5 81	10	7,500	3,00	1,27	4,02	29,56	12,65	1,73	20,13	51,41	50,01	1,81	3,56
4 1/2% Cum. preference	41 50	46 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Frank Ross	2 19	2 19	6	495	14	...	55	2	7,89	1,96	1,18	...	11,41	3,89	22
4 1/2% Cum. preference	36 50	41 00	100	275	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Cum. preference	15 56	14 31	10	605	1,75	2,76	19	5,91	10,70	3,64	4,11	...	5,48	...	...
Frasar & Co.	25 26	21 87	20	3,000	4,00	11,28	1,96	69,12	26,45	13,73	13,08	46,95	39,23	4,39	...
French Motor	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ganges Rope	134 00	107 50	100	1,400	...	9,35	35	39,10	34 02	19,69	...	27,61	20,83	13	...
General Inv. & Trust	...	...	75	225	...	18	38	15	98	...	...	5,82	...	2	10
5% Cum. preference	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Prefr. Tax	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	11 69	11 00	10	6,500	1,700	1,721	168	21,426	2,925	1,066	10,180	4,183	13,802	1,692	2,308
5% R. C. P. T.	54 00	60 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	...	...	10	3,827	3,80	3,16	7	53,51	10,57	4,44	30,96	14,19	39,44	4,42	17,80
6% C. P. T.	...	...	10	1,415	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	18 00	24 50	100	4,000	...	9,44	1,090	6,989	6,389	3,243	...	8,549	4,150	115	63
5 1/2% C. P. T.	40 00	68 75	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	265 00	226 00	250	3,000	10,00	5,17	74	16,50	83,08	36,24	...	7,24	7 02	1,29	...
Handusthan Buildings	3 87	6 75	10	1,500	1,00	...	5	3,65	7	2	14,54	...	6,90	30	7,9
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Handusthan Gas	10 75	9 37	7	1,049	5,50	...	...	10	8,01	23,93	11,43	7	10,69	2,66	17
4 1/2% Debentures	...	...	1000	200	...	...	...	...	...	...	...	...	...	...	...
Handusthan Housing	...	...	75	1,500	...	...	...	2	6,38	23,87	1	2,50	...	4,67	38
4% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Handusthan Ice	0 75	1 25	5	1,000	...	45	1,00	...	1,73	22 57	10,00	...	31	1,33	26
5% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Handusthan Woolen	...	...	10	3,497	...	10	...	...	1,08	26	...	7,66	73	26,31	1,20
Hoara Miller	7 06	7 56	10	3,520	20,00	1,30	1,33	132,99	21,96	9,19	18,18	10,32	130,97	21	17,0
Hooghly Flour	42 50	21 62	10	600	5,65	1,00	21	8,50	15,30	12,31	...	6,56	11,28	7	...
Hooghly & Ganges Hyd.	5 50	4 37	100	800	54	86	7	1,62	15,50	4,70	5,92	10	1,21	6	...
4 1/2% R. C. P.	...	...	...	400	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	11 81	14 00	10	151,600	4,50,00	338,87	24,94	318,12	415,59	163,29	95,49	921,00	439,00	452,57	490,3
India Genl. Navigation	49 50	68 00	2	656	1,70	9,38	...	20,25	56,66	34,28	50	6,53	8,69	66	...
6% C. P.	64 00	68 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
India Linoleum	20 00	20 75	10	6,300	10,58	53,36	34	24,09	31,15	3,31	...	10,15	3,85	29	...
India Paper Pulp	10 94	9 97	100	22,500	100,00	74,74	2,71	1041,02	124,92	83,77	5,27	24,27	35,85	41,26	8,8
5% R. C. P.	81 00	84 50	10	2,500	...	...	...	...	263,27	263,27	...	4,06	178,28	265,15	...
Indian Aluminium	15 12	13 00	100	38,459	1,500	10,144	720	31,094	71,890	22,177	18	24,425	9,116	791	1,85
5% C. P. T.	65 00	64 00	10	4,000	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	39 19	23 12	10	15,289	70,00	76,00	41,82	288,41	226,86	86,85	21	295,12	286,83	19,83	...
6% C. P. P.	28 75	31 44	...	1,288	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	98 00	102 25	...	10,000	...	...	...	...	...	...	...	...	...	...	...
Indian Copper	3 09	3 57	24	1,371	11,73	...	1,15	15,08	23,51	14,30	11,10	9,74	4,69	6,93	...

Indian Finance
MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
Indian Rubber Manfrs.	G. S. Moulton & Co Private ...	...	...	...	...	34	3-56	3.68	1.80	64	5	74
	5% C.R.P. ...	...	...	...	...	...	...	...	...	5	5	5
Indian Wood Products	Gill, Arbuthnot & Co	4.62	36	4181	...	2.03	9-56	15.41	18.10	30	30	274
Indo Burma Petrol	Steel Bros. & Co. Limited	2,854	...	...	...	602	12-57	(a7)5,848	(a9)5,532	20	20	40
	7% C.P.T. ...	...	...	...	...	...	...	...	...	7	7	7
Investment & Finance	Invested & Finance	...	...	97	...	6	2-57	95	1.47	74	74	5
	5% C.P. ...	...	...	...	...	...	...	...	...	5	5	5
	6% C.P. ...	...	...	...	...	...	...	...	...	6	6	6
J. K. Comm. Corp. Ltd.	Directors	...	...	4.54	...	...	6-55	5.69	2.22	5	8	8
J. K. Investment Trust	Directors	...	...	6.93	...	...	6-55	5.86	4.47	5	8	8
	B. Ordinary	...	...	...	...	...	...	...	...	...	...	...
James Wright	Directors	1.41	12.03	19.40	5.90	...	12-55	52	73	5	5	6
	6% C.P. ...	...	...	...	...	...	...	...	...	6	6	6
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	Directors	21.23	1519.53	1567.88	26.60	...	3-57	31.99	32.66	...	...	...
	54% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
Jeevanlal (1929) Ltd.	Directors	...	...	196.96	128.96	...	12-56	6.87	4.12	...	...	...
Jenson & Nicholson	Macneill & Barry	11.81	...	...	...	46	12-55	10.37	8.16	...	...	...
	74% R.C.P. ...	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway	Directors	49	32	94	...	...	3-54	14	32	...	...	...
Kalyanpur Lime & Cement	Directors	...	25.24	35.33	3.17	...	12-54	3.08	3.96	...	...	...
	7% P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	6% 2nd Pref. ...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate	Directors	13	80	1.92	10	18	6-52	1.37	1.57	18	18	18
Karampura Development	Bird & Co. Private Ltd.	3.41	...	2.34	15	3	12-56	(a1)5.9	(a2)3.18	...	...	...
	Founders	...	...	...	...	...	...	...	...	...	...	...
Kettlewell Bullen & Co.	Directors	...	...	11.80	...	...	12-56	10.50	12.97	...	...	...
	54% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	4% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co.	Directors	...	...	1.87	...	...	12-54	1.73	1.37	...	...	...
Kumardhubi Fireclay	Bird & Co. Private Ltd	40.52	41.63	102.41	6.63	1.31	12-56	13.04	10.11	10	15	15
	7% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	54% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	East India Development Co.	4.81	199.18	247.30	7.79	12	3-55	-4.47	3.77	...	...	...
	54% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	44% Debentures	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co.	James & Co. Ltd.	2.48	10.33	17.23	8.20	30	3-53	(a)96	26	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Macneil & Barry	Directors	45.46	...	108.35	...	...	3-57	44.67	53.00	...	...	...
	54% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Martin Burn	Directors	70.11	690.15	865.53	98.37	...	9-57	90.99	96.09	214	214	184
	5% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	4% Convertible Notes	...	...	...	...	...	...	...	...	...	...	...
McLeod & Co	Directors	5.94	219.39	207.77	57.86	...	12-56	18.80	32.70	8	224	17
	5% 1st C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	5% 2nd C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	Convertible Notes	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co.	Directors	113.54	391.38	566.76	185.7	...	3-57	79.33	75.12	174	164	124
	6% R.C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	Eastern Smelting & Refining Pri.	...	72.45	87.94	26.73	35	3-57	9.24	11.01	...	...	...
	5% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary	Andrew Yule & Co.	...	...	1.71	...	...	4-57	-5.01	-11.08	...	...	...
Moradabad Water Supply	Noorulla Ghazanfarulla	...	...	1.45	...	9	10-54	42	39	...	...	...
C. & E. Morton India Ltd.	Cotton Agent, Private	4.29	16.79	40.92	6.83	22	6-57	2.98	1.51	3	3	3
Motor & Genl. Finance	Gupta & Sval Ltd.	78	...	13.46	...	...	6-55	7.88	3.94	40	15	15
	10% 1st C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	7% 2nd C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	7% 3rd C.P. ...	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co.	Directors	7,479	32,519	53,535	17,773	...	12-57	9,335	9,955	14	15	324
National Insulated Cables	Asso. Indust. Development Co.	...	...	277.31	41.16	7.23	3-56	60.78	32.36	20	15	10
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
National Safe Deposit	Directors	...	...	1.42	...	...	12-55	1.17	92	...	...	...
National Tannery	S. K. Sen & Co	50	4.03	5.55	5.09	4	12-52HY	24	-72	34	34	34
	5% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
National Tobacco	B. N. Elias & Co Private	48.19	391.77	515.64	45.45	4.08	12-56	29.61	25.28	...	...	...
	5% R.C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	44% R.C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
New India Building	Directors	...	...	...	...	...	3-56	2.35	...	...	...	...
	44% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
New India Investment	Ramduitt Ramkissandas	...	2.67	...	...	41	12-55	5.44	1.77	...	...	...
	...	...	...	...	...	...	...	...	...	...	...	...
Octavius Steel & Co.	Directors	13.25	...	48.74	...	...	12-55	29.90	21.45	10	74	10
	6% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
Oriental Paper	Birla Brothers Private Ltd.	59.37	184.48	413.89	26.14	11.32	3-57	123.66	121.57	15	124	10
	54% C.P. ...	...	...	...	...	...	...	...	...	...	...	...
	54% C.P.T. ...	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Oriental Cement	Dalmia Agencies Private	118.52	...	132.30	8.69	3.81	12-56	43.79	55.03	124	124	74
	44% C.P. ...	...	...	...	...	...	...	...	...	...	...	...

June 7, 1958

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958	May 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Ra. n.p.	Ra. np.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)															
Indian Rubber Manfrs.	15 94	26 25	10	828	5.0	53	63	4.1	16.75	9.50	4	6.15	7.94	5.85	...
5% C. R. P.	76 50	98 50	100	828	...	...	...	...	19.49	15.06	2	43.79	2.54	12.48	...
Indian Wood Products	44 62	38 50	10	2,000	16.00	4.43	1.45	21.37	9.417	4.978	24.185	2.922	7.963	5.666	...
Indo Burma Petrol	25 87ad	26 87ad	100	5,000	2,744	11,731	107	15,595	...	...	...	...	4	9	...
7% C. P. T.	86 00	94 50ad	100	500	149	1.17	20	1.65	...	...	13.38	...	...	...	...
Investment & Finance	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
J. K. Comm. Corp. Ltd.	...	...	10	2,080	822	3	7	48.15	29	17	41.67	...	35.46	4	...
J. K. Investment Trust....	...	...	780	7,008	25.50	46	7	40.23	2	1	115.02	...	15.78	8.03	...
B. Ordry	...	...	25	250	...	...	...	...	96	54	5.81	5.91	3.28	66	...
James Wright	3 12	3 12	5	588	100	53	2	7.93	...	...	...	...	...	...	...
6% C. P.	30 50	33 50	50	130	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 81	0 62	1	117	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	54 00	75 00	100	20,000	62.00	5.00	4.71	417.76	39.02	12.09	386.83	26.60	273.03	1.07	25.00
54% C. P. T.	51 00	59 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Jeevanlal (1929) Ltd.	6 00	5 87	10	2,200	800	...	12.50	120.83	34.18	24.00	6	132.77	39.45	5.73	15
Jenson & Nicholson	...	...	10	3,250	14.50	6.80	5.88	89.25	50.41	26.01	88	62.75	79.52	1.37	...
74% R. C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway	3 00	1 94	10	450	65	...	1.28	1.38	5.97	2.63	9	1.34	33	13	...
Kalyanpur Lime & Cement	102 00	100 00	100	1,815	33.15	61	1.71	31.49	48.08	1.38	51	12.92	34.90	7.22	5.71
7% P. T.	80 00	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref.	100 50	...	25	200	...	...	...	...	...	...	...	...	...	...	...
Deferred	85 00	100 00	100	158	183	1.57	25	1.72	1.95	68	63	10	27	4.59	8
Kangra Valley Slate	10 44	12 50	10	1,500	19.00	5.04	5	30.94	44.47	19.07	19.86	81	8.26	14.71	...
Karampura Development	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Founders	150 00	159 00	100	4,000	903	16.00	1.77	32.19	1.65	1.01	77.50	...	58.59	25	...
Kettlewell Bullen & Co.	49 50	57 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	54 00	53 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	75 00	70 00	100	2,000	175	24.15	53	4.03	1	...	46.77	...	1.45	1.24	...
Kishore Trading Co.	24 00	25 00	10	3,000	451	71.82	41	33.18	141.77	44.14	41	25.53	28.45	11.07	2.84
Kumardhuli Fireclay	101 00	108 00	100	208	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	54 50	66 50N	100	400	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T.	96 00	99 00	10	2,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	5 75	5 75	10	800	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	75 00	75 00	100	800	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T.	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co.	3 25	3 06	5	634	280	...	2	8.10	6.90	4.32	1.43	8.20	3.88	1.51	32
Deferred	0 47	0 46	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneill & Barry	...	...	100	15,000	27.00	43.50	4.94	112.29	43.42	10.37	256.44	12.01	148.27	1.48	60.89
54% C. P. T.	...	...	100	10,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	840 00N	880 00N	1000	7,500	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited	26 00	23 62	10	14,524	21.50	54.60	2.35	600.59	25.54	14.97	196.27	286.15	396.70	8.94	25.17
5% C. P.	93 50	98 80	100	6,000	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes	515 00	520 00	500	953	51.00	31.87	2.57	219.13	28.53	10.43	264.54	57.98	81.86	2.10	20.00
McLeod & Co.	...	...	100	4,000	...	...	...	...	...	...	...	...	...	...	...
5% 1st C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P.	...	...	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes	28 12	24 75	10	11,500	50.00	67.00	16.34	184.85	262.36	89.10	3.41	194.72	81.58	10.21	...
Metal Box Co.	82 00	91 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. T.	7 25	8 75	10	4,000	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	50 00	84 00	100	700	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	2 00	3 00	1	283	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1000	2,400	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary	21 50	21 00	100	9,400	...	41.80	16.57	24.42	7.33	52	36.71	4	98.12	7.96	...
Moradabad Water Supply	4 50	5 56	10	446	...	2	9	87	6.37	2.10	...	24	56	13	26
C. & E. Morton (India) Ltd	...	...	10	885	11.00	2.00	...	12.78	24.08	13.33	70	14.72	5.37	50	...
Motor & General Finance	...	...	25	250	...	...	...	70.63	63	24	11.42	26	82.39	1.60	...
10% C. P.	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P.	...	...	18	275	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co.	24 91xd	23 50xd	10	20,000	2,500	5,855	2,842	12,982	21,482	6,134	303	19,319	5,112	1,098	3,000
National Insulated Cable ..	27 06	20 06	10	4,000	40.00	34.62	1.44	191.29	63.81	41.53	8	118.30	168.98	7.70	...
54% Debentures	2 62	2 25	5	750	...	3.27	1	7.55	18.10	1.03	5	...	67	4	50
National Safe Deposit	2 40	1 50N	10	659	57	...	4.72	9.24	7.62	5.42	...	5.09	4.75	14	...
National Tannery	4 50	5 00N	10	50	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	10 44	9 87	10	7,997	26.11	12.02	9.03	173.78	120.52	61.75	98	192.63	85.97	19.53	...
National Tobacco Co.	60 00	69 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	55 50	61 00	100	1,998	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P.	810 00	845 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	1 00	5	1,500	...	...	...	...	...	...	...	...	...	...	...
New India Building	0 50	21 00	50	997	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	15 00	75	75	2,332	650	1.02	47	13.09	5	3	32.42	...	11.37	60	...
New India Investment	31 00	53 00	...	...	...	...	...	...	...	...	...	...	...	...	...
Octavius Steel & Co.	...	...	100	5,000	25.00	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Orient Paper ..	32 20	25 85	10	14,682	...	242.51	2.63	196.22	604.17	137.53	23.57	96.87	205.98	25.95	...
54% C. P.	85 00	92 00	100	7,181	...	...	...	...	...	...	...	...	...	...	...
54% C. P.	58 00	72 00	100	6,000	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	905 00	930 00	1000	10,000	...	31.41	11.02	178.93	209.82	98.69	23.34	65 39	27.36	13.82	119.79
54% Debentures	12 37	11 98	10	10,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement	40 00	...	100	4,000	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

June 7, 1958

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
NORTHERN INDIA (Continued)												
Orissa Minerals	Bird & Co. Private Ltd.	2,878	752	8,877	1,305	179	6-57	1,720	(y)994	20	20	20
Port Shipping Publicity Society	Andrew Yule & Co.	17.72	12.86	39.08	...	68	12-56	6.78	4.69	15	15	10
Punjab Minerals	Bird & Co. Private Ltd.	5	73	90	...	1	9-57	233	167	50	25	25
								1	-57	nil	nil	nil
Rallis India	Directors	5,182	241,935	249,633	26,185	...	8-57	(b)2,120	(b)2,752	nil	nil	nil
Reliance Firebrick	6% C. P. T.	...	...	...	...	...	...	...	...	nil	nil	nil
Rohas Industries	Directors	15.84	12.77	41.76	1.40	...	2-56	7.43	3.61	10	10	24
	Sahu Jain Ltd.	102.45	649.90	1008.26	134.36	8.31	10-56	120.61	103.25	15	15	15
	7 to 9% C. P.	...	...	...	...	...	...	...	...	9	9	9
	4% C.P.	...	...	...	...	...	...	...	...	4	4	4
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	Directors	...	...	38.20	5.77	...	3-55	1.91	...	8	8	...
Shaw Wallace & Co.	Directors	37.31	285.46	345.64	68.12	...	12-56	30.02	37.23	10	10	12
	6% C. P. T.	...	...	...	...	...	...	...	...	6	6	6
Shiva Jute Press	Kedarnath Mohanlal	...	...	...	...	...	6-55	Ra. 3.07	40	6	1	6
Shree Gopal Paper	K. Ch. Thapar & Bros.	16.37	64.63	136.34	17.05	2.43	12-56 H	25.00	24.32	6	6	6
	4% C. P. P.	...	...	...	...	...	...	...	...	4	4	4
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet	Directors	11.89	97.60	113.82	40.30	...	6-56	7.51	5.29	20	20	10
	10% Pref. Cum. as to 7%	...	...	...	...	...	...	...	...	10	10	10
Sonakunda Baling	Bird & Co. (Pak) Ltd.	3.44	186.39	200.88	52.00	6	2-55	-2.50	-2.32	10	10	10
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sone Valley Port Cement	Directors	19.89	59.70	114.08	1.56	...	12-56	(b)7.98	11.54	3	6	5
Star Co.	Directors	7	...	1.12	...	...	3-54	49	44	3	2	2
Star Paper Mills	Bajoria & Co.	3.35	19.83	33.24	11.10	52	9-55 H	3.59	3.47	24	24	24
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Star Trading & Inv.	Bajoria & Co.	7	...	26	...	3	6-53	-32	-14	nil	nil	nil
Straw Products	J. K. Agents Private Ltd.	4.51	10.52	26.49	1.46	70	12-55	5.15	...	10	5	5
Sutna Stone & Lime	Directors	2.73	3.27	9.71	26	...	12-6	1.97	1.58	13	11	11
Tide Water Oil	Andrew Yule & Co. Ltd.	6.34	42.92	49.60	18.19	...	10-56	2.43	2.23	12	10	nil
Titaghar Paper Mills	F. W. Heiglers & Co. Private	111.1	218.83	703.92	16.51	9.81	3-57	127.41	107.99	23.75	21	17
	8% C. P.	...	...	...	...	...	...	...	...	10	10	10
	4% C. P.	...	...	...	...	...	...	...	...	4	4	4
Union Co.	Directors	6	...	1.58	...	...	3-54	12	-1.31	nil	nil	5
United Flour	Shaw Wallace & Co. Ltd.	3.66	68.20	83.69	5.67	44	11-56	4.07	3.41	45	35	17
Walford Transport	Directors	10.59	176.67	199.11	20.06	...	12-56	8.54	4.89	14	14	12
	Extd. Ordinary	...	...	...	...	...	...	...	...	12	12	11
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	7.74	176.27	288.52	...	1.33	3-56	15.63	24.38	12	12	12
Andhra Cement	Andhra Engineering Co.	7.75	35.27	94.33	6.55	1.20	12-55	19.88	17.15	10	10	10
	B. Ordinary	...	...	...	...	...	...	...	...	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Andhra Scientific Co.	Srinanth Industrials Pri. Ltd.	1.42	8.59	12.81	6.79	...	6-55	-91	-4.19	nil	nil	nil
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Bangalore Printing	Directors	1.50	1.36	4.14	2.10	...	12-56	84	83	10	10	10
	Second Ordinary	...	...	...	...	...	...	...	...	...	...	...
Binnay & Co.	Directors	...	...	11,398	940	...	12-57	2,840	3,065	10	10	10
Central Scientifics	Guru Agencies	70	6.59	18.83	2.78	19	3-56	78	52	10	10	10
Coimbatore Chem. & Fert.	Venus & Co.	...	...	6.92	...	5	3-55	11	15	8	8	8
	6% C. P. P.	...	...	...	...	...	...	...	...	5	7	nil
East Coast Food Products	Sudarsanam S. Murthy Ltd.	82	39.71	57.52	5.59	21	3-54	1.65	2.40	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
Fertilisers & Chemicals	Seshasayee Bros.	4.05	137.04	188.26	1.59	18	12-55	40.49	26.70	nil	nil	nil
Forest Industries	Seshasayee Bros.	...	...	8.55	...	...	3-56	3.80	6.00	nil	nil	nil
General Papers Ltd.	Gany & Co.	...	...	...	...	19	3-55	67	37	6	6	12
Hyderabad Inv. Synd.	M. Amolakchand Bros. Ltd.	...	...	1.58	...	17	9-55	54	67	2	2	nil
India Cements	Essen Pri. Ltd.	1.41	70.31	123.81	6.62	2.49	3-56	25.97	24.19	8	7	5
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	Deferred	...	...	75	...	...	...	...	...	5	7	5
Investment Trust of India	Kothari Mehta & Co. Pri. Ltd.	...	...	...	...	7	9-57	65	63	5	4	4
Jeyapore Mining	R. S. Indus'l Corpn.	64	1.14	5.76	7.17	9	6-55	1.08	1.00	10	6	5

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	May 1958	May 1957			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
	Ra. np.	Ra. np.													
NORTHERN INDIA (Continued)															
Orissa Minerals	25 62	20 06	10	2,000	603	3,046	116	5,322	4,910	2,787	2,511	2,152	3,220	724	358
Port Shipping	15 62	16 50	10	1,408	6,25	18.94	63	8.54	40.59	7.59	4.51	78	6.16	3.99	...
Publicity Society	7 70xxta	10 00	4	191	107	208	21	1,378	181	164	168	...	1,654	65	...
Punjab Minerals	...	...	10	300	...	...	-134	31	164	2	...	...	26	1	9
Rallis India	34 00	34 50	100	22,500	...	483	-4,413	29,550	12,226	6,008	1,127	27,442	19,478	1,356	...
6% C. P. T.	53 00	61 50	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	22 00	20 00	10	600	3.19	7.43	51	15.93	33.79	23.63	...	7.92	13.09	1.89	...
Rohas Industries	18 81	17 56	10	22,800	120.00	16.20	49	592.92	1060.39	396.23	25.90	246.75	137.64	3.28	106.4
7 to 9 C. P.	116 00	122 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	58 00	62 50	100	6,476	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	910 00	910 00	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	...	...	100	999	1.45	1.29	4	14.91	1.71	...	72	5.80	18.27	1.16	...
Shaw Wallace & Co.	10 25	11 31	10	7,500	1.00	16.00	3.64	309.23	37.03	7.05	46.83	71.16	217.74	2.25	111.92
6% C. P. T.	63 00	68 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Shiva Jute Press	65 00	100 00N	100	450	1.10	10	42	50	9.69	4.96	32	...	1.53	3	...
Shree Gopal Paper	16 00	14 75	10	12,549	37.75	30.21	3.18	94.84	156.54	100.80	50.34	98.27	94.81	30.85	8.98
6% C. P. P.	99 00	116 00	100	750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	950 00	1000 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	950 00	990 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet	12 12	11 69	5	500	3.00	8.00	1.18	36.86	18.54	13.94	...	43.80	7.60	3.06	...
10% Pref. cum. as to 7	52 00	87 00	100	600	5.02	16.73	-5.67	60.25	38.53	13.27	...	54.01	7.79	77	...
Sonakunda Baling	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	4 37	6 00	5	7,500	7.50	10.20	4	39.30	209.87	150.04	5.80	44.68	19.23	38	14
Sone Valley Port Cement.	81 00	81 50	100	1,040	7.25	2.38	-85	7.26	14	5	16.74	...	6.21	...	3.41
Star Co.	11 75	10 12	10	3,000	3.00	3.50	14	37.07	65.85	31.03	28	32.25	25.47	89	...
Star Paper Mill	61 00	67 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	870 00	940 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	8 00	8 00	25	500	40	...	-57	6.14	2	1	9.39	...	1.54	2	...
Star Trading & Inv.	14 50	15 12	10	1,500	21.50	60.41	16	8.37	88.62	21.68	21.26	6.59	4.78	5.86	...
Straw Products	19 50	18 00	10	323	22	58	25	3.08	8.13	4.71	10	1.35	1.75	91	...
Sutna Stone & Lime	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tide Water Oil	14 00	13 37	10	600	4.50	5.03	58	27.56	2.30	1.67	...	24.75	13.57	2.72	2.80
Titaghar Paper Mills	38 75	33 37	10	11,205	47.53	322.97	93	243.97	613.24	351.67	52.43	183.70	183.42	11.79	63.23
4% C. P.	4 12	3 88	24	437	...	...	...	...	...	...	...	...	...	...	...
Prefd. Ordinary	125 00	131 00	100	1,150	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	76 50	87 25	100	1,500	...	...	...	...	...	...	...	...	...	...	...
4% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Union Co.	75 00	107 50	100	1,250	7.50	4.62	-93	25.16	14	10	23.15	...	25.64	...	...
United Flour Mills	31 00xtd	39 00	10	250	4.70	3.35	17	7.31	7.87	5.35	18	5.97	7.19	2.18	...
Walford Transport	1 94	2 03	1	841	10.00	8.00	1.67	27.60	12.00	7.87	41	31.44	16.56	4.75	47
Prefd. Ordinary	1 41	1 87	1	210	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminum Industries	14 25	13 15	10	4,000	18.00	10.25	65	104.06	56.26	21.56	11.80	75.18	61.96	1.12	...
Andhra Cement	...	...	100	1,138	5.43	7.79	20	46.65	83.25	44.19	...	27.98	28.16	1.74	...
B. Ordinary	11 50	12 80	10	3,980	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	102 00	106 00	100	249	...	...	-8.72	17.53	8.18	4.57	...	10.43	4.60	11	...
Andhra Scientific Co.	3 70	3 69	10	800	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	5 12	5 12	10	200	...	...	...	...	...	...	...	...	...	...	...
Bangalore Printing	10 80	...	10	300	2.05	1.01	6	1.42	6.89	4.08	1.14	2.11	1.38	25	...
Second Ordinary	...	...	10	16	...	...	...	...	...	...	...	...	...	...	...
Binny & Co.	152 00	174 00	100	10,000	3,600	753	420	6,221	3,947	1,964	12,755	1,070	4,724	363	...
Central Scientifics	5 75	6 12	5	150	1.30	53	2	1.64	96	40	...	2.81	2.56	55	...
6% C. P. P.	4 60	5 20	5	150	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Chem & Fert	...	...	25	139	...	...	...	3.39	1.45	29	1	3.11	21	30	...
East Coast Food Products	...	...	10	1,454	...	...	-2.77	9.94	16.64	4.28	...	9.56	4.66	2	1.59
6% C. P.	...	...	100	394	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	249	...	...	...	...	...	...	...	...	...	...	...
Fertilisers & Chemicals	5 25	5 70	10	34,598	...	...	-30.69	99.79	422.53	192.72	25.75	91.28	51.85	13.29	3.04
Forest Industries	1 90	1 60	5	2,491	13.28	...	-14.85	7.13	14.11	4.70	...	3.50	10.78	6.78	...
General Papers Limited	9 80	8 00	10	500	1.85	33	...	7.57	87	53	1	8.81	5.04	55	...
Hyderabad Inv. Synd.	...	...	50	2,142	1.00	...	1	2.65	...	...	11.52	...	9.65	3.91	...
India Cements	27 50	26 00	25	6,209	...	19.00	2.97	76.11	148.33	54.03	7.89	33.33	34.18	14.75	13.09
5% Cum. preference	86 00	89 50	100	2,987	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 35	5 25	5	750	...	...	...	...	...	...	...	...	...	...	...
Inv. Trust of India	58 00	82 00	100	1,000	30	1.78	3	1.18	...	...	10.70	...	2.48	12	...
Jamshedpur Mining	...	...	100	400	2.40	31	46	10.94	6.35	1.63	36	8.83	4.10	4	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second previous
SOUTHERN INDIA (Continued)												
Madras Indus. Invt. Corpn	Directors	...	...	6,37	...	...	6-54	5,43	5,29	3	3	3
Madras Safe Deposit	Kothari & Sons	...	...	46	...	2	6-56	22	7	4 1/2	4 1/2	3 1/2
Madras Vanaspathi	Kubera Vanspati	...	...	...	...	...	4-55	-1,52	-2,01	nil	nil	nil
	Ordinary	...	...	...	...	...	...	...	...	nil	nil	nil
	5 1/2% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri.	1,82	...	55,77	8,87	25	3-56	1,21	86	10	9	9
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
McDowell & Co	Directors	...	...	...	...	...	12-55	51	1,03	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Mettur Chem. & Indus. Corp.	Seshasayee Bros. Private Ltd.	10,59	58,11	96,89	9,38	1,67	3-57	19,18	16,12	7 1/2	7 1/2	6 1/2
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	Directors	...	...	...	...	...	6-56	-18	-1,12	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Mysore Chem. & Fert	Directors	...	...	...	...	...	3-56	2,97	3,75	5	5	5
Mysore Chem. Manfrs.	Directors	...	27,99	31,47	...	...	3-57	4,57	2,86	20	20	20
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Mysore Chrome	Directors	...	...	5,14	1,91	...	6-56	-13	-50	nil	nil	nil
Mysore Coffee Curing	Directors	59	1,74	4,47	...	...	12-55	1,70	1,27	10	10	10
Mysore Indus. & Test	Directors	1,27	5,48	10,62	2,94	...	3-56	2,81	2,48	8 1/2	6 1/2	6 1/2
Mysore Laboratory	Partly Paid	...	...	...	...	...	...	...	...	8 1/2	6 1/2	6 1/2
Mysore Lamp	Directors	45	56	...	...	...	3-55	1,23	1,49	7 1/2	10	10
	4% C. P.	...	...	...	...	...	...	...	...	4	4	4
Mysore Match	Directors	...	...	1,20	8	...	6-56	3	10	nil	nil	nil
Mysore Paper	Directors	13,04	40,05	68,50	5,36	...	3-55	1,72	1,99	7 1/2	7 1/2	5
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.	...	5,65	9,23	71	35	3-56	2,24	1,77	10	7 1/2	5
Mysore Veg. Oil	Directors	1,13	6,41	30,75	2,10	...	6-56	1,19	-21	nil	nil	nil
National Chemicals	Murthy & Co.	...	...	...	...	...	6-54	-89	-95	nil	nil	nil
	5% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil
Ogale Glass Works	S. P. Ogale & Co.	...	...	35,48	3,72	18	12-53	5	-2,78	nil	nil	ni
Perry & Co.	Coromandal Invt. Trust	...	...	...	...	1,58	12-54	22,19	20,38	15	15	15
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	4 1/2% Debentures	...	...	...	...	...	...	...	...	5	5	5
Punalur Paper	A. & F. Harvey	11,92	50,34	78,07	7,50	47	6-56	8,49	4,58	5	5	5
Radio & Electricals	Directors	1,64	17,44	16,66	16,50	...	12-55	2,08	1,84	9	7 1/2	nil
Radio & Electricals Manfrs.	Directors	2,57	...	5,03	2,24	...	3-56	9,07	3,10	6	6	nil
Rane (Madras)	Iyer & Co. Ltd.	1,84	68,89	75,48	13,86	58	3-56	2,80	1,97	15	20	15
	7% 'A' C. P.	...	...	...	...	...	...	...	...	7	7	7
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	Directors	...	...	...	...	...	5-56	49,12	70,46	6	6	6
Spencer & Co.	Directors	39,18	218,93	296,56	...	...	6-56	25,04	19,85	15	15	15
	6 1/2% 'A' C. P.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
	8 1/2% 'B' C. P.	...	...	...	...	...	...	...	...	8 1/2	8 1/2	8 1/2
Thomas & Co. A. V.	Directors	1,89	...	7,50	...	...	12-55	2,48	2,94	10	10	10
	"B" Ordinary	...	...	...	...	...	...	...	...	10	10	10
	6% Cum. Preference	...	...	...	...	...	...	...	...	6	6	6
A.V. Thomas & Co., (India) Ltd	Directors	32	...	3,10	1,69	...	6-56	54	1,23	10	10	10
	5% Cum. Preference	...	...	...	...	...	...	...	...	10	10	10
Travancore Cements	Esael Ltd.	7,93	21,58	45,63	2,79	56	12-56	9,53	10,91	nil	nil	nil
Trav. Chem. & Manfr. Co.	Directors	31	77	3,07	18	...	3-56	1,37	51	20	6 1/2	6 1/2
Travancore Ogale Glass	Ogale Bros. Private Ltd.	12	5,74	7,23	16	10	12-55	1,70	-60	nil	nil	nil
United Coffee Supply	T. Stanes & Co.	88	...	...	...	59	6-55	3,24	2,68	17 1/2	13 1/2	8 1/2
United Elec. Industries	Directors	...	...	12,35	30	...	12-54	45	...	6	5	...
	5% Cum. Pref.	...	...	...	...	...	...	...	...	5	5	...
Vanjimad Matches	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
	6 1/2% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Vasant Soap Works	Ramkrishna & Sons	...	...	1,40	20	6	12-55	-26	-28	nil	nil	nil
	5 1/2% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil

(a) After writing back Rs 171,052 being excess provision for Sales Tax and Rs 44,165 being excess depreciation.

(b) After transferring Rs 1,404,391 from Property Reserve and Rs 525,000 from provision for taxation and taxation contingencies.

(c) After transferring Rs 1,50,000 from Dividend Equalisation Fund.

(d) After transferring Rs 2,00,000 from General Reserve.

(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.

(f) After writing back Rs 50,00,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax, and Rs 10,860 being expenses and Rs 5,85,925 profit on realisation

of Investments; Rs 8,45,930 surplus on revaluation of stores, and Rs 34,300 surplus on sale of machinery.

(g) After transferring Rs 4,50,000 from Investment

(h) After transferring Rs 11,00,000 from Development Reserve and Rs 4,408,341 being excess provision.

(i) After writing back Rs 276,904 being over provision in previous years.

(j) Includes Rs 22,366 being surplus arising from Devaluation.

(k) After writing back Rs 4,00,000 being part of taxation and tax contingencies not required and Rs 2,70,000 being provision for depreciation on Investments.

(l) After writing back Rs 38,40,843 being excess provision for depreciation in previous years.

(m) After transferring Rs 200,906 from General Reserve.

(n) After writing back Rs 3,60,000 being excess amount of provision for taxation.

(o) After transferring Rs 2,89,176 from General Reserve.

(p) After writing back Rs 1,24,002 being provision for taxation and including Rs 23,689 being refund of Income-tax.

(q) Bonus shares in the ratio of one fully paid ordy share for every five ordy shares will be issued in lieu of Dividend.

(r) Includes Rs 17,99,170 being indemnity payable from the Government of India.

(s) After transferring Rs 1,00,000 from General Reserve and Rs 50,000 from Investment

(t) After transferring Rs 3,85,000 from Reserve and including Rs 96,486 being profit on investments sold in previous years and Rs 46,805 being profit on sale of stores.

(u) After writing back Rs 30,000 being excess provision for taxation.

(v) After transferring Rs 2,00,000 from General Reserve.

(w) After transferring Rs 1,12,248 from Capital Reserve and Rs 20,000 from provision for leave wages no longer required.

(x) Bonus shares in the ratio of one Ordinary share for every Ordinary shares held will be issued in lieu of Dividend.

(y) After writing back Rs 1,00,000 from provision for taxation and Rs 3,500 from excess provision for law charges.

(z) After transferring Rs 2,50,000 from Investment Reserve.

(aa) After transferring Rs 80,000 from provision for contingency.

(ab) After transferring Rs 3,00,000 from General Reserve.

(ac) After writing back Rs 110,265 being surplus Reserve for taxation.

(ad) After writing back Rs 6,00,000 from provision for taxation.

(ae) There was no trading and the activities were confined to the installation of the Factory.

(af) Includes Rs 7,25,671 being Depreciation provided in previous years on block Assets sold written back and after transferring Rs 75,000 from Reserve.

(ag) Includes Rs 308,219 being adjustment account of previous year and Rs 88,564 being provision for legal expenses written back.

(ah) Includes Rs 15,28,843 being profit on sale of investments.

(ai) After transferring Rs 500,000 from General Reserve.

(aj) After transferring Rs 500,000 from General Reserve.

(ak) After transferring Rs 500,000 from General Reserve.

(al) After transferring Rs 500,000 from General Reserve.

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(cx) After transferring Rs 500,000 from General Reserve.

(cy) After transferring

COAL

NAME	Managing Agents Agents, Secretaries	Colliery expenses Rs. 000	COAL		Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission and allowances Rs. 000	Year ended	Net Profit		DIVIDEND %		
			Raisings	Despatches					Latest	Previous	Latest	Pre- vious	Second pre- vious
			(000) Tons	(000) Tons					Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd.	122.49	8.53	8.55	150.83	32	1.35	3-57	(p)13.43	15.41	12.4	12.4	11.4
Associated Laikdih	K. L. Dutt & Co.	...	...	...	...	...	...	3-54	-23	-9	Nil	Nil	Nil
Bagdigi Kujama Bengal	44% R. C. Preference K. L. Dutt & Company	...	10	10	1.48	15	...	3-54	-16	22	Nil	Nil	Nil
Bengal Bhatdoo	5% Debenture Purshotam Co.	2.94	58	60	10.14	39	...	9-53	2.31	2.03	5	4	5
Bengal Nagpur	Andrew Yule & Co. Ltd.	119.42	23.20	25.59	430.94	13.92	4.33	10-56	b)73.29	85.41	174	174	15
Bharat	44% C. P. T.	...	43	46	8.10	47	...	12-56HY	75	93	14	14	4
Bhulanbarree	Kalyanji Mavji & Co.	...	61	57	11.60	1.43	...	12-56	16	-48	Nil	Nil	Nil
Bhurangya	Andrew Yule & Co. Ltd.	...	4.69	4.62	87.69	4.91	...	9-55	-1.20	-1.15	Nil	Nil	Nil
Bokaro and Ramgur	7% C. P.	...	...	...	...	...	...	6-57	7.57	7.65	5	5	5
Borra	44% Debentures F. W. Heilgers & Co. Pri. Ltd.	10.05	76	81	11.98	1.87	9	12-55 H	8	1.42	Nil	Nil	Nil
Burrakur	Ram Saran Das & Rathor Pri	4.45	40	35	5.33	26	...	3-56	-29	-87	Nil	Nil	Nil
Central India	Anderson Wright	3.58	38	47	6.93	5.84	29	12-52 H	1.47	35	Nil	Nil	Nil
Central Kurkond	F. W. Heilgers Private	...	1.46	1.44	23.24	42	31	12-56	(m)2.59	(n)5.72	15	20	20
Churulia	64% C. P.	...	4.66	4.72	121.62	7.54	1.70	12-56 H	(o)17.31	12.39	31	31	31
Dhemo Main	7% C. P.	...	...	...	...	...	...	...	...	...	3	3	3
East Indian (E)	6% 2nd C. P. T.	...	...	...	...	...	...	...	...	...	3	3	3
Equitable	44% Debentures Hindustan Inv. Corporation	34.76	1.56	1.55	26.45	1.16	64	3-57	7.71	6.43	5	5	2
Ghuseck and Muslia	Anderson Wright	5.80	60	68	9.26	3.92	13	12-54 H	49	13	13	13	3
Gourangdi	F. W. Heilgers Pri.	...	...	...	...	...	...	12-56	11	-2	1	1	1
Guzdar Kajora	Macneill & Barry	24.23	2.12	2.11	36.48	79	47	12-56	-40	(o)3.83	Nil	Nil	Nil
Hurriladhi	Jardine Henderson Ltd.	...	5.51	5.23	...	...	...	4-56	1.09	1.50	18	224	18
Jainty Central	Macneill & Barry	179.05	16.85	16.85	333.70	10.72	3.33	12-56	22.78	26.38	15	15	15
Kalapehari	54% C. P.	...	...	...	...	...	...	...	...	...	6	6	6
Karanpura Collieries	Bhatia's Agency	13.88	1.52	1.48	21.21	4.10	36	3-54	1.04	1.65	5	7	5
Katras Jheriah	5% C. P.	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Khas Kajora	Bhatia's Agency	45	14	8	1.00	1.85	...	3-54	-12	-8	Nil	Nil	Nil
Kuadi	5% R. C. P.	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Lakurka	Debentures	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Mahabir	Oha Brothers	85	21	15	2.24	15	10	6-55 H	45	29	Nil	Nil	Nil
Mundulpoor	Macneill & Barry	20.76	1.90	1.90	32.65	55	45	12-56	2.26	5.64	15	25	17
Nazira	Villiers	...	3	2	24	15	...	12-54	56	-23	Nil	Nil	Nil
New Beerbhoom	Baipaie Trust Private	...	1.31	1.16	...	...	...	12-56	1.12	1.24	Nil	Nil	Nil
New Churulia	5% R. C. P.	5.52	38	34	5.42	42	11	2-57	-81	73	Nil	Nil	Nil
New Huntodih	Andrew Yule & Co. Ltd.	18.20	1.45	1.45	24.92	48	17	2-57	2.71	3.67	Nil	Nil	Nil
New Joyrampore	54% C. P. T.	10.45	3.10	3.32	59.01	2.73	1.20	1-57	(r)11.70	11.87	65	5	5
New Manbhoom	Directors	3.53	35	36	5.54	76	...	12-55 H	1.25	...	Nil	Nil	Nil
North Damuda	8% Preference (g)	...	33	28	4.45	1.06	18	6-56	65	94	14	14	14
North West	H. V. Low & Co.	3.66	61	56	7.96	1.35	33	4-56	42	(s)24	14	14	21
Ondal	Daulat Rawatmull	3.57	...	...	6.21	40	13	12-55	1.65	1.36	7	10	10
Oriental	44% R. C. P.	4.64	...	...	5.05	1.41	...	6-54 H	-79	...	4	4	4
Parasoo	Directors	1.12	18	18	5.80	6	...	12-55	1.36	1.40	Nil	Nil	Nil
Pench Valley	Jantia Brothers Private	21.17	4.48	4.55	75.62	1.31	37	10-56	5.54	9.62	7	8	7
Pure Sitalpur	Andrew Yule & Co. Ltd.	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Raneegunge	7% C. P.	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Rewa	Business Development	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Samsa	5% C. P.	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Searsole	44% Debentures	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Sesbore	New Huntodih	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Singareni	5% Cum Preference	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
South Karanpura	5% Cum Preference	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Standard	Daulatram Rawat Mull	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Talcher	5% Cumulative Preference	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
Union	R. S. Das & Rathor Private	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
United Collieries	Octavius Steel	18.58	1.43	1.21	23.70	85	38	6-56 H	-8	-1.11	Nil	Nil	Nil
West Ghuseck	Jantia Brothers	7.20	59	55	8.54	1.37	...	3-57	1.88	1.22	5	Nil	Nil
West Jamuria	Andrew Yule & Co. Ltd.	22.49	1.41	1.47	26.94	...	12	1-51 H	1.33	1.37	Nil	Nil	Nil
West Laikdih	Partly Paid Ord	...	...	...	...	...	...	3-57	1.33	1.17	15	15	15
Western Bengal	F. W. Heilgers Private	...	...	...	...	...	...	12-56	1.05	1.30	7	10	6
	64% C. P.	...	...	...	...	...	...	...	...	...	6	6	6
	K. C. Thapar & Bros. Private	11.18	1.73	1.63	24.98	2.36	33	12-55	2.42	2.08	2	5	3
	5% Debentures	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
	54% R. C. P.	10.36	1.11	1.02	15.49	29	87	12-55	3.55	2.67	10	7	2
	Deepchand Kishanlall	...	4.64	4.63	81.91	26	1.18	3-57	10.53	9.25	20	14	15
	Amritlal Ojha	1.69	22	16	2.50	37	5	6-55 H	36	36	24	24	15
	Debentures	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
	B. N. Elias & Co. Private Ltd.	18.50	1.87	1.93	29.80	2.79	19	3-56 H	5.53	3.52	3	3	3
	Shaw Wallace & Co. Ltd.	...	3.85	3.88	60.70	1.35	...	12-56	(a)7.53	9.85	15	21	13
	Jaipuria Sons Ltd	23.05	2.97	3.22	56.53	38	73	12-56	7.34	5.91	12	10	13
	Directors	5.04	51	49	7.26	50	...	1-56	1.04	1.44	15	30	25
	Andrew Yule & Co. Ltd.	2.49	82	85	13.81	26	41	12-56	(d)4.26	6.02	32	12	28
	5% Cum. Preference	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
	F. W. Heilgers & Co. Pri. Ltd.	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
	Amritlal Ojha	1.01	16	15	2.42	1	7	6-55 H	(f)18	(k)-11	24	24	24
	Debentures	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
	Industrial Trust Fund	...	16.82	15.66	361.84	6.93	14	12-56	50.90	51.65	10	7	7
	Bird & Co. Private Ltd.	18.30	1.82	28.59	13	13	15	8-56	2.39	29	3	1	1
	F. W. Heilgers Private	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
	Villiers	4.92	55	56	8.44	5	11	12-56	1.11	(h)32	10	10	15
	Debentures	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
	Williamson Magor & Co. Ltd.	9.97	76	70	11.58	83	15	12-56	1.10	23	Nil	Nil	Nil
	K. C. Thapar & Bros.	10.7	2.15	2.13	31.60	62	1.45	12-54	10.38	-40	Nil	Nil	Nil
	5% C. B. P.	...	...	...	...	...	...	...	...	...	Nil	Nil	Nil
	Bhatia's Agency	1.11	19	13	1.83	1.76	...	3-54	-21	-5	Nil	Nil	Nil
	Macneill & Barry & Co. Ltd.	17.45	1.67	1.81	28.84	1.39	38	12-56	(a)32	Nil	Nil	Nil	Nil
	K. L. Dutt & Co.	1.47	13	10	1.46	8	...	12-54	4	2	Nil	Nil	Nil
	Hindustan Inv. Corporation	18.87	1.99	2.02	34.25	59	29	3-57	5.48	7.18	5	5	5

(a) After transferring Rs 2,57,000 from Development Reserve Rs 16,863 from Bad and Doubtful Debt Reserve; and Rs 25,491 from unclaimed liabilities.
(b) After writing back Rs 15,43,998 from provision

for liabilities no longer required and Rs 7,37,326 being coal stock reserve.
(c) After transferring Rs 1,20,000 from Replacement Reserve.

(d) After writing back Rs 1,07,867 being provision for liabilities and Rs 15,000 from provision for taxation.
(e) After transferring Rs 35,000 from provision for taxation and Rs 50,180 from provision no longer required.

COMPANIES—(All India)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	May 1958	May 1957			Reserves	Other	Carry Forward				Invest- ments	Stocks and Stereos	Out- standings	Cash	Others
	Ra. a.p.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Amalgamated	17 87	15 93	10	2,550	11,00	12,80	30	43.51	99.36	69.86	1.13	20.15	40.12	1.71	49
Asso. Karanpura	3 00	1 80	100	900	...	...	-1.89	2.19	9.98	...	...	28	26	1	28
44% R. C. preference	40 00	24 50	100	150	...	...	...	1.90	10.30	1.49	...	72	1.42	5	1
Asso. Laikdih	1 69	1 62	10	800	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	...	500	180	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujama	4 11	4 50	100	2,000	...	90	1	3.21	21.72	4.51	...	68	3.94	2.29	...
Bengal	241 00	214 00	100	10,000	100.00	60.29	9.45	180.55	610.17	419.74	13.10	115.65	136.98	14.31	...
Bengal C. P. T.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Bengal Bhatdoo	5 88	6 00	10	449	...	88	1	4.31	9.25	5.69	...	94	3.14	2.95	...
Bengal Nagpur	13 50	15 00	100	225	3.91	1.32	-1 09	57	24.88	22.43	3.49	...	56	1.58	...
7% C. P.	68 00	83 50	100	112	...	...	...	...	...	...	...	...	...	...	...
Bhalsora	6 56	4 75	10	1,597	1.00	3.73	-2.42	14.28	47.74	22.98	...	2.86	4.88	6	...
Bharat	5 81	5 94	10	3,000	2.75	...	2	5.185	14.483	7.759	2,063	1,646	4,972	57	...
44% C. P. T.	45 50	49 25	100	3,000	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	...	...	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Bhulanbarore	13 50	13 62	10	715	6.61	7.68	-1.87	5.78	52.62	37.38	64	2.63	6.40	5	39
Bhuranaga	2 00	2 00	10	1,000	...	...	-10.75	13.46	16.92	6.18	31	6.9	76	2	18
Bokaro & Ranpur	10 25	11 25	1000	1,600	4	16.84	-79	19.35	68.15	40.00	...	9.42	23.23	7	...
44% Debentures	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Borra	17 62	16 81	100	750	6.34	17.83	20	7.68	45.38	27.11	11.01	1.42	9.62	2.91	30
64% C. P.	86 75	99 50	100	400	...	...	...	...	...	...	...	...	...	...	...
Burrakur	21 87xd	22 37	10	9,092	17.94	151.21	93	88.54	425.18	195.93	29.69	37.83	90.95	1.19	8.13
7% C. P.	93 00xd	113 50	100	2,300	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	6 00xd	8 12	10	450	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	870 00	900 30	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Central India	7 50	12 50	10	4,997	...	...	8	10.86	46.39	12.80	1.67	7.28	14.68	3.69	...
Central Kurkand	12 00	1 94	4	800	1.44	...	4	9.89	49.12	33.03	...	5.69	9.65	24	21
Churulia	2 00	5 75	10	600	...	12.85	69	15	...	...	7.28	...	15	10	...
Dhemo Main	7 25	24 00	£ 1	1,600	...	...	-3.37	26.34	54.02	30.95	...	2.69	13.12	9	...
East Indian (S)	19 87	24 25	10	240	1.00	2.80	59	2.01	9.71	7.31	2.17	105	1.81	1.38	...
Equitable	27 41	24 25	100	2,964	34.00	53.22	4	171.73	417.92	300.76	15.76	61.89	145.60	9.58	...
6% C. P.	90 00	99 00	...	400	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	970 00	992 50	...	5,000	...	...	...	...	...	...	...	...	...	...	...
Ghusick & Muslia	17 00	15 75	10	1,000	2.00	16	11	13.03	10.77	3.74	3.00	8.17	11.52	...	22
5% C. P.	95 00	103 00	...	500	...	...	...	...	...	...	...	...	...	...	...
Gourangdi	7 09	7 50	100	375	...	...	-1.63	2.55	6.71	60	...	2.31	...	41	6
5% R. C. P.	40 00	40 00N	...	125	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Guzdar Kajora	8 50	1 50	10	650	...	17	-17	1.64	7.87	3.29	2	1.13	2.36	...	6
Hurrilidih	15 37	22 12	10	800	6.50	75	45	10.99	22.41	19.22	49	1.70	11.23	10.09	...
Jainiy Central	2 00	2 25	2½	242	...	...	-2.68	5.03	16.24	12.08	...	51	19	...	...
Jogta	1 70	1 50	10	2,200	...	5.00	-5.48	3.80	3.029	1.053	19	...	6.29	3.27	80
5% C.P.R.	30 00	45 00N	100	500	...	...	...	...	...	...	...	...	...	...	...
Kalopahari	20 00	20 00	10	350	4.31	1.36	-3.18	2.00	14.13	7.33	...	94	11	13	...
Karampura	94 00	88 50	100	2,000	...	2.22	2	9.02	31.26	5.71	2	2.32	7.70	3.24	2.32
54% C. P. T.	44 50	54 25	10	990	...	...	...	...	...	...	...	...	...	...	...
Katras Jheriah	58 75	54 62	10	500	17.60	...	-1.83	22.37	47.66	37.71	7.29	6.83	14.71	8.88	...
Khas Kajora	3 75	3 75	10	138	...	...	...	11.03	13.53	6.93	...	2.35	3.55	1	...
8% Preference (a)	5 00	3 19	10	193	...	...	...	...	...	...	...	...	...	...	...
Kuadi	2 75	2 44	10	1,100	68	...	14	1.94	16.87	10.94	2.95	1.58	3.26	5	...
Lakurka	11 00	8 92xd	10	900	6.82	4.50	5	7.72	28.37	22.65	8.36	1.89	11.65	49	...
Mahabir	10 00	12 00	10	400	1.80	...	9	4.30	6.18	3.88	1.86	51	6.81	21	...
44% R. C. P.	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Mundulpoor	1 12	2 25	10	566	85	...	-11.29	23.18	18.81	7.96	...	2.67	4.73	...	10
Nazira	7 00	6 81	10	748	1.75	25	31	5.69	13.13	9.66	7.70	98	1.21	2.11	...
New Beerbhoom	15 06	14 87	10	1,776	...	19.32	54	32.96	124.49	91.72	4	10.57	23.49	5.91	...
7% C. P.	10 69	12 00	10	200	...	...	...	...	...	...	...	...	...	...	...
New Churulia	1 81	1 81	10	710	...	...	-4.20	5.52	11.76	3.92	...	3.40	87	30	2
5% C. P.	2 50	2 50	100	200	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	10	200	...	...	-2.09	6.82	7.54	1.96	...	1.39	2.57	25	13
New Huntodih	2 05	2 44	100	400	...	...	...	...	...	...	...	...	...	...	...
5% Cum Preference	60 00	84 00	7	200	...	...	-2.47	21	4.66	2.70	...	3	29	2	...
New Joyrampore	3 50	3 50	10	455	...	75	...	11.25	30.81	22.04	37	2.92	4.95	23	...
New Manbhoom	11 75	9 00	10	600	...	...	1.43	16.96	15.51	4.74	...	5.76	3.81	2	26
North Damuda	0 75	0 94	2½	250	1.00	76	-59	13.87	8.96	...	...	25	4.49	1.96	...
North West	18 37	19 25	10	115	2.70	78	18	4.43	13.07	...	...	...	...	...	...
Partly Paid Ord	13 50	16 50	7½	158	...	...	...	5.05	3.98	2.78	22.60	...	2.99	37	...
Ondal	12 58	13 50	100	750	6.22	6.02	37	5.05	...	...	...	...	...	...	...
64% C. P.	95 00	108 00	100	200	...	...	25	24.82	41.24	19.79	2	7.54	6.01	28	5.88
Oriental	8 00	8 25	1000	1,000	1.10	1.04	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	500	...	10	62	10.57	18.27	8.70	75	91	10.03	4.72	...
Parasoo	13 12	13 87	100	800	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	42 50	50 25	100	1,575	7.00	9.30	46	32.84	55.17	39.02	4.07	11.32	29.81	3.99	...
Pench Valley	19 56	14 50	10	250	10	10	2	2.00	7.80	2.80	60	64	1.51	7	...
Pure Sitapur	6 25xd	6 87	...	250	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	2,400	7.32	12.85	23	19.09	124.35	87.36	8	7.96	17.86	60	...
Raneogunge	11 44	11 37	10	1,350	3.30	5.28	23	31.97	39.09	30.49	2.68	10.43	19.34	13.20	...
Rewa	16 00	19 87	10	2,000	3.50	33.62	9	44.11	85.59	22.18	3.30	4.98	29.14	49	...
Sania	12 80	12 31	2½	250	...	71	11	3.92	13.93	12.37	...	86	4.70	11	...
Soarsole	5 00	5 19	7	280	6.75	1.61	49	8.63	29.99	19.07	1.03	1.24	4.24	6.84	...
5% Cum. preference	23 25	28 87	100	400	...	...	...	...	...	...	...	...	...	...	...
Sondra	...	...	10	800	4.88	1	5	3.56	...	...	7.19	...	7.10	2.14	...
Sree Mahakali	7 00	9 00	10	550	...	19	-2.89	1.21	8.31	3.49	...	63	1.11	26	...
Debentures	4 00	3 06	100	300	...	...	...	...	...	...	...	...	...	...	...
Singareni	...	...	10	6,321	46.45	39.53	21	314.98	519.42	273.47	8,226	145.32	64.17	2.71	...
South Karanpura	10 50	9 50	10	1,750	4.00	5.87	10	10.74	57.06	16.16	6	1.85	14.33	19	1.00
Standard	9 56	8 12	10	800	6.81	7.20	17	4.20	16.69	27	20.10	1.30	3.51	...	...
Talcher	13 75	19 87	2½	1,000	...	13	-3.70	8.34	31.30	15.44	1	1.60	2.25	4	...
Debentures	1 79	1 56	...	500	...	...	...	...	...	...	...	...	...	...	...
Union	...	...	10	350	2.30	50	77	3.54	18.97	14.54	...	96	5.18	14	...
United Collieries	14 00	15 25	10	2,758	...	75	39	11.63	55.42	22.01	...	4.32	4.50	9.73	95
5% C. P.	7 50	8 50	100	1,256	...	...	...	...	...	...	...	...	...	...	...
West Ghusick	88 00	12 25	10	800	...	...	-85	6.82	10.82	...	...	2.14	90	9	...
West Jamuria	12 03	8 50	10	780	...	...	-3.20	36.10	57.46	25.79	...	69	7.43	11	...
West Laikdih	5 12	5 12	10	600	11	...	-58	4.13	9.86	2.05	...	27	1.56	2	...
Western Bengal	2 09	5 24	10	4,998	...	50	11	13.76	65.72	24.15	1.50	4.86	15.20	1.22	...

MILLS

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT			NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS					
											Latest	Pre- vious	Second Pre- vious		May 1958 Rs. np.	May 1957 Rs. np.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others	
																														Rk. 000
WESTERN AND CENTRAL INDIA																														
Ahmed Advance	Tata Industries Private ...	49,144	1,016	85.82	144.81	58.79	...	6-57	(a)33.94	23.97	5	12	7	Ahmed Advance	155 00	145 50	100	4,000	19.00	12.32	11	133.17	173.26	68.65	8.18	107.78	17.61	4.35	2.06	
Ahmed Mfg. & Calico	5% Cum. preference ... Karamchand Premchand Pri. 4 1/4% 1st Cum. preference ... 4 1/4% 2nd Cum. preference ... 4 1/4% 3rd Cum. preference ...	139,120	2,372	290.40	852.56	266.99	14.87	3-57	151.25	125.47	24	24	14 1/2	5% Cum. Preference ... Ahmed Mfg. & Calico ... 4 1/4% 1st. cum preference ... 4 1/4% 2nd. cum. preference ... 4 1/4% 3rd. cum. preference	79 30	161 00	100	1,000	132.27	217.38	1.18	200.19	514.70	256.08	3.65	268.26	95.10	30.55	61.66	
Ajit Mills	Chinubhai Naranbhai ... 4 1/4% 'B' R. C. preference ... 5% 'C' R. C. preference ... 4 1/4% 'D' R. C. preference ...	25,376	513	55.23	123.57	22.95	4.81	12-56	8.15	7.94	16	14	14	Ajit Mills ... 4 1/4% 'B' R. C. P. ... 5% 'C' R. C. cum. pref. ... 4 1/4% 'D' R. cum. pref. ...	...	...	200	1,100	18.68	9.65	8	51.91	56.22	33.29	2.75	39.98	22.88	8.03	...	
Apollo Mills	Rajputana Textiles Privt & Co. Narottam Lalbahai ... 5% Cum. preference T. ... 4 1/4% Cum. preference T. ... 4 1/4% R. C. preference T. ...	56,468	898	97.14	226.67	30.51	1.62	12-55	11.83	1.07	9 1/2	6 1/2	12 1/2	Apollo Mills ... Arvind Mills ... 5% cum. preference T. ... 4 1/4% cum. preference T. ... 4 1/4% R. cum. pref. T. ...	1 70	2 36	2	5,000	38	97	97	46.63	90.11	43.05	9.32	36.35	4.08	1.17	...	
Asoka Mills	Lalibhai Dalpatbhai ... 5% C. P. T. ... 4 1/4% R. C. P. T. ...	37,368	914	94.39	207.19	...	7.06	12-55	30.51	13.38	30	22	22	Asoka Mills ... 5% Cum. preference T. ... 4 1/4% R. C. P. T. ...	...	...	100	4,000	107.84	15	88.03	195.82	92.29	107.40	79.38	59.29	107.68	...		
Azam Jabi Mills	Government of Andhra ... Directors ... 6% Cum. preference ... 4 1/4% Debentures ...	36,136	716	11,297	15,013	6,727	...	9-57	807	1,512	4 1/2	4 1/2	4 1/2	Azam Jabi Mills ... B. R. Cotton ... 6% C. P. ... 4 1/4% Debenrure	52 00	79 00	100	7,200	1,205	577	75	17,097	18,765	6,845	2,379	10,614	1,086	88	...	
B. R. Cotton	...	50,596	1,021	70.59	160.31	23.61	...	3-56	4.98	-1.21	Nil	Nil	Nil	B. R. Cotton ... Binod Mills ... Bombay Dyeing ...	20 00	36 00	100	4,000	9.00	15	-1.99	45.96	139.15	72.26*	4.55	42.18	34.28	7	...	
Binod Mills	B. Ram. Balchand ... Nowrojee Wadia & Sons Private	60,640	1,338	141.15	203.58	28.53	6.69	12-55	24.54	6.30	10 1/2	6	6	Binod Mills ... Bombay Dyeing ...	50 00	...	100	3,000	...	...	...	103.12	150.46	61.57	8.25	69.20	28.38	5.16	...	
Bombay Dyeing	...	223,552	3,984	377.38	747.15	192.69	12.18	12-56	99.38	96.55	10	10	8	...	53 20	52 45	50	250.98	50.01	262.58	2.41	181.72	598.23	351.01	73.06	207.58	90.89	128.95	...	
Central India	Tata Industries Private ... 5% Cumulative preference ...	115,188	2,062	...	248.66	66.67	...	6-57	-20.79	(x)6.38	nil	nil	3	Central India ... 5% cum. preference ... Century Spg. & Mfg. ... Coorla Spg. & Wvg. ...	82 00	101 00	100	4,687	1,407	1,318	...	23,359	24,210	15,486	3,352	17,538	1,438	456	4,263	
Century Spg. & Mfg.	Birla Brothers Ltd. ... Cowasjee Jehangir & Co. ... Ramnarain Sons Ltd. ...	126,752	2,752	339.45	655.73	182.22	6.45	12-56	(a) 114.26	80.10	22	22	22	Century Spg. & Mfg. ... Coorla Spg. & Wvg. ...	335 00	422 50	500	5,000	219.96	65.35	7 62	327.90	606.67	232.92	11.29	272.81	64.86	7.54	...	
Coorla Spg. & Wvg.	...	24,848	680	52.96	126.03	3.51	1.76	3-56	15.22	4.50	12 1/2	7 1/2	7 1/2	...	119 00	131 90N	100	2,600	7.48	5.55	18	34.17	90.16	57.80*	74	30.79	9.10	39	...	
Dawn Mills	...	40,962	...	90.98	134.77	10.42	1.65	12-55	14.70	6.01	30	12	12	...	...	...	50	1,600	12.63	13.31	2.17	37.92	69.11	52.46*	90	28.73	19.18	16.57	...	
Edward Textiles	P. Subna Sons ... Director ... 7% C. P. ...	48,718	928	130.97	228.63	68.52	71	12-56	10.24	12.99	7 1/2	9	7 1/2	Edward Textiles ... Elphinstone Spg. ... 7% C. P. ...	255 00	255 00	200	3,400	40.06	...	2.28	88.58	113.54	62.28*	13.66	79.30	20.29	42	10	
Elphinstone Spg.	...	41,300	886	90.51	179.73	55.50	...	12-56	12.78	15.73	10	10	6	...	47 00	60 00	50	3,000	10.00	6.71	96	74.79	120.97	78.23	50	84.90	18.75	57	...	
Empire Dyeing & Mfg.	W. H. Bardy & Co. Ltd. ...	...	...	951	3,490	88	30	12-57	317	322	20	20	20	Empire Dyeing & Mfg. ...	70 50	87 00	100	2,500	510	447	1	857	2,114	1,535	219	171	483	1,292	...	
Finlay	James Finlay & Co. Ltd. ...	49,528	784	88.93	171.14	35.79	2.35	12-55	21.72	15.23	20	16	16	Finlay ...	261 00	268 50	100	5,000	37.04	33.08	1.67	61 30	123.38	74.17	7.63	79.15	21.12	25.98	...	
Gokak Mills	F. F. Campbell & Co. pri... James Finlay & Co. ... Hind Mills ...	74,286	1,108	161.4	246.67	56.37	2.16	12-56	18.84	21.72	13	15	13	Gokak Mills ... Gold Mohur ... Hind Mills ...	134 75	175 0	100	4,881	779	29.80	2	31.69	106.45	73.45	2.00	59.93	12.56	42	...	
Gold Mohur	...	45,268	...	95.78	174.59	41.32	2.04	12-55	16.48	7.33	15	12 1/2	12 1/2	...	185 00	182 50	100	5,000	22.74	28.45	36	41.01	87.77	52.92	81	69.02	15.73	22.15	...	
Hind Mills	Hind Agents Private ... 5% C. P. ... Hindustan Spg. ...	71,596	1,387	185.72	324.27	115.33	2.80	6-56	22.77	15.63	5	5	4	Hind Mills ... 5% C. P. ... Hindustan Spg. ...	...	...	100	2,000	4.27	5.46	25	127.39	144.07	82.06*	10	124.26	20.36	65	...	
Hindustan Spg.	Thackersey Mooljee ... 4 1/4% R. C. P. T. ...	49,448	1,122	86.88	198.01	...	2.75	3-56	23.15	13.94	32 1/2	30	22 1/2	...	4590 00	5525 00xd	1000	1,200	16.33	60.31	...	1	49.45	152.35	121.07	4.86	68.49	36.08	9.39	...
India United	Agarwal & Company ... Deferred ... Directors ...	244,300	6,278	452.71	785.13	198.47	5.03	12-55	62.06	2.43	9 1/2	nil	6 1/2	India United ... Deferred ... Indore Malwa ...	992 50	992 50	1000	1,200	58.19	6.08	-1.93	196.03	468.16	339.00*	2.84	282.78	85.65	8.80	...	
Indore Malwa	...	51,180	1,420	124.13	257.26	78.89	...	12-56	22.68	25.48	18 1/2	nil	6 1/2	...	107 75	140 50	100	5,000	1.16	9.98	7	151.52	148.10	116.80	25.66	98.26	54.42	3.08	...	
Khatou Makanji	Khatou Makanji & Co. ... 4% Cum. Preference ...	92,852	1,489	238.08	426.54	73.51	4.33	6-56	43.22	30.91	10	12	8	Khatou Makanji ... 4% Cum. preference ... Kohinoor Mills ...	166 25	170 00	100	5,985	37.47	17.63	26	159 04	237.74	203.22	14.57	175.65	47.59	3.87	...	
Kohinoor Mills	Killick Industries Limited ...	120,504	1,846	27,904	52,725	13,687	180	12-57	253	5,250	18	18	18	...	70 00	75 00	100	2,992	1,700	10,975	53	19,875	36,776	28,494	720	29,419	4,088	89	...	
Lakshmi Cotton	Directors ... 5% Cum. preference T. ...	48,996	1,219	11,599	24,752	4,531	...	12-57	(1)418	2,702	6	17	17	Lakshmi Cotton ... 5% cum. preference T. ...	437 50	630 00	250	3,200	3,118	3,222	2	9,477	18,450	12,578	771	9,499	3,197	27	1,153	...
Mafatal Fine Spg.	N. C. Purshotamdas ... 4 1/4% 1st R. C. P. ... 4 1/4% 2nd R. C. P. ...	51,996	896	70.69	210.30	20.35	4.49	12-56	43.17	28.08	18	15	15	Mafatal Fine Spg. ... 4 1/4% 1st. R. C. P. ... 4 1/4% 2nd. R. C. P. ...	345 00	380 00	100	5,800	40.66	82.28	1.53	47.59	169.85	120.85	74.45	45.26	50.94	38.29	...	...
Marsden Spg. & Mfg.	Marsden Bros. ... N. Sirur & Company Private ... B. A. Dadabhai & Co. ... N. Sirur & Company Private ... 5% Debentures ...	23,508	482	67.15	157.67	...	3.44	12-55	14.20	8.08	7	5	4 1/2	Marsden Spg. & Mfg. ... Minerva Mills ... Model Mills ... Modern Mills ... 5% Debenture	86 00	92 00	100	1,450	...	...	...	...	...	...	...	...	...	...	...	...
Minerva Mills	...	39,896	704	87.65	139.33	40.96	85	12-56	14.20	8.08	7	5	4 1/2	...	2731	14.91	1.70	31	54.72	67.47	42.91*	77	30.24	16.15	27.22	...	...	...	...	
Model Mills	...	52,408	952	89.83	141.66	36.34	54	6-55	5.39	5.19	6	6	5	...	2,960	17.90	1.68	20	86.44	92.42	53.38	10.99	71.45	13.98	56	...	...	...	...	
Modern Mills	...	49,000	644	93.26	186.31	52.36	1.40	10-56	4.85	-7.72	nil	nil	3	...	9,334	392	21.99	-2.59	84.32	169.26	78.82*	25	95.68	7.89	2.72	...	...	...	...	
Monogram Mills	M. Bakubhai & Sons. Private ... Piramal Sons Privt. Ltd. ... 4 1/4% Cum. preference ...	27,460	528	92.11	171.70	44.74	...	12-56	13.46	14.58	7	7	5	Monogram Mills ... Morarjee Goudas ... 4 1/4% cum. preference	176 25	180 00	250	2,213	20.00	23.07	55	66.26	122.08	64.68	...	...	...	...	...	...
Morarjee Goudas	...	70,416	1,652	159.08	523.53	106.32	1.48	6-57	(n)28.43	36.15	14	15	14	...	214 50	209 73	100	5,175	24.70	13.75	24	165.22	264.74	183.16	12	175.58	15.13	49	...	
Mysore Spinning	N. Sirur & Company Private ... 4 1/4% Cum. preference T. ...	50,480	500	129.66	167.59	60.87	1.38	2-57	9.05	8.43	18	18	12	Mysore Spinning ... 4 1/4% cum. preference	91 00	101 25	50	2,484	40.00	8.52	36	102.87	113.48	71.02	25.86	95.37	18.75	1.60	...	...
New City of Bombay	W. H. Brady & Co. Ltd. ... Tricunlal Bhogilal ... 4% 2nd R. C. P. ...	45,944	432	7,941	13,919	1,813	...	12-57	(a) 136	(m) 620	5	10	10	New City of Bombay ... New Commercial ... 4% 2nd. R. C. P. ...	105 00	133 75	100	2,400	1,680	882	1	2,992	8,211	4,870	...	...	...	...	...	...
New Commercial	...	45,836	866	89.91	201.16	...	7.56	12-55	21.03	8.94	8	7	9 1/2	...	...	...	100	6,300	11.20	12.43	3	72.15	121.07	89.25*	10.16	56.73	47.48	17.87	...	
New Great Eastern	W. H. Brady & Co. Ltd. ... 5 1/4% Cum. preference T. ... Directors ... 5% C. P. ...	49,012	1,018	9,716	19,744	4,046	...	12-57	(1) 225	(p) 514	4	4	4	New Great Eastern ... 5 1/4% C. P. ... New Kaiser-I-Hind ... 5% C. P. ...	201 00	220 00	200	3,000	1,061	410	299	4,038	10,183	6,337	...	10	5,633	569	147	...
New Kaiser-I-Hind	...	54,052	12,67	136.28	217.08	85.26	...	3-56	19.54	(a) 9.44	5 1/2	5 1/2	5 1/2	...	145 00	180 00	100	4,500	6.54	3.92	20	92.04	113.66	98.08*	11.64	92.11	39.69	2.36	...	
New Shorrock Spg	...	51,106	907	100.29	223.53	12.50	6.48	12-55	32.57	28.35	28																			

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Sholapur Spinning	Morarka & Co. Half. Ord.	95,332	2,234	106.34	127.51	92.54	28	3-55	-23.04	-60.15	nil	nil	nil
Shorrock Spinning	3% R. Cum. preference Mafatlal Chandulal Ahmed... Founders	36,648	720	68.34	177.74	15.37	3.41	12-56	35.11	19.66	nil	nil	nil
Shree Niwas Cotton	Marwar Textiles (Agency) 4% R. Cum. preference	69,070	1,640	194.59	338.12	123.56	3.59	12-53	29.32	17.34	nil	nil	nil
Shree Sajjan Mills	G. Liladhar & Co.	17,880	440	25.75	60.56	13.77	22	3-55	1.81	42	4	4	4
Shri Ambica	H. Kalidas & Company 5% Cum. preference 4% Cum. preference (2nd) F. F. Campbell & Co.	94,128	1,733	204.31	435.05	88.22	9.39	12-56	95.42	79.42	30	54	40
Simplex	4% Cum. preference (2nd) F. F. Campbell & Co.	34,846	1,274	150.05	237.11	29.25	5.65	3-56	24.38	13.19	4	5	5
Standard	Mafatlal Gajalbhai & Sons 4% 1st R. C. P. 4% 2nd R. C. P.	97,588	2,409	226.85	570.41	63.64	10.26	12-56	111.25	86.16	22	20	20
Swadeshi Mills	Tata Industries Pri. Ltd. 5% Cum. preference	72,236	2,000	152.02	299.42	84.91	3.52	12-56	45.76	34.13	4	4	4
Swan Mills	James Finlay & Co. Ltd.	39,328	551	188.77	266.61	39.03	3.32	12-55	28.46	23.34	5	5	5
Tata Mills	Tata Industries Pri. Ltd. 5% Debentures	65,448	1,800	128.55	265.50	67.70	1.69	12-56	28.80	27.40	14	16	10
Victoria Mills	Mangaldas Mehta 4% R. Cum. preference	50,056	958	88.44	186.54	9.83	6.08	12-55	12.96	10.44	20	15	15
Vijaya Mills	H. Achralal & Co. 4% 2nd Cum. Preference T. 4% 3rd R. Cum. Pref. T.	36,176	780	72.46	167.72			12-54	8.51	8.22	8	8	8
Vishnu Cotton	Directors 7% Cum. preference T.	47,240	1,331	115.69	224.48	64.25		12-56	(a) 19.10	(h) 18.16	4	4	4
											7	7	7
NORTHERN INDIA													
Basanti Cotton	Calcutta Agency 6 1/2% C. P. 5 1/2% Debentures	13,044	356	24.23	66.42	7.34	1.35	12-55	2.15	3.47	5	5	2 1/2
Bengal Luxmi Cotton	Bengal Textile Agency Pri. Ordinary Partly Paid 5% R. C. P.	33,292	925	53.59	151.77	36.59	25	3-56	9.77	5.47	6 1/2	6 1/2	6 1/2
Bengal Nagpur	Directors 7% C. P.	29,936	810		87.97	17.96		12-55	(t) 8.82	(u) 4.59	10	10	10
Birla Cotton	Birla Brothers Private Kittellwell Bullen & Co. Ltd. 8% 'A' C. P. 7% 'B' Pref.	39,896 42,960	1,088 841	147.50 149.03	244.19 60.84	23.53 44	5.33	3-56 12-56	28.42 (q) 23.48	19.16 -1.64	15	30	30
Cawnpore Textiles	Begg Sutherland & Co. Private Bharat Ram Ch. Ram & Co. Pri. Ordinary 4 1/2% 1st 2nd C. P. 4% 3rd C. P. 5 1/2% 4th C. P. 5 1/2% Debenture	27,016 141,180	591 2,352	92.24 1224.47	125.4 2361.13	5.29 778.94	62 15.34	3-57 6-56	10.07 236.49	9.47 247.41	5	5	nil
Danbar Mills	Kittellwell Bullen & Co.	42,944	518		171.04	68.19	1.61	12-56	7.54	13.13	6	2 1/2	nil
Elgin Mills	Begg Sutherland 8% C. P. 5% C. P.	48,452	1,198	18,000	36,147	4,577	4.11	9-57	5.486	(a) 5.432	10	12 1/2	10
Jagatjit Cotton	K. C. Thapar & Bros. Pri. 5% C. P. P. Debentures	26,560	530		162.55	11.23	4.23	1-56	32.73	27.10	5	5	5
Jay Shree Textiles	Birla Brothers Private Ltd. 5 1/2% Debentures			4,846	8,835	2,368		12-57	1,150	1,037	5	3 1/2	nil
Kesoram Cotton	Birla Brothers Ltd. 7% C. P.	74,672	1,992	270.78	556.63	120.44	12.62	3-55	48.92	46.23	8 1/2	8 1/2	11 1/2
Mohini Mills	Chakravarti Sons & Co. Ordinary 5% R. C. P.	23,484	435	84.24	230.24	46.29	9.21	12-56	30.52	45.01	12 1/2	12 1/2	12 1/2
Muir Mills	Indian Tex. Syndicate 6% C. P.	88,640	1,834	145.19	218.04		60	12-55	-5.06	-10.24	5	5	5
New Victoria	J. P. Srivastava & Sons Deferred 6% C. P.	70,072	1,333	127.27	224.66	41.04	67	12-55	(a2) 37.64	-3.91	nil	nil	nil
Orissa Textiles	B. Patnaik & Co. 5% R. C. P.	47,728	864	129.13	208.46	47.53	36	3-53	(a6) 12.58	31.12	nil	nil	3
Ram Textiles	J. P. Srivastava & Sons 6 1/2% 'A' C. P. 6 1/2% 'B' C. P.	34,532	600	78.45	95.15	41.24	12	12-53	-3.15	-7.13	nil	nil	nil
Sutlej Cotton	Birla Brothers Private Jaipuria Brothers Ltd. Prefd. Ord. 6% C. P.	27,340 112,216	992 2,081	120.18 400.01	302.99 811.72	62.55 208.72	6.59 6.52	3-57 12-56	72.63 64.23	105.28 53.72	60 7 1/2	60 7 1/2	60 7 1/2
Swadeshi Cotton											11 1/2	11 1/2	11 1/2

Includes Stock on hand.

June 7, 1958

MILLS—Contd.

NAME			Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depreci- ation	Liquid Assets				
May 1958	May 1957	General	Others	Carry Forward			Invest- ments	Stocks and Stores	Out- standings				Cash	Others			
Rs.	np.	Rs.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		
WESTERN AND CENTRAL INDIA (Contd.)																	
Sholapur Spinning	440 00	1225 00	1000	1,590	126.86	29.53	-1,70.07	253.16	293.66	204.66	19.76	118.88	55.09	1.72	...		
Half. Ordinary	...	...	500	10	...	...	...	...	...	...	...	...	...	...	...		
3% R. C. P.	...	...	100	3,196	...	...	...	...	...	...	...	...	...	...	...		
Shorrock Spinning	...	...	100	1,950	67.41	13.53	1.11	36.35	94.66	66.97	5.69	37.09	31.01	36.90	...		
Founders	...	...	25	3	...	...	...	...	...	...	...	...	...	...	...		
Shree Niwas Cotton	136 50	167 00	100	6,000	59.70	26.50	2.70	100.41	83.06	45.81	17.51	127.80	50.83	70	...		
4% R. C. P.	68 00	81 00	100	480	...	...	...	...	...	...	94	38.81	1.85	27	...		
Shree Sajjan Mills	...	...	100	2,615	...	27	-66	34.83	36.43	17.73*	...	...	...	...	...		
Shri Ambica	...	...	100	5,796	218.28	63.96	2.61	106.68	192.48	105.24	48.18	177.90	92.54	6.27	...		
cum. preference	...	...	100	560	...	...	...	...	...	...	...	...	...	...	...		
4% cum. preference [2nd]	...	...	100	700	...	...	...	...	...	...	...	...	...	...	...		
Simplex	154 00	164 00	50	4,200	1.14	35.44	96	49.26	98.78	73.64*	1.10	51.99	26.47	24.09	...		
Standard	389 00	385 00	100	8,780	57.97	192.85	2.93	117.97	277.89	162.09	5.57	123.93	62.71	159.60	...		
4% 1st. R. C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...		
4% 2nd. R. C. pref.	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...		
Swadeshi Mills	171 00	184 50	100	100.00	98.00	8	29	87.61	251.02	133.03	6.78	128.67	29.65	4.39	...		
5% Cum. preference	91 00	115 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...		
Swan Mills	342 00	370 00	100	3,600	39.06	26.27	1.51	91.30	129.00	81.53	72	107.01	38.92	3	...		
Tata Mills	36 75	41 50	25	6,558	41.50	15.25	18	95.75	201.67	80.31	3.43	100.85	20.41	9.01	...		
5% Debentures	92 50	100 00	1000	3,951	...	...	...	...	...	...	...	...	...	...	...		
Victoria Mills	270 00	300 00	100	1,600	19.90	9.68	57	50.93	67.57	46.04*	5.56	34.01	25.26	18.74	...		
4% R. Cum. preference	...	...	25	800	...	...	...	...	...	...	...	...	...	...	...		
Vijaya Mills	...	...	500	2,800	19.90	75.32	33	68.41	103.76	68.35*	7.59	53.94	50.74	1.68	59		
4% 2nd C. P. T.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...		
4% 3rd R. C. P. T.	...	...	100	280	...	...	...	...	...	...	...	...	...	...	...		
Vishnu Cotton	102 00	122 00	100	3,200	13.96	15.26	17	111.23	174.27	117.95	7.66	107.08	39.02	23	7.98		
7% Cum. preference T.	520 00	557 50	500	1,566	...	...	...	...	...	...	...	...	...	...	...		
5 1/2% Debentures	96 00%	...	...	3,000	...	...	...	...	...	...	...	...	...	...	...		
NORTHERN INDIA																	
Basant Cotton	6 44	5 37	10	1,500	1.00	43	43	10.68	34.93	21.84	11.45	14.15	1.50	1.02	...		
6 1/2% C. P.	7 56	7 50	10	500	...	...	...	...	...	...	...	...	...	...	...		
5 1/2% Debentures	425 00	425 00	500	850	...	...	...	...	...	...	...	...	...	...	...		
Bengal Luxmi Cotton	32 00	40 00	40	711	9.11	...	59	44.55	73.14	52.70	25	40.88	5.50	38	...		
Ord. partly paid	...	...	20	82	...	...	...	...	...	...	...	...	...	...	...		
5% R. C. P.	...	...	40	523	...	...	...	...	...	...	...	...	...	...	...		
Bengal Nagpur	4 00	7 37	10	2,700	6.00	...	43	30.53	77.62	56.68	37	39.61	7.23	82	...		
7% C. P.	75 00	95 00	100	300	...	...	...	...	...	...	...	...	...	...	...		
4 1/2% Debentures	89 00	95 00	10	400	...	...	...	...	...	...	...	...	...	...	...		
Birla Cotton	34 50	112 00	100	3,500	87.72	8.26	2.77	59.69	123.01	96.70	14.69	86.93	46.98	16.54	...		
Bowreash Cotton	103 50	140 00	100	2,400	1.50	...	1	114.05	108.25	51.28	53	78.85	14.20	1.01	...		
8% 'A' C. P.	125 00	140 00	100	600	...	...	...	...	...	...	...	...	...	...	...		
7% 'B' Pref.	65 00	70 00	100	600	...	...	...	...	...	...	...	...	...	...	...		
Cawnpore Textiles	4 09	6 25	5	3,000	6.00	26.35	49	31.95	65.69	36.32	9.56	54.94	15.92	44	...		
Delhi Cloth	34 25	37 75	25	338.36	97.00	209.82	1.29	831.43	1116.22	581.67	36.56	888.98	155.73	36.37	...		
Ordinary	...	...	2 1/2	100	...	...	...	...	...	...	...	...	...	...	...		
4 1/2% 1st & 2nd C. P.	17 75	17 75N	25	2,000	...	...	...	...	...	...	...	...	...	...	...		
4 1/2% 3rd C. P.	17 75	17 75N	25	3,732	...	...	...	...	...	...	...	...	...	...	...		
2 1/2% 4th C. P.	...	...	10	1,195	...	...	...	...	...	...	...	...	...	...	...		
5 1/2% Debentures	...	...	1000	...	...	...	...	...	...	...	...	...	...	...	...		
Dunbar Mills	116 00	176 00	100	1,900	26.17	...	3.50	101.28	115.17	74.68	56	82.66	25.37	89	...		
Elgin Mills	12 50	20 50	100	6,300	3,800	6,756	76	11,000	16,841	14,194	7,319	10,805	8,548	61	...		
8% C. P.	98 00	116 75	100	1,100	...	...	...	...	...	...	...	...	...	...	...		
5% C. P.	6 75	8 87	10	420	...	...	...	...	...	...	...	...	...	...	...		
Jagatjit Cotton	9 00	9 50	10	3,848	...	6.83	66	61.44	132.82	69.31	4.25	59.26	10.61	11.59	...		
5% C. P. P.	50 00	...	100	1,525	...	...	...	...	...	...	...	...	...	...	...		
Debentures	...	...	...	3,000	...	...	...	...	...	...	...	...	...	...	...		
Jayashree Textiles	...	...	10	4,917	...	86	82	3,618	7,697	2,197	14	3,284	1,279	64	24		
5 1/2% Debentures	6 56	5 62nd	1000	1,371	...	...	...	...	...	...	...	...	...	...	...		
Kesoram Cotton	11 00	13 31	100	160.00	45.00	160.54	2.18	103.25	359.23	120.23	37.32	131.13	73.55	9.97	88		
7% C. P.	103 00	116 00	100	2,080	...	...	...	...	...	...	...	...	...	...	...		
Mohini Mills	...	...	25	600	5.80	28.25	77	102.85	100.87	91.69	15.57	47.07	48.16	76.81	...		
Ordinary	...	...	10	3,396	...	...	...	...	...	...	...	...	...	...	12.40		
5% R. C. P.	...	...	10	1,996	...	...	...	...	...	...	...	...	...	...	...		
Muir Mills	64 75	73 50	100	3,000	25.00	25.00	-51.31	105.33	164.51	115.59	1.05	105.64	7.36	1.05	...		
6% C. P.	63 00	81 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...		
New Victoria	1 25	1 76	2 1/2	2,290	...	46	-11.99	91.69	107.21	65.01	1.21	66.29	21.62	87	...		
Deferred	...	...	1	307	...	...	...	...	...	...	...	...	...	...	...		
6% C. P.	3 25	4 56	5	2,605	...	...	...	...	...	...	...	...	...	...	...		
Oriana Textiles	...	...	10	4,710	...	6.50	-3.45	210.47	188.56	50.00*	38	130.91	14.07	1.69	...		
5% R. C. P.	...	...	100	2,499	...	...	...	...	...	...	...	...	...	...	...		
Raza Textiles	...	...	10	6,000	...	62.66	-19.59	53.93	98.29	35.63	16.55	68.15	24.86	2.27	...		
5 1/2% 'A' C. P.	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...		
6 1/2% 'B' C. P.	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...		
Sutlej Cotton	70 00	90 00	10	1,500	282.00	80.61	29.40	93.18	102.21	75.33	183.59	166.91	70.53	52.08	...		
Swadeshi Cotton	11 94	12 50	10	1,750	60.00	175.23	8.36	440.81	513.52	181.84	182.31	258.04	187.33	14.65	...		
Prefd. Ord.	10 50	11 94	10	157.50	...	...	...	...	...	...	...	...	...	...	...		
6% C. P.	72 50	90 25	100	3,500	...	...	...	...	...	...	...	...	...	...	...		

NAME	Managing Agents/ Agents/Secretaries	Total Crop in maunds	Average price per maund	Total Crop in maunds previous year	Average price per maund previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. A. P.	Mds.	Rs. A. P.	Rs. 000		Rs. 000	Rs. 000			
Amhuckie	McLeod & Co. Ltd. 7% C. P. P.	9,635	2 11 4	10,669	2 2 0	71	12-56	7,35	3,80	50	19	72
Ananda (Assam)	Directors	7,853	2 4 9	5,868	1 10 4	...	12-56	146	25	106,044	44,64	149,62
Anandabag	Gill Arbutnot & Co. Ltd.	7,333	3 0 0	6,260	2 7 11	53	12-56	5,11	1,51	20	10	75
Arcuttipore	Directors	3,788	1 11 1	3,613	2 7 11	4	12-55	60	1,83	nil	nil	nil
Atal	Goenka & Co. 44% C. P. 6% Debentures	4,812	...	3,165	1 11 2	30	12-53	2,50	1,36	nil	nil	nil
Baghmari	McLeod & Co. Ramdutt Ramkissendass	10,453	2 6 6	9,155	2 1 11	64	12-56	5,82	1,98	25	10	35
Baitakhal	6% Debentures	4,715	1 12 7	...	...	13	12-55	67	2,51	5	15	10
Banarhat	Andrew Yule & Co., Ltd. 64% C. P.	40,646	2 47	38,367	1 99	3,06	12-56	28,61	12,87	40	25	120
Baradighi	Jardine Henderson Ltd.	19,547	2 23	18,263	2 01	182	12-56	1,019	453	64	64	64
Basmatia	Andrew Yule & Co. Ltd.	7,104	2 57	7,782	2 14	33	12-56	3,60	3,36	20	30	65
Bateli	National Tea Corp.	9,862	2 4 11	9,097	1 12 7	74	12-56	6,98	4,25	20	15	80
Belgachi	National Tea Corp.	5,962	1 9 8	5,221	1 9 3	26	12-56	2,69	3,80	60	50	80
Beljan	Gill Arbutnot & Co. Ltd.	9,548	3 1 11	8,798	2 9 3	69	12-56	7,14	2,82	40	100	40
Bhatkawa	McLeod & Co. Ltd.	15,778	2 2 3	17,728	1 13 8	84	12-56	6,37	5,12	25	20	100
Bijonagar	D. C. Ghose & Co. (Private)	20,784	...	18,826	...	90	12-56	8,94	5,34	30	25	65
Birpara	Duncan Bros. & Co. Ltd. 8% C. P.	15,537	2 2 8	13,808	2 0 3	...	12-56	(a) 5,79	2,23	16	16	40
Bishnauth	Williamson Magor	48,494	2 11 11	47,073	2 7 14	1,88	12-56	18,58	7,70	20	8	8
Bismfield	Goenka & Co. Debentures	1,943	2 7 8	1,646	1 14 11	...	12-56	1	90	20	20	55
Bokakhat	Octavius Steel & Co. Ltd.	44,50	2 8 1	4,655	2 2 0	12	12-56	68	15	5	10	10
Bormahjan	McLeod & Co. Ltd. 6% C. P.	6,480	2 6 10	7,703	2 3 8	45	12-56	2,38	3,16	15	20	35
Borpukhuri	Williamson Magor	7,854	2 7 7	7,597	2 3 5	19	12-56	2,22	30	15	10	45
Brooke Bond	Directors 6% C. P. T.	42,966	2 12	45,093	1 94	...	6-57	18,52	16,70	174	124	474
Carron	Duncan Bros. & Co. Ltd.	6,926	2 0 0	7,025	1 13 7	16	12-56	1,88	1,48	10	74	25
Central Cachar	Jardine Henderson Ltd.	9,946	2 28	8,738	2 02	26	12-56	323	(a) 100	5	4	74
Chamong	Williamson Magor	2,205	3 9 3	1,809	2 14 8	12	12-56	1,19	55	74	4	20
Chandypore	Jardine Henderson	9,718	19 75	8,846	...	9	12-56	62	50	10	20	90
Choonabhatti	Andrew Yule & Co. 64% C. P.	13,052	2 40	13,536	1 99	90	12-56	8,43	4,49	35	20	64
Chundecherra	Octavius Steel & Co. Ltd.	8,623	2 0 0	8,251	2 1 0	57	12-56	5,36	6,64	64	30	30
Cleveland	Duncan Bros. & Co. Ltd.	6,065	2 1 4	6,347	1 14 9	18	12-56	3,89	6,61	30	55	10
Dauracherra	Duncan Bros. & Co. Ltd.	4,922	2 4 3	4,417	2 4 2	...	12-56	3,81	(a) 8,71	15	20	20
Dejo Valley	McLeod & Co. Ltd.	40,993	2 12 2	4,486	2 6 3	29	12-56	291	227	30	30	60
Desai & Purbutia	Jardine Henderson Ltd.	14,033	2 69	14,012	2 55	78	12-56	(a) 300	(a) 217	10	10	40
Dhalakhat	James Warren & Co. Ltd.	9,018	...	7,864	...	47	12-55	10,43	12,32	25	25	15
Dhunerri	Directors 7% C. P.	7,590	2 26	7,325	1 77	...	12-56	1,38	89	124	10	50
Dibrugarh	McLeod and Co. Ltd.	7,323	2 10 2	7,245	2 5 104	64	12-56	4,55	3,27	30	20	7
Dilaram	Directors	1,597	2 6 9	1,697	3 4 5	...	12-55	23	1,11	nil	21	40
Dimakusi	Williamson Magor and Co. 8% C. P.	8,527	2 88	8,688	2 24	48	12-56	4,77	1,86	30	20	50
Dufflaghar	Williamson Magor and Co.	12,248	2 14 9	11,144	2 7 8	1,02	12-56	9,94	5,33	40	40	50
East India	Williamson Magor & Co.	13,074	2 11 54	14,424	2 13 44	83	12-56	3,25	1,98	10	10	35
Eastern Cachar	Octavius Steel and Co. Ltd.	5,089	2 1 0	4,894	1 12 6	17	12-56	14	29	10	10	15
Ellenbarrie	Duncan Bros. & Co. Ltd.	5,611	1 15 10	4,803	1 14 7	5	12-56	64	(a) 2	5	nil	110
Ego	Andrew Yule and Co. Ltd.	2,454	2 9 0	2,659	1 67	...	12-56	15	19	10	10	110
Ethelbarrie	Directors	6,460	...	5,817	1 14 3	...	12-56	1,19	(r) 73	10	124	50
Gairkhat	Gill Arbutnot and Co. Ltd.	12,938	2 5 6	10,941	1 14 1	82	12-56	3,14	(a) 49	10	nil	70
Gella	Davenport and Co. Private Ltd. 6% C. P.	2,852	3 01	2,947	2 11	...	12-56	52	18	nil	nil	25
Gillapukuri	Directors	8,247	3 0 9	7,494	2 7 2	...	12-56	4,94	(a) 3,38	30	35	80
Gohpur	Williamson Magor and Co. Ltd.	7,460	2 11 4	7,669	2 6 6	38	12-56	3,88	2,43	25	30	50
Gopalpur	Secretary	14,232	2 6 4	14,306	2 0 0	1,46	12-56	5,72	5,34	12	10	12
Grob	Octavius Steel and Co. Ltd. 'B' Ordinary	24,712	1 15 6	24,359	1 13 0	46	12-56	12,67	8,03	324	25	50
Gungaram	Duncan Bros. & Co. Ltd.	17,091	...	15,998	...	...	12-56	5,21	3,91	10	74	60
Hansqua	Duncan Bros. & Co. Ltd.	5,773	1 13 5	5,195	1 13 7	15	12-56	1,61	1,67	10	10	25
Hantapara	Duncan Bros. & Co. Ltd. 8% C. P.	35,878	2 2 9	34,882	1 12 11	92	12-56	9,61	3,46	74	6	60
Hasmara	Davenport and Co. Private 7% C. P.	71,539	2 65	75,909	2 26	3,09	12-56	25,39	(d) 10,90	224	10	60
Hattikira	Octavius Steel and Co. Ltd.	16,910	1 12 4	20,455	1 8 1	91	12-56	(a) 1,81	2,68	5	74	7
Hoograjuli	Andrew Yule and Co. Ltd.	5,730	2 34	5,838	1 71	16	12-56	1,76	2,10	15	5	90
Hoolungoorie	Andrew Yule and Co. Ltd.	13,240	2 70	13,327	2 34	52	12-56	5,27	2,53	15	74	55
Huldibari	Davenport and Co. Ltd.	21,920	1 87	22,091	1 68	86	12-56	7,69	(w) 4,31	25	124	80
Jayirpara	Andrew Yule and Co. Ltd.	6,826	2 11	5,780	1 78	20,14	12-56	2,02	1,76	6	nil	65
Jayshree	Birla Bros Private Ltd. 6% R.C.P.	...	...	...	...	...	12-56	(k) 31,50	22,93	10	10	10
Jeonktollie	Kettwell Bullen & Co. Gill Arbutnot and Co. Ltd.	9,970	2 3 5	10,400	1 15 2	59	12-56	6,25	7,63	115	864	120
Jutibari	...	10,594	2 12 10	8,952	2 3 1	74	12-56	4,84	49	10	nil	35
Kaliti	Octavius Steel and Co. Ltd.	3,274	1 9 9	3,483	2 0 3	14	12-56	3	1,66	nil	nil	nil
Kalinugger and Khoreel	Bullion Co. Ltd.	3,901	1 12 2	4,390	2 12 6	6	12-56	118	338	123	25	414
Kalicut	Duncan Bros. & Co. Ltd.	14,691	2 2 0	12,835	1 14 10	71	12-56	6,35	3,87	20	10	414
Kingsley Colaghat	Directors	13,989	2 56	14,164	2 23	...	12-56	654	522	25	25	25
Kotamullai (m)	6% preference Duncan Bros. & Co. Ltd.	16,675	1 15 10	16,115	1 12 2	85	12-56	1,72	46	nil	nil	nil
Krishanbehari	6% Pref. Directors	3,929	1 12 10	34,69	2 15 0	...	12-55	87	2,83	10	25	9

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	May 1958 Rs. n.p.	May 1957 Rs. n.p.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others
Amhuckie	18 62	26 50xd	100	446	6,71	2,98	...	14,05	12,44	5,77	15	11,19	1,74	5,68	3,51
7% C. P.	53 00	36 50xd	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	18 44	35 00	10	277	300	270	22	1,232	1,120	390	8	1,194	113	55	...
Anandabag	20 50	23 00	10	700	2,25	4,15	50	14,95	12,23	3,34	...	9,67	3,66	6,66	...
Arcuttipore	9 00	9 00	10	300	1,75	...	3,98	6,32	5,07	1,79	...	3,09	46	26	...
Atal	5 00	8 00	10	450	...	7	2,30	5,68	12,63	2,59	...	2,42	1,49	1	...
41% C. P.	6 12	4 00	10	300	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Baghmari	20 00	19 75xd	10	550	8,61	4,60	43	10,82	18,70	7,48	53	10,59	1,26	6,35	...
Baitakhal	8 75	10 00	10	400	2,25	...	56	2,58	7,48	2,52	50	1,94	1,14	2,35	...
6% Debentures	...	...	1000	150	...	...	...	...	...	...	...	...	...	...	...
Banarhat	257 00	265 00	100	2,700	29,25	...	4,50	45,11	46,89	21,43	21,64	30,94	15,58	16,26	...
64% C. P.	112 50	119 00	100	400	...	...	...	...	...	...	...	...	...	...	...
Baradighi	19 50	22 50	10	1,200	1,200	400	79	1,719	4,156	2,252	2	1,585	355	706	35
Basmatia	21 69	30 00	10	510	9,85	...	54	8,17	12,97	5,33	77	8,05	4,92	2,28	...
Bateli	18 69	27 00	5	330	3,25	1,85	1,30	9,89	12,64	7,97	...	6,59	4,80	3,52	...
Belgachi	59 50	62 00	10	250	2,00	51	61	1,092	359	192	98 2	450	33	23	...
Beljan	22 75	25 50	10	640	3,70	3,70	69	19,70	11,17	3,51	...	11,28	4,25	11,02	...
Bhatkawa	23 19	22 75xd	10	900	9,00	8,75	45	13,49	20,75	10,25	54	11,79	5,32	12,44	...
Bijonagar	113 00	115 00	100	900	5,25	8,96	48	11,82	24,10	7,49	...	15,50	5,98	2,15	...
Barpara	112 00	112 00	100	100	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	19 00	18 50	10	3,300	7,00	6,00	3,16	49,16	63,88	28,40	3,22	53,53	5,76	1,33	...
Bishnauth	1 75	2 00	10	400	...	...	314	494	788	92	9	129	33	12	...
Bloomfield	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Debentures	15 00	16 00	10	600	2,00	50	39	7,57	11,47	2,51	1	5,55	23	27	1,44
Bokakhat	17 00	17 81	10	750	4,53	2,75	36	6,68	10,50	3,35	...	7,78	2,47	4,84	...
Bormahian	74 00	80 00	100	100	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	15 50	18 50	10	450	1,50	33	68	9,53	12,06	4,84	1	7,78	1,52	1	...
Borpukhuri	17 06	16 88	10	3,500	5,35	6,61	5,45	41,87	81,81	29,08	40,73	18,91	7,86	8,99	...
Brooke Bond	67 00	84 50	100	3,500	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Carron	141 00	155 00	100	600	4,80	3,44	26	5,06	18,14	3,82	15	9,38	31	41	...
Central Cachar	60 25	64 00	100	1,000	525	240	30	1,587	2,726	937	3	1,080	433	34	43
Chamong	10 62	12 00	10	280	75	50	53	1,07	3,85	74	1	1,76	19	37	...
Chandypore	67 00	77 00	100	250	...	1	34	170	58	...	2	...	196	200	...
Choonabhatti	267 50	290 00	100	900	12,00	43	1,51	13,55	17,04	7,99	8,98	12,51	2,31	5,63	...
64% C. P.	113 00	120 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Chundeecherra	27 50	27 00	10	300	4,50	3,45	1,18	22,74	10,31	3,98	2	11,71	3,41	12,26	1,14
Cleveland	...	...	10	400	3,50	2,93	42	8,31	7,89	2,24	1	7,29	1,69	6,65	...
Dauracherra	10 12	9 00	10	600	5,60	3,85	50	8,08	9,72	2,33	3,29	6,40	2,76	4,19	...
Dejoo Valley	74 00	49 50xd	10	120	200	375	33	552	705	248	1	520	74	224	...
Desai & Purbuttia	270 00	285 00	100	840	650	127	69	639	2,854	1,816	...	1,352	397	342	196
Dhelakhat	22 37	21 62	10	1,753	8,75	1,25	43	20,66	24,60	5,11	4,79	12,69	6,49	3,91	...
Dhuner	11 50	15 00	10	469	2,70	...	1	5,42	8,00	4,33	3	6,00	94	68	3,95
7% C. P.	2 52	2 68	3	120	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	23 87	21 75xd	10	450	5,26	3,50	33	9,93	10,66	2,70	52	8,09	94	5,36	64
Dilaram	149 50	150 00	100	200	1,07	56	...	96	3,40	1,56	1	1,11	31	1,04	...
Dinakutai	24 50	25 50	10	473	4,50	60	1,17	7,99	13,24	6,20	1,48	8,22	1,87	1,06	...
Dinnakutai	10 50	12 62	10	70	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	31 50	33 00	10	701	9,00	1,50	2,21	16,47	21,35	12,83	2,06	12,06	1,20	12,35	...
Dufflaghar	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
East India	18 37	23 81	10	1,000	5,00	1,00	1,13	18,58	27,72	10,70	1,15	13,16	4,35	2	...
Eastern Cachar	4 00	5 00	10	700	...	...	1,34	7,01	8,82	86	1	4,33	40	56	...
Ellenbarrie	195 00	163 00	100	300	1,00	3,15	14	4,56	8,86	3,90	...	6,00	30	50	...
Engo	400 00	527 00	100	120	2,64	...	31	1,51	4,63	2,63	2	2,22	54	27	...
Ethelbarrie	10 25	12 81	10	490	30	...	1	12,37	8,68	2,40	2,91	7,00	1,42	27	...
Gairkhat	120 00	180 00	100	750	2,70	3,50	42	19,36	17,69	9,56	2	19,03	5,13	1,18	...
Galle	9 06	18 12	10	200	1,76	1,24	6	1,08	7,84	2,73	48	1,39	68	54	...
6% C. P.	75 00	81 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Gillapukri	27 00	31 12	10	676	4,05	41	18	14,04	11,82	4,90	8,18	4,63	3,88	15	...
Gohpur	21 87	20 87	10	504	2,50	1,75	1,00	8,65	18,21	8,56	...	8,06	38	1,11	...
Gopalpur	20 00	22 00	25	1,050	5,00	4,98	1,32	7,66	17,66	7,49	3,12	8,26	3,94	3,96	...
Grob 'A'	24 12	28 75	10	742	9,00	10,83	93	31,01	35,86	8,64	5,00	27,74	4,33	1,53	...
Grob 'B'	12 81	13 00	5	361	...	...	...	...	...	...	...	...	...	...	...
Gungaram	118 00	165 00	100	1,344	8,60	13,53	1,04	12,10	25,00	8,55	5,57	22,07	2,23	2,29	...
Hansara	19 50	27 00	10	500	5,10	5,34	17	5,25	12,48	3,54	2,71	8,17	77	26	...
Hantapara	115 00	158 00	100	3,600	15,25	23,58	1,83	23,64	59,25	18,38	5,08	44,83	5,01	5,00	...
8% C. P.	114 00	122 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Hassimara	21 50	21 00	10	3,200	24,50	35,76	3,75	31,54	100,18	47,34	5,80	41,30	9,92	21,10	...
7% C. P.	109 00	115 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Hattikhira	13 75	15 09	10	1,260	9,50	2,00	20	7,54	29,51	12,08	1	11,24	2,78	37	...
Hoograjuli	28 00	28 00	10	500	5,75	...	39	4,61	9,28	3,55	52	5,75	1,31	2,44	...
Hoolungorie	141 00	240 00	100	870	12,30	89	96	13,28	23,90	12,44	9	15,73	5,43	3,42	...
Huldibari	21 12	23 00	10	825	7,00	12,66	1,02	10,25	19,13	8,83	3,65	16,24	3,07	5,92	...
Jayoirpara	17 75	24 62	10	700	5,15	...	12	2,92	10,30	4,58	2	4,75	1,29	3,41	...
Jayshree	10 18	9 37xd	100	5,857	41,09	4,17	99	78,11	108,07	...	2,75	47,09	23,66	1,99	...
6% R. C. P.	...	...	10	72	...	...	...	...	...	...	...	...	...	...	...
Joonktallee	...	...	10	120	12,21	4,00	1,56	12,60	12,33	7,53	2,23	7,79	1,35	14,82	...
6% C.P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
Jutibari	17 37	21 25	10	980	4,25	2,60	24	14,61	15,61	3,88	...	14,78	2,57	1,61	...
Kalit	8 18	6 50	10	246	...	...	25	9,81	3,03	24	2	2,93	3,18	3,11	49
Kallinugger & Khoreel	104 00	110 00	100	450	200	169	36	759	307	6	406	328	497	84	...
Killcott	15 25	17 25	10	900	7,00	8,24	66	14,30	19,24	6,07	3,07	15,46	1,64	5,85	...
Kingsley Golaghat	125 00	178 00	100	360	930	280	80	2,070	1,371	738	1,136	1,693	450	58	...
6% Preference	92 00	98 00	5	180	60	...	14	33,40	21,42	1,63	2	13,70	1,92	2,20	50
Kotamullai (m)	12 25	26 00	25	218	...	...	...	...	...	...	...	...	...	...	...
6% Pref.	16 50	18 00	10	300	2,1	25	3	7,85	9,31	1,53	25	2,81	2,61	...	...
Krishnabehari	11 12	12 00	10	300	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/Secretaries	Total Crop in maunds	Average price per pound	Total Crop in maunds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	Net Profit		Dividend Percentage		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Ra. s. p.	Mds.	Ra. s. p.	Ra. 000		Ra. 000	Ra. 000	%	%	%
Kunchanore	Duncan Bros and Co. Ltd.	3,810	2 0 9	4,356	1 11 6	10	12-56	8	—5	7	7	27
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	12,139	2 3 8	11,691	2 5 0	78	12-55	22	—	7	5	7
Lactatooah	Gill, Arbutnot and Co. Ltd.	5,452	2 5 4	5,727	1 9 10	15	12-56	10,67	11,86	30	10	10
Lado	Duncan Bros and Co. Ltd.	79,86	3 1 1	77,34	2 10 3	45	12-56	1,20	(v) 45	7	10	27
Linga	Williamson Magor & Co.	9,536	2 0 9	6,581	1 11 6	10	12-55	4,56	2,84	30	25	50
Longview	6% C. P.	38,30	1 9 5	4,615	1 4 9	20	12-56	1,22	8,93	5	20	10
Loobah	Octavius Steel and Co. Ltd.	13,306	2 0 4	13,581	1 9 2	65	12-56	2	—35	nil	nil	nil
Malhati	O. C. Ghose & Co. Private	6,872	1 14 0	6,237	1 12 7	...	12-56	6,56	5,51	20	20	60
Manabarie	Directors	4,958	1 13 5	4,363	1 0 0	25	12-55	1,42	—36	20	10	40
Manipur	Gill, Arbutnot and Co. Ltd.	4,059	2 15 2	4,419	2 4 7	29	12-56	2,06	—494	nil	nil	nil
Margareta Hope	McLeod and Co. Ltd.	2,126	...	2,016	...	3	12-56	1,30	—11	10	nil	30
Marionbarie	Lohia Bros Private Ltd.	5,818	...	5,484	...	16	12-56	—26	22	nil	nil	nil
Maud	Lohia Bros Private Ltd.	10,570	2 10 7	11,215	2 5 5	70	12-56	1,96	215	12	25	40
Mathoni	Octavius Steel and Co. Ltd.	2,092	...	2,068	...	5	12-56	6,05	4,78	20	17	45
Mine	Andrew Yule and Co. Ltd.	4,628	2 5 8	4,560	1 11 7	10	12-56	32	75	10	15	40
Moheema	Directors	7,042	2 5 2	6,996	2 2 7	33	12-56	36	(b) 111	nil	nil	nil
Mothola	6% C. P.	5,244	3 0 5	5,162	2 4 7	47	12-56	3,29	2,87	60	50	65
Murphulani (Assam)	Kettlewell Bullen & Co.	8,344	1 11 0	7,510	2 13 9	...	12-55	4,43	2,75	20	12	45
Naga Hills	Preferred Ordinary	11,299	2 0 3	12,237	1 12 1	26	12-56	1,27	8,04	20	100	30
Nagaur	Duncan Bros.	5,416	2 15 10	5,239	2 4 0	34	12-56	(a) 3,43	2,37	15	7	40
Nagurnadi	Williamson Magor	7,380	2 2 9	5,767	1 8 9	...	12-56	3,44	92	35	15	50
New Assam Valley	Directors	8,042	2 10 9	7,602	3 5 2	3,08	12-55	184	67	15	10	30
New Chumta	Macneill Barry	7,056	1 8 6	5,792	1 6 5	22	12-56	5,29	9,12	40	50	17
New Cinnatollah	Davenport & Co. Private Ltd.	5,930	2 4 9	4,701	2 0 1	10	12-56	2,97	1,25	25	15	55
New Doars	Duncan Bros. & Co. Ltd.	19,225	2 3 6	20,444	1 9 5	1,23	12-56	46	(b) 1,32	nil	nil	10
New Samanbagh	Andrew Yule & Co. Ltd.	12,503	1 14 10	12,241	2 2 10	59	12-56	11,75	7,54	35	25	110
Nipur Tea	64% C. P.	3,035	2 3 8	2,499	1 15 9	17	12-56	(c) 554	(c) 1,113	57	25	6
N. W. Cachar	8% C. P.	9,837	1 10 7	9,165	2 15 6	...	12-55	...	...	...	...	...
Okayti	Duncan Bros. & Co. Ltd.	2,289	3 1 0	2,102	2 6 4	8	12-56	1,59	64	30	40	67
Oodlabari	7% C. P.	8,321	1 11 1	7,865	2 12 2	31	12-55	3,88	9,11	15	20	nil
Pathamara	Octavius Steel & Co. Ltd.	5,100	1 7 5	6,078	1 4 9	19	12-56	24	2	nil	nil	37
Patrakola	Duncan Bros. & Co. Ltd.	47,759	...	50,254	...	1,59	12-56	...	...	...	...	...
Phakowa	Duncan Bros. & Co. Ltd.	3,021	2 3 8	2,987	1 12 5	10	12-56	(a) 65,01	25	65	30	90
Phobong	Duncan Bros. & Co. Ltd.	1,948	2 5 7	2,060	2 5 11	10	12-56	72	11	7	10	15
Puumbing	Davenport & Co. Private Ltd.	1,806	2 5 6	361	2 6 6	11	12-56	(a) 15	5	nil	nil	10
Puumbing	7% C. P.	2,733	1 12 11	2,102	1 9 6	...	12-56	—4	—3	nil	nil	7
Puumbing	Directors	10,071	2 2 9	9,135	1 13 6	52	12-56	96	8	6	nil	45
Rajabhat	McLeod & Co. Ltd.	6,013	2 6 5	5,532	2 1 7	37	12-56	2,67	1,12	12	12	60
Rajabhat	Andrew Yule & Co. Ltd.	4,701	1 9 7	5,127	1 4 0	26	12-56	3,66	1,81	40	25	75
Rajabhat	Shaw Wallace & Co. Ltd.	11,813	2 5 1	12,684	1 10 0	30	12-56	101	48	11	10	nil
Rajabhat	McLeod & Co. Ltd.	7,105	1 15 0	8,453	1 13 3	32	12-56	5,86	3,86	20	15	30
Rajabhat	Duncan Bros. & Co.	8,414	2 1 6	9,075	1 13 3	32	12-56	88	1,50	5	15	10
Rajabhat	Duncan Bros. & Co. Ltd.	2,629	3 1 0	2,098	2 9 4	12	12-56	3,43	3,33	20	20	35
Rajabhat	Jardine Henderson Ltd.	25,416	...	25,846	...	213	12-56	1,18	49	35	20	50
Rajabhat	Directors	16,218	2 11 0	14,230	2 3 0	...	12-56	1,365	1,138	30	50	100
Rajabhat	Directors	7,524	2 14 4	7,490	1 15 7	45	12-56	7,10	(a) 2,66	25	25	45
Rajabhat	Williamson Magor & Co.	4,372	3 1 5	4,499	2 10 10	13	12-56	11,43	3,17	110	124	nil
Rajabhat	Directors	2,470	2 15 1	1,992	2 3 0	...	12-56	131	73	15	15	40
Rajabhat	Gill, Arbutnot & Co. Ltd.	2,532	3 12 5	2,271	3 1 0	22	12-56	51	(u) —9	nil	nil	15
Rajabhat	Hoare Miller & Co. Ltd.	2,727	2 2 8	2,985	2 5 3	6	12-56	92	—3	nil	nil	5
Rajabhat	Goenka & Co. Ltd.	3,350	2 12 8	3,097	2 3 2	12	12-56	—74	—95	nil	nil	nil
Rajabhat	5% C. P.	4,967	1 15 6	4,521	1 9 3	...	12-56	1,25	63	5	12	5
Rajabhat	Directors	3,723	3 6 7	3,633	2 9 11	38	12-56	50	—1,38	nil	nil	12
Rajabhat	Williamson Magor & Co.	4,725	2 2 10	4,594	1 12 2	26	12-56	3,60	1,57	40	30	50
Rajabhat	Gill, Arbutnot & Co. Ltd.	5,285	2 9 8	5,548	2 2 6	50	12-56	4,08	33	15	nil	7
Rajabhat	Octavius Steel & Co. Ltd.	7,735	2 8 7	8,406	2 2 2	30	12-56	1,07	—67	5	nil	3
Rajabhat	Davenport & Co. Private Ltd.	4,828	3 1 7	5,056	2 6 8	41	12-56	4,72	1,79	30	20	60
Rajabhat	Duncan Bros. & Co. Ltd.	13,726	2 8 7	10,032	2 1 7	78	12-56	3,23	1,48	25	15	40
Rajabhat	McLeod & Co. Ltd.	9,653	3 1 1	7,466	2 6 10	57	12-56	9,24	(f) 17,27	15	25	45
Rajabhat	Gill, Arbutnot & Co. Ltd.	7,619	3 1 1	7,466	2 6 10	57	12-56	5,83	3,67	35	25	40
Rajabhat	Shaw Wallace & Co. Ltd.	31,709	2 4 7	32,034	1 13 3	1,88	12-56	4,43	1,42	10	7	65
Rajabhat	8% pref. cum. as to 5	...	...	...	...	...	12-55	9,71	(p) 8,99	12	15	50
Rajabhat	Daga & Co. Private Ltd.	8,084	2 3 7	8,585	1 14 11	52	12-56	—1,40	5,80	nil	nil	nil
Rajabhat	McLeod & Co. Ltd.	7,394	1 11 10	4,011	2 10 3	30	12-55	512	385	25	30	40
Rajabhat	10% C. P.	9,186	2 9 2	8,867	2 2 4	10	12-56	1,73	—	10	10	10
Rajabhat	Daga & Co. Private Ltd.	15,118	2 14 5	15,693	2 6 3	64	12-56	—25	4,47	20	15	nil
Rajabhat	Williamson Magor & Co.	...	...	...	...	...	12-56	12,39	—2,93	nil	nil	10
Rajabhat	McLeod & Co. Ltd.	...	...	...	...	...	12-56	6,53	45	30	60	60

(a) After writing back Rs 60,000 from provision for Taxation.
 (b) After transferring Rs 1,08,000 from Dividend Equalisation Reserve and Rs 19,068 from Provision for taxation.
 (c) After writing back Rs 518,216 being provision for taxation.
 (d) After transferring Rs. 3,50,000 from General Reserve.
 (e) After transferring Rs 125,000 from Reserve.
 (f) After transferring Rs. 11,50,000 from provision for taxation.
 (g) After transferring Rs 1,00,000 from Reserve and Rs 42,000 Dividend Equalisation Reserve.
 (h) After transferring Rs. 1,75,000 from Revenue Reserve; Rs. 49,000 from Building and Machinery Reserve and Rs. 20,000 from Taxation Reserve.
 (i) After writing back Rs 2,75,000 from provision for taxation and including the credit balance of the

Profit and Loss Account of Rishabhat Tea Co. an amalgamation.
 (m) The Indian Estates of The Patrakola Tea Co., Ltd. were transferred to this company at book value as on 1-12-1954.
 (n) After writing back Rs 20,000 from excess provision for taxation and Rs 84,250 from excess provision for liabilities.
 (o) After transferring Rs 1,50,480 from General Reserve.
 (p) After transferring Rs. 40,000 from Revenue Reserve.
 (q) After transferring Rs. 98,000 from General Reserve.
 (r) After transferring Rs. 1,65,000 from General Reserve.
 (s) After transferring Rs. 1,65,000 from General Reserve.

(t) After transferring Rs. 1,00,000 from Revenue Reserve and Rs. 1,20,000 from Building and Machinery Reserve.
 (u) After transferring Rs. 90,000 from Revenue Reserve.
 (v) After transferring Rs. 1,75,000 from Revenue Reserve.
 (w) After transferring Rs. 1,25,000 from General Reserve.
 (x) After transferring Rs. 1,80,000 Revenue Reserve.
 (y) After writing back Rs. 8,50,000 from Taxation Reserve.
 (z) After writing back Rs 45,25,000 being excess provision for taxation.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS					
	May 1958	May 1957			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Ra. 000	Ra. 000
	Ra. np.	Ra. A.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Kunchanore	7 62	9 25	10	360	1,50	1,74	3	1,06	5,72	2,41	...	3,70	47	46	...	
Kyung Tea Seeds	4 50	3 75	10	200	35	...	1	38	183	2	42	8	39	4	...	
Lactatooah	20 00	19 75	10	400	5,50	2,06	1,95	25,88	10,78	3,50	3	7,43	2,65	22,00	...	
Lado	19 75	21 75	10	650	1,90	10,08	17	3,90	11,01	3,69	5,66	6,87	58	2,16	...	
Linga	17 25	24 00	10	700	2,00	61	54	9,06	14,03	6,33	3,58	7,26	1,54	4,13	...	
6% C. P.	...	...	100	506	...	...	...	...	...	...	...	...	...	...	...	
Longview	7 25	10 00	10	1,032	6,00	5,68	20	8,75	25,77	5,19	2,09	2,01	1,13	14	...	
Loobah	3 12	4 00	10	564	...	58	—56	7,33	6,61	83	3	2,89	3,18	1,10	...	
Malhati	21 00	13 04	10	900	13,80	4,77	2,94	12,65	23,97	7,20	5,19	14,68	3,36	2,26	...	
Manabarie	68 00	70 00	100	200	4,20	93	28	6,69	4,86	2,89	...	4,81	4,50	70	2,12	
Manipur	...	...	100	420	2,10	40	—6,20	8,82	7,31	1,80	...	3,26	32	22	...	
Margareta Hope	...	...	10	400	200	200	28	3,27	711	376	2	399	160	254	6	
Marionbarie	9 75	11 50	10	154	...	...	—1,93	1,094	1,049	163	2	110	55	3	...	
Maud	...	...	10	800	90	100	7	1,031	1,384	388	194	540	137	160	10	
Methoni	16 62	15 25	10	1,000	7,00	3,80	38	11,62	20,34	5,74	2,10	12,96	2,01	1,05	...	
Mim	16 75	18 44	10	159	3,35	15	17	1,26	4,35	1,84	1	1,93	55	1,51	...	
Moheema	201 00	250 00	100	480	...	30	2	5,00	1,004	2,32	...	4,74	30	16	...	
6% C. P.	14 00	24 00	10	320	...	...	...	...	...	...	...	...	...	...	...	
Mothola	7 94	8 75	10	150	8,20	...	1,00	7,86	8,97	4,90	...	6,40	1,16	6,87	...	
Murphulani (Assam)	427 00	403 00	100	320	6,55	...	39	8,13	10,14	5,76	1,02	7,31	2,32	3,80	...	
...	30 00	33 00	10	175	...	...	...	...	...	...	...	...	...	...	...	
...	31 00	34 50	10	200	3,36	52	6	7,15	6,68	3,90	3,93	5,95	1,26	1,14	...	
...	34 25	33 00	10	400	10,15	9,00	39	6,96	23,76	8,05	4,22	12,19	85	3,13	...	
...	120 00	162 00	100	960	2,50	75	66	6,12	5,97	1,71	85	3,53	57	3,84	...	
...	20 50	19 00	10	300	1,75	...	2	662	1,135	485	...	560	87	77	...	
...	12 00	19 00	10	535	4,50	1,00	63	12,56	9,62	3,71	53	12,62	57	5,81	...	
...	...	...	225	675	4,50	6,03	77	3,90	6,49	2,47	3,55	6,44	1,12	56	...	
...	37 50	43 00	10	500	25	1,36	5	5,29	6,65	2,81	...	7,01	29	81	...	
...	100 00	115 00	100	1,400	20,00	55	1,98	21,91	21,31	9,41	20,84	14,96	4,98	7,56	...	
...	265 00	272 00	100	200	...	...	99	1,371	1,160	482	1	779	235	1,177	...	
...	110 50	120 00	10	400	400	500	...	...	...	...	...	...	...	...	...	
...	19 37	17 75	10	100	...	...	41	2,88	2,31	1,16	1	2,40	15	1,68	...	
...	100 00	100 00	100	149	60	...	1,22	7,49	8,25	...	...	76	12,36	84	...	
...	...	...	100	700	5,00	1,50	10	1,52	4,55	2,31	...	1,54	28	4	...	
...	99 00	140 00	100	100	...	98	...	...	...	...	...	...	...	...	...	
...	425 00	440 00	100	50	...	...	...	...	...	...	...	...	...	...	...	
...	93 00	100 00	100	...	...	...	...	...	...	...	...	...	...	...	...	
...	18 12	19 50	10	320	6,50	2,30	8	6,45	7,95	1,68	5,95	4,50	1,26	55	...	
...	...	...	10	259	...	...	—93	8,28	4,38	54	1	5,48	31	30	...	
...	5 44	10 00	10	3,600	38,00	17,35	1,88	90,23	59,89	23,58	3,85	54,42	36,16	52,71	...	
...	136 00	161 00	100	250	2,00	1,84	9	1,72	5,06	1,85	...	3,65	19	1,10	...	
...	122 00	90 00	100	300	1,05	1,64	1	1,29	6,18	2,39	85	2,13	20	...	...	
...	5 50	9 00	10	205	1,13	95	—2	1,27	5,13	79	48	1,42	1,08	10	...	
...	8 75	9 62	10	205	...	...	...	...	...	...	...	...	...	...	...	
...	95 00	85 00	100	100	60	135	13	164	362	152	...	20	27	8	...	
...	55 00	48 90	10	600	576	525	41	836	1,284	540	54	738	149	889	4	
...	14 25	18 50	10	320	8,53	...	41	6,55	8,81	4,28	1,52	6,16	2,10	3,18	...	
...	40 12	45 00	10	200	1,00	40	118	492	783	424	1	351	199	1,69	...	
...	9 81	12 00	10	265	7,00	6,43	25	11,40	22,08	12,37	54	12,11	3,32	6,31	...	
...	15 44	14 87	10	760	2,81	1,15	14	6,95	6,65	2,41	1	7,41	1,07	8	84	
...	14 00	15 00	50	525	5,75	5,68	36	7,89	13,23	3,64	1,42	8,94	1,81	3,17	...	
...	67 00	92 00	100	140	2,70	2,31	20	3,20	3,90	2,02	4,02	2,41	57	94	...	
...	410 00	390 00	100	493	1,804	865	52	2,809	5,234	2,940	6,04	1,958	168	2,494	104	
...	25 87	34 12	10	900	1,54	2	53	23,68	23,97	9,33	2	8,46	5,58	7	...	
...	23 00	30 00	10	346	5,25	1,73	1,08	9,86	10,38	1,72	...	2,72	4,18	...	...	
...	31 50	33 25	10	249	2,50	50	67	615	1,071	625	1	589	149	46	...	
...	19 75	28 25	10	300	80	1,51	1	85	5,40	1,73	...	1,33	34	83	...	
...	10 00	11 50	10	300	1,05	10	22	3,43	5,84	2,02	...	2,70	94	33	...	
...	...	...	100	625	...	...	—7,35	9,04	6,91	99	...	1,35	1,54	17	...	
...	22 00	21 00	100	900	65	...	7	2,90	11,20	2,39	2,12	2,41	1,20	62	...	
...	5 00	6 75	10	300	...	...	...	...	...	...	...	...	...	...	...	
...	7 12	11 87	10	400	32	304	31	257	1,068	369	3	370	37	17	...	
...	12 50	10 00	100	100	...	...	...	...	...	...	...	...	...	...	...	
...	93 00	26 50	10	300	3,00	1,10	1,26	5,07	7,09	3,60	1,49	2,06	99	5,49	...	
...	30 25	9 44xd	10	625	3,50	3,49	23	4,66	16,29	3,89	3	4,74	69	2	...	
...	10 44	...	10	500	2,05	50	12	9,02	9,89	3,60	1	9,07	1,30	3	...	
...	...	...	10	450	6,00	2,50	26	8,45	12,80	4,58	1,97	8,40	1,46	1,66	...	
...	26 31	30 00	10	320	4,00	5,43	55	4,23	6,99	2,26	4,05	2,81	1,19	4,62	...	
...	20 87	30 00	100	900	15,00	6,24	62	18,15	18,78	6,00	5,24	12,39	7,29	11,30	...	
...	125 00	62 69xd	10	598	8,54	3,45	63	10,45	12,50	4,42	...	9,95	3,15	6,54	82	
...	24 00	...	10	800	2,06	2,85	43	15,03	11,51	3,30	...	10,84	3,12	6,15	...	
...	39 00	...	10	1,982	12,75	...	72	28,56	41,80	17,71	88	29,96	5,70	3,36	...	
...	15 75	11 50	10	205	...	...	...	...	...	...	...	...	...	...	...	
...	10 75	12 87	10	375	3,75	56	—30	17,50	16,15	1,94	1	8,77	1,70	85	...	
...	8 25	30 87	10	220	400	550	15	814	1,091	501	1	1,007	133	324	49	
...	31 00	15 00	10	100	...	...	...	...	...	...	...	...	...	...	...	
...	14 00	9 00	10	600	3,90	...	15	6,30	13,86	2,34	...	4,18	48	17	...	
...	8 00	...	10	801	2,50	11	—2,94	11,91	16,71	4,43	2	5,44	1,33	35	...	
...	7 50	11 37	10	520	10,00	11,00	87	25,79	28,41	12,46	53	16,80	1,60	16,26	1,72	
...	41 75	45 50xd	10	...	...	...	...	...	...	...	...	...	...	...	...	

SUGAR

NAME	Managing Agents' Agents/Secretaries	Cane Crushed Mds. 000	Sugar Produced Mds. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second Previous
Balrampur	Directors	6,965	631	14,934	8,172	...	6-57	(1766	136	5	nil	12
Basti	Narang Bros.	59,89	...	85,92	106,65	1,55	4-55	12,99	13,81	10	10	10
Belapur Co.	Ord., B. Class	...	...	147,07	47,68	7,44	9-57	70,43	52,24	36	32	32
Belapur	W. H. Brady & Co.	...	...	11,768	1,527	83	9-57	796	1,077	13	13	10
Belund	Bangur Bros. Ltd.	3,412	331	7,331	3,233	49	6-57	5,02	(13,14	15	15	5
Bharat	Cotton Agents Private	2,256	...	...	...	...	...	...	...	...	...	...
Bhopal	5% R. C. P. T.	12,29	1,11	24,98	12,13	43	9-55	4,40	(17,21	5	5	6
Buland	Bhiwandiwalla & Co.	36,39	3,48	131,65	25,27	1,70	10-53	22,84	6,97	10	7	10
Carew	5% C. P.	6,833	...	33,269	8,551	...	6-57	318	1,001	nil	nil	2
Cawnpore	6 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Champanan	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Deccan	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Deoria	Begg Sutherland & Co. Private...	71,45	6,38	164,95	43,89	1,06	10-56	(a) 13,15	(h) 17,57	7	7	7
Darbhanga	8% C. P.	6,293	560	17,803	9,222	...	6-57	(m) 52	(o) 1,075	8	8	8
Dyer Meakin Breweries	Begg Sutherland & Co. Pri. Ltd.	...	...	228,07	...	2,34	5-56	26,57	17,17	15	10	nil
East India Distillery (S)	7% preference	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	K. C. Thapar & Bros.	10,69	...	62,44	2,50	80	8-54	2,18	2,92	7	7	5
Ganga Sugar	5% Debentures	28,85	2,99	70,36	18,31	...	8-54	9,94	16,78	15	15	7
Gwalior	Directors	...	...	93,27	...	...	3-55	7,71	5,90	11	10	10
Harinagar	Parry's Holding Private Ltd...	...	...	...	...	...	9-56	5,79	3,60	15	10	10
India	7% R. C. P.	...	...	...	...	...	...	...	...	7	7	7
Jagatjit Sugar	Jajpur & Sons Ltd.	27,02	2,80	72,64	15,88	...	10-56	4,10	4,59	10	12	15
Jaypore	Directors	39,44	...	100,78	85,23	...	3-55	19,05	...	20	15	...
K. C. P.	Sir J. P. Srivastava & Sons Pri.	26,91	...	43,70	38,46	1,01	6-56	9,71	...	6	nil	...
Kirlampudi	7% R. C. P.	...	...	...	...	...	...	...	...	7	7	7
Madura Sugar	Narayanlal Banaila	...	...	126,91	38,01	1,07	9-53	9,36	7,28	7	7	7
Modi Sugar	Ordinary	...	...	...	...	...	...	...	...	...	...	...
Mohini	India Sugar Agencies	Tons 121	...	8,223	2,562	30	9-57	(n) nil	12,04	11	11	14
Murree Brewery	7 1/2% C. P. T.	...	...	...	...	...	...	...	...	7	7	7
Mysore	Narang Bros & Co.	28,18	...	31,28	54,99	60	4-55	4,28	4,25	10	10	10
Nawabganj	R. S. Indus. Corpn.	...	...	...	...	21	6-55	3,06	4,98	10	10	10
New India	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
New Savan	V. Ramakrishna Sons Pri. Ltd.	2,15	20	...	...	...	6-56	29,01	14,73	7	7	7
Nizam Sugar	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Phaltan Sugar	Deferred	...	...	...	...	...	...	...	...	100	100	100
Punjab Sugar	Kubera Sugar Managers Private	...	...	69,31	54,18	10	6-56	6,51	5,68	...	...	...
Purtapore	5 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ramnugger Cane	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	Pandia Rajan & Co. Private	53	...	30,20	1,389	...	7-57	5,51	6,44	nil	nil	nil
Ravalgaon Sugar	R. B. Multanilal & Sons	41,73	...	231,48	...	1,62	10-55	9,27	10,94	6	6	10
Raza	Ord., Share	...	...	21,43	6,83	6	11-54	-1,50	1	nil	nil	nil
Ryam	K. C. Thapar & Bros.	...	...	...	...	...	...	...	...	...	...	...
Samatipur	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Shadilal	Debenures	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	Directors	14,92	...	58,93	86	45	10-54	1,84	4,20	6	10	6
Shree Chandoo	'B' Class	...	...	...	...	...	...	...	...	6	10	6
Shree Krishna Gyanoday	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Cotton Agents Private	5,153	...	14,749	5,883	1,38	6-57	1,484	8,24	25	25	25
	5 1/2% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
	7 1/2% C. R. P. P.	...	...	...	...	...	...	...	...	...	...	...
	K. C. Thapar & Bros.	23,69	3,31	...	...	6	5-55	2,47	96	2	2	2
	Hyd. Govt. Indust. Trust Fund	...	...	305,40	173,61	3,59	6-55	43,11	61,84	18	18	16
	4% C. P.	...	...	...	...	...	...	...	...	5	5	5
	Mafatlal Apte & Kantilal	1,258	...	90,77	34,80	3,50	9-56	27,30	25,95	18	16	16
	Narang Bros	18,43	...	71,47	73	58	10-54	3,59	...	10	10	...
	Begg Sutherland & Co. Private	25,97	2,66	66,20	20,35	48	10-56	(b) 6,70	6,75	7	7	7
	10% C. P.	...	...	...	...	...	...	...	...	10	10	10
	Anderson Wright Ltd.	23,45	...	128,65	9,48	2,65	8-55	21,12	7,24	20	15	20
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Ratna Agents	...	...	43,79	27,18	52	6-55	3,12	1,17	3	nil	3
	9% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Walchand & Co. Private	...	...	132,56	42,66	3,01	9-56	26,46	13,26	24	18	9
	5 1/2% Cum Pref.	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	Debenures	...	...	...	...	...	...	...	...	...	...	...
	Govan Bros. (Rampur)	35,67	3,37	137,40	23,65	1,29	10-53	11,59	3,28	15	7	12
	Directors	25,77	2,69	43,82	52,31	...	6-56	6,74	...	17	nil	5
	6% C. P.	...	...	11,614	986	...	6-57	(c) 74	(i) 215	6	6	6
	Begg Sutherland & Co Private...	2,952	263	11,614	986	...	6-57	2,389	2,120	18	8	20
	H. R. Swarup & Bros	8,798	888	27,398	7,425	...	9-57	...	...	...	...	...
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Directors	15,55	1,52	46,37	17,31	...	9-56	1,56	2,63	2	5	5
	Debenures	...	...	...	...	...	...	...	...	...	...	...
	A. H. Bhiwandewalla & Co...	19,04	73	57,51	22,28	11	9-56	13,24	11,49	40	16	8
	Sahu Jain Ltd.	7,715	7,59	28,540	11,987	101	7-57	1	1,468	10	10	17
	6% 'A' Pref.	...	...	...	...	...	...	...	...	...	...	...
	5% 'B' Pref.	...	...	...	...	...	...	...	...	...	...	...
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	REVENUE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958 Rs. np.	May 1957 Rs. np.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash	Others
Balrampur	7 00	6 50	5	1,400	120	1,400	58	9,040	4,184	3,112	21,85	9,138	1,309	400	108
Basti	120 50	120 50	100	1,200	9,50	19,47	25,30	105,69	52,26	34,74	...	117,42	15,36	2,43	...
Ordinary 'B' Class	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Belapur	245 25	220 00	50	7,050	75,19	43,24	3,00	90 14	150,48	108,77	22,79	116,52	14,02	87,02	...
Belund	10 25	10 50	7 1/2	1,949	675	100	75	2,491	3,384	2,568	36	2,304	1,959	175	...
Bharat	13 25	15 50	10	1,500	6,50	7,01	8	3,146	1,929	1,341	1,285	3,608	9,57	67	...
5% R. C. P. T	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bhopal	20 24	18 25	10	1,750	8,87	37	5	8,22	33,04	21,37	3,34	20,58	9,89	1,96	...
5% C. P.	94 00	94 00	100	1,250	...	...	...	...	...	...	34 22	37,19	8,85	47	...
Buland	...	...	10	3,357	36,00	5,36	3	28,08	41,33	19,37	...	...	...	...	...
Carew	7 06	7 25	10	3,200	1,600	1,146	-223	13,652	14,522	9,894	45	13,781	3,849	226	54
6 1/2% R. C. P.	81 00	93 00xd	100	800	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	920 00	990 00	1000	1,950	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	900 00	940 00	100	400	...	...	92	120,22	163,31	86,27	4,70	80,76	59,53	4,76	...
Cawnpore	10 81	14 12	10	3,000	20,50	45,14	...	...	...	...	37	10,482	2,400	237	...
8% C. P.	104 00	110 00	100	1,000	...	...	-343	10,460	8,472	5,913	...	...	...	...	...
Champanan	20 37	17 50	10	1,800	1,440	2,359	...	...	...	...	...	...	...	...	...
Deccan	8 15	7 35	5	1,992	15,00	10,48	1,23	130,78	112,48	57,89	1,34	108,14	12,90	6,36	1,09
7% Preference	5 75	6 12	5	700	...	...	...	...	...	...	...	...	...	...	...
Deoria	9 56	10 12	500	599	5,04	1,15	48	15,77	24,59	15,34	10,23	9,08	2,94	18	1,75
5% Debentures	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	20 50xd	24 50	5	2,600	31,00	2,36	1,12	19,18	57,53	37,24	2,58	36,93	12,89	6,97	...
Dyer Meakin	10 00	6 06	5	1,620	13,47	4,73	8	19,43	27,27	14,69	1,24	27,49	7,15	5,09	34
E. I. D. (S)	27 40	27 00	£1	550	7,90	1,74	47	12,03	13,25	6,33	52	9,48	13,35	24	...
7% C. P.	16 15	16 15	£1	200	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 75	19 50	10	2,000	1,50	34,68	5	43,50	67,25	21,37*	25,73	22,57	5,38	16	...
Gange Sugar	10 00	30 00	100	3,000	16,00	38	23	125,48	29,43	16,81*	26,12	91,24	40,49	47	1,20
Gwalior	69 25	77 00	100	1,594	...	3,09	15	48,95	40,71	23,65	1,75	46,70	12,79	1,58	...
7% R. C. P.	65 00	68 00	100	675	...	...	...	...	...	...	...	...	...	...	...
Harinagar	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
India	13 00xd	15 50	10	6,042	1,012	90	46	10,069	7,871	1,888	2,919	3,329	5,533	93	...
7 1/2% C. P. T	98 00	106 75	100	600	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	...	...	100	1,109	11,54	5,37	9,81	50,08	16,18	15,41	13,75	59,97	2,81	58	...
Jaypore	13 30	13 75	10	1,063	10,79	1,35	6	28,27	30,05	9,80	5,35	15,56	10,68	1,27	...
6% C. P.	93 00	109 00	100	200	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	120 00	135 60	100	1,052	57,50	23,00	27	195,11	179,03	35,20	25,90	95,18	24,95	2,70	...
5% R. C. P.	100 00	100 00	100	329	...	...	...	...	...	...	...	...	...	...	...
Deferred	134 00	145 00	10	287	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	41 00	38 06	100	1,159	...	9,58	-19,96	76,56	58,82	19,08	6,02	57,89	13,21	74	...
5 1/2% C. P.	88 00	82 50	100	590	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	101 50	100	3,400	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	10	2,000	...	...	-5,16	1,280	2,769	1,649	...	1,567	56	19	...
Modi Sugar	...	...	100	4,800	12,40	80	41	65,32	85,86	39,20	3,70	68,18	18,95	3,84	...
Ordly. Share	9 00 N	9 00 N	10	1,440	...	...	-3,87	65,57	42,61	8,39	...	36,66	7,09	21	77
Mohini	3 37	4 00	1	1,000	...	...	...	...	...	...	...	...	...	...	...
Founders	...	...	100	25	...	...	...	...	...	...	...	...	...	...	...
5% C. P	70 00	111 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Murree Brewery	...	...	10	2,400	6,13	2,00	-7,88	5,52	7,56	39	4,84	6,87	4,28	4,56	2,05
Mysore	33 75	37 50	10	2,179	6,250	2,374	210	11,020	15,214	8,926	3,497	7,344	4,932	248	275
Nawanagar	...	...	100	1,200	6,50	6,00	4,65	22,66	51,02	27,68	15,63	13,97	8,40	5,30	17
'B' Class	60 00	108 00	10	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	50	1,000	...	...	...	...	...	...	...	...	...	...	...
New India	22 25	36 50	100	789	16,50	6,00	80	78,60	48,70	2,691	1,684	6,539	1,300	3,26	...
5 1/2% R. C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. R. P. P.	...	...	100	49	...	...	...	...	...	...	...	...	...	...	...
New Sarn	101 00	132 50	10	1,100	2,50	1,70	25	4,06	43,92	25,89	1,07	...	36	5	...
Nizam Sugar	4 00	5 50	25	10,988	25,02	42,42	4	334,54	258,10	138,88	32,85	211,46	109,71	5,80	68,67
5% C. P.	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
4% C. P	...	...	25	2,379	...	...	...	...	...	...	...	...	...	...	...
Phaltan Sugar	144 50	132 50	50	5,000	40,51	16,00	94	76,01	109,71	63,85	2,03	78,99	40,62	15,50	52
Punjab Sugar	80 00	100 00N	100	1,200	7,00	5,65	4,55	20,20	29,22	20,41	11,51	7,35	12,87	5,86	...
Purbapore	10 19	16 87	10	900	2,00	17,65	21	22,22	43,99	31,54	150	30,15	13,85	13	...
10% C. P.	13 62	14 15	10	600	...	...	...	...	...	...	...	...	...	...	...
Ramnagar Cane	21 00	25 18	100	1,660	13,00	22 00	20	29 70	56,12	29,77	...	41,09	5,61	4,84	13,56
6 1/2% C. P.	94 50	100 50	500	400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	10	595	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	3 00	4 25	100	1,175	...	...	-8,40	35,89	31,34	20,21	10	30,97	1,37	23	...
9% C. P.	...	...	50	39	4,08	9	68	41,30	95,61	56,01	14,35	84,38	2,71	1,21	...
Revalgaon Sugar	123 25	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum Pref.	65 00	...	10	400	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00 N	...	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Debenture	...	...	10	2,000	39,50	5,52	3	25,49	45,46	19,83	21,72	34,37	8,30	43	...
Raza	14 00	21 50	10	800	1,50	4,61	13	49,17	28,73	22,67	3,54	58,25	2,80	24	...
Ryam	20 00	9 00	10	800	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	9 00	11 50	10	1,199	570	1,283	-721	2,489	4,454	2,513	1	1,642	1,259	209	270
Samastipur	12 00	...	100	857	1,100	1,519	228	14,901	12,580	5,554	816	8,749	1,986	58	513
Shadilal	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
8% C. preference	...	...	10	2,000	...	...	1	20,89	47,23	16,15	19,10	13,95	3,79	28	...
Shree Anand	10 25	10 50	...	500	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	12 1/2	1,500	25,79	11,29	33	41,45	69,56	43,15	8,77	43,69	11,71	6	3,24
Shree Chandgoe	10 06	10 06	10	3,989	1,900	368	48	17,460	14,799	7,310	60	14,416	4,548	40	511
Shree Krishna Gyanodaya	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
6% 'A' Pref.	85 00	94 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	75 00	75 00	...	1,500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

SUGAR

NAME	Managing Agents' Agents/Secretaries	Cane Crushed Mds. 000	Sugar Produced Mds. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest %	Previous %	Second Previous %
Shree Sitaram	K. C. Thapar & Bros.	2,618	...	8,827	3,410	...	8-57	2,57	6,81	5	10	10
Sitapore	5% Debentures	23,98	...	43,06	34,35	...	6-56	2,03	72	nil	nil	nil
South Bihar	Directors	...	...	27,45	1,00	12	10-54	24	...	nil	nil	nil
	N. K. Jain & Co.	...	...	...	...	...	...	...	...	...	...	...
	9% pref. cum as to 7	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery & Distly	6% Debentures	8,15	...	65,83	7,13	18	12-54	1,54	3,39	5	10	10
	K. C. Thapar & Bros.	...	...	...	...	...	...	...	...	5	5	5
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Travancore	Parry & Co Ltd.	87	8	58,76	26,70	77	4-56	9,78	8,68	10	7½	nil
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
United Breweries	Directors	...	...	23,94	91	...	3-57	(b)8,86	5,15	20	20	20
United Provinces	James Finlay & Co.	23,33	2,36	72,60	...	...	9-52	6,33	9,17	15	20	3
Upper Doab Sugar	R. Lal Debi Prasad & Bros.	...	...	168,22	37,97	1,50	9-55	14,86	22,22	12	15	12
Upper Ganges	Cotton Agents Private	10,833	...	35,910	13,190	3,84	6-57	41,42	2,349	50	30	25
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	5% C. P. T.	...	...	...	...	...	...	...	...	5	5	5
Upper India	Mitra Mandal	50,54	...	106,06	108,63	1,87	4-55	18,45	1,420	20	15	10
	'B' Class Ord.	...	...	...	...	...	...	...	...	20	15	10
Vizagapatam	Kantilal & Sheth	...	...	...	...	12	6-54	-2,06	-2,30	nil	nil	5
Walchandnagar Industries	Walchand & Co. Private	1,904	...	214,63	66,69	6,64	9-56	60,40	55,45	21	18	16
	7% C. P.	...	...	...	...	...	...	...	...	7	7	7
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
	4½% Debentures	...	...	...	...	...	...	...	...	...	...	...

Tons.

(a) After writing back Rs 1,65,000 from Taxation; Rs 37,982 from Gratuity; Rs 17,423 from Equipment Depreciation Rs 15,000 from contingencies and including Rs 30,000 being profit on realisation of investments. (b) After writing back Rs 1,30,000 from taxation, Rs 80,000 from contingencies and Rs 36,539 from Gratuity. (c) After writing back Rs 85,000 from contingencies for stock realisation Rs 12,598 from provision for taxation. (d) After writing back Rs 2,80,018 being provision for liabilities no longer required. (e) Includes Rs 1,02,625 being profit on sale of machinery; Rs 1,28,000 being provision for taxation no longer required written back and Rs 49,52' being adjustment of stores in respect of previous years.

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold 000's	Revenue Ra. 000	Units sold 000's	Revenue Ra. 000			Latest Ra. 000	Previous Ra. 000	Latest	Pre- vious	Second Pre- vious
Agra Electric Supply ...	Martin Burn Ltd. ... 4½% Debentures ...	315,13	38,76	29,067	35,46	1,35	3-57	(a)11,23	(b)10,55	10	10	10
Ahmedabad Electricity Co. ...	Killick Industries Ltd. ... 4½% Debentures ...	548,693	326,45	485,981	269,18	6,60	9-56	(b)113,46	77,54	6½	5	6½
Aligarh ...	Jain & Co. ...	...	...	...	...	31	3-54	1,70	1,68	9½	10	9½
Amalgamated Elec'ty Co. ...	N. C. Javeri & Co. ... 5½% C. P. ... 5% C. P. ...	404,81	64,35	332,16	57,07	2,40	3-57	15,48	14,88	8	7½	7½
Amritsar Valley Power ...	Tata Hydro Elec. Agencies Pri. ... 7% C. P. ... 4% Debentures ...	333,844	106,48	408,083	131,44	4,56	3-57	45,42	64,07	5,625	7½	7½
Bareilly Elec'ty Supply ...	Martin Burn Ltd. ... 4½% Debentures ...	13,482	24,20	95,04	17,75	82	3-57	(d)5,98	4,21	12½	10	10
Bombay Electric ...	Martin Burn Ltd. ... 4½% Debentures ...	386,48	49,12	279,34	35,84	1,87	3-57	12,34	11,37	12½	12½	12½
Bombay Electric Supply ...	Directors ... 6% C. P. ... 5% Debentures ...	...	2,22	...	1,68	...	12-51	1,03	68	5	na	nil
Bhilai Elec. Supply ...	Octavius Steel & Co. ... Killick Industries Ltd. ...	52,77	13,17	39,72	9,45	25	3-57	2,69	1,76	8½	6½	6½
Bombay Suburban Elec. ...	...	60,471	70,66	50,381	61,40	...	3-56	25,96	23,90	7	7	7
Bombay Elec. Supply ...	Rajputana Textiles Agencies ... 6% Debentures ...	16,69	4,85	14,72	4,84	28	12-55	1,62	1,80	7½	7½	7½
Calcutta Elec. Supply ...	Directors ... 5% C. P. ... 5% Debentures ...	1,099,400	5,292	13,027	4,996	...	12-54	19,00	16,17	6	6	6
Cochin State Power ...	Chandrie & Co. ...	45,12	5,71	44,20	5,49	...	3-54	1,83	1,99	10	10	5½
Coastal Elec. Supply ...	Octavius Steel & Co. Ltd. ...	51,48	14,06	37,45	10,76	...	3-57	2,74	2,09	8	6½	8
Dharwar ...	Associated Electric Co. ... 5% C. P. ...	3,58	...	...	3,25	16	3-55	86	80	6½	6½	6½

June 7, 1958

MILLS—Contd.

MILLS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958 Rs. np.	May 1957 Rs. np.			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
Shree Sitaram ...	10 50	13 60	10	1,589	854	499	41	6,340	3,559	2,058	3,006	4,234	385	32	165
5% Debentures ...	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Sitalpur ...	2 37	4 37	10	1,000	...	27	—4.25	51.11	28.21	13.52	23	36.39	5.23	53	...
South Behar ...	1 37	1 00	10	650	46	...	—16.14	24.66	27.42	11.47	10	6.90	18.88	52	...
9% Pref. Cum. as to 7	20 50	20 50	100	500	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	0 25	0 25	2½	175	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery ...	...	...	10	964	4.33	39	12	44.27	8.36	3.34	91	17.17	36.89	3.73	4
5% C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Travancore ...	9 80	10 50	10	3,000	2.50	12.70	45	23.87	59.87	22.11	10	34.54	10.61	68	82
5% C. P. ...	6 95	7 95	10	1,500	...	...	...	...	...	...	...	...	...	...	...
United Breweries ...	195 00	166 00	75	600	9.60	...	6	12.03	24.40	22.65	20.18	4.52	1.04	20	...
United Provinces ...	14 00	13 00	10	1,600	6.18	3.02	37	28.55	30.29	24.58	...	28.81	16.77	1.18	1.65
Upper Doab Sugar ...	...	...	100	2,000	12.50	1.26	10	68.91	66.46	40.07	5.36	48.93	21.59	41	...
Upper Ganges ...	55 00	88 00	10	800	18.00	1.674	...	173.46	127.46	80.58	7.08	147.50	39.88	2.26	...
5% C. P. ...	64 00	80 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T. ...	64 00	80 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Upper India ...	127 00	127 00	100	1,400	11.50	8.65	86	120.05	39.41	25.16*	10.20	118.47	18.66	48	4
B' Class Ordinary ...	15 00	15 00	12½	700	...	...	...	...	...	...	...	...	...	...	...
Vizagapatam ...	...	...	10	747	42	...	—4.83	39.40	29.22	8.99	25	14.44	7.00	55	...
Watchandnagar Indus. ...	262 00	244 00	10	10,100	40 00	68.46	1.76	93.54	228.81	99.18	9.01	166.80	13 12	15.44	...
7% C. P. ...	130 00N	135 00	100	350	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	...	76	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	92 00	97 00	...	2,500	...	...	...	...	...	...	...	...	...	...	...

(f) After transferring Rs 50,000 from Dividend Equalisation Reserve. (g) After transferring Rs 1,78,125 Div. Equal. Fund. (h) After writing back Rs 1,76,359 being provision for liabilities no longer required. (i) After transferring Rs 1,00,000 from Renovation and Renewals Reserve. (j) After writing back Rs 61,519 being provision for taxation. (k) After transferring Rs 1,07,093 from provision for taxation. (l) After writing back Rs 1,75,000 from Contingencies Reserve and Rs 34,720 being adjustment of Stores, etc. (m) After writing back Rs 1,75,000 from Contingencies Reserve and Rs 34,720 being adjustment of Stores, etc. (n) The entire loss of Rs 388,405 has been wiped off by transfer from Reserve Fund. (o) After writing back Rs 150,000 from provision for contingencies no longer required; Rs 55,000 from provision for taxation and including Rs 58,837 being Railway claims recovered.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958 Rs. np.	May 1957 Rs. np.			General Rs. 000	Other Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks and Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
Agra Elec. Supply.	134 00	126 00	100	1,999	17,65	21,07	50	48,71	82,15	31,34	4,12	18,22	11,54	12,49	20,73
4½ Debentures	90 00	94 00	100	1,000											
Ahmedabad Elec'ty Co.	94 50	95 50	100	87,472	9,39	65,65	...	94,83	134,66	248,28	15,41	54,00	59,33	6,88	13,59
4½ Debentures	1000 00N	1000 00N	1000	20,000											
Aligarh	10 00N	10 00N	10	459	53	72	1	6,17	11,30	5,68	68	2,13	3,39	21	...
Amalgamated Elec'ty Co.	10 40	10 40	10	7,250	56	13,51	15,48	43,12	185,72	38,73	1,74	16,80	13,70	6,09	4,34
5½% C. P.	10 40	99 00	100	2,415											
5½% C. P.	88 50	89 00	100	2,031											
5½% C. P.	82 50	1201 25	1000	30,272	40,28	25,56	41	251,65	723,70	229,05	21,64	25,50	50,94	40,29	135,22
Andhra Valley Power	1137 50	1085 00	1000	4,934											
7% C. P.	1031 25	980 00	1000	9,828											
4% Debentures	970 00														
Barailly Elec'ty Supply ...	13 00	14 75	10	800	5,30	7,66	17	22,32	44,92	17,32	1,62	4,84	1,68	8,93	3,79
41% Debentures	86 00	90 00	100	500											
Benares Elec'ty	13 00	16 69	10	1,700	15,65	19,50	38	67,22	113,92	37,40	2,79	13,77	14,62	7,67	15,36
41% Debentures	90 00	94 00	100	1,200											
Berhampur Elec. Supply	6 35	7 75	10	738	...	25	43	2,33	11,83	2,88	1,98	64	1,74	9	...
5% C. P.	8 90	9 00	10	100											
5% Debentures			20,000	200											
Bhagalpur Elec. Supply ...	7 50	8 12	8	591	2,46	3,50	58	11,31	21,34	9,60	50	3,27	3,12	3,04	8
Bombay Suburban Elec'ty	105 75	106 25	100	17,500	3,00	36,32	...	49,50	262,21	58,57	4,44	24,03	17,12	1,32	13,25
Breach Elec. Supply	8 12	9 50	10	707	2	1,29	...	2,76	15,11	6,93	27	88	97	1,83	53
5% Debentures				151											
Calcutta Elec. Supply & ..	14 19	12 56	£ 1	4,262	19,00	47,32	1,53	32,91	279,88	91,58	2,43	7,03	5,25	33	2,50
5% Cam Preference	10 50	9 12	£ 1	1,900											
5% Debentures	97 25	97 25	...	4,445											
Cochin State Power	9 10	10 40	7½	787	1,33	4,60	1,66	4,30	13,37	3,31	8	1,95	1,72	1,77	...
Cuttack Elec. Supply	8 12	8 75	10	660	2,78	1,99	68	12,59	25,58	7,48	34	2,92	2,52	2,04	71
Dharwar	51 00	50 00N	50	494	3,56	3,15	47	3,04	12,77	2,57	9	1,47	1,00	1,08	...
5% C. P.			100	173											

ELECTRIC

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allotment and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000			
Dishargarh Power	Andrew Yule & Co. 5% 'A'. C. P. 4½% 'B'. C. P.	...	47.30	...	41.09	84	3-57	8.89	6.76	6½	6	6
Ellore Elec. Supply	Chandrie & Co.	1,608	3.20	14.65	2.91	14	3-54	68	63	7½	7½	6½
Gaurepore Elec. Supply	Macneill & Barry 4% Debentures	...	55.84	...	45.12	1.16	3-57	11.88	8.86	7½	5	5
Gudivada Elec. Supply	Mechelec Engineering Co	...	1.66	...	1.18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Moona Lal & Sons 6% Debentures	27.23	9.42	21.85	7.82	32	12-53	1.47	1.38	6½	8½	8½
Jorhat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1.37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	6% Debentures Martin Burn Ltd.]	28.096	28.69	24.320	28.19	...	3-57	(b) 6.05	(a) 8.28	9½	9½	9½
Kanadukathan	Directors	...	1.93	...	2.14	...	3-56	82	88	3	3	3
Karaiikkal Elec. Supply	A. S. Ahilandam	8.04	1.56	7.34	1.43	11	3-56	61	50	7	7	6
Kumbakonam Elec. Supply	India Company 6% Cum. Pref.	67.61	9.53	56.98	8.17	44	12-55	3.46	2.88	10	8½	7½
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36.50	10.02	34.22	9.37	42	3-56	2.36	1.44	10	10	10
Mirzapur Elec. Supply	Octavius Steel & Co.	21.92	6.26	15.41	4.67	22	3-57	1.17	98	10	5½	5½
Mozaffarpore Elec. Supply	Octavius Steel & Co.	37.61	12.20	25.04	8.11	11	3-57	3.11	1.92	10	nil	nil
Muttra Elec. Supply	Directors	36.26	6.41	31.87	5.39	...	3-56 H	1.62	1.23	7	6	6
Nasik Deolali	Rajputana Textiles Agency 7% Cum. Pref. 6% Debentures	57.60	14.66	51.34	12.96	64	12-56	3.45	3.75	10	9½	10
Nagapatam Elec. Supply	India Co. Private Ltd. 6% C. P. 4½% Debentures	39.85	3.89	35.97	3.74	24	12-55	1.23	1.14	8½	8½	5
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	390.21	49.19	294.98	36.85	1.04	3-57	15.96	10.20	10	7½	7½
Poona Electric	Rajputana Textiles Agency pri. 7% Cum. Pref. 6% Debentures	66.152	51.52	61.357	49.17	1.14	12-56	11.82	12.68	10	10	10
Saharanpur	Elec'l. Development Corpn. Partly Paid	...	5.67	...	...	22	3-55	92	75	7½	9	9
Salem Erode Elec'ty	Octavius Steel & Co. 6½% R. C. P.	221.71	20.02	234.87	17.82	42	3-57	4.55	4.07	10	10	10
Saugor Elec'ty Supply	Martin Burn Ltd.	1,906	6.21	1,359	4.42	20	3-57	1.01	65	6½	6½	6½
Shahjahanpur Elec. Supply	Octavius Steel & Co.	35.64	10.07	23.54	6.62	18	3-57	1.77	1.08	6½	5	5
Shilong Hydraulic	Development of Industries Partly Paid	...	6.00	...	5.31	40	6-55	2.20	2.04	6	6	6
Sijua (Jheriah) Elec. Supply	Bird & Co. pri Ltd. 5% Debentures	124.810	6,712	85,273	4,576	120	3-57	595	424	7½	7½	7½
South Arcot Elec'ty	Directors 6% C. P. 5½% C. P.	21,265	1,788	17,425	1,427	...	1-254	366	272	6½	6½	6½
South Madras Electric	Seshasayee Bros Private Ltd. 5½% 1st C. P. 5½% 2nd Pref 4% Debentures 4½% Debentures 5% Debentures 5½% Debentures	855.21	53.96	815.12	55.91	52	3-56	14.06	15.56	9	9	7½
Surat Elec'ty Co.	Killick Industries Ltd. 6½% C. P.	28,247	46.66	23,619	40.01	1.15	12-54	9.28	7.36	7	7	7
Tata Hydro Electric	Tata Hydro. Elec. Agencies Pri. 7% C. P. T.	230,313	72.49	271,331	86.58	3.49	3-57	36.46	47.37	5,625	7½	7½
Tata Power Co.	Tata Hydro. Elec. Agencies Pri. 7½% C. P. T. 4% Debentures 4% Debentures	582,908	179.94	715,472	222.90	7.96	3-57	77.87	108.53	5,625	7½	7½
Tinnevely Tuticorin Elec...	Octavius Steel & Co. 6½% R. C. P.	168.44	14.88	169.61	12.39	27	3-57	3.37	3.24	10	10	10
United Provinces Elec.	Martin Burn Ltd. 4½% Debentures	756.94	90.98	729.94	86.00	2.33	3-57	21.42	(a) 24.03	10	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,960	20.76	8,139	13.34	79	3-57	2.87	2.16	12½	9½	8½
Upper Jumna Valley	Martin Burn Ltd.	104.30	19.02	89.48	15.41	74	3-56	2.87	2.00	12½	12½	12½
Vellore Elec. Corpn.	Chandrie & Co. Private 6% C. P.	106.03	9.24	87.02	7.68	37	3-56	2.77	1.95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5½% C. P.	116.22	10.92	120.77	11.89	58	3-53	2.60	2.51	10	10	7½

(a) After transferring Rs 60,000 from Deferred Taxation Reserve.

(b) After transferring Rs 1,09,846 from Tariff and Dividend Control Reserve and Rs 44,000 from Defd. Taxation Reserve.

(c) After transferring Rs 8,814 from General Res.

(d) After transferring Rs 90,000 from provision for other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

June 7, 1958

COMPANIES—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958	May 1957			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Rs. np.	Rs. np.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Dishargarh Power	81 50	88 00	100	4,320	14,00	1,50	8,29	15,84	91,91	32,18	36,28	8,14	6,43	10	15
5% 'A.C.P.	74 50	79 50	100	1,600											
4½% 'B.C.P.	84 00	88 50	100	1,200											
Ellore Electric Supply	11 00	11 50	10	300		37	4	2,33	6,26	1,73	18	75	61	67	1
Gourepore Electric Supply			100	5,000	14,50	10,69	94	40,87	172,10	49,39	3,64	5,65	10,46	32	22
4% Debenture	840 00	855 00	1000	2,500		3	3	1,03	2,01	62	6	23	38	18	1
Gudivada Electric Supply			100	118											
Jhansi Electric Supply	8 06	8 50	10	535		29	3	9,71	21,44	9,16	5	2,98	4,18	25	
6% Debentures	850 00 N	950 00 N	1000	380		8	—17	1,48	5,88	2,44		32	82	17	1
Jorhat Electric Supply	11 62	8 00 N	100	250											
6% Cum Preference	105 00	90 00 N	100	50											
6% Debenture				35											
Jubbulpore Electric Supply	11 62	12 81	10	2,250	10,75	10,14	27	32,36	77,90	35,59	1,47	6,75	8,15	1,49	15,85
Kanadukathan			500	500		1	10	2,14	8,92	4,35	57	81	62	11	56
Karaiikkal Electric Supply	9 30	10 00	10	210		35	68	79	3,12	97		42	87	71	8
Kumbakonam Elec. Supply	11 25	11 70	10	1,249	12	2,05	5	16,05	36,34	9,60	61	2,49	2,24	1,19	
6% Cum. Pref.	8 90	9 62	10	250											
Mangalore Electric Supply			10	560	28	3,09	57	5,49	20,16	8,99	56	1,92	1,35	1,41	
5% Debentures			500	137											
Mirzapur Electric Supply	8 10	5 94	9	495	93	1,31	31	3,56	12,21	5,58	15	2,10	1,02	1,16	
Mozufferpore Elec. Supply	7 77	5 94	10	582	1,83	77	43	17,62	19,06	10,28	23	2,56	2,66	1,39	85
Muttra Electric Supply	9 94	8 81	10	700	60	1,06	15	5,92	14,28	6,97	1,33	1,62	1,63	2,77	
Nasik Deolali			100	1,168		5,37		8,17	37,33	11,24	1,41	3,93	2,25	2,12	
7% Cum Pref.			100	100											
6% Debenture				1,000		52	2	3,82	11,15	3,61	22	86	1,13	80	
Nagapattinam Electric Supply	10 00	11 00	10	398											
6% C. P.	8 65	9 25	10	100											
4½% Debentures			100	200											
Patna Electric Supply	10 75	10 69	10	3,507	13,68	20,05	2,46	27,63	124,23	47,63	6,89	10,79	14,23	10,50	
5% Debentures	450 00	477 50	500	2,000											
Poona Electric	122 00	123 00	100	4,889	51	28,66	1	39,51	128,62	48,22	22,92	5,96	9,78	8,97	
7% Cum Pref.	103 60	103 00	100	400											
6% Debentures				800											
Saharanpur	105 00 N	100 00 N	100	362		31	1	4,28	7,87	3,94	1,57	86	1,23	53	19
Partly Paid			10	14											
Salem Erode Electricity	13 00	13 70	10	880	5,50	3,91	32	19,44	42,20	14,07	2,12	5,13	3,67	2,92	
6½% R. C. P.	10 25	10 25	10	400											
Saugor Electric Supply			10	300	94	62	2	6,65	6,24	8,16	19	1,97	40	46	5 13
Shahjahanpur Elec. Supply	6 14	5 87	10	910	89	83	53	8,10	14,89	9,25	1,32	4,06	2,19	10,9	15
Shillong Hydraulic	4 84	6 00	9	773	1,66	1,56	60	9,11	21,61	9,00	21	53	3,02	88	3,40
Partly Paid															
Sijua (Jheriah) Elec. supply	9 37	10 75	10	1,680	221	801	2	1,158	6,426	4,104	207	725	681	1,043	144
5% Debentures	910 00	960 00	1000	1,260											
South Arcot Electricity			100	1,674	1,10	88	15	36,27	53,94	19,65	3,19	8,57	2,91	1,01	6,15
6% Cum Preference			100	200											
5½% C. P.			100	200											
South Madras Electric	12 60	11 30	10	5,600	2,00	2,07	8	79,05	163,34	46,76	17,23	14,51	39,00	1,62	4,32
5½% 1st Cum Preference	9 60	10 00	10	2,200											
5½% 2nd Cum Preference	9 55	10 12	100	800											
4% Debentures	90 00	90 60	100	464											
4½% Debentures			100	100											
5% Debentures	93 50	94 50	100	200											
5½% Debentures	95 00	97 50	100	200											
5½% Debentures	107 50	110 00	100	5,124	4,00	10,16	3	35,51	102,68	30,46	1,25	18,56	8,60	2,23	1,00
Surat Electric Co.	107 50	110 00	100	500											
6½% Cum Preference	112 50	118 00	100												
Tata Hydro Electric	117 50	124 00	100	23,998	47,74	21,65	36	266,82	544,60	152,88	44,08	23,83	36,46	10,18	99,97
7% C. P. T.	109 50	107 00	100	8,928			30	413,55	1327,36	294,58	34,63	72,32	92,36	46,01	228,68
Tata Power Company	1207 50	1215 00	1000	51,531	94,51	98,39									
7½% C. P. T.	1132 50	1112 50	1000	8,697											
6% Debentures	1000 00 N	1030 00		4,773											
6% Debentures				25,000											
Taneervilly Tuticorin Elec.	12 75	13 75	10	970	2,68	3,80	19	14,98	37,47	13,23	2,12	4,61	3,52	1,38	
6% R. C. P.	9 68	10 25	10	450											
United Provinces Electric	119 50	146 00	100	5,600	20,20	45,17	84	107,24	301,73	121,90	8,96	32,13	29,64	6,02	2,86
4½% Debentures	90 00	95 00	100	3,000			9	16,55	19,61	8,74	79	6,88	3,61	4,12	5
Upper Ganges Valley	12 25	13 06	10	598	2,40	2,93	84	19,82	19,87	8,18	1,27	5,77	9,56	3,43	18
Upper Jumna Valley	16 25	16 87	10	498	3,80										
Vellore Elec. Corporation			10	400	48	1,57	1,45	16,94	24,17	6,57	63	2,46	2,16	2,76	9
4% Cum Preference	13 25xd	14 00	10	125											
	7 25xd	8 08	10												
West Coast Electric	16 50	14 25	10	1,000		1,67	52	15,16	26,59	6,42	45	3,25	2,68	1,41	1,00
5½% Cum Preference	7 25	7 25	10	250											

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	May 1958	May 1957			General	Others	Carry- forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
	Rs. ps.	Rs. ps.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Alageswar	2 95	3 15	2	600	5.25	...	26	5.90	13.39	3.25	51	2.59	3.03	95	...
Amalgamated Office	11 25	11 75	10	450	...	8	49	4.11	12.85	1.11	...	5.77	41	1	...
6% C. P.	6 90	8 06	10	400	...	...	...	...	...	...	...	...	...	...	...
58% Debentures	500 00	500 00	500	475	...	35	28	1.36	6.31	26	72	1.18	1	24	...
Anandam	15 00cd	20 00cd	10	250	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	9 30	10 12	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	101 00	101 00	100	123	530	...	50	1.817	1.668	151	259	1.411	477	24	...
Anapalai	4 85	4 45	2	906	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	97 00	97 50	100	384	11	1.20	44	8.55	7.70	98	6.03	1.06	1.34	16	...
Arthala	4 00	4 00	5	300	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	9 20	9 20	10	200	...	50	3	55	3.70	17	...	5	49	27	...
Ashimattam	1 19	1 03	2	325	...	...	...	...	...	...	...	...	...	...	...
Bababuddin	12 00	11 00	5	200	1.75	1.00	9	92	5.56	46	...	2.15	5	1.47	...
6% C. P.	8 56	9 16	10	900	...	...	...	...	...	...	...	...	...	...	...
Badra	3 75	3 37	2	425	1.50	1.02	63	2.45	6.91	47	12	2.93	16	1.70	...
73% C. P.	10 12cd	10 25	10	150	3.76	1.60	10	5.35	14.97	2.28	21	4.07	1.98	5.35	...
Balanoor	16 25	11 00	10	1,099	...	...	...	...	...	...	...	...	...	...	...
73% C. P.	10 25	11 00	10	250	75	85	23	93	3.92	91	24	10	1.67	89	...
Balmadies	3 35	3 40	2	300	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	9 00	9 75	10	75	...	2.87	2	2.34	12.66	...	4.56	51	44	2	...
Bo Be	3 40	4 38	5	866	...	...	...	...	...	...	...	...	...	...	...
64% C. P. T.	3 13	3 34	5	143	...	...	...	...	...	...	...	...	...	...	...
64% R. C. P. T.	6 64	7 06	10	286	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	2 93	3 10	2	5,250	5.00	10.00	89	16.95	68.42	9.73	11	5.07	13.78	7.68	...
Chandramala	3 19	3 85	2	550	6.08	80	30	2.38	11.37	1.88	52	1.93	1.29	1.65	...
Chembra Peak	3 67	3 75	2	933	12.00	...	50	7.47	22.50	6.54	1	8.95	35	4.14	...
Cochin Malabar	4 65	7 35	3	1,794	24.50	...	72	16.00	52.61	5.60	...	11.09	1.26	93	...
7% C. P.	50 00	58 00	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Landy	35 40csts	24 60	10	1,808	16.00	5.50	1.87	18.87	36.05	7.12	56	24.14	13.02	6.97	...
5% C. P.	81 50	87 50	100	1,041	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	300	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	25 30	22 10	10	755	36.25	9.63	1.12	41.96	116.23	25.14	13.11	53.79	15.20	15.81	...
6% C. P.	23 75	27 75	25	1,875	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	500	1,000	...	...	...	...	...	...	...	...	...	...	...
Coonoor Tea	20 50	23 75cd	10	378	3.10	1.35	7	4.71	20.59	91	3	2.06	50	20	...
6% C. P.	101 00	106 87	100	150	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	10 75	11 35	5	400	1.00	4.25	1.02	2.32	7.84	1.43	11	1.81	3.40	3.37	...
64% R. P.	4 12	4 81	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	14 75	17 25	10	400	1.00	5.16	7	4.26	3.58	51	...	2.05	4.59	24	...
74% C. P. P.	10 55	13 00	10	106	...	...	...	...	...	...	...	...	...	...	...
Cow Coody	10 25	7 50	2	255	2.50	...	75	1.97	1.51	35	1.49	2.88	14	2.08	...
Devashola	18 30	19 87	10	600	3.75	1.41	12	4.15	10.41	2.16	106	93	17	4.75	...
Devon	17 25	17 37	10	448	2.52	1.05	49	2.63	8.95	1.57	10	2.02	1.21	2.49	...
54% C. P.	96 50	105 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	6 90	7 00	25	175	1.75	1.65	62	92	3.35	49	1.00	78	19	1.87	...
Gokul Rubber	1 50	1 85	2	450	20	...	1	1.04	3.23	11	1.30	25	15	92	...
Haleburia	12 00	19 00	10	1,250	8.50	9.00	37	14.40	31.56	4.96	4	14.81	1.65	6.46	...
6% C. P.	66 00	80 00	100	250	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	1000 00	1000 00	1000	230	4.81	5.15	47	8.45	25.80	4.94	2.61	4.25	1.85	10.30	...
Highland	13 40	14 00cd	10	1,800	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	9 27	9 60	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 85	3 00	2	120	17	...	4	51	1.42	2	...	62	3	37	...
64% C. P.	7 16cd	7 31cd	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalan	4 20	4 55	2	600	6.00	...	30	3.24	12.44	46	...	2.08	10	1.38	...
Kalan	15 30	14 00	9	540	5.60	56	73	3.18	11.74	1.10	41	2.08	65	4.57	...
7% Debentures	502 50	515 00	...	300	...	...	...	...	...	...	...	...	...	...	...
Kapetta	25 00	24 00	10	400	9.53	1.41	5	4.65	18.32	2.21	23	2.57	46	25	...
Karikole Rubber	10 35	12 50	10	200	...	1.27	7	1.38	5.07	25	...	87	6	1.32	...
5% Cum. Pref	8 30	9 19	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	100 00	100 00	...	100	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	5 60	5 95	2	859	1.125	248	31	739	2,833	369	25	473	107	183	...
6% C. P.	9 57	9 87cd	10	250	...	...	...	...	...	...	...	...	...	...	...
Kamerode	9 70	6 15	2	200	250	90	46	215	758	82	...	206	4	115	10
73% Debentures	502 50	500 00	500	210	...	...	...	...	...	...	...	...	...	...	...
Kurchimala	6 30	7 50	10	345	...	3.20	3	2.05	9.25	59	1	9	1.01	26	...
64% Cum Pref.	7 75	8 37	10	130	...	...	...	...	...	...	...	...	...	...	...
Malabar Agricultural Co.	8 75	11 25cd	10	500	1.80	1.00	1	5.20	16.85	1.41	2	2.36	1.13	2	...
6% C. P.	16 56	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	15 50	21 50	10	450	61	1.96	4	4.84	6.05	17	56	73	1.80	2.98	...
Malankara	17 00	28 75	10	900	4.75	2.89	...	6.63	19.20	2.78	...	1.18	2	5.64	...
Manar	2 78	3 12	2	350	40	37	41	7.42	3.27	12	...	1.03	95	97	...
Marcara Rubber	7 00	8 20	5	325	250	...	4	167	728	4	...	184	61	27	...
6% Preference	8 31	8 91	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	15 75	16 15	10	2,700	16.60	14.51	1.87	15.47	77.71	8.84	3.47	7.18	2.81	9.52	...
6% C. P.	7 82	9 00	10	1,720	...	...	...	...	...	...	...	...	...	...	...

(a) Arrears of Preference dividend from 1-8-1947 to 31-3-1986 at the rate of Rs. 8.25 per preference shares amounting to Rs. 2,14,000, will be paid by the issue of one new preference share for every two preference shares already held, and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

SOUTH INDIAN

NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales	Stock	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Pre- vious	2nd Previous
		000 Rs.	000 Cuts	000 lbs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000				
Malamalay ...	Directors 7½% C. P.	4.02	...	...	7.36	89	...	3-57	2.26	2.38	18	25	75
Mysore Coffee ...	Pavan & Co. 7% Debentures	...	...	...	3.58	...	12	6-55	42	1.20	7½	7½	7½
Mysore Plantations ...	Mg. Director 6% C. P.	1.29	...	...	3.37	1.51	...	3-56	1.18	1.49	6	7½	6
Neelamalai ...	A. V. Thomas & Co. 5% C. P.	12.65	...	...	28.55	9.23	89	6-55	13.30	19.58	17½	17½	12
Nellikampathy ...	A. V. Thomas & Co. Ltd. 6% C. P.	7.60	...	75	16.07	2.28	48	6-56	3.63	8.96	10	25	12½
Nellikhanam ...	Directors 7% C. P.	22½	5*	67	...	...	...	3-52	57	65	76½	7½	6½
Nannemey ...	A. V. George & Co. 7% C. P.	...	...	4.66	8.70	2.30	22	12-52	1.69	2.21	6½	10	6½
New Glen Morgan Nilambar ...	6% Debentures Ramu & Co. Private Associated Planters (Private) 6% C. P. Debentures * * *	4.15	...	1.64	5.86 3.19	78 63	23 9	12-55 12-55	94 86	2.21 83	nil 15	nil 10	nil 6
Nilgiri Tea ...	A. V. George & Co. 6½% C. P. 6% Debentures	3.45	...	...	7.87	1.29	12	3-53	1.49	2.58	12½	15	15
Nonsuch Tea ...	Harrisons & Crofield	8.20	...	...	16.90	...	...	6-53	7.38	7.85	33	35	49½
Ouchterlony ...	Peirce Leslie & Co.	9.30	6	...	36.94	7.19	50	10-56	(b)3.62	10.07	10	20	30
Panchura Parkside Peermade ...	Directors Math. Bosanquet & Co. Aspinwall & Co (Trav.) Ltd. 6% C. P.	2.05 5.61 2.255	6½	...	16.07 6.27 3.795	2.28	48	6-56 6-56 12-57	1.13 6.00 9.01	1.08 6.27 1.177	30 25 15	40 25 37½	30
Peninsular Periakaramalai ...	Directors Peirce Leslie & Co. Ltd.	...	31*	2.26	5.66 94.65	2.97 8.55	...	2-56 3-57	3.55 33.42	2.16 40.11	6 35	15 45	6 45
Pariyar & Parakkanni ...	E. I. Agencies Private Ltd. 7½% R. C. P. 6½% Debentures	...	...	3.23	5.11	1.46	15	12-56	1.64	...	12	...	...
Pullangode ...	Aspinwall & Co. Ltd. 6% C. P.	...	...	6.12	9.53	1.32	16	3-57	3.23	3.49	5	15	17½
Puthuthottam ...	Ruby & Co. Private	1.77	...	13*	15.35	...	72	3-56	6.86	7.62	10	15	10
Rajagiri ...	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	13.70	21.01	1.39	1.11	6-56	10.20	8.88	25	20	17½
Rajendra Coffee ...	Associated Planters Private 6% Cum. Pref. 5½% Redeem Cum. Pref. 6% Debentures	...	2	...	3.56	2.37	13	3-57	1.21	1.40	25	20	15
Savamalai Shevaroy Stanes Amalgamated ...	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd. T. Stanes & Co. Ltd. 5½% Debentures	...	2	...	7.26 1.17 8.64	56 8.36 1.29	6 28 57	11-56 6-56 6-56	1.37 3.27 4.99	1.19 1.20 3.98	15 10 13½	10 7½ 18½	25 7½ 15
Talayor Tea ...	Parkins (Private) Ltd. 6% C. P.	8.08	...	...	14.48	4.67	48	3-56	4.56	7.36	12½	16½	12½
Teekoy ...	East India Agencies Private 6% C. P.	...	...	...	5.32	97	16	3-57	1.72	2.30	6	9	9
Thamarapally ...	5½% Debentures A. V. George & Co.	...	...	2.29	2.14	1.14	18	12-52	1.39	1.41	25	15	6½
Thirumbadi ...	6½% C. P. Peirce Leslie & Co.	...	...	8.14	11.10	1.86	11	9-56	3.63	1.79	12½	12½	10
Travancore Rubber Trav. Rubber & Tea ...	Directors Aspinwall & Co. (Trav.) 6% C. P.	8.90	...	10.32	5.55 34.92	1.57 6.29	40	12-54 12-56	2.69 8.09	2.60 14.16	20 7½	20 12½	20 15
Tropical Plantations Twylford ...	Directors Parkins Private Ltd.	4.57 9.70	...	6.42	17.93 14.44	2.40 6.59	36	12-54 12-55	5.48 2.90	5.46 9.83	12 20	16 25	20 15
Udayagiri ...	A. V. George & Co. 7% C. P.	...	...	1.56	2.87	62	3	12-52	—7	64	nil	nil	7
United Nilgiri ...	6½% Debentures T. Stanes & Co.	12.95	...	...	27.73	2.40	91	3-56	10.88	13.90	20	35	22
Vaikundam Vayitri ...	Harrisons & Crofield Young India Agencies Private 5½% Debentures	...	...	4.14	5.07 1.60	1.32 9	11 10	12-52 3-56	2.87 53	2.89 1.05	20 9	20 9	13½ 6
Vakimalai ...	Oppootttil Kurien & Co. (Pri.) 7% C. P. 6% Debenture	48	...	4.55	6.80	1.12	29	2-57	2.41	2.62	12½	15	10
Waterfall ...	Kothari Mehta & Co. Private 6% R. C. P.	9.60	...	...	49.01	2.01	20	6-57	21.46	10.09	12½	15	20
Woodcote ...	Goodall & Co. 6½% C. P.	88	...	...	1.79	15	8	6-57	30	18	9	6	12
Woodlands ...	6% Debenture Directors 6½% C. P. 6% Debentures	48	...	2.89	7.49	1.54	...	3-57	2.73	66	10	12½	20

*Cardamom (in lbs.).
(b) After transferring Rs 1,94,598 from General Reserve (c) After writing back Rs 100,000 being estimated and writing back Rs 60,000 being surplus provision in pre-surplus provision of previous years.
vious years.

PLANTINGS—(Contd.)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	May 1958 Rs. np.	May 1957 Rs. np.			General	Others	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Malamalay 7½% C. P. Mysore Coffee 7½% Debentures Mysore Plantations 6% C. P.	32 00 25 87 3 28 1 75 7 85	45 50 27 75 2 90cd 1 98 7 91	25 25 2 2 10	300 300 600 500 250	...	1.44 ...	4 54 ...	2.32 1.99 2.44	6.77 7.81 9.26	2.05 43 1.15	77 ...	1.06 1.80 1.70	73 6 1.42	2.52 5 8	...
Neelamalai 5½% C. P. Nellampathy 6% C. P. Nellithanam 7% C. P. Nenmeny 7% C. P. 6% Debentures New Glen Morgan Nilambur 6% C. P. Debentures	4 15 6 90 3 05 8 85 11 85 14 10cd 9 60cd 495 00 12 85 8 06 98 00	5 55 7 42 2 70 9 45 13 00 20 25cd 10 10 502 50 16 25 8 66 100 00	5 10 2 10 10 1 1 500 2 10 ...	3,600 1,800 1,200 450 190 335 300 400 650 200 200 100	6.75 2.30 2.30 ...	12.70 2.30 ...	47 5 ...	17.61 8.83 4.42 3.09	61.65 23.43 4.40 13.49	9.71 4.22 11 1.12	1.48 11 1.03 ...	9.74 4.19 24 2.61	5.07 1.74 50 21	23.31 4.71 54 6	...
Nilgiri Tea 6½% C. P. 6% Debentures Nonsuch Tea	8 50 4 30 495 00 21 62	8 88 4 67xd 497 50 21 12	10 5 500 10	563 280 500 1650	1.50 ...	1.50 ...	13 ...	2.14 ...	15.16 ...	1.96 ...	1 ...	1.86 ...	71 ...	2.90 ...	...
Ouchterlony Panchura Parkside Peermade 6% C. P. Peninsular Periakaramalai Periyar & Prasekann 7½% R. C. P. 6½% Debenture	4 80 3 20 16 85 20 50cd 93 50 19 00cd 4 12 ...	4 65 3 75 15 00 25 00cd 101 00 27 60 7 25 ...	2 1 10 10 100 10 2 ...	1,946 150 1,354 1,700 150 600 500 203	17.05 1.50 3.50 ...	5.00 ...	-76 23 11.82 882 ...	9.03 1.12 6.73 1,639 3.93 29.38 2.99	43.87 2.09 27.87 3,619 7.41 91.59 10.09	14.24 12 2.43 1,179 29 25.94 33	3.49 1.03 ...	10.06 84 4.95 935 1.28 2.19 15	78 11 43 186 21 3.02 9	5.82 40 5.93 2.50 1.28 20.81 2.86	...
Pullangode 6% C. P. Puthuthottam	1 70 8 65 2 78	2 32 9 25 3 20	2 10 2	1,650 150 2,100	2.00 ...	27 ...	89 65	3.85 9.65	18.91 29.98	3.80 1.80	2.02 1.94	2.08 9.62	33 1.47	5.47 3.09	...
Rajagiri 6% C. P. Rajendra Coffee 6% Cum. Pref. 5½% Redeem Cum. Pref. 5½% Debentures	15 80cd 7 50 10 25 8 46 7 32 1000 0	17 00 8 60 11 37 9 06 7 87 1000 60	10 10 5 10 10 1000	1,350 2,260 200 100 100 100	3.00 ...	6.90 ...	8 31	9.93 3.40	42.16 4.84	3.72 27	10 1.00	2.12 2.13	1.17 2.64	14.18 18	...
Savamalai Shevaroy Stanes Amalgamated 5½% Debentures	4 52 2 09 13 75 460 00	...	2 10 10 500	367 1,350 900 200	3.00 1.70 12.00	50 2.00 9.25	47 5 25	1.20 3.63 6.25	3.68 9.80 25.66	78 75 5.01	4 3.22 3.21	96 5.11 3.89	14 1.65 1.62	70 1.84 1.37	4.09
Talayor Tea 6% C. P. Teekoy 6% C. P. 5½% Debentures Thamarapally 6½% C. P. Thirumbadi 7½% Debenture Travancore Rubber T. R. T. & Co. 6% C. P. Tropical Plantations Twyerford	9 00 7 90 6 30 7 95 100 00 26 50cd 4 75 1 55 495 00 15 73cd 6 50cd 7 50 20 06cd 13 60	10 55 9 60 8 06 8 75 100 00 27 00cd 4 75 1 66 500 00 16 00 8 80cd 8 50 30 25cd 16 25	10 10 10 10 100 10 10 1 500 10 10 25 10	1,250 750 1,000 600 174 250 150 915 500 ...	6.50 ...	6.75 ...	25 10	6.67 3.95	29.40 22.44	2.35 1.59	2 11	7.99 1.13	3.09 29	3.03 2.34	...
Udayagiri 7% C. P. 6½% Debentures United Nilgiri	11 35 11 00 ...	14 00cd 11 00 ...	10 10 500 10	220 80 300 1,371	40 ...	2.95 ...	20 ...	87 ...	...	9 ...	...	97 ...	58 ...	1.25 ...	...
Vaikundam Vayitri 5½% Debentures Velimalai 7% C. P. 6% Debentures	20 35 1 50 ...	29 40cd 1 86 ...	10 2 100 5 10 500	629 400 32 600 250 400	1.52 75 ...	1.19 30 ...	33 20 13	2.40 73 3.68	23.46 5.29 16.73	11 44 61	...	1.42 16 1.41	9 48 1.18	3.25 47 1.33	...
Waterfalls 6% C. P.	3 15 8 50	3 70 9 62	2 10	3,150 500	15.00 ...	8 00 ...	1.09 ...	25.46 ...	53.40 ...	5.24 ...	8.54 ...	5.71 ...	15.54 ...	8.09 ...	...
Woodcote 6½% C. P. 6% Debentures Woodlands 6½% C. P. 6% Debentures	1 56 3 79 500 00 7 70 8 80 502 50	1 70 4 12 500 00 9 50 9 45 502 50	1 5 100 10 10 ...	100 60 50 695 232	...	53 ...	17 ...	58 ...	3.51 ...	82 ...	5 ...	15 ...	21 ...	2 ...	...

N A M E	Managing Agents/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up Capital	Reserves including Latest Allocation		Sundry Liabilities		Gross Block	Depreciation	Investments		Loans and Borrowings		Other Assets			
			Latest	Previous Period	Latest	Previous	May 1958	May 1957		Paid-up Capital	Reserves	Other	Carry forward			Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
C A L C U T A																							
Arthur Butler	N. Bhat, Trading Co., 7% C.P. 5% Debentures	10-54	-3.45	-1.71	nil	nil	7 19 7 25	8 00 8 31	10	6,000	4,000	15	-4.73	17.37	9.57	6	11.99	4.68	5	6.29	82		
Banar Engineering	K. C. Thapar & Brothers Deferred	3-55	-5	-15	nil	nil	...	...	900	3,000	...	-2.61	9.15	3.68	2.61	...	1.74	1.49	10	1.58	1.86		
Bharat Elec.	Bharat Co. Ltd. Directors	12-56	28.27	19.07	12 1/2	10	15 50 26 56	15 50 25 37	10	5,000	15,000	1,000	98	64.08	66.33	36	58.30	27.63	166	...	...		
Bridge & Roof	Balmer Lawrie & Co. Ltd. 5% Debentures	12-56	4,372	(4,263)	20	25	26 56 26 56	36 00 36 00	10	5,660	2,500	4,142	182	10,164	5,978	1,861	1,376	773	11,851	...	...		
Brit. Building	Holmes Wilson & Co., 31% Debentures	3-55	2.94	2.23	10	5	490 00 5 94	495 00 6 46	500	2,000	17,500	3,500	177	53.65	23.79	93	15.32	29.26	13.66	12,34	15		
Brit. Engrg.	McLeod & Co. 31% Debentures	12-56	4,806	1,452	6	15	10 81 470 00	13 35 485 60	10	10,000	5,000	2,75	17	55.98	8.02	2,200	13.63	19.91	15	18.32	...		
B.T. Elec. Cons.	Balmer Lawrie & Co. Ltd. 7% C.P. 6% C.P.	12-56	3.90	2.09	Nil	Nil	34 00 114 00	32 00 127 00	100	5,000	1,000	-2.16	33.24	10.09	2	16.78	8.85	4	6.13	...	...		
Burn & Co.	Martin Burn Ltd. 5% C.P.	4-57	137.78	107.43	7	7	105 00	100 00	100	13,000	17,000	149.18	1,10	714.53	411.60	32.09	512.03	265.29	80.2	23.82	...		
Hindustan Motors	Birla Brothers Ltd. Martin Burn Ltd.	3-55	35.64	76	12 1/2	12 1/2	6 94 108 00	...	10	496.13	12,500	100	5,19	247.77	94.53	14.48	268.78	192.11	12.97	...	...		
Hoephly Docking	Das Group Ltd. 7% C.P.	12-56	6.16	1.01	nil	nil	2 00 23 00N	3 50 23 00N	10	12,500	10,500	10	21	135.11	37.80	...	7,42	44.74	11	97.71	...		
India Machinery	Debitures	6-54	95	1,01	nil	nil	...	...	100	3,513	...	...	...	12.86	88	...	7,15	11.34	29	...	...		
I. Galvanizing	Balmer Lawrie & Co. 6% C.P.T.	12-56	(53.93)	8.60	nil	4	14 12	19 00	10	3,500	4,350	...	90	61.05	47.08	1	53.96	28.80	1.39	...	...		
Indian Iron	Martin Burn Ltd. 5% C.P.	3-57	967.04	974.23	10	10	21 51 99 00	18 42 99 50	10	18,327	165,000	111,009	9,13	330,009	227,338	204,21	865.40	1563.74	213,29	152.27	...		
I. Mill. Casting	4% First Debit. Ch. Mica India, Ltd.	3-55	1.38	57	12 1/2	Nil	4 07 3 00	6 69 3 56	5	1,24	40	...	6	13.18	5.70	76	7.16	5.45	14	...	...		
I. St. Wagon	4% Debentures Martin Burn & Co. Pri. Ltd.	3-57	58.69	42.90	30	25	98 50 115 00	159 00 127 50	1000	3,000	6,500	54,05	24	60,84	93.48	2,66	161.87	121.81	15.78	336.37	5.33		
I-Steel & Wire	7% C.P. Indra Singh & Sons, Pri.	3-57	86.63	91.03	40	30	61 00 54 00	66 00 15 56	100	19,660	104,45	202,24	9,45	119,800	208,45	40,92	60.06	87.43	194.06	...	...		
Jay. Engrg. works	M. M. Shrivastava & Co. 51% Debentures	3-55	28.60	23.76	12	6	150 50	...	100	20,25	39,10	15,35	20	118.66	147.89	...	79.53	51.50	4.67	...	...		
Jesop & Co.	5% C.P. Directors	10-56	(176.63)	52.52	5	5	20 25 77 30	23 93 89 08	100	42,000	43,600	26,17	13,27	285,09	119,26	74,87	62.18	205.89	81	56.58	27.38		
Kumardhabhi	5% C.P. Brid & Co. Private Ltd.	11-56	18.55	8.83	20 1/2	16 1/2	9 06 84 50	8 69 101 06	3	18,43	2,75	49.57	25	56.45	68.94	2,28	42.54	40.16	48	16.93	2.94		
Marshall Sons	4% Debentures Marshall (Dm) Pri. Ltd.	6-56	5.06	4.79	20	15	5 62	4 50	2	10,500	18,500	6,38	1,01	148.63	17.12	2,07	102.24	73.78	2.78	...	...		
National Iron	Directors	3-57	1,784	1,681	6 1/2	2 1/2	7 31	7 12	10	4,996	116	492	828	6,639	10,847	108	3,424	5,240	262	...	...		
National Rolling Steel	Assoc. Indus. Develop. 6% C.P.	6-55	(111.13)	(m) 81	5 1/2	5 1/2	10 25 95 00	9 37 101 00	10	400	22,500	2,500	40	55,09	82,62	3	26,19	4,07	14	...	...		
National Screw & Wire	Directors	12-56	90	2.31	15	10	5 75	9 25	10	5,000	10,000	...	23	42.96	11.64	84	11,27	34.57	34	...	...		
Richardson & Crutches	S.B. Indus. Dev. Co. 51% C.P.	6-55	33.02	31.91	5 1/2	5 1/2	8 19 54 00	15 06 54 00	100	60,000	10,000	17,01	10	118.52	50.38	13,39	52,73	85,000	1,78	24,64	31.31		
Saras	B. Sutherland & Private Co. Directors	3-57	5.93	3.68	10	6 1/2	4 56 14 06	6 62 12 62	4	6,000	30	6,86	12	28.07	27.31	50	19.92	8.77	57	1.07	...		
Sen Raligh Indus.	5% C.P.	9-56	21.12	16.75	5	5	70 00	...	100	58,73	2,000	7,60	29	144.60	138.23	13,81	75.34	18.32	480	14.44	3.03		
Steel Products	D. Khaitan & Sons 5% C.P.	4-52	49	17	Nil	Nil	1 06 3 31	0 62 0 72	34	2,800	...	1,00	-6.16	9.56	4.76	...	2.47	6.71	4	...	...		
Test Mech.	Bridg Bros. Private 51% C.P.T. 51% R.C.P.T. 6% Debentures	12-56	72.39	50.76	12 1/2	10	17 90 86 50	17 35 94 51	10	150,000	10,75	17,11	99	206.32	267.51	1,16	190.92	111.50	5.41	...	...		
B O M B A Y																							
Acme Manfg.	Walchand & Co. Private 48% C.P.	6-56	3.51	1.81	nil	nil	...	...	10	240	18	...	-9.29	32.57	22.34	9	14.72	6.42	10	...	...		
Alcock Ashdown	48% C.P. Turner Morrison	12-55	12.64	8.80	12 1/2	10	245 00	263 75	100	3,342	24,500	20,21	1,14	64.93	100.22	9,29	15.13	55.69	22.20	26.17	...		
Brady Engineering	W.H. Brady & Co. Walchand & Co. Pri. Ltd.	12-57	306	242	3	3	50 80	...	60	1,500	235	10,28	4	275	1,531	571	352	107	544	62	...		
Cooper Engineering	5% R.C.P.T. Bridg Bros. Ltd.	6-56	8.11	6.06	7	6	90 80	...	100	2,520	1,000	43.25	36.45	52.91	36.45	1,22	43.14	16.88	2.26	...	...		
Hind cycles	5% R.C.P.T. 51% R.C.P.T. 51% R.C.P.T. Debitures	12-55	18.82	13.81	10	8	133 75	...	100	3,018	6,02	8.14	9	65.03	86.39	59.25	66.71	23.56	5.41	...	...		
Inves. Machine Tools	Invest Industrial Corp. 41% C.P.	12-55	-1.21	-71	nil	nil	...	...	100	1,500	...	...	-747	24.03	23.84	...	18.63	1.77	10	...	...		
Jaispur Metals	Poonachand & Bros. Pri. 6% C.P.	12-55	5.16	4.01	4	4	65 50 57 00	52 00	100	1,000	1,132	50	3.93	...	28.90	...	43.49	19.08	2.47	...	...		
Jet's Engrg.	41% Debentures Kammani Bros. Private	3-57	1.78	4.92	10	10	90 00% 52 00	66 00 52 00	50	600	2,000	2,61	9	14.48	1.43	9	12.03	11.98	83	...	...		
Kammani Engineering	5% C.P. Kammani Bros. Private	9-56	3.93	4.92	10	10	52 00 65 00	70 00	100	1,500	2,500	8	37	91.78	49.99	50	37.72	67.63	3.88	...	...		
Kammani Metals	5% C.P. Kammani Bros. Private	6-57	442	203	10	10	...	...	100	700	...	...	...	...	...	22	66.71	23.56	5.41	...	...		
Kirloskar Bros.	51% Debentures Kirloskar Bros. Management	7-56	11.63	8.53	6	5	16 40	...	100	1,500													

GILDED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-5-58	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-5-58	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-5-58		
GOVERNMENT OF INDIA LOANS																			
Rupee Loans																			
NON-TERMINABLE LOANS.																			
8.93 34		1896-97	3 Months' notice	30-6/31-12	71-25														
TERMINABLE LOANS.																			
57.00,69.000	2 1/2	1946	1961	1-2/1-8	95-35														
45.63,07.000	2 1/2	1946	1960	15-1/15-7	98-05														
75.86,72.000	2 1/2	1947-48	1962	15-5/15-11	95-45														
14.77,48.000	2 1/2	1946	1976	16-3/16-9	83-05														
15.22,64.900	3	1951	1958	16-2/16-8	99-75														
113.65,64.000	3	1945	1959-61	15-2/15-8	99-15														
116.17,46.000	3	1932	1963-65	1-6/1-12	95-50														
30.33,10.900	3	1950	1964	15-6/15-12	95-27														
110.11,78.000	3	1943	1966-68	1-4/1-10	92-80														
115.05,83.000	3	1945	1970-75	15-4/15-10	92-10														
248.91,37.000	3	1946	1986	16-3/16	71-00														
57.27,36.000	3 1/2	1956	1962	16-1/16-7	97-85														
75.29,00.000	4	1953	1961	1-6/1-1	99-62														
158.17,90.000	3 1/2	1954	1964	19-4/19-10	98-20														
103.67,92.000	3 1/2	1955	1965	1-1/1-7	97-65														
33.81,83.000	3 1/2	1956	1967	16-1/16-7	97-65														
66.63,54.000	3 1/2	1956	1974	16-1/16-7	98-31														
56.86,08.000	3 1/2	1957	1967	1-2/1-8	99-70														
49.16,87.000	4	1957	1972	1-2/1-8	100-25														
63.30,26.000	4	1926	1960-70	15-3/15-9	100-35														
RUPEE COUNTERPARTS.																			
5 85 73 000	4 1/2	1928	1958-68	1-6/1-12	100-55														
STATE GOVERNMENT LOANS																			
WEST BENGAL.																			
1 75 00 000	3 1/2	1951	1962	17-3/17-9	98-05														
3 60 23 300	4	1953	1963	15-1/15-7	99-40														
2 00 00 000	4	1952	1964	1-2/1-8	99-75														
7 00 00 000	4	1955	1967	1-3/1-9	98-25														
7 00 00 000	4	1956	1968	3-3/3-9	98-06														
BOMBAY.																			
3 06 65 500	3	1944	1958	15-2/15-8	99-20														
2 92 30 300	3	1950	1960	31-1/31-7	97-75														
5 83 12 200	3	1949	1962	1-2/1-8	94-00														
2 97 86 300	3 1/2	1951	1962	17-9/17-3	98-10														
5 50 35 400	4	1953	1963	15-1/15-7	99-45														
3 61 30 900	4	1952	1964	1-2/1-8	99-10														
9 00 00 000	4	1955	1967	1-3/1-9	98-35														
7 50 00 000	4	1956	1970	3-3/3-9	98-00														
	4 1/2	...	1969	...	100-05														
MADHYA PRADESH.																			
5 32 69 800	3	1944	1958	15-2/15-8	99-50														
1 01 44 700	3	1950	1960	31-1/31-7	97-25														
2 01 28 800	3	1948	1964	1-3/1-9	97-25														
1 02 18 100	3 1/2	1951	1962	17-3/17-9	97-75														
1 02 18 100	4	1953	1963	15-1/15-7	99-00														
1 50 00 000	4	1955	1967	1-3/1-9	97-70														
1 50 00 000	4	1956	1968	3-3/3-9	97-62														
UTTAR PRADESH.																			
2 20 93 600	2 1/2	1946	1961-66	1-3/1-9	94-50														
3 02 24 500	3	1944	1958	15-2/15-8	99-60														
2 17 89 700	3	1945	1960	14-3/14-9	97-75														
1 57 42 600	3	1936	1961-66	15-3/15-9	90-85														
1 94 11 700	3 1/2	1951	1962	17-3/17-9	97-75														
5 65 15 500	4	1953	1963	15-1/15-7	99-35														
6 11 45 200	4	1952	1964	1-2/1-8	99-10														
8 00 00 000	4	1956	1967	1-3/1-9	97-70														
8 00 00 000	4	1956	1968	3-3/3-9	97-70														
MADRAS.																			
3 81 77 200	2 1/2	1946	1961	1-3/1-9	94-60														
1 07 95 000	3	1944	1958	15-2/15-8	99-45														
1 25 95 600	3	1939	1959	21-6/21-12	98-70														
2 78 44 000	3	1945	1960	14-3/14-9	97-68														
4 38 25 400	3 1/2	1950	1960	31-1/31-7	97-70														
3 01 49 000	4	1951	1962	17-3/17-9	97-85														
1 03 309 100	4	1953	1963	15-1/15-7	99-42														
5 24 81 200	4	1952	1964	1-2/1-8	99-42														
7 00 00 000	4	1955	1967	1-3/1-9	98-00														
12 50 00 000	4	1956	1968	3-3/3-9	97-90														
MYSORE GOVERNMENT.																			
5 99 72 900	3	1936	1956-61	20-10/20-4	99-25														
2 95 85 200	4	1933	1953-63	1-6/1-12	101-00														
3 34 47 200	4	1953	1963	15-1/15-7	99-25														
3 25 00 000	4	1955	1967	1-3/1-9	97-80														
4 00 00 000	4	1956	1968	3-3/3-9	97-75														
	4 1/2	...	1-6-9	...	100-00														
OOCHIN.																			
100 00 000	3	1945	1955-58	16-6/16-12	98-00														
30 00 000	3 1/2	1937	1956-61	1-6/1-12	97-75														
THAVANCOORE.																			
300 00 000	4	1953	1963	15-1/15-7	97-70														
	4	1956	1968	3-3/3-9	96-72														
MUNICIPAL LOAN																			
BOMBAY MUNICIPAL LOAN.																			
25 00 000	5	1928	1958	1-1/1-7	...														
26 21 000	5	1929	1959	1-2/1-8	102-50 N														
17 97 000	3	1950	1960	1-6/1-12	...														
110 00 000	4	...	1963	1-3/1-9	98-25														
215 00 000	4	...	1964	1-3/1-9	98-25														
244 14 500	4	...	1964	1-3/1-9	98-25														
200 00 000	3 1/2	1950	1965	15-2/15-8	92-10														
9 00 000	3 1/2	1951	1965	16-2/16-8	92-10														
10 00 000	3 1/2	1956	1966	14-3/14-9	...														
175 34 000	3 1/2	1951	1966	3-4/3-10	97-10														
33 00 000	3 1/2	1952	1966	3-4/3-10	97-10														
60 00 000	3 1/2	1952	1966	1-2/16-8	97-10														
24 50 000	3 1/2	1936-37	1967	1-2/1-8	...														
69 00 000	4	...	1967	1-3/1-9	98-25														
30 00 000	3	1938	1968	14-3/14-9	...														
30 00 000	3	1939	1969	1-3/1-9	...														
64 00 000	3	1940	1970	1-3/1-9	...														
48 00 000	3 1/2	1940-41	1971	1-3/1-9	...														
25 00 000	3 1/2	1941-42	1972	1-3/1-9	...														
135 00 000	4	...	1973	1-3/1-9	...														
20 00 000	3 1/2	1943-44	1974	1-3/1-9	...														
20 60 000	4	1913-15	1974	1-6/1-12	...														
22 00 000	3 1/2	1944-45	1975	1-3/1-9	...														
25 00 000	3 1/2	1945-46	1976	1-3/1-9	...														
54 00 000	3	1947-48	1977	1-3/1-9	...														
75 00 000	3 1/2	1947	1977	1-2/1-8	84-00														
61 00 000	3	1949	1979	1-3/1-9	...														
88 14 500	3 1/2	1949	1979	15-3/15-9	84-00														
10 00 000	5	1920	1980	1-5/1-11	...														
80 00 000	3 1/2	1950-51	1980	1-3/1-9	...														
CALCUTTA MUNICIPAL LOAN.																			
36 00 000	5	1928	1958	1-5/1-11	102-00														
25 00 000	5	1929	1958	1-2/1-8	102-00														
10 00 000	5 1/2	1932	1962	1-4/1-10	108-00														
33 91 000	3 1/2	1935	1965	1-1/1-7	94-00														
60 00 000	3	1936	1966	1-4/1-10	90-00														
47 50 000	3	1938	1968	1-6/1-12	90-00														
15 56 800	4	1940	1957	1-4/1-10	99-75														
17 64 400	3 1/2	1942	1959	1-5/1-11	96-50														
21 10 000	3 1/2	1942	1972	1-4/1-10	92-00														
15 49 000	3 1/2	1951	1961	1-2/1-8	97-00														
16 33 000	3 1/2	1951	1966	1-4/1-10	97-50														
66 88 000	3 1/2	1952	1962	1-5/1-11	99-25														
87 36 000	4	1952	1979	1-3/1-9	100-00														
72 50 000	4 1/2	1955	1985	1-6/1-12	...														
222 72 000	4 1/2	1958	1970	1-7/1-1	100 00														
87 00 000	4 1/2	1958	1970	1-7/1-1	100 00														
PORT TRUST LOAN																			
MADRAS PORT TRUST.																			
33 30 862	3 1/2	1947	1977	15th of each month	...														
9 88 000	3	1947	1977	...	...														
3 00 000	3	1949	1979	...	...														
BOMBAY PORT TRUST																			
35 00 000	3 1/2	1929	1959	1-2/1-8	...														
14 35 000	4	1913	1960	1-4/1-10	...														
10 00 000	4	1915	1960	1-4/1-10	...														
66 61 000	4	1922	1960	1-6/1-12	...														
11 51 000	4	1924	1960	1-4/1-10	...														
10 25 000	3 1/2	1926	1960	1-5/1-11	...														
12 50 000	3 1/2	1930	1960	1-5/1-11	...														
48 04 000	3 1/2	1936	1960	1-4/1-10	...														
12 50 000	3 1/2	1931	1961	1-5/1-11	...														
13 50 000	3 1/2	1932	1962	1-3/1-9	...														
36 50 000	4	1904	1964	1-1/1-7	...														
35 00 000	4	1905	1965	1-2/1-8	...														
15 00 000	3 1/2	1936	1966	1-3/1-9	...														
15 00 000	4	1906	1967	1-3/1-9	...														
44 00 000	4	1907	1968	1-5/1-11	...														
10 00 000	3 1/2	1938	1968	15-3/15-9	...														
75 00 000	4	1908	1969	1-3/1-9	...														
40 00 000	4	1909	1970	1-1/1-7	...														
56 00 000	4	1910	1971	1-4/1-10	...														
70 00 000	4	1911	1972	1-6/1-12	...														
110 00 000	4	1912	1973	1-2/1-8	...														
80 00 000	4	1913	1974	1-1/1-7	...														
88 23 000	4	1914	1975	1-4/1-10	...														
55 00 000	4	1915	1975	1-6/1-12	...														
24 58 000	3 1/2	1935	1975	30-3/30-9	...														
CALCUTTA PORT TRUST																			

Indian Finance

New Great ...	20	18.36	Shubhlaxmi ...	100	125.00 N	Andhra B ...	10	11.84	Gujarat Investment ...	50	25.00
New India ...	15	48.25	Swadeshi (Kanpur) ...	10	12.00 N	Ashoka ...	10	7.80	Gujarat Safe ...	75	120.00
Orient ...	200	4000.00	Swadeshi (Kanpur) P.O. ...	10	10.40 N	Bagr'kot ...	10	9.00	Gwalior Rayon ...	10	12.12
Sentinel ...	50	50.00 N	Western India ...	1000	4525.00	Dalpur ...	10	9.92	Harvey & Sabapathy ...	500	415.00
Universal ...	10	11.00	ELECTRIC: ...			Jaipur Udyog ...	10	11.92	Hindustan Motors ...	10	7.00
Vulcan ...	10	17.44	Bassein ...	10	8.50 N	Orissa ...	10	12.00	Hindri Rampur Coal ...	50	30.75
TEXTILES:			South Madras ...	10	10.95	STEEL: ...			Indian Dyestuff ...	100	139.00
Adoni ...	10	10.40	PLANTATIONS:			Indian Iron ...	10	21.48	Indian Copper ...	25h	3.08
Berar ...	200	60.00	Blue Mountain ...	2	3.18	MISCELLANEOUS:			Indian Tool ...	100	125.00 N
Bhawani ...	10	19.00 N	Halleyburia ...	10	18.40	Amar Dye ...	100	112.25	Man. Indus'l. Corp'n. ...	100	107.50
Bradbury ...	50	159.50	Highland ...	10	11.72	Bombay Cycle ...	20	18.12	Motor & Gen'l Fine ...	10	40.00 N
Colaba ...	100	35.00	Kalpetta ...	10	24.88	Bombay Silk ...	50	5.00	New Central Jute ...	10	15.12
Davangere ...	100	112.00	Midland ...	10	16.56	Br. Burma Petrol ...	35h	1.90	N. I. Fisheries ...	100	101.00
Hukumchand ...	100	105.00 N	Nellampathy ...	2	2.60	Br. India Corp'n. ...	5	3.70	New India Indus. ...	100	200.00 N
Indian Mig. ...	1000	450.00	Rajagiri ...	10	14.86	Brunton Eng. ...	10	5.00	Orient Paper ...	10	30.00
Jam Shri Ranjit ...	1000	1450.00	Twyford ...	10	2.40	C. I. Coal ...	10	6.36	Poly Chem. ...	50	50.50
JiyaJeerao ...	10	9.60	Waterfall ...	2	3.38	C. I. Machinery (old) ...	10	10.00 N	Rohtas Industries ...	10	18.24
Khandesh ...	1000	2000.00	SUGAR:			C. I. Machinery (new) ...	10	10.00 N	Sardar Carbonic ...	100	312.50
Khandesh ...	250	500.00	Cauvery ...	100	87.00 N	C. P. Railway ...	100	60.00	Sen Raleigh ...	10	13.76
Kothari ...	10	14.75	Hindustan ...	100	210.00 N	Chemo. Pharma (old) ...	25	25.00 N	Sirpur Paper ...	10	11.64
Kothari (new) ...	10	12.00 N	Kesar ...	40	50.00	Chemo. Pharma (new) ...	25	25.00 N	Standard Batteries ...	100	105.00
Madhusudan A ...	100	97.50	Krishna Gyanoday ...	10	10.20	Commerce (1935) ...	10	25.00 N	Structural Eng. ...	200	201.00
Madhusudan B ...	20	20.00 N	Maharashtra ...	250	915.00	Dehri Rohtas ...	10	10.90	Surat City Press ...	10	205.00
Mahendra ...	100	100.00	New Swadeshi ...	100	200.00	Dena Investment ...	25	11.52	Taxmaco ...	10	17.92
Mahendra New ...	100	109.00 N	Oudh ...	100	125.00	Delhi Safe ...	10	10.00 N	Thacker ...	50	45.00
Mahendra ...	40	40.00 N	S. Behar ...	10	1.00 N	Dhrang Chem. ...	100	90.00	Tractor's (India) ...	50	16.00
Phoenix ...	100	115.00	Vishnu ...	100	235.00	Dharang Chem. (new) ...	100	86.00	United Motors ...	20	19.00
Pulgaon ...	10	10.00	CEMENT:			Digvijay Tiles ...	100	50.50	W. Coast Paper ...	100	98.00
Raja Motilal ...	100	63.00	A. C. C. (new) ...	100	143.50	East India Hotels ...	100	5.00 N	W. B. Coal ...	10	5.40 N
Ruby ...	25	30.25				Ferro Alloys ...	100	100.00	W. I. Vex ...	100	90.00
									Zandu Pharmacy ...	100	109.00

Calcutta Stock Exchange

	1st	2nd	5th	6th	7th	8th	9th	12th	13th	14th	15th	16th	19th	20th	21st	22nd	23rd	26th	27th	29th	30th
Elgin	13.12*	13.00	...	12.81	11.75†	11.69†	...	12.25	12.31	12.31	12.31	12.75	...	12.50	...	...	...	...	...	...	...
Bengal Coal	23.00	230.00	...	...	...	230.00	...	...	...	...	242.00	...	...	242.00	241.00	...	241.00	242.00	241.00	...	...
Burrakur	...	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	21.87	21.75	21.75	21.50	21.62	21.87	...	21.87	21.87	21.87	21.87	21.87
Howrah	...	15.31	15.37	...	...	...	...	15.12	...	15.37	...	15.44	15.25	15.25	15.25	...	16.56	16.85	...	16.50	16.25
National	24.00	24.00	24.00	24.00	23.50	23.50	22.25	22.50	22.75	23.50	23.62	23.50	23.25	23.00	23.00	22.50	22.75	22.25	22.25	22.50	22.50
Hastimara	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tazpur	...	...	14.75	...	10.00	10.00	10.00	10.19	10.00	...	14.75	15.75	...	...	10.00	...	...	9.94	10.00	10.00	10.06
SKG	10.06	10.06	10.06	...	26.00	...	...	...	...	...	26.06	...	...	...	...	...	...	26.25	...	26.56	...
Braithwaite	...	26.31	...	...	...	...	...	...	...	...	...	...	19.69	...	...	20.06	20.12	20.19	...	29.25	...
Jessop	20.50	20.06	20.00	19.75	18.94	19.50	...	19.12	19.37	19.25	...	...	...	...	...	...	...	...	...	...	...
Indian Iron	21.97	21.67	21.57	21.59	21.68	21.74	21.43	21.58	21.60	21.68	21.59	21.58	21.20	21.11	21.06	21.39	21.35	21.45	21.36	21.55	21.51
TEXMACO	18.35	18.25	18.10	18.20	18.15	18.25	18.10	18.20	18.20	18.25	18.00	17.85	17.70	17.55	17.65	17.90	17.90	18.00	17.70	17.95	17.90
Indian Copper	3.15	3.13	3.10	3.11	3.10	3.13	3.10	3.12	3.11	3.12	3.12	3.12	3.08	3.07	3.06	3.09	3.10	3.11	3.10	3.10	3.09
B. B. Petrol	2.07	2.03	...	...	...	...	...	1.98	2.00	2.05	2.05	2.05	1.93	1.94	...	...	1.93	1.92	...	1.95	1.90
India Pulp	19.25	19.00	...	19.12	19.31	...	19.62	20.00	...	20.53	20.73	20.37	20.23	...	...	20.31	20.62	20.87	21.01	32.15	32.20
Orient Paper	29.90	29.70	29.30	29.40	29.45	29.55	29.25	29.60	29.55	29.60	29.60	29.60	29.30	29.15	29.15	29.75	30.00	31.30	31.00	32.35	32.30
Titaghur	36.06	36.31	36.50	36.62	36.50	36.62	36.50	...	...	...	36.87	37.12	37.27	37.37	...	38.12	38.50	...	...	38.62	38.69
B. I. C.	...	1.45	...	3.43	...	3.45	3.45	3.60	...	3.70	3.70	3.70	3.75	...	...	10.01	11.00	11.00	11.00	10.97	...
India Steamship	11.19	11.19	11.12	11.00	11.16	11.09	11.06	11.12	11.00	11.18	11.12	10.94	10.94	10.87	...	...	...	...	...	...	...
Indian Cable	29.90	29.69	29.75	30.12	30.62	30.75	30.37	30.62	30.56	30.37	30.62	31.87	33.50	33.50	33.87	35.00	34.75	34.37	...	34.50	34.00
Martin Burn	...	...	24.25	24.25	24.25	...	...	24.25	24.62	25.19	...	25.06	...	24.94	24.94	25.56	25.75	26.37	...	25.87	26.00
Metal Box	...	...	27.87	28.00	...	28.00	...	...	...	...	...	...	...	...	28.50	...	...	28.56	28.62	...	28.12
Dunlop Rubber	25.12	25.27	25.18	25.75	25.81	25.62	25.56	25.81	25.81	26.12	26.19	25.69	26.00	26.00	25.62	25.61	25.63	25.87	25.87	26.25	26.19
Rohatas	17.06	...	18.75	16.78	17.00	17.00	18.00	17.87	...	18.06	18.06	17.50	17.56	...	17.50	...	18.31	18.94	18.37	19.00	18.81
Indian Alum.	13.19	13.12	13.12	13.00	13.12	13.19	13.12	13.76	13.81	13.81	13.75	14.69	14.50	14.53	14.56	14.86	14.81	14.69	14.87	15.06	15.12
Hind Motors	...	...	6.75	...	...	...	6.81	7.00	6.98	...	...	6.90	...	6.88	...	6.75	6.81	7.00	7.00	...	6.94
Hind Lever	...	...	...	...	...	...	21.50	21.12	21.12	21.19	21.37	...	21.85	...	...	21.69	...	22.12	...	22.12	22.25
Phillips	14.12	...	...	...	...	...	13.87	13.75	14.19	14.00	14.00	14.00	14.00	13.87	...	...	...	...	14.00	14.06	...
Sone Valley	4.97	...	4.94	4.94	4.94	5.00	4.94	4.94	4.87	4.87	4.87	...	4.87	4.87	4.87	4.87	...	...	...	4.87	4.87
							*=cd.														

Bombay Stock Exchange

	1st	2nd	5th	6th	7th	8th	9th	10th	12th	13th	14th	15th	16th	19th	20th	21st	22nd	23rd	24th	26th	27th	28th	29th	30th
Bombay Dyeing	55.60	55.40	53.50	54.10	54.50	54.20	53.80	53.90	54.20	54.20	54.30	54.30	54.10	53.90	53.40	53.40	53.70	53.70	53.60	53.70	53.30	53.40	53.50	53.40
Central India	83.50	83.00	83.00	83.70	83.50	83.50	84.50	85.00	...	84.00	84.00	84.00	83.50	83.00	80.50	...	81.00	...	83.00	...	81.00	82.00	82.00	...
Century	434.00	432.00	421.00	427.00	431.50	433.00	429.50	431.00	431.00	429.25	430.00	429.50	427.50	426.50	422.00	421.75	426.00	427.00	427.50	428.00	426.50	427.00	427.50	426.00
Finlay	...	280.00	...	257.00	258.00	258.00	256.00	256.00	257.50	256.00	258.00	267.50	257.50	263.00	260.00	260.00	261.00	261.00	270.00	266.00	...	259.50	261.00	261.00
Kohinoor	264.00	263.50	253.50	258.50	271.00	268.00	267.00	267.00	257.50	266.00	268.00	267.50	256.50	266.00	264.50	263.50	263.50	263.25	263.25	264.00	263.25	263.50	263.50	263.75
Simplex	153.00	154.50	152.00	153.50	155.00	...	154.00	...	...	424.00	426.00	423.00	422.00	398.00	386.00	385.00	390.00	394.00	395.00	396.00	392.00	392.00	394.00	391.00
Standard	480.00	480.00	480.00	421.00	430.00	421.00	424.00	423.00	427.00	174.75	176.00	174.25	173.00	172.50	169.50	169.25	172.00	173.00	173.00	172.75	171.55	171.25	171.75	171.25
Swadehi	172.00	170.25	170.50	172.50	178.50	177.50	174.75	175.00	37.50	37.50	37.50	37.50	37.25	37.25	37.00	37.00	37.00	37.25	...	37.00	37.50	37.25	...	37.25
Tata Mills	37.00	37.00	36.75	37.00	38.00	38.00	37.25	37.00	37.50	37.50	37.50	37.50	37.25	37.25	37.00	37.00	37.00	37.25	...	37.00	37.50	37.25	...	37.25
Bank of Baroda	...	...	...	...	...	116.75	116.00	115.50	114.50	114.50	114.50	114.75	114.50	...	...	...	115.00	114.75	115.00	...	114.50	115.50	116.00	...
Central Bank	53.30	53.30	53.30	53.30	53.30	53.30	53.30	53.30	52.00	52.00	52.00	51.50	51.00	51.50	51.00	51.00	51.00	51.50	...	52.50	53.00	53.30	53.30	53.20
Almhedabad Elec.	94.70	74.70	94.50	94.50	95.00	94.70	94.50	94.50	94.50	94.40	94.50	94.50	94.20	91.50	91.00	94.30	94.30	94.30	94.30	94.30	94.30	94.60	94.60	94.80
Tata Hydro	...	117.25	116.75	...	118.25	...	118.00	...	118.00	118.50	118.50	118.50	118.50	...	...	...	118.25	...	...	118.00	118.00	...	...	117.50
New India	44.00	44.30	44.00	43.75	44.00	44.50	...	...	45.75	45.50	46.00	47.00	50.00	49.50	49.75	49.75	48.50	48.40	48.00	48.50	48.25	48.25	48.50	...
Seindia	17.60	17.60	17.60	17.56	17.64	17.56	17.48	17.48	17.48	17.44	17.52	17.44	17.24	17.20	17.08	17.08	17.28	17.28	17.28	17.38	17.36	17.36	17.52	17.52
Indian Iron	182.25	180.75	184.00	181.00	181.75	181.75	181.80	181.80	181.75	181.00	179.50	182.25	181.55	180.75	178.00	178.00	178.50	177.00	176.50	179.00	178.50	179.25	180.00	179.75
Tata Iron	222.00	218.00	216.00	217.25	217.75	218.75	245.20	245.00	248.50	244.76	246.00	246.25	245.00	244.00	244.50	244.50	246.00	246.00	246.00	246.00	245.50	246.00	245.25	245.25
Belapur	246.00	245.50	245.50	246.00	247.50	245.80	245.20	245.00	248.50	244.76	246.00	246.25	245.00	244.00	244.50	244.50	246.00	246.00	246.00	245.50	246.00	245.25	245.25	245.25
Phaltan	139.50	141.00	140.25	141.00	141.25	142.50	141.00	142.00	142.75	142.00	143.75	143.25	...	141.50	141.00	141.00	144.00	145.00	145.00	145.00	145.00	145.00	145.00	145.00
Alcock Ashdowne	252.50	250.00	247.50	246.25	254.75	248.75	248.75	248.75	247.50	247.50	250.00	248.75	246.25	245.00	243.75	243.75	246.75	247.50	248.75	247.50	246.25	246.25	246.25	245.00
B B Petrol	2.03	2.06	2.00	7.98	2.72	2.02	2.02	2.02	2.00	1.98	1.98	1.98	1.96	1.96	1.96	1.94	1.94	1.94	1.98	1.98	1.94	1.90	1.90	1.92
ACC	154.75	153.25	153.25	154.00	155.00	155.25	153.50	153.75	153.75	153.00	153.75	153.00	151.75	150.75	148.50	148.50	148.50	149.24	149.00	149.50	148.50	149.00	148.75	148.75
Indian Copper	3.16	3.14	3.12	3.10	3.12	3.14	3.10	3.12	3.14	3.12	3.14	3.12	3.10	3.15	3.08	3.08	3.10	3.12	3.12	3.12	3.10	3.08	3.08	3.10
Bombay Burma	559.00	552.00	550.00	553.50	551.00	559.00	554.50	556.50	555.50	551.50	556.00	544.50	550.50	547.10	540.50	540.50	547.00	550.00	549.50	550.00	547.00	548.50	551.00	548.50
Larsen Toubro	157.15	15.68	15.73	15.50	15.84	...	...	...	...	15.96	15.40	16.04	16.28	16.24	16.24	16.24	16.32	16.30	...	16.44	...	16.44	16.44	...
National Rayon	22.70	225.25	226.00	230.00	233.50	234.75	233.00	236.00	236.75	226.00	235.75	233.25	232.25	232.00	229.75	229.75	233.00	233.00	232.50	232.25	231.75	233.50	234.00	235.75
Premier Constc.	192.00	190.50	190.50	193.00	195.00	194.00	192.50	193.50	193.75	191.25	193.00	192.50	192.00	182.00	180.50	180.50	183.50	183.25	182.50	183.25	181.50	181.50	182.00	181.50
Shivapur	92.00	90.50	90.00	90.00	91.00	92.00	92.00	93.00	94.00	92.50	92.50	91.00	90.50	82.00	80.50	80.50	80.50	81.00	80.70	80.75	80.20	79.80	80.50	80.50
Tata Chemical	15.16	14.96	14.96	14.96	14.92	15.20	14.96	15.08	14.96	14.96	14.96	14.92	14.84	14.88	14.72	14.72	14.84	14.84	14.88	14.94	14.84	14.80	14.88	14.80
TELCO	168.25	166.75	166.50	166.50	167.50	167.00	166.25	168.00	169.00	168.00	168.00	167.00	167.00	167.75	164.50	165.50	166.25	165.00	166.50	167.00	165.75	166.00	167.00	167.50
TOMCO	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	37.50	37.50	37.50	37.75	38.00	37.25	37.50	37.75	37.50	37.25	37.75	38.00	38.50	38.50	38.25	38.00
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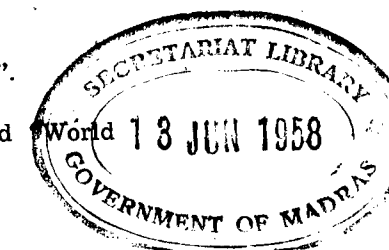
Indian Finance

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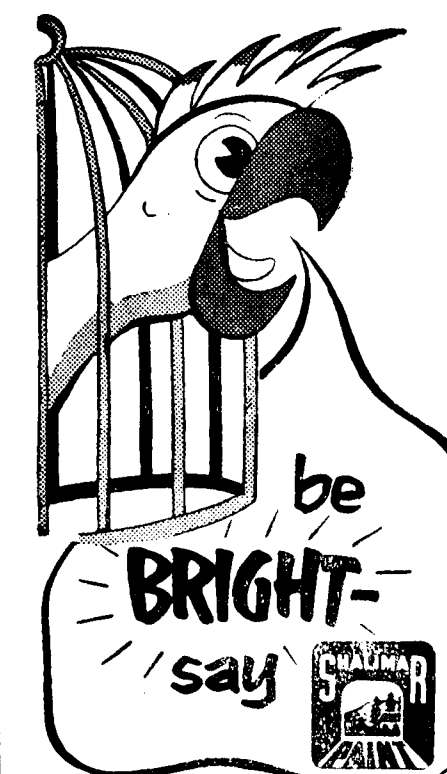
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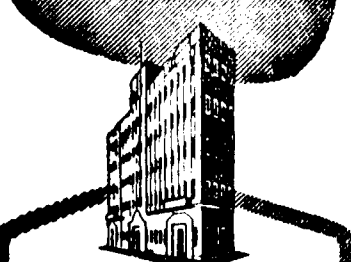
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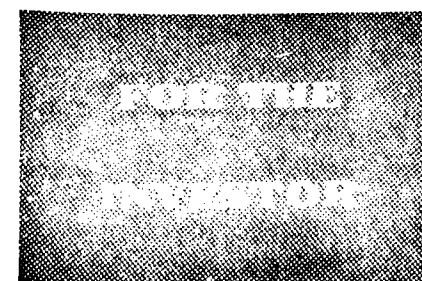
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Not Stalemate, But Cautious Hope

Investment Gossip:

THE last week's settlement on the Calcutta Stock Exchange brought about a momentary quietness, especially in the speculative scrip. But, bad as the mood of the market is one in which the imperceptible pressure upon prices is upward.

So, there has occurred no spectacular rise: but then, nor has there been any element of a slipping back. Contentment seems to come from a gentle, and by no means considerable, marking up.

The reason, of course, is that there have been no "positive" developments. What now sustains is the fact that general confidence abounds; and, perhaps, the lack of any disincentive factors as such was also contributory.

You could almost call the present condition a stalemate; but not quite. For, in a stalemate, interest slackens and, resultantly, an erosion in values would ensue.

If not a stalemate, are we witnessing some sort of marking time? I am tempted to say, yes, there is indeed something akin to a sense of waiting. However, "idling" of this nature also has a resultant depressing effect on prices; and such a phenomenon has not obtained.

So, for description of the present state of affairs in Stock Exchanges, we have to hunt for some other definition. The stalemate and idling would both have caused a downward movement; what we have seen, on the contrary, is a slight improvement.

I would like to believe the apt description for today's Stock Exchanges would be, say, cautious hope. The hope lies in the anticipation of such favourable factors as an increase in steel retention prices, a rise in cement prices, measures to foster exports, et cetera et cetera.

The caution would stem from the fact that, as yet, there has been little by way of "positive" good news.

This cautious hope, let me add, characterises the attitude of the professional operators; and it is this which has moderated any rising tendency in the speculative.

But the approach of the investor is quite different. His hope is more deeply founded. This explains why miscellaneous scrip and selected shares in other sections have

been making steady headway. Even jutes, as I had occasion to remark some weeks ago, are better.

Another influence on prices should now be taken note of. I refer to the money market wherein, in spite of the considerable subscriptions realised by the new loan programme, conditions are easy. Consequently, interest rates are unable to hold to the high levels that have been ruling since practically the beginning of the 1956-57 busy season. Furthermore, the new loans have also appreciated.

If, in the past two years, the high interest rates in the money market could be held responsible for depressing share prices, the present tendency toward a decline should ensure that, correspondingly, there is a rise in quotations so as to reduce the yields available on shares into conformity with the decline in yields available on gilt-edged.

I repeat: cautious hope.

ER

Investment Notes:

THE shares of Great Eastern Shipping have been a firm feature around Rs 20. Latest reports indicate that the company has fared better during 1957-58 and has plans for strengthening its fleet. During 1958-59, the tonnage is expected to move up by about 50 per cent.

The Alembic Chemical Works have announced the issue of 23,000 new Ordinary shares of Rs 100 each out of the unissued capital. The new shares will be offered to the shareholders in the ratio of 2:5. The company has obtained the sanction from the Controller of Capital Issues.

Walchandnagar Industries have proposed to raise their equity and Preference capitals. The authorised capital is to be increased from Rs 1.04 crores to Rs 3.00 crores by the creation of 99,000 equity shares and 99,500 Preference shares, both of Rs 100 each. The company will be making an application to the Controller of Capital Issues for the purpose, after taking the general approval of the shareholders. The object of the issue is the company's expansion programme.

The Indian Rayon Corporation is likely to enter the market for raising capital some time next month. The proposed issue will be for Rs 1.50 crores, comprising 85,000 Ordinary shares and 65,000-7 per cent Cumulative Preference shares, both of Rs 100 each. The offer of shares to the public will amount to about Rs 45 lakhs as the promoters, managing agents and their friends are expected to subscribe to the extent of Rs 1.05 crores. The issue to the public will comprise 25,000 Ordinary and 20,000 Preference shares.

In Madras, Travancore Rayons have continued to meet with good buyers up to Rs 14.10. There are hopes that, with the expanded capacity of the plant in full utilisation, the company will be able to achieve better results during the current year.

The total approximate production of iron and steel at the steel works of Tata Iron & Steel Co. Ltd., at Jamshedpur during the month of May 1958 was: Pig Iron 57,400 tons, Steel Ingots 52,900, Semis 7,600 tons, Finished 20,900 tons.

ER

Investment Briefs:

Hooghly Flour has raised the dividend from 26 1/2 to 45 per cent for 1957.

In McLeod Jute group, Empire has announced a dividend of 75 pP; Chitavalasah Rs 1.10 and Presidency 30 pP per share, all for thirteen months ended 31st July, 1957.

Indore Malwa Mills have reduced the dividend from Rs 11 to Rs 6 per share for 1957.

ER

Coal Results

Balance-Sheet Reviews:

FOUR Coal companies—Dhemo Main, Equitable, Hurraladih and West Jamuria—in Macneill & Barry group; Bengal in Andrew Yule group and Rewa in Shaw Wallace group have presented their reports and accounts for 1957. Except Equitable and Bengal having maintained the dividends at 15 per cent and 17 1/2 per cent respectively and Rewa reducing the dividend from 15 per cent to 10 per cent, all the other companies have passed over their dividends following disappointing results. Full particulars are given below:

ER

Dhemo Main

Although sales have risen to Rs 53.51 lakhs from Rs 36.48 lakhs, the accounts of this company reveal a loss, after providing for Depreciation, of Rs 2.69 lakhs as against a loss of Rs 2.16 lakhs in the previous year. After setting aside a sum of Rs 5,500 for Wealth Tax, the Depreciation amount is reduced to Rs 90,238 from Rs 1.14 lakhs. Raising are shown at 274,146 tons against 212,536 tons and despatches at 270,876 tons against 210,779 tons. The debit balance is considerably reduced to Rs 67,535 from as much as Rs 2.87 lakhs brought in.

ER

Equitable

Despite a slight decline in earnings, the Equitable Coal Company Limited has maintained the dividend as stated earlier. Raising are higher at 18.01 lakh tons against 16.85 lakh tons and sales at Rs 3.46 crores against Rs 2.84 crores. The net profit, after providing for Depreciation and Taxation, amounts to only Rs 10.87 lakhs as against Rs 12.18 lakhs in the previous year. The directors have provided Rs 11.34 lakhs (Rs 11.50 lakhs) for Depreciation; Rs 1.13 lakhs (nil) for Wealth Tax; Rs 4.00 lakhs (Rs 5.00 lakhs) for Development Rebate Reserve Rs 1.00 lakh (Rs 2.00 lakhs) for Debentures Redemption Reserve and

Rs 1.00 lakh (nil) for Investment Depreciation Reserve.

ER

Hurraladih

The results of the Hurraladih Coal Company are disappointing, mainly due to the increased raising costs during development. In addition, there were no raisings for a period of two months and heavy expenditure was incurred on the consequential retrenchment and lay-off compensation to labour. With the result, accounts reveal a loss of Rs 86,184 as against a net profit of Rs 2.75 lakhs in the previous year. The Depreciation amount is raised to Rs 44,879 from Rs 32,554. After transferring a sum of Rs 4 lakhs from General Reserve, the directors have provided Rs 5,320 for Wealth Tax and Rs 36,000 for taxation for previous year. The dividend is passed over against 15 per cent. There is now a credit balance of Rs 163 to be

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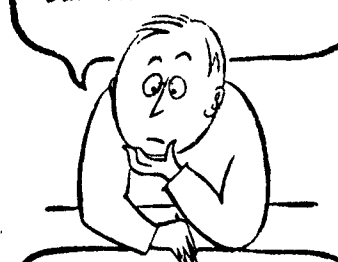


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carried forward as against a debit balance of Rs 2.10 lakhs brought in.

₹ Rs

West Jamuria

The working results of the West Jamuria Coal Company show a slight improvement over 1956. Raisings have risen to 244,471 tons from 167,373 tons and despatches to 248,214 tons from 180,640 tons. Sales are also higher at Rs 47.01 lakhs against Rs 28.84 lakhs. The accounts reveal a loss of only Rs 29,045 as against a loss of as much as Rs 2.33 lakhs. A sum of Rs 1.79 lakhs (Rs 1.97 lakhs) is set aside for Depreciation. There is still a debit balance of Rs 3.49 lakhs, which is carried forward.

₹ Rs

Bengal Coal

In common with other companies, the Bengal Coal Company Limited has reported a decline in earnings from Rs 69.78 lakhs to Rs 48.30 lakhs for the year ended 31st October, 1957. The directors have, after providing Rs 24.00 lakhs (Rs 25.00 lakhs) for Depreciation; Rs 42.65 lakhs (Rs 18.00 lakhs) for Taxation; Rs 3.25 lakhs (nil) for Wealth Tax and Rs 7.00 lakhs (Rs 2.00 lakhs) for General Reserve, maintained the Ordinary dividend at 17½ per cent. Raisings at 28.01 lakh tons against 23.20 lakh tons constitute a record in the history of the company, thanks to planned expansion to meet the requirements of the Second Five-Year Plan. Despatches have risen to 31.01 lakh tons from 25.59 lakh tons.

₹ Rs

Rewa Coalfields

Rewa Coalfields Limited has reported satisfactory results for the year ended 31st December, 1957. Sales are shown higher at Rs 64.82 lakhs against Rs 60.70 lakhs, while the net profit, after providing for Depreciation and Taxation, amounts to Rs 3.42 lakhs against Rs 3.69 lakhs in the previous year. The Depreciation amount is slightly lower at Rs 1.83 lakhs against Rs 1.86 lakhs. After transferring a sum of Rs 1.00 from General Reserve, the directors have allocated Rs 1.60 lakhs (Rs 2.18 lakhs) to Taxation; Rs 1.87 lakhs (Rs 2.24 lakhs) to provision for Appellate Tribunal Labour Award; Rs 17.796 (Rs 15.474) to Investment Depreciation Reserve and Rs 1.00 lakh

(Rs 1.20 lakhs) to Contingency Reserve. The dividend is reduced to 10 from 15 per cent.

₹ Rs

Marshall, Sons & Co.

In spite of the very competitive market conditions, Marshall, Sons & Company (India) Limited has reported an increase in earnings for the year ended 30th June, 1957. Sales have risen to Rs 2.68 crores from Rs 2.56 crores, while the net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 2.44,685 as against only Rs 1,38,471 in the previous year. The Depreciation amount is reduced to Rs 86,393 from Rs 1.17 lakhs, while Taxation provision is raised to Rs 3.50 lakhs from Rs 1.90 lakhs. The dividend is, however, maintained at 20 per cent.

According to the directors' report, there is satisfactory co-operation with the Britannia Engineering Company in regard to the manufacture and supply of tea machinery. As a result of the co-operation between Marshall, Sons & Company Limited, Gainsborough, and the Britannia Engineering Company in the production of Daisel Road Rollers in this country, this company, as the selling agent, will shortly feel the benefits. Another indigenous production from which the company is receiving material benefit is the range of Marshall Electric Motors produced by the Motor and Machinery Manufacturing Company.

₹ Rs

Cawnpore Sugar

The heavy losses incurred by the Pandrauna and Kathkulyan factories are fully reflected in the working results of the Cawnpore Sugar Works Limited for the year ended 31st October, 1957. Although sales are substantially higher at Rs 2.89 crores against Rs 1.65 crores, the accounts reveal a loss of as much as Rs 9.28 lakhs as against a net profit of Rs 6.65 lakhs in the previous year. The directors have, after raising the Depreciation amount from Rs 2.50 lakhs to Rs 8.00 lakhs, passed over the dividends, both on the Ordinary and Preference shares. No provisions are possible for Taxation and Rehabilitation Reserve against Rs 4.00 lakhs and Rs 3.50 lakhs respectively made in the previous year. The dividend paid on the Ordinary shares in 1956 was 7½ per cent.

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Why this Scare-Mongering?

WHAT is the reason for the sudden crop of alarming reports about foreign exchange which are displayed under scaring headlines in the daily papers? The reports suggest that the country is fast drifting toward bankruptcy which would be unavoidable unless something drastic were done. And the blame is thrown on what it has become fashionable in some quarters to describe as the "ambitious" Plan which is held responsible for all the troubles facing the country. Leaving aside the special pleadings of the partisans of a plan-less economy, is there any justification in the facts of the situation for the gloomy reports sent out by special correspondents in New Delhi? Or, are they just registering their individual reactions to the weather in Delhi, which at this time of the year makes one inclined, not only to believe that the end of the world is at hand, but also to welcome it as a happy deliverance? It was only in February that the country was told that, after declining steadily for a year, sterling balances had recorded a small increase. And every day there were reports of massive foreign assistance. What has happened in the meantime to alter the outlook?

For an answer, we must look at the facts, and take a long look backwards and also forwards. As a matter of fact there was a sharp dip in the sterling securities of the Reserve Bank of India towards the end of March when they fell from about Rs 245 crores in the previous month to Rs 171 crores. But the bulk of the decline represented a "book-entry" transfer to Balances Held Abroad, as shown in the Banking Department of the Reserve Bank. The weekly rate of depletion of foreign exchange resources was no more than Rs 5.5 crores. On the other hand, the country's efforts to step up exports has to contend against the world-wide effects of the US recession which has adversely affected the demand for India's exports, especially textiles, tea and ores. The result is continuing strain on foreign reserves.

The total foreign reserves may soon touch the statutory minimum. The Act, however, provides that, in an emergency, the entire holding of foreign securities could be drawn upon. Is such an eventuality likely to arise, and will the consequent lack of foreign resources hold up implementation of the plan projects at a crucial stage?

The position no doubt calls for strenuous efforts to conserve foreign exchange and strict control over expenditure, but our assessment is that the outlook this year is definitely not so bad as it was at about this time last year, in respect of current and prospective demands and the resources in sight. At that time, we were running into adverse trade balances at the rate of one crore a day which continued for the year. Till January this year, when there was welcome announcement of the new American Loan, followed by conclusion of agreements with Germany for deferred payment for the Rourkela Steel Plant, prospects of substantial foreign payments appeared very problematical. From April 1957, Government introduced drastic restrictions on imports which have been tightened with every subsequent licensing period. Imports of consumer goods have been

pared to the bone, and even imports of capital equipment and industrial raw materials are very carefully screened. The import cuts have been so drastic in their impact, that they have brought up the problem of unemployment in the import trades and in industries dependent on imported materials. It will be some time before these restrictions are reflected in a reduced import bill. At the same time, Government have been following an active policy of export promotion through the grant of rebate of excise/customs duties paid on materials used in the manufacture of articles which are subsequently exported. Ten Export Promotion Councils have been functioning to develop markets abroad for cotton textiles, silk and rayon textiles, engineering goods, plastics, tobacco, cashew and pepper, mica, leather, shellac and sports goods. The number of the Councils has been increased to eleven with the recent establishment of the Export Promotion Council for chemicals and allied products. The cess on export duties levied on tea has been recently reduced. This is expected to relieve the difficulties experienced by exporters of common teas, and clear the way for larger exports.

While all efforts are being made from both ends to narrow the gap between imports and exports, the needs of particular projects in both the public and the private sectors are covered through special arrangements for foreign assistance through provision of loan capital, participation in the equity capital or deferred payments for supply of equipment. The imports which will have to be paid for out of current earnings are not likely to continue at the same level as in the recent past, if we confine our attention to the requirements of economic development under the scheme of plan priorities.

A statement showing the foreign exchange requirements of the "core" projects was laid on the table of the Lok Sabha by the Finance Minister on April 15. Out of the total revised foreign exchange cost of Rs 972 crores for these projects, payments made up to the end of March, 1958 were Rs 382.41 crores. Payments yet to be made amount to Rs 589.58 crores, of which Rs 552.81 crores are in the public sector and Rs 36.77 crores are in the private sector. Out of this total, Rs 247.71 crores are covered by foreign loans, credits, etc., so far negotiated (Rs 219.12 in public sector and Rs 28.59 crores in private sector). This leaves a balance of foreign exchange requirements yet to be met of Rs 341.87 crores, of which the public sector has to find Rs 333.69 crores and the private sector Rs 8.18 crores. Is it too much to expect that it will be possible to find this amount in the next two years, if advantage is taken of the improved climate of foreign assistance, of which there are several welcome indications, to utilise the resources of the various agencies operating in the international field?

A timely brochure on Foreign Credit and Exchange brought out by the Federation of Indian Chambers of Commerce and Industry, with special reference to the needs of the private sector, has presented the relevant details of the procedures and operations of these agencies. There are at present six agencies

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"The Wise Man in His Attitude towards the World has neither Predilections nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

which provide aid for economic development, either with or without government guarantee. These are the International Bank for Reconstruction and Development, the International Finance Corporation, the Export-Import Bank of USA, the US Development Loan Fund, the Commonwealth Development Finance Co Ltd, and the Export-Import Bank of Japan. In addition, there are arrangements entered into by the Government of India which facilitate conclusion of deferred payment agreements and foreign collaboration in individual enterprises. At present, there is exemption from income-tax on interest earned by a foreign lender on loans granted by him for purchase of equipment abroad.

The visit of the Delegation of Indian Industrialists sponsored by the FICC which toured the US last year has done valuable work in improving the climate for foreign investment and enlarging the scope for collaboration in individual enterprises.

So far, India has made use of most of the agencies mentioned herein. The spirit behind the amendment proposed by Senators Kennedy and Cooper to the Foreign Aid Bill brightens the prospects of increased assistance from the US Development Loan Fund. The amendment seeks to express the sense of the Congress that the United States should join with other countries in helping India to complete its Five-Year Plan. Congressional approval of the amendment will definitely strengthen the hands of the Administration if it decides to increase assistance to India. The proposal put forward by Senator Monroney for an International Development Association, affiliated to the World Bank, which would give long term loans at low rates of interest partly repayable in local currencies, is now reported to be receiving the favourable attention of the Administration.

In view of the expanding scope of foreign assistance, and the strenuous measures that are being taken to close the trade gap, there is no need to apprehend that the Plan will be stalled for lack of foreign exchange, provided that non-development expenditures are not allowed to get out of hand. In this connection, the weakness on the agricultural front is a matter of anxiety. It is true that part of food requirements can be met without expenditure of foreign exchange by imports under Public Law 480. But improvement in agricultural output is necessary, not merely to save on imports of food grains, but to help the export drive. On account of limited supplies, tight control has to be exercised on exports of sure earners of foreign exchange like oils and oil seeds.

The other main item of non-development expenditure is Defence. In recent years, Defence has been claiming substantial amounts of foreign exchange. The aggressive postures adopted by our next door neighbour have determined the level of expenditure on the acquisition of costly defence equipment. While we do not wish to be categorical on this subject, it is possible that a realistic assessment of the risk in regard to national security will enable the Defence Ministry to frame a budget within the country's resources.

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Tea Consumption on the Increase

By DEBES C. GHOSE

THE Food and Agricultural Organisation, in its monthly statistical bulletin, has uttered a word of hope when it says that the tea producing nations of Asia are drinking more and more of their own product. In other words, the tea producing countries are now consuming more teas. The bulletin states that between 30 and 35 per cent of world output (excluding that of the Soviet Union and China) is taken up by domestic requirements as compared with about 20 per cent before the war. The conclusion is very valuable to the tea producing countries in that it will give a spur to them to raise their output to keep pace with the growing demands of the consuming people. Almost within a pace of 25 years, tea consumption stands doubled.

India now absorbs approximately one third of its total output, says the FAO bulletin, and this comes to nearly 100,000 tons. Since partition, domestic offtake has increased by about 40 per cent in India and 130 per cent in Pakistan. The figure for Indian consumption seems to be, however, a low estimate because it now stands in the neighbourhood of 230 million pounds. Therefore it comes to more than one-third, the total output being 664 million pounds in 1957. In 1956, tea consumption in India, according to the Tea Board, was nearly 220 million lb. The domestic consumption in this country rises by 10 million lb a year and on that basis the internal consumption must have exceeded the figure of 230 million lb a year.

The FAO bulletin states that, in 1957, there was a record world tea production of about 700,000 metric tons. Tea consumption is on the increase in almost all the countries of the world. The per capita consumption of tea in Japan has increased by about 60 per cent during the last seven years and as a result there is little surplus left for export. Tea consumption has risen in recent years in some continental European countries, which traditionally preferred coffee, and it continues to make steady progress in the Union of South Africa, the Arab countries of the Near East and North Africa. Tea imports in the Near East have increased by 70 per cent over the past six or seven years and have almost trebled in comparison to pre-war level. These are just indications that, if the world consumption continues to rise at this pace, soon there will come a time when consumption will far outpace production. This tendency is already appreciable if we take into account the volume of world consumption of tea during the last few years. The surplus in the world tea production is progressively diminishing and, with a continuous rise in the standard of living, people will consume more and more tea. Britain is by far the biggest consumer of tea, the per capita annual rate of consumption being 10 lb. Ireland ranks second in the volume of per capita tea consumption. A picture that emerges from this statistical study is that the world tea market is changing from the hitherto buyer's market to a seller's one. The production being almost matched against the growing consumption, sellers of tea will ultimately dictate the terms of the market.

The consumer's growing preference for tea should not, however, be interpreted to mean that any and every quality of tea will always command a clean market. That cannot be. The consumer's preference will be determined by certain factors, the important among them being quality and cheaper prices. Apart from the fact that tea has a great competitor in

coffee, teas of different producing countries also compete with each other. The buyer's preference is not, therefore, something fixed; it is liable to change with changing conditions. If tea prices are exorbitantly high or if the quality deteriorates, consumer's rigidity will at once develop. It will switch on from low to high quality or from tea to coffee. Complacency is a dangerous thing in the trade of a commodity which has close rivals, and the tea trade which constantly has to face keen competition must cherish no complacency in that the consumers will always like it, no matter what may be the price or the quality.

India holds the key to balance the world tea trade. A spurt in production may lead to surplus, unless the quality is also simultaneously improved. The FAO bulletin states that India being the largest producer of common tea will suffer from increasing competition in world markets from African tea, owing to improvements in quality and to the fact that costs there are lower. Cost rose further in India during 1957 owing to the shortage and higher prices of foodgrains, higher bonus payments to labour, and higher cost of living. While quality teas will always find ready markets, the producers of common teas will continue to get low prices.

Herein lies the crux of the problem. More than 50 per cent of India's tea output belongs to the category of common teas, and to raise the productivity will also mean increasing the production of common teas to a considerable extent. The market being limited for the common teas and the buyers being selective, common teas have no future unless prices are sufficiently low to provide incentive to the buyers. In India the cost structure has become so rigid on account of the various legislative measures for the welfare of the labour that it is quite impossible to reduce the cost without impairing labour amenities. Ceylon has already given relief to the common teas by reducing the export duty. The Government of India have now decided to grant relief to the common teas by reducing the export duty; but unfortunately a long time is being taken to take final steps in the matter. The delay in devising measures will meanwhile affect the competitive strength of the Indian common teas in the world market.

The re-entry of China, Formosa and Japan in world tea trade is becoming a growing menace to the common teas of India. The competition in the world tea trade is already very acute and this will further be intensified by the re-entry of these countries in the world market on a large scale. So long, these countries were producers of green teas which had little demand in overseas markets. But these countries are now producing black teas on a considerable scale, and black teas from China, Formosa and Japan are now being freely exported to the overseas markets. The production costs in these countries are very low, particularly in Communist China, and to that extent the teas of these countries are favourably placed to compete with Indian teas, particularly the common varieties. The output of tea in China is rising quickly. In 1956, the output of tea in Communist China was 253 million lb and it rose to 340 million lb in 1957. China has launched a nationwide drive to become the largest producer of tea in the world.

In recent years, the United Kingdom has been importing more teas from China. In 1956, tea output in Formosa was 26 million lb and in 1957 it went up to nearly 30 million lb. Nearly half of the output is black tea and is

exported to the USA, Thailand, South Africa and Hong Kong. Japan's tea output in 1956 was 156 million lb and it is taking all possible steps to step up its tea export. Further, teas from new producing countries such as Iran, the Argentine and Brazil are regularly flowing to the world markets. The world production of tea is thus progressively on the increase. Consumption is also rising, although not to that extent. Consumption is rising on a larger scale in India than anywhere else in the world.

Since 1956, India has been pursuing a policy of voluntary reduction in tea output. In 1956, two per cent of the stalky teas in Northern India was destroyed and plucking was stopped earlier. In 1957 also, tea output in Northern India was less by about 30 million lb. But is that the remedy in the face of rising world production? This unilateral action on the part of India will be suicidal unless it is stopped immediately. While all the tea producing countries of the world are deliberately increasing their tea output, what purpose would be served by India in reducing its output? The result will be that, in the near future, India will be forced out of the world tea market. In other words, to resort to voluntary reduction in tea output by India will mean a gift of its existing overseas markets to its competitors. Indian tea output is already deficit in the context of its present export level and internal consumption. India normally exports 500 million lb and its internal consumption stands at nearly 230 million lb and therefore India must produce at present 730 million lb. But its tea production has almost become static at about 666 million lb for the last three years. The internal market for Indian tea constitutes a potential absorber and the internal consumption is rising at a rate of 10 million lb a year. India thus is required to step up its production by that quantity annually, even if its export does not increase in the near future.

The reduction in tea output will therefore be against the interest of India. Any drastic step taken to reduce its output must be discouraged by the authorities. Even the target laid down by the Second Plan at 710 million lb a year still lags far behind the actual volume of output. One thing that strikes me most in this connection is this: Why, of all the countries producing tea in the world, does India alone bother about overproduction and, in consequence, take upon itself the task of maintaining balance by voluntarily reducing its tea output? Are the other tea producing countries blind about the consequence of increasing production progressively? This is not for one year or for one country alone. Almost all the major tea producing countries of the world, except India, have been progressively producing more teas for the last few years. Certainly, there must have been no surplus, otherwise these countries would have followed a policy of reducing output. It may also be reasonably assumed that these countries are not compelled to make any carry-overs. Had that been the case, the plain fact would have been a falling production. All the countries cannot go on producing at a loss on account of carry-overs for the last few years.

The bogey of over-production in the world tea output is therefore false. There must be some serious mistakes in making a real computation as to the production and consumption of tea. As production is rising, consumption is also rising at a faster rate and that is the inevitable conclusion from the recent trends in world production. But that does not allow any complacency to the producing countries. Competition is there, and he who will offer better quality teas at a comparatively cheaper price will win the race. Increased competition offers facility for selective buying and a low price is a great consideration in this connection.

June 7, 1958

Reciprocal Trade and World Prosperity

By WILLIAM F. BRAMSTEDT
Chairman of the Board, Caltex, New York.

INTERNATIONAL trade is a subject of deep general concern that often seems too complex to grasp. Yet the basic principles are quite simple.

The United States, for example, is a great trading nation. Last year it sold about \$21 billion worth of goods abroad.... sales that made jobs for approximately 4½ million American workers.

In the same period, the USA bought about \$13 billion in goods from overseas sources. Products shipped abroad by the US thus were largely paid for in dollars earned by foreign customers when they traded with the United States. This makes good business sense on an international scale, for if these customers hadn't been able to find markets in the United States, they would not have been able to become a market for American products.

This premise was made abundantly clear recently by President Eisenhower and other American leaders at a meeting of the National Conference on International Trade Policy in Washington, DC, which I attended along with a number of Caltex officials.

The President, in support of continued two-way foreign trade, pointed out that "if other nations are to buy our exports to them, they must get dollars earned by their exports to us."

Adlai E. Stevenson, who twice opposed Mr Eisenhower for the presidency, joined the President in an appeal for extension of the US Reciprocal Trade Agreements Act, which is scheduled to expire June 30 unless favourably acted upon by the US Congress.

The act, passed in 1934, empowers the American President to enter into agreements

with other countries for mutual reductions in tariffs. With the United States playing such a key role in world business, extension of the act is vital if international trade is to continue unhindered.

President Eisenhower, Mr Stevenson and other leaders representing labour, industry, agriculture and all facets of American life said that if the United States maintains tariff barriers against its world neighbours, other countries would have no choice but to retaliate by raising even more formidable ones of their own, with the result that the free flow of trade, so vital to the economy of many nations, would slowly be choked off.

Aware of the importance of reciprocal trade, I recently wrote The Honorable Wilbur D. Mills, Chairman of the Ways and Means Committee of the US House of Representatives. In my letter I said:

"From our observations and experience in international trade, we have no hesitation in supporting in the strongest terms the renewal and strengthening of the Reciprocal Trade Agreements Act by the Congress in a form that will permit it effectively to achieve its objectives. We feel sure that without such action the role of the United States in the promotion of freedom through the removal of restrictions on international trade would be greatly handicapped."

This is a view shared by the companies throughout the Eastern Hemisphere that, together, make up the Caltex Group. They and we know that through freedom of trade we can enjoy world progress, world peace and world prosperity.

Is Commerce the sole purpose of Communist Foreign Trade?

By HENRY V. BURKE

ONE of the most fascinating—and difficult to assess—aspects of the Soviet bloc's international trade programme concerns Communist use of non-commercial methods in what are supposed to be purely business operations. The question is not whether this is done, but to what extent and why it is done.

Much has been written and said about extensive Communist employment of technicians and administrative experts to supervise "aid and trade" activities, particularly in countries now engaged in modernising their economies. That the Communist bloc has a fetish for this kind of operation is open knowledge.

Less clear, however, are the answers to these questions: What is the exact nature of the assignments Moscow gives its foreign trade representatives? How much of their activities are political and how much can be called legitimate business enterprise?

It certainly is no secret that Moscow's agents show a keen interest in the resources of the countries to which they are assigned. Their work includes assembling data about bridges, railroads, highways, dams, irrigation projects, manufacturing plants, mineral and oil deposits. Along this same line, it has been argued that

acute Soviet bloc interest in the affairs of economic "partner" countries reflects an attitude common to all nations engaged in interstate trade. What is more natural, it has been asked in quarters sympathetic to Soviet interests, than for an exporting country to use every available device to assure that its products are properly presented and maintained.

This view applies particularly to exports of bloc machinery, and Soviet undertakings to install manufacturing equipment.

There is no doubt but what the more open activities of authentic Soviet technicians conform to this broad objective. At the same time, it must be admitted, there is more than a suspicion that the full explanation of Moscow's political motives, if obtainable, would be disturbing to all trading countries.

Because of Moscow's apparent determination to mask the degree with which its international strategy combines politics and economics, it is doubtful if reliable information concerning long-range Communist objectives is given to more than a comparatively small circle of Soviet officials. These officials, by necessity, would include representatives of the Soviet secret police, the agency through which Moscow obtains most of its foreign intelligence.

We are indebted, to former Soviet secret police official Yuriy Rastvorov, for providing an authoritative insight into how Moscow goes about collecting its economic-political data. His detailed description, inevitably, includes more than a few strong hints that economic espionage is designed to serve other than purely commercial ends.

Rastvorov, after spending some 15 years in responsible secret police assignments, rejected Communism while attached to the Soviet Embassy in Tokyo in 1954 and found political asylum in the free world.

This is what he says about standard Soviet operating methods in non-Communist countries:

"The KGB (that part of the Soviet secret police apparatus assigned to foreign activities) is a vast organisation—it has been called the 'net that covers the world.' This is quite true. No Soviet citizen ever leaves the borders of the Soviet Union in a private capacity—there are no Soviet 'tourists.' And whenever you find Russians, you find the KGB. In embassies, in consulates, in trade delegations, and in 'cultural' delegations—even in sports teams—you will find the KGB. Always. No group of Soviets ever leaves the Soviet Union without at least one member of the group being a member of KGB. Frequently more than one is, and in many cases almost the entire group is.

"In addition to the KGB, a second organisation exists which is concerned with foreign espionage. This is the GRU, which is responsible for military espionage, and is in fact a part of the Soviet Ministry of Defense. But since modern warfare embraces so many political and economic aspects, the hand of the GRU is frequently found in non-military fields.

"Every government in the world publishes detailed figures about its economy and industrial achievements. It is usually proud of what it has accomplished, and although it may keep secret certain figures about its military strength, a vast amount of information can be had simply by asking for it. The Soviet Union, however, for all its trumpet-blaring announcements about 'progress,' publishes almost nothing. Most of what it does publish is in terms of 'percentage increases,' which cannot be checked, and are meaningless unless the base figure is published. The Soviet Union not only does not publish anything; it never trusts what other countries publish. The Japanese government may publish a report about last year's rice harvest, but the Soviet Union won't believe the figures in it until they have gotten the same information from an espionage agent in the Ministry of Agriculture."

As to the most common Soviet methods of collecting information, Rastvorov continues, "the KGB can send its representatives overseas masquerading as diplomatic personnel, as attaches, or as delegates to international fairs, trade exhibitions or even sporting events. But these Soviets, of course, cannot walk into the official government buildings of their host countries and inspect the files. This can only be done by bona fide natives of those countries."

How, then, does the Soviet bloc approach the problem of getting local agents to obtain the desired under-cover data? The answer, according to Rastvorov, is simple.

"Potential agents," he says, "can be found in many places, and the professional KGB man knows from long experience where to look for them and how to appeal to them."

If they cannot find individuals who are sympathetic to Communist aims (difficult nowadays "when more and more people are becoming aware of the true nature of Communism and the duplicity of the Soviet Union"), Rastvorov says the "KGB resorts to other appeals, of which the desire for personal gain is the most common. A surprisingly high percentage of KGB agents (locally recruited, that is) work for money, and for money alone. And the greater the economic distress is in a country, the easier such people are to find."

Blackmail is another favourite Soviet pressure device, Rastvorov adds. "The KGB is forever searching for material in a man's past that can be used to bend him to their will. If such material cannot be found, a man can frequently be provoked into providing it, and such results are ruthlessly used. A man who is working for the KGB because he is being blackmailed makes an excellent agent, because to the fear of exposure of his previous misstep is soon added the far greater fear of exposure as a spy."



Call to Service

The crisis in France, which was set off by the Army coup in Algiers on May, has moved to its inevitable denouement. The General who had been holding himself ready to save his country has been installed in office with the formal approval of the National Assembly, which has agreed to take a holiday to allow him to clear the mess. But it is yet too early to write the epitaph of democracy in France. Those who deplore its eclipse may draw comfort from the fact that things could have turned out worse. The most encouraging feature is the apparent anxiety of all parties, who do not belong either to the extreme right or the left, not to prejudice an early return to normal representative government. As it is, the Constitution has only been suspended, instead of being totally abrogated as might well have happened, if the defenders of the republic had been less flexible. General de Gaulle's insistence that he should have the unqualified support of the majority of members of the National Assembly, leaving Communists out of account, before he would assume responsibility, may be regarded as an indication that he would not be anxious to prolong the period of suspension beyond the stipulated period of six months. And further, the action he has taken after investiture, in forming a representa-

tive cabinet, does not suggest dictatorial ambitions, though some of his supporters have different views on the question. Members of the Committee of Public Safety of Algiers, described as 'moderate' regard the formation of a cabinet including M. Phlmin and Socialists as the first step towards more radical changes.

The unusual step by which the crisis had to be got over is the result of defects in the Constitution of which General De Gaulle has been a consistent critic. Suspension of the Constitution in an emergency is an eventuality for which most democratic Constitutions make provision so as to maintain continuity of administration. The call to the man who organised the Free French Movement in the darkest hour of the War would not have been objectionable if it had not been so obviously engineered by Army intervention.

The National Assembly has agreed to his terms and given him the powers he had asked for. It is now for the General to deliver the goods by preserving the integrity of the nation and its democratic traditions.

General de Gaulle has got the 'Call to Service' for which he had been waiting all through the years of his self-imposed retirement at Colombey. History will judge him by his success or failure in resisting the strong and insistent pressures to which he will be subjected from those desiring to seize the opportunity to install a fascist dictatorship. The fundamental issue is whether French democracy, or colonialism and all it implies in the degradation of the human spirit, is to determine the future of the country. Democrats all over the world will pray with M. Mendes France that it may be possible one day to say that General de Gaulle has eliminated the fascist peril and has been able to consolidate and renovate the republic.

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Emergency in Ceylon

The unhappy events in Ceylon underline the threat to national integrity posed by existence of language rivalries. The issue is not peculiar to Ceylon, though it has assumed its most acute form in that island. It is found in most of the countries that have attained freedom in the wake of the World War II. The danger in Ceylon has been aggravated by unwise handling. The Government, eager to satisfy the ambitions of the Sinhalese who constitute the dominant majority, has been following a shift policy which was less than fair to the Ceylon Tamils. The agitation for securing equal status for Tamil which was pursued by the Federal Party, perhaps with more zeal than discretion, was made the excuse by the Premier for abrogating the agreement on the basis of which the controversy was temporarily held in abeyance. Since the two language groups occupy distinct regions of the country, the result is a situation which, if the population were better armed,

could only be described as a state of civil war. The country has been divided into two hostile camps, and to judge from reports the writ of the Government does not run in the Northern and Eastern districts. In the South and the Centre, where the Sinhalese form the majority, there is apparently a reign of terror directed against Tamils, whether Ceylonese or Indians.

The Island has a population of about eight lakhs of Tamils of Indian origin whose position is most precarious, in the context of the fraternal strife between the Ceylon Tamils and Sinhalese. The Ceylon Government has been doing everything possible to deny citizenship rights to these settlers, even under the very illiberal terms of the Citizenship law. The lengths to which the Government of Ceylon is prepared to go in harassing these people is shown by the two appeals taken by the Government to the Privy Council against the verdict of the Supreme Court of Ceylon. The Ceylon Government took the position that if a person had made any remittance to India declaring himself "temporary resident" for the purpose of Exchange control regulation, that constituted a disqualification for registration as a citizen. Thousands of applications for citizenship were summarily rejected on this ground. In a test case, the Supreme Court of Ceylon rejected this contention and held that a person's decision to seek registration, knowing all consequences of such registration itself satisfied the requirement of the Act. Against this decision the Government of Ceylon appealed to the Privy Council. The appeals were dismissed on May 19.

As a result of the Government's hostile policy, about 500,000 persons of Indian origin are Stateless and voteless and without effective protection in the present state of turmoil, where the fact that they speak the language of one of the parties to the dispute exposes them to attack by the other, though linguistic affinity was of no avail to them in the past in getting the support of Ceylon Tamils in their struggle for citizenship and elementary human rights. The Government of India has refused to accept them as Indians, and perhaps is embarrassed to display any interest in their welfare. But considerations of humanity require that there should be some guarantee of security to these hapless people. The UNO may be approached to take up the question of their safety, unless the Government of Ceylon, in the meantime, are able to give satisfactory guarantees for their present safety and eventual conferment of citizenship rights.

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Export of Chemicals

The establishment of an Export Promotion Council for Chemicals and allied products claims more attention than similar councils set up in the past. These were intended to develop markets for the country's staple exports and for

new lines of manufacture which from the beginning had a market in overseas countries. But this is the first time that an industry which has yet to meet the needs of the domestic market has been selected for export promotion. The need to increase foreign exchange earnings, though it is now very acute, is not the complete explanation. This step follows the realisation that, in an industry which thrives on its by-products, self-sufficiency in one basic chemical is not economically feasible without arrangements for economic disposal of the surplus of by-products. That is the reason for the inherent urge of the chemical industry all over the world to expand and organise itself into gigantic combines.

In his inaugural address to the Indian Chemical Manufacturer's Association, last February, Mr Manubhai Shah, Minister for Industry, had given a comprehensive survey of Government's efforts to attain self-sufficiency in basic chemicals at the end of the Second Plan and, at the same time, had indicated that we may also have exportable surplus in some cases. Mr Charat Ram in his presidential address had also drawn attention to the scope for exports and suggested that Government should keep this in mind when concluding trade agreements with other countries. He has reason for satisfaction that his suggestion that planning for self-sufficiency must give place to planning for exports has produced the desired results and without delay.

And very appropriately, Mr Charat Ram has been appointed Chairman of the Council which is the eleventh in the chain of Export Promotion Councils set up by the Government of India for the promotion of the country's exports.

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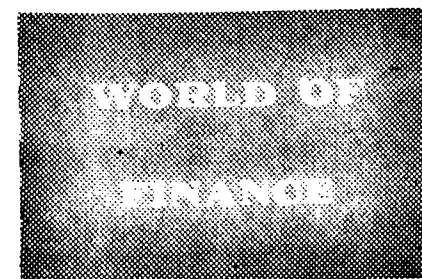
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Tap Sales: Open Market Strategy

IT is understood that the Reserve Bank, through whose tap the three new loans have for some time been available, has stepped up its selling rate on two of them. The 3½ per cent 1963 commands a premium of 3 to 5 nP over the issue price, and the 4 per cent 1973 is quoting 5 nP above par. The third new issue, 3½ per cent 1968, continues to be sold at issue price.

We commend this strategy. It is by this means that firmness in the gilt-edged market can be so consolidated as to ensure the success, firstly, of the State Loans which will soon be on the market and, secondly, of the probable second tranche of new loan in September/October this year.

It is significant that the 3½ per cent 1968 is saleable at no more than the issue price. The subscriptions to this loan show that it was the least popular of the three. The fact that the Reserve Bank is now selling at issue price would seem to confirm our hypothesis that the bulk of the 1968 Loan was taken up by the Reserve Bank.

Nevertheless, this should not deter the Reserve Bank from planning the second tranche of the new loan in the form of a medium term rather than a short term or long term. In any case, we would like to emphasise that it would be neither courageous nor strategic for the Reserve Bank even to consider the idea of a short term for the second tranche. For, the fact is that, already, maturities during the Third Plan-period are sufficiently onerous. There would be little point in ensuring the success of the borrowing programme for the Second Plan-period at the cost of market loans during the Third Plan.

We may remark once more that the position of Scheduled Banks is evolving in such manner as to make inevitable an upward movement in gilt-edged prices. With the commencement of the 1958 slack season, the Advances of Scheduled Banks are steadily and week by week declining. It would not in the least be surprising if the total of Advances were to go down to so low a level as Rs 850 crores by the end of the slack season; and, meantime, the accretions to Deposits continue. The resources thus freed and the resources newly gained will necessarily seek gilt-edged for sanctuary.

We now look forward to gradual and week-by-week stepping up of tap rates by the Reserve Bank.

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Slack Season: Note Circulation Declines Again

THE latest banking returns continue to bear testimony to the gathering momentum of the 1958 slack season. For the third successive week, Active Note circulation has registered a decline. According to the returns of the Reserve Bank for May 30, Notes in Circulation are lower by Rs 10.90 crores at Rs 1587.78 crores. Rupee Coin has returned from circulation for nearly half a crore of rupees. Currency has been contracted against Rupee Securities by transfer of Rs 10 crores to Investments in the Banking Department. As a result, Reserve Bank's Cash in the till is higher only by Rs 1.39 crores at Rs 27.87 crores.

In the Banking Department, Investments are higher by Rs 8.73 crores at Rs 250.37 crores. The rise, of course, reflects the transfer from the Issue Department, but it is also clear that, during the week, the Reserve Bank has been able to sell some securities through the tap.

The Centre's balances are substantially lower by nearly Rs 17 crores at Rs 59.12 crores against Rs 76.06 crores. Partly, this relates to the net disbursements of Government in a week in which there was no recourse to deficit financing. Partly also, it would appear that the decline in the Centre's balances is accounted for by payments to the State Governments. For, the balances of State Governments have improved by Rs 3.49 crores to Rs 19.98 crores; and, at the same time, the indebtedness of State Governments to the Reserve Bank is marked lower by Rs 6.76 crores at Rs 54.07 crores. Thus, the position of the State Governments vis-a-vis the Reserve Bank has improved by more than Rs 10 crores; and this would scarcely have been possible without some element of receipts from the Central Government.

The Reserve Balances of member banks, which had been drawn upon considerably for subscriptions to the new loan programme, are again in process of being built up. In the week under review, they have been augmented by Rs 4.66 crores to Rs 77.80 crores; and such an improvement has occurred in spite of a reduction in the borrowings from the Reserve Bank. The Other Loans and Advances of the Reserve Bank are shown to be Rs 2.73 crores lower at Rs 56.79 crores; and that the member banks are wholly responsible for this decline, is indicated by the fact that the Reserve Bank's advances against usance bills are sharply lower by

Rs 5.08 crores at Rs 14.95 crores; and this is a level of advances against usance bills which is, it is noteworthy, the lowest for some many months.

+

Lastly, Foreign Balances have again reflected the continuing import surplus, with Balances Held Abroad declining by Rs 5.65 crores to Rs 32.75 crores.

+

The subscription of the State Bank to the new loan programme has finally been incorporated in the return of the institution for May 30. Other Assets, which had remained unusually high during the two earlier weeks, are sharply lower by Rs 33.22 crores at Rs 10.46 crores. Investments in gilt-edged are marked steeply higher by Rs 35.63 crores at Rs 196.28 crores. Deposits have increased by Rs 4.31 crores to Rs 420.52 crores. This, coupled with the contraction of Rs 3.90 crores to Rs 194.77 crores in Advances, has enabled the State Bank to liquidate its borrowings of Rs 4 crores from the Reserve Bank. Moreover, it was found possible to improve Cash Balances to Rs 30.30 crores from Rs 28.32 crores.

+

The return of Scheduled Banks for May 23 reveals yet another decline in Advances, which are marked down by Rs 5.74 crores at Rs 934.15 crores. Deposits are higher by Rs 3.16 crores at Rs 1533.67 crores. The opportunity has been taken to reduce the indebtedness to the Reserve Bank by Rs 10.69 crores to Rs 21.16 crores. In spite of this, Cash Balances, which were steeply drawn upon during the new loan week, are marked higher by Rs 5.29 crores at Rs 175.92 crores.

There is Hardly a Town of any Importance in SOUTH INDIA

WHICH IS NOT

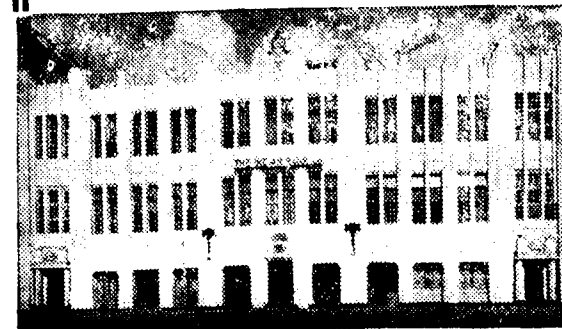
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D. P. PARTHASARATHY, Secretary

Most trade union officials are of course not communists. Indeed many of them are only moderate Socialists. But if they tried to resist rigidly the Communists' influence in their trade unions they would not remain trade union officials for very long. For it is very tempting for the rank and file to listen to the Communist shop stewards who seek to induce them to demand excessive wage increases and shorter working hours. Even

though responsible trade union officials are aware that the demands are excessive, they are not in a position to resist popular pressure in favour of these demands. If the men have to choose between those who say that they could and should have a 10 per cent wage increase and those who say that in existing conditions they can't have it, most of them are tempted to cast their votes for the former.

The immediate advantage of

these tactics for the Communists is obvious. During recent years most strikes have been more or less successful. Amidst full employment and rising prices employers were always tempted to give way, and the excessive wage demands were mostly conceded before it came to a strike, or they were conceded after a relatively short strike. So the trade unionist workers have come to the conclusion that it pays to strike. Their attitude

recalls that of Germany after the war of 1870-71, when they succeeded in securing from France a big war indemnity after a brief war, so that they found that war could be made a paying proposition. Hence the war of 1914-18.

The easy and profitable victories of trade unions since the end of the second World War have greatly strengthened the "war party" headed by the Communists whose influence has increased well beyond

Coke for Steel

India's new steelworks and steelworks extensions require the building of great new coke oven plants—plants demanding an immense variety of specialised skills in civil mechanical, chemical and electrical engineering and in well-planned and efficient contracting.

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their numerical proportion in the unions. The number of days lost through strikes have been so far relatively small, precisely because the unions usually succeeded in obtaining most of what they asked for either without a strike or after a short strike. Even so, such strikes as have occurred have been handicapping the expansion of the output, which is obviously to the advantage of the USSR.

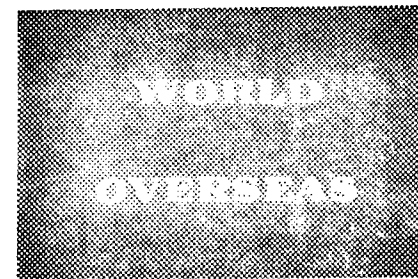
What is less obvious but none the less true is that Communist-generated wage-price inflation has been largely responsible for the disinflationary measures the Government has been impelled to adopt, leading to an interruption of the expansion of the output. It is mainly in this respect that Communist influence in the trade unions has served the interests of the USSR.

The failure of a major strike would have very far-reaching effect on the British industrial situation. It would greatly reduce the trigger-happiness of trade unionists who are only too eager to start a strike on the slightest excuse. It would go a long way towards discrediting the "war party" in general and the Communist infiltrators in particular. It would enable moderate trade union leaders to regain the control of the policy of their unions. In the absence of excessive wage demands the Government would be able to remove its disinflationary measures and the expansion of the output could be removed. This would make it possible to grant wage increases without causing any inflationary effects. There would be less discontent among the working classes and less class-hatred, which would of course be bad from the point of view of the Communists in Britain and their Russian masters.

This explains the determination of Communists and militant trade union leaders to avoid at all costs the failure of the strike of London autobus workers. They are doing their utmost to secure support to their strikers by other trade unions. Although the position is obscure at the time of writing, there appears to be a real danger that, as a result of sympathetic action by other unions, the trouble might assume quite considerable dimensions. Even so, the Government is for once determined to stand firm, though after its act of appeasement with which it prevented a railway strike it may take some time before the strikers will come to realise that on this occasion they have encountered firm resistance.

The labour situation in the United States is very depressing. Although there the recession has proceeded much further than in Britain, there is no sign that under the effect of growing unemployment the trade unions have come to their senses. They still insist on increased share in dwindling profits. Obviously it takes a long time for trade unions to adapt their attitude to changed conditions. And meanwhile valuable output is lost through their selfish short-sightedness.

—(Copyright).



US Notes

This past week, another and a most significant landmark was established in the development of peaceful atomic power in the nation's capital. President Eisenhower formally dedicated America's first full-scale atomic power plant devoted exclusively to civilian uses.

Using a beam of neutrons released by radioactivity, the President sent an electronic impulse that set in motion the main turbine of the nuclear power station at Shippingport, Pennsylvania. Thus, automatically generated electricity began to flow into homes, stores and factories of the Pittsburgh area, one of the nation's leading industrial centres.

The Shippingport plant, financed jointly by the US Atomic Energy Commission (AEC) and two private companies—the Duquesne Light Company and the Westinghouse Electric Corporation—has several other distinctions, as well. It is the largest plant to be put into operation under AEC's civilian reactor programme, meaning that it is the largest plant of its kind in the United States.

Beyond that, it is not only America's but also the world's largest nuclear power plant devoted entirely to electricity production. This distinguishes it from other large installations, such as Britain's Calder Hall, which produces both electricity and plutonium for weapons.

But Shippingport's unique position promises to end in the near future. It will soon be joined by four other civilian power plants in the US, all expected to have even larger generating capacity than Shippingport's 60,000 kilowatts. All four are now under construction and are scheduled for completion in 1960.

They are the plants of the Yankee Atomic Electric Company, at Rowe, Massachusetts, with a capacity of 134,000 kilowatts; the Consolidated Edison Company of New York, 275,000 kilowatts; Commonwealth Edison Company, near Joliet, Illinois, 180,000 kilowatts; and the Power Reactor Development Company, at Monroe, Michigan, 100,000 kilowatts. This means a total of more than 700,000 kilowatts of atomic electricity generating capacity in the United States within two years.

Of the four plants, the first two will be of the same "pressurized water" reactor type as Shippingport. The Illinois plant will be of a "boiling water" type, and the Michigan plant of a so-called "fast breeder" type.

No one suggests—at least of all the Atomic Energy Commission—that

the Shippingport operation will be competitive with plants using coal or other conventional fuel. Shippingport's initial operating cost, in fact, will be astronomically high—an estimated 64.4 mills per kilowatt-hour, compared with a range of from 4 to 9 mills at modern US coal-fired stations.

Offsetting this cost discrepancy, however, are two important considerations. For one, the pressurized water reactor is an established and successful model. It has proved its worth not only in experimental power plants but also in US atomic submarines, which have helped open a revolutionary chapter in maritime construction.

For another, the operating experience at Shippingport will help reduce atomic generating costs. It is highly unlikely that Shippingport's costs will ever reach a competitive level. But the experience gained is expected to prove of great value in designing and building more efficient and more economical nuclear power stations of various types.

In this connection, W. Kenneth Davis, former Director of AEC's Reactor Development Division, has estimated that by the mid-1960's nuclear power plants going into service in the United States will achieve costs in the range of 9 to 11 mills per kilowatt hour, and that later plants will better that mark.

It is to help accomplish this result that AEC is not insisting on just one proven type of reactor, but is encouraging the construction of many different types. Right now, in addition to Shippingport and the four plants under construction, eight experimental power reactors, representing six different reactor types, are in actual operation in the United States. This gives the United States the most comprehensive civilian nuclear power development programme known.

Britain

THE provisional index of United Kingdom industrial production for April shows no marked alteration of the trend in industrial production. The index, unadjusted seasonally, reflects a shorter working month compared with March; when seasonally adjusted, it suggests a very slight dip in output, but the level is still a shade higher than a year ago (although output then was affected by strikes in the shipbuilding and engineering industries).

No breakdown is available for particular industries in April, but it is a safe assumption that the engineering industries—and especially motor vehicles—are maintaining a high level of output.

The general picture so far this year is that industrial production in the United Kingdom is running at or very near to, the 1957 volume, and that while no expansion is yet taking place, equally there is no sign of a recession, looking at the economy as a whole.

As for the figures themselves, a Treasury statement says that the production index for April, on the basis of information so far received, is expected to be 134-135 (1948=100).

In the first four months of this year the index averaged 140, the same as in the corresponding period of 1957.

For March the index is estimated provisionally at 144, the same as in February. Figures for the corresponding months a year ago were 145 for March and 143 for February.

These figures are unadjusted for seasonal variations. The adjusted series, which makes the trend of production more readily discernible, shows April at 137-138, March at 138, and April 1957 at 137.

Nearly 10,000 more applications for British patents were received in 1957 than in the previous year, the United Kingdom Comptroller-General of Patents. Designs & Trade Marks said in his annual report, just published in London.

The report observed that nuclear radiation was becoming widely used in a variety of testing apparatus, and supersonic waves were being used in geological research, particularly in oil prospecting.

Greatest number of overseas applications for patents received during the year came from the United States, with 7,142 (compared with 7,865 the previous year).

Next highest was Germany, with 4,076 (compared with 3,863 in 1956). Among other countries from which applications for UK patents were received were France (1,646), Switzerland, Canada, Australia, Japan, New Zealand, India, South Africa, and the West Indies.

An order for these aircraft announced in London on May 30 brings the total number of Vickers Viscount turboprop airliners bought this week to 10. These include seven of the latest 810 series, and make the week's orders worth about £5,000,000.

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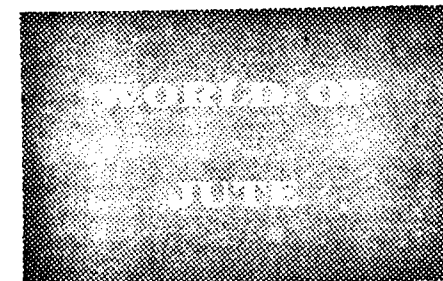
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Easier Trend

THERE has been a slight improvement in the undertone of the jute goods market during the past week. The steadier tendency has stemmed mainly from the higher advices from the raw jute section where sellers have become reserved. While the decision of the IJMA mills to maintain the minimum prices fixed in last February has been generally welcomed, the announcement has had little effect on sentiment in the sacking section where prices continue to be quoted much below the minimum. The fact that on Thursday rates have declined again on indications of favourable weather conditions shows that buyers in the goods market anticipate that the new jute crop will be quite satisfactory. Till last week there has been no doubt as to the continued good progress of the crop. With the receipt of reports about hot weather conditions in some of the growing areas there has been talk of delay in the harvesting of the crop with the possibility of a reduction in the supply. Sellers in the raw jute market have been further encouraged to adopt a reserved attitude by the small arrivals in upcountry markets. As against the revised ideas about the next jute crop, there is the fact that the crop in Assam and Northern districts has not been adversely affected by the hot weather. According to latest information harvesting of the crop has commenced in the low lying areas in Assam. This will indicate that the crop has not been delayed.

The jute goods market opened the week on a quietly steady note with sentiment aided by the decision of the IJMA mills to maintain the minimum prices. In the absence of fresh business prices developed a sagging tendency in later dealings and the market closed on an easier note. Hessian 40" x 10 oz Ready was almost unchanged at Rs 40.50 but B Twills ready declined slightly to close at Rs 97.87.

In the next two days the market continued to rule quiet with business passing at a low ebb. Hessian 40" x 10 oz Ready closed on Saturday at Rs 40.30 with B Twills placed at Rs 97.35. The undertone continued to be weak on Monday and no business was reported done. There was some selling pressure in the Fatka and mills showed no interest at the prevailing levels. Hessian 40" x 10 oz Ready was 5 nP lower on balance at Rs 40.25 but B Twills was slightly better at Rs 97.50. Conditions remained unchanged on Tuesday.

The market opened steady on Wednesday and in earlier dealings prices especially in the heavy goods section recorded a smart recovery. Sentiment had been mainly helped by reports of poor rainfall in the growing regions. It would appear that operators had been encouraged by the anticipation that prices of raw jute would improve if the new crop was delayed. The unfavourable weather conditions were also expected to reduce the size of the crop. Under sustained support from speculators B Twills moved up to close at Rs 98.35. In forward deliveries B Twills were done up to Rs 100.05 for July-September and up to Rs 100 for Oct-December. At the higher levels mills came out as sellers and a sizable business in forward deliveries was reported done.

After a firm opening prices declined again on Thursday following reports of improvement in weather conditions in the growing areas. It was also reported that harvesting of the new crop had commenced in some of the low lying areas. Hessian 40" x 10 oz Ready was finally placed at Rs 40.30. B Twills Ready declined rather sharply to be finally placed at Rs 97.75. In forward deliveries July-Sept B Twills eased by 55 nP to Rs 99.50 while Oct-Dec was marked down by 40 nP to Rs 99.60.

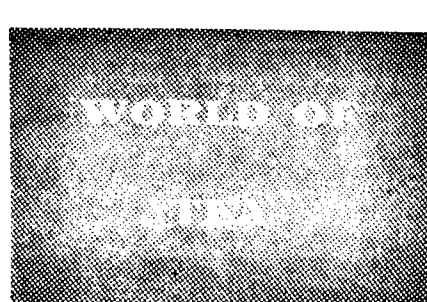
In the raw jute section conditions were steady at the beginning with Assam Bottom quoted at Rs 25 per maund. A quiet tendency prevailed on Saturday with the price marked down to Rs 24.75 but again the undertone became steadier in later dealings as sellers became reserved. The rate again recovered to Rs 25 and remained at that level for the rest of the week. As sellers continued to be reserved business passing was at a meagre level.

In the Futures market, Hessian 40" x 10 oz August 1958 opened on Friday at Rs 40.8. During the course of the week under review the highest rate touched was Rs 40.38 and the lowest was Rs 40. The closing quotation on Thursday was placed at Rs 40.16.

B Twills August opened the week at Rs 99.00 and after touching a high of Rs 100.10 and a low of Rs 98.90 closed at Rs 99.30.

Upper Assam Bottom June opened the week at Rs 24.60 touched a high of Rs 25.36 and a low of Rs 24.60 to close at Rs 24.80. September position opened at Rs 25.26 touched a high of Rs 26.02 and a low of Rs 25.26 to close at Rs 25.60.

PRICE TRENDS				
		Opening		Closing
		Rs	Rs	Rs
Hessian:				
40" x 10 oz. Ready	...	40.56	40.50	
July/Sept.	...	40.30	40.50	
Sacking:				
B Twills Ready	...	98.00	98.90	
July/Sept.	...	100.00	100.15	
Hy Cess Green	...	97.00	98.25	
Cornacks	...	99.25	100.50	
Cubans	...	120.50	121.00	
A Twills	...	117.50	120.00	
L Twills	...	109.30	111.00	
D W Flour	...	111.50	114.50	
Sugar Bags	...	110.00	110.50	



Interim Relief for Tea

WITH effect from June 1, the Government of India have reduced the excise duty on teas which are not used in the manufacture of packaged tea to half anna a lb. It has been further decided that the cess of Rs 4 per 100 lbs of tea exported outside India, under the provisions of Section 25(1) of the Tea Act, 1953 would be halved. The Commerce and Industry Ministry in a Press Note points out that the question of affording some relief to the tea industry has been engaging the attention of the Government. But it has not, however, been possible yet to devise a scheme by which a greater quantum of relief is secured by the producers of the common teas as distinct from the superior categories. Hence it has been decided to provide immediate relief in the shape of reductions in excise duty and the cess pending a further study of the problems which will take sometime.

The concessions have been welcomed in tea circles because they will go some way in minimising the difficulties that tea exports are encountering at the present juncture. The fact that the question of affording relief to producers of common teas is still under consideration indicates that Government recognise the need for further aid to this category of tea.

In the Internal Sale held this week, despite a fair general demand, price levels displayed a sagging tendency. A total of 21,214 chests was on offer. Demand for black leafy grades and selected types was fair and consequently these categories sold higher on balance. Other grades were generally easier. CTC Assam after moving both ways closed easier. Best liquoring kinds were at times 20 nP cheaper. The decline was less marked in the case of medium and plainer kinds. The grainy kinds met with fair demand at slightly higher rates.

Medium Doars Dust Rs 1.48 to Rs 1.50; Medium Assam Grainy Dust Rs 1.52; Medium Assam CTC Dust Rs 1.70 to Rs 1.90; Best Assam CTC Dust Rs 2.40 (nominal). The Colombo weekly tea auctions which have been suspended for the past five weeks owing to strike in Colombo's agency houses have been resumed with effect from May 30.

An official spokesman has estimated that about seven million pounds of tea have been offered.

Demand has been good. Shippers from all parts of the world have evinced interest in the proceedings, prominent among them being shippers from United Kingdom, Australia, South Africa, North America and the Soviet Union. Prices realised have been generally equal to those prevailing before the strike.

The sale, storage and shipping of tea, rubber and coconut produce have been declared essential services under the Emergency Regulation.

It is learnt that auction of 7 million pounds will be held on June 16. Sales to full capacity will continue on Monday of every week. According to the Minister of Commerce and Trade, Ceylon, the Government hope to hold public auctions at regular interval of tea to be offered from estates for delivery at Trincomalee or Galle harbour. From these ports shipping interest working in collaboration with the Ceylon Tea Traders Association will arrange for vessels to collect cargo for world wide destinations. These auctions have been proposed with a view to relieve the pressure on the Colombo port.

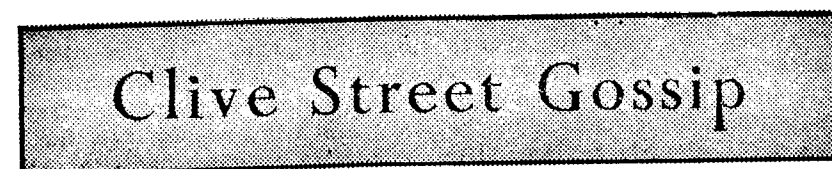
Referring to the prospects of Ceylon tea exports to Egypt, a Government spokesman said that shipments of Ceylon tea to Egypt suspended last month, because Egyptian credit to Ceylon had been exhausted, would be resumed towards the middle of June. The resumption has been rendered possible because credit to the tune of four million rupees in favour of Egypt has now been received in Ceylon. The credit will enable Ceylon to continue normal tea shipments until about the end of July.

In the tea sales held at Cochin on May 26, a total of 12,43,495 lb of leaf tea were offered for export. There has been a further seasonal decline in the quality which has, however, been exceptionally satisfactory during the first five months of the season. The appearance of most teas was satisfactory for the time of the year although some low-grown showed signs of stalk and fibre. Quotations: Plain BP Rs 1.50; Low Medium Rs 1.65 to Rs 1.80; Medium Rs 1.80 to Rs 2.10; Good Medium Rs 2.10 to Rs 2.45; Quality Rs 2.30 to Rs 3.30.

In this week's tea auctions in London there was a good demand but prices moved both ways over a fairly wide margin. Poor plain liquoring teas were generally in poor request with consequent lower levels. Other types were steady to firm and were generally done higher than last levels. A total of 39,722 packages from North India, Pakistan, Nayasaland, Kenya, Portuguese East Africa, Uganda, Belgian Congo, Malaya, Indonesia and Formosa were catalogued, of which only 22,352 packages were offered. As 7,477 packages were withdrawn due to difficulties arising out of dock strike, were only 14,925 packages on offer finally.



DO you remember the Napoleon of Notting Hill? (If you have not read Chesterton's novel of that name, at once hilariously funny and deeply serious, you must do so immediately). It is a story that explores with great acuteness the patriotic impulse in man. Adam Wayne, the hero, is a humourless young man of an almost literal turn of mind. While yet a child, a chance remark from his Sovereign, King Auberon, has implanted in him a passionate love for his native suburb of Notting Hill. King Auberon, who represents the pure spirit of humour, has meantime been indulging his anarchic sense of fun. One of the forms it takes is the combating of two of the most deadly developments of modern life: a centralised despotism and a deadly uniformity in social life. Much to the helpless annoyance of his staid subjects, he devises forms of self government for the various suburbs of London, for which he elaborates the most complicated ceremonial and formal trappings. Each suburb is to have its own flag, its own army, and its own ceremonial uniforms (which the King spends the better part of a day designing.) None in the country, the King least of all, takes these antics seriously, except Adam Wayne. But the royal whims are acquiesced in with greater or less grace. Matters come to a head, however, when certain civic improvements desired by the other suburbs of the city are obstructed by Wayne's invocation of his prerogatives as the chief of Notting Hill. The contending sheriffs meet the king (in their several uniforms, and all, except Wayne, acutely self-conscious and uncomfortable in them) in an effort to make Wayne give in to the inexorable demands of progress. The king, somewhat ashamed that his joke had gone a little too far, is willing to reason with Wayne. But he does not know his subject. At first he imagines that Wayne is a kindred spirit playing the joke for all it is worth, but is shocked to find that the young man has taken him at his word in dead earnest. Notting Hill was, in sober truth, the apotheosis of Wayne's intense but limited imagination. For once, humour was defeated convincingly by humourlessness. (Or is it happening all the time?)



"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"
—As You Like It.

The madly precise working of Wayne's imagination frustrates the machinations of his fellow sheriffs: and how they try to meet him on his own ground (since he would meet them on none other) and how the enterprise ends by their being infected with precisely the same kind of parochialism they despised in Wayne are matters I shall leave you to find for yourself (if indeed you have not already done so). I was reminded of Wayne because of General de Gaulle, who is very much in the news now. There are, of course, differences between the two. But there is in him a similar element of mad knight-errantry, and an almost mystical passion for France—a passion not unlike that of Wayne for Notting Hill. Those who have read his memoirs will know how this passion, the one genuine thing in the man, has illumined all that he has said and done. A good many unprepossessing qualities in him (his notorious vanity, for instance) seem strangely unimportant in such contexts. France is always to him "Notre Dame La France", a sentiment not unlike our own "Bharat Mata". (The nearest Indian equivalent I can think of for de Gaulle is Tilak.) The very opening words of his memoirs explain his attitude to France: "All my life I have thought of France in a certain way. This is inspired by sentiment as much as by reason. The emotional side of me tends to imagine France, like the princess in the fairy stories or the Madonna in the frescoes, as dedicated to an exalted and exceptional destiny. Instinctively, I have the feeling that Providence has created her either for complete success or for exemplary misfortunes. If, in spite of this, mediocrity shows in her acts and deeds, it strikes me as an absurd anomaly, to be imputed to the faults of Frenchmen, not to the genius of the land."

Most often, his love of France takes the most egocentric forms, which, however ludicrous from the point of view of common sense, have a certain momentary grandeur. Such attitudes have precedents in French history. His calm assumption of the role of a man of destiny, of being the chosen instrument of restoring France to its ancient glory (which to de Gaulle is probably exemplified by Charlesmagne rather than

by Louis XIV) has its historical parallel in Jeanne D'Arc's similar sense of destiny. When Robert de Baudricourt asks her ironically, "So God says you should raise the siege of Orleans?", she replies with calm authority, "And to crown the Dauphin in the Rheims Cathedral." In a hundred different contexts during the last war, the somewhat prosaic Anglo-Saxon temperament was to be exasperated by de Gaulle's assumption that he was France. The story is told of how, during one of his interviews with Eden, Eden told him, "Do you know you have caused us more difficulties than all our European allies put together?" De Gaulle's answer was: "Undoubtedly. France is a great power." Throughout his memoirs he uses the words, Free France, France and de Gaulle as interchangeable. And some of the bitterest moments of his life have been those when such a "self evident" truth of the identity of the two could not have been recognised by others as such. In the heart-breaking days following France's collapse early in the last war, and indeed throughout the war, de Gaulle did the most exasperating things to establish this identity. Immediately after Pearl Harbour, he engineered a coup in the little islands of St Pierre and Miquelon off the American coast in order to forestall an agreement between the Americans and the Vichy for neutralisation of French possessions in the Western Hemisphere. The idea behind it was the absurd desire that, in everything relating to France, every one should deal only with him. The Americans were not unnaturally upset at what they considered as frivolous attitude to a deadly struggle and a perverse provocation of friends. This incident set the tone to the entire course of relationship between the US and the Free French for the rest of the war. It was also responsible for the extreme reluctance of the former to concede the exclusive inheritance by de Gaulle of the sovereignty of France. The exclusion of the Free French from the counsels and participation of the North American campaign, and the "compounding" with Darlan, subsequent squabbles about who should exclusively represent France, de Gaulle's sulks before the Casablanca meeting are only a few instances of the difficulties

that arose from de Gaulle's assumption that he alone was France.

Clearly, there was more than vanity involved in this. De Gaulle's self-identification was not only an emotional attitude, but also a narrow legal fiction. There is something canny in the way in which highly mystical attitudes are given sharpness and palpability by a kind of legalistic fiction. It would seem that de Gaulle was really all the time seriously maintaining that the sovereignty of the French nation had passed to him on the 19th June 1940, when he broadcast from London. He said then: "Before the confusion in French souls, before the disintegration of a government which has fallen into the power of the enemy... I, General de Gaulle, French soldier and leader, have the consciousness that I am speaking in the name of France..." It certainly was his finest hour and it marked the beginning of that remarkable redemption of the French spirit later to be known as "the Resistance". But, apparently to de Gaulle, the broadcast was not merely a rallying war cry, but an assumption of French sovereignty in a literal sense. He himself describes it as "a call from the depth of history", and says that it was "the instinct of the country which led him to take charge of the heirless treasure—to assume French sovereignty." As far as de Gaulle was concerned, this was not a figure of speech or a mystical avowal, but a political declaration.

Much of the tragi-comedy of the relationship between the Free French and the Allies is to be explained by the fact that the Allies did not grasp this simple assumption of de Gaulle. In one of his famous clashes with Churchill, Churchill is reported to have said: "You say you are France! You are not France! I do not recognise you as France..." De Gaulle's retort to this was: "If, in your eyes, I am not the representative of France, why and by what right do you deal with me concerning her world interests?" This is a lawyer's argument and was rather unfair to Churchill, since he was the most loyal friend he had. Churchill's memoirs (which I "index-

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read" for the purpose of this gossip!) shows what a strenuous battle he had to fight all the time to have the claims of de Gaulle to be heard as France's representative. Churchill had a genuine admiration for de Gaulle. There was something of de Gaulle in Churchill himself: his medieval politics (especially in colonial contexts), his flamboyancy and his grand manner were not unlike de Gaulle. There was also an element of mysticism in his love of England, which was somewhat old fashioned. But not old fashioned in the sense in which Wayne's was, for, Wayne was anything but imperialist. But, in this contrast to Wayne, he is in the company of de Gaulle, since, to the General, love of France includes a zealous concern about what he calls its "world interests". Indeed, some of our misgivings about de Gaulle's assumption of power in France flow directly from de Gaulle's background. The actions of Free French authorities in Syria in 1942 (when the Syrian President was kidnapped by them) and later in 1945 are anything but reassuring.

But even Churchill did not understand how literal de Gaulle's

assumption of French sovereignty was. Churchill does indeed show some inkling of the somewhat narrow legalistic bent of French temperament in certain other contexts. Thus, there is a perspicacious passage in a speech in the House of Commons in December 1942, quoted in Volume IV of his memoirs, in which he explains why it became necessary to recognise Darlan in French North Africa. He explains it on the ground that the French have instinctively evolved (owing to the instability of their political life) a principle called "droit administratif." This flows from a highly legalistic habit of mind, "...which makes a Frenchman feel that one who obeys his lawful superior is absolutely immune from punishment." The authority of the immediate superior is supposedly transmitted in an unbroken chain from the head of the state. So, Darlan is obeyed by the French soldier in North Africa. The interesting thing is that, to the local chief, this "droit administratif" allows considerable room for sophistry or even self-delusion in times of stress. "All this is done in the sacred name of Marshall Petain and when the Marshall bleats over the telephone orders to the contrary

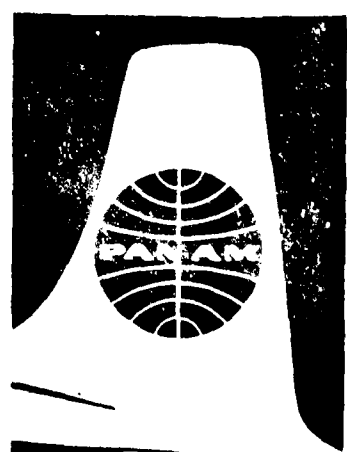
and deprives Darlan of his nationality, the Admiral rests comfortably upon the fact or fiction—it does not matter which—that the Marshall is acting under duress. ... and he, the Admiral, is carrying out his true wishes. In fact, if Admiral Darlan had to shoot Marshall Petain, he would no doubt do it in Marshall Petain's name."

Here, you have the crux of the problem. From the point of view of the French legalistic logic, there was a legal Government in unoccupied France, which went out of the war on the conclusion of the armistice. This was de Gaulle's chief difficulty. It would have been better if France had been overrun and formally annexed by the enemy. As it turned out, America's dealing with Vichy was, even in French eyes, not such a horrible act of faithlessness to democracy. But, of course, de Gaulle did not see it that way.

What might have been galling to the General was that it was not only the Americans and the British that failed to see in him the embodiment of France. The rather unceremonious way in which French politicians put him aside after the Fourth Republic was formed must have hurt him deeply. And, as usual, he retired and, in this case, sulked for years. Once again, "the call" has come, at least to his own satisfaction. If one is to talk the language of de Gaulle, the hour has found him and all that has happened before has but led to this moment. This is to him another "call from the depths of history" when, because of "confusion of souls", he is asked by history to speak "in the name of France". The "regime"—a word which his followers in Algeria have invested with odious overtones—has failed. That, alas, is only too true. But translating a personal myth into practical terms is a hazardous proposition. There is, it is true, nothing of the tinpot dictator, as yet, about de Gaulle. But Fascism and Nazism, it is better to remind ourselves, were a kind of metaphysical theory of state gone rotten. A disdain for the essential frivolity of the political life of the French Republic—a disdain, moreover, that flows, as de Gaulle claims, from a communion with the "soul of France", whatever that may mean, can easily degenerate into a disdain for the forms of democracy itself. In the circumstances, with the best will in the world, one cannot but share M. Mendes-France's deepest misgivings about the "formidable pressure on the General from those who intend to instal a Fascist dictatorship." Little is known of the General's practical political ability. Both the enthusiasm of his Algerian supporters and his own declared policy of "integration of Algeria" with France—to take a specific example—give room for

the most gloomy forebodings. Again, the General knows practically nothing about economics. One does not know what he proposes to do to put France on its economic feet. Complete freedom to act for six months and a somewhat mystical love of France: can these two achieve the miracle of restoring France to its pristine glory? It will be comforting if one said confidently, "Yes", but scarcely honest.

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Indian Finance

Fishing in the Id

Americans are great "worriers". It is not only that they are "problem-minded" and reduce everything to one which they cheerfully proceed to solve with the aid of muscles, red corpuscles and sound business methods. It is that they are constantly worried about the sociological manifestations of their dearest possession, the American way of life. The almost clinical terms in which conclusions are set down and the somewhat jargon-ridden pedantry that afflict much American sociological writing may be due to nothing worse than—another famous American trait—thoroughness. But we who take our misfortunes more philosophically and deal with them, even in professional contexts, with a self-conscious amateurishness, find the American exploration of such varied themes as the American Male or the American Female somewhat overwhelming and slightly pompous. When an Indian discusses the caste system or when an Englishman writes about such things as U and Non-U, there is a certain, ironic tentativeness about what he does. After all, he seems to imply, all this is not really very important. It may be that the Americans' is the really more mature attitude, and if there is a problem, it is best to deal with it in all seriousness.

The provocation for these reflections is Mr Packard's book on Motivation Research. Mr Packard explores in this book the goings on in the backrooms of Madison Avenue, in which "psychologists" are tabulating the results of their angling in the collective psyche. The idea is to use these "insights" (a word, by the way, of which they are rather fond) into the darker regions of our psyche for sales promotion. "Motivation Research is the type of research that seeks to learn what motivates people in making choices." This motivation is to be found not at conscious levels but deeper down. Our hidden yearnings are to be discovered and pandered to. Our hidden aversions are to be laid bare and broken. Our hidden fears are to be brought up to the surface and played upon. And finally, where no desires, hidden or overt exist, to create them. (After all, as the mad hatter said, it is always easy "to take more than nothing"). Motivation research differs from the old fashioned market research or "nose counting" in that it is concerned, by definition, with our hidden motives, of which we are not aware. It is quite simply the extension of psycho-analytical postulate of our conscious acts being the rationalisation of self-interest to the problems of mass selling. The basic assumptions of "depth-probers" or "symbol manipulators"

*The Hidden Persuaders—Vance Packard. Longman Green & Co. 18 Sh.

—as Mr Packard scarifyingly calls them—are that people do not know what they want, and even if they know, they will not tell. It is no use asking them. The problem is therefore to find out what they want and give it to them. Secondly, since people who do not know what they want can presumably be made also to want things that they don't want, make them want them. And, in all this bounty, nothing real is involved, for, what people want is, by definition, nothing but psychological satisfaction. So, in selling a cake of soap, what is being sold is not lanolin but a promise: "You are not selling oranges but vitality, not an automobile but prestige—You don't sell shoes, but lovely feet."

There is practically nothing that cannot apparently be sold on these premises: lipstick, cars, politics, presidential candidates and even religion and, of course, motivation research itself. Deep down in the buyers of these "insights" are perhaps dim racial memories of the tribal witch-doctor who will resolve all your difficulties by the incantation of the appropriate mantra. (Some of the technical terms that these researchers use are words like "Autism", "catharsis", "compensation" et al, and these are both strange and emotionally and symbolically loaded—two essentials of any magical formula. Mr Packard assures us that there exists a dictionary of this esoteric lore entitled the Language of Dynamic Psychology as related to MR, which is often consulted by the MR Priesthood). And some of the rituals attendant on this research—Rorschach's Ink Blot Test, Thematic Apperception test, Rosenzweig's picture frustration test, and above all the Szondi's test (which involves your expressing unknowingly which among the several psychopaths you find yourself most sympathetic to yourself) must have, on the researchers' own premises, satisfied some hidden desire or assuaged some secret inadequacy in their clients. In any case, it would appear that, whether MR will help sell goods or not, it certainly has sold itself. According to Mr Packard, it was

estimated in 1955 that 12 million dollars were budgeted to be spent by marketers on motivation research. And Fortune estimated that, in 1955, out of the 260 billion dollars spent on consumer products, "a full half probably went to industries in which one or more major manufacturers had tried MR."

In a sense, this further extension of the areas on which funds are to be expended by sellers is a uniquely American phenomenon. Advertising in America is, as Professor Galbraith explained in his refreshing book on "American Capitalism", though socially wasteful, still the product of relative well being. "It may be a waste, but it is a waste that exists because the community is too well off to care." Where the whole economy is consumer-orientated, and where differentiation between rival products is becoming less and less real, it is inevitable that the rivals should try to sell you competing unreal satisfactions. In the topsyturvydom of the need for consuming more and more in order not to collapse, it is inevitable that the complaint should take the form: "It is not that too much cheese is being produced, but that too little is being consumed." It is also inevitable that a lipstick manufacturer should say, "I am not selling lipstick, I am buying customers." (Lipstick manufacturers are stated to spend a quarter of all their income on advertisement). The creation of "psychological obsolescence" is of the essence of survival, and it is where the psychologists come in handy.

How much of all this research is genuine and how much of it is hocus pocus? It is difficult to say precisely, though, to judge by some of the "insights" peddled by these folks, they must belong to the lunatic fringe of psychological research. Some of them even fall for their own mumbo jumbo. One of them is quoted as stating that, "with a pink shirt he was trying to say about himself." Unless this was being said with tongue in cheek, it shows how one can be an easy dupe of one's own profession. But one comment should be made.

Unless Mr Packard had been unduly coy in producing all the evidence gathered up by these researchers, it would appear that these researchers into depths do not go deep enough. Some of the logical conclusions about the impulses behind cigar smoking or cake making or gum chewing may have been omitted because they may have been thought unprintable. But one imagines that they were at the back of the minds of those who planned the campaigns.

The whole trouble about dealing with insights about what by definition is something all of us hide, is the inability to affirm or deny. When William Archer dreamed that Shaw had his beard shaved off and was inarticulate in public, he was told by the analyst that he was secretly jealous of Shaw and wanted him humiliated. When Archer denied it vehemently, he was told, much to his disconcertion, that the very vehemence of his denial showed how deep seated his feelings were. If he had confirmed it, then also the analyst would have been right. Thus, if I am told that my preference of a convertible to a Sedan is due to my preference for my mistress to my wife, I am in an unenviable position of not being able to deny it and certainly not (with the wife about) to affirm it. Again, many of these "insights" cancel each other out. (This, of course, proves nothing). If nakedness or near nakedness is a good selling point in one advertisement, why should it be not so in another? If stirring up our libido is good in one case, why is it not in another? If "I dreamed I stopped traffic, in my maiden-form bra" is a good ad, why is it that, in a perfume ad, incorporating Gauguin's paintings of South Sea belles was vetoed? After all, the buyers of bras are also buyers of perfume and therefore the argument of the two ads being directed to different audiences cannot hold water.

But apparently there is one test whether or not MR is leading sellers anywhere. It is the sales figures. The proof of the pudding is in the eating. (Will depth probers agree?) Here again, one cannot be too sure whether or not it was a piece of luck. Even depth probers agree that many of their

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insights have no universal validity. There is a lot of unconscious humour in many of their findings, which, of course, does not preclude their correctness. A good deal of this is due to the slightly pompous jargon employed. "Candy is a reward symbol", "you must sell people a sense of roots." (One wonders whether the irony of the thing struck them at all!) "Have you considered the 'symbolism of soup'?" ("Its deepest roots lie in prenatal sensations of being surrounded by the anniotic fluid to our mother's womb.") And "Prunes!" The incredible Dr Dichter (this man's dicta strewn profusely throughout this book are the collector's dream come true!) has actually made them attractive. Among the Prune's other virtues is its being a "gentle aid to regularity." (Dr Dichter found on probing that prunes had an unfortunate association with constipation). And Banks! Did you know that you did not borrow from the bank because of the high moral tone they take? The Kabuliwalla, despite his usurious rates, treats you as an erring mortal like himself. Banks are therefore presumably to drop all reference to the little matter of security for the overdraft, or, if the subject must be mentioned at all, it should be done with a suitable sense of their appalling priggishness.

Not all of Mr Packard's findings are capable of being taken in this light-hearted spirit. I shall not go into the ethics of making me buy what you know I do not need at all. A line has to be drawn at some point beyond which it may be considered wrong to "influence" me against my will. Where that line is to be drawn is a matter for debate. After all, there are a number of ads which are immensely enjoyable as ads, and I should therefore not grudge the little sacrifice it demands in return. In any case, this question leads one on to the ethics of mass production and mass consumption, to the nature of an industrial society, to the subject of the "Lonely Crowd" and Admass all of which I have no space to discuss in detail here. But one development in American political life this research into human motives has introduced is portentous: The conscious application of these techniques to political persuasion. Of course, symbol manipulation is not new to politics. What is a flag but a symbol? Granted that a great deal of our motivation is unconscious and scarcely mentionable, do democratic modes of persuasion include conscious manipulation of precisely these elements? Democracy is founded not on the fact of human conduct being based on rational considerations, but on the categorical imperative that it should be. Rational behaviour is not a fact of observation but a moral postulate. Which means that the process of persuasion in a democracy respects certain restraints. Mr Packard shows in a well documented chapter how these restraints were not respected in the

last Presidential elections. One need not invoke in an alarmist fashion the lengthening shadows of 1984 and so on. But Adlai Stevenson's acid comment that the idea that "you can merchandise candidates for high office like breakfast cereal... is the ultimate indignity of the democratic process" is absolutely correct.

JASON

*

The Dangers of Ambitious Planning

How far economic development of the underdeveloped areas of Asia and the Far East could be pushed through, without generating forces of instability, is a problem which has lately loomed large in almost all the countries of the region. The apparent dangers of ambitious planning unrelated to the structure of the economy and its limitations are dramatically brought out in the current shortages and bottlenecks which threaten the smooth execution of the Second Five Year Plan of India. But the problem is by no means so restricted in its impact. The incompatibility of progress and stability has a wider application in this region, being present in lesser or greater degree throughout the area.

The major source of instability in these areas arising from economic development is perhaps the need to import capital goods, and the dimensions of the problem would therefore be properly reflected in the payments position of these countries. The almost universal trend in recent years in the payments position in the countries of Asia and the Far East has been toward deterioration. From a level of 750 million dollars in 1955, the payments deficit widened to 1,969 million dollars in 1956 and is expected to be of a still bigger order for 1957. The United Nations Economic Survey for Asia and the Far East for 1957* has characterised the developments in the payments position of these countries as alarmist.

The aggravation of the balance of payments position only underlines the limited success that has so far been achieved in the efforts toward development in the agricultural and industrial fields. Notwithstanding the increased levels of agricultural production attained in this region in 1957, the Survey notes the inadequacy of this output on a per capita basis. While production of cereals reached an all-time record of 126.6 million tons in the crop year 1956-57, imports of foodgrains actually rose by more than 2 million tons to 12.1 million tons in 1957. The fact that it was the net imports of cereals from outside the region that was responsible for the net rise in imports indicates the magnitude of the task of making the region independent

of outside supplies for its requirements of foodgrains.

The food problem varies in its intensity between countries in the region. In the food exporting countries, such as Burma, Thailand, Taiwan and Cambodia, though the food problem ceases to exist, decline in production would have adverse repercussions on their balance of payments prospect. Since, in all these countries, production increased in 1957, it was the decline in the production in the food importing countries that was responsible for the increased imports of foodgrains from outside the region. In Ceylon, rice production in 1956-57 suffered a decline by about 24 per cent from the previous year's level due to draught which overtook many areas of the country. In India, in spite of increase in the production of cereals, demand far outstripped supplies so as to cause shortages in many parts of the country. Increased demand for foodgrains following the improvement in the purchasing power of the people in general together with a switch to finer grains as against coarser grains which the increased levels of incomes permitted, seem to have been responsible for the shortages in foodgrains. This is a feature of food consumption which has to be taken into account in the programmes for food production.

A more rapid rate of increase and efficiency in production should therefore be the primary objectives in the policy for food in the food importing countries. With the solitary exception of Japan trends in production in other countries have not been satisfactory. In Japan, with the increased production of rice in 1957, imports were reduced from 697,000 tons during the first ten months of 1956 to 317,000 tons in the corresponding period for 1957.

The predominance of primary goods in the export trade of many of these countries is another factor which renders them vulnerable to forces over which they have little control. Many countries of the region have been hit hard by the fluctuations in the prices of the primary commodities. The price of rice, which item figures prominently in the export trade of Burma and Thailand, has declined sharply in 1956, the fall continuing in the first half of 1957. The foreign exchange earnings of India and Ceylon have also been adversely affected by the fall in the price of tea, while the decline in the price of rubber has similarly affected the foreign exchange earnings of Malaya and Indonesia.

Diversification of exports offers the solution to the threat that predominance of primary commodities in the export trade constitutes to stability in the payments position of these countries. Success in this is linked with the efforts towards industrialisation. The general trend in this direction has been satisfactory and the Survey points to the upward trend in industrial

production in this region as a whole. While manufacturing and mining production in the whole world increased only by about 3.5 per cent and by 1.9 per cent in North America, in Asia, the increase was as much as 11.4 per cent. Corresponding to this increase in manufacturing and mining production, the output of basic metals and metal products was also 20.7 per cent and 14.1 per cent higher in the first three quarters of 1957 than in the corresponding period of 1956.

But the disappointing feature in this progress toward industrialisation is its relative concentration in a few countries such as Japan, India, and China while in most other countries industrialisation has made but little headway. This is borne out by the fact that, in the latter group of countries, the contribution of the industrial production to the net domestic product is an insignificant part of the total net domestic product, being less than 20 per cent.

In the former group of countries, the Survey points to a relative slackening of progress in the first half of 1957. In Japan, it was the restrictive monetary policy that was adopted in the wake of the deteriorating balance of payments of the country that put the brake on industrial progress in the first half of 1957. Balance of payments difficulties and the diversion of foreign exchange to meet the deficit in food requirements were the factors involved in the retardation of the industrial growth in India in the same period. The index of industrial production with 1953 as the base, after increasing by 17 per cent to 135 in 1956, because of adverse factors in the supply position in raw materials and equipment, declined to 133 in the first quarter of 1957. In China, the increase of 7 per cent in industrial production in 1957 compares adversely with the 31 per cent increase for 1956 over 1955. The slowing down of growth in 1957 in China is attributed to the reduction in State investment in capital construction from 14 to 11.89 billion yuan, reduced imports of capital goods and raw materials and shortfalls in certain crops such as raw cotton and oilseeds.

The behaviour of prices in these countries in recent years bears out the inflationary potentials of a developing economy which, in the initial stages, is unable to match the increasing expenditure which it incurs for development purposes by an equal flow of consumer goods. Persistence of inflationary tendencies in these regions, referred to in the Survey, appears baffling in the face of increase in the per capita availability of food-stuffs and important gains in industrial production. The Survey traces such inflationary symptoms to Government deficit financing and expansion of bank credit to the private sector, on the one hand, and the cost inflation in several industrialised countries outside the region which exerted its influence

on the price level of the countries of Asia and the Far East through the imports of manufactured goods into these countries, on the other. The existence of inflationary symptoms is one of the important elements in the instability which the economies of the underdeveloped countries have to face in their progress toward higher levels of productivity.

The problem of combining progress with stability thus involves the determination of a satisfactory rate of growth consistent with the resources the countries could muster for development. This is essentially a function of the rate of capital formation in these countries. Though the general poverty of this region would seem to point to limited possibilities in raising the rate of capital formation, the Survey, on the basis of the experience of Japan, has pointed to the possibility of capital formation being stepped up to a rate high enough to sustain vigorous growth after a certain stage in development has been reached. Scope for stepping up capital formation before that stage is reached lies in securing foreign capital. International cooperation, thus, is essential.

*

Labour in India by K. M. Saran, M.Com. D. Phil. Published by Vora & Co, Publishers Private Ltd, 3, Round Building, Kalbadevi Road, Bombay—2. Rs 5/-.

The author has broken new ground in this treatise dealing with a fascinating aspect of life in Ancient India. Indological researches so far have not strayed beyond the realms of religion, philosophy, art and literature. In this painstaking study, the author has brought together the relevant information culled from ancient works, both sacred and secular, in Sanskrit and in Pali, which have a bearing on employment and wages and conditions of the workers in general. The most interesting part of the book is the chapter wherein he has marshalled evidence to show that the distinctive features associated with the Welfare State were familiar to the people of Ancient India as far back as the third century B.C. The author has done well to go to the original sources, instead of being content with quoting second hand testimony of Western Scholars. He apparently believes that the readers of his treatise will be sufficiently familiar with Sanskrit to follow the quotations of ancient texts without the help of translations.

*

India and the I.L.O. By N. N. Kaul. Published by the Metropolitan Book Co. Private Ltd. 1. Faiz Bazar, Delhi. Rs 5/-.

The International Labour Organisation is one of the offshoots of the League of Nations which has survived the parent organisation. India has been a member of the

ILO from its very inception and it has participated in all its deliberations and activities. The influence of the ILO can be traced in every aspect of labour legislation in this country, which of late has been increasing both in volume and in importance. The author, one of Indian Officials on the staff of the ILO from its earliest days, has in this volume given a comprehensive record of India's relations with the international organization. The ILO has played an important role in promoting progressive labour legislation and welfare movements throughout the world. The story of its impact on India, which began when the country was struggling for freedom, is of more than ordinary interest at the present time when independent India has taken the road to the Welfare State. The information brought together in this book shows India as an active member of this world organization. Mr Gulzarilal Nanda, Union Minister of Planning says in a Foreword: "I commend this book to all who are interested in labour problems. In its pages will be found much valuable material which has hitherto remained scattered over many volumes. The author...deserves to be congratulated on this useful enterprise."

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Social Legislation issued on behalf of the Planning Commission, Govt. of India, Delhi—Rs 6/-.

The volume under review, which deals with the role of social legislation in promoting social welfare, presents a concise and systematic account of Indian legislation enacted in this field in the light of the principles embodied in the constitution. The material has been analysed and classified under a few selected headings. These are women, children, handicapped groups and social defence.

The pace of social legislation has been accelerated since the attainment of independence. The new enactments have brought about a revolutionary change in the legal status of women which has not yet been fully reflected in social life and practice. Likewise, in many branches of social welfare, enforcement lags very far behind the enactment. As Shrimati Durgabhai Deshmukh points out in the preface, there are 23 legislatures in the country engaged in making new laws and their output is colossal. This publication brings together the provisions of the existing laws in the fields selected for the purchase of this study and will be of invaluable assistance to social workers and in fact to every citizen interested in the promotion of social welfare.

Commending the initiative of the Planning Commission in bringing out this useful publication, Mr C. C. Biswas, former Union Law Minister observes that it "not only gives full information about social welfare activities in the country, but it is also a thoughtful appreciation of the problems of social welfare."

Place and Problem of Small Industries: S. K. Basu, A Mukherjee & Co. Private Ltd—Rs 4/-.

The title of Dr Basu's book is slightly misleading in so far as it suggests that he has dealt with the "Place and Problems of Small Industries" in general and in all their aspects. In fact, however, he has restricted the scope of his study to only the financial problems of one particular sector of small industries. It is, perhaps, just as well that he has done so. For, in a book of this size (97 pages), he could hardly have done justice to a subject which is both important and controversial if he had attempted to deal with it in its entirety.

The problems of small industries in India today are indeed many and complicated, which the lack of a proper and generally accepted definition and categorisation of what constitutes a small scale industry has done nothing to simplify. Those who plead the cause of small scale industries in the background and context of the Second Plan with its emphasis on heavy industries and its simultaneous bias in favour of village and cottage industries, often complain that small industries—the urban type—have had a raw deal at the hands of the planners.

The complaint is not without some justification. The Second Plan, while leaning heavily on the public sector and heavy industries, relies, at the same time, to a great extent, upon the cottage industries to meet the increasing demand for consumer goods, which is bound to occur as the Plan gets going and starts increasing the national income. The role which small scale industry is expected to play in this situation has not been made out in clear and well defined terms. The result is that there has been a wide divergence of opinion about the problems and function of small scale industries amongst the committees and bodies, set up by the Planning Commission or the Government, to study them. Nearly all of them, such as the Panel of Economists or the Karve Committee, have, moreover, ignored the role of the small scale mechanised industry. Dr Basu's study, dealing as it does with the financial problems of this particular type of industry only, thus has the merit of drawing attention to an aspect of the problem which has not been discussed widely.

Dr Basu loses no time in disagreeing with the assessment which the Planning Commission make of the employment potential of small scale village and non-mechanised industries. It is his case, which he argues forcefully, that, as a means of providing additional employment and producing additional consumer goods, the main reliance should be placed not on the hand made and the household industries but on that sector of small mechanised industries which are to be encouraged in urban and semi-urban centres.

Despite the author's arguments, however, it is doubtful whether such a reliance by the Planners would have been economically sound. Dr Basu himself says that there is no inherent virtue in small industries from the point of capital intensity and so long as capital is scarce, as it is in our present undeveloped stage, industries which are both efficient and labour intensive will have to be chosen whether they are large or small. If that is so, then, small mechanised industries have nothing very much to speak in their favour. Unable to secure modern equipment or effect technological rationalisation, they have, by and large, no sales or marketing organization, nor do they have the benefit of technical advisers or research. The problem of small industries would, therefore, appear to be mainly a problem of technical and commercial efficiency.

But even if it is not the primary problem, the difficulty of securing finance is acute enough for the small scale mechanised industry. For various reasons, banking facilities available to it are severely restricted. There is, moreover, no chance of an extension of such facilities in the near future. The main source, thus, to which small industries in our country will have to turn to, is firstly their own earnings, and secondly the State Financial Corporations. In an informative chapter, the author examines the function of the latter.

Dr Basu's book is a useful study, and limited though its scope is, it draws attention to a particular sector of small industries which, the author moans, has not been given the importance it deserves by the architects of the Second Plan.

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The Indian Financial System: O. K. Ghosh, Kitab Mahal, Allahabad—Rs 5/-.

As a fairly senior member of the Indian Audit and Accounts Service who has worked not only as an Accountant General in several provinces but also in a variety of executive and planning jobs, Mr Ghosh is well equipped to think and write about the Indian financial system. Drawing upon his experience and his studies, both here and abroad, he discusses such problems of financial administration in India as the relation between the Centre and the States, budgetary methods, audit and planning, and suggests remedies and solutions which do not always accord with what may, somewhat loosely, be called the official point of view.

In fact, one suspects that Mr Ghosh is rather fond of controversy, who likes best to deal with his subjects in the manner of a debater. Thus, whether he is dealing with Budgetary classification or the Estimates Committee, he poses a problem first and then, treating the problem as economists

*Economic Survey of Asia and the Far East, 1957: United Nations. \$2-50.

treat models, arrives at a conclusion which is meant to answer not only the practical needs of actual financial administration in India but also theoretical questions of State and budgetary control over finance. The author is a believer in the necessity of separating accounts from audit, a reform

which has had strong advocates in several Comptroller and Auditors General. Viewed solely as a procedural method of financial control, the problem of separation has lost a great deal of topicality, since even those who are against any change from the present system no longer seriously doubt its ultimate

adoption. But, as Mr Ghosh points out, the problem of separation is wider than a purely bureaucratic one and is bound up with the problem of the overall administrative set up which India will have to evolve to cope with the growth and the increasing complexity of a modern Welfare State.

At the time when the book was written, the author could not have foreseen that, soon after its publication, the question of control and audit of public corporations would become the subject matter of a widespread discussion. Even so, with a rare coincidental premonition, he has discussed the subject in a very thorough manner. This should prove very useful to those who wish to have their say about what should be done to prevent another l'affaire Mundhra.

The financial system which obtains in India presents many features which have frankly become anachronistic. Those who are interested, either as Government officials or as students of public administration, in improving and streamlining the financial administration of the country, will find Mr Ghosh's book useful and informative.

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Taxation of Industry in India: G. N. Arora, Vora & Co. Publishers (Private) Ltd.—Rs 7/8/-.

Dr G. N. Arora had begun and nearly completed his study of the Taxation of Industry in India, when the Taxation Enquiry Commission was appointed to enquire exhaustively into the problem. By the time the book was first published, the Commission's report had also come out. As a result, Dr Arora could neither utilise the materials collected by the Commission, nor claim the public's attention, which his study deserved.

It speaks much of his power of assimilating a large amount of material and making the correct interpretation of statistical data, that, in the limited field of his study, his conclusion did not materially differ from the conclusion which the Commission with their vastly superior resources arrived at.

After giving the history and background of taxation of industry in India in general, Dr Arora examines the incidence of taxation on the textile, jute, sugar, iron and steel and the paper industries. The broad generalisation which he arrives at is that taxation of industry in India in the post independence period has not affected adversely industrial production, profits and capital formation, nor has the capacity of industry to save and re-invest been crippled.

After Dr Arora's book was published, there has been a fresh lot of taxes, and complaints from industry have been frequent and vehement that the disincentive effects of taxation are becoming major factors in hampering the expansion and consolidation of industry.

How far, if at all, the complaints have justification can very well form the subject matter of a further study. It is to be hoped that Dr Arora will make it and incorporate the results in a revised edition of his book.

GATEWAY GOSSIP

The fact, that even in the most advanced countries of the West, power consumption continues to record an upward trend, indicates that underdeveloped countries like India have to plan for a progressive growth of power consumption. The need for stepping up power production in our country has been well recognised by the Planning Commission who have planned for an increase of more than 100 per cent in the installed capacity of generating plant during the Second Five Year Plan period. It is anticipated that demand will double itself in every five years at least for another three five year plan periods. The target of power production during the current five year plan is 6.9 million kW as against 3.4 million kW at the end of the First Five Year Plan.

An idea of the progress of power generation in India can be had from the fact that per capita power generation which stood at 17 kW before the First Five Year Plan has risen to 22 kW by the end of it. When the target under the Second Plan is attained per capita generation will reach 56 kW. The tremendous leeway to be made up in power generation in India will become evident if we note the trend of power production in some of the Western countries. For instance per capita power generation in Norway is 6610 kW, with Canada showing 4880 kW, Sweden 3470 kW and the US 3320 kW.

As the Second Five Year Plan places equal emphasis on the development of heavy and small scale industries, power generation plans should include a well-chalked out programme for the distribution of electricity to the rural areas. This aspect has also received due attention. Before the First Five Year Plan the number of villages having the benefits of electricity was only 3000 out of a total of 560,000. The number went up to 6500 by the end of the First Plan. This is sought to be further raised to 16,000 by the end of the current Plan. It has been estimated that the capital outlay involved in laying the distribution lines to serve all the villages in the country will exceed Rs 3000 crores. The Second Plan visualises an outlay of Rs 75 crores on the electrification of small towns and villages. With a view to implementing the rural electrification programme the Central Government have urged the State Governments to help the licensed commercial undertakings in their expansion plans.

It is obvious that the Public Utility Electric Supply Undertakings operated by Licensees have to shoulder the task of purveying power. But the taxation policy of Government has left the Undertakings with little funds either to expand their capacity or to embark upon new ventures. Apart from the financial stringency, the electricity industry has also been handi-

capped by the need to supply electricity at an extremely low level to consumers. It has been represented to Government that the increase in the price of electricity since the Second World War has been disproportionately, lower than the increase in the prices of commodities in general.

The Federation of Electricity Undertakings of India in a memorandum submitted last week have urged the Government of India to take practical steps without delay to restore the confidence of investors in Electric shares. For only by attracting investors' money that the electric supply industry can hope to obtain the requisite funds. It is to be noted that the Public Utility Electric Supply Undertakings have large schemes for expansion requiring considerable finance. Contrary to expectations the industry has not been quite successful in obtaining loans from institutions such as the Industrial Finance Corporation of India and the State Finance Corporations because of the restrictive provisions of the Indian Electricity Act, 1910 read with the Electricity (Supply) Act. Though the framers of the Electricity (Supply) Act had visualised the possibility of loans to undertakings by State Electricity Boards, in actual practice there has been no help from them. With no hope of getting loans and with investors chary of investing their money in electric shares, the industry has been put in the unenviable position of finding itself unable to go ahead with expansion schemes.

It has been found that the overall impact of the amendments to the Electricity Supply Act has not had the desired effect of improving the investment attracting capacity

of the industry. For as a result of the Electricity (Supply) Amendment Act, 1956, electric shares have become less attractive than most shares as regards prospects of capital appreciation or yields.

The memorandum, therefore, points out that it is of utmost importance that immediate steps are taken to make investment in electric shares sufficiently attractive. "The basic remedy is of course to revise the permissible 'standard Rate' so as to fix the limit at a rate which compares more favourably with the actual cost of attracting money". The Federation had sought a differential over the Bank Rate of 2½ per cent in its memorandum on the Electricity (Supply) Amendment Bill 1956.

The memorandum has also urged Government to take suitable steps to enable the electricity supply undertakings to raise development monies in the market. A form of assistance suggested is the tendering of advice to State Governments by the Central Government not to exercise options of purchase of undertakings which may arise before the end of the Third Five Year Plan period at the earliest so that such undertakings could consider long range plans which they would otherwise not be in a position to contemplate. The memorandum has however pointed out that if the "grossing up" of dividends in the hands of shareholders of companies which secure tax relief because of accelerated depreciation allowances under the Income Tax Act is allowed, shares of expanding companies will be able to attract investors' attention thereby rendering it easier for these companies to obtain the necessary capital from the public. In conclusion the

BOMBAY REVIEW

Problems of Electricity Industry

memorandum says that "if all else fails, and pending in any case suitable amendments in the Electricity (Supply) Act, this Federation would earnestly plead with Government to advise all State Governments that they may exercise individual discretion to allow special appropriations under Paragraph XVII (2) (C) (vi) of the Electricity (Supply) Act in such a way as they may think desirable to ensure that undertakings can earn sufficient to attract new capital, whether loan or equity."

The Electric Supply industry has a vital role in the economic growth of the country and as such it deserves special attention at the hands of Government. At the present juncture it is finding itself in a difficult position as regards finance which is urgently required even for its normal expansion programme. It is incumbent on Government to take suitable steps to enable the industry to discharge its obligations efficiently.

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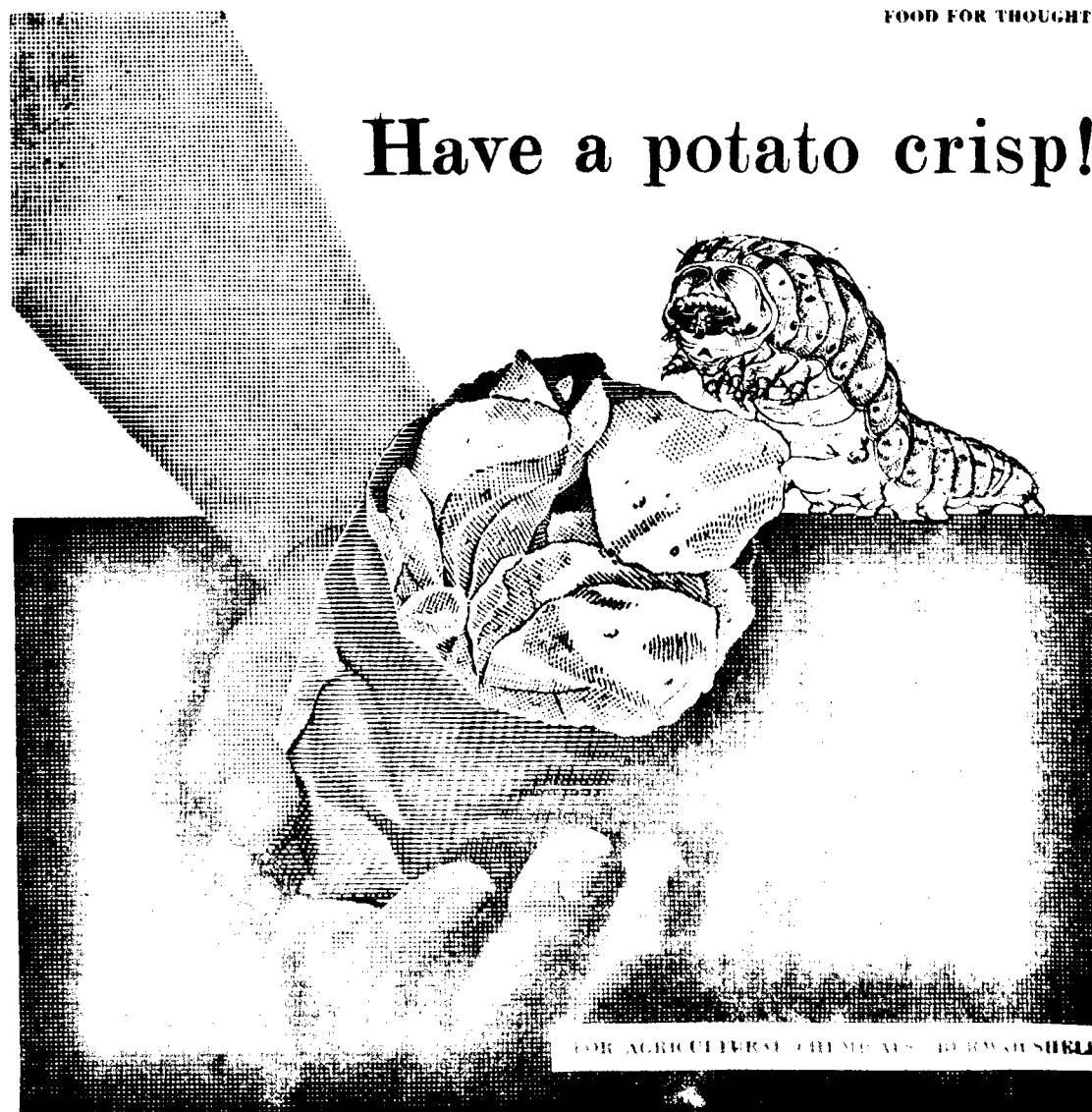
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There are few foods which combine the down-to-earth simplicity and haute-cuisine elegance found in the potato. Whether it is mashed, baked, chipped or french fried, the potato occupies a prominent and useful place... from a formal marriage banquet to a handful of crisps.

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Shell aldrin provides effective control of white grubs and cutworms and can increase production by as much as 50% on effective fields. And when you consider that India produces nearly two million tons of potatoes a year from 6,00,000 acres, you will realise how important it is to get these insect pests very firmly under control. For every rupee spent on importing aldrin as much as twenty rupees worth of potatoes could be saved. This is a sensible expenditure whichever way you look at it; food for thought in fact.

SHELL Chemicals can save crops

and Foreign Exchange too!

GATEWAY NOTES

Shanti Sena

Speaking at the All India Sarvodaya Sammelan early this week, President Rajendra Prasad has drawn pointed attention to the fact that happiness cannot be attained through material prosperity alone. This is evident from the present predicament of the advanced nations of the world. These countries have taken tremendous strides in technological development with a consequent sizable improvement in the standard of living for their people, but the phenomenal progress has raised new problems which they are unable to solve. Such developments are of special importance to our country because India in the past few years has embarked upon big projects with a view to provide material prosperity to its people. Dr Rajendra Prasad has emphasised the need for striking a mean between material prosperity and the retention of the Indians' traditional spirit of contentment and sacrifice. In this regard he has pointed out that the Sarvodaya movement will go a long way in reviving the spirit of sacrifice and service.

According to a review prepared by the Sarva Sena Sangh which has organised the current Sammelan, conditions in India and in the world are now propitious for a non-violent transformation of society. It is, however, pointed out that the desired results will be achieved only if the people accepted the positive values of non-violence. The Shanti Sena which must grow in every village is to be a service corps engaged in dedicated service of the downtrodden and the exploited in the villages. The main objective of the Sangh is to lay the foundation of a society of the free and equal.

The need for a non-political organisation of social workers in the country has been accepted on all hands and Government have also found it useful to obtain the co-operation of sarvodaya workers in their Community Development programme. The concept of Shanti Sena can be applied to the conditions in the Western countries and the world over. The horror of the nuclear weapons has brought into clear focus the value of non-violence as a means of re-establishing peace in the world. The Shanti Sena must, therefore, grow into a world movement.

New Varieties of Cotton

Though considerable progress has already been made toward self-sufficiency in raw cotton, Indian mills still depend on foreign countries for their requirements of superior varieties. It is, therefore, gratifying to note that the Cotton

Research Centre at Surat has successfully attempted for the first time in the country the hybridisation of the Asiatic varieties of cotton with American types. The new breeding technique adopted by the Centre has resulted in combining the hardness of Asiatic cotton with the superior economic characteristics of the American variety.

It would appear that the two Indo-American strains, which, while combining the good qualities of the American and Asiatic varieties, are also highly resistant to pests and plant diseases. It is, however, pointed out that their spinning capacity is not, very high. In this regard it is said that the Research Centre is making concerted efforts to isolate types with necessary fibre strength coupled with the required staple length. Already some selections answering to these requirements have been isolated and are under intensive examination. The Indian Central Cotton Committee hope that before long it will be possible to replace the existing Indo-American types by better strains. When these efforts bear fruit it will enable India to reduce sizably its import of superior varieties of cotton from abroad and thus save valuable foreign exchange.

Coir Industry

The development of the coir industry has been receiving considerable attention in the country because this is an industry which makes valuable contribution toward the main objectives of the national economic policy. The coir industry earns about Rs 10 crores worth of foreign exchange and provides employment for nearly 5 lakhs of people.

There is ample scope for the development of the industry on a large scale in many parts of the country. In the Bombay State the industry has made some progress and there are now five societies engaged in the coir trade. The State Government have plans to develop the industry in Kolaba and Ratnagiri districts under the Second Plan.

Speaking in Bombay Mr S. K. Wankhede, State Minister for Industries and Planning, has pointed out the need for bestowing concerted attention on the development of the coir industry in the country because of its potentialities for providing employment to a large number of people. The fact that it is a good foreign exchange earner must also be taken into consideration. In this regard Mr Wankhede has given a valuable suggestion. He has emphasised the need for a proper exploitation of the home market simultaneously with export promotion efforts. This is essential because in times of slack overseas demand the industry can rely on the home market for the offtake of its products.

GATEWAY MARKETS

Unsettled Conditions in Bullion

UNSETTLED conditions prevailed in the bullion market during the past week consequent on the approval of the changes in the bye-laws of the Bullion Association. It would appear that bears were encouraged by the possibility of a heavy accumulation of supplies. The heavy bear selling coupled with nervous liquidation resulted in a sharp decline in rates and conditions in the market were akin to panic. As offtake had also dwindled due to end of the busy season, the bear pressure continued unchecked. On Friday, however, a margin of Rs 7 per tola became operative in gold Jeth delivery according to the bye-laws while in Silver Jeth delivery a special clearing was announced following a fall of more than Rs 5 in the price level. In later sessions, gold staged a moderate recovery on reemergence of buying support on the expectation that arrivals would not be as heavy as expected earlier. The bear pressure in Silver continued unabated on rumours of heavy arrivals of the metal in the shape of Tibetan coins.

Spot Gold declined sharply from Rs 109.69 to Rs 106.60 to recover to Rs 107.18. Sovereign was finally placed at Rs 70.25.

Spot Silver reacted to Rs 183.12 from last closing of Rs 185.44 to be finally placed at Rs 182.60.

Oils and Oilseeds

The oilseeds market ruled steady on expectation of favourable news as regards groundnut oil and castor oil. As pointed out last week, the prospects for castor oil were generally believed to have become rather gloomy in view of the disappointing offtake by US. In this view it has been argued that the abolition of export duty will go a long way toward extricating the trade from its present sorry predicament. Consequently trade circles believe that Government will make a favourable announcement shortly. Another rumour that has been circulating in the market place is that Authority may decide to allow a special export quota for the export of 20,000 tons of groundnut oil to Burma.

It was announced on Tuesday that Government had released 20,000 tons of groundnut oil and 10,000 tons of hand picked selected groundnuts for export. Announcing this a Press Note issued by the Joint Chief Controller of Exports said export of groundnut oil would be allowed by those exporters who exported it outside India during any one of the three years ending 1955-56. While export of HPS

groundnut would be allowed by those exporters who have exported HPS or ordinary groundnuts in any of the years 1949 to 1955.

Contrary to expectations the announcement did not engender much enthusiasm in the oilseeds market. It would appear that buyers are not very hopeful about an immediate expansion in foreign business in groundnut oil on account of the comparatively higher Indian prices.

After initial narrow and irregular movements, prices in the oilseeds market steadied up with sellers reserved on expectation of favourable developments. Castorseed has derived strength from the speculation about abolition of export duty with a view to give a fillip to its export. In the case of groundnut it is the expectation of a special export quota. In this regard it is, however, noted that this news cannot be said to bring much cheer because Indian prices are higher than overseas prices.

Groundnut Bold has been well maintained at Rs 33.12. Groundnut August closed higher at Rs 185.25. Groundnut Oil was done at Rs 18.12.

Castorseed Ready was slightly higher at Rs 30.25. Castoroll Commercial was steady at Rs 15.30. Castorseed September firmed upto Rs 155.12.

Linseed was well maintained. Linseed Bold Ready was fractionally better at Rs 30.72. Linseed Oil ready was done at Rs 15.90. Linseed September improved to Rs 31.25.

Steady condition prevailed in the cottonseeds section following demand from crushers. Cottonseed September moved up to Rs 110.25.

Yarn

After initial listlessness, staple fibre futures gained some ground on speculative support. Though at the higher levels there was some profit taking, the under tone remained steady at close. Staple fibre 2x40 June delivery moved between Rs 610 and Rs 624. The indigenous viscose yarn continued to rule firm on good demand. According to the Silk and Art Silk Mills' Association the continuation of difficult supply position in regard to indigenous and imported rayon yarn to the weaving industry will inevitably result in the closure of many units. It is pointed out that the minimum requirement of the industry is four lbs of yarn per loom per shift. The association in a resolution passed at an extraordinary general meeting early this week has requested the Government to take into consideration the present difficult supply position as regards rayon yarn when fixing the ceiling for imported yarn. The association has also recommended that the distribution of indigenous yarn should be on the same basis as the imported yarn.

In the cotton yarn section sentiment continued depressed and prices were marked down. The lack of demand is attributed to the obscure outlook for export of yarn and lower offtake by upcountry weavers.

WORLD OF COTTON

An easier tendency has developed in the cotton futures market due to selling pressure. Factors inducing the reactionary trend are the announcement of subsidy for cotton exports from US and the reaching of the ceiling of cotton exports of 3" staple length. The US Department of Agriculture has announced the starting of cotton export subsidy of six and half cents a lb for cotton exported after August 1. This rate however is subject to change without notice. The subsidy will be paid in kind instead of cash. Payments will make up the difference between the higher United States price paid by exporters for cotton to be shipped overseas and the lower world price for which the cotton is sold abroad. In this connection it may be interesting to note that the United States Government are selling cotton overseas at rates much below prevailing rates in the country. The Agricultural Department announced on May 28 the export sale of 54,003 bales of Government owned cotton at 28.56 cents per lb. At the previous sale on May 15, the department sold 60,787 bales at 28.63 cents per lb. Net sales of short staple cotton from the time the 1957-58 disposal programme started in March 1957 totalled 5,759,608 bales. Next bids for sale of cotton will be received by the department on June 9.

The slowing down in buying in the local market is also partly due to the fact that the ceiling in export quota of 3" stapling has already been reached. The Joint Controller of Export announced last Thursday that the ceiling of 15,000 bales, fixed for the export of cotton staple length not above 3" has been reached and no further application for the export of this variety of cotton would be entertained with immediate effect. It may be recalled that the Government of India had released on May 20 an export quota of 50,000 bales of Indian cotton comprising 35,000 bales of all varieties not above 23/32" in staple and 15,000 bales of all varieties not above 3" in staple.

World consumption prospects for cotton do not seem to be quite bright. For, according to the secretariat of the International Cotton Advisory Committee the trend in the first half of the 1958-59 season is not as favourable as in 1957-58. In a statement issued on Monday the Committee says that though the world carryover on August 1 this year will be the smallest for several years, the outlook cannot be deemed bright because of the declining trend in consumption and the continued competition from substitutes. The fact that in some producing countries revenues have been badly affected by the reduction in both the volume and value of cotton

World Consumption Prospects

exports has also to be taken note of when assessing the prospects for cotton consumption in the next season.

World production in the 1957-58 season is now estimated at 39.3 million bales or roughly 2 million bales less than in 1956-57 and the smallest world crop since 1951-52. Consumption during the season will decline probably by half a million bales or more from last season's record 42 million bales. The statement points out that the next season world production will be influenced to a large extent by what happens in the US where with nearly 5 million acres in the Soil Bank, production will again decline unless there is an offsetting improvement in yield. With a much smaller carryover, supply will almost certainly show a marked reduction next season.

The main reason for the irregular tendency in the Bombay cotton market is the prevailing uncertainty as regards consumption of the commodity in the coming season. It is generally felt that a further export quota is in the offing and this factor has been responsible for the slightly improved tone noticeable intermittently in the market. Restricting influences are the poor offtake by mills, the possibility of increasing competition in overseas markets, larger estimates of domestic crop and the prevailing financial stringency. It would appear that a large number of mills are reluctant to carry even moderate stocks in view of the gloomy outlook for export and domestic consumption. The fact that no marked improvement has taken place in the stock position of mills has resulted in the adoption of a hand-to-mouth raw material purchasing policy by the industry in general. Marketmen are disappointed that the industry's suggestion that a further reduction in the excise duty on cloth should be made has not been accepted by Authority. Though the appointment of an expert committee to enquire into the problems facing the industry has been generally welcomed, it is felt that urgent action on the part of Government is the need of the hour.

Trade circles feel that permission to export cotton will be a steady influence in the market. In this regard it is anticipated that an announcement of an additional export quota of 25,000 bales of 3" staple will soon be made. There is satisfaction in the market over the import quota of 30,000 bales for soft currency area cotton as it is timely. It is expected that a further quota of 50,000 bales for East African Cotton will be announced in view of the delay in import of American cotton.

FUTURES MARKET:

After a two way movement, values in the futures market

closed easier on selling pressure. Earlier steadiness was due to hopes of early relief to the cotton textile industry and prospects of a further export quota for 3" staple. Toward close operators became nervous on rumours that chances of a fresh export quota were bleak and on reports that closure of more mills was imminent. ICC August delivery closed easier at Rs 688-12.

SPOT MARKET:

In the spot market there was fair demand from mills for long staple domestic styles. There was continued interest from shippers for Bengalis, Kala, Wagad, C. P. Deshi, Moglai and Morbi. Fair buying was also reported in foreign cotton such as Egyptian Karnak and Menoufi. Some business was also done in A.R. Uganda qualities.

LIVERPOOL:

Conditions in the Liverpool cotton market were quiet as operators were reluctant to extend commitments pending details of US subsidy. The intervention of holidays and the developments in France were other contributory factors. During the early part of the week, a small business has been reported done in US, East African and Nicaraguan cottons. Arrivals of foreign cotton at UK ports during the week ended May 29 totalled 12,200 bales and cotton afloat 57,600 bales.

NEW YORK:

Prices in the New York cotton market were irregular but the close was steady. The earlier sagging tendency was due to reports of favourable weather conditions in the cotton belt. According to latest weather reports the new crop is progressing satisfactorily. But it is to be noted that the crop is still late due to earlier unfavourable weather conditions. Toward the close of the week offerings dried up on increased interest.

The US Department of Agriculture has announced that on the first of August the stocks of cotton in the 1957-58 loan will be taken over by it. Farmers have been asked to liquidate their loans to take advantage of the better prices now prevailing. Repossessions from the loan during the week ended the 16th May were

57,149 bales, the largest weekly withdrawal this season. The net stock in the loan as on that day was 3,094,817 bales.

PIECEGOODS:

Dull conditions prevailed in the Bombay piecegoods market in the absence of fresh enquiries both from the domestic and export fronts. On the domestic section seasonal factors were responsible for the decline in demand for superfine goods. It would appear that buyers restricted offtake as the general belief seemed to be that mills godowns were still overflowing with unsold stocks. Demand for seasonal goods was also at a low ebb but there were some indications that the business might broaden in course of time. In view of the various suggestions made both by Government and the Industry's spokesmen for the quick movement of stocks, the trade was reluctant to extend commitments in a hurry. Trade circles were also anxious to know the findings of the expert committee before taking any long decision.

On the export front inquiries from overseas consumers were few and far between. While Hongkong continued to be inactive, Singapore and Ceylon had evinced some interest. There were also indications that business with Burma would improve in coming weeks. Business has been reported with Australia, United Kingdom and East Africa but except in the case of Australia the quantities involved were quite small.

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DELHI
REVIEW

THE foreign exchange "crisis" of last year induced an intensive search for locating and utilising sources of credit abroad for our development plans. As far as the Government were concerned, Mr T. T. Krishnamachari's mission to Western countries produced modest immediate results with promises of more to come. As for the private sector, the Birla delegation, which also visited foreign countries about the time TTK was there, met a number of foreign interests and established contacts with likely sources of aid, both technical and financial. On its return, the delegation published a report of its impressions which was widely commented upon at the time.

Though information about the various sources of credit abroad has been given to the public from time to time in various contexts, such information is scattered and somewhat scrappy. A prospective seeker of assistance from any one of these agencies would perhaps find it necessary to make rather an extensive search before he obtains guidance on how to set about it. A compendious account of all known facts about these agencies was a long felt want. This desideratum has now been admirably filled by a brochure brought out here by the Federation of Indian Chambers of Commerce and Industry early this week.

The survey is entitled "Foreign Credit and Exchange for the Private Sector" and gives details about six foreign institutions and two national institutions to any one of which a member of the private sector can usefully apply, depending upon his particular needs. It also collates information about various concessions given by the Government of India, concessions designed to facilitate a more ready flow of credit from abroad. For instance, under certain conditions, interest paid by an Indian enterprise to a foreign lender for purchase of plant and machinery has been exempted from income tax. The conditions on which this con-

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Agencies for Foreign Credit

cession is available (together with a pro forma for application to Government for the purpose) are listed. The relevant documents in which Government have announced some of their policy decisions in this regard are also collected here for ready reference. All this will doubtless be found useful.

But the most important part of the publication is that dealing with the various agencies of credit and the special features of each. The six foreign agencies from which credit can be obtained are:

1. International Bank For Reconstruction and Development, Washington.
2. International Finance Corporation, Washington.
3. Export/Import Bank of USA, Washington.
4. Development Loan Fund, Washington.
5. Commonwealth Development Finance Co Ltd, London.
6. Export/Import Bank of Japan, Tokyo.

The first, popularly known as the World Bank, is perhaps the most important agency for development devised in the post-war era. It lends both to governments and private interests and is one of our major sources of credit. Both the Government and private parties have had loans sanctioned to them by the Bank. Indeed, India is the largest debtor in Asia to the World Bank. Up to the end of 1957, India has secured a total of 356.34 million dollars from this source of which 193.52 million dollars have been for the private sector. In April 1958, the World Bank announced two further loans amounting to 43 million dollars for the improvement of Calcutta and Bombay ports. India's credit with this Bank is very high and, where a project is basically sound, credit is easily forthcoming from this source.

The International Finance Corporation is a comparative newcomer in the field of international credit and finance. It was formed in 1956 and has a capital of 92 million dollars subscribed by 51 member governments. This is more an investing than a lending institution and its investments are not like the conventional fixed interest loans. They will be loans carrying interest and some right to participate in the growth of business. Unlike World Bank loans, no sponsorship by governments is necessary and it deals only with private enterprise. Interest rates have to be negotiated in each case and the usual range of maturity is 5 to 15 years. So far, its activities (as evidenced by its annual report for 1956-57) have been modest and mainly centred in Latin America and Australia. Indian entrepreneurs should make much

better use of this source than appears to be the case so far.

The Export/Import Bank of USA has recently emerged as a very important source of credit from abroad and, therefore, detailed information has been given by the brochure on this source. This institution, a part of the US Treasury, has immense resources, but so far it has not been popular though its effective interest rates were lower than those of other agencies. The reason was that the credit obtained has to be utilised in purchasing only American goods, which were often dearer than similar goods elsewhere. In January 1958, the Bank announced a credit of 150 million dollars to be utilised for obtaining capital equipment from America for use in the programmes of both private and public sectors in the coming twelve months. The objects for which the loans are available include irrigation, power, transport, mining, textiles, chemicals, fabrication of structural, electrical equipment and machine tools. The payment of principal will start in 1964 and the rate of interest is 5½ per cent. Private parties are not precluded from obtaining other assistance from Export/Import Bank, in regard to fields other than those mentioned above. The mechanics of utilisation of this credit is described in detail in the brochure and will be found useful by prospective parties.

The US Development Loan Fund is yet another source of finance that has come into being very recently. The US Congress authorised in 1957 the appropriation of up to 500 million dollars for the first year and of additional funds not exceeding 625 million dollars for the second year. Financing is available only for underdeveloped countries with preference given to private enterprise and to projects that are not able to obtain funds on reasonable terms from other sources. No Government sponsorship or guarantee is necessary, but no assistance will be extended if such assistance is unacceptable to the government of the country. Government have already entered into agreement with this source for obtaining assistance to the tune of 75 million dollars. This credit is available for purchase of components for the manufacture of trucks, buses and jeeps, for structural steel and for machinery for jute and cement industries.

The Commonwealth Development Finance Co Ltd was incorporated in 1953 for providing finance for development in any part of the Commonwealth. The form in which this assistance can take is not fixed and depends upon each case. Loans given are not tied to expenditure in sterling area. Normally, the company would not wish to deal with amounts less than £ 250,000.

The Export/Import Bank of Japan is the most recent addition to the sources of foreign credit for us. In February 1958, it agreed to make available credit to us to the extent of 13 billion yen (Rs 24 crores) for a period of three years. This will be available for purchase of goods from Japan for Railway equipment, hydro and thermal power generation, dam construction equipment, coal mining and processing equipment, ore mining and processing equipment, ships, port equipment, industrial machinery (including equipment for Rayon pulp, fertilisers, etc.) machine tools and any other items that might be agreed upon. The loan is repayable within a period of ten years and the interest rate is to be decided on the basis of that charged by the World Bank.

Apart from these agencies, the State Trading Corporation has signed agreements with some countries for special payment arrangements. By these, textile machinery on deferred payment terms can be obtained from East Germany and Japan through the State Trading Corporation. Besides, parties wishing to import machinery from Poland, Czechoslovakia, Hungary, Rumania and Yugoslavia can approach the State Trading Corporation for arranging payments to these countries in their own currencies. (Government of India have agreements with these countries for utilising their own export earnings against these).

Besides the above, an agreement between India and France has been concluded in January 1958 by which the Government of France have agreed to facilitate the financing, the manufacture and delivery by French suppliers up to 25 billion francs (Rs 28 crores) worth of capital goods in the next twelve months. The types of goods have also been agreed upon.

And, finally, there is the possibility of arranging deferred suppliers' credit from private parties. And then certain significant amendments to Public Law 480 help private sector's finance in a limited way. For instance, 25 per cent of foreign currencies accruing under the agreements entered into in future will be available for loans to assist development and expansion of private business in the countries with which agreements are made under PL 480.

The two national agencies for helping the private sector in its search for foreign credit are the Industrial Finance Corporation of India and the Industrial Credit and Investment Corporation of India Ltd. These two are comparatively well known. Useful data about the activities of these two institutions are also given in the brochure. On the whole, it is a valuable guide book.

NORTH INDIAN
NOTES

The physical unattainability of absolute or permanent immunity from floods referred to by the High Level Committee on Floods in its interim report may not be disheartening and therefore the fact that the national income of the country could go up by Rs 100 crores if there were no floods may have but hypothetical significance. All the same it indicates the extent of the loss which lack of protection against floods causes to national wealth and thereby underlines the urgency for taking measures, to reduce such loss to practicable limits.

The peculiar feature of the problem which varies in its impact and incidence, with Assam accounting for the highest annual per capita damage and per acre loss of net area sown, is its, differing aspects in different areas. But whether it is lack of sufficient channel capacity as in the case of Jhelum in Kashmir, or inadequate drainage as in Punjab, or even inundation of the delta in the Peninsular area it is the agricultural crops that always record the severest damage from floods though loss to urban and rural property and public utilities is not inconsiderable.

With such divergent conditions, the problem calls for a variety of measures to tackle it effectively. This has been recognised by the Committee which has indicated several measures under both physical control scheme and redistribution. While storage reservoirs, detention basins, channel improvements, diversion, raising habitations above flood levels and water-

shed improvements are associated with physical control the latter includes such measures as evacuation, zoning, changes in buildings and flood warning and flood insurance. In regard to the suitability of embankments which seems to be the subject of controversy, the Committee while it has stressed its importance has, however, to enhance its effects, favoured its adoption in combination with other measures such as storage dams and detention basins.

In view of the great harm that frequent floods cause to the soil's fertility, the need for measures against soil erosion is great. The Committee has in this connection, laid great stress on soil conservation measures designed to lessen the adverse effects on soil fertility.

The differing incidence and impact of the problem and its varying nature call for a system of priorities in tackling it. As laid down by the Committee the order is: (1) emergent schemes (2) continuing schemes (3) schemes for the protection of important urban and industrial communities (4) scheme for augmenting food production and (5) schemes combining other beneficial utilisation of waters.

The Committee's report marks the beginning in the organised and large-scale efforts which the Government of India contemplate in the field of flood control. While the problem does not offer any solution except on a long term basis, the report represents the indispensable first step in charting out the important lines, towards which efforts have to be directed for achieving a tangible measure of success.

Flood Control

ted for achieving a tangible measure of success.

Industrial Training

The National Council for Training in Vocational Trades, is reported to have decided on enactment of legislation to compel industrial establishments to take apprentices for practical in-plant training. This seems to have followed the failure of the scheme for voluntary training by industrial establishments to apprentices sent by the State Governments.

The State to suffer most from this lack of training facilities has been West Bengal where 60 per cent of the reputed engineering establishments are located. West Bengal has therefore been the first to press for the enactment of legislation for compulsory introduction of training programmes in the private industrial establishments. In the Bombay State the story does not appear to be different since out of nearly 150 establishments whom the Bombay Government contacted in this connection, favourable response seems to have been received from none.

One of the important factors in this failure of the in-plant training scheme seems to be the pressure from the steel industry to train personnel. This is shown in the case of the Indian Engineering Association which, though it promised to take 500 apprentices for in-plant training was, in view of the need to meet the more pressing requirements of the three new steel plants, unable to carry out the

scheme of in-plant training. The facilities provided by some individual units such as the Jay Engineering Works, India Electric Works, India Paper Machinery Manufacturing Co are found to fall far short of the target to be achieved.

Under such conditions of limited facilities in private establishments for in-plant training, the prospects for reaching the target in respect of industrial training do not appear very bright. Compulsory legislation has its justification in this overwhelming need to reduce delay in the industrial training scheme. But whether this could be done even by compulsory legislation without causing too much inconvenience and trouble to private establishments and without arousing bitter opposition to it from the latter is doubtful. The failure of the voluntary scheme was not so much due to any unwillingness of the private establishments as such, as to real difficulties experienced by them which limit their capacity to meet their obligations in the matter of industrial training. For example in the engineering industry lack of space for additional buildings and for plant has been a real limitation precluding the success of the scheme, which the Government's attitude of providing only stipend to the trainees has not helped to overcome. Similarly discipline of the trainees sent by the State Governments has been a point which has hampered negotiations between private establishments and the Government in regard to industrial training.

DELHI
REVIEW

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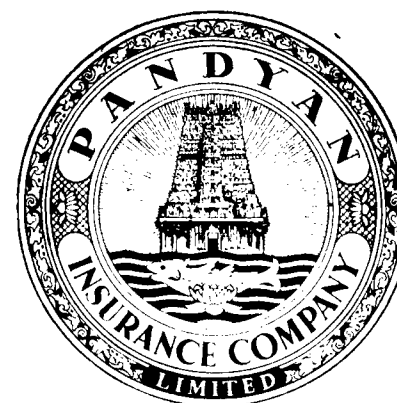
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DELHI
REVIEW

THE foodgrains markets ruled steady due largely to smaller arrivals. The reduced supply in its turn is due to the fact that the rabi crop in UP has been lower this year as compared with last year. A contributory factor is the increased holding power of farmers who have shown no hurry to dispose of their stocks. It is to be surmised that they have retained a part of their produce for their use in the rainy season. It is also quite likely that they have retained even a larger portion with a view to get higher prices later in the year. There is, however, the possibility that if it is known that the kharif crop sowing which is due to begin from the middle of this month will be good, rabi arrivals will improve in coming weeks. The other alternative is for Government to step in with some sort of check. The wheat crop in Punjab has been fairly good and consequently prices in the markets there have declined sharply. The downward trend in prices has been accelerated by the credit squeeze against grain stocks.

Wheat prices at Hapur have advanced by about 75 NP per maund during the past week to be finally placed at Rs 16.12 per maund for average quality and upto Rs 17.25 for farm produce. Daily arrivals average about 500 to

Steady Trend in Foodgrains

750 maunds and local stocks are put at 5 Khatties only as against 28 at the corresponding period of last year and 45 at the corresponding period of 1956. Daily arrivals averaged about 1,500 to 2,000 maunds. Total arrivals of wheat at Hapur from the beginning of the current season were about 45,000 maunds as against 7,500 maunds in the corresponding period of last year. Rice prices continued steady due to shortage of supplies. The following are the prices for the various qualities of rice: Basmati sela Rs 34 to Rs 36.50, Manipuri Rs 26.50 coarse quality Rs. 23 per maund.

Gram prices continued to show an uptrend though the gains were only fractional. The steadiness is due to the firm advices from the Punjab. Barley and bejhar prices were also steadier due to poor stocks in the face of sustained demand from consumers. Jowar and guwar also met with good demand. The following are prices of the various grains: Gram Rs 11.87 to Rs 12.12; Barley Rs 11.12 Bejhar Rs 10.75; Jowar Rs 14 to Rs 15, guwar Rs 15.75.

Shellac

The Shellac market ruled steady. Pure TN quality after earlier easiness steadied up to be done up to Rs 66.50. Shipments during

May until 30th were 37,664 packages comprising shellac 13,867 packages, seedlac 20,442 packages, buttonlac 1,131 packages and others 2,044 packages.

Sugar

A slight improvement in the undertone was noticeable in the sugar markets toward the close on hopes of an early announcement by Government of a workable export policy for sugar. It would appear that in view of the disparity between the Indian and world prices (world prices are lower) Government have got to devise a scheme of subsidy. It is said that the Central Government's suggestion that the State Governments should forego the cess on cane in order to facilitate the Centre's scheme has not met with satisfactory response.

Production and despatches of sugar upto May 15 in the current season were 19.47 lakh tons and 10.82 lakh tons respectively as against 19.13 lakh tons and 11.70 lakh tons in the corresponding period of last season and stocks with the factories on this date stood at 12.90 lakh tons, compared with 12.70 lakh tons at this time last year. As some units are still working in the South, it is expected that the total output will go up to 20 lakh tons.

NORTH INDIAN
MARKETS

Conditions in the Muzaffarnagar market were steady mainly on export prospects. Latest ex-mill delivery prices were: Meerut (D28) Rs 36.25, Simbhauli (E29) Rs 36.50, Iqbalpur (29) Rs 37, Mansurpur (B29) Rs 38.25, Shamli (B29) Rs 37.75, Daurala (B29) Rs 37.50, Mawana (C29) Rs 36.87, Modinagar (C29) Rs 36.62, Amroha (D29) Rs 35.50, Bijnore (E29) Rs 35.27. In the Kanpur Market also buyers were active in anticipation of early announcement of export policy.

Khandasari prices were steady on good marriage season demand. Production is continued in some centres. Following are the latest prices: Rs 30.50 to Rs 33.50 per maund according to quality.

Like the other sections, the gur market was steady due to poor arrivals coupled with good demand. Local stocks have further dwindled and are now put at 1.30 lakh maunds. The reports about the next cane crop are quite encouraging both as regards progress of the crop and acreage. It is, however, too early to form any definite opinion about future outlook as much will depend on weather conditions in the rest of the growing period and the monsoon. Prices are as follows: Dry quality upto Rs 16.75, kotha mixed dry-wet Rs 15 to Rs 16.25 per maund.

THE
PENINSULA

PROGRESS with industrial undertakings generally tend to remain at stationary levels when the general economic conditions predispose them to such a fate. During the last year the general conditions governing industrial growth were far from being conducive to the progress of industries in the country. With shortages in many fields especially in respect of raw materials, capital, and foreign exchange needed to import capital not locally available, industrial production generally revealed signs of decline. In such a situation the success of some of the firms in the relatively undeveloped sectors of the national economy in maintaining their record of steady progress should be a matter for satisfaction. Ashok Leyland Limited, the premier automobile manufacturing company in the South has entitled itself to praise on account of its impressive performance in the last year.

Sir A. Ramaswami Mudaliar, the Chairman of the Company in the course of his speech to the ninth Annual General Meeting of the Company detailed the achievements of the Company and referred particularly to the efforts made by the Company to expand its base of production by additions to its buildings and installation of new plants and equipments, at a cost of Rs 16.75 lakhs and Rs 34.5 lakhs respectively. Corresponding to this expansion in the buildings and plants of the Company the capital

Ashok Leyland

of the Company was also increased by offering for subscription 20,34,522 shares of Rs 5 each. The financial stability the Company has been able to achieve is reflected in the fact that it was, during the last year able to declare dividend at that rate of 6 per cent per annum free of income tax.

The most pleasing aspect of the working of the Company has been the imaginative enterprise that is being brought to bear on its future plans and programmes. In this connection Sir Ramaswami Mudaliar referred to the programme which the Company has undertaken to manufacture Leyland 'Tiger' and 'Titan' chassis in its factory at Ennore. This represents a new line in the activities of the Company since they belong to the category of heavy vehicles while the Company has so far been mainly engaged in the production of light types of vehicles. Considering that the demand for heavy types of vehicles in the country is at present very limited the attempt of the Company to launch into production of heavier types might seem rather risky and uneconomic but seem to have been done in anticipation of the course of demand in the future. In this connection Sir Ramaswami Mudaliar has stated that the trend towards the use of heavier types of vehicles is inevitable in the future. The plans and programmes for road development and improvement in the country would seem to point to the same conclusion.

Apart from this Sir Ramaswami Mudaliar is also able to point to progress in the Company's traditional lines of production and has referred to the plan for increasing the production of 'Comet' chassis to the level of 3,000 per annum as well as to the additional capital that had been incurred for this purpose.

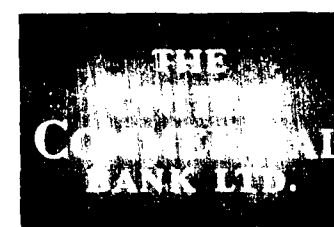
The special cause for satisfaction in the Company's uninterrupted progress lies in the fact that it represents success in an important field which has remained neglected for long time in the past. Automobile manufacture is a late comer in the industrial field having been started only in the post-war era, and this fact accounts for much of the undeveloped character of the motor transport system of the country. Together with five other firms, engaged in the manufacture of components Ashok Leyland forms of the nucleus of the automobile industry of the country. Though yet in an undeveloped stage in view of their inability to manufacture the complete parts of automobiles, considering the disadvantages, the automobile industry suffers, because of lack of essential raw materials, absence of ancillary industries, and lack of demand for automobiles in the country, the progress made by them is really remarkable. In this race towards

progress Ashok Leyland does not seem to have let itself be surpassed by others. In this connection Sir Ramaswami Mudaliar has drawn pointed attention to the progress made by the Company in regard to the manufacture of components. While by the end of 1957, the Company was producing nearly 36 per cent of the value of chassis, this is expected to be stepped to a higher proportion of nearly 55 per cent by the end of 1958. The importance of this achievement lies not only in broadening of the basis of production of the indigenous industry, but as pointed out by Sir Ramaswami Mudaliar also in the net savings in foreign exchange which this would make possible.

In this fine record of Ashok Leyland, the main factor has been the growing demand for the comet chassis manufactured by the Company, and Sir Ramaswami Mudaliar, has in his speech referred to the patronage extended by the State and Municipal Transport organisations as also to the increasing volume of sales to the private operators. While thus he has no misgivings about the future demand for the products of the Company, he has expressed doubts because of the present foreign exchange difficulties about the capacity of the Company to match its efforts at increasing its production with imports of those portions of the chassis which have not yet begun to figure in the Company's list of manufacture and which therefore it has perforce to import. This according to him limits planning far ahead to ensure proper coordination between the activities of Leyland Motors which now supplies the unmanufactured items and Ashok Leyland. In view of the unsettling effects this would have on the working of the Company the suggestion made by Sir Ramaswami Mudaliar for issuing licences at least six months in advance deserves the consideration of the Government.

Progress of the automobile industry though predominantly a question of increasing the indigenous production of vehicles also raises issues about the type of vehicles to be manufactured to make the motor transport system sufficient and efficient. The policy in the past has been to encourage only

light vehicles with a maximum laden weight of 12 tons. But whether such low limits in the laden weight answer to the changed needs of the country to transport an ever increasing volume of goods and persons is open to question. Expert opinion has generally tended to take the view that low limits place unnecessary restriction on the progress of motor transport in the country and that it represents underutilisation of the existing road transport system. Sir Ramaswami Mudaliar has in a reference to this question taken the view that 25 tons instead of 12 tons should be the ultimate target for commercial vehicles. The need for reorientation of thinking on this problem is therefore clear.

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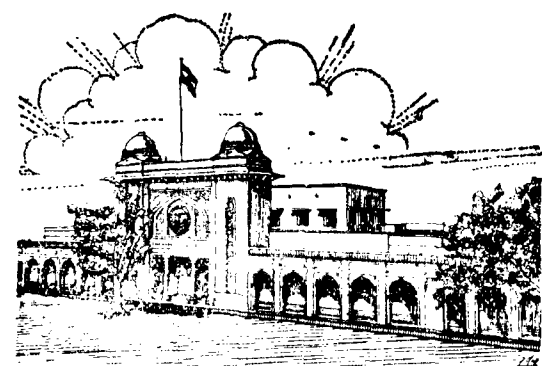
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Productivity Movement

The constitution of the National Productivity Council was the first step in the drive for productivity in industry and other national economic sectors. Since the inauguration of the National Productivity Council the productivity drive has also spread to other States, and the productivity Centre of the Government of India had organised two productivity projects in the Madras State, one at Coimbatore, and another at Madras.

The importance of productivity projects lies in the need to accelerate the pace of development by optimum utilisation of the country's resources. The scope for this is indicated by the haphazard way in which industries in the country have been functioning without any realisation of the need for improvement. In a country where capital for industrial development is limited, rise in productivity of the factors of production should go some way in making up for this scarcity.

While, thus the need for making productivity centres popular and for introducing such schemes in all sectors of national economic activity is obvious, the success of the scheme would depend largely on the attitude and co-operation of the participants in industrial production. In the popularisation of the scheme the opposition of labour has to be reckoned with. Education of the workers in the benefits of productivity alone can meet this.

Inaugurating a meeting of employees and others interested in productivity, at Madras, Mr R. Venkataraman, Minister for Industries in the Madras Government stressed the importance of productivity in the effective utilisation of materials, machines, and plant capacity and explained the object of the productivity projects as being aimed at creating among labour, management, and the general public a receptive attitude to the idea of higher productivity. He described the problem of introducing high productivity techniques in industries as involving delicate aspects of human relations and therefore impressed on the need to dispel the fear of workers regarding unduly high level of expected work performance and of possible adverse effects on employment opportunity.

Improvement of productivity in industry involves research in productivity subjects and education in improved techniques of production. With the present lack of sufficient men trained in the techniques and methods of raising productivity, the movement will be handicapped unless steps are taken early to fill up the present vacuum.

Soil Conservation

Soil conservation is a late field of activity of the Government, the first step in the organised attempt to tackle the problem of erosion of soil, being taken only in 1953 when a Central Soil Conservation Board was set up. But as a result of long years of neglect the problem has assumed almost serious proportion and vast stretches of land in many parts of the country have been laid waste. With about 100 million acres of land being affected by soil erosion, agricultural production is estimated to have suffered by about 6.7 million tons. There are also nearly 50 million acres of non-cultivable land and an equal area of desert lands needing protection by soil conservation measures.

In the background of past neglect efforts to tackle it have necessarily to be on a big scale and therefore long drawn out. A small beginning was made only under the First Five Year Plan to introduce soil conservation measures over nearly 0.7 million acres of land. This is sought to be extended to an area of 3 million acres under the Second Plan. This is evidence of the growing realisation of the importance of soil conservation in stepping up agricultural production in the country.

The difficulties experienced by the Madras Government in extending schemes of soil conservation in the State typifies the handicaps which the movement in general has to overcome. Mr M. Bahaktvasalam, Madras Agricultural Minister, described these difficulties, in the course of his address, to the Soil Conservation Seminar at Ootacamund as lack of funds, cumbersome procedure in the execution of conservation measures on private lands, and lack of trained personnel.

The Centre's efforts have so far been mainly directed to the preparation of a comprehensive survey of the soil with the States. But the most serious limitation of the movement towards soil conservation is the lack of trained soil conservationists who could educate the agriculturists in the methods and benefits of soil conservation. While it has been estimated that about 5,000 trained personnel of different categories would be needed to implement the soil conservation schemes under the Second Plan, the existing ten centres do not seem to hold possibilities to supply this number. Therefore opening of more centres for giving training in the techniques and methods of soil conservation is necessary in the interest of giving wider coverage for the movement.

Work in connection with soil conservation would seem to need stepping up in almost all the States, Bombay being the only State where progress in work has been commendable. The number of demonstration centres and demonstration plots maintained by the Bombay Government as well as the special staff it has created for the maintenance of bunds reflect the keen interest evinced by the State Government in this work.



Outlook for Pepper

THE Pepper market has run somewhat steady during the past week and a large turnover in forward deliveries has been reported. The improvement has stemmed from the fact that buyers have been attracted by the lower prices. Some business has also been reported done in the ready position toward the close. The outlook for Indian pepper in the US market seems to be not quite bright. According to latest official estimates, in the first eleven months of 1957, India supplied to the US only 12.57 million lbs. of pepper valued at 2.97 million dollars compared to 15.99 million lbs valued at 4.75 million dollars in the corresponding period of the previous year. In marked contrast to India's performance, Indonesia has almost doubled its exports during the same period from 6.84 million lbs. in January-November 1956 to 12.12 million lbs during the eleven months ending November 1957. Total imports of black pepper into the US during the period are also lower at 30.22 million lbs. against 34.45 million lbs in January-November 1956.

According to information available in trade circles, there has been no improvement in the first two months of the current year. For it is estimated that during this period exports of black pepper from India have declined from 4,242 tons in the corresponding period of the previous year to 3,810 tons. The offtake by US has declined to 792 tons from 1,999 tons. Other important countries which have also reduced their offtake are France, Poland and Canada. A significant feature is the sizable increase in the offtake of Russia which has taken 1,894 tons against 1,100 tons. This experience is however not shared by Indonesia which has considerably increased its exports of black pepper by 1,354 tons to 3,521 tons.

Cashewnut

India has exported in the first ten months of last year, 565,200 cwt. of cashewnuts compared with 544,000 cwt. in the corresponding period the previous year. The United States is first in the list of customers, accounting for nearly 75 per cent with its offtake placed at 404,200 cwt. The second place goes to UK with an offtake of 49,400 cwt. Russia is the third largest buyers of Indian cashewnuts and its offtake amounted to 39,900 cwt.

Groundnut

Steady conditions continued to prevail in the Groundnut markets. Daily arrivals during the past

Indian Finance

week varied from 25 to 50 tons. Activity has been only on a moderate level as the oil market has been listless. Business has been done in the Summer crop between Rs 149 to Rs 150.

With little fresh enquiries the oil section has ruled rather dull. There has however been some small business from Calcutta interest. The season for the steadier undertone is the reluctance of sellers to discount rates. At the same time buyers are keeping on the sidelines in the anticipation of lower price levels which they expect will prevail when arrivals increase. A contributory factor for the unwillingness of sellers to mark down rates is the expectation that a fresh export quota for export of oil will be allowed. Groundnut oil ready has been done at Rs 306 while June and July have been placed at Rs 308 and Rs 312 respectively.

Hides and Skins

Generally steady conditions prevailed in the Madras hides and skins market in the tanned hides section arrivals were again unchanged from the previous week's level. All types of skins were in demand with tanned buff hides in good request. The market for tanned cow calf and buff calf was unchanged with arrivals at a moderate level. UK buyers evinced interest only in fifties and the position of sellers in this category seemed to be quite satisfactory. The price of inferior fifties cow hides moved slightly higher and consequently some difficulty was experienced in concluding business with UK. Prices in the tanned goat and sheep section were rather irregular. While common quality goat skins and very heavy weight sheep skins were lower, a slightly higher trend was noticeable in adulterated sheep skins. Both arrivals and clearances were on a steady level. In the raw hides section conditions were unchanged. Raw skins were however firm with buyers offering slightly higher prices for goat skins.

Coffee

Addressing the seventh half-yearly meeting of the Coffee Board, Mr K Srinivasan, Chairman, warned against indiscriminate expansion of coffee production. He pointed out that internal consumption of coffee might be lower than expected and export prices might be even more disappointing than last year. It is estimated that after current sales and exports, there will still be 3,321 tons plantation and 1,988 tons Arabica cherry coffee to be disposed off this year.

The 1957-58 coffee crop is now estimated at 45,000 tons as against the preliminary estimate of 32,000 tons. During the past three years acreage has increased from 180,000 to 260,000 and the output from 20,000 tons to 45,000 tons. It is estimated that about 15,000 tons of coffee will be available for export.

June 7, 1958

COMPANY MEETING

ASHOK LEYLAND LIMITED

Sir A. RAMASWAMI MUDALIAR'S REVIEW

Speech delivered by Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), Chairman, Ashok Leyland Ltd., to the shareholders at the ninth Annual General Meeting of the Company held on May 26, 1958 at 11 a.m. at the Company's registered Office at Ennore.

Ladies & Gentlemen,

I have pleasure to extend to you a cordial welcome to the ninth Annual General Meeting of your Company.

The Directors' Report, Audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1957 have been in your hands for some time and with your permission I shall take them as read.

Last year I expressed the hope that in spite of many difficulties in our path which had to be overcome, we should be able to make steady progress towards the full manufacture of heavy duty commercial vehicles while at the same time being able to make modest dividend payments to those whose investment enable us to provide capital equipment. It is, therefore, gratifying to your Directors to find the Company is in a position to justify their recommending the payment of a dividend at the rate of 6 per cent per annum free of Income Tax.

During the year 1957 very considerable progress was made in the expansion of your Company's buildings and in the installation in them of plant and equipment required for the further implementation of our Phased Manufacturing Programme. The total expenditure during the year on buildings amounted to Rs. 16.75 lakhs; and the total expenditure on plant and equipment Rs. 34.5 lakhs. This by no means represents the end of our expansion.

Early in 1957 it became obvious that in order to meet the heavy expenditure on buildings and equipment additional capital would be required. In the month of August, therefore, 20,34,522 shares of Rs. 5 each were offered for subscription of which 10,45,834 shares were, in terms of a resolution passed by you offered to Messrs. Leyland Motors Ltd. The whole of this issue was taken up and the financial difficulty of managing with too little capital in relation to the magnitude of our manufacturing project was thereby removed.

Your Company's objective is the establishment of the production at its Ennore Factory of the complete range of Leyland heavy duty commercial vehicles, as the development of roads and consequently of road transport in India progressively increases the demand for such vehicles. In accordance with this policy a proposal for the expansion

of our project to include the manufacture of Leyland 'Tiger' and 'Titan' chassis in our Programme was submitted to the Government of India at the end of 1956. This new Phased Manufacturing Programme has now been accepted. Planning is already in progress and physical implementation will commence towards the end of 1958.

This first step in the extension of our activities to include the manufacture of commercial vehicles with heavier load capacities than the "Comet" is of very great importance to us for two reasons. The trend towards heavier vehicles as India's roads continuously improve and bridges and culverts are strengthened or rebuilt is inevitable. While, therefore, it may appear uneconomic from the point of view of the existing sales potential to engage in the production of vehicles with gross loading capacities exceeding 12 tons, there is no doubt that by the time manufacture is fully established the demand will justify the new project. The second reason, and initially the more important, is that the new programme provides in the first phase for the manufacture of the Leyland '600' and '680' diesel engines which are alternative fittings in the heavier chassis. These engines are suitable for most heavy transport requirements and they are the standard power units in Leyland trucks upto the 'Octopus' which is designed for 54,000 lbs. gross loads.

To enable the production of 'Comet' chassis to be increased without delay to 3,000 chassis per annum and to provide for the addition of the Tiger/Titan Programme, your Company's authorised capital has been increased to Rs. 3.25 Crores, of which Rs. Two Crores only will be fully paid up until such time as a new capital issue may prove expedient.

In my address last year I referred to difficulties we experienced due to certain anomalies in regard to gross vehicle weight restrictions. This question has continued to engage the attention of the Central and State Governments and of manufacturers and operators. Happily, it now appears not only that a serious attempt will be made to increase permissible gross laden weights on all roads which will bear them but also that steps will be taken to limit registered laden weights in all cases to a figure not exceeding, in any circumstances, the Manufacturers' specified gross vehicle weights. This is a most important step and in the right direction and all those responsible for it are to be congratulated. There is, however, still scope for a great deal of progress in the development of a road system which will enable heavier, and therefore more economic, load units to be

carried over our highways. Gross vehicle weights have been restricted to such a low level in the past that the present tendency to consider 12 tons the ultimate limit is understandable. 12 tons may very well be an immediately desirable target, but it is quite inadequate as an ultimate one. If India's roads are to play their part in solving the tremendous problem of transporting goods and persons as industrial and agricultural production continue to develop, then 25 tons and not 12 must be the ultimate target for commercial vehicles. It is only by such a re-orientation of thinking on this question that full use will be made of the ability of heavy road transport vehicles to solve the country's transport problem.

The sales of 'Comet' chassis have increased steadily since the Manufacturing Programme was inaugurated and there is every indication that this trend will continue. We are fortunate to enjoy the confidence of State and Municipal Transport organisations and repeat orders from these important operators continue to encourage us. More recently, private operators have been purchasing our vehicles in a continuously increasing volume and sales to the latter now exceed those to the former. We can without doubt look forward to 1958 being an outstanding year in your Company's history both with regard to sales and to progress with the Manufacturing Programme. At some point towards the end of this year we shall pass the half-way mark in manufacture. That is, more than half the value of a "Comet" chassis will become made in India. At the end of 1957, 36% of the value of the chassis was produced at your Factory; and at the end of 1958 the percentage will become 55. In this connection, I would like to draw your attention to the fact that these percentages indicate net savings in foreign exchange. To arrive at these figures, the value of materials which are still imported for fabrication in your Factory is deducted from the gross saving represented by the deletion of units and components from C. K. D. packs imported from Leyland.

Unfortunately, just when we have surmounted all our initial difficulties, are well ahead with our production programme and are beginning to enjoy a sales demand which will ensure our efforts shall be financially sound, a shortage of foreign exchange has intervened. We are, therefore, continuously in the position of not knowing whether our own efforts to increase our local production to meet the sales demand will be matched by our ability to import from Leyland Motors those portions of the chassis still manufactured by them. This is a most unsatisfactory state of affairs because it obviates planning sufficiently far ahead to ensure complete co-ordination of our own and of Leyland Motors' effort to keep strictly to our programme. It is suggested that Government might relieve manufacturers of this anxiety by issuing licences for

import at least six months in advance of the beginning of the period in which import will take place. Such an arrangement would enable manufacturers in India still dependent on the import of some parts of their products, to order imported material in time to ensure its delivery at the right time.

Leyland Motors have continued to assist us in every way possible and we owe them a debt of gratitude. In this connection, I am sure you will wish that I shall convey to Sir Henry Spurrier and Mr. D. G. Stokes our special thanks for their personal help and guidance, which has proved so valuable in assisting us to deal with the problems incidental to the establishment of a modern commercial vehicle factory. I should like also to pay a special compliment to the Executives and staff and all the employees of the Company who have done commendable work and who deserve recognition for their loyal service throughout the year.

NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting.

THE EQUITABLE COAL CO., LTD.

NOTICE

Notice is hereby given that the share Transfer Books of this Company will remain closed from the 20th June to 3rd July, 1958, both days inclusive.

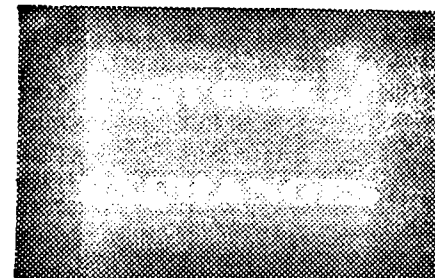
By Order of the Board,
MACNEILL & BARRY, LIMITED,
J. H. G. WHITFIELD,
Secretary,
Managing Agents.
2, Fairlie Place,
Calcutta-1, 21st May, 1958.

S. E. RLY TENDERS

Sealed tenders are invited for supply of the following items:—
(1) Tender No. PA/594/WS/694B/GB10 for supply of 7,77,000 Nos. Seals Lead complete with wire 15" long for meters and Rly. wagons.

Tender forms are obtainable from the Controller of Stores, Garden Reach, South Eastern Railway, Calcutta-23 (PA Section) on remittance of Rs 2/- (not refundable) per copy per tender by money order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, South Eastern Rly., Garden Reach., Calcutta-23 by local firms. Earnest money against the tender is Rs. 500/-. Closing date of the tender is 16.6.58 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid income tax clearance certificate along with the earnest money receipt with the tender.

CONTROLLER OF STORES
S19



Markets in Low Spirits

Watch-Dog Writes:

STOCK markets have continued to remain in low spirit. In the absence of any stimulating news, trading has been very quiet with equities moving within a narrow range. What is particularly perturbing the operators are deterring them from doing business on a large scale is the uncertain outlook of the country's economy. The closing tone is, however, better.

Conditions on the Calcutta Stock Exchange remained generally dull and whatever little activity there was, was confined to the Jute and Miscellaneous sections.

With the majority of operators showing little disposition to extend commitments, price changes on the Bombay Stock Exchange were again insignificant.

There was, however, moderate activity on the Madras Stock Exchange with selected scrips ruling firm, thanks to steady enquiries.

On the London Stock Exchange, conditions were somewhat brighter.

Wall Street closed barley steady.

Calcutta

Calcutta, Friday Evening.

PAST week's session on the local Stock Exchange disclosed no particular feature. In the absence of any incentive, operators were reluctant to extend commitments, resulting in the price movements being confined to a narrow range. The main contributory factors for the depressed sentiment in the market were the threatened strike by dock-workers from the 16th June, the deterioration in the foreign exchange position and the continued decline in world commodity prices. It was, however, satisfactory to note that there was no particular pressure to sell and the slight falls noted were caused usually by lack of buying and precautionary marking down of prices. The closing tone was firm, being influenced by the hopes of some purchases by the LIC.

Although business in the gilt-edged section remained on a limited scale, the tone remained good throughout the week. Following the Reserve Bank's decision to raise the selling rate of 3½ per cent 1965 Loan by 10 n.p., a sizable lot was reported to have been absorbed by institutional investors. There was fair enquiry for State Loans. Meanwhile, 3 per cent 1966 Conversion Loan opened at Rs 71 and improved gradually to Rs 71.25, to finish at Rs 71.15.

In sympathy with the gilt-edged section, Bank shares improved

slightly. Punjab National were enquired at Rs 53.75 to Rs 54 against Rs 53.25 and United Commercial at Rs 60 to Rs 60.25 against Rs 59.25. Hind were, however, slightly lower at Rs 51.50 against Rs 51.87.

Despite the quiet tone prevailing in the jute goods market and the disappointing results released by some of the important mills, jute shares were fairly maintained around last levels. Operators had the feeling that the new jute crop would be better, both in quality and quantity, and that the industry might fare better during the current year. Howrah changed hands at Rs 15.25 to Rs 15.37. Chitavalsah at Rs 13.94 to Rs 14.12; Ganges at Rs 50 to Rs 55.50; Megna at Rs 107 to Rs 113; National at Rs 21.00 to Rs 21.75 and New Central at Rs 15.44 to Rs 15.81. Union were, however, slightly lower at Rs 119 against Rs 122.

Coal shares ruled fairly steady. Turnover, however, remained restricted as operators feared that the recent increase in the selling price would be more than offset by rises in labour emoluments. Following the maintenance of the dividend, Bengal were supported upto Rs 244 from Rs 241. Central India were nearly maintained at Rs 7.56. Western Bengal at Rs 5.87. Burraker, after touching a low of Rs 21.12 from Rs 22.00, recovered fully at the close.

Tea shares presented a steady front as a sequel to the recent announcement about the relief to the industry. Although the quantum of relief resulting from the cuts in excise duty and tea cess was considered meagre, operators took it in a cheerful mood. However, they were found to be cautious in their commitments, being inclined to see whether the cut in the excise duty would help stimulate internal consumption. Dealings were prominent in Baghmari which changed hands at Rs 20.12 to Rs 20.75; Betjan at Rs 22.87 to Rs 23.12; Brooke Bond at Rs 17.37 to Rs 17.50; Grob 'A' at Rs 24.50 to Rs 25.12; Hasimara at Rs 22.75 to Rs 22.81; Hattikhira at Rs 11.12 to Rs 11.50; Methoni at Rs 17.12 to Rs 17.75; Rydak at Rs 26.00 to Rs 26.12 and Kilkott at Rs 15.00 to Rs 15.12.

Textile scrips were practically neglected and almost all the scrips were freely offered in view of the uncertain outlook for the industry. The only exception to the general trend were Jayshree, which met with sustained enquiry from special quarters upto Rs 6.09 from Rs 6.87. Kesoram were, however, quiet at Rs 10.69 against Rs 11.00; Elgins at Rs 12.25 against Rs 12.50 and Dumar at Rs 113.50 against Rs 116. New Victoria remained unchanged at Rs 1.25.

Sugar shares were inactive in the absence of any concrete scheme as yet finalised for exports. Lower advices from the commodity were also a contributory factor. Balmore were on offer at Rs 6.75 against Rs 7.00; Carew at Rs 6.94 against Rs 7.06 and Dyer Meakin at Rs 9.75 against Rs 10.12. Cawnpore had sellers at as low as Rs 10.56 following the passing over of the dividend for last year. S. K. G. changed hands on the x-dividend basis at Rs 8.94 to Rs 9.06.

In the Engineering section, price movements were mostly confined to a narrow range in the absence of any speculative activity in Indian Irons which, in turn, were subjected to settlement adjustments till mid-week. Against the week-end closing of Rs 21.51, Indian Irons opened better at Rs 21.56 and, after improving further to Rs 21.69, finished at Rs 21.67. The settlement rate was fixed at Rs 21.42 as against last settlement of Rs 21.06. TEXMACO, after improving to Rs 18.65 from Rs 17.60, closed a shade easier at Rs 18.60. G. K. Williams

changed hands at Rs 31.19 to Rs 31.50; Jessop at Rs 20.12 to Rs 20.19. Braithwaite at Rs 26.31 to Rs 26.44; Kumardubi at Rs 9.06 to Rs 9.12 and Marshalls at Rs 5.81 to Rs 5.87. Burn were quoted lower at Rs 333 against Rs 341.

In the Miscellaneous section, trading continued to be prominent in Paper shares on the feeling that the producing companies would reap good benefit, particularly as most of them had expansion schemes. However, higher levels could not be retained till the close due to profit-taking. Orient were taken upto Rs 32.25 (Rs 31.70); Titaghar upto Rs 38.81 (Rs 38.56); Sirpur upto Rs 12.12 (Rs 11.31); Shree Gopal upto Rs 15.94 (Rs 15.84) and India Pulp upto Rs 12.12 (Rs 12.06). There was good investment demand for Dunlop which changed hands upto Rs 26.37 from Rs 26.12; Indian Aluminium upto Rs 15.75 from Rs 15.12; Aluminium Corporation upto Rs 11.44 from Rs 11.12; Indian Cable upto Rs 35.87 from Rs 34.75; Alkali Chemicals upon Rs 15.31 from Rs 15.06; National Carbon upto Rs 25.81 from Rs 25.25 and NICCO upto Rs 27.27 from Rs 27.06. Indian Oxygen were rather quiet at Rs 18.12 against Rs 18.37, while Phillips India were enquired upto Rs 14.44 from Rs 13.94. Indian Copper were a narrow market around Rs 3.10. India Steamship were on offer at Rs 10.87 against Rs 11.00. Rohtas forged ahead Rs 19.44 from Rs 18.75 on investment account.

SHREE GOPAL PAPER MILLS LIMITED

NOTICE:

NOTICE is hereby given that the next Annual General Meeting of the shareholders of the Company will be held at its registered Office at 12, India Exchange Place, Calcutta, on 27th June, 1958, at 10.30 A.M. to transact the following business. Your presence in the meeting is requested.

AGENDA

1. To receive the Directors' Report and to pass the audited accounts of the Company for the year ended 31st December, 1957.
2. To declare dividends.
3. To elect Directors in place of these who retire:

Seth B. P. Poddar and Seth R. K. Jaidka, Directors of the Company being longest in office retire by rotation and being eligible offer themselves for re-election.

Dewan Anand Kumar who was co-opted on the Board of Directors of the Company on 30.5.58, also retires and is eligible for election.

4. To appoint Auditors and to fix their remuneration.

The present Auditors, M/s. Price, Waterhouse, Peat & Co. retire and are eligible for re-appointment.
5. Special Business:—

To consider and if thought fit to pass the following resolution with or without modification as Special Resolution: "That in connection with the arrangements for supply of coal to the Company by M/s. Karam Chand Thapar & Bros. (Coal Sales) Ltd., commission payable to M/s. Karam Chand Thapar & Bros. (Coal Sales) Ltd. for

Bombay

After earlier hesitancy the Bombay Stock Exchange displayed a steadier undertone toward close. Initial sluggishness was due to anxiety as regards future prospects of cotton mill shares. In later dealings sentiment was aided by reports that Authority would take early steps to bring much needed relief to the cotton textile industry. There were also rumours that concerted action would ensue toward promotion of exports in order to meet the foreign exchange crisis. Operators were also encouraged by indication that the LIC was taking interest in equities.

In the Steel section Tata Iron steadied up to close at Rs 182.50 with Indian Irons improving to be finally placed at Rs 21.84.

In the Textile section Bombay Dyeing moved up in later dealings to close at Rs 53.80. Central was almost unchanged at Rs 81.50. Century after declining to Rs 421.75 recovered to close at Rs 426.00.

services, being arrangement for priority and allotment of wagons and supervision of loading and despatches be and is hereby increased from As. [4] to As. [8] per ton from 1st July '58.

6. To transact any other business that under the Articles may be transacted at the General Meeting.

NOTE:

(i) The Share Transfer Books of the Company will be closed from the 17th June to 27th June, 1958 both days inclusive.

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

By Order of the Board
KARAM CHAND THAPAR & BROS. PRIVATE LTD.
Managing Agents.
Calcutta, 2nd June, 1958

Explanatory Note:

Resolution No. 5:—
The arrangement for supply of coal by Karam Chand Thapar & Brothers (Coal Sales) Ltd. for a period of 5 years from 1st April 1956 was approved by a Special Resolution of the Company at the Meeting held on 20th August, 1956. As. [4] per ton is payable to Karam Chand Thapar & Bros. (Coal Sales) Ltd. as remuneration for services being arrangement of priorities and allotment of wagons and supervision of loading and despatches of coal. In view of increase in the volume of work and servicing expenses they have approached for increase of commission from As. [4] to As. [8] per ton. Your approval to this increase from 1st July '58 is sought.

Madras

FAIRLY steady conditions prevailed on the Madras Stock Exchange. Select Planting shares were in favour with good investment buying, while conditions in other counters remained generally steady.

TEXTILES: Barring a few exceptions, the Textile section was devoid of interest. Travancore Rayons were the most active, the rate having improved to Rs 14.10 from Rs 13.25 c.d. Thanks to better support, Lakshmi's big improved to Rs 93 and the small to Rs 46. However, there were sellers of Maduras, Loyals, Coimbatore Spinnings and Rajalakshmi at the market rates.

PLANTINGS: There was buying support for a wide range of shares in this section. Smaller-priced ones were particularly favoured and a good turnover was possible on speculative support. The interim relief to the industry had a stimulating effect on the Tea section where Peermades were enquired at the market rate, while Periakaramalais improved to Rs 4.16. Chembra Peaks were done at Rs 3.73.

Among Rubber shares, Cochin Malabars improved to Rs 4.70 due to better support, while Valikundams were better at Rs 20.43. There were good buyers of Malankaras, Mercaras and Travancores.

In the Coffee section, Consolidated Coffees moved up to Rs 25.45 although Coffee Lands were a shade lower at Rs 35.30. Oucherionys were fractionally higher at Rs 4.84 with buyers at this level. Savamalais were enquired upto Rs 4.55 c.d.

MISCELLANEOUS: In this section, Aluminium Industries were in the limelight. There was a large turnover, resulting in the rate improving to Rs 14.30 on sustained support. Ashok Leylands also improved to Rs 4.80, while FACTS met with support upto Rs 5.33. Textols met with business upto Rs 180, while Parry's Confectionery were quoted at Rs 1.05. Andhra Cements at Rs 11.50 and Indian Steel Rolling Mills at Rs 11.

London

CONDITIONS on the London Stock Exchange were somewhat brighter, but business remained small and selective. Sentiment was assisted by the fresh advance on Wall Street, the highly satisfactory gold reserve figures and the more settled political situation in France. Buyers were, however, still reluctant to extend commitments in view of the domestic labour trouble.

The gilt-edged market was quiet. Oils steadily improved and showed numerous gains over the week. Rubber shares were irregular, while Tea shares were subdued.

New York

WALL STREET closed very steady with a majority of mostly fractional gains. Although lacking special feature, the market continued to edge higher, and leading composite averages were again at new highs for 1958.

Short-covering and investment buying again found their best reflection in heavy industry shares, notably assorted Steels, Non-Ferrous Metals, Oils and Chemicals. Motors attracted fair support, especially American Motors. This producer expects to add significantly to its first half profits during the second half of the fiscal year ending September 30.

BENGAL JUTE MILL COMPANY LIMITED

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of the Company will be held at the Registered office of the Company at 8, Dalhousie Square East, Calcutta on Friday the 27th June 1958 at 4.30 P.M. for the purpose of receiving the Directors' Report, passing the Audited Accounts, electing Directors in place of the retiring Directors, appointing Auditors and for transacting any other business of the Company that may be transacted thereat.

1. To elect a Director in place of a Director retiring under Section 280(2) of the Companies Act, 1956, for which purpose notice is hereby given of the intention to move the following resolution as Ordinary Resolution:

"Resolved and it is hereby declared that the age limit specified

in Section 280 of the Companies Act 1956 shall not apply to Sri D. N. Sen who has attained the age of 65 years and who retires under Section 280(2) of the Companies Act, 1956 and that he be and is hereby re-appointed a Director of the Company".

Special notice pursuant to Section 190(1) and 281(2) of the foregoing resolution has been received by the Company.

2. To pass with or without modification the following resolution as an Ordinary Resolution:

"That the appointment of Messrs. International Agencies Corporation of 116/196 Gandhi Nagar, Kanpur as Selling Agents for the following areas be continued for a period of 1 year with effect from the 1st June 1957 with an option to renew the same".

Particulars of Areas.

Madhya Pradesh.

Terms and conditions.

As set out in the draft Agreement.

3. To consider and if thought fit to pass with or without modification the following resolutions:—

AS A SPECIAL RESOLUTION:

That the Company do hereby approve the agreement a draft of which marked "A" is placed before the Meeting being entered into between the Company and Messrs. Mill Products who for the purpose of the Companies Act 1956 are deemed to be associates of the Mg. Agents of the Company for the sale of Mill Stores by the Company to Messrs. Mill Products for a period of 5 years from the 1st July 1957 at market rate provided that stores to the value of not less than Rs. 5/- shall be sold by the Company in each year of the Agreement. Payment in respect of such supply shall be made by Messrs. Mill Products within one month of the supply. The Directors are hereby authorised to carry out such Agreement into effect.

AS A SPECIAL RESOLUTION:

"That the Company do hereby approve the Agreement a Draft of which marked "B" is placed before the Meeting being entered into between the Company and Messrs.

Soorajmull Nagarmull who are the Managing Agents of the Company for clearing the Import Consignment of the Company and rendering all such services in connection therewith for a period of five years from the 1st July 1957 at the usual market rate and provided that the Company shall be bound to require services amounting to not less than Rs. 5/- in each year of the Agreement. The Directors are hereby authorised to carry such Agreement into effect.

EXPLANATORY NOTE

(1) Sri D. N. Sen who is proposed to be appointed a Director of the Company has attained the age of 65 years and under Section 280(2) of the Companies Act, 1956, retires at the conclusion of this meeting which is the 27th Annual General Meeting since the commencement of the Act. The resolution includes a declaration that the age limit of 65 years prescribed by Section 280 of the Act shall not apply to him as provided in Section 281 of the Act.

During his long association with the Company Sri D. N. Sen has rendered very valuable services and his guidance and advice have been of considerable benefit to the

Company. As it is in the interest of its members that the Company should continue to receive the benefit of his advice as a member of the Board, it is desirable that he be re-appointed a Director.

(2) The approval sought under item No. 2 is necessary under Section 294 of the Companies Act 1956 which requires such appointment to be approved by the Shareholders. The appointment of Messrs. International Agencies Corporation, as Sole Selling Agent has been found necessary by the Board with a view to expansion of market and to facilitate distribution of Companies product in the said area.

(3) Under the provisions of the Companies Act 1956 Contracts of the nature mentioned in Item No. 3 can only be entered into between the Managing Agents or Associates of the Managing Agents provided that Special Resolutions approving of the contracts are passed by the General Meeting of the Company. The parties to the transactions are traditional Buyers and Customers of the Company and your Board considers that it is in interest of the Company that the Contracts should be entered into. It is for this reason that you are asked to approve the resolution. It is emphasized that in giving consent to the resolutions no change in the existing method of doing business is contemplated.

The Share Transfer Registers of the Company will remain closed from the 18th June 1958 to the 27th June 1958 both days inclusive.

By Order of the Board,

For and on behalf of

Bengal Jute Mill Co. Ltd.

Soorajmull Nagarmull,

Managing Agents.

8, Dalhousie Square East, Calcutta.

Dated 2nd June, 1958.

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

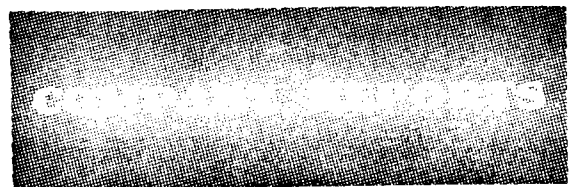
The several draft Agreements referred to in Resolutions are open to inspection by the Members of the Company at the registered office of the Company No. 8, Dalhousie Square East, Calcutta, at any time during office hours.

MONEY SUPPLY WITH THE PUBLIC

(In lakhs of rupees)	1955-56	1956-57	1957-58	1957	1958
Money Supply	218432	231289	238741	231289	238741
Total Currency with the Public	150500	155650	160555	155650	160555
Notes in Circulation	148320	149320	153623	148320	153623
Circulation of rupee coin	12345	11830	11985	11830	11685
Deposits held at Banks	4145	3970	4135	3970	4135
Deposits held at Treasury	67923	75639	78186	75639	78186
Cash on hand with Public	66722	74474	76199	74474	76199
Deposits held at Banks	1201	1165	1987	1165	1987
Net demand liabilities with Banks	+26389	+12857	+7452	+4834	+5902
Total deposits with Reserve Bank	+19332	+5141	+4905	+2819	+3512
Other variation in money supply	...	...	...	...	...
Currency	...	...	...	...	...
Deposit Money	...	...	...	...	...

STOCKS OF PRINCIPAL COMMODITIES WITH INDUSTRY.

	October	November	December	January
Raw Cotton—Indian (000 bales)	779	751	825	1020
Foreign (000 bales)	205	190	172	169
Yarn (million lbs.)	34	38	43	36
Wool (million yards)	587	594	676	559
Raw Jute (000 bales)	754	990	1221	1418
Hessian Cloth and Bags (million yards)	108	97	93	111
Sacking Cloth and Bags (million yards)	92	86	93	128
Coal at Pithead (000 tons)	2539	2839	3279	3418
With Industries (000 tons)	2360	2449	2427	2501
Cement with Producers (000 tons)	124	106	109	101
Finished Steel with Producers (000 tons)	104	100	...	...



MARSHALL SONS & COMPANY (INDIA), LIMITED.
 Mg. Agents:—M/s. Marshall's (Direction) Private Ltd.
 Year ended June.

	1957	1956	1955
	Rs.	Rs.	Rs.
Sales	26,835,390	25,602,270	21,164,390
Stocks	8,958,556	7,324,056	6,692,383
Net profit	681,078	505,959	479,472
Taxation	350,000	190,000	200,600
Depreciation	83,353	117,488	103,067
Div. Amt. Ord.	210,000	210,000	157,500
Carry Forward	135,774	101,089	112,618
Div. % Ord.	20	20	15

(Annual General Meeting on 20-6-58 at 10 a.m.
 Books closed from 6-6-58 to 20-6-58).
 Capital:—Authorised and Subscribed Rs 1,050,000 in 525,000 Ordinary shares of Rs 2 each.
 Synopsis of balance sheet as on the last day of June.

	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up	1,050,000	1,050,000	1,050,000
Reserve Fund	1,850,000	1,850,000	1,850,000
Other Funds	40,000	40,000	40,000
Staff Fund	456,264	597,584	726,294
Taxation Provision	609,971	257,904	105,971
Loans Secured	6,287,203	5,632,472	4,480,285
Loans Unsecured	2,500	102,500	102,500
Debits	10,105,679	8,870,007	7,156,945
Carry Forward	135,774	101,089	112,618
Total	20,505,391	18,501,556	15,604,617

Assets.
 G. Block ... 1,319,946
 Depreciation ... 959,012
 Block (net) ... 360,334
 Works in Progress ... 131,893
 Stores ... 42,458
 Raw Materials ... 3,195,711
 Stocks ... 8,958,556
 Outstandings ... 4,336,503
 Do More than 3 months ... 2,457,070
 Mis. Deposits and Advances ... 642,651
 Investments ... 171,382
 Cash ... 268,033
 Total ... 20,505,391
 Liq. Assets ... 20,204,457

Liabilities.
 1957 ... 1956 ... 1955
 Capital Paid-up ... 1,050,000 ... 1,050,000 ... 1,050,000
 Reserve Fund ... 1,850,000 ... 1,850,000 ... 1,850,000
 Other Funds ... 40,000 ... 40,000 ... 40,000
 Staff Fund ... 456,264 ... 597,584 ... 726,294
 Taxation Provision ... 609,971 ... 257,904 ... 105,971
 Loans Secured ... 6,287,203 ... 5,632,472 ... 4,480,285
 Loans Unsecured ... 2,500 ... 102,500 ... 102,500
 Debits ... 10,105,679 ... 8,870,007 ... 7,156,945
 Carry Forward ... 135,774 ... 101,089 ... 112,618
 Total ... 20,505,391 ... 18,501,556 ... 15,604,617
 Liq. Assets ... 20,204,457 ... 18,087,391 ... 15,160,403

KAMARHATTY COMPANY, LIMITED.
 Mg. Agents:—M/s. Jardine Henderson Ltd.
 Year ended Dec.

	1957	1956	1955
	Rs.	Rs.	Rs.
Sales	29,913,801	30,038,845	32,513,144
Stocks	3,623,315	3,017,218	1,454,499
Raw Materials	3,145,631	2,637,053	3,135,308
Works in Progress	496,633	694,161	480,437
Net profit	498,115	909,621	451,435
Taxation	95,000	95,000	95,000
Depreciation	424,000	60,000	150,700
Div. Amt. Ord.	...	...	96,000
Div. Amt. Pref.	...	...	86,624
Div. % Ord.	...	...	21
Div. % Pref.	...	...	6

(Annual General Meeting on 20-6-58 at 3 p.m.
 Books closed from 18-6-58 to 20-6-58).
 Capital:—Authorised Rs 6,500,000. Subscribed Rs 5,920,000 in 11,840—6 per cent Cum. Pref. shares; 24,000—Ordinary shares; and 19,200—B' Ordinary shares all of Rs 100 each.
 Synopsis of balance sheet as on the last day of Dec.

	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	1,600,000	1,600,000	1,600,000
(ii) Ord.	4,320,000	4,320,000	4,320,000
Debentures	1,304,000	1,304,000	1,184,000
Reserve Fund	1,200,000	1,200,000	1,200,000
Other Funds	450,000	450,000	450,000
Superannuation Res.	175,000	175,000	175,000
Taxation Provision	72,924	99,291	184,955
Loans Secured	9,086,114	6,901,356	1,456,249
Loans Unsecured	1,490,022	379,978	271,358
Debits	4,204,771	3,871,983	2,128,833
Carry Forward	...	...	86,624
Total	23,902,831	20,301,611	13,055,019

Assets.
 G. Block ... 19,691,605
 Depreciation ... 11,405,986
 Block (net) ... 8,285,622
 Partnership Capital ... 2,501,748
 Cap. Exp. in Progress ... 6,625,478
 Works in Progress ... 486,633
 Stores ... 2,167,698
 Raw Materials ... 3,145,631
 Stocks ... 3,623,315
 Outstandings ... 829,768
 Do More than 3 months ... 209,461
 Mis. Deposits and Advances ... 488,950
 Investments ... 191,544
 Cash ... 160,349
 Debt Balance ... 1,802,112
 Total ... 23,902,831
 Liq. Assets ... 11,313,349

Liabilities.
 31-7-1957 ... 30-6-1956 ... 30-6-1955
 Capital Paid-up: ... 500,000 ... 500,000 ... 500,000
 (i) Pref. ... 3,015,000 ... 3,015,000 ... 3,015,000
 (ii) Ord. ... 1,069,000 ... 1,069,000 ... 1,069,000
 Debentures ... 1,800,000 ... 1,800,000 ... 1,800,000
 Other Funds ... 1,575,000 ... 1,400,000 ... 1,200,000
 Reserve Fund ... 378,630 ... 517,824 ... 171,689
 Taxation Provision ... 1,936,544 ... 1,680,933 ... 1,451,396
 Debits ... 73,000 ... 102,535 ... 130,809
 Carry Forward ... 10,347,273 ... 10,085,292 ... 9,337,894
 Total ... 10,347,273 ... 10,085,292 ... 9,337,894
 Liq. Assets ... 11,313,349 ... 11,404,982 ... 9,199,274

KANKNARRAH COMPANY, LIMITED.
 Mg. Agents:—M/s. Jardine Henderson Ltd.
 Year ended Dec.

	1957	1956	1955
	Rs.	Rs.	Rs.
Sales	29,582,408	26,011,566	27,109,916
Stocks	2,766,548	2,670,572	1,276,335
Raw Materials	3,656,557	2,366,016	2,888,942
Works in Progress	482,433	917,577	468,561
Net profit	1,020,835	2,044,264	293,803
Taxation	...	...	35,000
Depreciation	1,000,800	175,000	125,000
Div. Amt. Ord.	...	...	54,000
Div. Amt. Pref.	...	...	60,000
Carry Forward	4,158,784	2,137,149	82,115
Div. % Ord.	...	...	11
Div. % Pref.	...	...	6

(Annual General Meeting on 20-6-58 at 4 p.m.
 Books closed from 18-6-58 to 20-6-58).
 Capital:—Authorised Rs 9,560,000. Subscribed Rs 6,822,700 in 10,000—6 per cent Cum. Pref. shares; 4,227—6 per cent Redeem. Cum. Pref. shares; 30,000—Ordinary shares and 24,000—B' Ordinary shares all of Rs 100 each.
 Synopsis of balance sheet as on the last day of Dec.

	1957	1956	1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	1,422,700	1,422,700	1,000,000
(ii) Ord.	5,400,000	5,400,000	5,400,000
Debentures	1,269,000	1,269,000	600,000
Reserve Fund	600,000	600,000	600,000
Other Funds	100,000	100,000	100,000
Superannuation Res.	175,000	175,000	175,000
Taxation Provision	274,788	292,889	403,070
Loans Secured	9,039,982	5,768,666	1,870,866
Loans Unsecured	3,887,208	3,606,875	261,480
Debits	2,493,616	2,417,368	1,724,509
Carry Forward	...	...	82,115
Total	24,662,294	21,142,498	11,617,040

CHITAVASAH JUTE MILLS COMPANY, LIMITED.
 Mg. Agents:—McLeod & Co. Ltd.
 Period ended

	1-7-1956	1-7-1955	1-7-1955
	Rs.	Rs.	Rs.
Sales	16,908,357	14,712,164	14,455,422
Stocks	947,843	855,022	912,209
Raw Materials	2,485,395	1,907,228	2,054,901
Works in Progress	172,612	115,546	134,576
Net profit	1,305,798	1,328,667	1,479,316
Taxation	480,000	585,000	585,000
Depreciation	310,684	161,573	216,000
Development Rebate	175,000	...	...
Other Funds	...	200,000	225,000
Div. Amount Ord.	331,650	375,363	414,563
Div. Amount Pre.	37,909	35,000	35,000
Carry Forward	73,099	102,535	130,809
Div. % Ord.	11	12	13
Div. % Pref.	7	7	7

(Annual General Meeting on 26-6-58 at 3 p.m.
 Books closed from 12-6-58 to 26-6-58).
 Capital:—Authorised and Subscribed Rs 3,515,000 in 5,000—7 per cent cum. pref. shares of Rs 100 each and 301,500 ordy. shares of Rs 10 each.
 Synopsis of balance sheet as on

	31-7-1957	30-6-1956	30-6-1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	500,000	500,000	500,000
(ii) Ord.	3,015,000	3,015,000	3,015,000
Debentures	1,069,000	1,069,000	1,069,000
Reserve Fund	1,800,000	1,800,000	1,800,000
Other Funds	1,575,000	1,400,000	1,200,000
Taxation Provision	378,630	517,824	171,689
Debits	1,936,544	1,680,933	1,451,396
Carry Forward	73,000	102,535	130,809
Total	10,347,273	10,085,292	9,337,894

EMPIRE JUTE COMPANY, LIMITED.
 Mg. Agents:—McLeod & Co. Ltd.
 Period ended

	1-7-1956	1-7-1955	1-7-1955
	Rs.	Rs.	Rs.
Sales	11,382,321	8,410,574	10,855,689
Stocks	986,281	845,406	297,329
Raw Materials	1,486,036	1,490,970	926,670
Works in Progress	109,920	140,870	117,999
Net profit	599,506	531,497	999,079
Taxation	155,000	100,000	285,000
Depreciation	221,805	170,100	282,000
Development Rebate	106,600	...	...
Other Funds	...	100,000	...
Div. Amt. Ord.	112,500	150,000	225,000
Div. Amt. Pref.	75,900	70,000	70,000
Carry Forward	1,192	76,491	143,894
Div. % Ord.	7	10	15
Div. % Pref.	7	7	7

(Annual General Meeting on 23-6-58 at 3 p.m.
 Books closed from 9-6-58 to 23-6-58).
 Capital:—Authorised and Subscribed Rs 2,500,000 in 10,000—7 per cent Cum. Pref. shares of Rs 100 each and 150,000—Ordinary shares of Rs 10 each.
 Synopsis of balance sheet as on

	31-7-1957	30-6-1956	30-6-1955
	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	1,000,000	1,000,000	1,000,000
(ii) Ord.	1,500,000	1,500,000	1,500,000
Debentures	886,000	886,000	886,000
Share Premium	900,000	900,000	900,000
Reserve Fund	2,450,000	2,450,000	2,450,000
Other Funds	203,600	100,000	...
Taxation Provision	781,648	632,281	771,615
Loans Secured	1,509,221	...	...
Debits	1,288,876	784,914	839,845
Carry Forward	4,192	76,491	143,894
Total	10,526,537	8,329,686	8,491,154

Assets.
 G. Block ... 9,251,058
 Depreciation ... 6,307,045
 Block (net) ... 2,944,013
 Machinery in Transit ... 212,548
 Works in Progress ... 109,920
 Stores ... 773,787
 Raw Materials ... 1,496,036
 Stocks ... 986,280
 Outstandings ... 1,669,324
 Do More than 3 months ... 149,114
 Mis. Deposits and Advances ... 1,105,159
 Investments ... 937,003
 Deposits in Banks ... 14,363
 Cash ... 14,363
 Total ... 10,526,537
 Liq. Assets ... 7,389,986

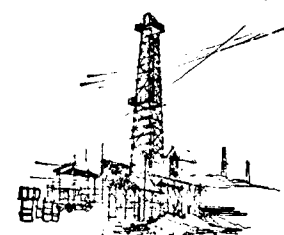
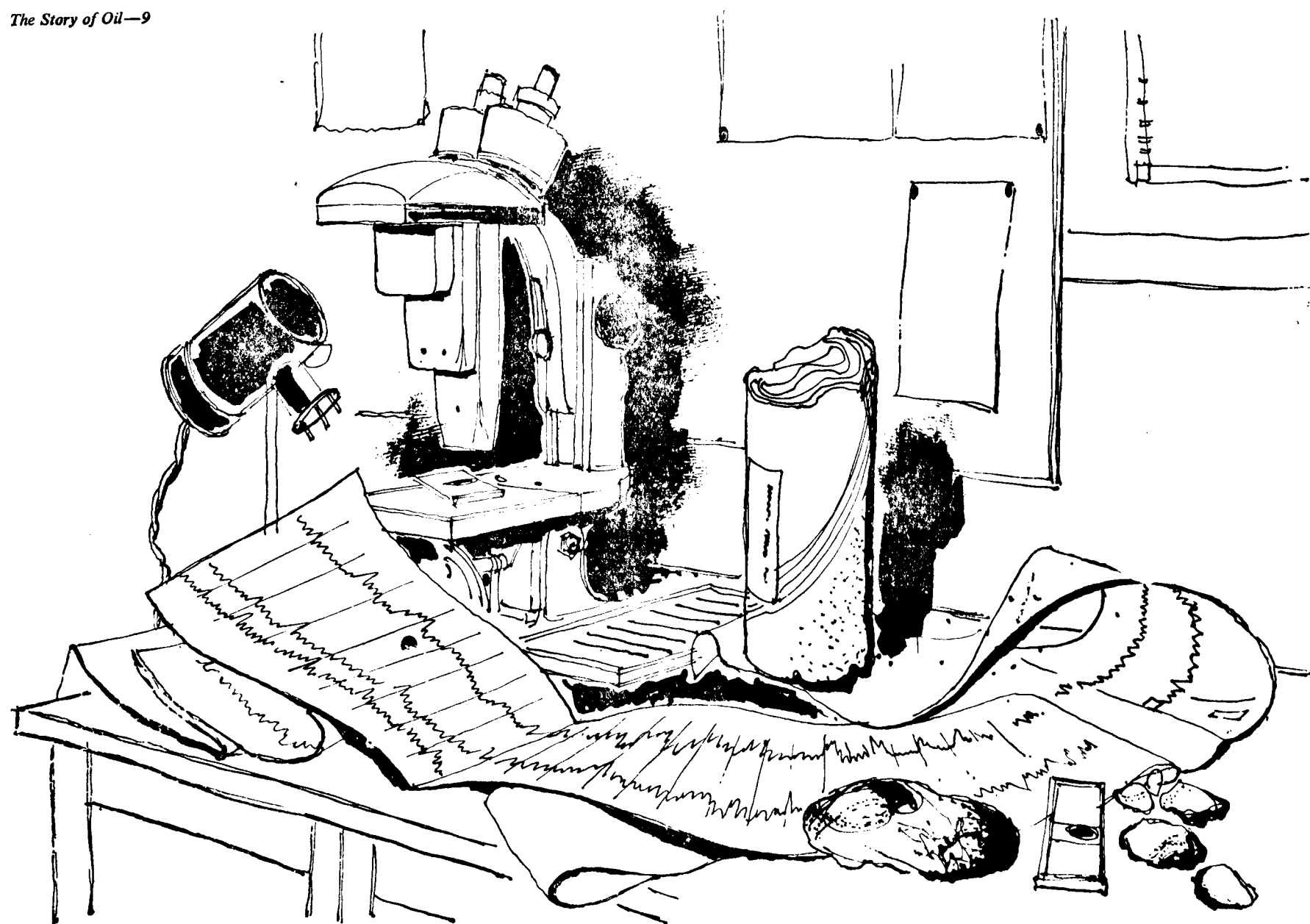
Liabilities.
 31-7-1957 ... 30-6-1956 ... 30-6-1955
 Capital Paid-up: ... 1,000,000 ... 1,000,000 ... 1,000,000
 (i) Pref. ... 1,500,000 ... 1,500,000 ... 1,500,000
 (ii) Ord. ... 886,000 ... 886,000 ... 886,000
 Share Premium ... 900,000 ... 900,000 ... 900,000
 Reserve Fund ... 2,450,000 ... 2,450,000 ... 2,450,000
 Other Funds ... 203,600 ... 100,000
 Taxation Provision ... 781,648 ... 632,281 ... 771,615
 Loans Secured ... 1,509,221
 Debits ... 1,288,876 ... 784,914 ... 839,845
 Carry Forward ... 4,192 ... 76,491 ... 143,894
 Total ... 10,526,537 ... 8,329,686 ... 8,491,154
 Liq. Assets ... 7,389,986 ... 6,022,242 ... 6,207,890

RESERVE BANK OF INDIA
 ISSUE DEPARTMENT: (In 000's of Rupees)

	30-5-58	23-5-58	31-5-57
LIABILITIES:			
Notes in Banking Dept.	27,87,39	26,48,08	25,99,82
Notes in Circulation	1587,78,25	1598,68,63	1569,99,97
Total	1615,65,64	1625,16,71	1595,99,79
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India	...	...	...
Sterling Securities	209,67,56	209,67,56	412,51,91
Total of A	327,43,59	327,43,59	530,27,94
(B) Rupee Coin	130,59,77	130,59,77	125,84,54
Rupee Securities	1157,62,28	1167,62,28	939,87,31
Total	1615,65,64	1625,16,71	1595,99,79

BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up ...	5,00,00	5,00,00	5,00,00
Reserve Fund ...	80,00,00	80,00,00	5,00,00
National Agricultural Credit (Long-term Operations) Fund ...	20,00,00	20,00,00	15,00,00
National Agricultural Credit (Stabilisation) Fund ...	2,00,00	2,00,00	1,00,00
Deposits--			
(a) Central Govt. ...	59,11,87	76,05,82	53,64,53
(b) Other Gov'ts ...	19,97,98	16,49,32	6,82,69
(c) Banks ...	77,80,13	73,14,03	68,23,56
(d) Others ...	113,24,98	112,58,89	86,17,35
Bills Payable ...	16,77,86	13,72,69	13,51,36
Other Liabilities ...	42,77,19	43,52,38	120,15,86

The Story of Oil—9

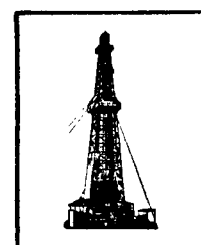


How much oil?

One oil well does not make an oilfield. As soon as the first well in a new area gives proof of steady production the next step is to establish the extent of the oil accumulation in its underground trap. This is done by drilling further wells, the programme for which is based on the results of scientific surveys and tests carried out during the drilling of the discovery well.

Surveys for such "down-the-hole" information are commonly made by recording instruments lowered into the well on a cable. One instrument produces a record in the form of wavy lines on a chart which, when interpreted, confirms the nature of the rocks penetrated by the drill and shows exactly where the oil zone lies. Another instrument gives records from which the amount and

direction of the slope or dip of the rock layers can be calculated. Tests carried out in oilfield laboratories include analyses of samples of rocks and oil recovered from the well. From rock samples it is possible to calculate how much room there is for the oil in the spaces between the grains of sand in a sandstone rock, and the amount of water associated with the oil. An analysis of a sample of crude oil gives data about its gas content and other characteristics. With all this information to hand the development of the oil find can proceed on a planned basis, and decisions can be made on how far apart the wells should be drilled, how deep they should go, how many drilling outfits will be kept in operation, and what size of refinery will be required.



Assam Oil

A full-scale petroleum industry

This is one of a series of informative advertisements about the petroleum industry.



Indian Finance

HIGHLIGHTS OF THIS ISSUE

Indian Finance

Saturday

June 28, 1958

Volume LXI No 26

Price: Rs 1.50

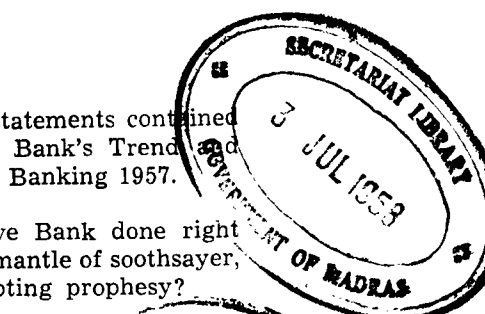
The pace at which the banking system is experiencing an accretion to Deposits may slow down.

Advances, which have latterly been sluggish, may during the current year involve a strain for banks.

These are two statements contained in the Reserve Bank's Trend and Progress of Banking 1957.

Has the Reserve Bank done right in donning the mantle of soothsayer, and attempting prophesy?

Read the Leading Article to learn of the third factor that should have been taken into account.



for
Complete Sugar Factories & Extensions,
Chemical & Alcohol Plant,
Steam Ejector Air Pumps,
Steam Condensing Plant,
Pumps, Centrifugal & axial,
Steam Turbines,
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Agents:
PORT ENGINEERING WORKS, LTD.
8, CLIVE ROW, P.O. Box 150, CALCUTTA-1.



ON GOVT. RATE CONTRACT

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THE ANDHRA BANK LIMITED
(H. O. Masulipatnam)
Total resources exceed Rs. 13 Crores
Net work of Offices throughout Andhra Pradesh
and in Madras City, Bellary.

T. R. BHAGAVAT,
Joint General Manager.

S. N. SARMA,
General Manager.



"Prudence is of no service
unless it be prompt."

Francis Bacon

★
**INDIAN TRADE
& GENERAL
INSURANCE
COMPANY LTD.**

10, HASTINGS STREET,
CALCUTTA.
TELEPHONE: 2663

General Manager: T. M. TELANG

THE CHARTERED BANK

(Incorporated in England by Royal Charter 1853)
(Liability of Stockholders Limited)
Amlited Institution:—
THE ALLAHABAD BANK LTD.

Head Office:
38, BISHOPSGATE, LONDON, E.C.2.

West End Branch, London:
28, CHARLES II ST., S.W.1.
and at
MANCHESTER, LIVERPOOL, NEW YORK and HAMBURG.

Branches of the Bank are established at most centres of commercial importance throughout Southern and South-Eastern Asia and the Far East.

Branches of The Eastern Bank Limited, a wholly-owned subsidiary of The Chartered Bank, are established in Iraq, Bahrain, Qatar (Persian Gulf), Lebanon and Hadramaut and in India, Pakistan, Ceylon, Aden, Singapore and Malaya.

Calcutta Office:
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Sub Branch: F. G. WEERNHAM, Manager.
31, Chowringhee Road.

NATIONAL OVERSEAS AND GRINDLAYS BANK LIMITED

(Amalgamating National Bank of India Ltd., and Grindlays Bank Ltd.)
Registered in London under the Companies Act of 1862 on the 23rd March, 1866. The liability of members is limited.
Bankers to the Government in Aden, Kenya Colony, Zanzibar, Uganda and Somaliland Protectorate
Capital (Authorised and Subscribed) ... £4,562,500
Paid-up Capital ... £2,851,563
Reserve Funds ... £3,168,579

HEAD OFFICE: 26 BISHOPSGATE, LONDON, E.C.2

LONDON BRANCHES: 54 PARLIAMENT STREET, S.W.1. 13 ST. JAMES'S SQUARE, S.W.1
SHIPPING, TRAVEL AND INSURANCE DEPARTMENTS: 9 TUFTON STREET, S.W.1

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India Exchange, Calcutta 1

June 28, 1958



Initiative Passes to Bull Operators

Investment Gossip:

MARKETS are really booming, and the return of Dock labour to work is the least of the influences which weighed with operators.

Much more enthusiasm is being generated, paradoxically, by the difficult foreign exchange situation. Normally, one would expect that a problem of this nature would be of bear connotation.

But, no. The reasoning is that Government will be compelled to act to foster exports; and how can they do this better, otherwise than by offering suitable tax and excise reliefs?

As a sign of things to come, the decision of the Reserve Bank to permit banks to advance up to 90 per cent against cotton textiles is welcomed as constituting the anxiety of Government to help in every way possible.

The bulls have the initiative; and I doubt it exceedingly that they will lose it.

So, my opinion continues to be that, in the foreseeable future, the markets are in for a sustained rise in values.

Real impetus to the uptrend would be given, if the much rumoured bonus issue by Indian Irons should materialise.

Summer's heat has come to an end, with the break of the monsoons. But now we have a speculative fervour which may even threaten to break out into fever.

This is surely the juncture at which the investor should make his judicious purchases; and the time is not come when he should be tempted to book any profits. The Buy Indian motto that I offered a few weeks ago continues to hold particularly good for the investor.

£ 24

Investment Notes:

Braithwaites are keenly sought after upto Rs 27.62 from Rs 26.81. The company has announced additional dividends of 40 p and 60 p per share for 1954 and 1955 respectively.

In Bombay, Voltas have touched a new high of Rs 137. The shares have been included in the Clearing List of the Bombay Stock Exchange. Forward business is allowed in lots of five shares.

The Bharat Line Limited has announced a move to split its equity share of Rs 100 each into shares

of Rs 10 each as a sequel to the representations made to the company by the small investors.

The Century Weaving, Spinning & Manufacturing Company has decided to defer the fresh issue until August or September, although permission has been obtained from the Controller of Capital Issues. The above decision is made to suit the convenience of the closure of Transfer Books simultaneously for both the announcement of an interim dividend and the new issue.

£ 24

Mettur Industries Results

Balance-Sheet Reviews:

METTUR INDUSTRIES LIMITED has reported satisfactory working results for the year ended 31st March, 1958. The mill was virtually unaffected by power-cuts during the year. Despite the fact that seven working days were lost through two illegal strikes, mills' sales are maintained at Rs 1.51 crores, while the net profit, after providing for Depreciation and Taxation, amounts to Rs 11,81,719 as against Rs 11,59,322 in the previous year. In respect of allocation to Funds, the Depreciation amount is maintained at Rs 1.91 lakhs, while the provision for Taxation is reduced to Rs 18.30 lakhs from Rs 20.50 lakhs.

According to the directors' report, the mills' products have continued to be popular and the organisation for distribution is maintaining the usual efficiency.

£ 24

Metal Box

The Metal Box Company of India Limited has produced excellent results for the year ended 31st March, 1958. Once again, the company has reported record sales, having risen to Rs 6.12 crores from Rs 5.67 crores. The net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 34,11,768 as against only Rs 28,04,570 in the previous year. Apart from providing a sum of Rs 2.00 lakhs for Development Rebate Reserve, the Depreciation amount is raised to Rs 13.04 lakhs from Rs 12.47 lakhs; taxation provision to Rs 30 lakhs from Rs 38 lakhs and General Reserve to Rs 10 lakhs from Rs 6.50 lakhs. Even after these increased allocations, the dividend on the Ordinary shares is maintained at 17½ per cent.

£ 24

According to the directors' report, the new office block at Kidderpore, Calcutta, has been completed and occupied. The new Calcutta factory has been completed and the transfer of plant and machinery is in progress.

£ 24

Caledonian Jute

The Caledonian Jute Mills Company Limited, in Andrew Yule group, has reported a loss, after providing for Depreciation, of Rs 50,051 for the year ended 30th

4½ PER CENT STATE GOVERNMENTS LOANS

Name of State	Amount	Maturity	Rate of Interest
(1) Andhra Pradesh	Rs. 500 lakhs	1970	Rs. 99.50
(2) Bombay	Rs. 1,000 lakhs	1970	Rs. 100.00
(3) Kerala	Rs. 300 lakhs	1970	Rs. 99.75
(4) Madhya Pradesh	Rs. 200 lakhs	1970	Rs. 99.00
(5) Madras	Rs. 500 lakhs	1970	Rs. 99.50
(6) Mysore	Rs. 500 lakhs	1970	Rs. 99.50
(7) Orissa	Rs. 300 lakhs	1970	Rs. 99.00
(8) Rajasthan	Rs. 250 lakhs	1970	Rs. 99.50
(9) Uttar Pradesh	Rs. 700 lakhs	1970	Rs. 99.50
(10) West Bengal	Rs. 500 lakhs	1970	Rs. 99.50

All the State Governments reserve the right to retain subscriptions up to ten per cent in excess of the notified amount.

All the above loans will be repaid at par on 15th July, 1970 except the 4½% 1971 loan of the Government of Bombay which will be repaid at par on 15th July, 1971.

THE LOANS WILL OPEN FOR SUBSCRIPTION ON 15TH JULY, 1958 AND CLOSE ON 19TH JULY, 1958 OR EARLIER WITHOUT NOTICE AS SOON AS SUBSCRIPTIONS APPROXIMATE TO THE AMOUNT OF EACH ISSUE.

All the loans will bear interest from 15th July, 1958.

Subscriptions may be in the form of CASH/CHEQUE in respect of all the loans.

3% BOMBAY GOVERNMENT LOAN 1958, 3% COCHIN LOAN 1955-58, 3% MADHYA PRADESH LOAN 1958, 3% MADRAS GOVERNMENT LOAN 1958 and 3% UTTAR PRADESH LOAN 1958 will be accepted AT PAR for conversion into the new loan/s of the Government concerned; interest on the securities of the respective loans tendered for conversion will be paid up to and including 14th July, 1958.

APPLICATIONS FOR ALL THE LOANS WILL BE RECEIVED AT THE OFFICES OF THE RESERVE BANK OF INDIA AT BANGALORE, BOMBAY, CALCUTTA, MADRAS AND NEW DELHI.

APPLICATIONS will also be received at PLACES WITHIN THE RESPECTIVE STATES as follows:—

(i) At the office of the Reserve Bank of India at Nagpur in the case of the Bombay loans.

(ii) At the branches of the State Bank of India and at Treasuries and Sub-Treasuries in the case of Andhra Pradesh, Bombay, Kerala, Madhya Pradesh, Madras, Orissa, Rajasthan and Uttar Pradesh loans.

(iii) At the branches of the State Bank of India in the case of West Bengal loan.

(iv) At the branches and treasury pay offices of the State Bank of Hyderabad in the case of Andhra Pradesh and Bombay loans.

(v) At the branches of the Bank of Mysore Ltd. except at Bangalore, the State Bank of India, the State Bank of Hyderabad and at Government Taluk treasuries in the case of Mysore loan.

Copies of Notifications and Application Forms may be obtained at any Receiving Office.

November 1957 as against a loss of as much as Rs 4.35 lakhs in the previous year. Sales are lower at Rs 1.04 crores against Rs 1.11 crores. The Depreciation amount is reduced to Rs 3.12 lakhs from Rs 3.6 lakhs. The directors have, after transferring Rs 1.25 lakhs from various reserves, provided Rs 25,000 for Wealth Tax and recommended a dividend only on the Preference shares. The Ordinary dividend has been passed over again.

With a view to having direct contacts with overseas markets, this company along with other jute mills in the same managing agency has resolved to form a new company called Budge-Budge & Allied Jute Mills Exports Private Limited. Each of the participating mills have subscribed equally to the capital of the newly-formed company.

£ 24

Minerva Mills

The working of the Minerva Mills Limited, during the year ended

31st December 1957, has resulted in a loss of Rs 7.46 lakhs without even providing for normal depreciation on buildings and machinery. After adjusting a sum of Rs 19,662 brought in and Rs 76,804 being excess provision for taxation for previous years written back, the net loss comes to Rs 6.50 lakhs. To meet this debit balance, the directors have decided to transfer from General Reserve a sum of Rs 6.70 lakhs. This leaves a credit balance of Rs 19,733, which is being carried forward to next year. The dividend has been passed over.

If the company were to declare a dividend, however small, the company would become liable to Wealth Tax, which works out to Rs 22,000. The loss, during the year, is attributed to the very difficult trading conditions with the raw materials ruling at high prices on the one hand and the very poor demand for yarn and cloth on the other. Sales had to be made at heavily losing prices just to reduce the accumulating stocks.

Indian Finance

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The directors feel that the working can be made economical only by complete rationalisation, requiring of co-operation of workers and by launching on a programme of renovation and modernisation, which involves a huge capital expenditure. To meet a part of this and to replenish the working capital which has been locked up in the fixed assets of the company, it has been decided to float, subject to the permission of the Controller of Capital Issues, 6½ per cent first Mortgage Debentures for Rs 18 lakhs. Sales of cloth, yarn and waste amount to Rs 1.30 crores against Rs 1.39 crores.

₹ ₹

Bihari Mills

The Bihari Mills of Ahmedabad has made a profit of Rs 6.25 lakhs out of which managing agents' commission has been provided at Rs 40,000 and Depreciation at Rs 2.58 lakhs. The directors have transferred Rs 1.00 lakh to General Reserve and Rs 50,000 to Dividend Equalisation Fund. The dividend on the Ordinary shares has been maintained at Rs 21 per share, including a bonus of Rs 5.

₹ ₹

Jehangir Vakil Mills

The Jehangir Vakil Mills Company Limited of Ahmedabad has reported a gross profit of Rs 7.75 lakhs. Out of this, managing agents' commission has been provided at Rs 40,000 and Depreciation at Rs 4.16 lakhs. Wealth Tax, for two years, amount to Rs 39,286. The directors have transferred Rs 2.50 lakhs to General Reserve. They have brought in Rs 1.59 lakhs out of the Reserve Fund created in 1948 for dividend distribution. A dividend of Rs 10 on the Ordinary shares has been recommended.

₹ ₹

Runglee Rungliot Tea

Of the four tea companies, in the Duncan Brothers group, of which working results have now been released—Kunchunpore, Phaskowa, Poobong and Runglee Rungliot—the last-named company is the only one to recommend a dividend, while the other three have passed over dividends for 1957.

Drought conditions coupled with damage by pests and blights account for lower crop outturn of Runglee Rungliot Tea company at 159,960 pounds against 210,320

pounds, while the average selling price has risen to Rs 3.49 from Rs 3.06 per pound. The net profit amounts to only Rs 26,007 as against as much as Rs 80,438 in the previous year. After providing Rs 1,000 for Development Reserve, Depreciation has been raised to Rs 7,924 from Rs 7,247. The dividend has been reduced to 25 from 35 per cent.

₹ ₹

Kunchunpore Tea

In common with other Cachar estates, Kunchunpore Tea Company Limited has obtained a considerably low price of Rs 1.68 against Rs 2.05 per pound. The crop outturn is also lower at 288,137 pounds against 304,771 pounds. The accounts reveal a loss of Rs 1.56 lakhs against a profit of Rs 1,429 in the previous year. The Depreciation amount is raised to Rs 10,339 from Rs 9,654. After transferring Rs 1.54 lakhs from various Reserves, there is a credit balance of Rs 1,081, which is carried over to next year.

₹ ₹

Phaskowa Tea

The Phaskowa Tea Company Limited has also reported disappointing results and shows a loss of Rs 27,149 as compared with a net profit of Rs 48,811. A sum of Rs 13,386 (Rs 14,190) is provided for Depreciation. After transferring Rs 15,000 from Reserve, the directors have provided Rs 5,000 for Development Reserve, leaving a credit balance of Rs 1,220 to be carried forward. The dividend has been passed over against 7½ per cent. The crop outturn is slightly higher at 250,404 against 241,653 pounds, while the average selling price is lower at Rs 1.75 against Rs 2.23 per pound.

₹ ₹

Poobong Tea

The Poobong Tea Company Limited has passed over the dividend again for 1957 due to a loss of Rs 1.85 lakhs as against a net profit of Rs 1.48 lakhs in the previous year. A sum of Rs 10,608 (Rs 14,246) is provided for Depreciation. After transferring Rs 1.75 lakhs from various reserves, there is a credit balance of Rs 3,694 to be carried forward. The crop outturn is lower at 113,533 against 155,846; but the average selling price is higher at Rs 2.86 against Rs 2.35 per pound.

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Bank Deposits and Advances

THE threshold of 1958-59 is hardly the appropriate time for any banking prophets to make a forecast on the immediate or distant future. The task of prophecy is a hazardous one, particularly for those who, in the last three years, did not, with any confidence, anticipate the amazing rise in bank Deposits. Nor, we may add, is it meet and proper for the central banking authority to do the mantle of a soothsayer. But this is exactly what the Reserve Bank has done, in its publication on the Trends and Progress of Banking in 1957, and we must with some regret suggest that what has occurred is at best an error of judgment.

The publication asserts that the phenomenon of spectacular rise in Deposits, which has been witnessed for some eighteen months now, is ascribable to, firstly, the accrual of counter part funds consequent to the Public Law 480 agreement with America and, secondly, 480 agreement with America and, secondly, the drastic import restrictions which have inevitably added to the resources of industrial units, but which the latter are unable to utilise in the purchase of plant and machinery. That these two are factors which have contributed to the upsurge in Deposits, none will deny. But we will seriously question any statement that purports to suggest that they are the sole factors. For, this would mean that the third—and most important—cause of the strident accretion to banks' resources has been lost sight of. We refer here to the impact upon the monetised sector of the very substantial planned disbursements of the Central and State Governments.

The increase in Deposits is of such significant magnitude, particularly from the commencement of the Second Plan, that money market students have asserted with steadily growing confidence that, whereas the disbursement by Governments in respect of the First Plan have mostly been assimilated and remain assimilated in the countryside, the expenditure now being incurred in respect of the Second Plan is of a character to overcome the time-lag between disbursement at the Government Treasury and absorption in the banking system. That is to say, whatever the Centre and the State Governments are spending on the Second Plan is having an immediate, direct and more or less corresponding effect on bank Deposits. One of the heartening developments in this regard is the rapidly narrowing margin between Notes in Circulation and bank Deposits. Never has this margin been reduced to such a small disparity as in recent weeks. The full significance of this development is still to be appreciated. But if it is admitted that there is a direct relationship between planned disbursement and increase in bank Deposits, it should then be clear that the upward trend in Deposits is a phenomenon that will continue to be experienced so long as planned development takes place.

As long as we can now find it worthwhile to look ahead, bank Deposits may continue to rise at a rate exceeding Rs 400 crores a year. This is a development which is more or less independent of such transient factors as adverse international payments position. The country is resolved, determined and committed that there shall be planned expansion; that the country could afford planned expansion of

something like Rs 1000 crores a year for the next generation or two; that this means that the national economy will be subjected to the expansionary influences connected with planned and continuous disbursements; and that, among the many manifestations of this expansion, not the least important will be an annual pace of progress in bank Deposits at the rate of Rs 400 crores at a minimum. The writers responsible for "Trends and Progress of Banking 1957", published by the Reserve Bank in the current week, seem to have but a hazy idea of the factors that should be taken into account in estimating the causes of bank Deposits in this country, not only from the point of view of the banking system but from the point of view of the entire national economy. The changes that are now taking place have naturally the highest importance. What significance attaches to the varied aspects of the changes, is a study that calls for detailed examination. For our part, we believe that such a study will yield results most rewarding to the functioning and progress of planning which is now synonymous with the functioning and progress of the national economy. It is clear that the Plan has now reached a stage when further progress is achieved by the simple law of past achievements. Disbursements made by the Governments on account of the Plan are now assured of boomerang effect. These are reflected in higher revenue receipts and larger bank Deposits and keen bidding for Government's new loans, etc. These repercussions of planned disbursements have at no time received a detailed analysis at the hands of authorities. In the light of what we have been able to point out, on the magnitude of the boomerang effects of the disbursements made by Governments on account of the Plan, no time should now be lost in undertaking and urging a detailed examination of the extent to which the resources of the Plan in the coming years will be helped as a result of the boomerang effects. When the results of such a study are placed before the public, there will be widespread relief and rejoicing that planning under Government auspices, if rightly done, carries with it a 50 per cent guarantee for success. That is a new moral and lesson that is to be learnt.

Let us revert to the money market—particularly to the banking system as we can visualise it for the remaining years of the Second Plan Period. The pedestrian writers in the Reserve Bank publication say that there is a possibility of a slackening in the pace of progress in bank Deposits. They examine this question from the point of view of many minor relevant standpoints; but they have not grasped the reasons of it. Of all the major developments that account for this vastly significant development, the major factor is connected with the boomerang effect of Government disbursements on a considerable scale and at an increasing pace. Given this national commitment and given the further assurance that the Government are in a position to meet the commitments described, then, it is easy to visualise that the country in the present position is exposed to the favourable expansionary and boomerang effects of planning.

While, on the one hand, the impression of the Reserve Bank seems to be that banks are likely to gain fresh resources at a slower pace in the coming months, it is also sought to impress that, if investment in the private sector shows a marked increase, bank credits will again have to be on an overextended basis. It has been observed that the 1957-58 busy season was notably less conspicuous as a busy season than its immediate predecessors; that the banking system was able to a large extent to comply with the directives to bring the over-all figure of loans and advances to a figure, which, though not quite near the level insisted upon by the Governor of the Reserve Bank, provided abundant testimony to the all round desire of bankers to carry out the directives and behests of the Reserve Bank loyally and faithfully. The result is that the slack season of 1958 started earlier than usual and more impressively than in recent years. There are good reasons to think that the 1958 slack season will be the pattern to which there will be conformity in the future. For nearly four years, the dividing line between the traditional slack season and the busy season has been more and more difficult to locate and distinguish. What is happening in the current year is that the seasonal personality, with the attributes of the busy season and those of the slack season quite marked, seems to be in the process of re-emergence. It is true that the money market aspect of seasonal transactions is being more and more influenced by the fact that industrial production is a more considerable proportion of the total national product than in recent years.

There is one more point that we should like to make. The publication anticipates that, with an increase in private investment and in industrial production, there might in the rest of the year be a more pronounced rise in Advances. But this is to overlook the significance of two important influences on the trend in Advances. Firstly, with the severe import restrictions, there is an automatic obstacle in the way of any large scale establishment of new plant and machinery; and, moreover, since the import of consumer goods is minimised, finance required for trade and commerce in this behalf will also be less. So, the extent of increase in private investment may not amount to much; and, meantime, bank credit for financing imports and imported commodities should presumably decline. Secondly, with the virtual embargo on imports, there will be a greater demand for indigenous products. It is entirely conceivable that stocks of indigenous products should decline. In that case, finance required in respect of stocks will be correspondingly reduced.

Our view, then, is that the increase in Deposits will continue to be experienced. At the same time, the rise in Advances is likely to be moderated. Of course, once indigenous production of capital machinery improves, an expansion in Advances would occur because of the consequent private investment enabled. But, for the immediate future, and certainly until the end of the Second Plan, we do not foresee any element of strain upon the banking system either as a result of inadequate resources or as consequent upon any untoward expansion in the demand for advances.

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Is The Communist Economic Viewpoint Suited to World Trade?

By HENRY V. BURKE

FORMER Yugoslav vice president Milovan Djilas has pointed out that Communist bloc economic planners virtually ignore "the needs of world markets" although they are engaged in an extensive ideological-trade offensive in many countries.

This single-minded approach to foreign commerce implies either an unwillingness to consider world economic problems as a matter of mutual international interest, or a basic Communist inability to profit from past mistakes.

The second alternative hardly stands up, because already there are indications that Communist officials have recognized at least some of their errors and are taking remedial steps. These include reported efforts to improve packing methods and to prevent recurrences of other business practices so obviously suspect that they might jeopardize the entire Soviet bloc foreign trade program.

Corrective measures noted so far, it must be admitted, appear to be on a surface level and apparently do not involve basic changes in the Communist bloc's long-range attitude. Recent reports, too, indicate that any improvements already made still leave much to be desired.

A survey of complaints from countries experienced in trade deals with the Soviet bloc show concern over Communist business habits ranging all the way from administrative confusion to erratic import and export policies. Serious doubts also are expressed as to the quality of Soviet bloc merchandise.

The Brazilian newspaper, *Diario Carioca*, for example, has concluded that whereas trade arrangements with Soviet bloc countries give a first impression of simplicity, they are in reality cumbersome and complicated.

Here is a brief list of frequently-cited diffi-

culties and inconveniences resulting from Communist bloc export practices:

1. Uncertainty of delivery dates. Even goods labeled for "prompt delivery" often go through so many time-consuming processes that delays of from two to three months between receipt of necessary import licenses and shipment are not unusual.

2. The bloc custom of shipping merchandise in several lots, causing complexities in custom and tax matters.

3. Frequent arrival of shipments in improperly labeled crates. Communist failure to provide packing lists, for instance, sometimes makes it necessary to open each crate to verify its contents. Even more confusing, several crates have been known to bear the same identifying number. These errors, of course, are more than annoying; they result in serious handling delays for the importing country.

These objections involve receipt of Soviet bloc goods. A more serious charge has been made relative to bloc import practices. Communist countries, according to this accusation, tend to do their buying on an "in and out basis." They place, or show a willingness to place, orders so large as to call for an expansion of certain industries within the non-Communist "selling" country. These large orders, at the very least, make a real impact on production plans. However, after creating what appears to be a promising market outlet, Communist bloc countries may fail, without warning, to repeat their orders.

It might be added that the same practice has figured in Communist bloc export dealings. After creating a market with foreign importers and users, the export of certain Soviet bloc goods may suddenly be stopped.

more and more complex. The Indian Productivity Delegation sent to Japan in 1956 returned with the view that the growth of professional management in Japan divorced from ownership has rendered private industrial organizations more efficient. Viewed in this light it is evident that one Administrative Staff College at Hyderabad is inadequate for India's requirement. As a matter of fact, management studies should not be divorced from the technical courses and they should be integrated in such a way in the technological institutions that engineers turn out as fully capable of shouldering the responsibilities coming their way. At present, only inadequate knowledge of social sciences is imparted to technical graduates and diploma holders which does not at all assist them in the satisfactory handling of management techniques. Early this year, while delivering the Convocation Address at the Indian Institute of Technology at Kharagpur Dr John Matthai rightly laid stress on the teaching of "humanities" studies to the engineers. It is thus important that a balanced course on social sciences and management studies should be drawn up and uniformly prescribed for all technological institutions. A separate but equally balanced course is indicated for the diploma holders. It is, indeed, no wonder that Indian engineers, so long victims of a narrow, specialised education unrelated to the major issues of social purpose and aims, were in the beginning, unwilling to work at such out of the way places as Rourkela and Bhilai.

An urge for constant improvement in the industrial techniques should be one of the primary objectives of the countries aiming at rapid industrialisation. This urge is given concrete shape in elaborate provisions for research and training. It is, no doubt, true that programmes for specialised training for fresh engineers, refresher courses for serving engineers and for operatives and mechanics were undertaken at various project sites during the first plan and more elaborately provided for in the second plan but sufficient care and attention were not paid to the character of training and research facilities. Preparatory work in regard to the development of atomic energy has, however, received a greater share of attention partly because of the personal interest evinced by the Prime Minister. Facilities offered by the Tata Institute of Fundamental Research for work on nuclear physics and the associated experimental techniques, activities of the Atomic Energy Establishment in connection with research on physics, chemistry and engineering as also of such other research organizations as the Institute of Nuclear Physics are, at least, likely to fulfil the initial requirement of personnel needed for bringing about the establishment of an atomic power station by 1962 within the range of a possibility.

Research and training requirements of an automation era have not, however, received the same degree of attention. Scope for research and advanced training in electronics and mechanical engineering has not been sufficiently explored. The Central Electronic Engineering Institute at Pilani should be given all facilities so that it can develop into a centre for research on automation techniques. The Board of Engineering Research set up in 1950 has not done any tangible pioneering work in this regard. The proposed Mechanical Engineering Research Institute at Calcutta should be accorded priority and an all-out effort should be made to ensure higher research work on technological innovations. In this connection development of advanced techniques in machine tool industry is of primary importance and while undertaking projects with foreign assistance every care should be taken to ensure adequate research and training facilities in these plants.



Who Takes Tea?

The Indian Tea Industry has been advised from time to time to stabilise its position, against fluctuations in the value of its exports, by developing the home market. At present India exports over two-thirds of its total output of tea, so that the industry is particularly vulnerable to any adverse trend in foreign markets. A larger home market would enable it to withstand the shock of fluctuations in the volume and value of exports. Two main factors which determine the level of home consumption are quality and price. As regards quality, it is several years since good tea has been available for domestic consumption at reasonable prices. And prices, as the spokesmen of the industry have pointed out at every opportunity, are a function of taxes. Perhaps the Tea Board can do something more to extend the hold of this popular beverage. But before they can take effective steps in this direction, it will be necessary to have an idea of the general consumption pattern. What percentage of the population consume tea the proportion of non-tea-drinkers and the reasons for their abstention. Partial answers for these questions are given by the results of the Sample Surveys undertaken by the Statistical Branch of the Tea Board, which also provide other sociological data of interest. Reports to

hand deal with three medium sized cities, Gauhati in the North East, Surat in the West and Kanchipuram in the South. The regional variations in tea drinking habits are interesting. As may be expected the highest per capita consumption of tea is in Gauhati, 4.53 pounds, and least in Kanchipuram 0.24 pounds. The Surveys also give a measure of the preference for coffee in the South. The proportions of tea-drinking families out of the total number of families surveyed, is 99.4 per cent in Gauhati, 93.8 per cent in Surat and 29.4 per cent in Kanchipuram. Of the four families which did not take tea in Gauhati, three abstained for reasons of health and one on account of economic reasons. In Surat 60.8 per cent of families not taking tea avoid it because of lack of means while 12.2 per cent preferred milk. In Kanchipuram, 19.7 per cent of the abstaining families gave poverty as the reason. On the other hand, 48.2 per cent of the 446 families not habituated to tea preferred coffee. The Survey of Kanchipuram also shows that, except for the lowest income groups, the proportion of individuals and families drinking tea declines with rising income. The information provided by these surveys, though they relate to widely separated regions, is too limited to serve as a basis for valid conclusions. Investigations in North India and Central India may indicate larger scope for increase in tea consumption with rise in incomes and standards of living. It will also be necessary to supplement the data for South India with a survey in Kerala where, as in the North, tea is the preferred beverage.

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Free Trade Zone

There is an interesting report that Government is seriously considering a proposal to constitute a free trade zone in and around Kandla port. Recently it was reported from Karachi that Indonesia proposes to open a free port as a rival to Singapore. The constitution of a free trade zone round Kandla will not put it in the same class as Singapore and Hongkong which are not only free ports but are also States. But the free trade zone will help Kandla to build up an entrepot trade as well as an export trade based on processing industries.

The proposal has been put forward as a measure to help the development of the Kandla port and so speed up rehabilitation of Sindhi refugees in Gandhidham. The Sindhi merchants with their world wide connections may be expected to make good use of the opportunity provided to them. And in the context of the foreign exchange shortage, the proposal is also of wider significance. It will give a fillip to exports which are now hampered by drastic import restrictions and so help the country to earn foreign exchange.

At present the industries manufacturing for export are handicapped by shortage of imported materials. On account of shortage of foreign exchange it is not possible for the Government to issue licenses for imports of the required quantities without imposing irksome restrictions. Though rules have been framed for drawback of customs duty on a variety of items, the complicated procedure is an inhibiting factor.

A free trade zone on the other hand will be free from these troubles and exporters can concentrate their sales abroad instead of having to waste their time in filling forms and waiting for Government's sanction at every stage. The free port will be able to import whatever goods or materials it needs duty free and re-export them after processing. The customs cordon will be set up round the port instead of at its entrance on the water front.

The suggestion for the establishment of free trade zones at important ports in the country, as a measure to boost exports, was put forward last year at the annual meeting of the Indian Council of Foreign Trade. And the president of the organisation has been hammering the idea at every opportunity. But the measure that is now under consideration is different from that suggested by the Indian Council of Foreign Trade.

The repercussions on other ports of constituting one of them as a free trade zone will have to be carefully considered. The processing industries and other industries manufacturing for export which are already established near the old ports will be at a considerable disadvantage as compared with the new ones likely to spring up in the free trade zone. The possibility of constituting free trade zones in every major port, as suggested by the Indian Council of Foreign Trade, deserves detailed examination by the authorities.

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Risk of Intervention

In spite of alarming reports of preparations for Western intervention in Lebanon, it now seems likely that the people of Lebanon and their leaders may be left free to resolve the crisis themselves. The wording of the UN resolution appointing the Watch-Dog Commission has created some confusion on account of different versions in translation. President Chamoun and his Government apparently consider that the Commission is not a mere observation group and that it should prevent infiltration across the border and he has been insisting that the UN should send adequate forces for the purpose. Russia is sure to veto any proposal for sending a UN police force and this, it is feared, may lead to a situation in which intervention by the US and UK may be a possibility.

The build up in Nicosia may be intended to do more than launch the "adventure in partnership" between Cypriot Greeks and Turks. And US Marines have been reinforced in the Eastern Mediterranean. The UN Secretary General has been against asking for British and American intervention and before he left he is reported to have advised the Lebanese Government to solve the crisis internally without recourse to foreign interference.

The Lebanese Parliament is due to meet on July 24 to elect a successor to President Chamoun whose term ends in September. The election of a President who is not unacceptable to the rebels will clear the way for a settlement. The solution of the crisis may be hastened if President Chamoun accepts the advice to step down from office without waiting for the end of his six year term. On the other hand intervention by the West in support of a Government which obviously does not command the support of more than half the population will be regarded in the Middle East as an attack on Arab independence and will lead to repercussions beyond the United Arab Republic.

In this situation, it is extremely unfortunate that the US Secretary for Defence, Mr McElroy should have gone on record with the remark that he would be prepared to authorise the use of nuclear weapons in the conflict, if the US decides to intervene in the Lebanese conflict. It should not be surprising if the population off the Middle East and countries further afield are more sensitive to the American threat of nuclear bombing than to the murder of Imre Nagy.

Some Aspects of Technical Education—II

NITISH R. DE

IT is of some importance to realise that the challenge of atomic era and the advent of automation will act as catalysts to hasten a neo-revolution in industrialisation and that the countries eager to derive full benefit from these developments must, to start with, remodel the character of technical education. It is not enough to turn out adequate number of technicians. They should also be professionally and mentally so equipped as to assist in heralding the millennium. The first point of departure will be the recasting of curricula and syllabuses which at present, appear to be somewhat narrow and barrenly theoretical. Mr Goodman, himself an engineer comments that a production engineer, with a narrow comprehension and outlook, specializing in, say, assembly and machining, is not likely to go far in automation technique. Neither is one who cannot or will not comprehend electronic techniques. In the same way the product designer should have the opportunity to realise the problems facing the production engineers. Then only he will know that designs befitting production by normal methods will not suit production in automated plants. Technical matters connected with automation, such as, greater technical complexity of production, integration of processes, assistance of new tools in decision-making (computer control), planning of research and development etc., thus call for new types of engineers with broader view of industry. (Man and Automation). Industrial Engineering as a discipline concerning the application of scientific and technolo-

gical principles to all branches and departments of industry should receive greater emphasis in technical courses.

But it is not enough to have only a broad-based and integrated technical course for engineers of automation age. The management technique in the new era will become infinitely more complex. Human and social factors will assume greater significance and very often they will have to be balanced against technical factors. Conventional notions about wage-cost, depreciation cost and comparative cost structure will not be sufficient data for a manager to decide on the introduction of an innovation. Social cost in the nature of hardship to the working people because of change and redundancy may at times be an off-setting factor. An awareness of the responsibility towards the consumers and the nation should also guide the managers in making vital decisions. To quote Mr Goodman once again, "New qualifications will be needed; and personal qualities such as adaptability and versatility, will be important. . . . As the important problems of automation are social, economic and organizational, it will be necessary for management to spend a large portion of its time in dealing with these matters." (Man and Automation). These qualities are not inherited and can be acquired through appropriate training.

Management subjects should thus be incorporated in the curricula for technologists. In the new era, technologists and scientists will gradually enter the management field as the industrial pattern becomes technologically

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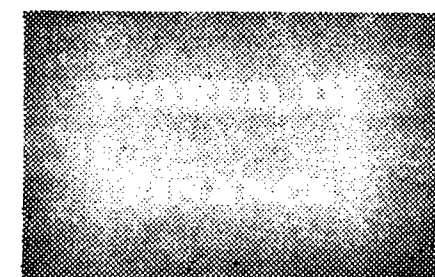
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State Loans: No Risk of Failure

THE State Government Loans have been announced; and the one faintly pleasing feature is the decision of the Bombay Government to issue a 1971 Loan as well. Otherwise, there are no surprising elements, with 10 State Governments coming out with a 1970 series of loans and an interest coupon of 4½ per cent.

Bombay is to be congratulated on issuing its 4½ per cent 1970 at par, and its 4½ per cent 1971 at Rs 99.75 nP. All the other States have their issue prices at a discount of 50 nP or Re 1. The total amount sought by the 10 States is Rs 47.50 crores. This falls short of the expectation of Rs 50 crores to Rs 60 crores, but, then, four of the State Governments have not issued a new loan.

Four of the State Governments have loans maturing this year for a total amount of Rs 8.13 crores; and maturing loans will be accepted at par. Thus, the 10 States may be said to aim at securing net subscriptions of Rs 39.37 crores. However, it can be taken as certain that the loans will be over-subscribed, and since the States are retaining the right to accept over-subscriptions to the

extent of 10 per cent, new cash obtained from the State Government Loans may be in the environs of Rs 44 crores.

The success of the issues is not at all in question. The money market is well equipped to vouchsafe this Rs 44 crores without strain or trouble. Thus, although the lists, which open on July 15, have July 19, as their closing date, we anticipate that the lists for some of the loans may be closed on the very first day. We would not be surprised if over-subscription is of quite significant proportion. For, the capacity of investors to subscribe to the State Loans far exceeds the amount on offer. In the first place, the Life Insurance Corporation, which did not give much support to the Central Government Loan, may have anything like Rs 20 crores set apart for subscription to the State Government Loans. Secondly, the Scheduled Banks can muster—indeed, will be compelled to subscribe—something like another Rs 20 crores. Thirdly, there are the other institutional investors, in particular the Provident Fund societies, which were starved of scrip during 1957 when only two of the States entered the market for an aggregate of Rs 9 crores. The demand from this last source cannot be ascertained. But our view is that total subscriptions may exceed Rs 60 crores.

While there is scarcely any doubt that the conditions in the money market will necessitate a second tranche of the Central Government Loan, there must now be conjecture whether the States also may not be tempted to emulate the Central Government and issue a second tranche. While fully in

support of the idea that the Central Government should issue a new loan for Rs 100 crores in September/October, we would resist any attempt by the States at entering the market for a second time in the current year. For, the gilt-edged market is greatly helped when supply falls short of demand; but, if there is a plethora of floating stock, the obverse is true. At this stage, we may remark that, in a very real sense, 1956 and 1958 offer a study in contrast. In 1956, the States were able to garner Rs 68 crores from the market; but some of the subscriptions were the result of persuasive tactics employed. Thus, such Scheduled Banks as had put in for the State Government Loans in 1956, very quickly got rid of their purchases. This acted to depress the gilt-edged market, particularly since the Scheduled Banks faced a problem of an inadequacy of resources for meeting the ensuing busy season. Today, on the other hand, money market conditions are such that no pressure tactics need be employed. Moreover, with the banks experiencing remarkable accretions to Deposits, particularly under Time Liabilities, with no corresponding improvement in their earnings from Advances, the Scheduled Banks are attracted by the lure of the 4½ per cent interest coupon that the State Government Loans bear. As such, it is extremely unlikely that the State Government securities to be purchased by Scheduled Banks will have merely a temporary sanctuary; on the other hand, banks will be eager to hold on to such purchases as they make.

We are gratified, we repeat, that the Bombay Government have seen the wisdom of borrowing from strength; and we are hopeful of the money market and the gilt-edged market achieving a situation in which the borrowing programme of the Central and State Governments for the Second Plan is assured of success.

Active Notes and Bank Credit Lower

A decline in Active Note circulation of true slack season proportions is to be discerned in the returns of the Reserve Bank for June 20. Active Notes are sharply lower by Rs 18.07 crores at Rs 1586.91 crores. Rupee Coin has returned from circulation for Rs 1.43 crores. As a result, the Reserve Bank's cash in the till is more than doubled to Rs 38.51 crores from Rs 19.01 crores.

In the Banking Department, the most significant changes relate to member banks. The Reserve Balances of Scheduled Banks are steeply higher by Rs 12.50 crores at Rs 93.68 crores. At the same time, they would appear to have reduced their indebtedness to the central banking institution, with the Reserve Bank's Other Loans and Advances shown lower by Rs 1.67 crores at Rs 55.13 crores. The Reserve Bank's ad-

vances against usance bills are at their lowest level in many months, in falling by Rs 2.70 crores to Rs 11.78 crores.

A rise of Rs 4.70 crores to Rs 267.16 crores in Investments is suggestive of deficit financing, though, with the likelihood of sales of securities through the tap, the extent of deficit financing may be even larger. In this regard, we may note that, while, apparently, deficit financing during the week ended June 13 amounted to Rs 10 crores, we suggested last week that, with sales of securities through the tap, the figure may be higher at Rs 15 crores; and, in fact, it is now known that deficit financing during the relevant week was of the order of Rs 17 crores.

In spite of replenishment of their balances by deficit financing, the Central Government have experienced a small drain on their deposits such as to take the figure below the Rs 50 crore mark to Rs 49.90 crores. There might be some element of inter-government transactions. Thus, the Balances of State Governments have improved by Rs 1.89 crores to Rs 15.25 crores; and, at the same time, their borrowings from the Reserve Bank are marked lower by Rs 3.70 crores at Rs 46.63 crores.

Lastly, Foreign Balances have again suffered a drain of Rs 6.20 crores to Rs 17.42 crores.

According to the return of State Bank for June 20, Deposits have been marked down by nearly Rs 3 crores to Rs 417.81 crores from Rs 420.74 crores. However, Other Assets, which had been unduly high at Rs 18.03 crores, have fallen back to Rs 10.61 crores; nor is there any addition to the gilt-edged portfolio as we had surmised. This fact, coupled with a decline of Rs 3.43 crores to Rs 186.57 crores in Advances, has enabled the State Bank, in spite of lower Deposits, to liquidate its borrowings of Rs 2 crores. Furthermore, Cash Balances are considerably higher at Rs 35.27 crores against Rs 29.58 crores.

It was not so long ago that the banking system felt a pressure upon its funds. Today, as the return of Scheduled Banks for June 13 amply shows, the pressure is one of funds. Deposits have been marked up substantially, but Advances do not show any considerable change. Furthermore, the rise in Deposits has mostly occurred under the head of Time Liabilities. The result is that, while borrowings from the Reserve Bank are practically at a nominal figure, the Scheduled Banks, nevertheless, have a plethora of cash balances. In the week ended June 13, for example, Deposits have risen further by Rs 3.99 crores to Rs 1545.65 crores. On the other side of the ledger, Advances show a sharp slack season decline of Rs 7.62 crores to Rs 912.82 crores. Borrowings from the Reserve Bank stand reduced by Rs 1.85 crores at Rs 15.44 crores. Investments have been marked up by Rs 1.07 crores at Rs 484.85 crores. Cash Balances have risen by Rs 4.84 crores to Rs 184.30 crores.

British Bank Rate at 5 per cent

By Paul Einzig

ON June 19, exactly nine months after the increase of the Bank rate to 7 per cent, the Bank of England reduced it to its pre-crisis figure of 5 per cent. When it was raised it was expected that the authorities would be able to return to the pre-crisis Bank rate soon after the turn of the year. In fact they were unable to begin its gradual reduction until March and it took three months to complete the operation. The main reason for the delay was the attitude of trade unions. In spite of the increase in unemployment, the declining trend of profit margins, and the lessening of price increases, the trade unions have been pressing relentlessly for higher wages. And since the main object of the increase in the Bank rate to 7 per cent as to check wage inflation it was not justifiable to reduce the Bank rate unless and until the change in the economic atmosphere has induced the unions to adopt a more reasonable attitude.

Beyond doubt, to some degree the unions have moderated their demands compared with 1957 and earlier years. Even so, it seems that they have emerged victorious from the test of endurance. The Government seems to have given up hope of checking altogether wage demands beyond the extent of an increase in productivity. Although productivity is still static and is even inclined to decline, a round of increase of wages by 3 per cent seems to have been accepted as permissible. A 3 per cent inflation is undoubtedly an improvement on a 5 per cent inflation. But it is open to doubt whether the improvement is sufficient to justify a reversal of the restrictive monetary policy. And if the credit squeeze should be further relaxed it is doubtful whether wage increases would remain within the limit of 3 per cent per annum.

Relaxation of resistance to inflation is due in part to deflation fears. There is much talk about the belated action effect of recessions abroad on the British economy, and the Government seriously expects an increase in unemployment in the autumn. Even better advices from the United States during recent weeks have failed to prevent the development of this wave of pessimism. Hence the reduction of the Bank rate and the tax concession made by the Chancellor of the Exchequer to encourage capital expenditure. There is even some talk about a major tax concession in an autumn Budget to stimulate a revival of demand.

The Government's bid for popularity in preparation for the general election is another explanation of the change of policy. It is true, there is no need for dissolving Parliament until May 1960. But it

is inexpedient to leave the election to the very last moment, because it might have to take place in circumstances none too favourable to the Government. Political tacticians prefer to be able to fix the date sometime during the fifth-year of the five-year period, so as to be able to choose a favourable moment. In order to improve the Government's chances it would be necessary to make a beginning with the improvement of business conditions without much delay. For the electorate is not likely to be influenced by the evidence of last-minute changes in the trend.

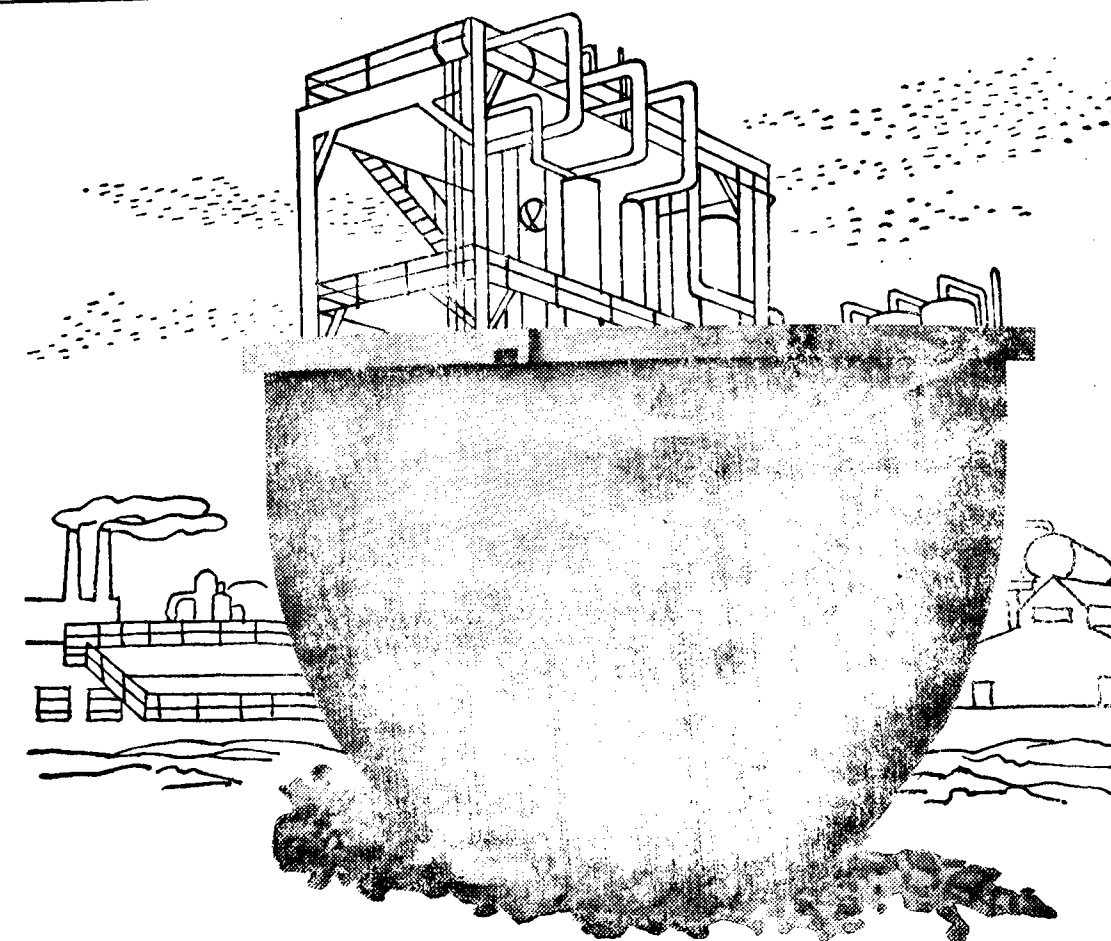
In order that prosperity should yield results in the form of increased support for the Government it has to proceed for at least twelve months before the general election. This means that the recovery would have to begin fairly soon if it is to help the Government to win the election. The Government undoubtedly realises that economic recovery would not help unless it is accompanied by a reasonable degree of stability of

the cost of living, to allay discontent among the middle classes. On the other hand, it found that the period of relative stability of prices that has been experienced since last autumn has not restored its popularity amidst stagnating business conditions. So it is now trying to strike a compromise in the form of moderate prosperity accompanied by a moderate rise in prices.

It remains to be seen whether, in trying to get the best of both worlds, the Government will not end by getting the worst of both worlds. For the middle classes are likely to remain resentful if their position should continue to deteriorate as a result of the Government's inability to check excessive wage demands. The reduction of the rate of inflation from 5 to 3 per cent a year would not in itself restore the Government's popularity, unless it is accompanied by a really substantial expansion of trade and really substantial reduction of taxes. But a spectacular boom would step up the rise in wages and prices. And drastic

cuts in taxes are impossible in the absence of drastic economies which would check the boom. In order to be able to reduce taxation the Government would have to increase the Budgetary deficit, which again would accentuate the rise in prices.

No conceivable solution would be an unqualified blessing. The arrangement of dollar facilities which are under negotiation would further reduce the Government's determination to resist inflation. The conclusion of an agreement with de Gaulle to disarm French resistance to the European Common Market would be popular for a time, but the inevitable disadvantages of any such arrangement to British agriculture and to a number of British Industries would produce in the long run the opposite effect. Nevertheless, optimism about the Government's political prospects has increased lately, not because of any increase in its popularity but because of the increase in the Labour Party's unpopularity. —Copyright.



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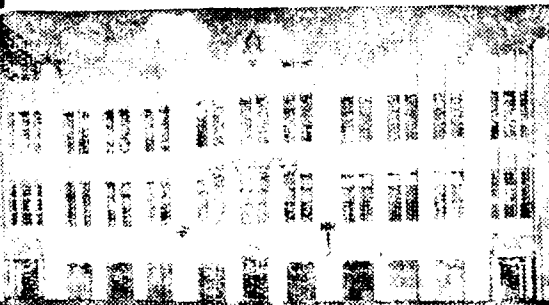
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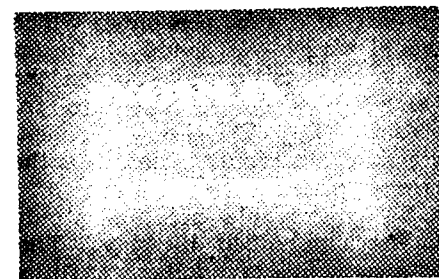
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Recovery in Hessian

CONDITIONS in the jute goods market have been steady during the past week with prices especially in the hessian section staging a smart recovery. The main reason for the renewed interest evinced by operators in hessian would appear to be rumours that the Argentinian Government had lifted its earlier ban on the import of hessian. It may be recalled that the Argentine had suspended the issue of all import permits early in May pending a reappraisal of the country's economic situation. Later in the month it was announced that April shipments to that country would be allowed to go forward. This resulted in a slight recovery in hessian prices but in view of the continued uncertainty as regards firm sales due for shipment from May onward, prices could not make much headway. The news of lifting of the ban, therefore, has been greeted with a sizable improvement in hessian prices. There are also reports that some fresh business has been concluded on behalf of the Argentine for near shipments. Hessian 40" x 10 oz Ready closed on Friday last at Rs 40.30 as against previous closing of Rs 39.90. In subsequent sessions the rate further improved but toward close of the week it has developed a sagging tendency largely because of mills coming out as sellers at the higher levels. B Twills have also staged a moderate recovery in sympathy with hessians.

Though it is generally believed that coming weeks may witness a broadening of interest especially in the hessian section in view of the low burlap stock position in the US, operators are chary of extending commitments in the absence of fresh foreign enquiries. The dock strike is another restraining influence. The general tendency in the market is to stay action till the strike is called off. For a prolonged strike will have serious repercussions on shipments. Moreover, the week has brought the news that bulk handling has made further headway in many of the sugar supplying areas. It is reported that in Cuba shipment of raw sugar in jute bags is fast becoming obsolete, for, in the first half of the current year nearly one quarter of the exports has been in bulk. The report further has said that bulk handling has advanced much further in other sugar producing countries.

The jute goods market opened the week on a steady note on

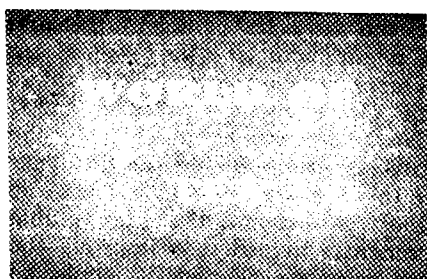
reports of lifting of ban on imports by the Argentine and of fresh enquiries. Speculative buying in the fatka pushed up prices all along the line with hessian in the lead. Though mills came out as sellers at higher levels the undertone at close was fully steady. Hessian 40" x 10 oz Ready moved up briskly and was once again quoting above the Rs 40 mark to close at Rs 40.30, with July-September & Oct-Dec. done at Rs 40.30 and Rs 40.25 respectively. Rates in the heavy goods section also steadied up in sympathy with hessian. B Twills Ready was placed at Rs 97.45 with July-Sept at Rs 98.80 and Oct-Dec. at Rs 99.25.

With continued speculative support in the fatka, prices made further headway on Saturday. Hessian 40" x 10 oz Ready was finally placed at Rs 40.35 with July-Sept. at Rs 40.30. In the sacking section B Twills Ready was done at Rs 97.60, July-Sept. at Rs 98.95 and Oct-Dec. at Rs 100.00. Closing prices on Monday were higher on balance as follows: Hessian 40" x 10 oz Ready Rs 40.80, July-Sept. Rs 40.80, Oct-Dec. Rs 40.75; B Twills Ready Rs 98.15, July-Sept. Rs 99.50, Oct-Dec. Rs 100.50. The undertone was rather quiet on Wednesday due to selling pressure in the fatka. With mills coming out as sellers in forward positions prices declined all along the line. Hessian 40" x 10 oz Ready dropped 15 nP to close at Rs 40.65. July-Sept. was placed at Rs 40.70 while Oct-Dec. came back to Rs 40.60. In the sacking section B Twills Ready lost 40 nP to be finally placed at Rs 97.75 with July-Sept. at Rs 99.10 and Oct-Dec. at Rs 100.

The raw jute market, has ruled firm throughout the week. Assam Bottoms which was quoting at Rs 24.50 per maund at the beginning was placed at close on Wednesday at Rs 25.50 per maund.

Arrivals of raw jute into Calcutta and mill stations during May were put at 431,000 bales made up of 373,800 bales of Indian and 52,200 bales of Pakistani origin. Compared with the previous month total arrivals show an increase. The rise is largely brought about by the larger arrivals from Pakistan. Compared with the corresponding month of the previous year also, last month's arrivals are higher and here again the increase is due to the higher figure for Pakistan which accounted for only 36,000 bales during May 1957.

Total arrivals for the 11 months ending May 1958 when compared with the figures for the corresponding period last year show that arrivals of Indian origin jute during July-May 1958 are lower at 5,226,000 bales as compared with those during July-May 1957, the total for which period is 5,311,000 bales. Arrivals from Pakistan on the contrary are higher at 616,000 bales as against 597,000 bales in the corresponding period of the previous year.



Dock Strike and Export Sales

THE Tea Export Sale in Calcutta has been postponed for the second week in succession due to the continuation of the dock strike. It is generally feared that, if the strike is not called off soon, there will be congestion of stocks at the warehouse which, it is felt, may make a great deal of difference to the marketing prospect when normal shipments are again resumed. Overseas buyers are, therefore, inclined to buy cautiously and live on stocks on hand in the expectation that prices are unlikely to rise and supplies begin to press on the market.

It is significant from the angle of India's export trade that the disorganisation of normal operations in Indian ports has coincided with an identical situation in London docks. As the UK is the largest buyer of numerous Indian products, notably tea, it is felt that exports to that country will suffer in particular. To this extent, the competitive capacity of the Indian tea industry, which has been somewhat strengthened by the recent cut in excise duty and cess, will be affected.

Reports from the UK indicate that stocks there are low and that shortage of good tea is likely to persist, at least for another year. Dealers are wondering if shipment of North Indian new crop is to be held up for any length of time. Already quality teas will get a warm reception when they eventually reach London and get good prices. A long delay may well increase the competition in view of the general scarcity of good teas there at present.

As a matter of fact, the trade in London has endured another week of completely dislocated supplies, because of the strikes in the London docks. Since they started, the quantity of tea put up for auction each week has progressively fallen. For the current week, offerings were cut so severely—by about two-thirds to 21,646 packages—that it was insufficient to hold more than a one-day sale on Tuesday. The reduced quantity was generally well competed for at fully steady to dearer prices. The indifferent invoices were only easier.

As at the previous week's auction, buyers showed considerable restraint in the face of the depleted offerings. In large measure, this was because they were said to hold sufficient stocks of the plainer

types to carry them over the period of dislocation, providing, of course, it was not of long duration. Moreover, there did not appear to have been any great change in the rate of consumer buying. Had there been a change, it would have meant replenishment, buying on a greater scale by the blenders. Next week, the trade is faced with a complete stoppage of sales, the quantity advertised being postponed until the week beginning June 30.

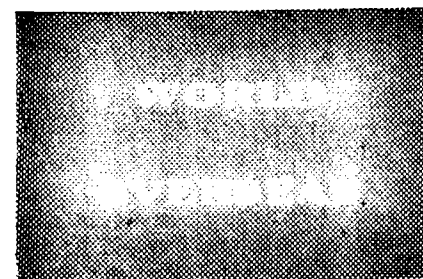
The experience of the current London dock strike, however, suggests that buyers are not much concerned about any temporary interruption of supplies. In spite of the strike, prices at the auctions there are maintained and buying is selective. In general, the trend in buying, as set last season, is likely to continue this year. Of late, certain countries have been enquiring for particular grades. Russia's operation last year in Calcutta helped to absorb large quantities of Assam Broken Orange Pekoes and Darjeeling Leaf grades and is expected to extend support for these types this season also. Turkey and Iran may again be expected to buy Whole Leaf and Tip-ty teas, while the West Asian countries may go in for Black Fannings.

Meanwhile, in the Coch'n market, offerings were 1.51 million pounds. Quality from all districts again showed a general decline. Demand was limited and prices were lower. Withdrawals were again heavy. Nilgiri teas came to a weak market following a further falling away in quality and prices were generally 20 to 30 nP per pound lower. Good Medium teas met with fair enquiry; but it was at a drop of 15 to 20 nP and their Fannings often proved difficult of sale.

Medium, Low Medium and Low-grown Broken teas eased by 10 to 20 nP per pound; but were generally sold. Similar Fannings were, however, the weakest feature of the sale and generally withdrawn without bid. Plain stalky kinds declined by 10 nP. Black Leaf Broken and Fannings were sold readily at a drop of 10 to 15 nP. Whole Leaf grades followed the downward trend of the market and were up to 20 nP easier. Following rates were quoted:—Plain BP Rs 1.45; Low Medium Rs 1.50 to Rs 1.60; Medium Rs 1.60 to Rs 1.80; Good Medium Rs 1.90 to Rs 2.20 and Quality Rs 2.50 to Rs 2.80.

With all centres operating including Russian buyers, an active general demand prevailed at the auction held in Colombo where offerings consisted of 6,488,723 packages. With the exception of lighter-liquoring sorts, higher-grown teas were appreciably dearer. Plain and Medium teas fetched steady prices. As the sale progressed, bright liquoring sorts and Uva teas advanced by 2 to 5 cents per pound. Small Leaf low-grown Broken teas advanced by 5 to 10 cents, while Persian Gulf types advanced considerably. At the close of the sale, other teas fetched firm to dearer prices.

June 28, 1958



US Notes

TWO related actions last week offer further evidence of the Eisenhower administration's efforts to advance a liberal trade programme by aiding the American mining industry without damaging the economies of other countries.

On Thursday last, Secretary of the Interior Fred A. Seaton laid before the minerals subcommittee of the Senate another modification of the administration's domestic minerals stabilization programme, first outlined on April 28. This would provide additional government aid for small producers of lead and zinc, and would incorporate in the programme "bonus" payments for several minor materials.

Just a few hours later, on that same day, President Eisenhower notified Congress that he was taking no action at this time on the Tariff Commission recommendations to set up restrictions against lead and zinc imports, which the commission found to be threatening the hard-hit domestic industry.

The relationship between this Presidential decision and the minerals stabilization programme is evident from Mr Eisenhower's statement to Congress that the programme offers "a more effective approach" to lead-zinc problems than do higher tariffs or import quotas. He went on to say that he would take appropriate action on the Tariff Commission recommendations "after Congress completed its consideration" of the minerals stabilization plan. This has been taken as another indication of the administration's desire to avoid, if at all possible, serious restrictions against imported lead and zinc.

Under the original and basic 5-year stabilization proposal offered by Secretary Seaton, a producer of lead would receive at least 14.75 cents a pound for his output, and a producer of zinc would receive 12.75 cents, with the government making up the difference, if necessary, between those prices and the market prices.

Under the modification suggested by Secretary Seaton last week, the support price would be 17 cents a pound for lead and 14.50 cents a pound for zinc on the first 500 short tons of new output in each quarter of the year. Thus, a smaller producer turning out this amount or less would receive the higher payment for all his output, while a larger producer would receive it for only the first 500 tons. To safeguard the interests of foreign producers and prevent market manipulations as a result of

the stabilization payments, the plan also calls for limitations on both the quantities to be supported and the support prices to be paid. The limitation on lead would be 3.375 cents a pound, with the payments to stop if total national production exceeded 350,000 tons a year. On zinc, the support ceiling would be 2.50 cents a pound, on a limit of 550,000 tons a year. Prices and production rates of both lead and zinc are now somewhat below the specified limitations.

Mr Seaton also urged congressional approval of an earlier modification of the stabilization programme. This was the removal of copper from the supports payment plan, and the substitution of a one-year stockpiling programme that would see the government purchase up to 150,000 short tons of copper, at a price not to exceed 27.5 cents a pound. This would still leave in the stabilization programme four materials—lead, zinc, tungsten and acid-grade fluorspar.

The belief is that short-term support government purchases would be more effective than long-term support payments in aiding the copper industry, which now is burdened by surpluses. The price of copper on American markets now is being quoted at between 25 and 26.5 cents a pound.

In addition, Mr Seaton revived a recommendation made last year that "production bonuses" be paid on domestic output of beryl, chromite and tantalum-columbium. This proposal is designed to encourage domestic development of these minerals, which are highly strategic and for which the U.S. is heavily dependent on overseas supplies.

With the modification of its minerals stabilization programme, the administration may well be bringing it closer to approval by Congress, particularly by lawmakers from mining states. There are, for instance, some 500 small lead-zinc mines in the country which would benefit from the latest revision—and political as well as economic factor of considerable significance. The influential Senator Michael (Mike) Ansfield, of Montana has observed that the programme would "help stabilize the industry and keep the objectives of reciprocal trade."

It is noteworthy in this regard, that a five-year extension of the liberal US Reciprocal Trade Agreements programme, in a form acceptable to President Eisenhower, already has been approved by the House of Representatives and now is up for Senate consideration. An effective domestic minerals stabilization programme not only might obviate the need for steep tariff increases or import quotas against supplies from abroad, but also might win additional Senate support for the House-approved trade agreements bill.

The Senate minerals subcommittee, meanwhile, is losing no time in getting to work on the administration's minerals programme. Its chairman, Senator James Murray of Montana, hopes to have a recommended bill on the

Senate floor before the July 4 holiday week-end. This certainly is in line with President Eisenhower's request that Congress act "expeditiously" on the programme.

There still is no guarantee, of course, that the full Senate will approve a minerals stabilization measure. There is bound to be some opposition, particularly from lawmakers who oppose government subsidies in general. But it can fairly be said that the chances of approval appear brighter now than at any time since the programme was first presented to Congress last April 28.

★

THE US Department of Commerce has revised and brought up to date its estimates of consumer income distribution in the United States—with the results that are auspicious but hardly surprising. For they confirm, and support with detailed facts and figures, a basic economic trend, one that has become especially evident in the post-war period: the pronounced upward movement of US family income.

The estimates show that the flow of personal income to American families, including unattached individuals, reached a new high of \$328,000 million in 1957. This was 5 per cent above 1956, some 12 per cent above 1955, and about 20 per cent above 1953 and 1954. It was, moreover, more than 70 per cent above 1947—marking a notable decade of income growth.

Of course, the number of families, or consumer units, has increa-

sed steadily, from 44.5 million a decade ago to 53.5 million today. This means that the rise in income per family has been somewhat smaller than the over-all increase.

Nevertheless, average family income in 1957 amounted to \$6,130, compared with \$5,390 in 1953 and \$4,130 in 1947. This represents a rise of 14 per cent in the 1953-57 period, and of nearly 50 per cent in the 1947-57 decade.

Allowing for the rise in prices, the advance in real income—that is, actual family purchasing power—was 7 per cent from 1953 to 1957, and about 20 per cent from 1947 to 1957.

As the number of families rose, so did of course, their tax liabilities, particularly since the steeply graduated US income tax rates tended to move them into higher tax brackets. The 1947-57 rise in after-tax incomes, therefore, was somewhat less than the before-tax average.

But, even so, real income after taxes rose from \$4,610 in 1947 to \$5,480 in 1957, representing an average annual decrease of 1.75 per cent over the decade. Indicative of the rapid postwar growth rate, is the fact that the average annual after-tax rise in family incomes was 1.25 per cent when figures for the 1929-1957 period.

The rise in average family income during the 1947-57 decade was reflected in a marked upward shift on the national income scale. The number of families with annual incomes of \$4,000 more than doubled between 1947 and 1957,

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less web" and the planner worked in cooperation with the natural unities. The TVA is not a la mode these days, being subject to the same kind of jealousies and pressures to which the DVC has succumbed even before it began functioning according to its original ideals. But the lessons of the TVA and the DVC have their relevance in framing our ideas about an intelligent agricultural policy.

★

If we are agreed that it would be expedient to develop the spirit of the river as part of our agricultural policy, then the principle of delegation of power inevitably comes up for discussion. On the TVA model, this will have to be an independent authority outside both the Central and State Governments. The moment is not perhaps propitious for discussing

the merits of autonomous corporations in India. People are out of love with them at present, largely because of the recent LIC episode. It is not generally realised that, in a sense, the moral of the episode was the need for real autonomy for these independent bodies. In any case, I suspect our people as a whole are not too favourably disposed to any endeavour other than that of Government. It may be due to centuries of dependence on authorities for everything. Part of the reason for the steady attrition of the original impulses behind the DVC was no doubt inter-provincial jealousies and so forth and reluctance of various repositories of power to part with it. But another reason for its developing cold feet was the constant swiping at it by people both inside and outside Parliament, who did not realise that autonomy meant also the right to make mistakes. The Indian public seems to

have a morbid suspicion of financial skulduggery in public life. A man has to be all the time wary that some over-zealous effort of his—possibly an error of judgment by objective standards—is not worked up into a plausible impropriety.

★

Mr Krishnaswamy suggests the formation of river boards, not so much for individual rivers as for certain well-defined river systems. For instance, he suggests three boards—first, the Western Ganga Board for the Bhakra Nangal, Jamuna and the Ganges up to the Sone confluence; second, the Eastern Ganga Board for the rest of the Ganges, Kosi, Damodar; and third, for the rivers of the south and Mayurakshi. He wants the administration taken more or less clearly away from government departments to avoid what he calls the Balkanisation of the river valleys. And since he wants an integrated development, which includes such diverse things as afforestation and education and possibly family planning, the present governments on linguistic or near linguistic basis will have no functions left except to collect taxes and vote grants for these corporations.

★

It is here that the comment I made last week regarding the limitation of the usefulness of Mr Krishnaswamy's book becomes relevant. Many people will agree with him that the logic of his arguments is fairly irresistible. But does he seriously believe that those who have their interests firmly vested in the present arrangements will allow them to be uprooted? Here and there, you may find a politician who will gladly make the sacrifice involved in the process, especially if it is made clear to him that, in his capacity other than that of a politician, he may entrench himself in the new seats of power. And unless it finds universal acceptance, the idea is doomed to failure, for, the dissident politician can work up irrational feelings against it. The acquiescent politician will then find that he has made his sacrifice in vain.

★

It is true that present arrangements make nonsense of natural unities. It is true, political boundaries are absurd. But then there is, I suppose, a completely logical case for a World State, but that has not brought any nearer the practical realisation of the idea. The best thing that can then be done, in the circumstances, is to try to get the substance of the idea by developing a whole series of conventions about how the affected States should behave in a given context. I agree, the present arrangements are too legalistic. It seems to me that the party whip could be used with advantage in

non-parliamentary and non-political contexts. We all know how, in matters like party discipline, the big club is wielded to quell local intransigence. Why should it not be made use of for enforcing the development of the healthy conventions in regard to disputes over river waters and so on? I can't think of a more legitimate use of the bludgeon.

★

Apart from these, Mr Krishnaswamy has some interesting suggestions regarding the linking up of the river systems of the country. The idea is not new, but he has given concrete suggestions which make it seem, at least to one non-expert, entirely practicable. It is the sort of idea that would at once fire the imagination of the people and bring abundance to them. Not the least important aspect of the idea is its ability to foster the unity of the country, both by the economic advantages generated by it and by its acting as the concrete symbol of the mystique of Bharat Varsha. I think the Government of India should give the idea greater attention than they have done so far.

★

Not setting out to write a review of Mr Krishnaswamy's book, I have not given you any indication of the fact that he deals with other aspects of sound agricultural policy—like land reforms, for instance. I would recommend a careful study of the book to anyone who wants to get a clear grasp of the issues involved in thinking out a sound agricultural policy for the country. The volume is published by Bhamati Books, 3 East Circular Road, Madras 23.

★

A grand old man passed away last week. I refer to Mr Ramdev Chokhany, the privilege of knowing whom I had for more than forty years. He was in a sense the first of a breed—a Marwari whose English was impeccable, whose culture included much more than mere toleration of what the West had to offer. Mr Chokhany was a founder member of the Calcutta Stock Exchange, and his vivid personality enlivened any discussion in which he participated. Another distinction to which he could claim should, strictly speaking, be recorded in the columns of our esteemed contemporary issuing from Mission Row; it is that he was—if my memory serves me right—the first Marwari to get a frequent mention from old Pat Lovett in his Ditcher's Diary. Mr Chokhany was never in sympathy with Cassandra-like shrills of gloom; and, to the extent that the Stock Exchanges have lately been much more cheerful, a sense of peace and fulfilment could very well have been the atmosphere in which he breathed his last.

EAVESDROPPER

GATEWAY GOSSIP

It is perhaps an exaggeration to say that it is the Government who are primarily responsible for the present deterioration in the labour situation in the country. But it would appear that they have to share the blame for the sorry state of affairs on the labour front to a larger extent than the other parties concerned. For the privileged treatment that is being meted out to the comparatively small number of organised workers ever since the Congress party came to power has given rise to the impression among labour that its needs should have the topmost priority at all times. The fact that organised labour has the power to compel attention of the people at large in the most telling fashion has earned for it a high place in the programme of the various political parties, who vie with one another in promising it anything and everything. It is no wonder that in this unhealthy competition among the political parties, labour has lost sight of all relevant factors except its immediate gains. With the rapid progress of the public sector, Government have now become themselves employers. From the frequent unrest in public sector enterprises it would appear that their special interest in labour welfare has placed them in no better predicament than employers in the private sector.

The cumulative effect of the acts of omission and commission on the part of Government, the growing tendency on the part of organised workers to place their narrow self-interest above everything else and the inability of private employers to do anything effective toward improving labour relations is the

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S 29 CONTROLLER OF STORES

Industrial Relations

slowing down of the tempo of activity in the country. It requires no long winded argument to prove that work stoppages of any kind will have serious repercussions on the national economy in the present context of planned endeavour as envisaged in the five year plans. The main objectives that the nation has addressed itself to achieve are directly related to its performance in the various spheres of production. It is, therefore, incumbent on everyone in the country to do one's best toward reaching the production targets at the scheduled time. But it is too much to expect that such a concerted effort. For in the first place this calls for a general realisation that a sizable improvement in the standard of the people cannot be brought about without the successful implementation of the Second Plan. Government should put forth special efforts to convince labour that its interests are safe in their hands. Labour on its part should realise that it is part and parcel of the nation and as such its primary duty is to do nothing that will retard the development of the country which alone is capable of ameliorating the condition of the millions of unemployed and under-employed people who do not belong to its ranks. In this regard it may be noted that the chances of labour realising its responsibilities to the community will become better if it is saved from the attention of political parties.

The recent unhappy occurrence in Jamshedpur resulting in the loss of production of steel, one of the most essential requirements for the implementation of the development programmes under the Second Plan and the All India dock strike which has disrupted traffic in the country's major ports for nearly two weeks now are rude reminders that all is not well with the labour situation in the country. While it is true that there are various reasons, some requiring simultaneous effort in diverse directions, for the present epidemic of discord between management and labour, it is to be admitted that the situation calls for speedy remedy because the consequences of not attending to this matter will be disastrous for the nation as a whole.

A direct consequence of the unsatisfactory labour situation is the low productivity in organised industries. This is an issue that a country which is planning to make rapid progress in industrialisation can ill afford to neglect. It is a matter for deep regret that this is not given the attention it deserves by labour. The fact that labour does not show much enthusiasm in considering the problem of productivity need not, however, discourage employers from doing what they can to im-

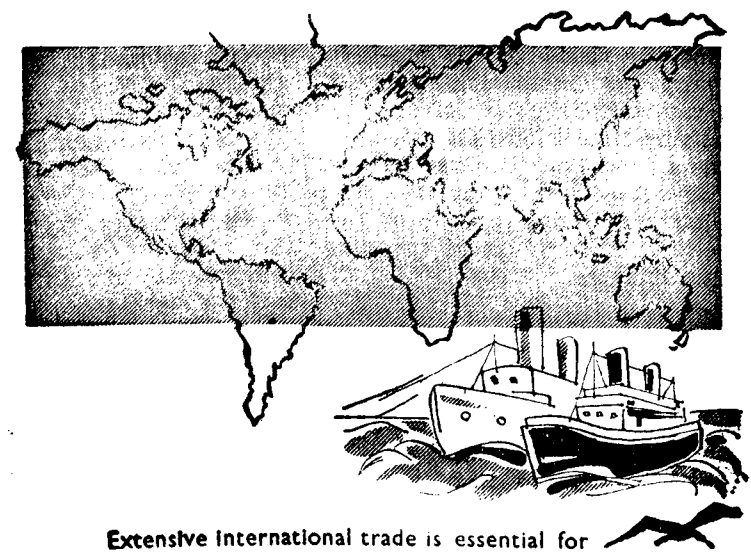
prove matters in this regard. It would appear that managements can do quite a lot themselves before asking labour to do its part. Speaking at the Institute of Industrial Engineers recently Mr K. T. Chandy, director of Hindustan Lever Ltd., has pointed out that prior to demanding a higher productivity from labour, management should do everything possible to improve the efficiency of the factors within its control. When labour finds that management is going about its job in a systematic fashion, checking constantly items of expenditure and drawing up plans for further development on data obtained from market research, it will also imbibe a sense of alertness and will be in a better frame of mind to do its part in increasing productivity than if it is under a less careful management.

Management can also play an important part in minimising the effects of rationalisation. Mr Chandy has emphasised the need for drawing up plans well in advance with a view to finding alternate employment for redundant labour. This is very important because there is bound to be some retrenchment in particular industrial undertakings as a result

of higher productivity of labour. Here again Mr Chandy has made it clear that whenever labour is asked to accept retrenchment as a result of an increase in productivity, it has every right to ask management to prove to its satisfaction that steps have been taken to increase the efficiency of all factors of production which are within its (management) control prior to proceeding to retrenchment. The aim should be to convince labour that a reduction of the labour force will be considered only as a last resort. Mr Chandy has further suggested that all schemes for increasing labour productivity should be drawn up sufficiently in advance so that managements will have ample time to make preparations for providing redundant labour with alternate employment.

But it would appear that the problem of drawing off redundant labour can be effectively tackled if industrial undertakings in a region act together. This will necessitate "an integrated regional effort to see that disposition of labour is so planned that existing undertakings are made more healthy and new undertakings are started which will draw away the uneconomic surplus."

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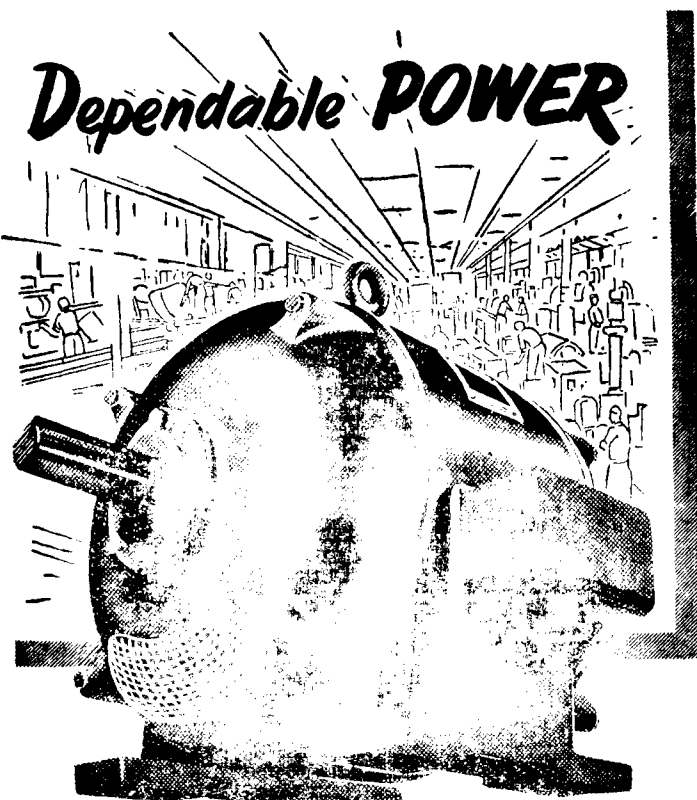
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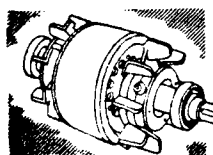
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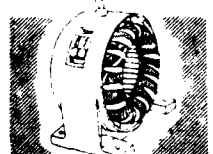


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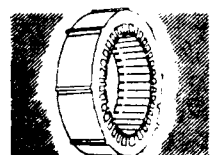
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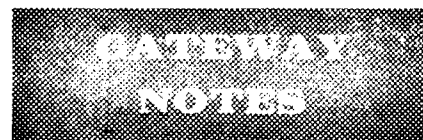
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Artificial Silk Industry

The Art Silk Fabrics industry has made commendable progress during the past few years. According to an estimate prepared by the Textile Commissioner, production of art silk fabrics in 1957 has been of the order of 279 million yards, as against 179.98 million yards in 1954. The progress of the industry has been greatly aided by the protection enjoyed by it since 1934. As a result of the Tariff Commission's enquiry into the industry in 1955, protection was accorded to the industry upto 31st December, 1958. The industry has prayed for continuance of protection for a period of five to ten years at increased rates of protective duty. It has been represented to the Commission on behalf of the industry that it has not consolidated itself, that raw material supplies are inadequate and that there is still keen foreign competition in prices, especially from Japan.

In the course of his speech at the public enquiry into the question of continuance of protection to the artificial silk and cotton and artificial silk mixed fabrics industry held on 17th June in Bombay, Mr C. Ramasubban, Chairman, Tariff Commission, has pointed out that one of the tasks of the Commission is to establish a reasonable basis for estimating the current and future demands for art silk fabrics in the country. For during the course of the present enquiry the Commission have received varying estimates of demand ranging from 300 to 450 million yards a year. The Commission are also confronted with the problem of assessing the weaving capacity of the powerloom and handloom sectors of the industry.

The question of an adequate supply of raw materials for the industry has gained special importance in view of the present stringency of foreign exchange. As against an estimated demand of about 80 to 85 million lbs of art silk yarn, current domestic production is about 43 million lbs. It would appear that the industry is now dependent on imports for nearly 50 per cent of its requirements. As a result of the expansion programme of the various art silk producers in the country, it is expected that production will go up to about 100 million lbs by 1960-61. According to the Development Wing, the demand for art silk yarn is estimated to reach the level of 100 million lbs by 1960-61.

It would appear that the industry is experiencing considerable difficulty in obtaining yarn of good quality. According to the Development Wing the abrasion and dimensional stability of the various types of rayon yarn manufactured

in the country do not compare favourably with those of imported rayon yarn. As regards the question of supply of yarn in adequate quantities it is to be noted that shortages may be due to faulty distribution.

Exports of artificial silk fabrics were fairly steady upto 1956. But during the first eleven months of 1957 only 2.64 million yards valued at Rs 46.45 lakhs have been exported as against 3.59 million yards valued at Rs 64.16 during 1956. The downward trend in exports has occurred in spite of the various forms of assistance given by Government. Some of the steps taken by Government to promote exports are drawback of import duty and refund of excise duty on yarn used in fabrics subsequently exported grant of special import licences for yarn and fabrics against exports of fabrics and the setting up of the Silk and Rayon Textiles Export Promotion Council.

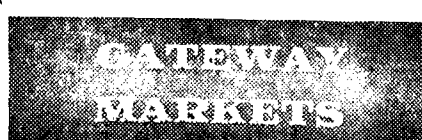
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Bombay State Financial Corporation

The working of the Bombay State Financial Corporation for the year ended March 1958 has resulted in a profit of Rs 8.23 lakhs before appropriations as against Rs 7.38 lakhs in the previous year. Despite the increased earnings the Corporation had to obtain a subvention from the State Government to the tune of Rs 4 lakhs so that it could pay the shareholders the guaranteed minimum dividend of 3½ per cent. A subvention of Rs 3.41 lakhs had been received last year also for the same purpose. The increase in the subvention is mainly due to the higher provision for taxation and an expenditure of Rs 20,000 incurred in connection with the issue of Bonds during the current year. After making provision for reserves of Rs 88,000 and setting apart a sum of Rs 4,40,000 for taxation, there remained a balance of Rs 3 lakhs to be appropriated toward distribution of dividends, thereby necessitating the application to the State Government for the subvention.

During the past year the Corporation had received 84 applications for a total amount of Rs 2,67,74,000. Of these 17 were carried forward from last year. Twenty-five applications for Rs 1,805,000 were sanctioned during the year. Four applications were rejected 16 were otherwise disposed of and 30 applications for Rs 13,058,000 were pending at the close of the year.

In sanctioning loans the Corporation has not set out any priorities for considering applications and it offers assistance for the establishment of new concerns as well as for implementing the expansion programme of existing concerns, keeping in view the development programme of the Second Five Year Plan and the industrial policy of the Government of Bombay. The corporation mainly caters to the financial needs of small and medium scale industries.



Dearth of Staple Fibre Yarn

THERE is presently a great dearth of Staple Fibre Yarn in the Bombay market and prices have risen by some six to seven annas per pound. Although the Board of the Bombay Yarn Merchants' Association has fixed ceilings for June and August deliveries at Rs 715 and Rs 730 respectively, market circles apprehend a further rise in prices if the supply position does now show an improvement soon.

It is reported that the Nagda factory of Gwalior is not able to make sufficient supplies due to lack of requisite raw materials—chemical and other pulp—which are imported from abroad. The staple-fibre is extensively used by the handloom and powerloom weavers and has been proving a good substitute for imported cotton varieties. It is, therefore, felt that the requirements of such industries need to be covered by giving them the highest priority.

Art Silk doubling mills are reported to have been considerably perturbed over the absence of any provision for their share of indigenous rayon yarn in the proposed scheme of distribution. According to the revised scheme, doublers and twisters will not be treated as consumers of yarn, but as processors, and hence they will not be allotted indigenous yarn in future. They will, however, be given supplies equal to their quota for 1½ months as an interim measure.

The mills falling in this category have, therefore, urged the Textile Commissioners to make provision in the new scheme for supplies of yarn. In the absence of such a provision, it is pointed out that nearly 16 units, operating in Bombay, will be placed in a precarious position compelling them to close down their factories.

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Oils & Oilseeds

The markets for Oils and Oilseeds suffered small losses on balance due to scattered selling on reports of beneficial rains in some producing areas. Spot Groundnuts were well maintained, while distant contracts drifted lower. August delivery changed hands at Rs 168.82 to Rs 169, to finish at Rs 167.85. Ready bold quality was quoted at Rs 35.12 and Groundnut Oil at Rs 18.50.

Exporters of groundnut oil and HPS groundnut have been considerably perturbed by the recent directive of the export authorities to the effect that they should submit applications for export quotas for these commodities at the same ports from which they effected shipments in the past. Shippers have pointed out that, while they are willing to stand by the official decision, their delayed announcement will cause much hardship.

In the Castor seeds section, September delivery moved between Rs 155.12 and Rs 155.50, to finish at Rs 155.25. Ready was quoted at Rs 30.06 and Castor Oil, commercial quality, at Rs 15.25. The clash of a dock strike in London with strikes in India has, however, caused considerable anxiety on the London market about supplies of castor oil and it has brought out a demand for spot and nearby, sufficient to produce a fair premium over the more distant positions.

The Linseed section ruled steady. September delivery changed hands at Rs 32.06 to Rs 32.19. Bold ready was quoted at Rs 31.75 and Linseed Oil at Rs 16.19. Reports from London have indicated that the new Canadian crop has not improved much and total plantings have not been as high as farmers originally intended. But, consumers have not been inclined to step up purchases and are taking the view that supplies are adequate for consumption at the current level.

In the Cottonseed section, September delivery moved between Rs 112.00 and Rs 112.75.

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Gold & Silver

Bull operators on the Bombay Bullion Exchange preferred to book their profits. Easy advices from Calcutta where bull operators had to pay heavy carryover charges caused a bearish feeling on the local market. The Gold section suffered a setback with Ashad delivery marked down to Rs 107.12 from Rs 107.56. Spot changed hands at Rs 107.87 to Rs 108.19, to finish at the former level. Arrivals were nil, while offtake was 3,000 tolas.

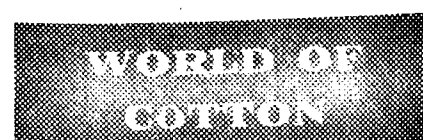
In the Silver section, arrivals were 11 bars, while offtake was 10 bars. Kutcha receipts were 7 bars. Ashad delivery moved between Rs 184.25 and Rs 184.94, to finish at the former level. Similarly, spot closed at Rs 183.87 after touching a high of Rs 184.56.

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Non-Ferrous Metals

In the Bombay Non-Ferrous Metal market, Zinc prices have forged ahead to Rs 71 from Rs 62 per cwt due to fears of scarcity conditions as a result of the dock strike. Traders and speculators appear to have cornered their stocks and are anxious to obtain as much stock as possible, while the stockists are reluctant to part with their own prices. Tin and Lead prices have also strengthened. Lead is quoted at Rs 67 per cwt and Tin Rs 132 per quarter.

On the London Metal Exchange, Copper, after initial firmness, turned a shade quieter on rumours of possible imposition of 1.7 cents of import duty on the metal by the USA. The prospects of resumption of stock-piling has helped to better the sentiment in the Zinc section. Subsidy rumours are a dominant factor for the bullish tendency also in Lead. In Tin, there is no appreciable change and the rate is moving around £730 per ton.



THE production of Cloth and Yarn has shown a slight improvement in May as compared with the past three months of the current year. The improvement has been of the order of 13 million yards of cloth and 5 million yards of yarn at 420 million yards and 140 million yards respectively. However, when compared with the corresponding period of last year, the figure is lower by 33 million yards and 10 million yards respectively. It is difficult to say at this stage whether the improvement, noticed during the month under review, has arrested the rot that had earlier set in and has reversed the previous declining trend. Perhaps, this will be known only when the production figures for the current and the subsequent months are released. The Millowners' Association is, in this connection, says that the increase is not due to any improvement in the present condition of the industry and, it is pointed out that it is due to there being 27 working days in May as against 26 working days in April.

Meanwhile, the All-India Exporters' Association has drawn up a 17-point formula to step up India's textile exports and submitted a memorandum to a special Committee appointed by the Government. The Association has suggested that all efforts should be taken to bring down the cost of production of mill cloth, including the revision of taxes and increasing the efficiency of labour and management. The Association has also suggested that, with a view to increase the exports of fine, superfine and printed cloth, impetus should be given to those who export a greater quantity of these varieties, while mills which manufacture such goods should be permitted to import foreign cotton equivalent to its content in the cloth which is manufactured for export. Finally, the Association has suggested the convening of a tripartite conference of the Government, the cotton textile manufacturers and the cotton textile exporters to discuss the difficulties confronting the industry and trade. Such a conference, it is said, will help co-ordinate the efforts of all the parties to boost up exports of Indian textiles.

According to the reports from the Bombay piecegoods market, there has been no improvement in the domestic offtake of cloth. It is stated that the present state of affairs will continue for another six weeks or so. The consumer preference for finished goods is, however, more in evidence and, as a result, it is learnt, a number of mills are installing finishing and dyeing plants. Meanwhile, the Textile Inquiry Committee has begun to function in right earnest and the outcome of this enquiry is eagerly awaited by the trade and the industry alike.

Improvement in Output: Formula to Step up Exports

On the export front, trading conditions continued without any appreciable change. This is largely due to the fact that India's traditional buyers are faced with serious economic or political problems as a result of which there is no bulk buying orders from them. In view of the present dockworkers' strike, the next fortnight or so is not expected to fare well. In fact, from the trend of bookings, trade circles feel that the performance for another two months may not be worthwhile. At this rate, fears are expressed that the overall position will suffer considerably during the current year.

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COTTON MARKET:

Whether because of the dockworkers' strike or by reason of the Government's inability to make up their mind, the interest in a further export quota for cotton has temporarily subsided. This has given rise to speculation in cotton circles that the Government are likely to announce a further export quota only after the monsoon. There is, however, a school which welcomes such a postponement, if only because that will any day be better than the present uncertainty. The interest in the probable ad hoc export quota to China also seems to have cooled off. Apart from the fact that the terms offered by the Chinese are not sufficiently attractive, cotton interests have not been able to assess the probable requirements of that country.

Some of the established cotton exporters, new comers as well as the displaced cotton traders, in a representation to the Government, have pointed out that the change in export policy on the basis of "first-come-first-served" is not in the best interests of the country, as such a policy induces the foreign buyers to mark down the prices and as such the country cannot hope to earn foreign exchange as it should in normal course of business.

There is a force in the above argument though it is realised that the Government want to earn foreign exchange in the shortest possible time. This can be done in shortening the period instead of "first-come-first-served". So long as the quota system operates, it should be the duty of the Government to see that all those, who are entitled to such quotas, get fair chance of business. The policy of "first-come-first-served" serves naturally a few vested interests to combine and exploit the position for their own means. Hence, it is suggested that it will be in the fitness of things that the policy of "first-come-first-served" is given up when fresh export quota of cotton is decided upon.

As regards imports, there are indications that the balance of trade between India and Egypt

will turn in favour of the former this year on account of lower purchases of Egyptian cotton by Indian mills. Of the first import quota of 30,000 bales for sterling area cotton, more than 24,000 bales are stated to have come from Sudan. Egypt is reported to have raised doubts about the successful implementation of the recent Indo-Egyptian payments agreement for cotton against jute goods and tea from India. Egypt's complaint has been that, while she has promptly lifted jute goods and tea from India, the latter has been hesitant in buying Egyptian cotton. On balance, it is stated that her cotton stocks continue to remain at a high level. Egypt is reported to have appealed to the Government of India to expedite the import of cotton. It remains to be seen what steps the Government will take as imports of cotton from Sudan cannot be cut in view of the fact that Sudan has been a prominent buyer of Indian textiles.

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STATISTICS:

Export of cotton by rail, from 1st September, 1957 to the 19th June, 1958, were 262,632 bales. Estimated mill consumption in Bombay, during the same period, was 1,023,183 bales as compared to 1,076,666 bales in the corresponding period of last year. Estimated stock of raw cotton, held by exporters, dealers and mills in Bombay, on the 19th June, 1953, was 798,084 bales as against 646,158 bales on the corresponding date of last year.

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KARACHI COTTON MARKET

Prices in the Karachi cotton futures market continued to rule firm, being aided by better enquiries from overseas buyers. There was keen local and upcountry buying. Consequently, prices moved up, Punjab Dehi being quoted at Rs 57; 4F Roller at Rs 70-14; 289F Roller at Rs 77-6; 4F Saw Gin at Rs 78-6 and 289F NT Sindh Saw Gin at Rs 91-14.

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ALEXANDRIA COTTON MARKET

The Alexandria cotton futures market ruled steady. There were fairly good export enquiries and sizable domestic mill support. A marked rise in prices was, however, prevented by the reports of favourable weather and satisfactory crop progress.

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LIVERPOOL COTTON MARKET

Conditions in the Liverpool cotton market ruled better and the offtake in the ready and shipment sections continued to reflect the recent small improvement. The demand was mainly for USA styles with the medium and lower grades covering a wide staple range constituting the major portion of the turnover.



NEW YORK COTTON

In the New York cotton futures market, prices drifted slightly lower due to hedge selling and liquidation on American account. Operators were generally disinclined to commit themselves to either the long or short side.

S. E. RLY. TENDERS

Sealed tenders are invited for tender No. Con[1]GM[15]HD[58-59 for supply of Block Teak Wood and Board double panel Teak Wood of different sizes. Tenders will be opened at 12 noon on 30-7-58. Tender forms with full particulars are obtainable from the office of the Controller of Stores (Construction section) Garden Reach, Calcutta-23 at Rs. 5/- (not refundable) per copy by money order to him direct in the case of outside firms and on production of cash receipt from this Railway's Chief Cashier by local firms.

Tenders should accompany the receipt for depositing earnest money of Rs. 1000/- with this Railway's Chief Cashier without which the tender is liable to be rejected. Approved contractors having permanent deposit of Rs. 1000/- with the Controller of Stores are exempted. Firms not on this Railway's list of approved contractors must enclose a valid Income Tax Clearance Certificate with the tender.

GENERAL MANAGER

S25

S. E. RLY. TENDERS

Sealed tenders are invited for tender No. Con[1]GM[17]GA[58-59 for supply of 15000 Numbers Beater Wooden with handle as per sample to be seen in this office. Tender will be opened at 12 noon on 2-8-58.

Tender forms with full particulars are obtainable from the office of the Controller of Stores (Construction section) Garden Reach, Calcutta-23 at Rs. 5/- (not refundable) per copy by money order to him direct in the case of outside firms and on production of cash receipt from this Railway's Chief Cashier by local firms.

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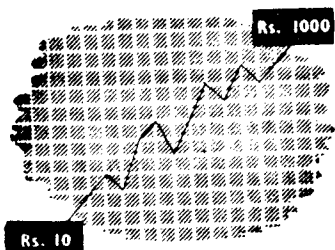
GENERAL MANAGER

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DELHI REVIEW

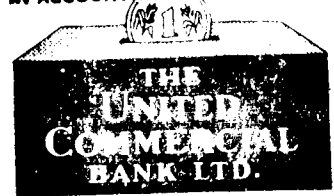
AFTER completing his interrupted holiday, the Prime Minister is back at his desk with a large number of problems awaiting his consideration. There is no doubt that a fortnight or so away from the capital and work has done Mr Nehru an immense amount of good. He looks more relaxed and refreshed than he did for weeks or months before he left for Manali. It is not only cessation from work that holiday afforded him: it has restored him his former insouciance, and the gracious beauty of the Kulu Valley has undoubtedly employed its healing power on his confessedly bruised soul. It would be an excellent idea, if he could give himself such holidays more frequently than has been the case for the last ten years. His visits abroad, which he used to pretend were some form of holiday, were nothing of the sort since he had as gruelling a schedule as at home to keep. What he needs is short spells—even week ends, if they are all that he can give himself—of complete rest and being left to himself. The consequences to him and to the nation of such holidays outweigh any likely disadvantages from the absence of his guiding hand for a short while.

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K. R. K. IYENGAR

Back to the Grind

From another point of view also, his absence from work has been worth while. During his absence, work has gone on smoothly and major decisions have been taken by his colleagues. The all India Dock strike has been handled both with tact and firmness and though its final settlement has been effected only after his arrival, it was clear that Government had the situation well in hand. Likewise, renewed panic about foreign exchange shortage has not scared authorities in Delhi, who know exactly what can and should be done. There can be little doubt that the question "After Nehru, what?" need not evoke a despondent reply, if all that was involved in the succession was ability. For there are undoubtedly quite a number of people who can run this country with reasonable efficiency. But then there is much also needed for political leadership besides ability in the abstract.

Back from Manali, Mr Nehru was asked the inevitable questions. He was asked about the execution of Imre Nagy and his colleagues. Mr Nehru replied cautiously, "It was most distressing both in itself and because of its possible consequences." This is a reply wholly welcomed in different quarters for different and even opposite reasons. The Russians may feel that Indian "neutrality" which enables us to judge each issue on its own merits, and which they have praised in other contexts, has its inconvenient aspects. Readers may recall reports about Mr Khrushchev's sulking at Mr Nehru's comments on the ideological bullying of Yugoslavia. Indian communists are as usual in a muddle about the right attitude to take over the issue, since their spontaneous reaction to the event is so different from what it "ought to be." Unfortunately for them, this is a more serious matter than sending fraternal greetings to Yugoslavia and later calling it names.

Moreover, their more important leaders are away from Delhi, happily fishing in the troubled waters of the ports. And Messrs Gopalan and Ghosh are away from the country itself, being now in Eastern Europe, apparently for reasons of "health". Only P C Joshi is in Delhi, and if he obeyed his impulses, he would probably embarrass Russia, and it is only recently that he has been restored to favour in the party and it is unlikely that he will take a decision that accords with his probable real feelings. But dilemmas arising out of the conflicts in the breasts of the leaders themselves are not their only problem. They are reportedly faced with the demand by a section of the rank and file of the party that the CPI should not only not associate itself with the Russian view of the Hungarian

executions, but actively condemn it. How the leaders will meet this demand remains to be seen; on the basis of past conduct, it is legitimate to infer that the Russian attitude will find public endorsement, with private attempts at squaring the circle which, apparently, are successful with the rank and file. But then, the communist party cannot be too happy about the way in which Russia is thoughtless of the Indian party's fortunes. For, it took the Indian Communists a long time and a lot of equivocation to live down the Hungarian revolt of 1956. In some sense, the execution of Nagy has created an even more horrified revulsion among the peoples of the world. Having to combat renewed hostility to Communist methods and renewed suspicion about their good faith—a thing they were at such pains to establish at Amritsar—is a distinctly unwelcome task. And Mr Nehru's apparent disapproval of the executions is not going to make things easier.

On the other hand, there are people who feel that Mr Nehru's condemnation should have been more explicit. They seem to feel that "distress" is hardly an adequate reaction to the moral and political turpitude involved in the executions. Moreover, they feel that the second reason he gave for his "distress"—the possible consequences of the execution—somehow weakens the impact of the first. These people, who are mostly in PSP circles, say that there is in this, as in Mr Nehru's attitude to the revolt itself, an element of equivocation. All this seems to be unnecessary hair splitting. And Mr Nehru is certainly right in referring to the consequences of the event in the larger international context as "distressing". For, in many Western reactions to the event, there is a gratuitous linking of this to the "summit conference" and efforts at bringing about agreement on disarmament and control of nuclear explosions. A whole series of assumptions are brought into play.

The logic is as follows: The execution signals a return to the old Stalinist terror, and so the intensification of the cold war, and therefore it is useless to talk. Unless there is a conscious desire to mislead the public, it is difficult to see how the fallacies involved in this sequence of reasoning could have escaped those who employed it. Assuming as a fact that the execution is the result of Mr Khrushchev's blossoming into another Stalin, why should it lead to suspension of negotiation? Just because some of the attributes of Stalin are now found in Mr Khrushchev, does it mean he has become a complete reincarnation of Stalin? Is it not possible that Khrushchev may retain, in his international dealings, his earlier flexi-

bility? In any case the compulsions of coming to terms with Russia on disarmament have nothing to do with the character of the man, who is the nominal ruler there at the moment. If every international settlement is to be preceded by advance testimonials about the excellence of the character of the heads of governments, no negotiation will ever be possible. Even if the worst were to be assumed and it is to be taken that the ghost of Stalin has at last lodged itself in Khrushchev and has "possessed" him, the necessity to talk with him will remain. No one is asking the West to yield anything, but to refuse to talk merely because you don't like certain things Russia does is like objecting to have your hair cut by the only barber in the village, because you suspect he beats his wife. The circumstance that your suspicion is only too well founded does not improve matters.

Misunderstanding of his comments on Nagy's executions is perhaps the least of Mr Nehru's worries. Soon after his return, representatives of Dock Labour Unions sought his good offices to resolve their disputes with Government. Mr Nehru had to get down to it almost at once and, after two interviews with him, the dockers have called off their strike. This is a strike that should not have taken place at all, and its calling off will be welcomed by all who found that the stoppage of work at the ports was doing immense harm to the country's economy.

Another problem that is awaiting consideration by the Cabinet is the foreign exchange situation. As I said in the beginning, it is not so much the actual difficulties as panicky and thoughtless comment floating around that poses the most serious problem. Loose talk about devaluation as a remedy for the situation is an instance in point. This scatter-brained idea will solve none of our problems but will create a hundred new ones, like putting up the prices of our essential imports. What is not realised is that repairing the disequilibrium in balance of payments is a continuous process and is the result of innumerable decisions acting cumulatively. Cutting imports, increasing exports, securing foreign aid and deferred credits and so on involve in each case literally hundreds of decisions at varying levels. Take, for instance, the success of the State Trading Corporation in negotiating the export of Rs 3 million worth of sewing machines. Similar efforts in other directions will help ease the situation. While there is every need for asking Government to coordinate their efforts and to keep a careful watch over the situation, the public should help it by refraining from scaring comments about the desperateness of the situation.

NORTH INDIAN NOTES

Machine Tools Production

BY a record production of machines during 1957-58 the Hindustan Machine Tools Ltd, a State-sponsored enterprise, has exceeded the target fixed for it for 1957-58. While the target for 1957-58 fixed at the beginning of the Second Plan was 131 machinery, actual production amounted to about 402 machines, and thus represented an increase of about 300 per cent against the target originally fixed. In terms of the figures for production in the previous year also, the achievement appears no less outstanding since production during the last year was 135 machines. Considering the importance of machine tools production for a country wishing to restore balance to its economy by means of industrialisation, the success of the Hindustan Tools Ltd, in increasing its production three fold in the course of a single year, should be a matter for satisfaction.

The annual report of the Company for 1957-58 which record the achievements of the company during the year, points to the salutary effect which this increase in production had, on the price of the machines produced by the company. For example the sale price of 1,000 mm lathe was brought down from Rs 39,000 to Rs 29,500 with effect from June 1 1958 as against the landed cost of Rs 40,500 for imported machines of equivalent quality. The effect on the financial position of the company was to increase the net profits to Rs 30 lakhs which according to the report represents a fivefold increase over the previous year, the return on share capital being calculated at 54 per cent.

Equally remarkable was the success of the company at diversifying production by the addition of 10 types of radial drills to the existing range of six types of mill machines and two types of lathes. The value of this scheme lies in the fact that besides improving flexibility to the production programmes of the company, it has also made it possible to save foreign exchange to the tune of Rs 2 crores per year.

The company has entitled itself to public praise in other ways also. In this connection the report draws attention to the schemes introduced to improve labour welfare such as incentive bonus, enhanced wages and dearness allowance, construction of new houses as well as hospitals and dispensaries etc. This is a tribute to the progressive outlook that is being brought to bear on the working of the company by the management personnel.

The introduction of workers' participation in the management of

the company was a significant step in the progress of the company. To the Hindustan Machine Tools Ltd, went the honour of being the first unit in the public sector to be chosen for the new experiment of associating labour in the management of industrial concerns in the country. While at present this co-management has taken the shape of a works committee of 10 members with equal representatives from either side, the conversion of this works committee into a Joint Council of Management consisting of equal number of members from both sides is indicated in the report as being programmed for implementation in the near future.

The company has, in collaboration with the National Small Industries Corporation, initiated a scheme for establishing ancillary units in the areas adjacent to the factory.

Madhya Pradesh Financial Corporation

The year ended March 1958 has been a busy period for the Madhya Pradesh Financial Corporation. For, out of the total loan of Rs 71,90,000 so far sanctioned, Rs 53,40,000 were sanctioned during the past year. This sharp increase in the amount of advances has resulted in improved earnings which are again reflected in the sharp decline in the proportion of subvention payable by the State Government toward the guaranteed dividend. Whereas in 1955-56 the percentage of subvention to total dividend stood at 100 such percentage declined to 69.8 in 1956-57. In 1957-58 it has further declined to 54.3. The working of the Corporation during the past year has resulted in a profit of Rs 4,01,228.88 after payment of the expenses of administration and other charges. Out of this, a sum of Rs 18,186.80 has been provided toward payment of taxes for the assessment year 1957-58 in excess of the provision made out of the previous years' profits, leaving a balance of Rs 3,83,042.08. After providing Rs 10,000 to Statutory Reserve Fund, Rs 5,500 to Investment reserve, and Rs 2,07,542.08 toward taxation, there is only a sum of Rs 1,60,000 for meeting the guaranteed Dividend at 34 per cent. As the amount required for distribution of dividend is Rs 3,50,000, the shortfall is to be obtained from the State Government as subvention.

The Corporation has disbursed a total amount of loans of Rs 40,86,000 upto 31st March 1958. As a sum of Rs 25,000 has been received back from a borrowing concern as instalment toward the payment of principal, the amount of loans outstanding as on 31st March 1958 is Rs 40,61,000. The report of the directors note with satisfaction that during the year 1957-58, there has been no default on the part of any borrowing concerns in the repayment of the instalment of principal or the payment of interest.

NORTH INDIAN MARKETS

Foodgrains Markets Quiet

AFTER two weeks of bullish activity, conditions in the Hapur Foodgrains markets have turned quiet, thanks to the State Food Minister's warning to traders that the Government would seize grain stocks under the Essential Commodities Act, the opening of more fair-price shops and the possibility of stopping bulk purchases by flour mills. Wheat eased by 50 nP to Rs 17.50 per maund for the average quality and Rs 19 for the farm variety.

Latest Government estimate puts the total production of wheat, Bareilly and Gram. in the State, at 53.69 lakh tons as against 62.18 lakh tons last year. Apart from the fact that "rabi" crop yield, this year, has been poor, cultivators are also retaining part of their produce due to uncertainties about the next "kharif" crop, the sowings of which have commenced in some areas. Large-scale sowings will, however, begin after the rains.

Rice prices have registered fractional gains due to shortage of supplies. Firm Punjab advices accounted for slight gains in the price of Gram. Barley and Bejher prices have continued to rule steady, while Jowar scored some gains due to good demand for seeds in the face of poor local stocks. The markets for Peas and Arhar ruled quiet.

The Bombay grains market present a mixed appearance in the midst of moderate activity. Seasoned and superior varieties of Rice advanced by nearly Rs 5 per candy, mainly due to the growing shortage in the face of a fair demand. Despite this, traders were not very keen on selling in view of the reported shortage of supplies in Andhra and Madhya Pradesh.

The wheat section revealed a quietly steady undertone with dealers anxious to do business at the market rates. The Pissli quality from Rajasthan was done at Rs 165 to Rs 185, while superior lots from Madhya Pradesh were indicated at Rs 180 to Rs 205 per candy.

In the Coarse grains section, prices of Jowar and Bajra remained steady. Jowar from Sholapur was placed at Rs 115 to Rs 125 per candy and that from Madhya Pradesh at Rs 112 to Rs 115. Although prices in Madhya Pradesh were reported to be higher, traders were willing to unload supplies, because of financial stringency.

Sugar

Sugar markets ruled steady on expectation of an announcement with regard to the export policy for the sweet commodity. Demand from the consuming centres had been fairly heavy.

In the Muzaffarnagar market, prices of different varieties improved by 6 nP to 19 nP per pound for ex-mill delivery. Demand from Delhi, the Punjab, Gujarat and Saurashtra was fairly good. Following mill-delivery prices per maund were quoted:—Meerut Rs 35.56; Simbhauli Rs 36.50; Daurala Rs 37.56; Mowana Rs 37.50; Bij-nore Rs 36.50; Shamli Rs 37.25; Amroha Rs 36.06 and Modinagar Rs 37.12.

Khandari prices also recorded gains on good outside support. Rates moved between Rs 32 and Rs 34 per maund, according to quality. Production in some centres continues from wet gur.

Gur

The Gur market at Hapur continued to rule steady. Good demand from the consuming centres, before the advent of monsoon, accounted for fairly heavy offtake, reducing the stock to 75,000 maunds. Dry quality gur was quoted at Rs 13 to Rs 20 per maund and Kotha dry-wet at Rs 18 to Rs 19.

The condition of the standing cane crop is satisfactory, but the crop is now reported to be in need of rains. In the Muzaffarnagar market, prices displayed a firmer tendency thanks to good support from the Punjab and Gujarat, having advanced by about Re 1 per maund.

Shellac

Conditions in the Calcutta Shellac market have continued to rule quiet with prices moving within a narrow range as overseas buyers seem to be still marking time, awaiting the price stabilisation scheme. No one is reported to have made any suitable purchases for several months. Imports of shellac into London have been small; stocks are few and there is a lot of room for improvement in conditions are suitable.

Meanwhile, Pure TN quality shellac is quoted at Rs 67 per maund. Total shipments, during the month up to the 21st June, amounted to only 21,082 packages as compared to as much as 27,389 packages in the corresponding period of May. Out of these shipments, shellac accounted for 7,680 packages (9,815 packages in the previous period): Seedlac 11,810 (15,196); Buttonlac 310 (854) and other varieties 1,282 (1524).

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Paid-up Capital ... Rs. 10,00,000
Reserve Fund Rs. 10,25,000
Working Funds as on 31-12-1957 ... Rs. 3,27,81,916

62 Convenient Offices in
Southern Districts

Banking Business of every
description transacted

S. N. K. SUNDARAM, Mg. Director.

THE PENINSULA

SOUTH INDIAN NOTES

In such a setting of political opinion, even the suggestion made by him that landholders should of their own accord come forward with a scheme of redistribution on the basis of an economic holding as defined by him has little chance of finding popular favour. While informed opinion may rally in support of such a scheme what is necessary to its success is the support of agricultural workers and tenants. Such support is most unlikely to come especially because the scheme leaves the door wide open for political exploitation of the situation by interested parties. While cooperative farming might offer a way out of the existing anarchy of extremely small holdings, the meagre success that has attended the few experiments in this direction gives no basis for hopes in the short run. This leaves the alternative in increasing agricultural production in the short run, to the other methods usually associated with intensive cultivation.

Every Description of Banking Business Undertaken.
T. R. LALWANI,
 General Manager.

Mr Dey has referred to village industries as the field where special attention and efforts are needed for tangible progress. As he has pointed out, for the village industries to make any headway, they have to be related to the local needs since otherwise subject as they are to the competition of factory products they are under danger of being swamped out by competitive products produced on a mass scale by the modern factories.

A potential threat to the financial sufficiency so vital to the

The fact that there is already great resentment at the high taxation that exists in the country points to limited possibilities in the way of new taxes to add to the resources of the Government. In this connection Mr Gopala Reddi referred to the increases already achieved in respect of various tax measures. While the yield from Central Excise Duty has been increased from Rs 96 crores four years ago to Rs 306 crores now, income tax, yielding about Rs 217 crores would also seem to have reached the ceiling. This would seem to leave no alternative to the Government to implement the plan but to do its best to prevent expenditure which contributes little to productive enterprise.

In the Madras Tanned Hide market, arrivals of Cow hides were less, while clearances were good.

The area sown with Paddy is estimated at 5,605,000 acres as compared to 5,538,000 acres. The total yield, in terms of Rice, is estimated at 3,134,000 tons as compared with 3,103,000 tons for 1956-57.

Bengal Coal Company, Limited

Coal Exports — A Certain Foreign Exchange Earner

Dividend Maintained Inspite of New Taxes

Speech of the Chairman, Mr D. F. Macmillan

Addressing the Annual General Meeting of the Bengal Coal Company, Ltd., held in Calcutta on 26th June, 1958, Mr. D. F. Macmillan, the Chairman of the Company, said:—

Gentlemen,

The Accounts for the year ended 31st October, 1957, which have been in your hands for the statutory period, reflect another year of successful operation. Raisings were 2,801,164 tons and compared with 2,509,787 tons in the year 1955 which was the last year of the First Five Year Plan. The raisings of this Company in the first two years of the Second Five Year Plan have increased by 11.6% in spite of the serious handicaps imposed by the delays by Government in defining their policy towards the private sector in the coal industry, to which have been added more recently the restrictions on the imports of essential equipment. Your Company is therefore making its full contribution to the economic planning of the country, and this has been made possible by its own farsighted development plan which started as early as 1945.

Leaving aside the capital levy of Rs. 3½ lacs called Wealth Tax, which has absorbed the Company's small Capital Reserve and the surplus built up in past years on realisation of investments, as well as digging into the Company's taxation reserve, the profit for the year after all charges including depreciation and ordinary forms of taxation, is in fact lower than the previous year. But your Directors are able to recommend a final dividend which will maintain the annual distribution on the ordinary nominal capital of the Company at Rs. 17.50 per share, which is the equivalent of 5.96% on the capital employed in the undertaking. Against the drain of Rs. 3½ lacs on the equity of the Company by payment of Wealth Tax, the Board have been able to place Rs. 7 lacs to General Reserve out of taxed profits.

Before dealing more generally with the affairs of the Company and of the coal mining industry during 1957, I wish to refer to the disaster and tragedy which overtook Chinakuri Colliery on 19th February last, when an underground explosion followed by fire resulted in the loss of 176 lives. As soon as it was possible—in fact within three days of this disaster—I issued a statement to all shareholders on the occurrence and there

is little more that I can add today. After the evidence of underground rescue parties made it clear that there was no possibility of further survivors, it was decided, in view of the rapidly worsening conditions underground, to seal and subsequently to flood the workings in order to bring the fire under control as quickly as possible. De-watering was begun on 7th March and is still continuing. A Court of Enquiry has now finished taking evidence from the Company's officials and workers and all other parties who wished to appear before it, and has adjourned until dewatering is completed and detailed examination can be made underground. I would remind you that the Company worked ten years to sink over 2,000 feet to the Dishergarh seam at this colliery, that all the knowledge and experience gained in working this seam had been applied to the planning and equipment of the colliery with a view to maximum safety and efficiency in working, and that it started raising coal only three years ago. It will be the hope of all of us and of the whole of the mining industry that the evidence as finally accumulated by the Court of Enquiry will enable the actual cause of the explosion to be definitely determined. I would now ask the meeting to stand in silence in sympathy and respect for those who lost their lives and for the distress of the wives and families they left behind. . . .

On behalf of the bereaved families, I must thank the Governor of West Bengal, Miss Padmaja Naidu, for opening a fund through which the general public could express their sympathy in a practical way. A total of just over Rs. 1 lakh was contributed to this fund and the first distribution was made by the Governor during a personal visit to the colliery on 26th March. The balance of the fund is to be made over to the families concerned in the form of National Savings Certificates. The generous response of the public has thus materially supplemented the compensation and other measures of relief provided by the Company. A very practical way of helping the families has also been the arrangement sponsored through the Indian Mining Association for the employment in the industry of an adult member of each family.

I have already mentioned the Company's contribution in increasing raisings of coal so urgently required for the Second Plan. Whilst the private sector of the industry

is more than keeping pace with the rate of increased output required to achieve its target of 45 million tons annually by 1961, one sees reports from time to time which give the impression that there may have to be a further downward revision of the public sector's target. It is in the best interests of all that some definite decision should be reached as soon as possible since, if the privately owned collieries are going to be asked to raise their target further, they should be given as much time as possible to prepare for the further task which, by the results already achieved, they have shown their ability to attain.

Some encouragement has been given to the private sector by excluding coal from the harmful provisions of the Mines & Minerals (Regulation & Development) Act, 1957, which would have had far-reaching effects on existing leases and royalties. Even though this may only be a temporary relief, it is nevertheless appreciated, and the industry is now endeavouring to obtain from Government fair and reasonable amendments of the proposed Mineral Concession Rules, 1958.

I have stated above that the private sector is doing everything possible to attain the targets set for it by Government, but here I must sound a note of warning as regards the limiting factors of imported materials and transport.

IMPORTED MATERIALS

We fully realise the serious foreign exchange position and it is apparent that for some time to come licences will only be given for the very highest priority of imports. In view of this, we must adapt ourselves, if necessary, to doing without certain items of stores, plant and machinery required for the progressive mechanisation and expansion of your collieries. However, there are some items, the most important of which is Steel Wire Ropes, without which coal cannot be raised.

TRANSPORT

As regards transport, although during 1957 the railways were able to make greatly increased wagon offerings for coal movement, the position has deteriorated since the beginning of the current year and pithead stocks are now higher than they have been for some considerable time. The performance of the South Eastern Railway has been particularly disappointing: against a guaranteed minimum of

950 wagons daily for coal movement, during the past month daily offerings have been as low as 412 wagons. It is perhaps superfluous to comment that the best laid plans to meet the country's coal requirements are vitally dependent on the performance of the railways, and the railways' task will be greatly increased when the requirements of the expanded Steel industry have to be moved.

EXPORTS

It has always been a surprise to me and to other speakers from this chair in the past that our Government attaches so little importance to coal as an earner of foreign exchange. In the early 1920's steps were taken to ensure a good reputation amongst overseas customers for Indian coal by the setting up of the Coal Grading Board, whose inspection staff and certificates of quality ensured that the overseas customer got the quality which he had contracted for. Encouragement was also given to the export of Indian coal by allowing a rebate on rail freight on coal shipped to foreign markets. With these encouragements to the overseas customers and to the coal exporter, a good connection with the Far Eastern markets was built up and exports reached a figure of 1,413,000 tons in 1938. The Second World War intervened and when India emerged from it, official policy became obsessed with the need to conserve India's resources, particularly of the higher grades of coal, for future internal requirements. Assistance by way of rail freight rebates disappeared and there was an insistence that exports must mainly comprise the lower qualities of coal. As a result the reputation of Indian coal in these export markets has been severely prejudiced and China has recently been gaining a foothold in India's closest coal markets of Ceylon and Pakistan. In 1957 less than ½ million tons were exported—apart from just under 1 million tons supplied to Pakistan—and this earned about Rs. 2½ crores worth of foreign exchange. The coal exports of 1938 at today's values would have earned Rs. 5½ crores. Today with India's capacity to earn greater foreign exchange having assumed topmost priority, coal could be making a very useful contribution if a policy of encouragement of exports had been maintained and there is undoubtedly a case for renewed encouragement being given in the present

June 28, 1958

economic difficulties. But unfortunately even if the greatest encouragement were to be extended to coal exports today, it would be sometime before the old markets and the old reputation could be regained.

SANDSTOWING

We hope shortly to receive the report of the Price Revision Committee constituted by Government to assess a fair price structure for the Coal Industry. One matter which is, however, outside the purview of this investigation is the burden of sandstowing. You will notice from the Accounts that the Company has had to bear a sum of almost Rs. 9 lacs, being the difference between the cost of sandstowing at our collieries and the quantum of assistance received from the Coal Board. This is the equivalent of about Rs. 1.50 per ton of coal raised from our sandstowed collieries. At a time when Government are making every effort to encourage additional collieries to instal arrangements for sandstowing, in the interests of both safety and conservation, it seems wrong that collieries which do undertake stowing should be placed at such a disadvantage by reason of this financial burden.

LABOUR

As a result of a Tripartite meeting held in New Delhi, the Appel-

late Tribunal Award, to which I referred in my speech last year, was implemented in July 1957 and labour have received the benefit of this Award made retrospective to 26th May, 1956. Since the end of the period under review, in fact with effect from 1st January, 1958, workers throughout the coal industry have been granted an increased D.A. of Rs. 4.87 per month. There is no doubt that workers in the industry have benefited very considerably as a result of these Awards and one still looks to labour to give greater productivity in return. Relations between the Company and its employees have generally been satisfactory throughout the year, but it is to be earnestly hoped that the miner will not fall prey to inter-Union rivalry and that he will realise that a full shift's work is his best personal contribution to the national interests.

I have had an interesting analysis made of what has happened to each rupee received by the Company during the year under review from its customers in return for coal supplied. I will not weary you with the complete breakdown, but you will be interested to know that 42 nP of every rupee earned goes to the labour, 9 nP goes to Government in taxes and cesses, 5 nP is applied to meet depreciation of the Company's buildings and machinery,

while you shareholders get 3 nP, and 2 nP have been retained in the business for future development. If anyone suggests to you that you do not deserve your 3 nP, just remind him that without the capital provided by the shareholders through joint stock enterprise, there would be no undertaking to give employment to twenty-four thousand labourers, each of whom gets 42 nP out of every gross rupee earned by the undertaking.

WELFARE

It has been the Company's policy progressively to provide amenities for employees at collieries, and, in addition to the statutory requirements of pithead baths, creches and canteens, we have a programme for the provision of co-operative stores, playing fields and many other amenities. In addition to the considerable capital cost incurred in providing for the welfare of our employees, the maintenance of these facilities, including the expert medical attention provided, is costing us about Rs. 7 lacs per annum.

The provision of housing is one for which we were carrying out a planned programme until two and a half years ago when a new scheme was instituted under the auspices of the Coal Mines Welfare Fund whose resources come from a cess on coal; briefly, this

scheme provides for the capital of labour quarters to be borne by the Welfare Fund, and thereafter the maintenance charges and a rental of Rs. 2/- per month are to be paid by the Company, whilst the Company provides the land together with water supply, lighting connection and approach roads. Although we are very keen indeed to construct the 848 quarters sanctioned at our collieries for 1958-59, it has been impossible to achieve anything as yet owing to various procedural delays on the part of the authorities concerned. This matter is being followed up and it is our desire to give the fullest possible encouragement for the provision of increased accommodation for our miners.

STAFF

Before concluding, I would like to pay a well merited tribute to Mr. Rosser, your Chief Mining Engineer, and his staff who have worked so magnificently through another year which has produced many and varied problems such as must always be attendant in the technical control of your 17 collieries.

NOTE:—This does not purport to be a report of the proceedings of the Annual General Meeting.

On the London Stock Exchange, there was selective demand for industrial equities.

Wall Street closed barely steady showing a majority of fractional declines.

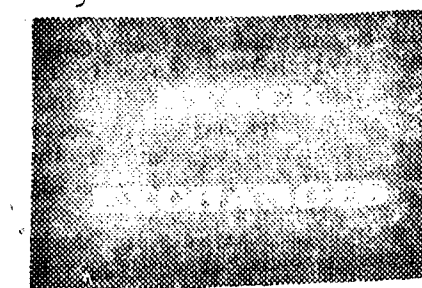
Calcutta

Calcutta, Thursday Evening.

THE local stock market put up a remarkable performance during the week under review. The turnover was impressive and spells of profit-taking brought in new buyers. The main contributory factor to the buoyancy in sentiment was the news of the dock strike being called off. Moreover, hopes were entertained that the Government would go all out to take export promotion measures in view of the acute foreign exchange crisis. It was also felt that the severe import cuts would help the indigenous industries to make further headway. Good corporate news and expectations of reliefs for the tea and textile industries and the possibility of an imminent rise in the retention prices of steel and cement—all these factors also imparted further strength to the market.

Business was restricted in the Gifted section, but the underlying tendency was well maintained. Enquiry for the State Loans dried up owing to the new State loans. Meanwhile, 3 per cent 1986 Conversion Loan changed hands at Rs 71 to Rs 71.50, to finish at Rs 71.10.

Bank shares came in for selective enquiry. The only bright spot was Punjab National which improved to Rs 59 from Rs 60.75.



Equities Display Marked Strength

Watch-Dog Writes:

EXCEPT for a slight setback in mid-week due to profit-taking, equities have displayed marked strength under the lead of Steel shares, which have touched fresh higher levels for the week. Sentiment is assisted by the news of the dock strike being called off, the possibility of an imminent rise in the retention prices of steel and cement and the expectation of reliefs for the tea and textile industries.

Cheerful conditions were noticed on the Calcutta Stock Exchange where selected scrips made further headway under the lead of Indian Irons.

On the Bombay Stock Exchange, Steel shares were buoyant and touched new high levels, while Textiles were aided by expectation of an immediate relief to the industry.

Prices on the Madras Stock Exchange displayed a firmer tendency with broad-based activity in all sections.

Barring isolated scrips like Megna and Union which forged ahead to Rs 128 and Rs 126 from Rs 120 and Rs 123 respectively, other Jute shares were well maintained on the belief that the prospects for Jute goods, especially for hessians, might be fair in view of the removal of restrictions on imports into Argentina and the possibility of the USA entering the market shortly due to her depleting stocks. National changed hands at Rs 22.37 to Rs 22.62; New Central at Rs 15.37 to Rs 15.81; Ganges at Rs 53 to Rs 55.00 and Howrah at Rs 15.75 to Rs 16.00. Among higher-priced scrips, Anglo-India improved further to Rs 161 from Rs 152; Bally to Rs 162 from Rs 151 and Barragore to Rs 91 from Rs 88.

Coal shares turned a shade quieter as operators were inclined to await the Price Revision Committee's report. There were, therefore, only sporadic enquiries from the professional operators. Bengal were done at Rs 244 to Rs 245; Central India at Rs 7.62 to Rs 7.75 and Western Bengal at Rs 6.10 to Rs 6.25. Burrakur closed better at Rs 21.25 after touching a low of Rs 21.19 from Rs 21.37.

The Tea section was practically neglected and only a few dealings were recorded. Apart from the anxiety caused by the delay in the announcement of relief for Common tea producers, the disappointing results of the Duncan Brothers group of companies caused a general impression that the working results of other companies might also be poor. Above all, anxiety was shown that, even if the dock strike had been called off, there would be a congestion of stocks at warehouses with the consequent difficulties in marketing on the resumption of export sale in the coming week. Amongst the few transactions recorded were Brooke Bond changing hands at Rs 17.69 to Rs 17.94; Hantapara at Rs 109 to Rs 112 and Methoni at Rs 17.06 to Rs 17.50.

Despite the confusion still prevailing in the market over the protracted delay in the announcement of the export policy, Sugar shares came in for selective support on the hope that the results for the current year would be better than those of last year. The brightest spot was Carew which, after recording a new of Rs 8.50 from Rs 8.25 on rumours of the possibility of a divi-

BRITISH INDIA ELECTRIC CONSTRUCTION COMPANY LIMITED.

The Board of Directors has decided to recommend to the forthcoming Annual General Meeting of the Company a dividend of 20 per cent for the year ended 31st December 1957.

By Order of the Board,
BALMER LAWRIE & CO., LTD.
D. MANSON,
Secretary,
Managing Agents.
21, Netaji Subhas Road,
Calcutta.
25th June, 1958.

BRIDGE AND ROOF COMPANY (INDIA) LIMITED.

The Board of Directors has decided to recommend to the forthcoming Annual General Meeting of the Company a dividend of 20 per cent for the year ended 31st December 1957.

By Order of the Board,
BALMER LAWRIE & CO., LTD.
D. MANSON,
Secretary,
Managing Agents.
21, Netaji Subhas Road,
Calcutta.
25th June, 1958.

dend for the current year as against nil in the previous two years, finished the week at Rs 8.31. Balarampore were nearly maintained at Rs 6.85, while Dyer Meakin were marked back to Rs 10.12 from Rs 10.56. Ramnugger changed hands at Rs 18.44 to Rs 18.75 and SKG at Rs 9.37 to Rs 9.50.

Textile scrips ruled steady in anticipation of favourable developments following the measures taken by the Government to improve the situation in the industry. Jayshree improved to Rs 7.00 from Rs 6.75 and Kesoram to Rs 11.25 from Rs 10.62.

In the week's dealings, the pride of place went to the Engineering section, where Indian Irons touched a fresh higher level on encouraging Bombay advices. Against the week-end closing of Rs 21.92, Indian Irons opened firm at Rs 22.26 and after advancing further to Rs 22.40, receded in mid-week to Rs 22.30 on rumours that the meeting of the Board of Directors for the declaration of dividend had been postponed by another month. However, towards the close, fresh rumours with regard to the possibility of a bonus issue and of an imminent rise in steel retention price and the news of the dock strike being called off caused a revival of speculative activity, resulting in the scrip making a sharp recovery to Rs 22.60 at the close. In sympathy, **TEKMACO** improved to Rs 19.20 from Rs 18.90. Burn to Rs 340

from Rs 335.50 and Kumardhubi to Rs 9.87 from Rs 9.50. Braithwaite were in good demand upto Rs 27.62 from Rs 27.37 following the announcement of additional dividends for 1954 an 1955.

The Miscellaneous section, provided several firm spots on various considerations. Alkali Chemicals were keenly sought after upto Rs 15.25 from Rs 15.00 following the restriction on imports of certain chemicals. Sone Valley met with consistent enquiry upto Rs 5.50 from Rs 5.37 on the possibility of an imminent rise in the retention price of cement. India Steamship had buyers at Rs 11.37 to Rs 11.56 following the withdrawal of the dock strike. Indian Copper, after being marked down to Rs 3.34 from Rs 3.39 due to conflicting rumours with regard to dividend for last year, firmed up at the close to Rs 3.40. National Carbon changed hands at Rs 25.89 to Rs 25.87; NICO at Rs 27.25; Indian Aluminium at Rs 14.69 to Rs 15.00; Indian Cable at Rs 27.00 to Rs 27.75; Aluminium Corporation at Rs 11.69 to Rs 12.00; Philips India at Rs 15.19 to Rs 15.37 and Dunlop at Rs 26.19 to Rs 26.50. Lack of fresh support caused Paper shares to rule rather quiet although Titagarh were the only exception, having forged ahead to Rs 39 from Rs 38.37 on sustained demand. Orient were cheaper at Rs 31.40 against Rs 31.70, while India Pulp closed better at Rs 20.62 against Rs 20.56 and Sirpur at Rs 11.44 against Rs 11.37.

Bombay

THE Bombay stock exchange ruled steady throughout last week with prices toward close tending to be firm. The relief over the end of the dock strike has largely been responsible for the buoyant trend in later dealings. But there is an undercurrent of optimism regarding prospects of equities. While the possibility of further import restrictions in view of the continued stringency of foreign exchange may be said to be having a restraining influence, the fact that the drastic import policy has assured ready demand for the products of domestic industries has resulted in a broadening of interest in particular scrips. Moreover, marketmen are confident that announcements as regards retention price of steel, and selling price of cement will not be long delayed. The textile section is steady on the expectation that an interim relief will be announced. In this connection it may be noted that early in the week there were rumours that Government were considering further reduction in excise duty on the recommendation of the expert committee which is presently engaged in studying the problems affecting the cotton textile industry. The reports that Government may be giving some special concessions to industries with a view to boost exports are also having a steadying influence on sentiment. The terms of the State Loans are in accordance with market expectations and it is generally expected that they will meet with success in view of the easier conditions in the money market.

STEEL:—Steel shares were a firm market right from the beginning. On Monday, Tata Iron closed at Rs 186.25 as against previous closing of Rs 184.25. The scrip after a two way movement in later dealings closed at Rs 187.50. Indian Irons closed at Rs 22.60 as against previous week's closing of Rs 22.08.

TEXTILES:—Textile shares were generally a steady market with selected scrips recording sizable gains. Sentiment in the section had been aided by

hopes of early relief to the cotton textile industry. Bombay Dyeing advanced from Rs 55.40 to be finally placed at Rs 55.70. Kohinoors were a bright spot improving to Rs 275.60 from Rs 258.75. Swadeshi moved up on buying interest to Rs 193.75 from Rs 185.25. Simplex gained 8 points to be quoted at close at Rs 179. Century advanced to Rs 449 from Rs 441.25.

MISCELLANEOUS:—In the miscellaneous section, **ACQ** was wanted upto Rs 158 from Rs 156.50. National Rayon was rather quiet at Rs 232.25. Belapur Sugar was a steady feature at Rs 259. Scindia Steam was in request upto Rs 18.52, while India Steam was almost unchanged at Rs 11.60.

Madras

A notable feature of trading on the Madras Stock Exchange was the strength displayed by Textile scrips due to good enquiries. Plantings remained firm, while buying support was continuous for select shares in other sections.

TEXTILES:—Expectations, that relief to the industry by alteration in the excise duty would be announced shortly, caused a revival of activity in this section. In the absence of offerings, Janardhanas improved by Rs 2 to Rs 75; Combatore Spinnings by Rs 2.50 to Rs 50 and Maduras by Rs 2 to Rs 34. Radhakrishnas were bid higher at Rs 130 and Lakshmis at Rs 98.

PLANTINGS:—In this section, Tea shares came in for better activity and those, listed for forward trading, were particularly strong. Devons met with good buying at the improved level of Rs 18.10. Buying enquiries were noted for United Nilgiris, Highlands and Non-such.

Among Coffee shares, there was the usual interest in Consolidated Coffee and Coffee Land; being done at Rs 26.35 and Rs 36.10 or, respectively. Cowoodys were another active scrip, being marked upto Rs 7.20 xd. Oucherionys were marked at Rs 4.91.

In the Rubber section, Cochin Malabars fluctuated narrowly around Rs 4.75, while Kallias met with business at Rs 4.70 and TRTs at Rs 6.55 xd.

MISCELLANEOUS:—Aluminium Industries were again in limelight. There was large buying interest from North Indian operators, having forged ahead to Rs 16 from Rs 15.90. Ashok Leylands were taken upto Rs 4.96 cd.; Mettur Chemicals upto Rs 11.10; Indian Steel Rolling Mills upto Rs 11.15 and FACTS upto Rs 6.46. Forest Industries were quoted at Rs 2.35 and Radio Electricals at Rs 5.06. Among Cement shares, Indias met with good support upto Rs 27.75.

London

ON the London Stock Exchange, buyers adopted a cautious attitude despite the favourable effects of the improved domestic labour situation. Nevertheless, there was a selective demand for industrial equities, which showed signs of expanding towards the close.

A feature in the industrial market was the firmness of Steel shares, while Textiles showed an around improvement. Rubber shares were selectively better. Among Tea scrips, Ceylon issues were depressed by the uncertain political situation in Ceylon. Gilt-edged issues were easier due to the appearance of a new £6 million Co-operative issue and prospects of more issues to follow.

New York

WALL STREET, after ruling initially weak, developed a slightly steadier tendency towards the close. The initial weakness of the market was mainly due to some uncertainties evident in the business scene. Moreover, some quarters pointed out that the market faced the prospect of second quarter earnings, which were not expected to make any better reading than those of the first quarter.

However, a selective rally developed towards the close. This was especially apparent in some oils, being influenced by the report that the Richfield Oil Company would exploit oil in British Columbia. A few Tobacco issues continued to move higher on good earnings prospects.

RATIONALISATION IN THE JUTE INDUSTRY

The following is the text of the Press statement issued last week by the Indian Jute Mills Association:

"During the last few months occasional reports have appeared in the Press about the closure of jute mills. The Indian Jute Mills Association considers that these reports, generally, have created a wrong impression and have tended to obscure the circumstances attending the mill closures.

The paramount importance of the rationalisation of the industry has been repeatedly stressed by the IJMA and has been officially acknowledged by the Government of India. The workers' unions themselves have recognised that there is no alternative course of the jute industry in this country is to survive. The unrelenting competition from jute substitutes, the gradual introduction of new marketing methods such as bulk handling, the steady growth of jute manufacturing industries overseas—all these are indisputable facts, requiring no substantiation, and it is these factors which have dictated the policy of rationalisation and modernisation of the Indian Jute Industry. The market conditions prevailing to-day are a stern reminder of the fact that the jute industry is predominantly an export industry and serve to underline the pressing need for the adoption of modern production techniques to enable the Indian mills to maintain the competitive position of their products in the world markets. The recessionary trend in the USA has been reflected in a weakening economy in the jute industry's markets generally, and the mills are at present faced with rapidly accumulating stocks of finished goods. It would be folly on the part of the Government, the manufacturers or the workers to shut their eyes to this situation.

The mill closures that have taken place must be seen against this essential background. At the same time, it must be made clear that these closures have not resulted in a curtailment of the industry's total output and that the impact on labour has been reduced to the minimum. The production of the closed mills has been transferred to other modernised units, giving a closer and more economic concentration of the manufacturing potential. All permanent workers affected by the closures have been offered alternative employment, with continuity of service and no loss of pay, in the concerns to which the production has been transferred. In most cases, the workers have also been given living accommodation in the vicinity of their new place of work.

The Government of West Bengal has appointed a Tripartite Ad Hoc Committee to go into the question of rationalisation in the jute mills and it is hoped that with the co-operation of all the interests represented on the Committee a realistic solution of the various aspects of the problem will be evolved."

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per share.	Quotation as on 20-6-58	20-6-57
Alahabad	6% 100	108.00	108.50
Behar	5% 50	19.75	22.25

Banks

Alahabad	6% 100	108.00	108.50
Behar	5% 50	19.75	22.25

Coal

Asso. K'pura	4% 100	40.00	24.50
B. Nagpur	7% 100	68.00	83.50
Bharat	5% 100	45.25	49.00
Borrea	6% 100	88.75	99.50
Burrakur	7% 100	105.00	113.50
Burrakur	6% 100	6.00	8.12
Equitable	6% 100	90.00	90.00
Ghustick & Musila	10% 100	95.00	103.00
Gourangdi	5% 100	40.00	40.00*
Jogta	5% 100	30.00	45.00*
K'pura	5% 100	44.00	54.25
Khas Kajora	5% 100	5.00	3.19
N. Beerbhoom	7% 100	10.69	11.63*
N. Churulla	5% 100	2.50	2.50
N. Huntodih	5% 100	60.00	84.00
Ondal	6% 100	95.00	104.50*
Parasasa	5% 100	42.50	50.75
Uni. Colliery	5% 100	88.00	85.50

Cotton

Basanti	6% 100	6.94*	7.56
B. Nagpur	7% 100	75.00	86.00
Bowreah	8% 100	125.00	140.00
Bowreah	7% 100	65.00	70.00
Bowreah	7% 100	17.75*	17.75*
Delhi Cloth	4% 100	98.00	112.00
Elgin	8% 100	6.75	8.87
Elgin	5% 100	60.00	...
Jagatjit	5% 100	92.00	91.50
Jhajarao	5% 100	90.00	100.00
J. K. Cotton	6% 100	108.00	118.00
Kesoram	7% 100	63.00	83.00
Mutr	6% 100	3.38	4.56
N. Victoria	6% 100	55.00	...
S. Niwas	4% 100	100.00	...
Shree Bhawan	5% 100	72.50	76.00
Swadeshi	6% 100	...	...

Engineering

Arthur Butler	7% 100	7.25	8.31
Br. Bldg.	6% 100	70.00	100.00
Burn & Co.	7% 100	114.00	127.00
Burn & Co.	6% 100	110.00	109.00
I. Iron	5% 100	99.75	99.00
I. Machinery	7% 100	23.00	23.00*
Ind. St. Wagon	7% 100	115.00	127.50
Jessop & Co.	5% 100	78.00	89.00
K'dhubi	5% 100	89.00	101.08
R. Cruddas	5% 100	54.00	61.00
S. Products	5% 100	3.31	1.56
Texmaco	5% 100	86.50	94.50
Texmaco	5% 100	54.00	65.00

TEA

Amluckie	7% 100	53.00	36.50
Bornham Jan	8% 100	74.00	80.00
Brooke Bond	6% 100	67.00	84.80
Dhuner	7% 100	2.52	2.44*
Dhuner	7% 100	10.50	12.62
Dimakushi	8% 100	92.00	98.00
Kingsley Gola	6% 100	7.94	8.75
Moheema	6% 100	10.75	11.50
Tezpor	2% 100	...	...

Assam

Amluckie	7% 100	53.00	36.50
Bornham Jan	8% 100	74.00	80.00
Brooke Bond	6% 100	67.00	84.80
Dhuner	7% 100	2.52	2.44*
Dhuner	7% 100	10.50	12.62
Dimakushi	8% 100	92.00	98.00
Kingsley Gola	6% 100	7.94	8.75
Moheema	6% 100	10.75	11.50
Tezpor	2% 100	...	...

Darjeeling

Gliele	6% 100	75.00	81.00
Oksay	7% 100	93.00	100.00
Pusembing	7% 100	95.00	85.00
Singtom	5% 100	7.12	6.75

Dooars

Banarhat	6% 100	113.00	119.00
Birpara	9% (Prof.) 100	113.00	112.00
C'bhutti	6% 100	113.00	120.00
Hantapara	6% 100	114.00	122.00
Hasimara	7% 100	109.00	115.00
N. Dooars	6% 100	110.50	120.00

Cachar

Sonal River	5% 100	98.00	101.00
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Sylhet

N. Samanbagh	8% 100	100.00	100.00
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S. Indian

Kotamulail	6% 20	16.50	18.00
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Tera

Atal	4% cp 100	6.12	4.00
Tirrihanah	10% 100	14.00	15.00

Sugar

Carew	6% 100	81.00	93.00*
Cawnpore	8% 100	104.00	110.00

NAME

Lawrence	7% 100	95.00	102.00
Lawrence	5% 100	55.00	69.00
Nalhati	7% 100	78.25	88.00
Nalhati	4% 100	49.50	58.50
National	7% 100	88.00	105.00*
Nellmaria	6% 100	79.00	91.56
N. Central	7% 100	91.00	96.00
Northbrook	5% 100	65.00	71.50
Rameshwara	6% 100	10.19	10.19
Reliance	7% 100	66.25	79.00
S. Ambica	7% 100	71.50	81.00
Soorah	7% 100	91.00	100.00*
Standard	6% 100	101.00	86.00
Union	7% 100	85.00	90.00
Waverley	5% 100	25.00	38.75

Quotation as on

20-6-58	20-6-57
Rs nP	Rs nP

NAME

Gwalior	7% 100	65.00	68.00
Gwalior	7% 100	55.00	69.00
Jaswant	5% 100	69.50	80.00
Mohini	5% 100	70.00	111.00
New India	7% 100	101.00	122.50
Furtab	10% 100	13.62	14.25
Ramnugger	5% 100	88.50	94.50*
Ryan	6% 100	9.00	9.00
S. Behar	9% 100	20.50	20.50
S. Hanuman	5% 100	60.00	65.00
S. K. Gyan	6% 100	79.00	94.00
S. K. Gyan	5% 100	70.00	75.00
Upper Ganges	5% 100	64.00	80.00

Quotation as on

20-6-58	20-6-57
Rs nP	Rs nP

NAME

Northbrook	5½%	100	65.00	72.50
Rameshwara	6%	10	10.19	10.19

NAME				Paid-up per share.		Quotation as on		NAME				Paid-up per share.		Quotation as on		NAME				Paid-up per share.		Quotation as on	
				Rs nP		Rs nP						Rs nP		Rs nP						Rs nP		Rs nP	
Bagdigi Kujama	10	4.11	4.11	Alliance	100	86.00	69.00	Burn & Co.	100	335.50	306.00	Soom	100	30.25	26.50								
Bengal	100	245.00	219.00	Anglo-India	100	151.00	134.50	Guest Keen	10	31.50	27.06	Sungma	10	11.37	9.44								
Bengal Bhatdee	10	5.88	6.00	Auckland	100	85.00	75.00	Hooghly Docking	50	107.50	135.00	Teesta Valley	10	20.87	29.00								
Bengal-Nagpur	10	13.50	15.00	Bally	100	151.00	141.00	Indian Galvng.	10	14.12	19.81	Tukvar	10	7.50	11.37								
Bhaigora	10	8.65	4.75	Barnagore	25	88.00	79.00	Indian Iron	10	21.92	19.57												
Bharat	10	5.87	5.94	Belvedere	100	100.50	72.00	India Machinery	10	2.00	3.50												
Bhulanbarree	10	9.25	13.56	Bengal	10	11.31	11.81	Indian Mall. Cast.	5	4.07	6.56												
Bhurangya	10	2.00	2.00	Bharat	25	6.12	6.12	Ind. St. Wagon	25	99.00	175.00												
Bokaro & Ramgur	10	10.25	12.25	Birla	10	16.37	12.69	I. Steel Wire	10	67.25	54.37												
Boree	10	17.82	16.81	Budge-Budge	100	87.50	90.00	Jay Engineering	100	15.01	15.56												
Burrakur	10	21.37	21.87	Calcutta	10	9.94	9.94	Jessop & Co.	10	20.12	23.68												
Central India	10	7.81	6.12	Caledonian	100	119.00	105.00	Kumardhubi	2	9.50	8.44												
Central Kurkend	10	13.00	12.50	Championdany	100	91.00	96.00	Marshalls	2	5.98	4.75												
Churulla	4	3.09	1.88†	Cheviot	100	141.00	126.00	National Iron	10	6.87	7.37												
Dhemo Main	10	7.25	5.75	Chitvalsah	10	14.50	11.87	National Screws	10	5.75	9.25												
East Indian	21	20.87	22.37	Clive	10	13.75	13.94	R. Cruddas	10	8.19	13.44												
Equitable	10	26.75	21.00	Dalhousie	100	69.00	84.00	Saran	4	6.85	6.62												
Glusick & Musila	10	17.00	15.75	Delta	100	107.00	115.00	Steel Products	8†	1.06	0.62												
Gourangdi	10	7.00	7.50	Empire	10	16.75	14.44	Tex. Machinery	10	18.75	17.15†												
Guzdar Kajora	10	8.50	1.50	Fort Gloster	100	333.00	290.00																
Hurliadih	10	14.56	22.12	Fort William	10	19.00	16.00																
Jagaldaga	10	2.50	2.00	Ganges Mfg.	100	53.50	47.00																
Jainty Central	24	2.00	2.25	Gondalpara	300	485.00	689.00																
Jogta	10	1.70	1.50	Gourepore	100	261.00	228.00																
Kalapahari	10	20.00	20.00	Hastings	100	110.00	119.00																
Karapura	100	94.00	88.50	Hooghly	10	9.50	18.50																
Katras Jheriah	10	58.75	54.62	Howrah	10	15.37	14.50																
Khas Kajora	10	3.75	3.75	Hukumchand	74	17.87	22.00																
Khas Shampore	10	1.06	1.06	India	125	134.00	123.00																
Kuardi	10	2.75	2.16	Kamarhatty	100	90.00	67.50																
Lakurka	10	11.00	8.92†	Kamarhatty B	100	89.00	76.00																
Mahabir	10	10.00	12.00	Kankannarrah	100	47.00	57.50																
Mundulpore	10	1.12	2.25	Kankannarrah (B)	100	47.50	49.50																
Nazira	10	7.00	6.31	Kedarnath	10	8.06	10.12																
New Beerbhoom	10	14.81	13.19†	Kelvin	100	180.00	199.00																
New Churulla	10	1.87	1.81	Khardah	100	116.00	120.00																
New Huntodih	10	2.05	2.06	Kinnison	100	108.00	139.00																
New Jaiampur	10	3.50	3.50	Lansdowne	100	79.00	59.00																
New Manbhoom	10	11.12	9.00	Lawrence	100	76.50	79.50																
North Damuda	24	1.00	9.94	Mahabir	100	85.00	85.00																
North-West (F.P.)	10	18.37	19.25	Megna	100	120.00	65.50																
North-West (F.P.)	74	13.50	16.50	Naihati	100	51.00	50.00																
Oriental	10	8.00	8.25	Naskarpara	10	12.25	14.25																
Ondal	10	12.50	14.75†	National	10	12.50	19.90																
Parasea	10	13.12	13.87	Nellimaria	10	12.44	11.43																
Pench Valley	10	20.62	14.50	New Central	10	15.25	11.25																
Pure Situlpore	10	6.25	6.87	North brook	10	15.62	18.75																
Raneesungee	10	12.25	11.37	Nudea	50	41.25	31.00																
Rewa	10	15.81	19.87	Orient	100	94.00	92.00																
Samla	10	12.00	11.06†	Presidency	5	4.25	3.37																
Searsale	24	5.00	5.19	Rameshwara	10	4.25	4.62																
Seebore	7	23.25	28.87	Reliance	10	5.75	6.37																
Sendra	10	7.00	8.75†	Shree Ambica	10	14.12	15.25																
Shree Mahakali	10	4.00	3.06	S. Luchminarayan	10	6.44	9.25																
Singaran Synd. 'A'	24	0.81	0.81	S. Luchminarayan	5	5.25	5.25																
Singaran Synd. 'B'	24	0.50	0.31	Soorah	10	16.20	14.12†																
Singareni	10	10.50	9.50	Standard	100	80.50	59.00																
S. Karapura	10	11.12	8.12	Union	100	123.00	101.00																
Standard	10	12.19	19.87	Waverley	5	2.94	3.12																
Talcher	14	1.79	1.56																				
Union	10	15.25	23.75																				
United Collieries	10	7.50	10.00																				
Western Bengal	10	6.16	5.43																				
West Ghusick	10	13.00	13.06																				
West Jamuria	10	5.00	8.50																				
West Laikdih	10	2.09	1.75																				

COTTON			
Basanti	10	6.16†	5.31
Bengal Laxmi	40	32.00	49.00
Bengal-Nagpur	10	4.19	7.37
Birla Cotton	10	34.50	33.00
Bowreah	100	102.00	107.00
Cannore Tex.	5	3.90	5.50
Century Spg.	100	369.00	521.00
Delhi Cloth	25	34.25	37.75
Dunbar	100	115.00	145.00†
Elgin	10	12.25	17.75
Jagajit Cotton	10	9.00	9.00†
Jayshree Tex.	10	6.75	5.07
JiyaJeerao Cotton	10	5.56	7.57
J. K. Cotton	100	100.09	115.00
Kesoram	10	10.62	13.31
Muir	100	50.00	73.50
New Victoria	24	1.31	1.68
Rampooria	10	15.12	16.25
Shree Niwas	100	165.00	231.00†
Shree Bhawani	10	10.00	10.00
Sultej Cotton	10	70.00	90.00
Swadeshi Cotton	10	11.94	11.75
Swadeshi (P.O.)	10	10.87	10.82

JUTE			
Agarpara	10	8.25	7.00
Alexandra	100	90.00	189.00

ELECTRICS			
Agra	100	134.00	126.00
Amalgamated	10	8.83	9.25*
Aligarh	10	10.00	10.00*
Bareilly	10	13.00	14.75
Benares	10	13.56	16.75
Bhagalpur	8	7.50	8.00
Calcutta	21	14.37	11.75†
Cuttack	10	8.06	8.75
Dharwar	50	30.00*	30.00*
Disnagarh	100	81.50	58.00
Eastern UP	10	7.00	7.00*
Jubbulpore	10	11.62	12.81
Kanpur	10	11.62	8.00
Jhansi	10	8.06	8.50
Kurseong	10	2.19	2.19
Mirzapore	8	8.10	8.00
Muttara	10	9.94	8.81
Muzaffarpore	10	7.77	5.90
Patna	10	11.12	10.69
Shahjahanpur	10	6.14	5.87
Shillong Hydro.	2	4.84	5.00
Silua Jheriah	10	9.10	10.75
U. P.	100	119.00	146.00
Upper Ganges	10	12.26	13.06
Upper Jumna	10	16.25	16.87

ENGINEERING			
Arthur Butler	10	7.12	7.25
Bhartia Elec.	10	16.00	13.50†
Braithwaite & Co.	10	27.37	24.62
Bri. Bldg. & Iron	10	5.94	6.46
Bri. Engg.	10	11.12	13.25
B. I. E. Consn.	10	18.00	7.50
Bridge and Roof	10	29.00	36.00

Darjeeling Gardens			
Bloomfield	10	1.75	2.00
Chamong	10	11.81	12.00
Darjeeling	100	116.00	130.00
Dilaram	100	149.50	150.00
Glelie	10	9.06	18.12
Jayshree	10	10.50	9.00
Lingla	10	17.25	24.00
Margaret's Hope	10	9.75	11.50
Mm	100	201.00	250.00
Nagri Farm	10	22.37	19.00
Okayti	100	425.00	19.00
Pashok	10	7.75	440.00
Poobong	10	5.50	11.25
Pussimbing	10	8.75	9.00
Runglee Rungliot	100	410.00	390.00
Seevog	10	8.87	11.50
Singall	100	22.00	21.00
Singtom	10	5.00	6.50

Assam Gardens			
Amulkie	10	18.62	26.50†
Ananda Assam	10	18.44	35.00
Anandabag	10	20.50	23.00
Baghmari	10	20.50	19.75
Baradar Tea	5	5.00	5.00
Basmatia	10	22.12	30.00
Bateh	5	16.69	24.12
Betjan	10	23.12	25.50

COTTON

Basanti	10	6.16+	5.31
Bengal Laxmi	40	32.00	49.00
Bengal-Nagpur	10	4.19	7.37
Birla Cotton	10	34.50	33.00
Bowreah	100	102.00	107.00
Cawnpore Tex.	5	3.90	5.50
Century Spg.	100	369.00	521.00
Delhi Cloth	25	34.25	37.75
Dunbar	100	115.00	145.00+
Elgin	10	12.25	17.75
Jagajit Cotton	10	9.00	9.00+
Jayshree Tex.	10	6.75	5.07
Jijajee Rao Cotton	10	5.56	7.57
J. K. Cotton	100	100.00	115.00
Kesoram	10	10.62	13.31
Muir	100	50.00	73.50
New Victoria	24	1.31	1.68
Rampooria	10	16.12	16.25
Shree Niwas	100	165.00	231.00+
Shree Bhawani	10	10.00	10.00
Sultaj Cotton	10	70.00	90.00
Swadeshi Cotton	10	11.94	11.75
Swadeshi (P.O.)	10	10.87	10.82

JUTE

Agarpara	10	8.25	7.00
Alexandra	100	90.00	189.00

ELECTRICS

Agra	100	134.00	126.00
Amalgamated	10	8.83	9.25+
Aligarh	10	10.00+	10.00+
Bareilly	10	13.00	14.75
Benares	10	13.56	16.75
Bhagalpur	8	7.50	8.00
Calcutta	61	14.37	11.75+
Cuttack	10	8.06	8.75
Dharwar	50	30.00+	30.00+
Dishergarh	100	81.50	58.00
Eastern UP	10	7.00	7.00+
Jubbulpore	10	11.62	12.81
Jorhat	10	11.62	8.00
Jhansi	10	8.06	8.50
Kurseong	10	2.19	2.19
Mirzapore	8	8.10	8.00
Muttra	10	9.94	8.81
Muzaffarpore	10	7.77	5.90
Patna	10	11.12	10.69
Shahjahanpur	10	6.14	5.87
Shillong Hydro.	2	4.84	5.00
Silua Jheriah	10	9.10	10.75
U. P.	100	119.00	146.00
Upper Ganges	10	12.25	13.06
Upper Jumna	10	16.25	16.87

ENGINEERING

Arthur Butler	10	7.12	7.25
Bhartia Elec.	10	16.00	13.50+
Braithwaite & Co.	10	27.37	24.82
Bri. Bldg. & Iron	10	5.94	6.46
Bri. Engg.	10	11.12	13.25
B. I. E. Conan.	10	18.00	7.50
Bridge and Roof	10	28.00	36.00

TEA

Assam Gardens			
Amluckie	...	10	18.62 26.50+
Ananda	Assam	10	18.44 35.00
Anandabag	...	10	20.50 23.00
Baghmari	...	10	20.50 19.75
Barduar Tea	...	5	5.00 5.00
Basmatia	...	10	22.12 30.00
Bateh	...	5	16.69 24.12
Betjan	...	10	23.12 25.50
Bishnauth	...	10	19.06 19.12
Bokkhat	...	10	15.00 16.00
Bormahjan	...	10	17.00 17.13
Borpukhuri	...	10	15.50 18.50
Brahmapootra	...	10	3.06 5.06
Brooke Bond	...	10	17.81 18.75
Dejoo Valley	...	10	74.00 49.50
Dessal & Purbat	...	100	270.00 285.00
Dheikhhat	...	10	22.37 21.37
Dhunseri	...	20	11.62 14.00
Dibrugarh	...	10	24.19 21.43+
Dimaas	...	10	25.50 25.50
Dufflaghur	...	10	31.50 33.00
East India	...	10	18.69 23.81
Gillapukri	...	10	27.00 31.12
Gohpur	...	10	21.87 21.00
Grob 'A'	...	10	25.12 23.37
Grob 'B'	...	10	13.12 13.00
Hapijan Purbat	...	20	14.00 15.00
Hoograjuli	...	10	28.00 29.00
Hoolungoorie	...	100	144.00 240.00
Jyulhari	...	10	17.37 21.25
Kyung Tea Seeds	...	10	4.50 3.75
Kingsley Golaghat	...	100	125.00 178.00
Krishnabehari	...	10	11.12 12.00
Ledo	...	10	19.50 21.25
Maud	...	10	16.62 15.25
Methoni	...	10	16.94 18.44
Moheema	...	10	14.00 24.00
Mothola	...	100	424.00 405.00
Murphulani	...	10	26.00 33.00
Murphulani P.O.	...	10	35.87 34.50
Naga Hills	...	10	34.25 37.12
Namburnadi	...	10	12.00 19.00
N. Cinnatolihah	...	100	125.00 178.00
N. Cinnatolihah	...	100	125.00 178.00
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Preference Shares

NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on		NAME	Paid-up per share.	Quotation as on	
		20-6-58	20-6-57			20-6-58	20-6-57			20-6-58	20-6-57			20-6-58	20-6-57
Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP
Preference Shares															
BOMBAY															
TEXTILES															
Adoni 6% ...	10	10.00	10.00	Adoni Paper 1st	100	84.80	96.00	Chemo. Pharma.	25	25.00	...	Chemo. Pharma.	25	25.00	...
Ah. Adv. 5% ...	100	79.30	101.00	Orient Paper 2nd	100	58.50	72.00	Commerce (1835)	10	25.00	...	Commerce (1835)	10	25.00	...
B. R. Cotton 6% ...	100	50.00	80.00	Poly Chem. 8 1/2	50	50.00	50.00*	Cooper Eng.	100	90.80	...	Cooper Eng.	100	90.80	...
Bhawani Cotton	...	...	...	Palsan 6% ...	100	80.00	86.50	Dehri-Rohtas Ry.	10	10.90	13.15	Dehri-Rohtas Ry.	10	10.90	13.15
8 1/4% ...	50	50.00*	...	Prem. Const. 1st	100	82.50	94.00	Dena Inv.	52	11.32	11.49	Dena Inv.	52	11.32	11.49
Bradbury 7% ...	50	50.00	61.50	Prem. Const. 2nd	100	79.00	89.75	Delhi Safe	10	10.00*	10.00*	Delhi Safe	10	10.00*	10.00*
Central India 5% ...	500	333.75	422.50	Prem. Const. 3rd	100	5.44	...	Dharamsi Chem.	50	65.00	47.25	Dharamsi Chem.	50	65.00	47.25
Elphinstone 7% ...	100	69.50	87.00	Rohtas 7 to 9%	100	110.00*	122.00*	Dhrangadhra	100	90.00	122.50	Dhrangadhra	100	90.00	122.50
Jiyajerao 5 1/2% ...	100	92.75	92.75	Rohtas 4 1/2% ...	100	58.00	65.00	Dhrangadhra N.	100	86.00	...	Dhrangadhra N.	100	86.00	...
Khatana 4% ...	10	10.00*	10.00*	Sathe Biscuits 7%	100	90.00	100.00*	Digvijay Tiles	100	50.50	60.00	Digvijay Tiles	100	50.50	60.00
Kothari 6% ...	10	10.00*	...	Sen Raleigh 5%	100	91.00	100.00	East India Hotel	5	5.00*	...	East India Hotel	5	5.00*	...
Kothari B 6% ...	100	10.00*	...	Sirpur Paper 6%	100	100.00*	...	Estrela	50	38.25	37.75	Estrela	50	38.25	37.75
Laxmi 5% ...	250	170.00	188.75	Structural Eng.	...	...	...	Ferro Alloys	100	100.00	100.00	Ferro Alloys	100	100.00	100.00
Madhusudan 4%	124	99.00*	...	5%	100	100.00*	...	G. Claridge	100	175.00	...	G. Claridge	100	175.00	...
Mahendra 6 1/2% ...	100	96.00	92.00	Supreme Ind.	100	70.50	80.00*	Gujarat Inv.	50	25.00	26.00	Gujarat Inv.	50	25.00	26.00
Marfat al 1st 4 1/2% ...	100	92.00	92.00	Tata Chem. 5%	200	92.00	97.50*	Greaves Cotton	100	110.00*	...	Greaves Cotton	100	110.00*	...
Marfat 2nd 4 1/2% ...	50	28.00	30.00	Tata Oil 4 1/2% ...	100	55.00	...	Greaves Cotton	50	54.00	...	Greaves Cotton	50	54.00	...
Mysore 4 1/2% ...	100	145.00	140.00	Texmaco 1st 5 1/2% ...	100	85.00*	100.00*	Gujarat Safe	75	120.00	120.00	Gujarat Safe	75	120.00	120.00
New Great 5 1/2% ...	100	74.50	84.00	Texmaco 2nd 5 1/2% ...	100	64.00	64.00	Gwalior Rayon	10	13.75	11.20	Gwalior Rayon	10	13.75	11.20
N. Kaiser-Hind	100	72.00	80.00	W. Coast Paper	100	100.00	75.00	Har & Sabapathy	500	415.00	415.00	Har & Sabapathy	500	415.00	415.00



METTURI INDUSTRIES LIMITED.

Mg. Agents:—W. A. BEARDSLEY & Co. (Private) Ltd.	1955	1956	1957
Year ended March	Rs.	Rs.	Rs.
Sales	15,121,528	15,127,481	15,619,559
Stocks	107,967	127,943	146,341
Raw Materials	2,710,069	3,864,011	2,068,231
Works in progress	46,083	46,781	40,519
Net profit	3,327,198	3,700,098	4,817,000
Taxation	1,940,000	2,350,000	2,177,000
Depreciation	191,479	190,774	187,704
Div. Amount Ord.	1,200,000	1,200,000	2,560,000
Carry Forward	876	5,157	45,835
Div. % Ord.	20	20	42

(Annual General Meeting on 11-7-58 at 11 a.m. Books closed from 25-6-58 to 11-7-58).
Capital:—Authorised and Subscribed Rs 6,000,000 in 60,000—ordinary shares of Rs 100 each.

Synopsis of balance sheet as on the last day of March	1955	1956	1957
Liabilities	Rs.	Rs.	Rs.
Capital Paid-up	6,000,000	6,000,000	6,000,000
Reserve Fund	3,800,000	3,800,000	3,800,000
Other Funds	3,100,000	3,114,000	3,114,000
Taxation Provision	1,832,038	2,052,046	2,216,413
Debits	2,614,001	2,871,598	4,560,317
Carry Forward	876	5,157	45,835
Total	17,346,915	17,842,801	19,736,565

Assets	1955	1956	1957
G. Block	6,660,298	6,584,131	6,485,489
Depreciation	4,759,940	4,589,145	4,416,590
Block (net)	1,900,358	2,004,986	2,068,899
Works in progress	46,083	46,781	40,519
Stores	1,837,886	1,648,301	1,299,910
Raw Materials	2,710,069	3,864,011	2,068,231
Stocks	107,967	127,943	146,341
Outstandings	27,765	55,032	55,684
Mis. Deposits and Advances	2,440,612	2,910,918	2,111,523
Investments	2,811,088	5,765,346	7,186,328
Deposits in Banks	3,000,000	200,000	3,000,000
Cash	2,464,987	1,219,867	1,779,130
Total	17,346,915	17,842,801	19,736,565

CALEDONIAN JUTE MILLS COMPANY, LIMITED.

Mg. Agents:—M/s. Andrew Yule & Co. Ltd.	1957	1956	1955
Year ended Novr.	Rs.	Rs.	Rs.
Sales	9,964,736	10,485,414	10,341,024
Stocks	783,252	450,173	585,673
Net profit	386,948	444,332	472,851
Taxation	25,000	...	57,000
Depreciation	312,000	360,000	235,000
Other Funds	...	...	65,946
Div. Amount Ord.	70,000	70,000	70,000
Div. Amount Pref.	528	20,580	6,248
Carry Forward	...	...	...
Div. % Ord.	nil	nil	6
Div. % Pref.	7	7	7

(Annual General Meeting on 15-7-58 at 11 a.m. Books closed from 2-7-58 to 15-7-58).
*After transferring Rs 100,000 from General Reserve and including Rs 25,000 being surplus of Investment Realisation.

†After transferring Rs 400,000 from General Reserve. Rs 40,894 being excess provision for taxation and Rs 78,836 being provision against anticipated loss on raw jute stock and work in progress.

‡After transferring Rs 185,000 from General Reserve. Rs 45,000 from provision for loss on forward contracts.
Capital:—Authorised and Subscribed Rs 2,800,000 in 10,000—7 per cent cum. pref. shares and 18,000—ordy. shares both of Rs 100 each.

Synopsis of balance sheet as on the last day of Novr.	1957	1956	1955
Liabilities	Rs.	Rs.	Rs.
Capital Paid-up:			
(i) Pref.	1,000,000	1,000,000	1,000,000
(ii) Ord.	1,800,000	1,800,000	1,800,000
Reserve Fund	2,219,071	2,319,071	2,510,000
Other Funds	187,663	192,663	401,734
Superannuation Res.	134,500	134,500	134,500
Taxation Provision	25,000	...	41,548
Loans Secured	869,415	213,878	301,812
Loans Unsecured	280,771	1,385,108	1,008,732
Debits	486,648	754,192	606,872
Carry Forward	528	20,580	6,248
Total	6,993,597	7,819,792	7,808,446

Assets	1957	1956	1955
G. Block	8,777,087	8,743,998	8,713,271
Depreciation	4,640,856	4,504,058	4,148,705
Block (net)	4,136,231	4,239,940	4,564,476
Works in progress	239,206	203,042	163,566
Stores	750,646	756,331	716,207
Raw Materials	812,935	1,625,960	1,348,150
Stocks	763,252	450,173	585,673
Outstandings	148,990	333,507	295,158
Mis. Deposits and Advances	65,466	162,505	68,878
Investments	63,142	46,642	46,642
Cash	13,759	732	20,693
Total	6,993,597	7,819,792	7,808,446

RUNGLEE RUNGLIOT TEA COMPANY, LIMITED.

Mg. Agents:—M/s. Duncan Brothers & Co. Ltd.	1957	1956	1955
Year ended Dec.	Rs.	Rs.	Rs.
Outturn (mtds.)	1,962	2,629	2,098
Av. Price per lb.	3.49	3.66	2.58
Net profit	59,431	118,185	48,898
Taxation	25,500	30,500	15,000
Depreciation	7,924	7,247	10,256
Reserve Fund	...	20,000	...
Other Funds	1,000	15,000	...
Div. Amt Ord.	35,000	49,000	28,000
Carry Forward	10,382	20,355	28,917
Div. % Ord.	25	35	30

(Annual General Meeting on 18-7-58 at 11 a.m. Books closed from 11-7-58 to 18-7-58).
Capital:—Authorised and Subscribed Rs 140,000 in 1,400 shares of Rs 100 each.

Synopsis of balance sheet as on the last day of Dec.	1957	1956	1955
Liabilities	Rs.	Rs.	Rs.
Capital Paid-up	140,000	140,000	140,000
Reserve Fund	270,000	270,000	250,000
Other Funds	213,000	212,000	197,000
Depreciation Reserve	18,653	18,653	18,653
Taxation Provision	173,022	149,842	132,266
Debits	116,078	170,522	111,588
Carry Forward	10,382	20,355	28,918
Total	941,115	981,372	873,425

Assets	1957	1956	1955
G. Block	438,361	389,565	363,508
Depreciation	195,341	201,698	194,446
Block (net)	243,020	187,872	169,062
Stores	41,819	35,864	28,417
Stocks	97,327	205,321	138,507
Outstandings	19,646	9,541	8,809
Mis. Deposits and Advances	70,929	47,491	110,408
Investments	314,511	401,573	401,573
Deposits in Banks	...	50,000	...
Cash	153,863	43,710	16,849
Total	941,115	981,372	873,425

Liq. Assets	1957	1956	1955
	698,095	792,500	704,383

POOBONG TEA COMPANY, LIMITED.

Mg. Agents:—M/s. Duncan Brothers & Co. Ltd.	1957	1956	1955
Year ended Dec.	Rs.	Rs.	Rs.
Outturn (mtds.)	1,419	1,948	2,060
Av. Price per lb.	2.86	2.35	2.37
Net profit	13,543	14,599	5,458
Depreciation	10,608	14,246	15,141
Carry Forward	3,694	759	406
Div. % Ord.	nil	nil	nil

(Annual General Meeting on 18-7-58 at 11-30 a.m. Books closed from 11-7-58 to 18-7-58).
*After transferring Rs 55,000 from Revenue Reserve; Rs 96,181 from Depreciation Reserve and Rs 23,386 from Building and Machinery Reserve.

†After transferring Rs 110,000 from Revenue Reserve and Rs 30,000 from Half Reserve.
‡After transferring Rs 60,000 from Revenue Reserve.
Capital:—Authorised Rs 600,000. Subscribed Rs 300,000 in 30,000—ordinary shares of Rs 10 each.

Synopsis of balance sheet as on the last day of Dec.	1957	1956	1955
Liabilities	Rs.	Rs.	Rs.
Capital Paid-up	300,000	300,000	300,000
Reserve Fund	50,000	105,000	215,000
Other Funds	45,000	68,386	98,386
Reserve Fund	50,000	105,000	215,000
Other Funds	45,000	68,386	98,386
Depreciation Reserve	...	96,181	96,181
Taxation Provision	9,823	28,192	54,247
Loans Secured	64,619	1,130	...
Loans Unsecured	5,293	28,508	...
Debits	44,548	71,254	91,771
Carry Forward	3,694	759	406
Total	522,977	699,411	855,991

Assets	1957	1956	1955
G. Block	640,072	617,881	606,641
Depreciation	248,808	238,659	226,574
Block (net)	391,264	379,222	380,067
Stores	55,900	50,787	43,928
Stocks	48,290	153,855	136,965
Outstandings	4,720	768	3,695
Mis. Deposits and Advances	20,902	19,715	18,864
Investments	...	84,933	217,339
Deposits in Banks	...	...	50,000
Cash	1,801	301	2,133
Total	522,977	699,411	855,991

KUNCHANPORE TEA COMPANY, LIMITED.

Mg. Agents:—M/s. Duncan Brothers & Co. Ltd.	1957	1956	1955
Year ended Dec.	Rs.	Rs.	Rs.
Outturn (mtds.)	3,602	3,810	4,356
Av. Price per lb.	1.68	2.05	1.72
Net profit	8,231	8,225	6,389
Depreciation	10,339	9,654	9,624
Carry Forward	1,081	3,189	4,618
Div. % Ord.	Nil	Nil	Nil

(Annual General Meeting on 18-7-58 at 12 noon. Books closed from 11-7-58 to 18-7-58).
After transferring Rs 35,000 from Revenue Reserve, Rs 72,587 from Depreciation Reserve and Rs 46,794 from Building and Machinery Reserve.

Synopsis of balance sheet as on the last day of Dec.	1957	1956	1955
Liabilities	Rs.	Rs.	Rs.
Capital Paid-up	360,000	360,000	360,000
Reserve Fund	115,000	150,000	150,000
Other Funds	55,000	101,794	101,794
Depreciation Reserve	...	72,587	72,587
Taxation Provision	2,017	10,823	10,831
Loans Secured	212,206	13,343	15,894
Loans Unsecured	...	2,551	...
Debits	69,987	79,598	118,880
Carry Forward	1,081	3,189	4,618
Total	815,294	793,895	818,720

Assets	1957	1956	1955
G. Block	634,207	571,592	544,620
Depreciation	250,949	240,610	231,706
Block (net)	383,258	330,982	312,914
Stores	35,787	37,347	22,729
Stocks	253,616	332,461	348,582
Outstandings	26,842	...	...
Mis. Deposits and Advances	57,852	48,806	44,296
Investments	...	46,296	46,683
Cash	57,959	...	...
Total	815,294	793,895	818,720

Liq. Assets	1957	1956	1955
	432,086	462,913	506,806

PHASKOWA TEA COMPANY, LIMITED.

Mg. Agents:—M/s. Duncan Brothers & Co. Ltd.	1957	1956	1955
Year ended Dec.	Rs.	Rs.	Rs.
Outturn (mtds.)	3,130	3,021	2,987
Av. Price per lb.	1.75	2.23	1.78
Net profit	10,637	72,401	11,476
Taxation	...	6,200	8,000
Depreciation	13,366	14,190	9,689
Reserve Fund	...	25,000	...
Other Funds	5,000	...	...
Div. Amount Ord.	...	18,780	...
Carry Forward	1,220	8,949	688
Div. % Ord.	nil	74	nil

(Annual General Meeting on 19-7-58 at 11 a.m. Books closed from 11-7-58 to 19-7-58).
*After transferring Rs 15,000 from Revenue Reserve. †After transferring Rs 3,200 from Taxation Reserve.

Synopsis of balance sheet as on the last day of Dec. Liabilities. 1957 1956 1955

Assets	1957	1956	1955
G. Block	553,618	508,391	485,949
Depreciation	188,281	186,175	170,986
Block (net)	365,337	322,216	314,964
Stores	29,321	57,382	27,640
Stocks	250,899	307,895	347,608
Outstandings	26,845	316	10,828
Mis. Deposits and Advances	36,364	18,898	12,722
Investments	100	100	43,631
Deposits in Banks	...	50,000	...
Cash	35,023	59,888	31,839
Total	748,984	815,335	789,632

Liq. Assets	1957	1956	1955
	378,632	484,119	474,308

June 28, 1958

RESERVE BANK OF INDIA
ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended		
	20-6-58	13 6 58	21-6-57
LIABILITIES:			
Notes in Banking Dept.	38,51.17	19,01.25	36,40.74
Notes in Circulation...	1586,91.03	1604,98.09	1559,24.29
	1625,42.20	1623,99.34	1595,65.03
ASSETS:			
A Gold Coin & Bullion:			
(a) In India ...	117,76.03	117,76.03	117,76.03
(b) Outside India...	...	...	...
Sterling Securities	209,67.56	209,67.56	412,51.91
Total of A ...	327,43.59	327,43.59	530,27.94
(B). Rupee Coin ...	130,42.58	128,99.72	125,56.03
Rupee Securities	1167,56.03	1167,56.03	939,81.06
	1625,42.20	1623,99.34	1595,65.03

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B6496 (Bombay)

Indian Finance

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(Established 1940).

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Description Transacted.

Chairman:
SRI JADU NATH ROY

Branches:
Burra Bazar, Shambazar,
Hatkola, Ballygunge,
Dum Dum, (Calcutta), Patna
and Narayangunge

M. K. BHATTACHARYYA,
C.A. I.B. (Lond.)
General Manager.

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Head office Apollo Street, Fort, Bombay-I.
(Estd: 1919.)

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Agent: **S. E. H. RIZVI**
R.K.F. NARIMAN General Manager.

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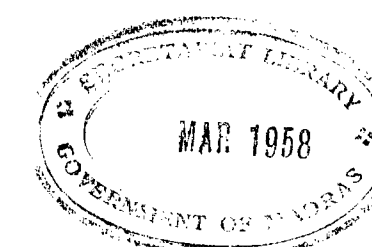
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1958-59

Budget: A Study



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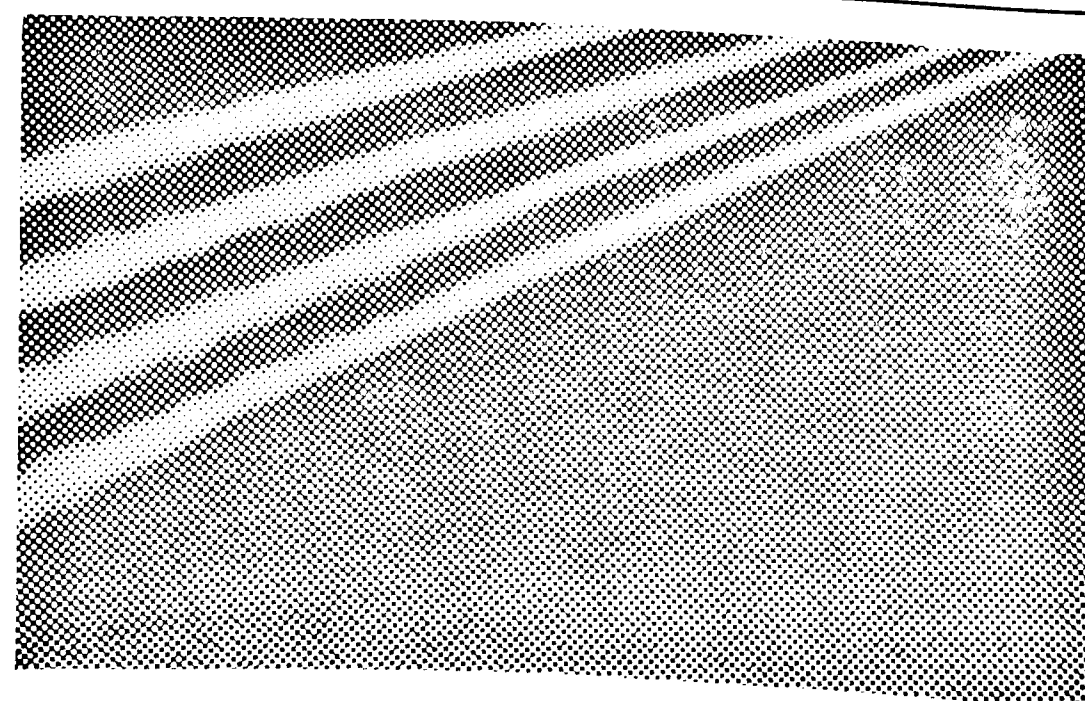
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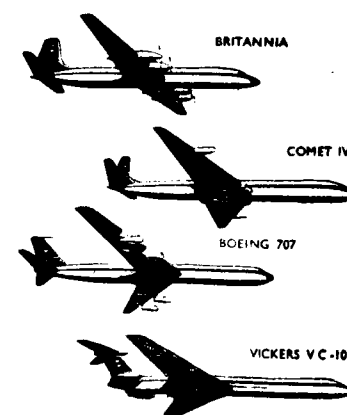
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1958-59 Budget: A Study

Indian Finance

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THE verdict on Mr Nehru's Budget for 1958-59 would depend upon whether it is studied as an entity by itself or whether it is considered in the larger context of the Second Plan budgetary programme as a whole. In one instance, the reaction will be one of disappointment, while, in the latter case, there is no ground for complaint. Yet, in the ultimate analysis, and in our judgment, we are left with the inescapable impression that, while the Second Plan budgets so far cannot be held guilty of any sins of commission, the current one has to do some penance for some sins of omission. In such a reading, moreover, it does not matter whether the approach is from the more or less general standpoint. If, therefore, we have any worthwhile comment to make on 1958-59 Budget, it will not be in respect of any modifications or amendments that may be necessary to the Finance or Gifts Tax Bills, which, being a matter of detail, we have analysed elsewhere in this study; rather, we should like to make good use of the lesson available in the current budget in order that we may formulate a policy in one more important sphere.

Policy already exists for such things as taxation, imports, exports and development. As far as taxation is concerned, and by taxation we have in view the fiscal measures which are intended either to raise the revenues or to imbue the system with much more elasticity than it has till lately possessed, we have no quarrel at all with either Mr Nehru's Budget of this year or Mr T. T. Krishnamachari's Budget of May last. For, the simple fact of the matter is that the system of taxation such as we had until the last budget was neither more nor less than a farce. High rates of income tax and high rates of super tax did not result in any considerable augmentation of revenues, but merely succeeded in eliciting a larger measure of tax evasion.

What the country needed was a revolutionary change in the structure, and, in the long run, not merely the Government but the tax payers as well will be grateful to Dr Kaldor for his report on which mainly the new tax structure of India has been evolved. The Wealth and Expenditure Taxes of last year and the Gifts Tax introduced in the Budget are intended not so much to contribute sizeably to revenues but to provide check points so that the room for tax evasion will be minimised. In this sense, we repeat, we do not have any sympathy for the criticism that the Wealth Tax or the Expenditure Tax or the Gifts Tax are unnecessary embarrassments which will corrode into personal incentive. Indeed, as Eavesdropper remarks in his article, the implementation of the present tax measures may well pave the way for the objective ultimately to be achieved of a reduction in the maximum rate of income tax to the level suggested by Dr Kaldor at 45 per cent. It is in this sense that we have stated that tax payers, too, may be expected in the long run to welcome the Kaldor proposals.

In the matter of imports, the policy appears to be simple. But it is not. At one stage, particularly during the closing months of 1956, the drain on our foreign exchange reserves had reached so sharp a weekly pitch that drastic action was called for, and a wholesale or practically wholesale ban on imports appeared to be the only possible remedy. For the future, import of consumer goods, as in recent months, has to be kept at a minimum. Even in respect of capital goods, licences will be given only in instances where, against specific projects, some sort of deferred payment arrangement is concluded. But then, ultimately, the credit obtained by way of deferred payments is a commitment

Mr. Nehru's Budget

that this country will have to meet. As it is, in the period between 1960 and 1963, the foreign exchange liabilities that have to be satisfied are quite considerable. While it is true that, meantime, the import of capital goods will have enabled fresh indigenous production, to that extent obviating the need for import of manufactured goods, we are afraid that the unpalatable fact will remain that in the quinquennium representing the Third Plan, no amount of import restriction will by itself enable balance of trade to be achieved. The answer, of course, lies in exports, but there is one other matter in regard to imports that we should like to make. One fact which seems to have been overlooked is that, as the indigenous manufacturing capacity rises, so, too, will be the demand for and consumption of the necessary raw material. In estimating imports, no sufficient regard has been had for this contingency of an increasing import bill for industrial raw materials. It is true that two of the major manufacturing industries, jute goods and cotton textiles, could conceivably have their requirements filled by indigenous production of the raw materials. The extent of our dependence in the case of these two industries would be confined to the small quantities necessary of quality raw jute, on the one hand, and longer staple cotton, on the other. Neither of these is likely to involve any undue increase in the import bill. But where, we fear, there may conceivably be a fairly steep mounting of import costs is in respect of other industrial raw materials, notably non-ferrous metals. To our knowledge, except for the Agreement under Public Law 480 with America, whereby one of the raw materials, cotton, is being obtained on the basis of foreign credits, this country has so far not instituted any negotiations for credits against raw materials. Our impression is that there are commercial banks in America which may be prepared to consider transactions involving, say, 12 to 15 months credit against raw materials. But, again, such imports would have to be under the aegis of private importers. There may be instances where our requirements of particular raw materials would involve so large a sum as to be beyond the ability of private entrepreneurs to manage. It is this latter category that has been engaging our attention, and we would like to utilise this opportunity to make the suggestion that, in the negotiations for further aid from America, we could request consideration being given to the possibility of arranging for credits in this regard from the Export Import Bank. Our information is that, while generally the Export Import Bank is not too enthusiastic about any activity which might be taken to be competition with the Commercial Banks, there have, nevertheless, been instances where the Export Import Bank has indeed extended credit against industrial raw materials. Consequently, we are hopeful that negotiations in this behalf with the US Government, in the first instance, and, thereafter, with the Export Import Bank, could conceivably lead to fruitful results.

Thirdly, we come to exports. We regret that we are unable to say that the effort in this regard has been constructive or beneficial. Stray export promotion councils, for tea or jute goods, are not likely to yield any considerably larger exchange earnings. We may go so far as to say that there is a limit beyond which we cannot expect the three traditional earners of foreign exchange, jute goods, tea and cotton textiles, to contribute to further earnings. In the very nature of an underdeveloped economy in the throes of industrialisation, we could perhaps anticipate a diversification in the list of manufactured goods in which we might have small surpluses for export. But, even here, the many a little from hundreds of different manufactured goods would not make up a mickle. We have to go into certain fundamentals, and the basic fact continues to be that an underdeveloped economy has to depend for the bulk of its exchange earnings on raw materials. As we have seen, there is a limit to what we can expect from three traditional sources. There is, however, no limit to what we can reasonably anticipate from export of a fourth basic material, for the simple reason that the demand for this material is vast and immense. We are referring to iron ore and, while there have been half hearted efforts at increasing the quantity of iron ore sold to Japan, we consider that all these attempts have been chicken hearted. The aim should be to multiply four and five fold our exports of and, therefore, exchange earnings from iron ore. We shall not be satisfied that this country is strenuously and constructively setting about increasing its exchange earnings, until we see clear evidence of an attempt to maximise exports of iron ore. This is a point that we do not wish to labour, since we have reiterated insisted that the salvation for the Plan could very

well be considered to lie in iron ore. But, for the sake of emphasis, we do not mind reiterating: To save the Plan, concentrate on Iron Ore Exports.

Finally, there is the matter of development. The expansion in production to be achieved and the new lines of manufacture to be taken up have both received their due share of attention in the Second Plan, and it is largely speaking true to say that the targets envisaged have been correctly framed. Moreover, Government do not suffer from a doctrinaire approach in the attainment of targets. In this context, it has to be borne in mind that, some time after the restatement of industrial policy, Government have indicated their willingness to permit the private sector to develop industries which, under that policy, had been reserved to the State. Furthermore, it now appears fairly certain that, in one of the key industries, the target for the private sector will be raised; we refer to coal, where, as in other fields of endeavour, the private sector has been ahead of schedule. The programme of industrialisation that has been charted out is by no means spectacular, but, as a foundation for further efforts during the Third and subsequent Plans, it must be considered adequate.

But, in one sphere in which we are likely to witness what in the event may turn out to be chaotic conditions, we are afraid the very possibility of such circumstances arising has tended to be overlooked. We refer to the uneasy balance between supply and demand, and heretofore thinking on the subject has been on the basis that, at every stage of development, production will fall short of total demand, that is, both internal and external. However, this will not quite be the case. If it is conceded that, in the process of industrialisation, there will be a time lag between the attainment of production sufficient to satisfy demand, it should be obvious that there is also the possibility of production temporarily overtaking demand. Two industries in which this has already occurred are cotton textiles and tea. Also, in the case of cement, the sense of scarcity has disappeared. Sugar production is quite consistent with the internal demand and, unless the world market price sufficiently improves so as to enable some exports, we may experience some surplus in sugar supplies. Steel today is a commodity that we need to import, but it is entirely conceivable that, may be as early as the middle of next year, output might outstrip demand. Let us make it clear that we are not advocating a watch and ward department in Government which would promptly decelerate programmes for expansion for such fields of endeavour. Rather, we have in mind the need for vigilance to ensure that, just as measures intended to evoke consumer resistance are set in train during shortages, so, too, must be instituted suitable measures which will induce consumption where the necessity arises. The problem of temporary overproduction has to be tackled on two fronts; and, for this purpose, we here make bold to suggest the need for the formation of a Production Advisory Council on the lines of the Import and Export Advisory Councils. The intention should be that this Council, whose personnel should be drawn mainly from Chambers of Commerce, should recommend from time to time reliefs in excise duties on or the provision of bank credit to particular industries to tide over temporary surpluses. We have had the recent instance where a delay in the recognition of such a situation has led, in the cotton textile industry, to the closure of some units and to a decline in output. We cannot afford either of such occurrences, since the former creates some unemployment and since the latter is antipathic to the progress the Second Plan sets out to achieve.

If the post-Budget decisions by Government may be taken to offer evidence of a pragmatic approach on their part, then, we can be reasonably hopeful that a Production Advisory Council such as we have asked for will be set up. For, Mr Nehru has announced post-Budget concessions, the repeal of the compulsory deposit scheme for 1958-59 and a reduction in the excise duty on cotton, both of which were reliefs that had been expected at Budget time but which did not then materialise. So, in one sense, Mr Nehru may be said to have made amends, already, for the omissions in this regard in the Budget, to which we referred at the beginning. But, whether in the fields of exports or imports, taxation or development, production or excise duties, the most important attribute that will be necessary in Government is an ever vigilant watchfulness combined with pragmatic flexibility as to the revision of policy and expeditious swiftness in carrying it out.

I cannot agree with Mr Nehru in his description of the 1958-59 Budget statement as being pedestrian; and I take even greater exception to his assertion—or is it apprehension?—that he is unfit for the task that has been thrust upon him. It is true, Mr Nehru said in the Rajya Sabha that he did not “suffer from any over much modesty”, but there is still a very real sense of humility to be discerned in the approach of Mr Nehru to that most important function of any Finance Minister, the Budget. While it is a pity that an unfortunate twist of fate prevented Mr T. T. Krishnamachari from presenting the Budget for 1958-59, it is proper for us to recognise that Mr Nehru has all the attributes necessary in a Finance Minister: moreover possessing one which his predecessor in office had strangely liked: humility. I shall presently show why we must not allow ourselves superciliously or condescendingly to judge Mr Nehru's statement—an attitude of mind which perhaps would be evoked from his assertion that he felt somewhat inadequate—but, first, I should like to pass a few general remarks about the Budget.

The criticism this year—after all, like the Budget, criticism of it is a hardy annual—has tended to be altogether half hearted. It is as if Mr Nehru has been so adroit in the presentation of his Budget that he has not given anything tangible on which those who oppose Government could vent their spleen. And yet, it would be no budget if there were not, after the new proposals, a storm of protest. For his part, the Finance Minister makes his proposals; and, for their part, various spokesmen, some of them self-appointed for I do not know what cause, deem it their bounden duty to rile against the taxation policy generally and the new proposals in particular. But, as I said, Mr Nehru's perspicacity was instrumental in the framing of a budget which is largely unobjectionable. True, there is one major impost, but, if there was one thing that was not at all in doubt prior to Budget, it was that a Gifts Tax would be introduced. Consequently, such outcry as we have had has almost seemed to lack any sincere sense of grievance: the grouse only is that certain concessions which had been hoped for did not materialise. Since it would be infra dig if the challenge postulated by the Budget were not met by an answer in the form of criticism, there has been criticism—but the criticism has been, as I said, of taxation policy generally.

Mr Nehru attested to the futility of such arguments and also exposed what are vital flaws in it. You can no more dissociate taxation policy from the Second Plan than you can separate chalk from cheese. In speaking about Indian planning, budgeting and taxation, Mr Nehru observed that there is an inter-connection and that “they are not isolated happenings”. A particular tax might arouse opposition, another strident criticism,

Seeing the Budget in its Proper Perspective

By EAVESDROPPER

but the point, as Mr Nehru said, is whether the people who criticise the taxes are “looking at this picture in perspective, the whole of the picture or just a tiny part of it?”. He brushes aside as being of not great value criticism from people who “only look at a small part of it and forget the rest”. This is precisely the fundamental consideration that we need to bear in mind, when we judge any budget. It is all very well to talk of cutting the coat according to the cloth, no doubt it is ambitious to set Plan targets and then to draw up a scheme for securing the necessary resources. But the starting point for all fiscal and monetary measures of Government is the Second Plan. There are certain targets that had been laid down, on the one hand, in respect of production to be attained; on the other hand, relating to the resources that must be raised. If you do not accept the Second Plan, then, I say, you have every right to blast your scorn or your ire upon Mr Krishnamachari's Budget of last year. Mind you, if you thus question the necessity for a Second Plan of the size that we have drawn up, I shall gravely doubt your so called hard headed realism. For, your realism had not enabled you to see beyond the tip of your nose, you are straining at the discomfort and burden of higher taxes at the present day, because you do not recognise that, if the Second Plan does not go through, a disaster is in store—a sorry defeat of all, including the liberty of the individual, that is comprised by democracy. So, if you do not accept the Second Plan, nothing will convince you, and I am not attempting here to justify the Second Plan or its size. As far as I am concerned, it is already justified, and, in my attitude to Mr Nehru's Budget or Mr Krishnamachari's Budget of last year, I am guided by this overall determinant of the Second Plan and the duties and responsibilities which lie heavily upon all of us, the citizens of a free and democratic India.

Take last year's Budget. A very considerable sum of money was proposed to be raised by new taxes, two of the measures were innovations, but the yield therefrom was not large and, for this reason, there were some who said that Government need not have, for such paltry revenue, antagonised the tax paying public. But it is

forgotten that present revenue was not the sole factor that persuaded Government to introduce the Wealth and Expenditure Taxes last year, and the Gifts Tax this year. At this stage, it might be argued that it is a perfectly justified and valid complaint that the rates of taxes in this country are unconscionably high. It is, may I suggest, precisely because the rates are too high that Government have introduced the new fangled taxes. For, if the rates are high, the one thing that is certain is that evasion of the tax is no less gargantuan. A reduction in the tax rates will not of itself ensure that the tax evader of 1957 will, merely because rates have been reduced, become an honest man. He will, it is true, be profiting less by his evasion—after all, the extent of his profit is limited to the rate of the tax. So, there is, on the one hand, an outcry because the rates are high; and, on the other, Government cannot think of any reduction in rates because, frankly, of the need for revenue for putting through the Second Plan. Why should we not think that our Government will be as anxious about the demoralising effect that high taxes have on personal incentive? In other words, why should we not credit Government with the desire, consistent with safeguarding sufficient resources for the Plan, to restore tax rates to levels at which, to the honest tax payer, sufficient incentive would be available? To say, in this connection, that it is highly improper for a Government to have acted only upon the tax measures of Dr Kaldor, without also accepting his recommendation of a reduction in the income tax rate to a maximum of 45 per cent, is to overlook the fact that, I repeat, a reduction in tax rates is no guarantee of a higher level of honesty and integrity in tax payment. So the first thing that Government had to do was to evolve a tax system in which the room for evasion, the loopholes for evasion, the opportunities for evasion would be minimised. In due course, this minimisation of evasion opportunities would make for an expansion in tax revenues. Then, and only then, would we have reached the stage when Dr Kaldor's recommendation of a 45 per cent maximum could be entertained or implemented.

I have tried to show that those who criticise the tax—and most of this breed fall into the category of

non-tax paying people—really have no case for asking for lower rates at the present time. Perhaps, their apprehension is that the tax system being created by Government will succeed in eliminating opportunities for tax evasion, and hence their attempt to sabotage the whole thing.

Now, to see to what extent and in what sense Mr Nehru may be said to have been eminently fitted to present the Budget for 1958-59. Here, just as Mr Nehru has asked us not to judge the Plan or budgeting or taxes in isolation, we have similarly to look at the whole picture comprised by Mr Nehru. The Second Plan can more or less be directly attributed to Mr Nehru, since, as the Chairman of the Planning Commission, he has not only been familiar with the raison d'être of the Second Plan, but has also been responsible for the framing of targets; and so, to him also can be ascribed the general responsibility for drawing up the plan for resources. In that sense, the Budget presented by Mr Krishnamachari last year was not of the making of the Finance Minister alone, but of the Cabinet as a whole. Indeed, Mr Nehru iterated this point when he intervened in the debate last year. It may be recalled that he quite pointedly asserted that he did not look upon his remarks on the Budget at that time to be an usurpation of the role of Finance Minister or an encroachment into his domain. It is now generally known that the Budget for 1957-58 was as much Mr Nehru's as it was Mr Krishnamachari's. Thus, by virtue both of his chairmanship of the Planning Commission and the keen interest that he has taken in the Budget, Mr Nehru must be deemed to possess both the knowledge and attributes necessary in a Finance Minister. Again, though it is true, as Mr Krishnamachari remarked, at the time of his resignation, that he had largely finished framing the Budget for 1958-59, it is easy to recognise that the Budget bears Mr Nehru's impress. The turn of phrase that he employs—the feeling of desolation that he described, in referring to Maulana Azad—is typical of Mr Nehru.

By now, of course, the successor to Mr Nehru as Finance Minister, has been appointed, and he has an enviable reputation for both high integrity and efficient administration. But Mr Morarji Desai will need, as Mr Krishnamachari did, to work in close collaboration with Mr Nehru. So, whoever the Finance Minister, in trying to have for ourselves a complete picture of the Indian economy, not only must we look at the whole comprised by the Second Plan, budgeting and taxation, to this we must add the personality of Mr Nehru and the plans that he has for this country. If, then, we are to look forward to an India in which standards of living will improve, our prayer had best be: More power to Mr Nehru.

Prospects For the Investor

By WATCH DOG

THE two things that I deplore most are the changes that have taken place in the aspect of two special sessions that the stock exchanges hold every year. The first is the Diwali, and many a time, in Dalal Street, I have joined in the festivity and partaken in the celebrations that attend this auspicious day. Lately, with prohibition perhaps a contributory factor, much of the zest has disappeared.

Secondly, I am afraid I must complain that Budget sessions are not what they used to be. Where are they today, those stalwarts of yester years, who could correctly assess the significance of the new proposals in the twinkling of an eye? They have instead yielded place to a new breed, whose eyes are glued to the teleprinters and whose views are based upon such flash news as the news agency gives out. By the time the Budget session drags to its close, not much activity has passed, and the feeling at the end of it is undecided and uncertain. On such a vague note, the Budget session dissolves.

1958-59 is in this regard no exception. Nor did the stock exchanges either believe or disbelieve Mr Nehru's description of the Budget as being pedestrian. If there was a relief or two, this was overlooked and obscured by the disappointment that concessions that had been hoped for did not materialise. So, as a scribe who must attempt an assessment of the Budget from the view point of the investor, the first fact that I must record is that the primary reaction to the Budget was one of disappointment.

The sentiment in the stock exchanges has since improved, but although there are some very pertinent reasons why such a rise in prices should have occurred, it is necessary to point out that the amelioration in the conditions is at least in part derived from what may be called budgetary resources.

In the first place, stock exchanges, which are usually slow to sight silver linings, have at long last woken up today to the munificence of the concession granted to Section 23A companies. It may be recalled that the dividend tax for this category of companies has been revised, so that the rate applicable will be 20 per cent on dividends exceeding 10 per cent, as against the rate of 30 per cent on dividends exceeding 18 per cent in the case of other categories. Many of our so called public limited companies, mainly in Madras and Ahmedabad, attract Section 23A, and these, consequently, will be the beneficiaries. I know the dividend tax remains in force; but it has to be conceded that the reduction of the maximum from 30 per cent to 20 per cent will constitute a very real gain to Section 23A companies. This, then, is the most cheerful of reliefs or conces-

sions which Mr Nehru's Budget contains.

Then, for the shipping companies, it was no surprise, but nevertheless welcome news, to learn that the development rebate had been raised to 40 per cent. But this particular concession is by way of being a double edged sword, and the tightening up of the conditions under which development rebate would be allowable in terms of income tax has caused fairly widespread dismay. For, the postulation that development rebate is to be debited to the profit and loss account of the year in question will mean that the quantum of distributable profit will correspondingly decline. Situations are quite possible in which, in the initial stages of development, a company will experience a fairly drastic reduction in the distributable profits; nor is it impossible that a company might even be compelled, by virtue of the duty laid on it of debiting development rebate, to convert what is actually a profit into a loss; in the former case, there is a distinct prospect of a reduction in the dividend while, in the latter, there is even a threat of the distribution being passed over. So, the question arises as to whether, in the light of such menaces to the dividend, any body of shareholders will willingly approve of a development programme which is almost certain to result, although temporarily, nevertheless in a reduction in the dividend.

I suppose the only alternative would be for the companies concerned to effect a transfer from reserves to the profit and loss appropriation account to offset reduction in the distributable profits. There is nothing to prevent a company from doing this except that, under the present requirement for the deposit of reserves, the problem will remain for the company as to liquid resources necessary for distribution of dividend. I have in this regard one suggestion to make, and that is, that the provisions for the development rebate should be suitably amended so that, in cases where the debiting of development rebate to the profit and loss account seriously affects the distributable profit, discretionary power should be vested in the Commissioner of Income Tax to permit a staggering of the debit in question over a short period of years. For example, if TISCO and IISCO will be experiencing the bulk of their additions to block in the balance sheets for 1957-58 and 1958-59, the two companies should be permitted to equalise the debit of development rebate in the accounting years, say, till 1962-63. While I entirely agree that the concession of development rebate is meant not only as an inducement to further expansion, but also that it is meant to be set apart specifically to reserve in order to strengthen a company's

balance sheet position, I need to point out at this stage that the latest provisions in regard to development rebate are likely to nullify the incentive aspect of the concession.

The second point about development rebate that I should like to pass a few remarks on is the requirement that the reserves so set apart shall be utilisable only for further expansion works or "for investment in the undertaking". The intention clearly is that the reserves "freed" by development rebate should not be available for distribution of dividend. But, if it is permitted for a company to utilise the reserve account for "investment in the undertaking", it would appear that there is nothing to prevent a company from utilising such reserves either in reduction of loan or in repayment of liabilities incurred in the execution of the development programme or yet in the financing of stocks of finished goods or raw material.

In this context, I should also mention that there is apparently a direction to the company to keep apart a sum equivalent to the transfer to development rebate reserve, for, only then would it be possible to ensure that the funds in behalf of such reserves are being utilised only for approved purposes. Now, this is an extremely difficult thing for any company to do, since reserves as they figure on the liabilities side of the ledger or depreciation as noted down in the assets side are never normally represented by assets in the form of hard cash or liquid investments for corresponding sum. For one thing, the financing of a company's activities is so diverse and complex that it will be impossible to keep account, under separate cash heads, of such things as reserves and depreciation. And yet, this is what seems to be enjoined in the regulations of the development rebate. I hope my interpretation is wrong, but if

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it is not incorrect, I must urge strongly that the clause in question should be amended, so as to do away with such an impossible requirement.

I shall not speak here of the Gifts Tax, or the changes in the Estate Duty, or of the other minor concessions that have been given. For, the Gifts Tax was expected, and the changes in the Estate Duty are consequential changes. As for the reliefs, they are minor in character, but the most important thing about the Budget is that, ever since the last day of February, in all his utterances connected with the Budget, Mr Nehru appears to have been trying studiously to create an improvement in the atmosphere. While he has made no bones of his intention to countenance no change in the integrated structure of taxation, he has quite freely been stating that revisions here and there are possible. So, Mr Nehru has contributed to an improvement in the atmosphere or hawa of the stock exchanges. This explains the much more hopeful aspect that the stock exchanges wear at the present time. As the table on this page shows, almost every representative share has improved in value from its pre-budget quotation. The market has been helped not least by hints given by Mr Nehru that such things as an export duty on common teas and excise duty on certain varieties of cotton textiles may both be reduced.

Last year, it would have been a foolhardy optimist who would have suggested, at the time of Mr T. T. Krishnamachari's budget, that stock exchange prices were likely to improve. But, today, I am in a position with a fair degree of confidence to assert that stock exchanges are destined upwards. Mr Nehru's 1958-59 Budget may mark the end of the bear era and the beginning of a bull phase.

PRICE MOVEMENTS

		Pre-Budget	Post-Budget	Latest Rate
Bombay Stock Exchange:		Rs	Rs	Rs
Tata Ord.	..	171.50	167.00	175.00
Bombay Dyeing	..	50.80	49.70	52.40
Kohinoor	..	267.50	256.00	276.00
C. India	..	81.50	81.00	82.50
Svadeshi	..	166.50	165.00	172.50
A. C. C.	..	143.75	142.00	144.75
Scindia Steam	..	17.56	17.60	18.84
Bombay Burmah	..	525.00	518.00	507.00
Calcutta Stock Exchange:				
Indian Iron	..	19.64	19.45	20.78
Jessop	..	22.87	22.75	22.75
TEXMACO	..	17.05	17.20	17.60
Orient Paper	..	24.40	25.00	27.25
Titaghur	..	33.62	33.75	34.25
India Steamship	..	12.06	12.31	12.06
Indian Copper	..	2.82	2.84	2.87
Bishnauth Tea	..	19.00	19.12	20.75
Hasimara	..	20.00	20.25	20.75
Darbhanga Sugar	..	18.50	18.75	21.19
Dyer Meakin	..	9.31	9.43	10.44
National Jute	..	22.75	21.50	22.00
Howrah	..	13.25	13.25	13.69
Burrakur Coal	..	22.60	22.60	22.60

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Foreign Investment in India

By MANUBHAI SHAH

Foreign capital, technical know-how and enterprise make a three-fold contribution to the industrial progress of an under-developed country. Such capital provides (i) the savings necessary for the large investments required for industrialisation making good in some measure the inadequacy of domestic savings to finance the necessary investments; (ii) by bringing in technical expertise and technical know-how, foreign capital also bridges the gap in the supply of technical knowledge, as well as in the supply of trained personnel needed to carry through the vast programme of industrialisation; and (iii) an under-developed country seeking to rapidly industrialise itself has necessarily to import most of the machinery, capital goods and equipment, as well as many semi-processed or processed raw-materials not required hitherto.

Pending the development of domestic heavy machine building industry to supply all these products, a country with a large programme of development must run into balance of payments difficulties which reflect against a shortage of domestic savings. Foreign capital here helps to improve the ways and means position in regard to external payments and thus, quite apart from the direct impetus to industrialisation imparted by foreign investment, it makes possible a larger programme of development than would be feasible in the absence of foreign capital.

India has a long history of foreign capital inflow, but not until recent years has the role of foreign capital in this country been so dynamic and of such vital importance. Indeed, the tremendous upsurge in industrial expansion that is now to be seen, and the solid foundations that have been laid for the future industrial expansion of this country, are due in no small measure to the interest evinced and the assistance rendered by friendly Governments and by private foreign enterprise both through technical and financial collaborations.

Although in the early years after Independence there was some hesitation on the part of foreign capital to freely come into this country, more recently there has been a significant inflow of foreign capital and foreign business enterprise, especially in new fields of development. Foreign business investment, the value of which stood at some Rs 288 crores in the middle of 1948, had increased to Rs 420 crores by the end of 1953, that is, an increase of some Rs 132 crores in 4½ years. In the next two years, there was a further increase of Rs 61 crores in the value of foreign business investment in India, and as at the end of December, 1955, the value of foreign business investment has been estimated at Rs 481 crores. Although the above

figures would incorporate some increase owing to valuation changes, especially in the plantations industries, by and large, the increase in the value of foreign business investment in India over the 6½ years under reference was the net result of an inflow of fresh foreign capital, as well as of re-investment of profits earned by foreign companies in India. Thus, allowing for changes in valuation—estimated at some Rs 35 crores over the 6½ years—and after allowing for some repatriation of foreign capital which has taken place, there has been a net inflow of foreign capital (including profits ploughed back by foreign enterprise) to the extent of some Rs 23 crores annually. On the whole the disinvestment has been negligible.

We can see the pattern of foreign business investment in India as in June 1948, December 1953 and December, 1955:—

Valuation of foreign business investment in India

	(Rs. crores).		
	June 1948	Dec. 1953	Dec. 1955
Manufacturing	72.0	135.7	163.3
Trading	64.4	94.8	102.3
Utilities and Transport	31.2	50.5	53.1
Mining	11.5	8.4	9.6
Financial:			
(a) Banking	31.7	16.2	20.2
(b) Others	6.9	14.7	19.1
Plantations	52.3	71.5	87.2
Miscellaneous	17.7	27.7	25.9
Total	287.7	419.5	480.7

Of the above, the investment in entirely new companies—i.e. in companies formed after June, 1948 was some Rs 36 crores. It is significant to add that over the period from June, 1948 to December 1955, retained and ploughed back profits of foreign undertakings in India contributed some Rs 93 crores to the increase in the value of foreign business investments in India. The value of investments received in kind—through import of plant and machinery, etc. against foreign investment—has been estimated at Rs 104 crores over this period, which is also very significant.

Thus even allowing for valuation changes, the net increase in foreign private investment in India since 1948 has been of the order of Rs 23 crores annually. Small though the amount, it has over the years meant a sizeable increase in the savings available for investment. Secondly, the value of this investment to the country is far greater than the value of external financial assistance of this magnitude. Quite apart from direct foreign investment in a number of new directions, over the years since 1948, there has been more than 300 cases of foreign technical collaboration with Indian enterprise, in setting up new units or in organising the production of new products and new lines. Thus, foreign technical

know-how and technical assistance have made possible the starting of a large number of new industries which it would otherwise have been difficult to establish expeditiously.

Indeed, it can be stated that the rapid expansion of the engineering and of the chemicals industries since Independence has to no small extent been due to foreign collaboration with Indian industry and to the availability of foreign technical know-how. Such assistance has been available to Government projects and to private industry. By way of illustration, mention may be made of the generous assistance received by the Union Government from Germany, the UK and the USSR—both in terms of finance and in way of technical help—for the three new steel plants in the public sector. A French firm has assisted in setting up of the electronics factory at Bangalore, while the Hindustan Machine Tools at Bangalore has been helped by the Swiss and the Germans. The fertilisers plant at Nangal and the expansion of the plant at Sindri are both being assisted by the Italians. The Heavy Electricals Project at Bhopal is being undertaken with the help of the British. Technical investigation has already been completed with the help of Soviet Union and UK on the establishment of a series of heavy engineering plants, for which the stage is now set for a Central Heavy Machine Building plant with the collaboration of USSR and the heavy

Foundry-Forge Plant in collaboration with Czechoslovakia.

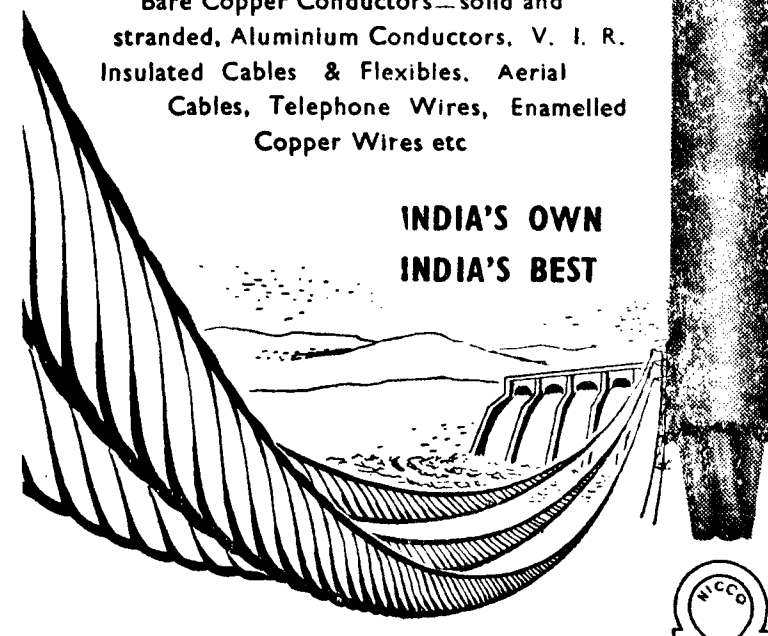
Negotiations are also being conducted for the establishment of some important items of basic drugs and intermediates with Russian, German and American assistance. Russian assistance has also enabled work to be commenced on the manufacture of heavy mining machinery and of ophthalmic and optical glass. A number of Eastern European countries have also assisted in the preparation of technical reports on important industries like raw films, castings and forgings.

India has also been receiving assistance for the implementation of her development programmes under various other schemes such as the Colombo Plan, the IndoUS Technical Cooperation Programme and PL 480 Arrangements and from International Institutions like the International Bank for Reconstruction and Development, the International Monetary Fund as well as Organisations like the Ford Foundation. Economic assistance received under these schemes is in the form of equipment, commodities and in the shape of services of experts and training facilities. The total assistance available for the Second Plan period received from the International Institutions as well as under the special schemes and arrangements such as Colombo Plan, PL 480 Arrangements and Technical Cooperation Mission amounts to about Rs 610 crores. Major portion of this

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assistance was received under TCM Programme and PL 480 Arrangements. The assistance received under TCM amounted to Rs 112 crores and that under PL 480 arrangements Rs 137 crores. The loans sanctioned by the World Bank amounted to Rs. 170 crores of which loans of Rs 136 crores were sanctioned after the commencement of the Second Five Year Plan. Of this sum, Rs 49 crores were for the Public Sector and Rs. 87 crores for the Private Sector. The loans for the Public Sector are mostly for the development of Indian railways and those in the private sector cover the expansion of the steel plants of the Tata Iron and Steel Co. and Indian Iron & Steel Co. The assistance received from the Ford Foundation is about Rs 7 crores and is mainly being utilised for rural development, industrial and business development, education and public administration and other projects. Finally, mention may be made of the timely and generous loans received from IMF which totalled Rs 95 crores during 1957 and were very valuable in tiding over some of our foreign exchange difficulties.

The contribution of foreign capital and technical collaboration and participation to the growth of private industry—though not as spectacular—is perhaps even more significant. There are financial or technical cooperation arrangements between firms in different foreign countries and all automobile manu-

facturers in India; while the same is true of a number of the newer engineering and chemicals industries. While oil refining has so far been based on direct foreign investment by USA and UK firms, firms from a large number of countries, especially from Europe, America as well as from Japan have assisted, through technical as well as financial collaboration, in the manufacture of such vitally important new industries as electrical equipment, a variety of chemicals and dyestuffs, drugs and medicines, plastics, industrial gases, aluminium, machine tools, industrial machinery such as textile and cement machinery, sugar mill machinery, paper mill machinery and a wide range of other products. The stage has also been set for making necessary arrangements for the establishment of two new aluminium plants and a few big fertiliser plants in the private sector by foreign financial and technical participation.

The above would serve to demonstrate that contrary to some misconceptions, India has over the past few years, attracted foreign capital and foreign investment over a wide field of industry. With some 400 million potential buyers and the great consumption propensity of a vast population on the road to economic and industrial development and expansion of the general levels of income, and with the availability of both tapped and untapped resources of raw materials and of cheap and ready-to-

learn labour, India undoubtedly offers excellent opportunities for industrial investment.

It is for these reasons that the policy of the Government is to encourage foreign capital investment in all desirable fields of new development. As early as 1949, the Prime Minister stated in the Parliament:

"Indian capital needs to be supplemented by foreign capital not only because our national savings will not be enough for the rapid development of the country on the scale we wish but also because in many cases scientific, technical and industrial knowledge and capital equipment can best be secured along with foreign capital".

Even in the most difficult hour of the foreign exchange situation, India has freely permitted not only the transfer of profits and income on foreign capital but also capital repatriation facilities within the framework of existing rules and regulations.

The need for foreign capital and for the inflow of technical expertise in a developing country is not temporary; it is a continuous and long term need, and indeed, increases as the industrial and economic base of the country expands. Correspondingly, with the growing tempo of industrialisation, there is need for an increasing variety of processed and semi-processed raw materials, for which internal production becomes both necessary and profitable. Foreign investment can not only bring in

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the necessary technical expertise and technical know-how, but can also bridge the gap between the investment needs of a growing economy and the supply of domestic savings.

The needs of India for such foreign capital are large, and in comparison, the inflow of foreign capital hitherto, valuable as it has been, has been rather small. The Planning Commission had envisaged a new inflow of Rs 100 crores of foreign capital during the Second Plan period, to cover a part of the foreign exchange gap during the Plan period. This gap, as is generally known, has now widened and of all sources of foreign exchange to meet this increased gap, the inflow of foreign capital is at once the most unobstructive and at the same time the most useful source, bringing as it does not only the requisite supply of foreign exchange but also savings, and the technical expertise required in the country. Such capital is, not only welcome to the country and the Government but also welcome to private industry insofar as foreign capital enters into collaboration or participation arrangements with indigenous industry, thus serving the three-fold requirements of the economy outlined at the outset, namely, the supply of savings, of foreign exchange and of technical know-how. Our policy is to make foreign capital advantageous and profitable both to the investing and collaborating countries and to India.

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BEFORE proceeding to deal with the various provisions of the Finance Bill, 1958, we would like to make a few preliminary observations. The Central Budget presented on the 28th February 1958 is, to use the Prime Minister's own words, "a pedestrian budget statement, which, in the main, is a continuance of things as they are with relatively minor changes". The Budget, in fact, is more conspicuous by what it has omitted to do, rather than for what it has done. It may be recalled that in November 1956 and May 1957, on the basis of the recommendations made by Professor Kaldor, the Capital Gains Tax was re-introduced, and some new taxes like the Wealth Tax and Expenditure Tax were adopted as part of our taxation system. Only the Gifts Tax remained, and that too has been introduced this year. Thus a radical change has been made in the tax structure of our country. As a result of all these measures, direct taxation has become very heavy. To add to this, a disability was placed on the Corporate Sector by requiring companies to deposit with Government a part of the depreciation funds. This particular measure, as also the wealth tax on companies, had caused some apprehension in the minds of American investors, as pointed out by the Indian Industrial Delegation which toured America, Canada, Britain, France and West Germany last winter. At that time, Mr T. T. Krishnamachari, the late Finance Minister became alive to these misapprehensions of foreign capital, and on one occasion he indicated that this scheme of deposit of depreciation funds with Government would be withdrawn after some time. We had hoped that the 1958 Budget would have done so: but this has been a vain expectation. This is the most significant omission in the present budget proposals.

Under the 1958 Budget, Expenditure is estimated at Rs 796 crores. Under the estimates for 1957, it was Rs 672 crores. In 1956, it was Rs 534 crores; and in 1955, it was Rs 464 crores. Thus, within a four year period, the increase in expenditure is Rs 333 crores. In the face of this, we may be pardoned if we observe that public expenditure has been mounting up. Would it not be legitimate to expect that some effort should have been made to check this growing expenditure? Both when Sir Chintaman Deshmukh was Finance Minister, as also during the period when Mr Krishnamachari held that portfolio, there had been occasional official statements to the effect that the scope for economy in public expenditure would be examined and the needful done. The present Budget is a sad commentary on the significant omission in this regard.

The Income Tax Act contains a provision to the effect that if companies distribute more than six per cent by way of dividend, they shall pay an additional tax. Almost in the same breath, the

Commentary on the Finance

Bill 1958

Act says, in Section 23-A, that private companies and public companies controlled by five or less persons, shall distribute by way of dividends between 45 and 90 per cent of their profits (the effect of which will almost certainly be that the rate of dividend will be much more than six per cent). It is as if the Act is saying to companies, "Look here, if you distribute more than 6 per cent dividend I shall punish you with a penal tax: but you must distribute 20 to 30 per cent"! This is anomalous, but nothing has been done to remove it.

But our Prime Minister can hardly be blamed for these omissions. Fate and circumstances had thrust upon him, almost at the last moment, the duty of presenting the Budget, and it is farthest from our intent to lay at his door the responsibility for its omissions and commissions. If our above comments lead to an examination of the question whether these omissions should not be repaired, we would be more than satisfied.

We may now deal with the more important Clauses of the Finance Bill, 1958.

Of the various changes made by Clause 3 of the Bill, there are four which have to be taken note of. These are as follows:—

(i) At present, an assessee who is resident in India is entitled to exemption (under the Third Proviso to sub-section (1) of Section 4 of the Act) from Indian income-tax on his foreign income retained or spent abroad up to a maximum of Rs 4,500. The change now proposed is that where such assessee is a Government servant (or employee of a local authority or statutory corporation) the quantum of such exemption shall be an amount calculated at the rate of Rs 1,000 for each month of service in respect of which the salary is received abroad. So far so good: but, why should this concession—that this is a concession, there can be no doubt—not be extended to employees in private service? Why should it be confined only to Government servants? The failure to extend this concession to employees in private service also, is another omission in the Bill.

(ii) At present, the value of free or concessional passages received by a non-Indian national from his Indian employer in connection with his proceeding on home leave out of India is exempt from tax subject to certain conditions which it is unnecessary to mention in this

article. The Bill proposes that travel concessions received by any citizen of India from his Indian employer, for himself, his wife and children, in connection with his proceeding on leave to his home-town or village in India, shall also be exempt. This is a gesture which must be appreciated. But here again there is a lacuna. There are many Indian nationals in the service of foreign companies operating in India, to whom their employers are extending the concession of free passage to Europe and back (both for the employee and his family). Recently, this concession has become taxable: it would have been better, if they were placed on a par with non-Indian national in regard to this concession. We believe many of them do feel that the Bill has omitted to do this.

(iii) Under the Act, the income of foreign technicians is exempt to a certain extent. This was done with a view to encourage "know-how" coming to India. "Technician" has been defined as "a person having specialised knowledge in industrial arts and sciences and having experience in industrial practice". Under the Bill it is proposed to redefine it as "a person having specialised knowledge and experience in constructional or manufacturing operations or in mining or in the generation or distribution of electricity or any other form of power". The definition of "technician" is thus sought to be made more restricted in its operation. In engineering enterprises, administrative skill is itself a specialised technique in these days. The new definition, it is feared, will not be conducive to the import of "know how" in administration.

(iv) Incomes derived by registered Trade Unions from investment of their surplus funds are proposed to be exempted. Another concession is that the income of scheduled tribes residing in Manipur will be exempt from Income-tax.

Section 4A of the Income Tax Act defines as to when a person will be deemed to be resident in India. So far as companies are concerned, the provision is that it will be deemed to be resident in India if (a) the control and management of its affairs is situated wholly in India during the year in question; or (b) the company's Indian income during the year exceeds its foreign income. This latter criterion has led to the anomaly

that a company which was deemed to be resident in one year may become non-resident in another year simply because of a fall in its Indian income. And a non-resident company may become resident, by reason of having a larger income from India. To remedy this, Clause 4 of the Bill proposes that all companies incorporated in India will be treated as resident companies, irrespective of where the seat of their management is located, or the size of their Indian and foreign incomes. At the same time, where a company is registered outside India, if the control and management of its affairs is situated in India during the year, it will be deemed to be resident. We believe this is a change in the right direction.

A change in regard to the taxation of entertainment allowances is made by Clause 5 of the Bill. At present, entertainment allowances received by any employee (whether in Government employ or private service) are exempt from tax up to one-ninth of the salary or Rs 7,500, whichever is less, provided the employee concerned was in receipt of the allowance before 1st April 1955. The change now proposed by the Bill is that, so far as Government servants are concerned entertainment allowance will be exempt even where the employee concerned is receiving it only after 1st April 1955. At the same time, the limit of exemption will be reduced from Rs 7,500 to Rs 5,000, and this reduction affects also those who have been receiving the allowance before 1st April 1955. We would suggest the following changes in order that there may be no discrimination between (a) Government servants and those in private service; and (b) those who were receiving entertainment allowances before 1st April 1955, and those who have been receiving such allowances after that date. In the case of all these categories of employees, entertainment allowances may be exempted up to one-fifth of the salary or Rs 7,500 whichever is lower. Under the present conditions, entertainment allowances are a necessary element in the emoluments of senior officers, and it is but reasonable that these allowances should be exempt. There is no need to be too strict in regard to this matter, and we do not feel there would be much loss of revenue by extending the concession in the manner we have indicated. It has the twin advantages of equitability and non-discrimination.

Property owners, assessed under Section 9 of the Act, will not be happy with the amendment proposed by Clause 6 of the Bill. At present, one half of the total amount of municipal taxes levied on house properties is deductible in determining the taxable property income. Water tax, conservancy tax, etc., levied by certain municipalities, have been held to be "service taxes" and not "municipal taxes", with the result that these "service taxes" can be lawfully deducted wholly in arriving

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at the taxable property income. The effect of the amendment now proposed by the Bill is that "service taxes" will not be deemed to be "annual charge", and cannot therefore be deducted; but, in determining the annual value of property with reference to the rent payable by a tenant, a deduction may be made of one half of the service tax, where the same is wholly borne by the owner. This tightening up of the permissible deductions under Section 9 is not a welcome feature; for, as things are at present, the deductions now permitted under the Section have become wholly unrealistic due to the changed conditions. The section allows one-sixth of the annual value as repairs allowance, but, both cost of building materials and cost of labour have gone up by many times since this allowance was fixed many years ago. The Rules prescribe an allowance up to six per cent of the annual value, as collection charges; but everyone knows that under present day condition this is wholly inadequate. Again, in Calcutta, the corporation takes away almost a quarter of the annual value by way of taxes. Thus, it has become unremunerative to own properties. One has only to walk along Chowringhee to see many old and stately buildings which are badly in need of plastering and whitewashing, and whose woodwork is hungry for paint. Owners would not normally like their buildings to decay; it is the unremunerative nature of the repair work that has caused neglect of the buildings. Hence, far from any tightening up, what Section 9 needs is some amount of liberalisation. When the Second Plan lays so much store by housing, it is incomprehensible why such a liberalisation has not been forthcoming. We consider this another prominent omission in the budget proposals.

We now come to the most important provision in the Finance Bill, i.e., Clause 7. This clause makes some radical changes in regard to the "Development Rebate". The changes are:

(a) In the case of ships launched on or after 1st January 1958 the quantum of the development rebate will be forty per cent.

(b) In all other cases, the quantum of the development rebate will be twenty-five per cent.

(c) In the case of ships launched, or machinery or plant installed, on or after 1st January 1958, development rebate will be allowed only if—

(i) an amount equal to the development rebate is debited to the Profit and Loss Account of the concerned "previous year";

(ii) the said amount is credited to a special "reserve account";

(iii) the funds in the said reserve account are utilised only

for the acquisition of assets for the undertaking or for investment in the undertaking;

(iv) such utilisation, as stated above is made within the ten years following the concerned "previous year"; and,

(v) during the period of ten years mentioned above, the ship, machinery or plant, is not sold or otherwise transferred by the assessee to any person other than Government.

(d) In the case of ships launched or machinery or plant installed, on or before 31st December, 1957, conditions (i) to (iv) mentioned above will not apply, but condition (v) alone will apply. (This is the effect of Clause 10 of the Bill).

(e) If the ship, machinery or plant is sold or transferred to any person other than Government, or if the funds in the special reserve mentioned above are utilised for any purpose other than what has been specified in condition (iii) above, then, at any time within four years from the date of the sale, transfer, or mis-utilisation of the funds, the Income Tax Officer will re-open the assessment of the year in which the development rebate was allowed, disallow that rebate, and make a re-assessment.

The above are, in brief, the regulations proposed in regard to the development rebate. Now, we may proceed to attempt an assessment of the probable effects thereof. Firstly, the increase of fifteen per cent in the development rebate for ships is a change that had been urged by the shipping industry, and they would therefore welcome it. Secondly, the condition that the development rebate should be debited to the Profit and Loss Account will result in erosion into the normal profits, thus diminishing the dividends to the shareholders. And, in the case of new companies, it will only lengthen the period during which the company is not in a position to yield a return to its shareholders. For instance, for the year ended March 1957, the development rebate for the Tata Iron & Steel Co., was about rupees one crore, so that it will have to debit rupees twenty-five lakhs to its Profit & Loss Account. Such a procedure is bound to reduce the rate of dividend to the shareholders in the case of any company. Thirdly, the condition that the funds in the special reserve should be utilised only for the purchase of new assets does not take into account cases where new assets are no longer required; the money will remain blocked in such cases, and eventually the rebate will be added back! Lastly, as regards the condition that the machinery or equipment should not be "sold" or "transferred", what will happen if an imported machine is subsequently found defective? Will Government buy it? Then again,

what will happen if a company finds it necessary to close down due to labour troubles, or otherwise, and a receiver or other person appointed to take custody finds it of advantage to lease out the factory? These are all complications which do not seem to have been envisaged by the framers of the proposed amendments. No one can call in question the basic principle behind these amendments that the development rebate must be put to proper use; but the trouble is, that the safeguards now proposed to achieve these objects, will result either in the discouragement of further investment by reason of the diminution of dividends, or in the disallowance of the development rebate by reason of undertakings finding it difficult in practice to conform to the proposed conditions. We would say that the remedy is worse than the evil.

Another change proposed by Clause 7 of the Bill is in regard to depreciation allowance other than the development rebate. The Bill provides that no depreciation allowance shall be granted on buildings, plant, machinery, etc., in the year in which such assets are sold. This is on the ground that in such cases, a balancing allowance is already available under clause (vii) of sub-section (2) of Section 10 of the Act. Under the said clause (vii), if the written-down value of an asset is higher than the "sale" value, the difference can be written off and is deductible. There can be no objection to the proposed change.

Clause 8 of the Bill merely clarifies that the rates of tax to be applied for purposes of deduction of tax at source under Section 18(2) of the Act, on salary incomes, are the rates in force for the financial year in which the employer is required to deduct the tax.

A slight relaxation in the rigour of Section 23A is proposed by Clause 9 of the Bill. At present, when a company has failed to make the statutory distribution, the Income Tax Officer will proceed to apply Section 23A, unless he is satisfied that "having regard to the losses incurred by the company in earlier years or to the smallness of the profits made in the previous year, the payment of a dividend or a larger dividend than that declared would be unreasonable". The Bill proposes an additional ground on which also the Income Tax Officer may refrain from applying Section 23A, and that is "that the payment of a dividend or a larger dividend than that declared would not have resulted in a benefit to the revenue". If a substantial part of the shares in a company to which Section 23A is applicable are held by persons who are exempt from Income Tax, e.g., by charitable institutions, then, even if the company has failed to distribute the statutory minimum, no additional income-tax revenue will be realised by applying Section 23A to the com-

pany; if anything, it would only be negligible. This relaxation has therefore been considered desirable; but not many are likely to benefit from it. Even so, the amendment should be welcomed.

Here, we may take note of a further relaxation proposed by the Bill in respect of the excess dividends tax payable by companies to which Section 23A is applicable. At present, all companies, including those to which Section 23A is applicable, are subject to a graduated rate of super-tax on all dividends declared in excess of six per cent of the paid-up capital. The present rates are: (i) on that part of the dividends which exceeds six per cent but does not exceed ten per cent of the paid-up capital, the tax is at the rate of ten per cent; (ii) on that part of the dividends which exceeds ten per cent but does not exceed eighteen per cent of the paid-up capital, the tax is at the rate of twenty per cent; and (iii) on that part of the dividends which exceeds eighteen per cent of the paid-up capital, the tax is at the rate of thirty per cent. The Bill proposes that so far as companies to which Section 23A is applicable are concerned, the rates of the excess dividends tax shall be as follows:—(i) on that part of the dividends which exceeds six per cent but does not exceed ten per cent of the paid-up capital, the tax will be at the rate of ten per cent (as at present); and (ii) on dividends exceeding ten per cent of the paid-up capital the rate of tax will be twenty per cent. In regard to this amendment, the Prime Minister said in his speech: "This change is desirable as under the Act these companies are required to distribute the whole or a large proportion of their profits to the shareholders. It is not possible to estimate the loss of revenue in this proposal, but it is likely to be very small". We have already mentioned in the opening paragraphs of this article, the anomaly in applying the excess dividends tax to companies falling within Section 23A.

The other changes proposed under the Finance Bill are minor amendments. A brief mention of some of them may be made here. In regard to Wealth Tax, it is proposed to exempt a foreign citizen from payment of the tax on his foreign wealth, even though he may be resident or ordinarily resident in India. In regard to Customs Duties, an alternative ad valorem rate of duty in respect of expensive varieties of artificial silk yarn like nylon, perlon, etc., is proposed. Finally, the Excise Duty on cement is proposed to be increased from Rs 20 per ton to Rs 24 per ton, but it has been stated in the Prime Minister's speech that this increase will not raise the issue price of cement as it is proposed simultaneously to withdraw the surcharge levied by the State Trading Corporation. Instead, if the price to the consumer had been reduced, it would have been much more welcome.

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Commentary on the Gifts Tax Bill

THE Gifts Tax Bill, introduced in Parliament on the 28th February 1958 as part of the 1958-59 budget proposals, consists of forty-seven sections in addition to one rates schedule. The Bill is modelled on the lines of the Wealth Tax Act and the Expenditure Tax Act, and closely follow the provisions of the Income Tax Act. In the "Statement of Objects and Reasons" of the Bill, it is claimed that gifts from one person to another provide a convenient means of avoiding or reducing liability to Estate Duty, Income Tax, Wealth Tax and Expenditure Tax, that the only effective method of checking such attempts at evasion or reduction of tax liability is by levying a tax on gifts, and that with the introduction of this tax, the integrated tax structure which the Government have been aiming at will be complete. Though no reference is made here to Dr Kaldor, it cannot be denied that these new tax measures of the recent past have been based on his recommendations. These new tax measures are of advantage to Government as they bring in more revenue. At the same time, Dr Kaldor had recommended that the present income tax rates are too high, are therefore deleterious to the economy and should be reduced so as not to exceed about 45 per cent. We feel Government ought to have accepted this recommendation also—or at least gone part of the way in that direction—in the larger interests of the country. By doing so, savings and capital formation within the country would have been encouraged to some extent, and this would have greatly helped the further industrialisation of the country.

Furthermore, a tax on gifts is peculiarly unsuited to our country. There are large numbers of poor people whose fate would be starvation if the choultries and dhar-masalas were not there. Who would give gifts for the maintenance of these charitable institutions if the giver is going to be taxed for it? Similarly, there are numerous temples all over the land, which are maintained by the donations of devotees. The Gifts Tax means that such devotion will be taxed! This tax is against the traditions of our country, and one cannot help wishing that this tax were not there. However, the tax has been introduced, and—like the unwelcome guest who has come knock of not leaving—it has come to stay. The least that could be done under the circumstances is to mitigate its bad effects by modifying its provisions somewhat. With that in view, and also with a view to drawing attention to some significant provisions of the Bill, we have ventured to make the following comments, on some clauses of the Bill.

In Clause 2 (xii), "gift" is defined as the transfer of any "existing" movable or immovable property made voluntarily without consideration. Suppose you order your jeweller to make a necklace

and deliver it to a friend to whom you are intending it as a gift, the gift is not of an "existing" movable property, and so, would apparently be outside the purview of the tax! Clause 4 of the Bill refers to certain kinds of transfers which will be deemed to be gifts, but it is doubtful whether this will be covered even by that clause. On a careful perusal of sub-clause (c) of Clause 4, we feel a transaction of the above nature will be outside the purview of this Bill.

Clause 5 specifies what are the gifts that will not be chargeable to tax under this Bill. We would like to refer to some of the items therein. Under the Clause, gifts for a charitable purpose will be exempt only if the gift is to an institution or fund approved under Section 15-B of the Income Tax Act, or if the amount of the gift does not exceed one hundred rupees in any one case. Choultries, dhar-masalas, temples—these are not recognised under Section 15-B. Again, donations for poor feeding—there is no exemption in the Bill for such donations! It is hard to believe that Mr Nehru doesn't want our starving millions to be fed by the charitably-minded few. We suggest that donations for religious and charitable purposes be completely exempted from this tax.

Another exemption under Clause 5 is in respect of gifts to female relatives on the occasion of their marriage. The clause imposes a limit of rupees ten thousand in respect of the marriage of each such relative. This limit would appear to be as arbitrary as the clause in the Expenditure Tax Act which gives an exemption from that tax to the extent of rupees five thousand only in respect of marriages. The Bill says in the next sub-clause that tax-free gifts will be permitted up to one lakh of rupees where the gift is to the wife. It appears to us that it would be logical to fix at least half that sum in respect of tax-free gifts to daughters on the occasion of their marriage. The limit of ten thousand rupees is definitely too low.

Sub-clause (2) of Clause 5 says that the first ten thousand rupees of gift in any one year will be tax-free. The sub-clause further goes on to say that if the value of the gifts to any single donee exceeds rupees three thousand, then the tax will be attracted if the total of all gifts in the year exceeds rupees five thousand. This also appears to be an arbitrary provision. One fails to understand what difference it makes to the Revenue whether the exemption limit of rupees ten thousand is availed of by giving five separate gifts of two thousand rupees each or a single gift of rupees ten thousand. This provision that a single gift should not exceed rupees three thousand could as well have been omitted. According to Clause 7, the rate of the gifts tax will be determined, not by the total value of the gifts made during the particular year

alone, but by the total value of the gifts made during the particular year and the four years preceding it (i.e., a total of five years). This appears to have been done out of revenue considerations, for, the greater the number of years taken into account the larger will be the total value taxable and therefore the higher the tax-rate applicable. In the United States, gifts made during all the years since 1932 are taken into account for determining the rate. Compared to that, we appear to have been lightly let off, seeing that only five years will be taken into account. All the same, this condition of aggregating five years' gifts for determining the rate cannot be supported as being based on any logical grounds.

The administrative set-up for the Gifts Tax will be the Income Tax Department; Clause 8 of the Bill provides that the Income Tax Officer will be the Gifts Tax Officer also. The Income Tax Officer has thus to administer the Income Tax, Wealth Tax, Expenditure Tax, Estate Duty and the Gifts Tax—quite a formidable assignment, we would say. These officers, who are already over-burdened with work, ought not to have been saddled with additional responsibilities. But seeing that this whole sheaf of new taxes is part of an "integrated scheme" of tax structure, in which there is little room for tax avoidance or evasion, it appears to be but proper that all these new taxes should be administered by the same officer in respect of any one assessee.

In passing, we may refer to Clause 14. Gifts Tax returns have to be submitted to the Department by the 30th June of each year, similarly as in the case of the Wealth Tax and the Expenditure Tax. The return is to be made by "persons" who have made taxable gifts during the previous year. "Person" is defined in Clause 3 (xviii) as including a Hindu undivided family. In the "Notes on Clauses" (Notes to Clause 3), it is clearly stated that the tax is to be levied on all gifts made during the previous year by "individuals, Hindu undivided families, companies, firms and associations of persons". One could not help wishing that this could have been stated in the Clause itself rather than in the Notes on Clauses, since these latter will not be a part of the Statute.

The procedure relating to assessment, appeals, revisions and references in respect of the Gifts Tax is the same as in the case of the Wealth Tax, Expenditure Tax and Income Tax. There is, however, one significant innovation. We refer to Clause 19 under which, if, within fifteen days of making a taxable gift, an assessee makes an advance payment of the amount of tax specified in the Clause, he will be given credit in addition to the amount so paid, for an amount equal to ten per cent of the amount so paid. This will certainly act as an inducement to the honest tax-payer, who would in

any event be paying the tax, be there inducement or no inducement. But so far as the dishonest ones are concerned, this provision is not going to make the slightest difference, for, by making the advance payment, they gain only ten per cent, whereas by not making any payment, they gain cent per cent!

The tax is certainly illogical in that it calls upon the person who has already parted with something by way of a gift, to part with something more by way of a tax on it; indeed, it would have been much more logical if the tax had been levied on the donee instead of the donor; for, the donee is getting something for nothing when he receives the gift, and, so, is psychologically better placed to bear the tax. In that case, the recipient's total property will determine the tax rate, as it properly ought to. This was also what Professor Kaldor had recommended in his carefully thought out scheme. We suppose it is too much to expect such a radical change in this Bill now. Government have chosen to place the incidence of the tax on the donor, clearly out of revenue considerations; there is no other justification for it. Will our Legislators raise this issue when discussing Clause 30 in Parliament?

Clause 31 says that gifts tax payable in respect of any gift of immovable property shall be a first charge on that property, but any such charge shall not affect the title of a bona fide purchaser for valuable consideration without notice of the charge. Transfers of immovable property can be made only by registered instruments. So, a purchaser will know whether the property has been the subject of a gift, and is therefore put on inquiry as to whether the relative gifts tax has been paid. It is difficult to conceive of a case where a purchaser has no notice of the charge. However, there is no harm in placing the matter beyond doubt. Hence, what might otherwise have been deemed to be redundant, may be allowed to remain in Clause 31.

Clause 38 empowers the Gifts Tax Officer to call for information from any person. The only exception is in favour of legal practitioners, professional communications to whom are exempted from this compulsory disclosure. We notice a significant omission in this Clause. We feel that banking companies could have been exempted.

Clause 46 provides that the Act shall not apply to the persons listed in the Clause. These are:—Government companies; statutory corporations; public limited liability companies and their subsidiaries; and institutions to which Section 15-B of the Income Tax Act applies. (It may be mentioned incidentally, that institutions and funds to which Section 15-B of the Income Tax Act applies—gifts to them and gifts by them, are all exempt). The Clause provides, however, that public companies to which Section 23-A of the Income Tax Act applies will not be exempted from the Gifts Tax.

Commentary on the Estate Duty Amendment Bill

A proposal to effect certain amendments to the Estate Duty Act is part of the budget proposals for 1958-59. Estate Duty was introduced in India in 1953 and has been in force since 15th October of that year, that is, duty is payable on the principal value of all property which passes or is deemed to pass on the death of any person dying on or after 15th October 1953. Since that date several ostensibly rich persons have died in India, but Government have been able to collect little by way of Estate Duty. The obvious conclusion from this fact should be that there are very few rich persons in India in the sense in which one understands the term "rich" in the United States or the United Kingdom. This conclusion is also consistent with the undisputed fact that 99 per cent of our people are poverty-stricken. Out of a population of about 375 millions, just about a million are income-tax assesses, which works out to less than one-third of one per cent. For 1954, Government estimated that they might be able to collect Rs 25 lakhs by way of Estate Duty: the actual collections were Rs 8 lakhs. The estimate for 1955 was Rs 21 lakhs, and the actual collections Rs 13 lakhs. For 1956-57, the estimate was Rs 18 lakhs while the actual collection was Rs 11 lakhs. For 1957-58, the revised estimate is Rs 9 lakhs. This progressive decline in the revenue from the Estate Duty has clearly demonstrated that, so far as our country is concerned, Estate Duty as a source of revenue is of little practical utility. But our Government do not appear to be inclined to accept this logical conclusion warranted by the facts of the situation. Instead, it is being put forth, for the consumption of the general public, that the smallness of the revenue from this duty is due to large-scale evasion. The long-suffering taxpayer is thus being made a scapegoat for Government's fault in over-estimating this source of revenue. As a result we have now the Estate Duty Amendment Bill, intended to plug loopholes and otherwise tighten up the Act in certain directions. In the Statement of Objects and Reasons at the end of the Bill, it is said that the "main amendments are intended to restrict some of the concessions which in the light of subsequent experience do not appear to be justified". And, in his budget speech, the Finance Minister said: "The actual collections of Estate Duty have fallen short of even the modest expectations we had at the time of passing that measure. This is partly due to the practice of making large gifts inter vivos which will, hereafter, be checked by the levy of the Gift Tax. It is also partly due to the numerous concessions provided in the Act itself, and I pro-

pose to reduce some of them". We may now proceed to examine what are the changes proposed, and what might be their repercussions.

Clauses 3 and 24 of the Bill relate to the change proposed in the appellate procedure in respect of Estate Duty. Under the Estate Duty Act as it stands now, the first appeal lies to the Central Board of Revenue. Thereafter, there is the usual provision for a statement of case to the High Court and appeal to the Supreme Court. Under the Income Tax Act (as also the Wealth and Expenditure Tax Acts) the first appeal is to the Appellate Assistant Commissioner, and the second appeal to the Appellate Tribunal with a reference to the High Court on points of law at the third stage and finally an appeal to the Supreme Court on points of law. What is now proposed under the Estate Duty Amendment Bill is to bring the appellate procedure in Estate Duty in line with the provisions in the Income Tax, Wealth Tax and Expenditure Tax Acts. Clause 3 and a major portion of Clause 24 of the Bill seek to make the necessary changes, in this connection.

Very substantial changes are proposed by Clause 4 of the Bill. At present, gifts for any purposes other than public charitable purposes, if made at any time within two years immediately preceding the occurrence of death, are subjected to Estate Duty; but if made at any time which is more than two years before death, such gifts are exempt from Estate Duty. This period of two years is being extended to five years under the proposed amendment. That is to say, gifts for other than public charitable purposes, made at any time within five years immediately preceding death, will, with effect from 1st April 1958, be subjected to Estate Duty. This is also the position under the English Law. The Revenue claims that, by the device of making gifts, Estate Duty is now being avoided, and that by extending the taxable period to five years from the present two years, this loophole is plugged. In support of this change, it is stated in the Notes on Clauses attached to the Bill that this was recommended by the Taxation Enquiry Commission. True enough: but whether the period be two years or five years, it is nevertheless arbitrary, for, it makes the taxability of gifts entirely dependent on the fortuitous circumstance of the donor surviving or not surviving the prescribed period. In his Report on Indian Tax Reform, Professor Kaldor observed: "If the principle that gifts made in contemplation of death (and/or with a view of avoiding death duties) should be brought within the tax net, while other gifts should be exempt, were correct, the proper method to give effect to

it would be to compound the potential death duty liability in respect of chargeable gifts on an actuarial basis, rather than rely on some purely arbitrary rule by which gifts made at a particular date prior to death or earlier are entirely exempt and gifts made after that date are fully taxable." We suppose the complexities involved in making such an actuarial computation is the justification for Government's decision to fix the datum line at five years. The change, however, may bring in a little more revenue to Government as a greater number of bequests will thereby fall within the purview of the Estate Duty. It is not possible to gauge whether this will bring in any substantial revenue.

Under sub-section (2) of Section 9 of the Estate Duty Act as it stands now, estate duty is not payable in respect of gifts made "in consideration of marriage or which are proved to the satisfaction of the Controller to have been part of the normal expenditure of the deceased, but not exceeding rupees five thousand in the aggregate". In regard to this, a slight concession is proposed by Clause 4 of the Bill. In future, the limit for such gifts is to be rupees ten thousand for gifts in consideration of marriage, and rupees ten thousand for gifts proved to the satisfaction of the Controller to have been part of the normal expenditure of the deceased. While these concessions are to be welcomed, the figure of ten thousand is again arbitrary and is not founded upon any logical basis, particularly in respect of marriage gifts. When a daughter or other near female dependent is given away in marriage, she goes out of her parents' family for ever. It would, therefore, be appropriate if, on that occasion, she is given gifts of an amount suited to the status of the family from which she is departing. Marriage gifts should, therefore, be related to the net wealth of the family of the girl's parents. Now that we have the net wealth tax, this should not be too difficult, i.e., the fixation of a proportion of the net wealth to which marriage gifts may be related. Such a procedure would be more logical than the fixation of an arbitrary exemption limit of rupees ten thousand. We accordingly make the suggestion for consideration by our Legislators.

Clause 12 of the Bill has made a significant change from the present law. This clause introduces a new Section 20-A, which incorporates sub-section (1) of the present Section 84. This relates to companies incorporated outside India which carry on business in India, and casts upon them the duty to furnish to the Controller the prescribed particulars in respect of the shares of any deceased member of the company and to pay the Estate Duty thereon. The reference in the Section, as it stands at present, is only to the shares held by the deceased member in such company. The change proposed under the

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new Section 20-A is to extend the liability for estate duty also to debentures held by a deceased member in such companies.

Clause 17 of the Bill makes another significant change. Under the Act as it stands now, if a member of a Hindu family governed by the Mitakshara, Marumakkattayam, or Aliyasantana law dies, his share in the coparcenary property is subjected to estate duty only at the rate applicable to that share. Under the proposed amendment, while this share alone will be subject to duty, the rate applicable will be the rate applicable to the value arrived at by adding to the share of the deceased the shares of the lineal descendants of the deceased in the joint family properties.

Clause 21 of the Bill reduces by one half a concession which has been obtaining heretofore. Under Section 50 of the Act as it stands at present, where court-fees have been paid for obtaining representation to the estate of a deceased, the amount of the estate duty payable will be reduced by an amount equal to the full court-fees paid. The change proposed is that the reduction of estate duty in such cases will be only to the extent of half the court-fees paid. A slight increase in revenue is sought to be obtained thereby.

Under the Gifts Tax Act, a tax is imposed on property transferred by way of gift. Under the Estate Duty Act, gifts made by a person during his lifetime will, under certain circumstances, be deemed to be property that has passed on his death and therefore subjected to estate duty: these are, gifts to public charitable purposes made within a period of six months immediately before the death, occurred, and gifts for other purposes made within two years (now proposed to be changed to five years) before death. As a result, the same gift is liable to be taxed twice, once by way of gifts tax, and a second time by way of estate duty. To avoid such double taxation, Clause 22 of the Bill provides that no estate duty shall be payable in respect of property on which gifts tax has been levied. The proposed section, however, is not happily worded. Suppose estate duty assessment is made first, and gift tax assessment is made later, then it cannot be said that gift tax "has been paid". Therefore, the Estate Duty Officer will levy the duty. At the same time, the Gifts Tax Officer also will proceed to collect the gifts tax. This is not a needless apprehension. It is well-known, how, in Income Tax assessments, Officers have been prone to make assessments on very technical grounds without going into the merits. The double taxation which the proposed Section 50-A seeks to avoid will thus be defeated. What the section should provide is that no estate duty shall be payable "where tax has been paid, or is payable, under the Gifts Tax Act", etc. We look to our Legislators to repair this omission.

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Under the Income Tax law, returns are submitted by assessee after receipt of a notice from the Income Tax Officer. No such notice is required to be issued by the Controller under the Estate Duty Act. The accountable persons are to deliver the accounts voluntarily within six months from the death of the deceased, but it is permissible for the Controller to allow a longer period for filing such account. Clause 23 of the Bill proposes that in granting such extension it shall be permissible for the Controller to impose a condition for payment of interest as may be prescribed by Rules to be made.

Clause 26 of the Bill reads as follows: "In Section 70 of the Act, in sub-section (2), for the words 'eight' and 'sixteen', the words 'three' and 'six' shall respectively be substituted." This seemingly innocent alteration makes an extremely significant change from the present law. What the present sub-section permits is that, at the option of the person accountable, estate duty in respect of immovable property may be paid in eight equal yearly instalments or sixteen equal half-yearly instalments, subject to payment of interest. The number of permissible instalments for payment of estate duty in respect of immovable property is now sought to be reduced to three yearly or six half-yearly

instalments. This is sure to be a great hardship, particularly when it is remembered that, under another amendment, estates of over fifty thousand rupees will become subject to duty. A middle class house in Calcutta, for instance, will be worth several thousands more than this low exemption limit of Rs 50,000, and if the heirs are not of sufficient means they cannot pay the estate duty within three years, and so may be forced to sell the family residence! We feel that the proposed change, motivated by a desire for quick realisation of revenue, will cause much suffering and should be dropped.

A modest concession is sought to be given by the new Section 73-A proposed under Clause 27 of the Bill. Section 59 of the Act, as it stands at present, provides that no proceeding for the levy of any estate duty shall be commenced after the expiration of twelve years from the date of death of the deceased. There is also no separate provision for any re-assessment. What the new Section 73-A proposes is that a first assessment shall not be commenced after the expiration of five years from the date of death of the deceased, and a re-assessment shall not be commenced after the expiration of three years from the date of the first assessment. (If the first assessment takes five years to

be completed—no one need be surprised if it does—then it would be legal to commence re-assessment proceedings in the thirteenth year! In normal cases however, the proposed change is really a small concession.

Finally, we come to the rate schedule. At present, the first slab of Rs. 50,000 of property consisting of a coparcenary interest in Hindu joint families governed by the Mitakshara, Marumakkattayam or Aliyasantana law, and the first Rs 100,000 of property in other cases is exempt from estate duty. On the balance of the estate, duty has to be paid at progressive rates under a slab system which range from five per cent to forty per cent. What the Bill proposes is to fix the exemption limit at Rs 50,000 whether the estate consists of coparcenary property or any other property. Secondly, the rate of duty for the first taxable slab of Rs 50,000 will be six per cent. Thirdly, the rate of duty on the next taxable slab of Rs 50,000 is changed from 7½ per cent to 8 per cent. Lastly, where the value of the estate exceeds rupees two lakhs but does not exceed rupees three lakhs the rate at present is 12½ per cent; this is proposed to be rounded off to 12 per cent. In regard to these changes, there is one observation we would like to make. The lowering of the exemption

limit from Rs 100,000 to Rs 50,000 will not affect the rich very much: to them it merely means an additional duty of three thousand rupees. But, it will bring into the tax net a large number of middle class people. For instance, in the city of Calcutta, a modest middle class residence costs about sixty to seventy-five thousand rupees, and a family which has nothing else will still come within the scope of the Estate Duty. In the Financial Memorandum attached to the Bill, it is estimated that, by the reduction of the exemption limit to rupees fifty thousand, there will roughly be another ten thousand estates in a year which would become liable to duty. The Finance Minister has estimated that the changes in the Estate Duty may increase the revenue by about half a crore of rupees; but, as we have seen in the course of this article, the burden of this will fall mostly on middle class people, several of whom may find themselves constrained to sell their family properties in order to be able to pay the tax. Is it politic to cause so much suffering to the middle-class people? They are already under a severe strain, what with the high excise duties and the high level of prices. If, they are further burdened by measures of this kind, the political and economic consequences may be anything but desirable.

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The Gifts Tax

The levy of a tax on gifts is one of the proposals in the Central Budget for 1958-59. In introducing this measure, our Prime Minister observed that the tax on gifts will fill a gap in the scheme of direct taxation and would not only make evasion or avoidance difficult but also spread the tax burden more equitably. The Prime Minister observed further: "The transfer of properties through gifts to one's near relations or associates is one of the commonest forms of avoidance of not only the Estate Duty but also of Income Tax, Wealth Tax, and even the Expenditure Tax. The only way of effectively checking this practice is to levy a tax on gifts. Such a tax is already being levied in other countries, for example the USA, Canada, Japan and Australia. The Taxation Enquiry Commission also had accepted the Gift Tax as theoretically an attractive proposition." The Gifts Tax as obtaining in other countries of the world is examined later in the course of this article.

The idea of a gift tax is not new. But a proposal in this direction was given concrete shape in India for the first time by Professor Kaldor in his Report on Indian Tax reform. Professor Kaldor's suggestion was that a single integrated tax should be levied on gifts of all kinds (including under this term accession to property through bequest and inheritance) and that this tax should replace the present Estate Duty. (It may be mentioned incidentally that the Gifts Tax now introduced by our Prime Minister is supplementary to and not in replacement of the Estate Duty. Under Professor Kaldor's scheme, the tax was to be uniform on all gratuitous transfers, irrespective of whether the transfers were made inter vivos or by way of legacy or bequest. The legal liability for the tax was to be placed on the donee (and not on the donor) on whom the ultimate incidence of the tax must fall. The rate of progression of the tax was not to be dependent on the size of any particular gift or legacy, as otherwise the taxation could be defeated by a fragmentation of gifts. The rate of taxation was to be dependent neither on the size of the gift nor on the wealth of the donor but on the total wealth of the recipient, i.e., his net worth including the gifts received in any one year were to be taxed according to the additions they made to the recipient's net wealth. There should be an exemption limit of Rs 10,000 for any single recipient, and gifts over and above this were to be taxed: this exemption limit was to apply only to the initial gift received by a particular donee. The tax was to be at the rate of 10 per cent where the net worth of the recipient was below rupees one lakh, and at double the corresponding estate duty rates for correspondingly higher amounts of net worth. Thus, where the net wealth of the recipient, after receiving the gifts, amounted to between Rs 1

and 1½ lakhs, the rate of the tax was to be 15 per cent; between Rs 1½ and Rs 2 lakhs, 20 per cent; between Rs 2 and Rs 3 lakhs, 25 per cent; between Rs 3 lakhs and Rs 5 lakhs 30 per cent; between Rs 5 and Rs 10 lakhs 40 per cent; between Rs 10 and Rs 20 lakhs, 50 per cent; between Rs 20 and Rs 30 lakhs, 60 per cent; between Rs 30 and Rs 50 lakhs, 70 per cent; and over Rs 50 lakhs, 80 per cent. Professor Kaldor had further suggested that, in order to prevent small and regular allowances from becoming subject to an excessive duty, the tax-payer should be given the option to have the gifts of any one year treated as ordinary income for tax purposes, i.e. aggregated with his other income and subjected to income-tax, if applicable.

The above was Professor Kaldor's scheme. Before proceeding to examine the scheme now proposed under our 1958-59 Budget, we may take note of the salient features of the Gifts Tax in other countries. In the United States, the tax is imposed on the donor, on all gifts made by him during any calendar year. The tax is payable even where the transfer is in trust, and also whatever be the nature of the property. When property is transferred for less than an adequate consideration, the difference will be treated as a gift for purposes of this tax. The tax is levied on the value of the gift as on the date of the gift. The tax is computed as follows: first, all gifts made by the assessee since 1932 up to and inclusive of the year to which the assessment relates are added together and the tax thereon is calculated: (the actual tax being on a slab system at rates ranging from 2½ per cent on the first five thousand dollars to almost sixty per cent on the excess over ten million dollars). Then, the tax is similarly computed on all gifts made by the assessee since 1932 but exclusive of the year to which the assessment relates. The difference is the gift tax payable for the particular year of assessment. The first three thousand dollars of gifts during each calendar year are excluded in computing the total amount of gifts made during the year. Gifts to Government for public purposes, and gifts for religious, charitable, scientific, literary or educational purposes are exempt from tax. One half of gifts as between husband and wife is also exempt.

The Gifts Tax in Canada is modelled on the US system, but with some variations. The tax is levied on the aggregate value of all gifts made during the calendar year: gifts made during previous years do not come into the picture for purposes of computing the rate. Where the value of any gift does not exceed a thousand dollars, it is excluded. Again, half the income of the donor or four thousand dollars, whichever is lower, will also be excluded. Donatio mortis causa are com-

pletely exempt. Similarly also, gifts to Government for public purposes and gifts for purposes of charity. The rate of the tax is based on a slab system ranging from 10 per cent on the first five thousand dollars to nearly thirty per cent on the excess over a million dollars.

A Gifts Tax has been in force in Australia since 1941, based on a slab system, the rate varying from 3 per cent to 30 per cent. Sweden, the Netherlands, Turkey, Israel, Japan—these are some of the other countries where a Gifts Tax is in force.

The main features of the Gifts Tax proposed by our Prime Minister may now be mentioned. The tax is proposed to be levied on the donor. It will be on gifts made by individuals, Hindu undivided families, companies, firms and associations of persons. The tax will be levied on the donor, on the value of all gifts made by him during the assessment year (which will be same as the income tax year), but for purposes of determining the rate of tax applicable, gifts made during the five "previous years" preceding the assessment year will be aggregated and the rate applicable therefore will be the rate for the assessment year. The rates are:—

Total value of gifts made during 'previous year' Rs	Rate of Gifts Tax
On the first 50,000	4 per cent
On the next 50,000	6 "
" 50,000	8 "
" 50,000	10 "
" 100,000	12 "
" 200,000	15 "
" 500,000	20 "
" 1,000,000	25 "
" 1,000,000	30 "
" 2,000,000	35 "
On the excess over fifty lakhs	40 "

An important point to note is that gifts made prior to 1st April 1957 will not be included for purposes of the tax, even for determining the rate applicable. That is to say, in the assessment year 1959-60, gifts made during 1st April 1957 to 31st March 1959 will alone be taken into account for determining the rate (assuming that the assessee's "previous year" is the financial year). It is only in the assessment year 1962-63 that gifts made during the preceding five years will be taken into account.

Gifts up to a total value of rupees ten thousand in any one year will be exempt, and if the value of gifts made during any year exceeds this sum, only the excess will be subject to tax. But if a gift to any one donee exceeds rupees three thousand, then, the exemption limit will be rupees five thousand (instead of Rs 10,000).

In addition to the above exemption, there are several other exemptions, important among which are: (1) Gifts to Central and State Governments, local authorities and charitable institutions; (2) Gifts to female dependents on the occasion of marriage up to Rs 10,000 in each case; (3) Gifts to one's wife up to a total limit of Rs 100,000; and (4) Gifts to depen-

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dents, of policies of insurance, up to Rs 10,000 for each. Gifts of immovable property situated outside India will be excluded from the tax, whoever may be the donor. As regards movable properties situated outside India, they will not be taxable if made by a person who is not a citizen of India, or by nonresident companies. Gifts under a will, and gifts in contemplation of death (donatio mortis causa) are exempt irrespective of the amount of the gift.

As in the United States, the scheme now proposed in India provides also that where property is transferred for less than the full consideration therefor, the difference between the market value (as on the date of the gift) and the consideration actually received will be treated as a gift. In respect of all gifts the value of the gift will be its market value as on the date of the gift. The market value will be as estimated by the Gifts Tax Officer.

The following are exempt from the Gifts Tax that is to say, where the donor is any of the following, gifts tax is not attracted:—Government companies as defined in the Companies Act; corporations established by Central, State, or Provincial Acts, public limited companies whose affairs are controlled by not less than six persons, this computation being on a basis similar to that in Section 23-A of the Income Tax Act; any subsidiary of such public limited companies; and charitable institutions and funds to which Section 15-B of the Income Tax Act applies.

In regard to method of assessment, appeal, revision, etc., the procedure in respect of Gifts Tax will be the same as for Income Tax. In respect of the assessment year 1958-59, all persons who have made 'taxable gifts' during their respective 'previous years' are expected to file a return with the Gifts Tax Officer (who will be the Income Tax Officer concerned) in a form which is to be prescribed.

A novel feature in the proposed Gifts Tax is the inducement given by way of a rebate of tax, where the assessee pays the tax voluntarily within fifteen days of making a taxable gift, the value of which is not less than rupees ten thousand. He is not expected to pay the full tax in order to be eligible for the rebate: it is sufficient if he pays four per cent of the value of the gift where the value of the gift does not exceed fifty thousand rupees; eight per cent where the value of the gift exceeds Rs two lakhs. In addition to the amount so paid, he will be deemed to have paid an additional ten per cent of the amount so paid.

While the Gifts Tax is the final phase of the integrated scheme of taxation which our Government have been aiming at, there is a psychological objection to it, particularly in our country, where gifts are enjoined by the scriptures. Administrative inexperience of the tax is another objection. This is a particularly serious objection at this juncture when the same tax officers have been called upon to administer a number of new taxes.

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AN annual tax on net wealth was introduced in our country last year as part of a reformed and integrated pattern of taxation. At the time when it was introduced, opinion among the general public was divided as to the merits of this tax. Several of our leaders had pointed out that this tax would prove to be a great hardship to many assesses. In the course of a series of articles on the 1957-58 budget, we had also observed that, in regard to this tax, the valuation of assets will present a great problem, that differences of opinion will frequently arise between assesses and taxing officers in regard to valuation and that this may result in perpetual wrangling between the Department and the assesses. These observations, made many months ago, have been more than justified by some recent happenings in regard to wealth tax assessments.

The Act provides that the tax shall be levied on net wealth, and that "net wealth" shall mean the amount by which the aggregate value of all the assets belonging to the assessee on the valuation date exceeds the aggregate value of all the debts owed by the assessee (except for debts relating to exempt items of property, and certain other debts specified in Section 6 of the Act).

The above proposition for the ascertainment of "net wealth" appears logical and simple. Its practical application has, however, revealed a remarkable divergence of opinion between the assesses and the wealth tax officers. In his report on Indian Tax Reform, Professor Kaldor had referred to the problems of valuation that the wealth tax will give rise to, and had suggested that, initially, the taxpayer's valuation might be accepted. This was a wholesome suggestion, and if it had been followed in spirit (and not merely in letter) many difficulties would have been avoided. As a matter of fact, in the wealth tax assessments made in the last quarter of 1957, there have been quite a number of them made on the basis of the assessee's own returns. But, latterly, many disputes have arisen on account of certain claims for liabilities not being allowed by Officers. In their Circular No. 3 W.T. of 1957 issued on 28th September 1957, the Central Board of Revenue have no doubt said that provisions made by assesses for liabilities should particularly be scrutinised with a view to excluding therefrom items which ought not properly to be treated as liabilities. But that does not mean that even legitimate provisions for liabilities should be disallowed.

An instance in point is the provision usually made by assesses for meeting their income-tax liabilities. Amounts set apart to meet the income tax payable by the assessee can hardly be treated as part of his wealth, at any rate where such provision is not in excess of the tax actually payable by him, which, at any point of time, could clearly be computed. One would have thought

that on this matter there could not be any differences of opinion. But strangely enough, wealth tax officers have been prone to take a contrary view during recent months. First under this category, we may mention the advance payments made under Section 18-A of the Income Tax Act. It is understood that the Central Board of Revenue have instructed wealth tax officers to exclude advance tax paid under this Section from net wealth. Despite this, there have been instances where these advance taxes have been included in the net wealth on the ground that, until an income tax demand notice is issued by the Department, the advance tax paid under Section 18-A is part of the assessee's property. What the Department forgets is that once an assessee has had income or made profits, he becomes, ipso facto, liable to income tax: whether he has paid advance tax under Section 18-A or not is entirely beside the point. An assessee may, for reasons of his own convenience, choose not to pay the advance tax, and be willing to submit to the consequential penal tax: but nevertheless, his liability to the income tax is still there, and in ascertaining his net wealth, due allowance must perforce be made for this liability. When Departmental Officers fail to do so, they are clearly ignoring the express provision in the statute that what is taxable is, not wealth, but "net wealth". Our point is that not only should Section 18-A payments be allowed in full, but also it is the duty of the taxing officers (where the assessee has failed to do it) to ascertain the assessee's income tax liability and make due allowance for it in computing his net wealth. If officers fail to do this, they will be acting contrary to the law.

It is well known that, in the income tax department, there are many old assessments which have been pending for several years. Amounts set apart by the assesses to meet such liability are not being excluded from net wealth. This also is not in conformity with the provisions of the Wealth Tax Act.

Wealth Tax Problems

It is not the fault of the assessee that the assessments have been pending: everyone knows the dilatory procedure in the Income Tax Department, where "loss" cases are usually relegated to the back shelves, and where, with a view to completing their monthly quota of assessments, the more complicated cases are not generally taken up until they are about to become time-barred! Such being the case, when an assessee in respect of whom old assessments are pending, makes a provision to meet the consequential tax, there is little justification for disallowing it. On the other hand, even if the assessee has made no such provision, it is the duty of the Department to repair the omission, before proceeding to determine the wealth tax. This procedure should be followed not only in regard to past years in respect of which assessments had not been completed, but also in regard to any current year: for, the income tax payable for the year is a definite liability, and should therefore be ascertained and deducted in computing the net wealth of the year. Not unoften it happens that, after the income tax demand notice has been received, the assessee goes up in appeal and has the demand stayed. In such cases also, the Department, it appears, is not allowing the tax amount to be deducted in computing the net wealth. But, as has been explained earlier, such a deduction ought, properly, to be made. In fact, not only income tax, but all other taxes payable, should be allowed on the liabilities side.

Another bone of contention between the Department and the assesses is the disallowance of provision made for payment of dividends. The Department it would appear, is taking the view that, until the dividend is actually declared in a general meeting, the provision therefor usually made on the recommendation of the Board of Directors is not to be treated as a liability. Perhaps, on a very strict construction as to what may be regarded as liabilities, there may be something to be said

in favour of the Department's above interpretation. But, even so, this cannot be true of all cases. In the case of ordinary shares, it might be true to say the dividend has first to be declared by the general body. But the case of preference shares stands on a different footing, especially where such shares carry the right to accumulate the unpaid dividends and have a preferential right to the payment thereof in the event of a winding up. Here, the preferential dividend is a liability continuing from year to year until it is paid, and hence the unpaid dividend amounts should be ascertained and due allowance should be made therefor in computing net wealth. Even in other cases, when the Board recommends a certain rate of dividend and sets apart the requisite amount for that purpose, it is not as if the general body of shareholders is going to step in and say "no, no, we don't want the dividend; don't pay it!" Such an event would be unprecedented. Therefore, when the Board recommends a certain rate of dividend, the requisite amount must be set apart, and it would be unrealistic to treat it as not a liability of the company. We, therefore, suggest that, without being too legalistic, the Central Board of Revenue should direct that, in the case of ordinary shares, dividend amounts sanctioned by the Board of Directors should be excluded when ascertaining net wealth. The case of preference capital has already been set out earlier, and where it is cumulative, even sanction by the Board of Directors is not essential for treating them as due.

The inclusion of gratuity funds in net wealth is another grievance of wealth tax assesses which are companies. In the case of provident funds, the moneys are usually made over to a Trust, so that they are no longer the property of the company, and thus the question of inclusion of provident fund moneys in net wealth does not arise. But, in the case of gratuity funds, a Trust is not usually a part of the scheme. The moneys of the gratuity funds continue with the company, and on this ground the Departmental officers are including these moneys in the net wealth. Even if this were justifiable, which we say it is not, the proper procedure would be to ascertain in respect of every employee as to what is the amount of gratuity to which he is entitled as on the valuation date. The total amount so ascertained, should be deducted from the gratuity fund, and the surplus, if any, may alone be treated as part of the company's net wealth. This is not being done by the Department, perhaps in a haste to complete the assessments before the close of the financial year: if so, it is no excuse for failing to do what ought to be done. If the Department persists in including gratuity funds in net wealth, one way of avoiding it would be for all companies concerned to create a Trust for gratuity funds also, similarly as in the case of provident funds.

The Finance Bill, 1958

(As Introduced in Lok Sabha)

A BILL

to give effect to the financial proposals of the Central Government for the financial year 1958-59.

BE it enacted by Parliament in the Ninth Year of the Republic of India as follows:—

SHORT TITLE.

1. This Act may be called the Finance Act, 1958.

INCOME-TAX AND SUPER-TAX.

2. (1) Subject to the provisions of sub-sections (2) and (3), for the year beginning on the 1st day of April, 1958,—

(a) income-tax shall be charged at the rates specified in Part I of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge on unearned income, calculated in either case in the manner provided therein; and

(b) super-tax shall, for the purposes of section 55 of the Indian Income-tax Act, 1922 (hereinafter referred to as the Income-tax Act), be charged at the rates specified in Part II of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge on unearned income, calculated in either case in the manner provided therein.

(2) In making any assessment for the year ending on the 31st day of March, 1959,—

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" or any income chargeable under the head "Interest on Securities" or any income from dividends in respect of which by virtue of section 49B of the Income-tax Act he is deemed himself to have paid the income-tax imposed under that Act, the income-tax payable by the assessee on that part of his total income which consists of such inclusions shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Finance (No. 2) Act, 1957, on his total income the same proportion as the amount of such inclusions bears to his total income;

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (2) of section 18 of the Income-tax Act, the super-tax payable by the assessee on that portion

of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance (No. 2) Act, 1957, on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In cases to which section 17 of the Income-tax Act applies, the tax chargeable shall be determined as provided in that section, and with reference to the rates imposed by sub-section (1).

(4) For the purposes of this section, and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the Income-tax Act, and the expression "earned income" has the meaning assigned to it in clause (6AA) of section 2 of that Act.

AMENDMENT OF SECTION 4.

3. In section 4 of the Income-tax Act,—

(i) in sub-section (1), for the third proviso, the following proviso shall be substituted, namely:

"Provided further that if in any year the amount of income accruing or arising without the taxable territories exceeds the amount brought into the taxable territories in that year, there shall not be included in the assessment of the income of that year so much of such excess as does not exceed four thousand five hundred rupees, and where any part of such excess consists of salaries paid by the Government, a local authority or a corporation established by a Central, State or Provincial Act, the amount of such salaries not to be included as aforesaid shall be further limited to a sum calculated at the rate of one thousand rupees for each month of service in respect of which the salaries are received abroad";

(ii) in sub-section (3),—

(i) for clause (vii), the following clause shall be substituted, namely:—

"(vii) subject to such conditions as the Central Government may prescribe,—

(a) passage moneys or the value of any free or concessional passage received by or due to any person, not being a citizen of India, from his employer for himself, his wife and children, in connection with his proceeding on home leave out of India; and

(b) the value of any travel concession or assistance received by or due to any person, being a citizen of India, from his employer for himself, his wife and children, in connection with his proceeding on leave to his home-town or village in India;"

(2) after clause (xi), the following clause shall be inserted, namely:—

"(xii) any income chargeable under the heads "Interest on Securities", "Income from Property" and "Income from other sources" of a registered Trade Union within the meaning of the Indian Trade Unions Act, 1926, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen";

(3) for the Explanation to clause (xiva), the following Explanation shall be substituted, namely:—

"Explanation. — 'Technician' means a person having specialised knowledge and experience in constructional or manufacturing operations, or in mining or in the generation or distribution of electricity or any other form of power, who is employed in India in a capacity in which such specialised knowledge and experience are actually utilised;"

(4) in clause (xxi), after the words "Sixth Schedule to the Constitution", the words "or in the Union territory of Manipur" shall be inserted, and shall be deemed always to have been inserted:

AMENDMENT OF SECTION 4A.

4. In section 4A of the Income-tax Act, for clause (c), the following clause shall be substituted, namely:—

(c) A company is resident in the taxable territories in any year, if—

(i) it is an Indian company; or

(ii) during that year the control and management of its affairs is situated wholly in the taxable territories."

AMENDMENT OF SECTION 7.

5. In section 7 of the Income-tax Act,—

(i) in sub-section (1), in the proviso to Explanation 2, for the words "State Government", the words "State Government, a local authority or a corporation established by a Central, State or Provincial Act" shall be substituted and shall be deemed always to have been substituted;

(2) in sub-section (2), for clause (ii), the following clause shall be substituted, namely:—

"(ii) in respect of any allowance in the nature of an entertainment allowance specifically granted to the assessee by his employer—

(a) in the case of an assessee who is in receipt of a salary from the Government, a sum equal to one-fifth of his salary (exclusive of any special allowance, benefit or other perquisites) or five thousand rupees, whichever is less; and

(b) in the case of any other assessee, a sum equal to one-fifth of the salary (exclusive of any special allowance, benefit or other perquisites) or seven thousand and five hundred rupees, whichever is less, except in any case where the assessee was not in receipt of such entertainment allowance regularly from his present employer before

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the year beginning on the first day of April, 1955."

AMENDMENT OF SECTION 9.

6. In section 9 of the Income-tax Act, after clause (b) of sub-section (4), the following clause shall be inserted and shall be deemed always to have been inserted, namely:—

"(c) taxes levied by a local authority in respect of any property shall be deemed to include service taxes levied by the local authority in respect of any property."

AMENDMENT OF SECTION 10.

7. In section 10 of the Income-tax Act,—

(i) for clause (vii) of sub-section (2), the following clause shall be substituted, namely:—

"(vii) in respect of a new ship launched or new machinery or plant installed after the 31st day of March, 1954, which is wholly used for the purposes of the business carried on by the assessee, a sum by way of development rebate in respect of the year of launching of the ship or of the installation of the machinery or plant, equivalent to—

(i) in the case of a ship launched after the 31st day of December, 1957, forty per cent of the actual cost of the ship to the assessee;

(ii) in the case of a ship launched before the 1st day of January, 1958, and in the case of any machinery or plant, twenty-five per cent of the actual cost of the ship or plant to the assessee;

Provided that no allowance under this clause shall be made unless—

(a) the particulars prescribed for the purpose of clause (vi) have been furnished by the assessee in respect of the ship or machinery or plant; and

(b) except where the assessee is a company, being a licensee within the meaning of the Electricity (Supply) Act, 1948, or where the ship has been launched or the machinery or plant has been installed before the 1st day of January, 1958, an amount equal to the allowance due is debited to the profit and loss account of the relevant previous year and credited to a reserve account to be utilised by him during a period of ten years next following only for the acquisition of assets for the purposes of the undertaking or for investment in the undertaking;

Provided further that, in the case of a ship launched or machinery or plant installed after 31st day of December, 1957, the allowance of development rebate under this clause shall be subject to the condition that the ship or machinery or plant is not sold or otherwise transferred by the assessee to any person other than the Government at any time before the expiry of ten years from the end of the year in which the ship was launched or the machinery or plant was installed.

(2) after sub-section (4A), the following sub-section shall be inserted and shall be deemed

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always to have been inserted, namely:—

"(4B) Nothing in clause (vi) or clause (vii) of sub-section (2) shall be deemed to authorise the allowance for any previous year of any sum in respect of any building, machinery, plant or furniture sold, discarded, demolished or destroyed in that year"

AMENDMENT OF SECTION 18.

8. In sub-section (2) of section 18 of the Income-tax Act, for the words "at a rate representing the average of the rates applicable to the estimated total income of the assessee under this head", the words "at a rate representing the average of the rates in force for financial year in which he is required to deduct the tax which are applicable to the estimated total income of the assessee under this head" shall be substituted, and shall be deemed always to have been substituted.

AMENDMENT OF SECTION 23A.

9. In section 23A of Income-tax Act, in sub-section (1), for the words "unless he is satisfied that, having regard to the losses incurred by the company in earlier years or to the smallness of the profits made in the previous year, the payment of a dividend or a larger dividend than that declared would be unreasonable", the following shall be substituted, namely:—

"unless he is satisfied—

(i) that, having regard to the losses incurred by the company in earlier years or to smallness of the profits made in the previous year, the payment of a dividend or a larger dividend than that declared would be unreasonable; or

(ii) that the payment of a dividend or a larger dividend than that declared would not have resulted in a benefit to the revenue;"

AMENDMENT OF SECTION 35.

10. In section 35 of the Income-tax Act, after sub-section (10), the following sub-section shall be inserted, namely:—

"(11) Where an allowance by way of development rebate has been made to an assessee in respect of a ship, machinery or plant in any year of assessment under clause (vii) of sub-section (2) of section 10 and subsequently at any time before the expiry of ten years from the end of the year in which the ship was launched or the machinery or plant was installed—

(i) the ship, machinery or plant is sold or otherwise transferred by the assessee to any person other than the Government; or

(ii) the assessee utilises the amount credited to the reserve account under that clause for any purpose other than the acquisition of assets for the purposes of the undertaking or for investment in the undertaking;

the development rebate originally

allowed shall be deemed to have been wrongly allowed, and the Income-tax Officer may, notwithstanding anything contained in this Act, proceed to re-compute the total income of the assessee for the relevant year as if the re-computation is a rectification of a mistake apparent from the record within the meaning of this section, and the provisions of sub-section (1) shall apply accordingly, the period of four years specified therein being reckoned from the end of the year in which the transfer takes place or the money is so utilised."

SUBSTITUTION OF NEW SECTION FOR SECTION 44.

11. For section 44 of the Income-tax Act, the following section shall be substituted, namely:—

LIABILITY IN CASE OF FIRM OR ASSOCIATION DISCONTINUED OR DISSOLVED.

"44. (1) Where any business, profession or vocation carried on by a firm or other association of persons has been discontinued or where a firm or other association of persons is dissolved, the Income-tax Officer shall make an assessment of the total income of the firm or other association of persons as such as if no such discontinuance or dissolution had taken place.

(2) If the Income-tax Officer, the Appellate Assistant Commissioner or the Appellate Tribunal in the course of any proceedings under this Act in respect of any such firm or other association of persons as is referred to in sub-section (1) is satisfied that the firm or other association is guilty of any of the acts specified in clause (a) or clause (b) or clause (c) of sub-section (1) of section 28, he or it may impose or direct the imposition of a penalty in accordance with the provisions of that section.

(3) Every person who was at the time of such discontinuance or dissolution a partner of the firm or a member of the association, as the case may be, shall be jointly and severally liable for the amount of tax or penalty payable, and all the provisions of Chapter IV so far as may be, shall apply to any such assessment or imposition of penalty."

AMENDMENT OF SECTION 59.

12. In section 59 of the Income-tax Act, after clause (a) of sub-section (2), the following clause shall be inserted, namely:—

"(aa) provide for the determination of the value of any perquisite chargeable to tax under this Act in such manner and on such basis as appears to the Central Board of Revenue to be proper and reasonable:

Provided that the rules made in respect of the matters specified in this clause on the first occasion they are made shall not be subject to the condition of previous publication and may be given retrospective effect from such date as the Central Board of Revenue thinks fit."

COMMENCEMENT OF AMENDMENTS TO ACT 11 OF 1922.

13. (1) The amendment to the Income-tax Act made by sub-clause (3) of clause (ii) of section 3 shall not apply—

(a) to a person to whom the second proviso to clause (xiva) of sub-section (3) of section 4 of the Income-tax Act applies if his contract of service has been approved by the Central Government before the 1st day of March, 1958; or

(b) to any other person who arrives in India before the 1st day of April, 1958.

(2) Save as otherwise provided in sub-section (1) or elsewhere in this Act, the amendments to the Income-tax Act made by this Act shall have effect on and from the 1st day of April, 1958.

AMENDMENT OF ACT 27 OF 1957.

14. In the Wealth-tax Act, 1957, the following amendments shall be made and shall be deemed always to have been made, namely:—

(a) for clause (h) of section 2, the following clause shall be substituted, namely:—

(h) "company means a company as defined in section 3 of the Companies Act, 1956, and includes—

(i) a company within the meaning of any law in force in the State of Jammu and Kashmir relating to companies; and

(ii) a company incorporated outside India which has a place of business in India;"

(b) in clause (xvi) of sub-section (1), for the words "and post office national savings certificates", the words "post office national savings certificates and post office national plan certificates" shall be substituted;

(c) in section 6, for the words "In computing the net wealth of an individual", the words "In computing the net wealth of an individual who is not a citizen of India or of an individual" shall be substituted.

AMENDMENT OF ACT 32 OF 1934.

15. The Indian Tariff Act, 1934 (hereinafter referred to as the

Tariff Act), shall be amended in the manner specified in Parts I, II and III of the Second Schedule.

AMENDMENT OF ACT 1 OF 1949.

16. (1) In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1958", the figures "1959" shall be substituted.

(2) For the removal of doubts it is hereby declared that the continuance by sub-section (1) of the amendments referred to in section 4 of the Indian Tariff (Amendment) Act, 1949, shall be subject to the amendments made in the Tariff Act by this Act, and, further, be deemed always to have been subject to the amendments, if any, made in the Tariff Act by any Act of Parliament passed after the commencement of the Indian Tariff (Amendment) Act, 1949.

AMENDMENT OF ACT 1 OF 1944.

17. In the First Schedule to the Central Excises and Salt Act, 1944,—

(a) in Item No. 9,—

(i) for sub-item I(5)(iii), the following shall be substituted, namely:—

"(iii) granule ('rawa') of tobacco capable of passing through a sieve having 16 uniform circular or square apertures per linear inch";

(ii) the Explanation to sub-item I(5) shall be omitted;

(b) in Item No. 15, for the entry in the third column, the entry "Twenty-four rupees per ton" shall be substituted.

DISCONTINUANCE OF SALT DUTY.

18. For the year beginning on the 1st day of April, 1958, no duty under the Central Excises and Salt Act, 1944, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

Declaration under the Provisional Collection of Taxes Act, 1931 (16 of 1931)

It is hereby declared that it is expedient in the public interest that the provisions of clauses 15, 16 and 17 of this Bill shall have immediate effect under the Provisional Collection of Taxes Act, 1931.

THE FIRST SCHEDULE

(See section 2)

PART I Income-tax and surcharge on income-tax Paragraph A

(1) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case.

Rates of Income-tax.

Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor co-parcener.	Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor co-parcener.	Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor co-parcener.
Rs.	Rs.	Rs.
(1) On the first ... 3,000 of total income	3,300 of total income	3,600 of total income
(2) On the next ... 2,000 "	1,700 "	1,400 "
(3) On the next ... 2,500 "	2,500 "	2,500 "
(4) On the next ... 2,500 "	2,500 "	2,500 "
(5) On the next ... 2,500 "	2,500 "	2,500 "
(6) On the next ... 2,500 "	2,500 "	2,500 "
(7) On the next ... 5,000 "	5,000 "	5,000 "
		Nil
		8%
		6%
		9%
		11%
		14%
		18%

(ii) in the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every unregistered firm or other association of persons, not being a case to which Paragraph B or Paragraph C or Paragraph D of this Part applies:—

	Rs.	1,000 of total income	Nil
(1) On the first	4,000	...	...
(2) On the next	2,500	...	...
(3) On the next	2,500	...	...
(4) On the next	2,500	...	...
(5) On the next	2,500	...	...
(6) On the next	2,500	...	...
(7) On the next	5,000	...	...
(8) On the balance of total income	...	...	...

Provided that for the purposes of this Paragraph—

(i) no income-tax shall be payable on a total income which does not exceed the limit specified below;

(ii) the income-tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;

(iii) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—

(a) the income-tax which would have been payable if the total income had been Rs. 20,000;

(b) half the amount by which the total income exceeds Rs. 20,000;

The limit aforesaid shall be—
(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended one from any other living member of the family;

(ii) Rs. 3,000 in every other case.

Surcharge on Income-tax
The amount of income-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) A surcharge for purposes of the Union equal to the sum of—

(i) five per cent. of the amount of income-tax; and

(ii) where the earned income included in the total income exceeds Rs. 1,00,000, five per cent. of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000;

(b) A special surcharge on unearned income at fifteen per cent. of the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income;

Provided that—

(i) no surcharge for purposes of the Union shall be payable where the total income does not exceed the limit specified below;

(ii) no special surcharge on unearned income shall be payable in the case of an assessee whose total income does not include any income from dividend on ordinary shares, if his total income does not exceed the limit specified below, and where the total income includes any dividends on ordinary shares, such limit shall be increased by Rs. 1,500 or the amount of the said dividends, which is less:

(a) where the total income includes any dividends on ordinary shares, the surcharge for purposes of the Union and the special surcharge on unearned income shall not in each case exceed half the amount by which the total income exceeds the respective limits applicable in either case;

(b) the surcharge for purposes of the Union and the special surcharge on unearned income, both together, shall not exceed half the amount by which the total income exceeds the limit specified below:
The limit aforesaid shall be—

(i) Rs. 15,000 in the case of every Hindu undivided family which satisfies as at the end of the previous year either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(ii) Rs. 7,500 in every other case.

Explanation.—For the purposes of this Paragraph, in the case of every Hindu undivided family governed by the Mitakshara law, a son shall be deemed to be entitled to claim partition of the coparcenary property against his father, or grand-father notwithstanding any custom to the contrary.

Paragraph B

In the case of every company and local authority,—

Rates of income-tax

On the whole of the total income 30 per cent.

Surcharge in income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge of 5 per cent. thereon.

Paragraph C

In every case in which under the provisions of the Income-tax Act, income-tax is to be charged at the maximum rate,—

Rates of income-tax

On the whole of the total income 25 per cent.

Surcharge on income-tax

In the case of every company 30%

In any other case 25%

Paragraph D

In the case of every registered firm,—

Rates of Income-tax

(1) On the first Rs. 40,000 of total income Nil

(2) On the next Rs. 35,000 of total income 5 per cent

(3) On the next Rs. 75,000 of total income 6 per cent

(4) On the balance of total income 9 per cent.

Part II

Super-tax and surcharge on super-tax

Paragraph A

In the case of every individual, Hindu undivided family, unregistered firm and other association of persons, not being a case to which any other Paragraph of this Part applies,—

Rates of super-tax

(1) On the first Rs. 20,000 of total income Nil

(2) On the next Rs. 5,000 of total income 5 per cent

(3) On the next Rs. 5,000 of total income 15 per cent

(4) On the next Rs. 10,000 of total income 20 per cent

(5) On the next Rs. 10,000 of total income 30 per cent

(6) On the next Rs. 10,000 of total income 35 per cent

(7) On the next Rs. 10,000 of total income 40 per cent

(8) On the balance of total income 45 per cent.

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:

(a) A surcharge for purposes of the Union equal to the sum of—

(i) five per cent. of the amount of super-tax; and

(ii) where the earned income included in the total income exceeds Rs. 1,00,000, five per cent. of the difference between the amount of super-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000;

(b) A special surcharge on unearned income at fifteen per cent. of the difference between the amount of super-tax on the total income and the amount of

super-tax on the whole of the earned income, if any, included in the total income, if such earned income had been the total income;

(c) In the case of a company referred to in sub-section (9) of section 23A of the Income-tax Act,—

at the rate of 10 per cent

On that part of the said dividends which exceeds 6 per cent but does not exceed 10 per cent of the paid-up capital;

at the rate of 30 per cent

On that part of the said dividends which exceeds 18 per cent of the paid-up capital;

(ii) where the sum arrived at in accordance with clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a), (b) and (c) of clause (i) of this proviso as is sufficient, in that order, to reduce the rebate to nil shall be deemed to have been taken into account for the purpose;

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand and shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand, and

(b) half the amount by which its total income exceeds rupees twenty-five thousand.

Explanation.—For the purposes of this Paragraph—

(i) the expression "paid-up capital", means the paid-up capital (other than capital entitled to a dividend at a fixed rate) of the company as on the first day of the previous year relevant to the assessment for the year ending on the 31st day of March, 1959, increased by any premiums received in cash by the company on the issue of its shares, standing to the credit of the share premium account as on the first day of the previous year aforesaid;

(ii) the expression, "dividend" shall be deemed to include any distribution included in the expression "dividend" as defined in clause (6A) of section 2 of the Income-tax Act;

(iii) where any portion of the profits and gains of the company is not included in its total income by reason of such portion being exempt from tax under any provision of the Income-tax Act, the "paid-up capital" of the company, the amount distributed as dividends (not being dividends payable at a fixed rate), the amount representing the face value of any bonus shares and the amount of any bonus issued to the share-holders shall each be deemed to be such proportion thereof as the total income of the company for the previous year bears to its total profits and gains for that year other than capital receipts, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss account for that year

THE SECOND SCHEDULE

(See section 15)

Part I

In the First Schedule of the Tariff Act,—

(1) in Item No. 47 (2), for the existing entry in the fourth

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The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge of 20 per cent. thereon.

(2) In every case in which under the provisions of the Income-tax Act, income-tax is to be deducted at the maximum rate, deduction shall be made from the whole income which is to be subjected to such deduction at the following rates, namely:—

Rates of income-tax

On the whole of the total income 25 per cent.

Surcharge on income-tax

In the case of every company 30%

In any other case 25%

Paragraph D

In the case of every registered firm,—

Rates of Income-tax

(1) On the first Rs. 40,000 of total income Nil

(2) On the next Rs. 35,000 of total income 5 per cent

(3) On the next Rs. 75,000 of total income 6 per cent

(4) On the balance of total income 9 per cent.

Paragraph B

In the case of every local authority,—

Rates of super-tax

On the whole of the total income 16 per cent.

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge of 12½ per cent. thereon.

Paragraph C

In the case of every association of persons being a co-operative society as defined in clause (5B) of section 2 of the Income-tax Act,—

Rates of super-tax

(1) On the first Rs. 25,000 of total income Nil

(2) On the balance of total income 16 per cent.

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge of 12½ per cent. thereon.

Paragraph D

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956,—

Rates of super-tax

On the whole of its profits and gains from life insurance business 11 per cent.

In the case of every other company,—

Rates of super-tax

On the whole of the total income 50 per cent.

Provided that,—

(i) a rebate at the rate of 40 per cent on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 35 per cent on the balance of the total income shall be allowed in the case of any company which—

(a) in respect of its profits liable to tax under the Income-tax Act for the year ending on the 31st day of March, 1959, has made the prescribed arrangements for the declaration and payment within India of the dividends payable out of such profits and for the deduction of super-tax from dividends in accordance with the provisions of sub-section (3D) of section 18 of that Act; and

(b) is such a company as is referred to in sub-section (9) of section 23A of the Income-tax Act with a total income not exceeding Rs. 25,000;

(ii) a rebate at the rate of 40 per cent on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 30 per cent on the balance of the total income shall be allowed in the case of any company which satisfies condition (a) but not condition (b) of the preceding clause;

(iii) a rebate at the rate of 40 per cent on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 20 per cent on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:

Provided further that,—

(i) the amount of the rebate under clause (i) or clause (ii) shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—

The whole amount of such part.

(a) on that part of the aggregate of the sums arrived at in accordance with clause (i) of the second proviso to Paragraph D of Part II of the First Schedule to the Finance (No. 2) Act, 1957, as has not been deemed to have been taken into account, in accordance with clause (i) of the said proviso, for the purpose of reducing the rebate mentioned in clause (i) of the said proviso to nil;

(b) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital except to the extent to which such bonus shares or bonus have been issued out of premiums received in cash on the issue of its shares; and

(c) in addition, in the case of a company referred to in clause (ii) of the preceding proviso which has distributed to its shareholders during the previous year dividends in excess of six per cent of its paid-up capital, not being dividends payable at a fixed rate—

(A) in the case of a company which is not such as is referred to in sub-section (9) of section 23A of the Income-tax Act,—

at the rate of 10 per cent

On that part of the said dividends which exceeds 6 per cent but does not exceed 10 per cent of the paid-up capital;

at the rate of 20 per cent

On that part of the said dividends which exceeds 10 per cent of the paid-up capital; and

(B) in the case of any other company—

On that part of the said dividends which exceeds 6 per cent but does not exceed 10 per cent of the paid-up capital; at the rate of 20 per cent

On that part of the said dividends which exceeds 10 per cent of the paid-up capital; and

(ii) where the sum arrived at in accordance with clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a), (b) and (c) of clause (i) of this proviso as is sufficient, in that order, to reduce the rebate to nil shall be deemed to have been taken into account for the purpose;

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand and shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand, and

(b) half the amount by which its total income exceeds rupees twenty-five thousand.

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(b) is such a company as is referred to in sub-section (9) of section 23A of the Income-tax Act with a total income not exceeding Rs. 25,000;

(ii) a rebate at the rate of 40 per cent on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 30 per cent on the balance of the total income shall be allowed in the case of any company which satisfies condition (a) but not condition (b) of the preceding clause;

(iii) a rebate at the rate of 40 per cent on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 20 per cent on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:

Provided further that,—

(i) the amount of the rebate under clause (i) or clause (ii) shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—

The whole amount of such part.

(a) on that part of the aggregate of the sums arrived at in accordance with clause (i) of the second proviso to Paragraph D of Part II of the First Schedule to the Finance (No. 2) Act, 1957, as has not been deemed to have been taken into account, in accordance with clause (i) of the said proviso, for the purpose of reducing the rebate mentioned in clause (i) of the said proviso to nil;

(b) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital except to the extent to which such bonus shares or bonus have been issued out of premiums received in cash on the issue of its shares; and

(c) in addition, in the case of a company referred to in clause (ii) of the preceding proviso which has distributed to its shareholders during the previous year dividends in excess of six per cent of its paid-up capital, not being dividends payable at a fixed rate—

(A) in the case of a company which is not such as is referred to in sub-section (9) of section 23A of the Income-tax Act,—

at the rate of 10 per cent

On that part of the said dividends which exceeds 6 per cent but does not exceed 10 per cent of the paid-up capital;

at the rate of 20 per cent

On that part of the said dividends which exceeds 10 per cent of the paid-up capital; and

(B) in the case of any other company—

On that part of the said dividends which exceeds 6 per cent but does not exceed 10 per cent of the paid-up capital; at the rate of 20 per cent

On that part of the said dividends which exceeds 10 per cent of the paid-up capital; and

(ii) where the sum arrived at in accordance with clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a), (b) and (c) of clause (i) of this proviso as is sufficient, in that order, to reduce the rebate to nil shall be deemed to have been taken into account for the purpose;

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand and shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand, and

(b) half the amount by which its total income exceeds rupees twenty-five thousand.

Explanation.—For the purposes of this Paragraph—

(i) the expression "paid-up capital", means the paid-up capital (other than capital entitled to a dividend at a fixed rate) of the company as on the first day of the previous year relevant to the assessment for the year ending on the 31st day of March, 1959, increased by any premiums received in cash by the company on the issue of its shares, standing to the credit of the share premium account as on the first day of the previous year aforesaid;

(ii) the expression, "dividend" shall be deemed to include any distribution included in the expression "dividend" as defined in clause (6A) of section 2 of the Income-tax Act;

(iii) where any portion of the profits and gains of the company is not included in its total income by reason of such portion being exempt from tax under any provision of the Income-tax Act, the "paid-up capital" of the company, the amount distributed as dividends (not being dividends payable at a fixed rate), the amount representing the face value of any bonus shares and the amount of any bonus issued to the share-holders shall each be deemed to be such proportion thereof as the total income of the company for the previous year bears to its total profits and gains for that year other than capital receipts, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss account for that year

THE SECOND SCHEDULE

(See section 15)

Part I

In the First Schedule of the Tariff Act,—

(1) in Item No. 47 (2), for the existing entry in the fourth

Part II

In the First Schedule to the Tariff Act, for Items Nos. 28 (27), 28 (28) and 71 (13), the following items shall respectively be substituted, namely:—

Item No.

Name of article

Nature of duty

Standard rate of duty

Preferential rate of duty if the article is the produce or manufacture of

Duration of protective rates of duty

The United Kingdom

A British Colony

1

2

3

4

5

6

7

8

9

10

column, the entry "Rs 3 per pound or 50 per cent ad valorem, whichever is higher, plus the excise duty for the time being leviable on like articles if produced or manufactured in India, and where such duty is leviable at different rates, the highest duty" shall be substituted;

(ii) in Item No 63 (24), for the existing entries in the fourth and fifth columns, the entries "50 per cent ad valorem" and "40 per cent ad valorem" shall respectively be substituted;

(iii) in Item No 63 (33), for sub-item (b) in the second column, the following sub-item shall be substituted, namely:—

"(b) machine screws, including the following types the shank of which has been threaded to within two pitches from the head, namely:—

(i) mushroom head roofing bolts, all types;

(ii) hexagonal head bolts, all types;

(iii) mudguard cycles bolts (with threading other than British Standard cycle threading)".

Part III

In the Second Schedule to the Tariff Act, in Item No 9, for the existing entry in the second column, the entry "Mustard oil (including rapeseed oil, jamba oil and radish seed oil)" shall be substituted.

Statement of Objects and reasons

The object of this Bill is give effect to the financial proposals of the Central Government for the next financial year and to provide for certain connected matters. The notes on clauses explain the various provisions contained in the Bill.

J. NEHRU.

New Delhi;

The 28th February, 1958.

Notes on clauses

Clause 2 continues for the current financial year the rates of income-tax and super-tax prescribed by the Finance (No 2) Act, 1957 subject to one minor modification, namely, abolition of the top-most slab of 30 per cent in the rate of super-tax payable with reference to excess dividends, in the case of companies which fall within the scope of section 23A of the Income-tax Act.

Clause 3 makes the following amendments in section 4:—

(i) Sub-clause (i) provides that the exemption up to Rs 4,500 allowable to a person resident in India in respect of his unremitted foreign income shall be further limited in the case of employees of Government, local authority or a statutory corporation, so as not to exceed a sum calculated at the rate of Rs 1,000 for each month of service in

respect of which the salary is drawn abroad.

(ii) Sub-clause (ii) (1) extends the exemption at present available to persons who are not citizens of India in respect of the value of any free or concessional passages on home leave outside India received by them from their employers in India, to similar travel concessions received by citizens of India for going on leave to their home towns or villages in India.

(iii) Sub-clause (ii) (2) seeks to exempt investment income of trade unions.

(iv) Sub-clause (ii) (3) amends the definition of "technician" so as to make it clear that only industrial personnel, in the strict sense of the term, are covered thereby.

(v) Sub-clause (ii) (4) is intended to extend the exemption now enjoyed by members of Scheduled Tribes residing in the tribal areas of Assam to members of the said tribes who may be residing in the Union territory of Manipur.

Clause 4 makes an amendment to clause (c) of section 4A with a view to removing one of the tests laid down therein for determining the residence of a company in the taxable territories, namely, the test of income arising in India exceeding the income arising outside India.

Clause 5 makes the following amendments in section 7:—

(i) Sub-clause (i) extends the exemption at present allowed in respect of death-cum-retirement gratuity benefits received from Government to similar gratuities received from local authorities or corporation established by Central, State or Provincial Acts.

(ii) At present entertainment allowance received by an employee in a case where he has been in receipt of such allowance regularly from his employer before 1st April, 1955, is exempt up to a limit of one-fifth of his salary or Rs 7,500 whichever is less. Sub-clause (ii) seeks to remove this restriction of receipt of such allowances before 1st April, 1955, in the case of persons in receipt of salaries from the Government, but reduces the limit in their cases to one-fifth of the salary or Rs 5,000 whichever is less.

Clause 6 amends sub-section (4) of section 9 to make it clear that taxes in respect of property include service taxes

Clause 7 makes the following amendments:—

(i) Sub-clause (i) increases the development rebate admissible in the case of ships launched after 31st December, 1957, from 25 per cent to 40 per cent. Further, in the case of ships launched or machinery and plant installed after 31st December, 1957, the

grant of the development rebate is made subject to the conditions (i) that the allowance is not utilised by assessee for distribution of dividends for a period of ten years and (ii) that the asset is also not sold during the said period.

(ii) Sub-clause (ii) seeks to make it clear that the depreciation or additional depreciation allowances admissible under clauses (vi) and (vii) of sub-section 10 shall not be allowed for the year in which the relevant assets are sold or otherwise disposed of because in those circumstances the necessary relief is secured by the provisions of clause (vii) of sub-section (2) of section 10.

Clause 8 makes a verbal change in sub-section (2) of section 18 in order to make it clear that the rates for deduction of taxes at source from salaries are the rates in force for the financial year in which the deduction of the tax is to be made.

Clause 9 amends section 23A to provide for the non-application of that section to cases where the payment of a dividend or a larger dividend than that declared by a company would not have resulted in a benefit to the revenue.

Clause 10 amends section 35 as a consequence of the amendments proposed in clause 7. This amendment will enable assessments being revised wherever the development rebate becomes inadmissible by reason of the contravention by the assessee of any of the conditions imposed for the purpose of getting the rebate.

Clause 11 recasts section 44 so as to provide a complete machinery for the assessment (including the levy of penalty) of, and the collection of the tax from, firms or other association of persons which have been discontinued or dissolved.

Clause 12 gives power to the Central Board of Revenue to frame rules for determining the value of any perquisite chargeable to tax under the head "salaries".

Clause 13 contains a formal provision with respect to the commencement of the various provisions in this Bill.

Clause 14 makes the following amendments in the Wealth-tax Act, 1957:—

(i) Sub-clause (a) amends the definition of "company" in section 2 to make it clear that companies incorporated in the State of Jammu and Kashmir under the State law are also within the scope of the Act.

(ii) Sub-clause (b) amends section 5 to include post office national plan certificates within the list of exemptions.

(iii) Sub-clause (c) amends section 6 in order to make it clear

that in the case of an individual who is not a citizen of India his foreign assets and debts are to be excluded in the computation of his net wealth.

Clause 15, read with the Second Schedule, proposes certain changes in the import and export Tariffs,—

(a) The present statutory rate of import duty of Rs. 3 per pound on art silk yarn and thread is proposed to be changed to Rs 3 per pound or 50 per cent. ad valorem whichever is higher plus the excise duty. This is because the specific rate of duty has been found to be inadequate in the case of costlier varieties of art silk yarn such as nylon and perlon. The proposed change in the pattern of duty will, besides bringing in additional revenue, also act as an incentive for larger imports of cheaper yarn for the same foreign exchange outlay.

(b) The rates of duty of 25 per cent. ad valorem (Standard) and 15 per cent. ad valorem (Preferential) on iron or steel barbed or stranded wire and wire rope falling under Item 63(24) of the Import Tariff, are proposed to be raised to 50 per cent. ad valorem (Standard) and 40 per cent. ad valorem (Preferential) in order that these finished products may bear a higher duty than the raw material, steel wire.

(c) Changes, mainly verbal, proposed in the other items are not of much revenue significance.

Clause 16 seeks to maintain for another year the status quo in regard to commitments under the General Agreement on Tariffs and Trade.

Clause 17.—Sub-clause (a) seeks to make a clarificatory amendment in sub-item 1(5) of Item No. 9 relating to unmanufactured tobacco, other than flue cured.

Sub-clause (b) proposes an increase in excise duty on cement from Rs 20 to Rs 24 per ton.

Clause 18, like section 6 of the Finance Act, 1957, provides that salt shall be duty-free for another year.

LOK SABHA

A

BILL

to give effect to the financial proposals of the Central Government for the financial year 1958-59.

The President has, in pursuance of clauses (1) and (3) of article 117 and clause (1) of article 274 of the Constitution of India, recommended to the Lok Sabha, the introduction and consideration of the Bill.

M. N. KAUL,

Secretary.

(J. Nehru,
Minister for Finance.)

The Gift-Tax Bill, 1958

(As Introduced in Lok Sabha)

A

BILL

to provide for the levy of gift-tax
Be it enacted by Parliament in the Ninth Year of the Republic of India as follows:—

CHAPTER I

Preliminary

SHORT TITLE, EXTENT AND COMMENCEMENT.

1. (1) This Act may be called the Gift-tax Act, 1958.
- (2) It extends to the whole of India except the State of Jammu and Kashmir.
- (3) It shall come into force on the 1st day of April, 1959.

DEFINITIONS.

2. In this Act, unless the context otherwise requires,—

- (i) "Appellate Assistant Commissioner" means a person empowered to exercise the powers of the Appellate Assistant Commissioner of Gift-tax under section 9;
- (ii) "Appellate Tribunal" means the Appellate Tribunal appointed under section 5A of the Income-tax Act;
- (iii) "assessee" means a person by whom gift-tax or any other sum of money is payable under this Act;
- (iv) "assessment year" means the year for which tax is chargeable under section 3;
- (v) "Board" means the Central Board of Revenue constituted under the Central Board of Revenue Act, 1924;
- (vi) "Commissioner" means a person empowered to exercise the powers of a Commissioner of Gift-tax under section 10;
- (vii) "company" means a company as defined in section 3 of the Companies Act, 1956, and includes a foreign company within the meaning of section 591 of that Act;
- (viii) "donee" means any person who acquires any property under a gift, and, where a gift is made to a trustee for the benefit of another person, includes both the trustee and the beneficiary;
- (ix) "donor" means any person who makes a gift;
- (x) "executor" means an executor or administrator of the estate of a deceased person;
- (xi) "firm" has the meaning assigned to it in the Indian Partnership Act, 1932;
- (xii) "gift" means the transfer by one person to another of any existing movable or immovable property made voluntarily and without consideration, and includes the transfer of any property deemed to be a gift under section 4;
- (xiii) "Gift-tax Officer" means the Income-tax Officer authorised to perform the functions of a Gift-tax Officer under section 8;

(xiv) "Income-tax Act" means the Indian Income-tax Act, 1922;

(xv) "Income-tax Officer" means a person appointed to be an Income-tax Officer under the Income-tax Act;

(xvi) "Inspecting Assistant Commissioner of Gift-tax" means a person empowered to exercise the functions of an Inspecting Assistant Commissioner of Gift-tax under section 11;

(xvii) "partner" has the meaning assigned to it in the Indian Partnership Act, 1932, and includes a person who being a minor has been admitted to the benefits of partnership;

(xviii) "person" includes a Hindu undivided family;

(xix) "prescribed" means prescribed by rules made under this Act;

(xx) "previous year", in relation to any assessment year, means the previous year as defined in clause (11) of section 2 of the Income-tax Act if an assessment were to be made under that Act for that year.

Provided that where in the case of an assessee there are different previous years under the Income-tax Act for different sources of income, the previous year for the purposes of this Act shall be that previous year which expired last;

(xxi) "principal officer", used with reference to a company or any association of persons, means—

(a) the secretary, treasurer, manager, managing agent, managing director or agent of the company or association; or

(b) any person connected with the management of the affairs of the company or association upon whom the Gift-tax Officer has served a notice of his intention of treating him as the principal officer thereof;

(xxii) "property" includes any interest in property, movable or immovable;

(xxiii) "taxable gifts" means gifts chargeable to Gift-tax under this Act;

(xxiv) "transfer of property" means any disposition, conveyance, assignment, settlement, delivery, payment or other alienation of property and, without limiting the generality of the foregoing, includes—

(a) the creation of a trust in property;

(b) the grant or creation of any lease, mortgage, charge, easement, licence, power, partnership or interest in property;

(c) the exercise of a power of appointment of property vested in any person, not the owner of the property, to determine its disposition in favour of any person other than the donee of the power; and

(d) any transaction entered into by any person with intent thereby to diminish directly or indirectly the value of his own property and to increase the value of the property of any other person;

(xxv) "valuer" means a valuer appointed under section 4 of the Estate Duty Act, 1953.

CHAPTER II

Charge of Gift-Tax and Gifts

Subject to such Charge

CHARGE OF GIFT-TAX.

3. Subject to the other provisions contained in this Act, there shall be charged in the manner provided in section 7 for every financial year commencing on and from the 1st day of April, 1958, a tax (hereinafter referred to as gift-tax) in respect of the gifts, if any, made by a person during the previous year.

Explanation.—For the purposes of this section, gifts made by the wife of any person out of any gifts made to her by her husband shall be deemed to be gifts made by the husband.

GIFTS TO INCLUDE CERTAIN TRANSFERS.

4. For the purposes of this Act,—

(a) where property is transferred for less than the full consideration therefor, the amount by which the market value of the property at the date of the transfer exceeds the value of the consideration shall be deemed to be a gift made by the transferor;

(b) where property is transferred for a consideration which in the opinion of the Gift-tax Officer, having regard to the circumstances of the case, has not passed or is not likely to pass either in full or in part from the transferee to the transferor, the amount of the consideration which has not passed or is not likely to pass shall be deemed to be a gift made by the transferor;

(c) where there is a release, discharge, surrender, forfeiture or abandonment of any debt, contract or other actionable claim or of any interest in property by any person in favour of another, the value of the release, discharge, surrender, forfeiture or abandonment shall be deemed to be a gift made by the person responsible for the release, discharge, surrender, forfeiture or abandonment;

Provided that nothing in this clause shall apply in respect of any debt which is proved to the satisfaction of the Gift-tax Officer to have become irrecoverable;

(d) where a person absolutely entitled to property causes or has caused the same to be vested in whatever manner in himself and any other person jointly and such other person makes an appropriation from or out of the said property, the amount of the appropriation used for the benefit of the person making the appropriation shall be deemed to be a gift made in his favour by the person who causes or has caused the property to be so vested.

EXEMPTION IN RESPECT OF CERTAIN GIFTS.

5. (1) Gift-tax shall not be charged under this Act in respect of gifts made by any person—

(i) of immovable property situate outside the territories to which this Act extends;

(ii) of movable property situate outside the said territories unless the person—

(a) being an individual, is a citizen of India; or

(b) not being an individual, is resident in the said territories during the previous year in which the gift is made;

(iii) of property in the form of savings certificates issued by the Central Government, which that Government, by notification in the Official Gazette, exempts from gift-tax;

(iv) to the Government or any local authority;

(v) to any institution or fund established for a charitable purpose to which the provisions of section 15B of the Income-tax Act apply;

(vi) for any charitable purpose not falling within clause (v), subject to a maximum of rupees one hundred in respect of each such gift;

(vii) (a) being an individual, to any female relative dependent upon him for the necessities of life on the occasion of her marriage;

(b) being a Hindu undivided family, to any female member of the family who under any law, order or decree of a court is entitled to maintenance from the joint family property, on the occasion of her marriage; subject in either case to a maximum of rupees ten thousand in respect of the marriage of each such relative;

(viii) to his wife, subject to a maximum of rupees one lakh in the aggregate in one or more previous years;

(ix) of policies of insurance or annuities to his wife or children or to any other person dependent upon him for the necessities of life, subject to a maximum of rupees ten thousand in value in the aggregate in one or more previous years of the benefits in respect of each such donee;

(x) under a will;

(xi) in contemplation of death.

(2) Without prejudice to the provisions contained in sub-section (1), gift-tax shall not be charged under this Act in respect of gifts made by any person during the

previous year, subject to a maximum of rupees ten thousand; but such maximum shall have effect as if it had been reduced to rupees five thousand if the value of the taxable gifts to any one donee during the previous year exceeds rupees three thousand.

Explanation.—For the purposes of this section,—

(a) a Hindu undivided family, firm or other association of persons shall be deemed to be resident in the territories to which this Act extends during any previous year unless, during that year, the control and management of its affairs was situated wholly outside the said territories;

(b) a company shall be deemed to be resident in the territories to which this Act extends during the previous year, if—

(i) it is a company formed and registered under the Companies Act, 1956, or is an existing company within the meaning of that Act; or

(ii) during that year, the control and management of that company was situated wholly in the said territories;

(c) "gifts made in contemplation of death" has the same meaning as in section 191 of the Indian Succession Act, 1925.

VALUE OF GIFTS, HOW DETERMINED.

6. (1) The value of any property other than cash transferred by way of gift shall, subject to the provisions of sub-sections (2) and (3), be estimated to be the price which in the opinion of the Gift-tax Officer it would fetch if sold in the open market on the date on which the gift was made.

(2) Where a person makes a revocable gift, the value of the property gifted shall be the capitalised value of the income from the property gifted during the period for which the gift is not revocable.

(3) Where the value of any property cannot be estimated under sub-section (1) because it is not saleable in the open market, the value shall be determined in the prescribed manner.

AMOUNT OF GIFT-TAX, HOW DETERMINED.

7. For the purpose of determining the gift-tax payable by any person for any financial year under this Act—

(a) there shall first be ascertained, the value of all taxable gifts made by the donor during the five previous years immediately preceding the financial year (other than gifts made before the 1st day of April, 1957) and the gift-tax that would have been payable on the total value of all such gifts in accordance with the rates specified in the Schedule if all such gifts had been made during the previous year;

(b) the gift-tax payable for any financial year in respect of the gifts made during the previous year shall be that amount which bears to the amount of

the gift-tax ascertained under clause (a) the same proportion as the total value of the taxable gifts made during the previous year bears to the total value of all the taxable gifts made during the five previous years immediately preceding the financial year.

CHAPTER III Gift-tax Authorities GIFT-TAX OFFICERS.

8. Every Income-tax Officer having jurisdiction or exercising powers as such under the Income-tax Act in respect of any person shall perform the functions of a Gift-tax Officer under this Act in respect of that person.

Explanation.—For the purposes of this section, the Income-tax Officer having jurisdiction in relation to a person who has no income assessable to income-tax under the Income-tax Act, means the Income-tax Officer of the area in which that person resides.

APPELLATE ASSISTANT COMMISSIONERS OF GIFT-TAX.

9. The Board may empower as many persons as it thinks fit to exercise under this Act the functions of an Appellate Assistant Commissioner of Gift-tax, and on being so empowered the Appellate Assistant Commissioners shall perform their functions in respect of such areas or such persons or such classes of persons as the Board may direct, and where such directions have assigned to two or more Appellate Assistant Commissioners the same areas or the same persons or the same classes of persons they shall perform their functions in accordance with such orders as the Board may make for the distribution and allocation of the work to be performed.

COMMISSIONERS OF GIFT-TAX.

10. The Board may empower as many persons as it thinks fit to exercise under this Act the functions of a Commissioner of Gift-tax, and on being so empowered the Commissioners of Gift-tax shall perform their functions in respect of such areas or such persons or such classes of persons as the Board may direct, and where such directions have assigned to two or more Commissioners the same area, or the same persons or the same classes of persons they shall have concurrent jurisdiction subject to such orders, if any, as the Board may make for the distribution and allocation of the work to be performed.

INSPECTING ASSISTANT COMMISSIONERS OF GIFT-TAX.

11. The Commissioner of Gift-tax may empower as many persons as he thinks fit to exercise under this Act the functions of an Inspecting Assistant Commissioner of Gift-tax, and on being so empowered the Inspecting Assistant Commissioners of Gift-tax shall perform their functions in respect of such areas or such persons or such classes of persons as the Commissioner may direct, and

where such directions have assigned to two or more Inspecting Assistant Commissioners the same area or the same persons or the same classes of persons they shall perform their functions in accordance with such orders as the Commissioner may make for the distribution and allocation of the work to be performed.

GIFT-TAX OFFICERS TO BE SUBORDINATE TO THE COMMISSIONER OF GIFT-TAX AND THE INSPECTING ASSISTANT COMMISSIONER OF GIFT-TAX.

12. The Gift-tax Officers shall be subordinate to the Commissioner of Gift-tax and the Inspecting Assistant Commissioner of Gift-tax within whose jurisdiction they perform their functions.

GIFT-TAX AUTHORITIES TO FOLLOW ORDERS, ETC., OF THE BOARD.

13. All officers and other persons employed in the execution of this Act shall observe and follow the orders, instructions and directions of the Board.

Provided that no orders, instructions or directions shall be given by the Board so as to interfere with the discretion of the Appellate Assistant Commissioner of Gift-tax in the exercise of his appellate functions.

CHAPTER IV Assessment RETURN OF GIFTS.

14. (1) Every person who during a previous year has made any taxable gifts shall, before the thirtieth day of June of the corresponding assessment year, furnish to the Gift-tax Officer a return in the prescribed form and verified in the prescribed manner.

(2) If the Gift-tax Officer is of opinion that in respect of the gifts made by a person during any previous year he is liable to gift-tax under this Act, then notwithstanding anything contained in sub-section (1), he may serve a notice upon such person requiring him to furnish within such period, not being less than thirty days, as may be specified in the notice, a return in the prescribed form and verified in the prescribed manner.

(3) The Gift-tax Officer may in his discretion extend the date for the delivery of the return under this section.

RETURN AFTER DUE DATE AND AMENDMENT OF RETURN.

15. If any person has not furnished a return within the time allowed under section 14, or having furnished a return under that section, discovers any omission or a wrong statement therein, he may furnish a return or a revised return as the case may be, at any time before the assessment is made.

ASSESSMENT.

16. (1) If the Gift-tax Officer is satisfied without requiring the presence of the assessee or the production by him of any evidence that a return made under section 14 or section 15 is complete, he shall assess the value of the taxable gifts made by the assessee and

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determine the amount payable by him as gift-tax.

(2) If the Gift-tax Officer is not so satisfied, he shall serve a notice on the assessee either to attend in person at his office on a date to be specified in the notice or to produce or cause to be produced on that date any evidence on which the assessee may rely in support of his return.

(3) The Gift-tax Officer, after hearing such evidence as the person may produce and such other evidence as he may require on any specified points shall, by order in writing, assess the value of taxable gifts made by the assessee and determine the amount payable by him as gift-tax.

(4) For the purpose of making an assessment under this Act, the Gift-tax Officer may serve on any person who has made a return under sub-section (1) of section 14 or section 15, or upon whom a notice has been served under sub-section (2) of section 14, a notice requiring him to produce or cause to be produced on a date specified in the notice such accounts, records or other documents as the Gift-tax Officer may require.

(5) If any person fails to make a return in response to any notice under sub-section (2) of section 14 or fails to comply with the terms of any notice issued under sub-section (2) or sub-section (4), the Gift-tax Officer shall estimate the value of taxable gifts to the best of his judgment and determine the amount payable by the person as gift-tax.

GIFT ESCAPING ASSESSMENT.

17. (1) If the Gift-tax Officer—

(a) has reason to believe that by reason of omission or failure on the part of an assessee to make a return under section 14 for any assessment year or to disclose fully and truly all material facts necessary for his assessment for that year, any taxable gift has escaped assessment for that year, whether by reason of under-assessment or assessment at too low a rate or otherwise; or

(b) has, in consequence of any information in his possession, reason to believe, notwithstanding that there has been no such omission or failure as is referred to in clause (a), that any taxable gift has escaped assessment for any year, whether by reason of under-assessment or assessment at too low a rate or otherwise;

he may, in cases falling under clause (a) at any time within eight years and in cases falling under clause (b) at any time within four years of the end of that assessment year, serve on the assessee a notice containing all or any of the requirements which may be included in a notice under sub-section (2) of section 14, and may proceed to assess or re-assess any taxable gift which has escaped assessment, and the provisions of this Act shall, so far as may be, apply as if the notice had issued under that sub-section.

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(2) Nothing contained in this section limiting the time within which any assessment or re-assessment may be made shall apply to an assessment or re-assessment made on the assessee or any person in consequence of or to give effect to any finding or direction contained in an order under section 23, section 24, section 25, section 27 or section 29.

PENALTY FOR CONCEALMENT.

18. (1) If the Gift-tax Officer, Appellate Assistant Commissioner, Commissioner or Appellate Tribunal, in the course of any proceedings under this Act, is satisfied that any person—

(a) has without reasonable cause failed to furnish the return which he is required to furnish under sub-section (1) or sub-section (2) of section 14 or section 17 or has without reasonable cause failed to furnish it within the time allowed and in the manner required; or

(b) has without reasonable cause failed to comply with a notice under sub-section (2) or sub-section (4) of section 16; or

(c) has concealed the particulars of any gift or deliberately furnished inaccurate particulars thereof;

he or it may, by order in writing, direct that such person shall pay by way of penalty—

(i) in the case referred to in clause (a), in addition to the amount of gift-tax payable by him, a sum not exceeding one and a half times the amount of such tax, and

(ii) in the case referred to in clause (b) or clause (c), in addition to the amount of gift-tax payable by him, a sum not exceeding one and a half times the amount of the tax, if any, which would have been avoided if the return made by such person under section 14, section 15 or section 17, as the case may be, had been accepted as correct.

(2) No order shall be made under sub-section (1) unless the person concerned has been given a reasonable opportunity of being heard.

(3) No prosecution of an offence under this Act shall be instituted in respect of the same facts in relation to which a penalty has been imposed under this section.

(4) The Gift-tax Officer shall not impose any penalty under this section without the previous approval of the Inspecting Assistant Commissioner of Gift-tax.

REBATE ON ADVANCE PAYMENTS.

19. (1) If a person making a taxable gift of the value of not less than rupees ten thousand pays into the treasury within fifteen days of his making the gift, an amount calculated in the manner specified in sub-section (2), he shall, at the time of assessment under section 16, be given credit in addition to the amount so paid, for an amount equal to ten per cent of the amount so paid.

(2) The amount to be paid into the treasury under sub-section (1) shall be—

(a) where the value of the gift does not exceed rupees fifty thousand, four per cent of the value;

(b) where the value of the gift exceeds rupees fifty thousand but does not exceed rupees two hundred thousand, eight per cent of the value; and

(c) in any other case, fifteen per cent of the value.

CHAPTER V

Liability to Assessment in Special Cases

TAX OF DECEASED PERSON PAYABLE BY LEGAL REPRESENTATIVE.

20. (1) Where a person dies, his executor, administrator, or other legal representative shall be liable to pay out of the estate of the deceased person, to the extent to which the estate is capable of meeting the charge, the gift-tax determined as payable by such person, or any sum which would have been payable by him under this Act if he had not died.

(2) Where a person dies without having furnished a return under section 14, or after having furnished a return which the Gift-tax Officer has reason to believe to be incorrect or incomplete, the Gift-tax Officer may make an assessment of the value of the taxable gifts made by such person and determine the gift-tax payable by him, and for this purpose may, by the issue of the appropriate notice which would have had to be served upon the deceased person if he had survived, require from the executor, administrator or other legal representative of the deceased person any accounts, documents or other evidence which might, under the provisions of section 16, have been required from the deceased person.

(3) The provisions of section 14, 15 and 17 shall apply to an executor, administrator or other legal representative as they apply to any person referred to in that section.

ASSESSMENT AFTER PARTITION OF A HINDU UNDIVIDED FAMILY.

21. (1) Where, at the time of making an assessment, it is brought to the notice of the Gift-tax Officer that a partition has taken place among the members of a Hindu undivided family, and the Gift-tax Officer, after enquiry, is satisfied that the joint family property has been partitioned among the various members or groups of members in definite portions, he shall record an order to that effect and he shall make assessments on the amount of taxable gifts made by the family as such as if no partition had taken place and each member or group of members shall be liable jointly and severally for the tax assessed on the value of the taxable gifts made by the joint family as such.

(2) Where the Gift-tax Officer is not so satisfied, he may, by order, declare that such family shall be deemed for the purposes of this Act to continue to be a Hindu undivided family.

LIABILITY IN CASE OF DISCONTINUED FIRM OR ASSOCIATION OF PERSONS.

22. Where a firm or association of persons liable to pay gift-tax under this Act has been discontinued or dissolved, every person who was at the time of such discontinuance or dissolution a partner of such firm or a member of such association shall, in respect of the taxable gifts made by the firm or association, be jointly and severally liable to assessment and for the amount of tax payable by such firm or association under this Act and the provisions of this Act shall, so far as may be, apply to any such assessment.

CHAPTER VI

Appeals, Revisions and References APPEAL TO THE APPELLATE ASSISTANT COMMISSIONER FROM ORDERS OF GIFT-TAX OFFICERS.

23. (1) Any person,—

(a) objecting to the value of his taxable gifts determined under this Act; or

(b) objecting to the amount of gift-tax determined as payable by him under this Act; or

(c) denying his liability to be assessed under this Act; or

(d) objecting to any penalty imposed by the Gift-tax Officer under section 18; or

(e) objecting to any order of the Gift-tax Officer under sub-section (2) of section 21; or

(f) objecting to any penalty imposed by the Gift-tax Officer under sub-section (1) of section 46 of the Income-tax Act as applied under section 34 for the purposes of gift-tax;

may appeal to the Appellate Assistant Commissioner against the assessment or order, as the case may be, in the prescribed form and verified in the prescribed manner: Provided that no appeal shall lie under clause (f) unless the tax has been paid before the appeal is filed.

(2) An appeal shall be presented within thirty days of the receipt of the notice of demand relating to the assessment or penalty objected to, or the date on which any order objected to, is communicated to him, but the Appellate Assistant Commissioner may admit an appeal after the expiration of the period aforesaid if he is satisfied that the appellant had sufficient cause for not presenting the appeal within that period.

(3) The Appellate Assistant Commissioner shall fix a day and place for the hearing of the appeal and may from time to time adjourn the hearing.

(4) The Appellate Assistant Commissioner may,—

(a) at the hearing of an appeal allow an appellant to go into any ground of appeal not specified in the grounds of appeal;

(b) before disposing of an appeal, make such further inquiry as he thinks fit or cause further inquiry to be made by the Gift-tax Officer.

(5) In disposing of an appeal, the Appellate Assistant Commissioner may pass such orders as he thinks fit which may include an

order enhancing the amount of gift-tax determined or penalty imposed:

Provided that no order enhancing the amount of gift-tax determined or penalty imposed shall be made unless the person affected hereby has been given a reasonable opportunity of showing cause against such enhancement.

(6) A copy of every order passed by the Appellate Assistant Commissioner under this section shall be forwarded to the appellant and the Commissioner.

APPEAL TO THE APPELLATE TRIBUNAL FROM ORDERS OF THE APPELLATE ASSISTANT COMMISSIONER.

24. (1) Any assessee objecting to an order passed by the Appellate Assistant Commissioner under section 23 may appeal to the Appellate Tribunal within sixty days of the date on which he is served with notice of such order.

(2) The Commissioner may, if he is not satisfied as to the correctness of any order passed by an Appellate Assistant Commissioner under section 23, direct the Gift-tax Officer to appeal to the Appellate Tribunal against such order, and such appeal may be made at any time before the expiry of sixty days of the date on which the order is communicated to the Commissioner.

(3) The Appellate Tribunal may admit an appeal after the expiry of sixty days referred to in sub-sections (1) and (2) if it is satisfied that there was sufficient cause for not presenting it within that period.

(4) An appeal to the Appellate Tribunal shall be in the prescribed form and shall be verified in the prescribed manner and shall, except in the case of an appeal referred to in sub-section (2), be accompanied by a fee of rupees one hundred.

(5) The Appellate Tribunal may, after giving the parties to the appeal an opportunity of being heard, pass such orders thereon as it thinks fit, and any such orders may include an order enhancing the amount of gift-tax determined or penalty imposed.

Provided that no order enhancing the amount of gift-tax determined or penalty imposed shall be made unless the person affected thereby has been given a reasonable opportunity of showing cause against such enhancement.

(6) Where the appellant objects to the valuation of any gift, the Appellate Tribunal may, and if the appellant so requires, shall, refer the question of disputed value to the arbitration of two valuers, one of whom shall be nominated by the appellant and the other by the respondent, and the Appellate Tribunal shall, so far as that question is concerned, pass its order under sub-section (5) conformably to the decision of the valuers:

Provided that if there is a difference of opinion between the two valuers, the matter shall be referred to a third valuer nominated by agreement, or failing agreement, by the Appellate Tribunal, and the

decision of that valuer on the question of valuation shall be final.

(7) The costs of any arbitration proceeding under sub-section (6) shall be borne by the Central Government or the assessee, as the case may be, at whose instance the question was referred to the valuers:

Provided that where the assessee has been wholly or partially successful in any reference made at his instance, the extent to which the costs shall be borne by the assessee shall be at the discretion of the Appellate Tribunal.

(8) The valuers may, in disposing of any matter referred to them for arbitration under sub-section (6), hold or cause to be held such inquiry as they think fit, and after giving the appellant and the respondent an opportunity of being heard, pass such orders thereon as they think fit and shall send a copy of such order to the Appellate Tribunal.

(9) A copy of every order passed by the Appellate Tribunal under this section shall be forwarded to the assessee and the Commissioner.

(10) Save as provided in section 27, any order passed by the Appellate Tribunal on appeal shall be final.

(11) The provisions of sub-sections (5), (7) and (8) of section 5A of the Income-tax Act shall apply to the Appellate Tribunal in the discharge of its functions under this Act as they apply to it in the discharge of its functions under the Income-tax Act.

POWER OF COMMISSIONER TO REVERSE ORDERS OF SUBORDINATE AUTHORITIES.

25. (1) The Commissioner may, either on his own motion or on application made by an assessee in this behalf, call for the record of any proceeding under this Act in which an order has been passed by any authority subordinate to him, and may make such inquiry or cause such inquiry to be made, and, subject to the provisions of this Act, pass such order thereon not being an order prejudicial to the assessee, as the Commissioner thinks fit:

Provided that the Commissioner shall not revise any order under this sub-section in any case—

(a) where an appeal against the order lies to the Appellate Assistant Commissioner or to the Appellate Tribunal and the time within which such appeal can be made has not expired or, in the case of the Appellate Tribunal, the assessee has not waived his right of appeal;

(b) where the order is pending in appeal before the Appellate Assistant Commissioner or has been the subject of an appeal to the Appellate Tribunal;

(c) where the application is made by the assessee for such revision unless—

(i) the application is accompanied by a fee of rupees twenty-five; and

(ii) the application is made within one year from the date of the order sought to be revised or within such further

period as the Commissioner may think fit to allow on being satisfied that the assessee was prevented by sufficient cause from making the application within that period; and

(d) where the order is sought to be revised by the Commissioner on his own motion if such order is made more than one year previously.

Explanation.—For the purposes of this sub-section,—

(a) the Appellate Assistant Commissioner shall be deemed to be an authority subordinate to the Commissioner, and

(b) an order by the Commissioner declining to interfere shall be deemed not to be an order prejudicial to the assessee.

(2) Without prejudice to the provisions contained in sub-section (1), the Commissioner may call for and examine the record of any proceeding under this Act, and, if he considers that any order passed therein by a Gift-tax Officer is erroneous in so far as it is prejudicial to the interests of revenue, he may, after giving the assessee an opportunity of being heard, and after making or causing to be made such inquiry as he deems necessary, pass such order thereon as the circumstances of the case justify, including an order enhancing or modifying the assessment or cancelling it and directing a fresh assessment.

(3) No order shall be made under sub-section (2) after the expiry of two years from the date of the order sought to be revised.

APPEAL TO THE APPELLATE TRIBUNAL FROM ORDERS OF ENHANCEMENT BY COMMISSIONER.

26. (1) Any assessee objecting to an order of enhancement made by the Commissioner under section 25 may appeal to the Appellate Tribunal within sixty days of the date on which the order is communicated to him.

(2) An appeal to the Appellate Tribunal under sub-section (1) shall be in the prescribed form and shall be verified in the prescribed manner and shall be accompanied by a fee of rupees one hundred.

(3) The provisions of sub-sections (3) and (5) to (10) inclusive of section 24 shall apply in relation to any appeal under this section as they apply in relation to any appeal under that section.

REFERENCE TO HIGH COURT.

27. (1) Within ninety days of the date upon which he is served with an order under section 24 or section 26, the assessee or the Commissioner may present an application in the prescribed form and where the application is by the assessee, accompanied by a fee of rupees one hundred, to the Appellate Tribunal requiring the Appellate Tribunal to refer to the High Court any question of law arising out of such order, and the Appellate Tribunal shall, if in its opinion, a question of law arises out of such order, state the case for the opinion of the High Court.

(2) An application under sub-section (1) may be admitted after the expiry of the period of ninety days aforesaid if the Appellate Tribunal is satisfied that there was sufficient cause for not presenting it within the said period.

(3) If, on an application made under sub-section (1), the Appellate Tribunal,—

(a) refuses to state a case on the ground that no question of law arises, or

(b) rejects it on the ground that it is time-barred, the applicant may, within ninety days from the date on which he is served with a notice of refusal or rejection, as the case may be, apply to the High Court, and the High Court may, if it is not satisfied with the correctness of the decision of the Appellate Tribunal, require the Appellate Tribunal to state the case to the High Court, and on receipt of such requisition the Appellate Tribunal shall state the case:

Provided that, if in any case where the Appellate Tribunal has been required by an assessee to state a case the Appellate Tribunal refuses to do so on the ground that no question of law arises, the assessee may, within thirty days from the date on which he receives notice of refusal to state the case, withdraw his application, and if he does so, the fee paid by him under sub-section (1) shall be refunded to him.

(4) The statement to the High Court shall set forth the facts, the determination of the Appellate Tribunal and the question of law which arises out of the case.

(5) If the High Court is not satisfied that the case as stated is sufficient to enable it to determine the question of law raised thereby, it may require the Appellate Tribunal to make such modification therein as it may direct.

(6) The High Court, upon hearing any such case, shall decide the question of law raised therein, and in doing so, may, if it thinks fit, alter the form of the question of law and shall deliver judgment thereon containing the grounds on which such decision is founded and shall send a copy of the judgment under the seal of the Court and the signature of the Registrar to the Appellate Tribunal and the Appellate Tribunal shall pass such orders as are necessary to dispose of the case conformably to such judgment.

(7) Where the amount of any assessment is reduced as a result of any reference to the High Court, the amount, if any, overpaid as gift-tax shall be refunded with such interest as the Commissioner may allow, unless the High Court, on intimation given by the Commissioner within thirty days of the receipt of the result of such reference that he intends to ask for leave to appeal to the Supreme Court, makes an order authorising the Commissioner to post-one payment of such refund until the disposal of the appeal in the Supreme Court.

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(8) The costs of any reference to the High Court shall be in the discretion of the Court.

(9) Section 5 of the Indian Limitation Act, 1908, shall apply to an application to the High Court under this section.

HEARING BY HIGH COURT.

28. When a case has been stated to the High Court under section 27, it shall be heard by a Bench of not less than two Judges of the High Court and shall be decided in accordance with the opinion of such Judges or of the majority of such Judges, if any:

Provided that where there is no such majority, the Judges shall state the point of law upon which they differ and the case shall then be heard upon that point only by one or more of the Judges of the High Court, and such point shall be decided according to the opinion of the majority of the Judges who have heard the case, including those who first heard it.

APPEAL TO SUPREME COURT.

29. (1) An appeal shall lie to the Supreme Court from any judgment of the High Court delivered on a case stated under section 27 in any case which the High Court certifies as a fit case for appeal to the Supreme Court.

(2) Where the judgment of the High Court is varied or reversed on appeal under this section, effect shall be given to the order of the Supreme Court in the manner provided in sub-section (6) of section 27.

(3) The High Court may, on application made to it for the execution of any order of the Supreme Court in respect of any costs awarded by it, transmit the order for execution to any Court subordinate to the High Court.

CHAPTER VII

Payment and Recovery of Gift-tax GIFT-TAX BY WHOM PAYABLE.

30. Gift-tax shall be payable by the donor but where in the opinion of the Gift-tax Officer the tax cannot be recovered from the donor, it may be recovered from the donee:

Provided that the amount of the tax which may be recovered from the donee shall not exceed that portion of the gift-tax which is attributable to the value of the gift made to the donee by the donor as at the date of the gift.

GIFT-TAX TO BE CHARGED ON PROPERTY GIFTED.

31. Gift-tax payable in respect of any gift comprising immovable property shall be a first charge on that property but any such charge shall not affect the title of a bona fide purchaser for valuable consideration without notice of the charge.

NOTICE OF DEMAND.

32. When any tax or penalty is due in consequence of any order passed under this Act, the Gift-tax Officer shall serve upon the assessee or other person liable to

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pay such tax or penalty a notice of demand in the prescribed form specifying the sum so payable and the time within which it shall be payable.

RECOVERY OF TAX AND PENALTIES

33. (1) Any amount specified as payable in a notice of demand issued under section 32 shall be paid within the time, at the place, and to the person mentioned in the notice, or if no time is so mentioned, then on or before the first day of the second month following the date of service of the notice, and any assessee or other person liable to pay the amount failing so to pay shall be deemed to be in default.

(2) Notwithstanding anything contained in this section, where an assessee has presented an appeal under section 23, the Gift-tax Officer may, in his discretion treat the assessee as not being in default as long as such appeal is undisposed of.

MODE OF RECOVERY.

34. The provisions of sub-sections (1), (1A), (2), (3), (4), (5), (5A), (6) and (7) of section 46 and section 47 of the Income-tax Act shall apply as if the said provisions were provisions of this Act, and referred to gift-tax and sums imposed by way of penalty under this Act instead of to income-tax and sums imposed by way of penalty, under that Act, and to Gift-tax Officer and Commissioner of Gift-tax instead of to Income-tax Officer and Commissioner of Income-tax.

CHAPTER VIII

Miscellaneous

RECTIFICATION OF MISTAKES.

35. At any time within four years from the date of any order passed by him, or it, the Gift-tax Officer, the Appellate Assistant Commissioner, the Commissioner and the Appellate Tribunal may, on his, or its, own motion rectify any mistake apparent from the record and shall, within a like period rectify any such mistake which has been brought to the notice of the Gift-tax Officer, the Appellate Assistant Commissioner, the Commissioner or the Appellate Tribunal, as the case may be, by an assessee:

Provided that no such rectification shall be made which has the effect of enhancing the amount of gift-tax determined unless the assessee has been given a reasonable opportunity of being heard in the matter.

PROSECUTION.

36. (1) If any person fails without reasonable cause,—

(a) to furnish in due time any return of gifts under this Act;

(b) to produce, or cause to be produced, on or before the date mentioned in any notice under sub-section (2) or sub-section (4) of section 16, such accounts, records and documents as are referred to in the notice;

(c) to furnish within the time specified any statement or information which such person is

bound to furnish to the Gift-tax Officer under section 38; he shall, on conviction before a magistrate, be punishable with fine which may extend to rupees ten for every day during which the default continues.

(2) If a person makes a statement in a verification in any return of gifts furnished under this Act or in a verification mentioned in section 23, 24 or 26 which is false, and which he either knows or believes to be false, or does not believe to be true, he shall be punishable with simple imprisonment which may extend to one year, or with fine which may extend to rupees one thousand, or with both.

(3) A person shall not be proceeded against for an offence under this section except at the instance of the Commissioner.

(4) The Commissioner may either before or after the institution of proceedings compound any such offence.

Explanation.—For the purposes of this section "magistrate" means a presidency magistrate, a magistrate of the first class or a magistrate of the second class specially empowered by the Central Government to try offences under this Act.

POWER TO TAKE EVIDENCE ON OATH, ETC.

37. The Gift-tax Officer, the Appellate Assistant Commissioner, the Commissioner and the Appellate Tribunal shall, for the purposes of this Act, have the same powers as are vested in a court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters, namely:—

(a) enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of documents;

(c) receiving evidence on affidavit;

(d) issuing commissions for the examination of witnesses; and any proceeding before the Gift-tax Officer, the Appellate Assistant Commissioner, the Commissioner or the Appellate Tribunal shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code.

POWER TO CALL FOR INFORMATION.

38. Where, for the purposes of determining the gift-tax payable by any person, it appears necessary for the Gift-tax Officer to obtain any statement or information from any person, the Gift-tax Officer may serve a notice requiring such person, on or before a date to be therein specified, to furnish such statement or information on the points specified in the notice, and that person shall, notwithstanding anything in any law to the contrary, be bound to furnish such statement or information to the Gift-tax Officer:

Provided that no legal practitioner shall be bound to furnish any statement or information under this section based on any professional communications made to

him otherwise than as permitted by section 126 of the Indian Evidence Act, 1972.

EFFECT OF TRANSFER OF AUTHORITIES ON PENDING PROCEEDINGS.

39. Whenever in respect of any proceeding under this Act any Gift-tax authority ceases to exercise jurisdiction and is succeeded by another who has and exercises such jurisdiction, the authority so succeeding may continue the proceeding from the stage at which the proceeding was left by his predecessor.

COMPUTATION OF PERIOD OF LIMITATION.

40. In computing the period of limitation, prescribed for an appeal under this Act or for an application under section 27, the day on which the order complained of was made and the time requisite for obtaining a copy of such order shall be excluded.

SERVICE OF NOTICE.

41. (1) A notice or a requisition under this Act may be served on the person therein named either by post or as if it were summons issued by a court under the Code of Civil Procedure, 1908.

(2) Any such notice or requisition may, in the case of a firm or a Hindu undivided family be addressed to any member of the firm or to the manager or any adult male member of the family, and in the case of a company or association of persons be addressed to the principal officer thereof.

PROHIBITION OF DISCLOSURE OF INFORMATION.

42. (1) Subject to the provisions contained in sub-section (2), the provisions of section 54 of the Income-tax Act shall apply to all accounts or in relation to statements, documents, evidence or affidavits given, produced or obtained in connection with or in the course of any proceeding under this Act as they apply to or in relation to similar particulars under that Act subject to the modification that the reference to any "Income-tax authority" in clause (d) of sub-section (2) and to the "Commissioner" in sub-section (5) of that Act shall be construed as a reference to any "Gift-tax authority" and to the "Commissioner of Gift-tax", respectively.

(2) Nothing contained in section 54 of the Income-tax Act shall apply to the disclosure of any such particulars as are referred to in sub-section (1) to any person acting in the execution of this Act or the Income-tax Act, or the Estate Duty Act, 1953, or the Wealth-tax Act, 1957, or the Expenditure-tax Act, 1957, where it is necessary or desirable to disclose the same to him for the purposes of this Act or any of the other Acts aforesaid.

BAR OF SUITS IN CIVIL COURT.

43. No suit shall lie in any civil court to set aside or modify any assessment made under this Act, and no prosecution, suit or other legal proceeding shall lie against any officer of the Government for anything in good faith done or intended to be done under this Act.

APPEARANCE BEFORE GIFT-TAX AUTHORITIES BY AUTHORISED REPRESENTATIVES.

44. Any assessee who is entitled to or required to attend before any Gift-tax authority or the Appellate Tribunal in connection with any proceeding or inquiry under this Act, except where he is required under this Act, to attend in person, may attend by a person authorised by him in writing in this behalf, being a relative of, or a person regularly employed by, the assessee or a legal practitioner or a chartered accountant or any other person having such qualifications as may be prescribed.

Explanation.—For the purposes of this section,—

(a) the expression "a person regularly employed by the assessee" includes any officer of a scheduled bank with which the assessee maintain a current account or has other regular dealings;

(b) "chartered accountant" means a chartered accountant as defined in the Chartered Accountants Act, 1949.

AGREEMENT FOR AVOIDANCE OR RELIEF OF DOUBLE TAXATION WITH RESPECT TO GIFT-TAX.

45. The Central Government may enter into any agreement with the Government of any reciprocating country for the avoidance or relief of double taxation with respect to gift-tax payable under this Act and under the corresponding law in force in the reciprocating country and may, by notification in the Official Gazette, make such provision as may be necessary for implementing the agreement.

Explanation.—The expression "reciprocating country" for the purposes of this Act means any country which the Central Government may, by notification in the Official Gazette, declare to be a reciprocating country.

ACT NOT TO APPLY IN CERTAIN CASES.

46. The provisions of this Act shall not apply to gifts made by—

(a) a Government company as defined in section 617 of the Companies Act, 1956;

(b) a corporation established by a Central, State or Provincial Act;

(c) any company (other than a private company as defined in section 3 of the Companies Act, 1956):

Provided that the affairs of the company or the shares in the company carrying more than fifty per cent of the total voting power were at no time during the previous year controlled or held by less than six persons:

(d) a company which is a subsidiary of and in which more than half the nominal value of equity share capital is held by a company referred to in clause (c);

(e) any institution or fund to which the provisions of section 15B of the Income-tax Act apply:

Explanation.—For the purpose of computing the number of six persons referred to in the proviso to clause (c), persons who are related to one another as husband and wife, brother and sister, bro-

thers, sisters or who are lineal descendants or ascendants of one another and persons who are nominees of any other person together with that other person shall be treated as a single person.

POWER TO MAKE RULES.

47. (1) The Board may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, rules made under this section may provide for—

(a) the manner in which the market value of any property may be determined;

(b) the form in which returns under this Act shall be made and the manner in which they shall be verified;

(c) the form in which appeals and applications under this Act may be made, and the manner in which they shall be verified;

THE SCHEDULE

(See section 7)
RATES OF GIFT-TAX

		Rate of gift-tax
(1) On the first Rs. 50,000 of the value of all taxable gifts	...	4%
(2) On the next Rs. 50,000 of the value of all taxable gifts	...	6%
(3) On the next Rs. 50,000 of the value of all taxable gifts	...	8%
(4) On the next Rs. 50,000 of the value of all taxable gifts	...	10%
(5) On the next Rs. 1,00,000 of the value of all taxable gifts	...	12%
(6) On the next Rs. 2,00,000 of the value of all taxable gifts	...	15%
(7) On the next Rs. 5,00,000 of the value of all taxable gifts	...	20%
(8) On the next Rs. 10,00,000 of the value of all taxable gifts	...	25%
(9) On the next Rs. 10,00,000 of the value of all taxable gifts	...	30%
(10) On the next Rs. 20,00,000 of the value of all taxable gifts	...	35%
(11) On the balance of the value of all taxable gifts	...	40%

STATEMENT OF OBJECTS AND REASONS

The object of this Bill is to levy a tax on gifts made by individuals, Hindu undivided families, companies, firms and associations of persons. Gifts from one person to another provide a convenient means of avoiding or reducing liability to Estate Duty, Income-tax, Wealth-tax, and Expenditure-tax. The only effective method of checking such attempts at evasion or reduction of tax liability is by levying a tax on gifts. With the introduction of this tax, the integrated tax structure which the Government have been aiming at will be complete.

The notes on clauses explain the various provisions contained in the Bill.

New Delhi,
The 28th February, 1958.

Notes on clauses

Clause 2 defines, inter alia, "gift", "previous year" and "transfer of property". All voluntary transfers of property without consideration and transfers deemed to be gifts under clause 4 of the Bill are covered by the definition of "gift". The definition of "previous year" secures that all gifts made during the period between the valuation dates determined for two consecutive wealth-tax assessments are charged to gift-tax in one year. The definition of "transfer of property" is designed to cover all possible transfers of property.

Clause 3 is the charging clause which provides that the tax is to be levied on all gifts made during the previous year by individuals,

(d) the form of any notice of demand under this Act;

(e) the refunds which may be made under this Act;

(f) the areas for which lists of valuers may be drawn up;

(g) any other matter which has to be, or may be, prescribed for the purposes of this Act.

(3) The power to make rules conferred by this section shall on the first occasion of the exercise thereof include the power to give retrospective effect to the rules or any of them from a date not earlier than the date of commencement of this Act.

(4) All rules made under this Act shall be laid before each House of Parliament as soon as may be after they are made and shall be subject to such modifications as Parliament may make during the session in which they are so laid or the session immediately following.

value of the gifts made during the five previous years preceding the assessment year. Gifts made before the 1st day of April, 1957 though within the five year period, will not be taken into account for aggregation.

Clauses 8 to 13 deal with the administrative machinery. The intention is to entrust the administration of this Act to the officers of the Income-tax Department under a procedure which follows broadly the procedure in the Income-tax Act.

Clauses 14 to 18 are assessment provisions which follow similar provisions in the Income-tax, Wealth-tax and Expenditure-tax Acts.

Clause 19 provides for a rebate of 10 per cent on advance payments towards tax liability made within fifteen days of making a gift. The amount to be paid is calculated at specified percentages on the value of the gift. This provision is meant to encourage prompt payments.

Clauses 20 to 29 relate to assessment in special cases, appeals, revisions and references and are similar to those in the Income-tax, Wealth-tax and Expenditure-tax Acts.

Clause 30 provides that the tax is primarily the liability of the donor, but in the interests of revenue it also provides that the donee will be jointly and severally liable for the tax. The donee's liability is, however, restricted to the tax attributable to the gift received by him.

Clause 31 makes the gift-tax a first charge on the immovable property comprised in the gift.

Clauses 32 to 45 provide for payment and recovery of the tax and other connected matters. They follow similar provisions in the Income-tax, Wealth-tax and Expenditure-tax Acts.

Clause 46 exempts Government companies, corporations established by Central, State or Provincial Act, public limited companies whose affairs are controlled by not less than six persons and charitable institutions or funds from the application of the Act.

Clause 47 makes the usual provision authorising the Central Board of Revenue to make rules for carrying out the purposes of the Act.

Clause 5 provides for the exemption of various types of gifts. Besides the gifts of property enumerated in sub-clauses (i) to (xi) which are exempt from charge to the extent indicated therein, there is a basic exemption of Rs 10,000 which will be reduced to Rs 5,000 if the taxable gift to an individual donee exceeds Rs 3,000. This reduction of basic exemption is meant to discourage large gifts being made to the same individual.

Clause 6 provides for the manner in which the values of gifts may be determined. Ordinarily the market value of the property gifted would be the value of the gift.

Clause 7 while providing that the tax is charged on the value of gifts made during the previous year, lays down that the rate of tax shall be determined by the

FINANCIAL MEMORANDUM

The Bill proposes to levy a tax on gifts made by individuals, Hindu undivided families, companies, firms and associations of persons. Although this is a new tax, the procedure for assessment, appeal and collection follows the same pattern as in Income-tax, Wealth-tax and Expenditure-tax Acts. It is, therefore, proposed to administer the tax through the Income-tax Department which is administering the Wealth-tax and Expenditure-tax Acts as well. The pressure of work on the Income-tax Department has even otherwise considerably increased since last year consequent on the reduction of minimum taxable limit to Rs 3,000. The Department cannot therefore, take on the responsibility of administering this new tax without some expansion of staff at the various levels of the departmental cadres.

2. The increase of personnel, along with incidental expenses of administration, including payment of remuneration to valuers is estimated to cost Rs 8 lakhs. Actual recruitment of staff will, however, be made as and when it is found really necessary.

I. VOLUME OF WORK

As we have no reliable data regarding the number of gifts made in a year, the extent and value, it is very difficult to make even a rough estimate of the number of persons who would be called upon to pay gift-tax if the Bill is enacted as proposed. It would, however, be safe to assume that normally only the very well to do persons would be in a position to make substantial gifts which attract liability to this tax. As a rough guess the number of such assesses may be taken as 10,000 in any one year.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 47 of the Bill authorises the Central Board of Revenue to make rules with respect to matters like the manner in which market value of property gifted may be determined in cases where they are not easily determinable, the form in which returns may be made under the Act, the form in which appeals should be filed or notices of demand issued and the manner in which refunds may be made. The rule making power is of a normal character.

II. REQUIREMENT OF PERSONNEL AND FINANCE.			
A. Officers:		No.	Cost Rs
No. of Inspecting Assistant Commissioners and	...	...	...
Appellate Assistant Commissioners.	...	...	...
(2+2) ...	...	...	...
No. of Gift-tax Officers taking the average disposal	4	4x1200x12	57,600
per Officer per annum at 400 ...	25	25x500x12	1,50,000
B. Staff:		...	...
Inspectors ...	...	...	...
No. of Supervisors ...	12	12x250x12	36,000
No. of Head Clerks ...	5	5x350x12	21,000
No. of UDCs ...	24	24x250x12	72,000
No. of LDCs ...	58	58x150x12	1,04,400
No. of Stenographers ...	20	20x120x12	41,700
No. of stenotypists ...	4	4x150x12	7,200
...	27	27x140x12	45,500
		...	5,35,320
C. Incidental Expenditure:		...	...
Incidental expenses including Class IV staff	...	...	5,50,000
contingencies and payment of remuneration	...	...	...
to valuers estimated at ...	...	...	2,50,000
Total		...	8,00,000

Budget, 1958-59

Finance Minister's Speech

28th February, 1958

Part A

According to custom, the Budget statement for the coming year has to be presented today. By an unexpected and unhappy chain of circumstances, the Finance Minister, who would normally have made this statement this afternoon, is no longer with us. This heavy duty has fallen upon me almost at the last moment.

2. The times are not propitious in many ways and within the last few days all of us here and the entire nation has suffered a grievous loss by the passing away of a leader of our people who had been a tower of strength to all of us both in the days when we were in the wilderness and when a measure of fulfilment came with its new problems and burdens. So I stand before this House today with a sense of desolation and a feeling of unfitness for the task that fate and circumstance have thrust upon me. I seek the indulgence of this House.

3. Last year, my distinguished predecessor in this office presented a Budget statement which, in some respects, was unusual and which involved substantial additions to taxation. Some novel taxes were introduced and an attempt was made to bring about gradually a reorientation of the tax structure of the country. I believed then, and I believe now, that this was right direction for us to travel and that we should continue to pursue this path. With experience we may no doubt make changes here and there and advance further in that direction, but I think that the major steps that we had taken last year have to continue. The times we live in and the problems that our country has to face do not permit a static or complacent approach or any avoidance of the burdens which inevitably accompany an attempt to advance with some speed. Our objective of striving peacefully and co-operatively towards the realisation of a socialist pattern of society also prevents us from thinking or acting along the old grooves, or seeking some present respite by slowing down or halting development. While we should always be prepared to reconsider the methods we adopt, should this become necessary, we have to strive with all our strength for our planned development by conserving all our resources, increasing production and trying to ensure progressively a more equitable distribution, and thus to raise the standards of the great mass of our people.

4. In the circumstances that we face today, I can only present before this House what might be called a pedestrian Budget statement, which is in the main a continuance of things as they are,

with relatively minor changes, or such changes as naturally flow from what we did last year. This statement relates to the estimated receipts and expenditure of the Government of India for 1958-59.

REVIEW OF ECONOMIC CONDITIONS

5. Following the usual practice I propose to review briefly the economic conditions in the country during the current year against the background of which the budget has to be considered. An economic survey, covering the major developments in the economy during 1957-58 and explaining the impact of the various measures adopted, is being circulated to Honourable Members along with the Budget papers. I propose, therefore, to review only briefly the main trends in the economy.

6. There has been some improvement in the economic situation in recent months. Prices have tended to come down and the decline in foreign exchange reserves has slowed down markedly. The money market is easier and expansion of money supply and bank credit have been brought under control. The measures adopted to check inflationary pressures and correct the strain on the balance of payments are proving effective.

PRICES

7. Wholesale prices were comparatively stable in the early months of the year, but there was a sharp rise between May and August when the index went up from 107 to 112. After August, prices have tended to fall. In recent weeks, the index has been around 105, which is slightly lower than the level about a year ago. The index for cereals which had gone up from 97 in December 1956 to 106 in March 1957 was again at 98 in December 1957. The improvement has been due to the various measures taken to hold the price level, including controls at particular points and restraints on bank credit; it is also a reflection of the improved supplies position. This latter is, however, due to large imports which the country can hardly afford.

PRODUCTION

8. Agricultural production in 1956-57 recorded a rise of some 6 per cent over the previous year's level, the improvement being shared by both foodgrains and other crops. The output of foodgrains in 1956-57 was 3.4 million tons more than in 1955-56. This year, however, there have been droughts over considerable areas in the country, and the supply position is difficult.

9. Industrial production has continued to expand, but the rate of expansion this year has been much

more modest than in the last few years. There have, nevertheless, been significant increases in certain lines, both in the capital goods as well as in the consumer goods categories, and further additions to production capacity are being made.

MONETARY SITUATION

10. In the stock market, there was a declining trend in both prices and turnover. The prolonged period of boom which started in 1953 ended in 1956. The decline in equity prices, as measured by the Reserve Bank's index of variable dividend industrial securities was 16 per cent in 1957—and 25 per cent as compared to August, 1956.

11. The gilt-edged market was weak in the early part of the year. There has, however, been a revival, in recent months, in the demand for investment, especially in short-dated securities. Since September last, the stringency in the money market has been less acute, and investments of scheduled banks in Government securities increased by Rs 67 crores between September and December. State loans have also improved slightly and there has been sustained buying in some of them. The net decline in the prices of Government securities in 1957 has been 0.7 per cent.

12. A noticeable feature in the monetary situation in 1957 has been the smaller expansion in money supply and in bank credit in 1957 as compared to the previous year. Money supply with the public increased by Rs. 97 crores in 1957 as compared to Rs. 132 crores in 1956 and Rs. 215 crores in 1955. The expansion of bank credit was Rs. 80 crores i.e., less than half the expansion in the previous year. The time deposits with the banks increased by Rs. 201 crores during the year. This has eased the strain on the banks' resources.

BALANCE OF PAYMENTS

13. Honourable Members are aware of the continuous strain on our balance of payments since the beginning of the Second Plan. The Reserve Bank's foreign assets which, at the end of 1956, stood at Rs 530 crores dropped to Rs 453 crores at the end of June 1957 despite the drawal of Rs 95 crores from the International Monetary Fund during that period. Between July and December 1957 the foreign assets declined by a further Rs 155 crores to Rs 298 crores. As a result of the remedial steps taken by Government, the rate of net withdrawal has perceptibly fallen in recent months. The monthly average rate of withdrawal came down from Rs 36 crores in the second quarter of 1957 to Rs 18 crores in the last quarter of that year. In recent weeks, it has been below Rs 3 crores a week.

14. The House will recall that the last year of the First Plan closed with a balance of payments surplus on current account of Rs 17 crores, including credits totalling

to Rs 42 crores on account foreign assistance. During 1956-57 the position was reversed and a current account deficit of about Rs 292 crores emerged, after taking credit of Rs 40 crores of foreign assistance. The payments deficit during each of the quarters of that year was Rs 44.5 crores, Rs 81.4 crores, Rs 84.8 crores and Rs 81.8 crores respectively. For the quarter ending June 1957, the deficit was Rs 149.7 crores and it was also about the same—Rs 148 crores—for the quarter July-September. These large deficits in the balance of payments have been due to a substantial increase in imports and a slight decline in exports, and the bulk of the increase in imports has been in respect of capital goods and industrial raw materials required for development.

15. The improvement in the balance of payments, to which I referred earlier, thus relates to the period after September, satisfactory as this latest trend is, it will be necessary to continue and accelerate the effort we are making, both in the matter of keeping down imports and of increasing exports, in order to bring the balance of payments position to a satisfactory state. The problem is no longer one of reducing payments in terms of a particular currency or group of currencies, but of securing an all round improvement.

16. The House is aware of the steps that have been taken to meet the difficult balance of payments position. Drastic cuts have been made in the imports of consumer goods, and strict vigilance is being exercised in respect of the licensing of imports including imports of capital goods. Efforts are being made simultaneously to secure external assistance and deferred payment terms for projects in both the public and private sectors having high priority and likely to save foreign exchange.

FOREIGN ASSISTANCE

17. In the current year the International Bank for Reconstruction and Development assisted in financing the country's development projects by sanctioning loans of Rs 43 crores for railway development, Rs 15 crores for the expansion of the Tata Iron & Steel Works and Rs 5 crores for the construction of the Trombay Thermal Station in Bombay. Negotiations are under way for obtaining loans from the Bank for the development of ports, the Koyana Hydro Electric Project and the Damodar Valley Corporation. In the last two or three months there have been various offers of assistance from friendly foreign countries for the economic development of this country. Last month the Government of the United States offered a loan of approximately \$ 225 million (about Rs 107 crores) from out of the currently available resources of the United States Export Import Bank and the President's Development Loan Fund. An official mission from this country is now negotiating details

of the utilisation of this offer. The United States Government are also considering as a matter of high priority, further measures to assist us in getting over the present shortage of foodgrains. The measure of assistance promised by the United States is expected to help us significantly in financing our imports of essential capital goods over the next fifteen months.

18. The question of obtaining a postponement of certain payments which will fall due in the next three years or so in respect of the Rourkela Steel Plant has been under discussion with the West German Government. The deferring of these payments has been agreed to in principle by that Government and the details are now the subject of negotiation with the authorities in that country.

19. On the 4th February 1958, an agreement was signed with Japan under which Japan would make available to India a sum of 18 billion yen (roughly Rs 24 crores) through the Export Import Bank of Japan to enable Government or parties recommended by Government to make purchases from Japan. This line of credit will be used for the purchase of Japanese goods including mostly industrial plant, machinery and equipment. The loans will be repaid within a period of ten years and the rate of interest will be decided on the basis of rate charged by the International Bank for Reconstruction and Development.

20. The Government of the USSR also offered us a credit of 500 million roubles (about Rs 60 crores) to be used in the form of technical assistance and equipment. This will be used for the setting up of a heavy machine building plant, a plant for the manufacture of coal mining machinery, an optical glass factory and a thermal power station and for the development of the Korba Coal-fields. This credit, like the one given by them for the Bhilai Steel Plant, carries interest at the rate of 2.5 per cent per annum and is repayable in 12 equal annual instalments.

21. The United Kingdom Government have also offered to assist us by paying in advance, on the 1st April 1958, three annual instalments of £4 million each due from them under the arrangements made in 1955 for the transfer of sterling pensions.

22. We have recently signed an agreement with the Government of France for economic and technical cooperation between the two countries. Under it the French Government will facilitate the financing of the manufacture and supply of capital goods for which orders are placed by Indian purchasers with French suppliers in the twelve months following the date of signing of the agreement, up to a total amount of 25 billion francs (about Rs 28 crores). The terms of each contract would be settled separately with the approval of both the Governments.

23. The total economic assistance made available to this country by friendly foreign countries up to the end of March 1957 amounted to Rs 463 crores, out of which Rs 219 crores had been utilised by that date. The balance of about Rs 244 crores has mostly been committed for the supply of equipment and commodities. During 1957-58, Canada has authorised 21 million dollars as assistance to this country under the Colombo Plan. In addition, Canada has made a special grant of 7 million dollars for the purchase of wheat. She has also agreed to supply an additional quantity of 400,000 tons of wheat on reasonable terms of credit to meet the food shortage. The Ford Foundation has continued its assistance by a further allocation of 6.2 million dollars.

24. Under the various programmes of assistance already in operation or in sight, the total foreign assistance to this country in the coming year is estimated at Rs 325 crores for which credit has been taken in the budget. This assistance would materially help in the implementation of the Second Five Year Plan and I am sure the House would join me in expressing our appreciation to our friends who have come to our assistance.

25. India, on her part, has continued to provide economic and technical assistance to neighbouring countries particularly under the Colombo Plan. In Nepal, where we have undertaken to provide aid upto Rs 10 crores, the expenditure in the coming year has been estimated to be Rs 2.2 crores. We also promised to give a loan of Rs 20 crores to Burma, of which Rs 15 crores will be paid this year and the balance next year.

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26. The Budget for the current year, as finally approved by Parliament, placed the revenue at Rs 708.03 crores and expenditure at Rs 672.29 crores, leaving a surplus on revenue account, of Rs 35.74 crores. On present estimates, revenue is now likely to amount to Rs 724.63 crores and expenditure to Rs 719.58 crores resulting in a small surplus of Rs 5.05 crores. The drop of Rs 30.69 crores in the surplus is largely the result of the additional transfer of Rs 34-1/2 crores to the States as a result of the Finance Commission's recommendations which have been accepted by Government.

27. I shall first briefly mention the important variations in the revenue estimate. The revenue from Customs is now expected to be Rs 183 crores against the budget estimate of Rs 167.6 crores. Excluding the additional duties levied on sugar, cloth and tobacco, which accrue to the States, Union Excise Duties are now expected to yield Rs 252.45 crores against the budget estimate of Rs 259.57 crores. The decrease of Rs 7.12 crores is mainly due to a fall in the revenue from cloth and motor spirit. This is

partly counter-balanced by increased revenue from cement and diesel oils. No change is anticipated in the budgeted figure of Rs 206.40 crores for Corporation Tax and Income Tax, but the share of the States will increase from Rs 65.98 crores to Rs 73.43 crores, as a result of the Finance Commission's Award. The revenue from Wealth Tax this year is now put at Rs 9 crores, a drop of Rs 3.5 crores in the original estimate due to the time taken in obtaining necessary statements from assesses. The tax on Railway fares is now expected to yield Rs 4.84 crores against the original budget of Rs 7 crores. The revenue from Posts and Telegraphs is likely to drop by Rs 2.72 crores to Rs 1.23 crores, due partly to a fall in traffic and partly to the interim relief to low paid employees granted recently. The dividend from Railways is now estimated at Rs 44.24 crores against the budget figure of Rs 43.79 crores. Of this sum, Rs 37.91 crores, representing the interest element, is taken in reduction of interest payments on the expenditure side and the balance credited as contribution to revenue. The variations under other heads do not call for any special mention.

28. The expenditure this year is now estimated at Rs 719.58 crores—Rs 263.05 crores on Defence Services and Rs 453.53 crores under Civil heads.

29. The revised estimate of the net Defence expenditure is placed at Rs 266.05 crores against the budget estimate of Rs 252.71 crores. The increase is largely accounted for by an additional provision of Rs 6.86 crores for the Army and Rs 6.80 crores for the Air Force. The increase in the Army estimate is due mainly to the purchase of additional stores, rise in prices, grant of additional dearness allowance and certain other concessions allowed to personnel; and that in the Air Force Estimate, almost entirely to the purchase of aircraft and equipment, mostly for replacement.

30. Civil expenditure shows an increase of Rs 33.95 crores over the budget estimate of Rs 419.58 crores. Payments to States on account of their share of Union Excise Duties and of grants under the substantive provision of Article 275(1) of the Constitution have increased by Rs 39.90 crores as a result of the Finance Commission's award and the levy of certain additional duties in replacement of sales tax. There is an increase of Rs 1 crore on account of additional dearness allowance granted during the course of the year and an increase of Rs 2½ crores in interest charges, due to larger expansion of Treasury Bills than anticipated in the Budget. A provision of Rs 3 crores has also been made for write-back to revenue of losses on the Food Trading Account. It will be recalled that a Food Subsidy Fund of Rs 25 crores was intended to be built up from the additional taxation levied this year, which if unspent, would have been available

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for the current and future years. But since the revenue surplus this year has been more or less absorbed by the transfer of additional resources to the States under the Finance Commission's award, it has not been possible to meet the entire subsidy from revenue. The amount of this subsidy this year will be Rs 30 crores and next year Rs 20 crores and it is proposed to write this back to revenue over a period of 10 years. The increases I have mentioned amount in all to Rs 46½ crores roundly but they have been offset by savings under other heads of Rs 12½ crores. Thus there is a saving of Rs 5 crores under Education; Rs 1 crore under Community Development; Rs 2 crores under Scientific Departments; Rs 1 crore in the grant to States for development of backward classes and Rs 2 crores in respect of grants to States towards expenditure necessitated by natural calamities. The balance of the savings is spread over a number of heads.

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31. For the next year, on the basis of existing taxation, the revenue is estimated at Rs 763.10 crores and expenditure at Rs 796.01 crores, leaving a deficit of Rs 32.85 crores on revenue account.

32. The revenue from Customs has been placed at Rs 176 crores, the decrease of Rs 13 crores as compared with this year's Revised estimates reflecting the effect of the restrictions on imports. Excise duties are expected to yield Rs 260.45 crores, excluding Rs 41.48 crores from additional duties on sugar, cloth and tobacco which accrue in almost their entirety to the States. This is an improvement of Rs 8 crores over the current year's Revised estimate. Under Income tax the revenue is placed at Rs 217 crores, allowing for a normal expansion in revenue of Rs 10-1/2 crores over the current year's revised estimate. The Wealth Tax is expected to yield Rs 12.5 crores, the tax on Railway fares Rs 9.22 crores and the Expenditure Tax Rs 3 crores. The revenue from Posts and Telegraphs is estimated at Rs 2.34 crores against Rs 1.23 crores this year. The dividend payable by Railways next year is estimated at Rs 49.58 crores of which Rs 7.04 crores will be taken as contribution to revenue and the balance of Rs 42.54 crores in reduction of interest payments on the expenditure side. The surplus profits of the Reserve Bank next year have been placed at Rs 30 crores, the same as in the current year. A credit of Rs 7.34 crores has also been taken on account of the surplus of the cement account of the State Trading Corporation to be transferred to Government. This amount will be utilised on the development of national highways. The share of income tax payable to States next year will be Rs 76.97 crores against the current year's Revised estimate of Rs 73.43 crores.

33. Expenditure next year is estimated at Rs 796.01 crores of which Rs 278.14 crores will be on Defence Services and Rs 517.87 crores under the Civil heads.

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which Rs 278.14 crores will be on Defence Services and Rs 517.87 crores under the Civil heads.

34. Estimates for Defence Services show an increase of Rs 12.09 crores over the Revised estimate for the current year. The increase is wholly in the Air Force estimates mostly for the purchase of stores for replacement. The Navy estimates show an increase of Rs 1.46 crores but this is offset by a reduction in the provision for the Army.

35. Civil Expenditure next year shows an increase of Rs 64.34 crores over the Revised estimate. Of this increase, payments to States of the proceeds of the additional excise duties on sugar, cloth and tobacco account for Rs 27.96 crores. The greater part of the balance is due to larger provision for nation-building, development and social services. A detailed account of individual items is, as usual, given in the Explanatory Memorandum and only the more important items need be mentioned here.

36. The provision for expenditure on nation-building and development services under Civil Administration amounts to Rs 130.09 crores as compared with Rs 109.62 crores during the current year. The provision for Education at Rs 29.63 crores is higher by Rs 5.48 crores and includes Rs 11.97 crores for grants to States, Rs 2.51 crores for scholarships and Rs 4.32 crores for grants to the University Grants Commission. For expenditure on Medical and Public Health, the provision has been increased from Rs 10.43 crores this year to Rs 16.03 crores next year and for agriculture and allied services, the provision made next year is Rs 17.64 crores against the current year's Revised estimate of Rs 16.85 crores. The provision for Scientific Research has also been stepped up by Rs 3.7 crores and that for Industries and Supplies by Rs 1.62 crores.

37. Larger provision is also being made for Community Development and National Extension Service and for welfare of Scheduled Tribes and development of Backward Areas and for Employment Exchanges, the increase next year over the current year's Revised estimate being Rs 3.86 crores.

38. The estimates also include a provision of Rs 6 crores for grants to States to help them to raise the emoluments of their low-paid employees, the corresponding provision for 1957-58 being Rs 5 crores. The newly constituted Naga Hills and Tuensang District will cost about Rs 3.64 crores next year. Gross interest charges will increase by Rs 17.60 crores of which Rs 15.04 crores will be recovered from the commercial departments and the State Governments.

39. The rest of the increase in Civil Expenditure is spread over a number of heads.

CAPITAL EXPENDITURE

40. The current year's budget provided for a capital outlay of

Rs 455 crores, excluding an adjusting item of Rs 95 crores in respect of loan assistance from the USA Government, which is transferred to the Special Development Fund by debit to capital. The Revised estimates provide for an outlay of Rs 427 crores, a reduction of Rs 28 crores. Owing to better availability of materials, particularly steel and track materials, following the special arrangements made for the procurement abroad and the extension of the scheme of electrification to certain sections, Railways are expected to spend Rs 14 crores more than estimated. Against this increase under Railways, a saving of Rs 29 crores is expected in the provision of Rs 157 crores for steel projects, Rs 11 crores on food purchases and Rs 2 crores under other heads, leaving a net saving on capital account of Rs 28 crores.

41. Capital expenditure in the coming year is estimated at Rs 412 crores excluding a formal adjusting debit of Rs 78 crores in respect of loan assistance from the United States Government mentioned earlier. The drop of Rs 15 crores over the Revised estimate is due to a reduction of Rs 38 crores in the net outlay on food purchases and the special receipt of Rs 16 crores from the United Kingdom as advance payments on account of sterling pensions which is taken in reduction of expenditure, partly offset by increases under other heads. An increased provision of Rs 31 crores has been made for the steel plants and Rs 10 crores for industrial development. Details of the provision under the various heads are given in the Explanatory Memorandum.

42. In addition to the provision for direct capital outlay by the Centre just mentioned, the estimates include Rs 288 crores for loans to State Governments and Rs 71 crores for loans to Port Trusts, Statutory Corporations, foreign Governments etc. in the current year against an original provision of Rs 238 crores and Rs 86 crores respectively. The increase in the loans to State Governments is largely due to ways and means advances and payments on account of their share of the net collections from small savings. In recent years the State Governments have been receiving a portion of these collections in their States as loans from the Centre. This share was raised during the current year from about 1/4th of the net collections to 2/3rds. Some arrears were also due to the States in respect of the previous year which have been paid to them. Savings of Rs 15 crores are, however, expected in the provision for other loans despite the fact that the Government of Burma are drawing an additional sum of Rs 5 crores against the loan assistance of Rs 20 crores promised to them some time back and an increase of Rs 5 crores is also expected in the loans to the Industrial Finance Corporation. The provision of Rs 15 crores made in the budget for loans to the Refinance Corpo-

ration is not likely to be required this year. For the next year a total provision of Rs 362 crores has been made for loans, of which Rs 284 crores will be for State Governments and Rs 78 crores for others. Broad details of these loans are given in the Explanatory Memorandum.

43. Before passing on to a consideration of the ways and means position, an account may be given of the total provision included in the estimates of the coming year for the execution of the Five Year Plan and the magnitude of the total Plan outlay in the coming year. The Budget now presented to the House includes a total provision of Rs 743 crores for the implementation of the Plan—Rs 122 crores in the revenue budget and Rs 621 crores in the capital budget. Out of this provision, Rs 53 crores will be provided from the revenue budget and Rs 178 crores from the capital budget for assistance to the States. In addition to this, the Railways will be spending Rs 93 crores from their own resources on the Plan and the States Rs 181 crores. The total plan outlay in 1958-59, including interest on loans on river valley projects treated as capital outlay and short term loans, will amount to Rs 1017 crores.

WAYS AND MEANS

44. The current year's budget provided for an overall deficit of Rs 284 crores, of which Rs 275 crores were expected to be covered by the issue of Treasury Bills and the balance by drawing down the cash balances. The Revised estimates place the overall deficit at Rs 380 crores which will be met entirely by the expansion of Treasury bills. This deterioration in the ways and means position is due mainly to three factors. First, the anticipated revenue surplus of Rs 36 crores has, as explained earlier, been mostly absorbed by the additional payments to the States as a result of the recommendations of the Finance Commission. Secondly, the net yield from small savings has been below estimate, and a drop of Rs 20 crores is now expected in the budgeted receipt of Rs 80 crores. Thirdly, external assistance, for which a credit of Rs 150 crores was taken in the budget, is now expected to amount to only Rs 105 crores, the balance being carried over to the coming year. Part of the short fall will, however, be met by savings in the capital outlay under a number of heads so that the net deterioration in the position is not likely to be more than about Rs 95 crores.

45. In the current year Government floated two new loans, the 3½ Per Cent National Plan Bonds 1967 at an issue price of Rs 99.5 and the 4 Per Cent Loan 1972 at par. Conversion facilities were offered for the 3 Per Cent Victory Loan 1957 and the 3 Per Cent Loan 1958 which was due for repayment in the following year. Subscriptions to the new loans amounted to Rs 106 crores, of which Rs 45

crores came by way of conversion. Later in the year, when a demand for more investment developed in the market, a re-issue of the 3½ Per Cent Loan 1962 was made through the Reserve Bank. The entire sum of Rs 30 crores of this re-issue has been absorbed by the market. The outstanding balance of the 3 Per Cent Victory Loan 1957, which was not converted into the new loans, was repaid in cash. The net market borrowings this year have thus amounted to Rs 68 crores, the sum for which credit was taken in the budget.

46. Mention was made earlier of the decline in the receipts from small savings. For some months the net receipts have been much smaller than in the past particularly under Postal Savings Banks. In the first ten months of the current year the net receipts amounted to Rs 37.6 crores against a sum of Rs 44.8 crores in the corresponding period of last year. The deterioration is wholly due to a drop in the receipts from Savings Banks which are Rs 14 crores less than in the previous year. In recent weeks there has been a slight improvement and it is hoped that collections will increase steadily in the future.

47. The intensification and development of the Small Savings movement have been under the constant consideration of Government in consultation with the State Governments who have now a predominant interest in the net proceeds from this source. The House will remember that as part of the programme for attracting larger investments the rate of interest on Postal Savings Banks was raised by ½ per cent and the yield on the 12 Year National Plan Savings Certificates and Treasury Saving Certificates was increased with effect from the 1st June 1957. Since then, the yield on the 15 year annuities has also been raised to the same level as the yield on the 12 Year National Plan Certificates. The increase in the yield has had a good effect on the sale of Certificates but the heavy withdrawals from Postal Savings Banks are somewhat disquieting. The introduction of a scheme of recurring monthly deposits which will assist persons with small regular incomes to accumulate savings for meeting expenditure such as on the marriage and education of children is under consideration and it is hoped to introduce this shortly.

48. The National Savings Organisation, in cooperation with State Governments, has been making continuous efforts to improve collections of small savings. Internal agents are being appointed in both Government and non-Government institutions for securing regular investments from their fellow employees through organised saving groups. The recent amendment of the Payment of Wages Act permitting voluntary deductions at source for purposes of investments in small savings is likely to assist in the mobilisation of savings in industrial establishments. State

Governments are undertaking intensive campaigns in the rural areas and special attention is being given to the Community Project areas and National Extension Service blocks. The procedure at Post Offices, through which the bulk of the small savings is collected, is also being simplified wherever possible and a special Small Savings Board consisting of representatives of the Posts and Telegraphs Departments, the Accountant General, Posts and Telegraphs, the Finance Ministry and the Reserve Bank of India has been constituted for this purpose.

49. In the budget for the coming year credit has been taken for a net receipt of Rs 125 crores from market borrowing and Rs 100 crores from small savings. Market conditions in the last two or three months have been easier and if these continue, as may be reasonably expected, the target of Rs 125 crores is likely to be reached. For small savings although the net receipts this year have been disappointing, it may be hoped that, with the more intensive development of the movement with the cooperation of the States, the net collections next year will show a substantial improvement. As mentioned earlier, foreign assistance next year is likely to amount to Rs 325 crores of which Rs 40 crores will be by way of grants and the balance by way of loans.

50. The overall budgetary position next year may now be summarised. At the existing level of taxation and expenditure there will be a revenue deficit of Rs 33 crores. Capital outlay will amount to Rs 412 crores, loans to State Governments and others to Rs 362 crores, and debt repayments to Rs 28 crores. This total disbursement of Rs 835 crores will be met to the extent of Rs 75 crores from repayments of loans by State Governments and others, Rs 145 crores from market borrowings in India, Rs 100 crores by Small Savings, Rs 285 crores from foreign loans and Rs 25 crores from miscellaneous receipts under debt and deposit heads, leaving a deficit of Rs 205 crores which will be met by the issue of Treasury Bills.

51. On the basis of the above estimates the total amount of outstanding Treasury Bills at the end of 1958-59 will be a little over Rs 1400 crores, the bulk of which will be held by the Reserve Bank. The expansion of Treasury Bills has been not merely to meet the internal requirements but also for the replacement of the external assets held by the Reserve Bank, which have been drawn down mostly for development purposes in the last two or three years. The Treasury Bills represent something more than mere floating short terms debt and will gradually be funded into loans of appropriate maturity.

52. I now turn to the proposals for dealing with the anticipated revenue deficit of Rs 32.85 crores in the coming year.

Part B

53. Less than ten months ago Parliament approved proposals involving very substantial additions to taxation of a magnitude rarely equalled in peace time. These covered not merely the extension of existing taxes but the levy of new taxes such as the tax on wealth and the tax on expenditure. All these measures resulted in a major reorientation of the tax structure of the country. I do not propose to make any major modification in it but to confine myself to making such improvements as are necessary to make the present pattern of taxation an integrated one, and to plug any loopholes in taxation.

DIRECT TAXATION

54. I shall first deal with direct taxation. My first proposal is to introduce a tax on gifts which will fill a gap in the scheme of direct taxation and would not only make evasion or avoidance difficult but also spread the tax burden more equitably.

55. The idea of a Gift Tax is not new. Many Honourable Members have stressed both in this House and the other House the need for introducing such a measure at an early date. The transfer of properties through gifts to one's near relations or associates is one of the commonest forms of avoidance of not only the Estate Duty but also of Income-Tax, Wealth Tax and even the Expenditure Tax. The only way of effectively checking this practice is to levy a tax on gifts. Such a tax is already being levied in other countries, for example, USA, Canada, Japan and Australia. The Taxation Enquiry Commission also had accepted the Gift Tax as theoretically an attractive proposition.

56. It is proposed to levy a tax on gifts by whomsoever made, the only exceptions being charitable institutions, government companies, corporations established by Central or State Acts and public companies whose affairs are controlled by six persons or more. The tax will be levied on the donor on the value of all gifts made by him during a year but for the purpose of determining the rate of duty, the gifts made during the four years preceding the year will be aggregated. Such aggregation will, of course, be made only in respect of gifts made after the date this tax comes into force. Gifts upto a total value of Rs 10,000 in any one year will be exempt and if the value of gifts made during any year exceeds this sum, only the excess will be subjected to tax. This basic exemption of Rs 10,000 will be reduced to Rs 5,000 if gifts to any one individual donee during a year exceeds Rs 3,000. In addition to this basic exemption, there are other exemptions, important among which are:—

- gifts to Central and State Governments, Local Authorities and charitable institutions;
- gifts to female dependants on the occasion of marriage upto Rs 10,000 in each case;

- gifts to one's wife upto a total limit of Rs 1 lakh;
- gifts to dependants of policies of insurance upto Rs 10,000 for each.

The rates of tax will be the same as for the Estate Duty, the only difference being that the first slab of Rs 50,000 will not be exempted from the tax. The rates of tax range from 4 per cent of the first slab to 40 per cent on gifts over Rs 50 lakhs. The administrative set up and the procedure for assessment, appeal and collection of tax will be the same as for Income Tax, Wealth Tax and Expenditure Tax.

57. The main object of this tax is to plug a loophole in the other tax statutes. Its importance cannot, therefore, be adequately measured in terms of the amount of revenue it brings directly. We have no reliable data for making an estimate of the yield, and on a rough guess the yield from the Gift Tax has been placed at Rs 3 crores. A bill for the levy of this tax is being introduced separately.

58. My second proposal is to make certain amendments in the Estate Duty Act. The actual collections of Estate Duty have fallen short of even the modest expectation we had at the time of passing that measure. This is partly due to the practice of making large gifts inter vivos which will hereafter be checked by the levy of the Gift Tax. It is also partly due to the numerous concessions provided in the Act itself, and I propose to reduce some of them. The important changes are:—

- The exemption limit be reduced from Rs 1,00,000 to Rs 50,000.
- Only one-half of the probate duty or court fees paid on succession certificates will be allowed as a deduction from estate duty instead of the full amount as at present.
- Gifts to other than those for charitable purposes made within a period of two years prior to death are now subjected to estate duty. It is proposed to increase this period to five years, as recommended by the Taxation Enquiry Commission. Gifts on which gift tax has been paid will not be taken into account.

- The value of coparcenary in Hindu Undivided Families will be taxed at the rate applicable to the value of the estate of the branch of the family concerned.

The effect of these changes will be to increase the revenue by Rs 50 lakhs which will accrue wholly to the States.

59. Honourable Members are aware that the Estate Duty Act has departed from the other fiscal statutes in vesting the appellate powers with the Central Board of Revenue. Now that we have gained some experience in the working of this Act, it is proposed to bring the appellate procedure in line with the provisions in the Income

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Tax, Wealth Tax and Expenditure Tax Acts. A bill amending the Estate Duty Act is being introduced separately.

60. So far as Income Tax is concerned, no major change in the rate structure is proposed to be made. For the next financial year the basic rates of tax, together with the special surcharges in operation for the current financial year, will continue. The only change which I propose to make is in regard to the excess dividend super-tax payable by Section 23A companies. At present, the excess dividend tax rates for all companies are 10 per cent, 20 per cent and 30 per cent on the slabs of dividends over 6 per cent, 10 per cent and 18 per cent, respectively, of capital. For the financial year 1958-59, I propose to fix the excess dividend tax rates for Section 23A companies only in two slabs, 10 per cent on the slab of dividends over 6 per cent of capital and 20 per cent on the slab over 10 per cent of capital. This change is desirable as under the Act these companies are required to distribute the whole or a large proportion of their profits to the shareholders. It is not possible to estimate the loss of revenue in this proposal, but it is likely to be very small.

61. I also propose to make a change in the substantive income-tax law in regard to "Development Rebate". At present, this rebate is allowed uniformly at 25 per cent of the cost of the new machinery or plant and is available for ships as well. While this rate of 25 per cent is adequate for new plant and machinery in general, I think some further concession is necessary for the shipping industry. I propose, therefore, to increase the rate of development rebate for ships to 40 per cent. Simultaneously, the conditions for the grant of development rebate will be tightened as some instances of abuse of this concession have come to notice.

62. In addition to these, the Finance Bill contains some amendments relating to Income-tax law, some of which are intended to check evasion while some others are only of a clarificatory nature. To mention the more important of them, the definition of 'technician' is proposed to be made stricter to ensure that the exemption is not secured to a person who is not legitimately entitled to it. It is also proposed to confer on the Central Board of Revenue the power to make rules laying down the basis for valuing perquisites in kind, like rent-free quarters, free use of conveyance, etc., so that some uniformity is secured in the basis of assessment.

63. Before leaving the subject of Income-tax, I should like to mention a change in regard to the exemption from tax of payments made to employees for leave passages. Such exemption is now granted only if the payments are made under certain rules framed by Government. This leads to a large volume of administrative work

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not commensurate with the results and these rules are proposed to be withdrawn.

64. In regard to the Wealth Tax, the only change proposed is to exempt a foreign citizen from payment of the tax on his foreign wealth, even though he may be resident or ordinarily resident in India. This was the intention of the Select Committee when the provisions of the Bill were discussed by them but the intention has not been secured by the language of the provision as it now stands.

INDIRECT TAXATION

65. I now turn to the field of indirect taxation. In regard to Union Excise Duties the only major change I propose is the increase in the rate of duty on Cement from Rs 20 per ton to Rs 24 per ton. This increase will not, however, raise the issue price of cement as it is proposed simultaneously to withdraw the surcharge at present levied by the State Trading Corporation. The additional revenue of Rs 2.24 crores will be utilised for road development.

66. Certain minor amendments, mainly of a clarificatory nature, are also being made and I need not dilate on them here. I should, however, refer to two changes which are being made immediately by notification. Firstly, for powerlooms producing cotton textiles it is proposed that the concession of paying duty at the compounded rates should no longer be available to establishments having more than 100 looms. Simultaneously, the compounded rates applicable to units having 25 to 100 powerlooms are being suitably enhanced in two stages. This would bring in an additional revenue of Rs 83 lakhs. Secondly, the rate of duty on vegetable products is being lowered for the first 3000 tons cleared by each factory. This would give substantial relief to the smaller producers and will cost the Exchequer Rs 24 lakhs per annum.

67. Coming to Customs Duties, only a few minor adjustments and verbal changes are being made in the Tariff Schedule to remove some anomalies or doubts. The only change of any significance is the introduction of the alternative ad valorem rate of duty in respect of expensive varieties of artificial silk yarn, like nylon, perlon, etc.; so far as the other yarns, such as viscose, are concerned, the rate of duty is being left unchanged. The financial effect of these changes will be negligible.

NET EFFECT OF PROPOSALS

68. The net effect of the taxation proposals may now be summarised. The tax on gifts will bring in Rs 3 crores, the changes in the Estate Duty Rs 50 lakhs, the increased duty on cement Rs 2.24 crores and the adjustments in the excise duty on cloth Rs 83 lakhs, a total sum of Rs 6.57 crores, of

which Rs 50 lakhs will accrue to the State. The reduction in the excise duty on vegetable products will involve a loss of Rs 24 lakhs leaving the net additional revenue at Rs 5.83 crores. This will leave a final deficit of Rs 27.02 crores which I propose to leave uncovered.

CONCLUSION

69. The coming year, which will be the third year of the Plan, is bound to be one of difficulty calling for a considerable measure of sacrifice on the part of everyone. It is unnecessary to reiterate that the plan of development the country has set before itself has to be implemented whatever the sacrifice that may be called for because without economic development we cannot bring relief and prosperity to the millions of our countrymen who have suffered for so long from the curse of poverty. The crisis through which we are passing is a crisis of development, a crisis of resources. We must try to produce more, export more and save more to find the resources for implementing the Plan. In the budget for the coming year we have set ourselves high targets for both taxation and borrowing. I have no doubt in my mind that these targets are not beyond our capacity provided there is a sense of discipline and a sense of urgency in the country. I am sure the effort to realise the resources planned for the coming year will be forthcoming.

70. We live in an age of revolutionary changes when the development of science and technology has opened out vast avenues of human progress. We live also at a time when a great part of the resources of the world are being directed to preparations for war and the production of terrible weapons of mass destruction. While space travel beckons to us and the vast expanses of the universe almost appear to be in our reach, the horizon of our minds is limited by fear and the shadow of terrible disaster hangs over us. How can we and others raise ourselves above fear and hatred and the petty conflicts that are so out of place in the new world that is taking shape? How can we in India function with courage and unity and grasp with strong hands and stout hearts at this future? It has been given to us of this generation to face mighty problems and to achieve great results. We can only serve our own people or the world if we hold to our ideals and live up to them.

71. This budget statement is a minor event in our march forward. We have to look at it in the perspective of what we have to do and what we have to achieve. Above all, we have to realise that our success depends on ourselves and not on others, on our own strength and wisdom, on our unity and co-operation and on the spirit of our people whom we are privileged to serve.

SUMMARY OF FINAL ESTIMATES

		(In lakhs of Rupees)		
		Budget 1957-58	Revised 1957-58	Budget 1958-59
REVENUE.				
Customs	...	167.60	183.00	170.00
Union Excise Duties	...	259.57	264.55	301.93
Corporation Tax	...	50.50	50.50	55.50
Taxes on Income other than Corporation Tax	...	89.92	82.47	84.58
Estate Duty	...	9	12	12
Taxes on Wealth	...	12.50	9.00	12.50
Taxes on Railway Fares	...	...	8	7
Taxes on Expenditure	...	...	...	3.00
Taxes on Gift	...	...	...	3.00*
Opium	...	2.50	3.28	2.87
Interest	...	4.90	6.15	6.50
Civil Administration	...	43.21	56.79	44.24
Currency and Mint	...	36.02	36.84	36.62
Civil Works	...	2.95	2.78	2.57
Other Sources of Revenue	...	27.65	21.56	32.93
Posts & Telegraphs—Net contribution to general revenues	...	3.95	1.23	2.34
Railways—Net contribution to general Revenues	...	6.67	6.33	7.04
Total Revenue	...	706.03	724.63	763.16
				+5.83*
EXPENDITURE.				
Direct Demands on Revenue	...	46.00	62.97	94.45
Irrigation	...	10	10	13
Debt Services	...	35.00	37.44	40.00
Civil Administration	...	191.02	194.71	200.44
Currency and Mint	...	6.72	7.35	8.50
Civil Works and Miscellaneous Public Improvements	...	15.93	16.23	18.71
Pensions	...	9.17	9.36	9.40
Miscellaneous:				
Expenditure on Displaced Persons	...	22.50	22.33	20.48
Other Expenditure	...	44.06	42.63	50.33
Grants to States, etc.	...	25.23	47.26	47.08
Extraordinary Items	...	23.86	13.15	28.40
Defence Services (Net)	...	252.70	266.05	278.14
Total Expenditure	...	672.29	719.59	796.01
Surplus (+)				
...	...	+35.74	+5.05	—27.02

*Effect of budget proposals.

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Paid-up Capital	..	Rs.	3,14,54,250
Reserve Fund & Other Reserves	..	Rs.	4,03,60,820
Deposits as at 31-12-57	..	Rs.	1,55,14,50,664

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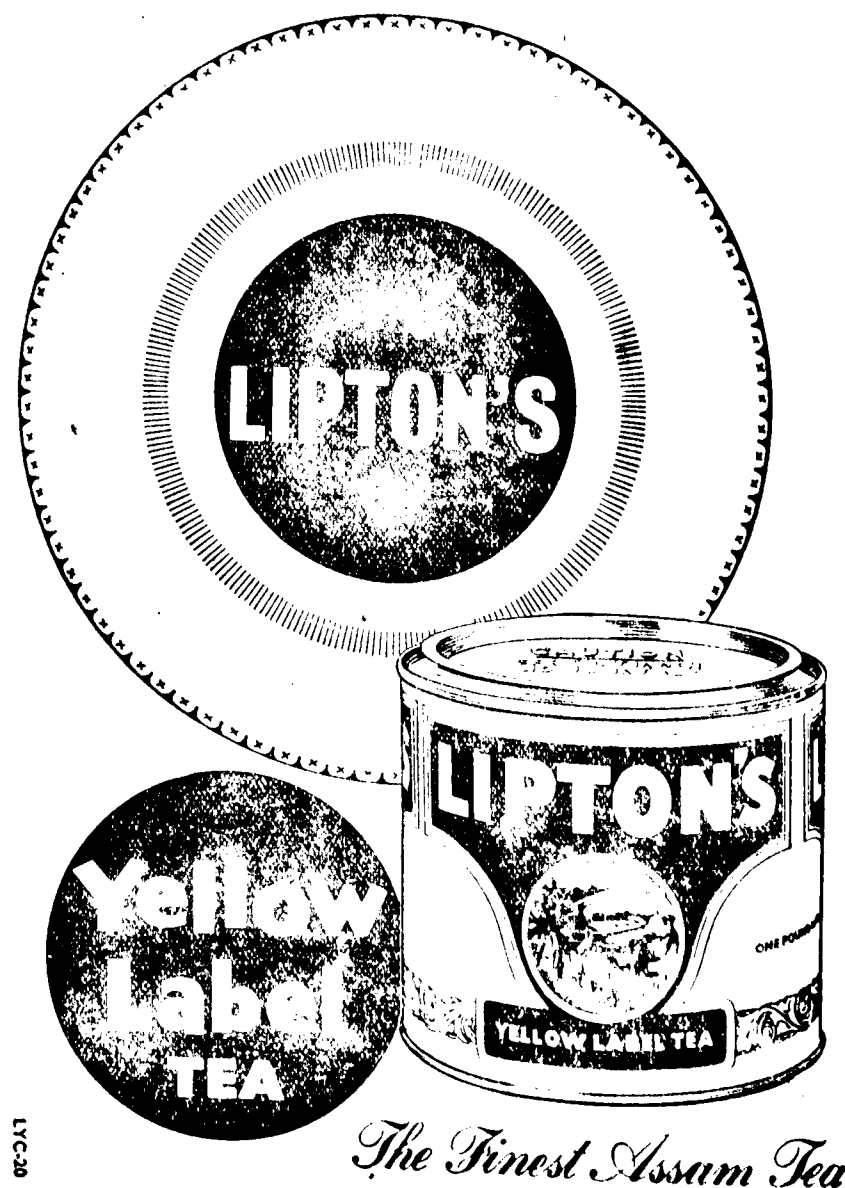
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February, 1958

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Background to the Report

WHEN one seeks to regulate anything, the most logical way to do it, if one wants to avoid friction, is to consult the affected parties first, and then proceed to do the regulation. Not so our Government. In 1955, they proceeded with the enactment of the very stringent provisions of the Companies Act, riding rough-shod as it were, over the many serious objections that had been voiced by the victims of that enactment—the corporate sector. However, before very long, it became apparent that what had been done was not right, that the new legislation suffered from many defects, and that something had to be done immediately to remedy the situation. Government realised that the new Company Law, while it had failed to prevent the bad ones from continuing their malpractices, it was at the same

time subjecting the honest company managements to numerous practical difficulties. In fact, most companies found that they could not carry on their day to day business without infringing some one or other of the many restrictive provisions of the Act. To mention only two instances, the investment of employees' provident fund moneys in Post Office Savings Banks was found to be simply impracticable. So also the requirement of Section 292 that borrowing powers may be exercised only by the Board or a Committee of Directors (and not, for example, by the principal officer in a branch office.) So, in May 1957, the Government of India constituted an ad hoc committee to examine the Act and recommend such amendments as the Committee may consider necessary to overcome prac-

tical difficulties revealed by its working, to remove drafting defects and obscurities, and to plug loop-holes. A distinguished judge of the Madras High Court, and one noted for his legal acumen, Shri A. V. Visvanatha Sastri, was appointed as the Committee's Chairman. A solicitor, a distinguished auditor, a director of a well-known business house, and the Joint Secretary of the Department of Company Law Administration, were the other members of the Committee. The Committee received memoranda from many public bodies, orally examined several of them, and eventually submitted their report to Government in November of the same year. It has to be said to the credit of the Committee that in reporting to Government within six months, the Committee have

completed their work with commendable speed, considering the stupendous task assigned to them. There are no doubt some shortcomings in their report: some amendments which one would have thought they should have recommended they have not recommended; and, several of the amendments they have recommended do not go far enough. All the same, the Committee deserve to be congratulated on a good job well done, and we take pleasure in doing so. In this series of articles, we have reviewed the various amendments suggested by the Committee, and we venture to express the hope that in implementing the Committee's recommendations the observations of Indian Finance herein may be found to be of some assistance.

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Nature's Weavers ... I

The Yellow Warbler builds in 1955

It appears strange that a bird should build a nest upon its own nest. But the bright little yellow Warbler does exactly so!

Stranger still is the reason why it does this. The Cowbird often lays its eggs in the nest of the Warbler. The Warbler covers them up by building another nest on top of them! The nest itself is a delicate structure of neatly entwined grass and rootlets lined with feathers and hair.

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Associates of Managing Agents

TO PREVENT managing agents from securing unfair advantages for themselves from the managed companies indirectly through their close relatives and business connections, the concept of 'associates of managing agents' was introduced in the Companies Act of 1956. Certain persons were defined as such associates, and certain disabilities were placed on them. Generally speaking, the persons deemed to be such associates were: partners of the managing agent, firms in which the managing agent or his partners are members, private companies under the management of the managing agent or his partners, other companies in which one-third of the voting power is controlled by the managing agent directly or in conjunction with certain others, and relatives of the managing agent. Two main objections had been voiced against this definition of 'associates'—firstly, that the definition was too wide, seeing that the expression 'relatives' alone, as defined in the Act included no less than eighty-one categories of persons, most of them remote; and secondly, that the definition is vague inasmuch as it would not be possible to predicate with absolute certainty whether the voting power in any given case was being 'controlled', and if so to what extent. The Companies Act Amendment Committee have re-defined the expression 'relative' so that it now covers a comparatively smaller category of persons than originally. But, while recognising that it would be difficult to ascertain the precise voting strength in specific cases they have not recommended the abrogation of this part of the definition. On the other hand the Committee have somewhat worsened matters by suggesting (a) that where the managing agent is a body corporate any relative of the principal officer of such body corporate should also be deemed to be an associate; and (b) that where control is exercised by the managing agent of a holding company through the subsidiaries of the latter such companies should also be deemed to be associates i.e. companies in which control is exercised through the subsidiary. In the net result, barring the fact that the expression 'relative' would apply to a lesser number of persons, it may be stated that in regard to the concept of 'associates' there is no improvement from the old position.

Relatives

Section 6 of the Act contains a definition of the expression 'relative'. Section 295 prohibits loans to, among others, relatives of directors. Section 297 requires

Board's consent to contracts in which relatives of directors, or firms in which such relatives are partners, are interested. Section 297 provides that a director shall vacate office if his relative or a firm in which any such relative is a partner holds an office of profit under the company or its subsidiary. Under Schedule VII, relatives cannot be appointed by a managing agent to posts in the managed company. We have already seen earlier that the expression 'relative' is widely used in connection with the definition of 'associates of managing agents'. 'Relative' as defined in Section 6 includes no less than eighty-one categories of persons. The Companies Act Amendment Committee have recognised that "it is highly inconvenient and in many cases, impracticable, for the director of a company to ascertain the different firms or companies in which any of the enumerated relatives is a partner, managing agent, or director." Having given their consideration to the many objections that had been put forward against the existing definition of 'relative', the Companies Act Amendment Committee have recommended that a simpler and narrower definition should be substituted for the existing one. The new definition suggested by the Committee reads as follows:

"Two persons shall be deemed to be 'relatives' if and only if:—

- they are members of a Hindu Joint Family; or
- they are husband and wife; or
- the one or the spouse of the one is related to the other or spouse of the other as parent and child, grandparent and grand-child, or brother and sister; or
- the one is related to the other directly (and not by marriage only) as uncle or aunt, nephew or niece."

The Committee claims that the revised definition suggested above would cut down the number of 'relatives' by more than half.

The matter deserves some further examination.

In the new definition the main departures from the existing definition are:—(i) relationship by illegitimate descent, by adoption, and by half-blood are omitted; and (ii) being a nephew or niece by a marriage connection is left out of account. The result is that the following persons who come under the category of 'relatives' under the existing definition, will not be so under the new definition:—

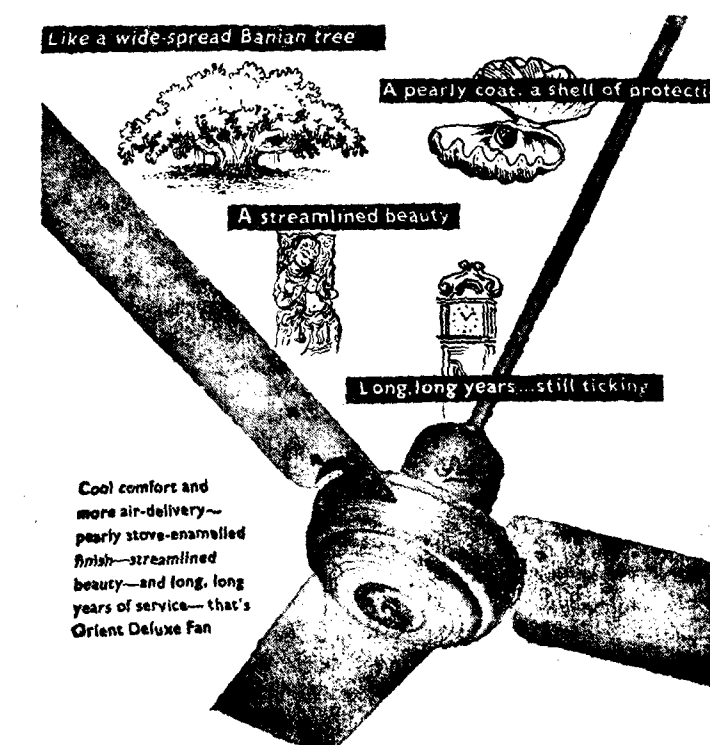
1. Wife's brothers son.
2. Wife's brother's daughter.
3. Wife's sister's son.
4. Wife's sister's daughter.

Some Concepts

- | | |
|---------------------------------------|--------------------------------|
| 5. Brother's daughter-in-law. | 3. Son-in-law. |
| 6. Brother's son-in-law. | 4. Daughter-in-law. |
| 7. Sister's daughter-in-law. | 5. Son's son. |
| 8. Sister's son-in-law. | 6. Daughter's son. |
| 9. Wife's brother's daughter-in-law. | 7. Son's daughter-in-law. |
| 10. Wife's brother's son-in-law. | 8. Daughter's daughter-in-law. |
| 11. Wife's sister's daughter-in-law. | 9. Son's daughter. |
| 12. Wife's sister's son-in-law. | 10. Daughter's daughter. |
| 13. Father's sister's husband. | 11. Son's son-in-law. |
| 14. Father's brother's wife. | 12. Daughter's son-in-law. |
| 15. Mother's sister's husband. | 13. Brother. |
| 16. Mother's brother's wife. | 14. Sister. |
| 17. Wife's father's sister. | 15. Wife's brother. |
| 18. Wife's father's sister's husband. | 16. Wife's sister. |
| 19. Wife's father's brother. | 17. Brother's wife. |
| 20. Wife's father's brother's wife. | 18. Sister's husband. |
| 21. Wife's mother's sister. | 19. Wife's brother's wife. |
| 22. Wife's mother's sister's husband. | 20. Wife's sister's husband. |
| 23. Wife's mother's brother. | 21. Brother's son. |
| 24. Wife's mother's brother's wife. | 22. Brother's daughter. |
| | 23. Sister's son. |
| | 24. Sister's daughter. |
| | 25. Father. |
| | 26. Father's father. |
| | 27. Father's mother. |
| | 28. Father's sister. |
| | 29. Father's brother. |
| | 30. Mother. |
| | 31. Mother's father. |
| | 32. Mother's mother. |
| | 33. Mother's sister. |
| | 34. Mother's brother. |
| | 35. Wife's father. |
| | 36. Wife's father's father. |
| | 37. Wife's father's mother. |
| | 38. Wife's mother. |

Perhaps it would be convenient for purposes of ready reference as to who all will be deemed to be 'relatives' under clauses (c) and (d) of the new definition suggested by the Committee. Under these two clauses, there will be forty categories of relatives as follows:

1. Son.
2. Daughter.



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Clubs and Trade Associations

Associations formed for promoting commerce, art, science or religion, or which run schools, art galleries or sports clubs, may be registered as companies with limited liability. Such associations, if licensed by the Central Government under Section 25 of the Act, may omit the word 'Limited' from their name, and further enjoy certain privileges. But all the same they are subject to most of the restrictive provisions of the Act. This has resulted in numerous difficulties, particularly to trade associations. The Act requires the annual general meeting to be held at the registered office: but the associations have for practical reasons found it necessary to hold such meetings in different centres of the country in different years. The Act requires twenty-one days' notice for general meetings; but the associations have found this impracticable as the date of the meeting has to be suited to the convenience of the public men invited to preside over the general meetings. The Act requires that the annual general meeting shall not be held on a public holiday, nor outside business hours; but these are the most convenient for club meetings. Further, in clubs and trade associations alike, the entire executive committee usually retires every year, and a

fresh committee is elected by a system of ballot papers sent by post; but the several provisions in the Act in regard to election of directors have been found to be very irksome. To crown it all, Clubs and trade associations in general have senior men on their executive committees, but the restrictive provisions in the Act specifying an age limit for directors have been rendering this difficult.

The Companies Act Amendment Committee have recognised these valid objections, and have made commendable suggestions for improving the position. Observing that in their opinion it is unnecessary to require non-profit making associations like chambers of commerce, trade associations, hospital committees, school boards, clubs and other associations of the same nature to conform to the provisions of some of the sections of the Act to which they are now subject, the Committee have recommended that associations or bodies to which a licence is granted under Section 25, should, in addition to the already existing exemption of Section 303, be exempted also from certain other sections of the Act. The following are the sections mentioned by the Committee in this connection:

(a) Under Section 190, the Act has introduced new category of

resolutions called 'resolutions requiring special notice'. What is required in the case of such resolutions is that notice of the intention to move the resolution should be given to the company twenty-eight days before the meeting at which it is to be moved, and the company should give to its members notice of such resolution along with the meeting notice. The matters in regard to which this category of resolutions is required relate to appointment of auditors and directors and removal of directors. The Committee have recommended that this category of resolutions is unnecessary for companies registered under Section 25.

(b) Under Sections 255 and 256 of the Act, in the case of public companies and their subsidiaries, at least two-thirds of the total number of directors should be subject to retirement by rotation; and further, at every annual general meeting, one-third of the directors liable to retire by rotation should retire, but will be eligible for re-election, and will be deemed to be re-elected under certain circumstances. The Committee have recommended that companies licensed under Section 25 may be exempted from the above sections. This means that such companies can continue the existing practice of the entire executive committee retiring at each annual general meeting, and a fresh committee elected in their place.

(c) Section 263 requires that for the election of directors there should be a separate resolution for each director. Licensed companies are to be exempted from this provision also, that is to say, in the case of such companies, the entire executive committee can be elected under a single resolution.

(d) Section 280 provides that in the case of public companies and their subsidiaries, a person who has attained the age of 65 shall not be appointed as a director. Companies licensed under Section 25 are to be exempt from this provision also. That is to say, there is to be no age restriction in regard to membership of executive committee of such companies.

(e) As a corollary to the above, licensed companies are to be exempt also from the provisions of Section 282 which requires directors to disclose their age to the companies concerned.

(f) According to Section 285, there should be a Board meeting at least once in every three calendar months. The Committee have recommended that companies licensed under Section 25 may be exempted from this also. The result is that such companies may have their executive committee meet-

ings as often or as infrequently as suits their convenience.

(g) The Committee have recommended that companies licensed under Section 25 may be exempted from the provisions of Section 166 of the Act. This section relates to annual general meetings. A similar exemption is recommended also in respect of Sections 171, 176, 177 and 188, all of which relate to general meetings. The net effect of these exemptions may be briefly stated as follows. It is not necessary for such companies to hold their annual general meetings within nine months after the expiry of their financial year. It is not necessary that more than fifteen months should not elapse between one annual general meeting and another. The annual general meeting may be held at any place, anywhere in the world, on any day, and at any hour. It is not necessary to give twenty-one days' notice of general meetings: any convenient notice may be given. There are no restrictions in regard to proxies. It is not necessary that the voting at these meetings should in the first instance be by show of hands. Finally, it is not necessary for these companies to circulate member's resolutions in advance or at any time.

(h) Section 147 requires the publication of their names by companies. This also is not to apply to licensed companies.

The Department had suggested that if a body to which a licence has been granted alters any of its objects in the Memorandum, it should be permitted to do so only after obtaining the previous approval of the Central Government to the alteration. The Committee have recommended that all that is necessary is that notice of the proposed alteration of the company's objects should be given to the Central Government, and the Central Government may revoke the licence if no such notice is given or if it does not approve of the alteration, or it may vary the terms of the licence.

An inadvertent error that appears to have crept into the Report may be mentioned here. At page 28 of the Report the Committee have specifically stated that companies registered under Section 25 may be exempted from the operation of "other sections in addition to Section 303". But at page 29, in actually listing the sections from the operation of which exemption is to be granted, Section 303 is not included. It does not appear to be the intention that exemption is not to be granted from the operation of Section 303. This should be rectified. We have taken the liberty to mention this as we find that even in the Errata Slip circulated with the Report there is no reference to this error.

Amendments Relating to Directors

IN the Companies Act no less than seventy-two sections deal with Directors. Some of these, notably Sections 292 and 314 had proved particularly irksome in actual practice. No wonder then that a large number of amendments have been recommended by the Companies Act Amendment Committee in respect of the provisions relating to directors. These are reviewed below, but it may be stated in a general way that most of the amendments suggested by the Committee may be found acceptable to the corporate sector inasmuch as they seek to remove practical difficulties. At the same time there are also one or two recommendations which may not be so welcome; these are noted below in the appropriate places.

Number of directors: Section 252 requires that public companies and their subsidiaries should have at least three directors. But as a private company can be formed with only two members, how can it have three directors? The Committee have accordingly recommended that private companies which are subsidiaries of public companies need have only two directors.

Retirement of directors: Under Section 255 of the Act, in the case of public companies and their subsidiaries, at least two-thirds of the total number of directors should be subject to retirement by rotation. This had given rise to doubts whether it would be permissible for the Articles to provide for the retirement of all the directors at every annual general meeting. The question is of particular interest to clubs and trade associations. The Committee have clarified that it shall be permissible for any company to provide for the retirement of all the directors at every annual general meeting.

The Committee have also clarified that the expression 'retiring director' does not refer to additional directors, alternate directors, and Directors appointed by debenture-holders or financiers pursuant to the Articles.

Special Resolution for appointment of certain persons as directors: Section 261 provides that in the case of public companies and their subsidiaries a person other than a retiring director cannot be appointed as a director unless his consent has first been filed with the Registrar. Some of the candidates may not be elected at all, in which case the filing of their consent becomes a meaningless formality. The Companies Act Amendment Committee have rightly said that there is no necessity at all for

the managing agencies, and persons sharing in the managing agency remuneration. There is however no bar in the Act for such persons being appointed as additional or alternate directors. The Companies Act Amendment Committee have considered this a lacuna, and have recommended that if such persons are to be appointed as additional or alternate directors, the procedure laid down in Section 261 shall be complied with: (i.e. they can be appointed as additional or alternate directors only after the company has passed a special resolution after special notice). This does not appear to be a happy recommendation, seeing that alternate directorships are generally for short periods of three to six months and it would be cumbersome and not worth while to call a general meeting and pass a special resolution. Even if such a restriction were considered necessary, then, if the appointment is in place of a director in respect of whom the necessary resolution pursuant to Section 261 already exists no fresh resolution should be required for the person taking his place.

Voting on appointment of directors: Section 263 requires that in respect of the election of directors there should be a separate resolution for each director. Suppose the Articles of a company provide that the names of all persons validly nominated for election to directorship shall be circulated to the members and the voting shall be conducted by postal ballot: is this not a much more democratic procedure? In such cases, why should separate resolutions be required for the election of each director? This procedure obtains particularly in the election of executive committees of clubs and trade associations. The Companies Act Amendment Committee have accordingly recommended that it shall be permissible for any company to provide in its Articles for the election of all directors by ballot at the time of each annual general meeting.

Filing of consent to act as director: There is an absurd requirement in Section 264. It says that in the case of public companies and their subsidiaries a person other than a retiring director cannot be appointed as a director unless his consent has first been filed with the Registrar. Some of the candidates may not be elected at all, in which case the filing of their consent becomes a meaningless formality. The Companies Act Amendment Committee have rightly said that there is no necessity at all for

all candidates who seek election to file with the Registrar prior to their appointment their consent in writing to act as directors; and the Committee have recommended that it should be sufficient if they file such consent within seven days of their appointment.

Proportional representation: It had been represented to the Committee that oppression of minorities is more widespread in private companies. Accordingly, the Committee have stated that some of their number (but not a majority) are of opinion that proportional representation (in respect of the election of directors) should be made obligatory in the case of private companies.

Share qualification of directors: Section 271 requires that directors should file with their respective companies a declaration specifying the qualification shares held by them. The Companies Act Amendment Committee have rightly pointed out that this is a needless formality. After saying, the Committee have gone on to recommend that such a declaration should be filed with the Registrar, which appears to be strange!

Age limit of directors: The Act requires that in the case of public companies and their subsidiaries a person who has attained the age of sixty-five shall not be appointed as a director unless the Company has first approved of the same by an ordinary resolution passed after special notice. It had been pointed out by the business community that these restrictions are unnecessary and inappropriate in view of the paucity of capable persons for directorships. All that had happened as a result of these restrictions was that irksome procedural formalities had to be complied with for the election of such persons to directorships. There does not appear to be any case where a resolution for the election of such a person as a director was turned down by a general meeting—which goes to show how valid is the objection mentioned above. The Committee have virtually recognised this when they say "The expectations of Parliament that persons above the age of sixty-five should retire to make room for younger people do not appear to have been realised to any appreciable extent." It is not as if such persons are not willing to stand down: the fact is that by reason of their eminence and indispensability their presence is required on the Boards. The Committee could, without any detriment, have recommended the abrogation of

these restrictions. That they have not done so is a matter for regret. The only exception they have made is that this restriction shall not apply in the case of clubs, trade associations and other bodies licensed under Section 25 of the Act.

Vacation of office by director: The Committee have made three recommendations on this subject, all of which need to be mentioned. Firstly, Section 283 makes it the duty of a director to vacate office on the happening of any of the contingencies mentioned in the section, but there is no provision in the section for compelling the vacation of office by the disqualified director. The Company have accordingly recommended that a director shall be deemed to have vacated office on the happening of the contingencies mentioned in the section, and that it would be desirable also to provide a penalty so as to deter a person from continuing to act as director after he becomes disqualified. Secondly, when an officer or workman is appointed a director by reason of the office he holds under the company, then, when he severs his connection with the company or takes office elsewhere, his directorship should cease. Similarly, a nominee of the managing agents should cease to be a director when the managing agency ceases. The Committee have recommended the inclusion of suitable provisions to this effect. Thirdly, referring to the provision in Section 283 (1) (h) that a director shall vacate office when he himself takes a loan from the company, the Committee point out that he might easily evade the provision by obtaining such loan through a near relative such as a son. They have therefore recommended that the condition for vacation of office under Section 283 (1) (h) should be, directly or indirectly accepting a loan from the company. This means that a son or other near relative, even if he is of independent means and requires a loan genuinely for his own purposes, he cannot take it from the particular company concerned. In the zeal to plug loop-holes this appears to be carrying things too far.

Quorum for Board Meetings: Section 287 which specifies what shall be the quorum for Board meetings has no end of trouble. According to the section the quorum for Board meetings will be one-third of the total strength of the Board minus any vacancies, or two directors, whichever is higher. And if the number of interested directors exceeds two-

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thirds of the total strength of the Board, the remaining directors will be the quorum. There have been difficulties of interpretation as to the meaning of the words: "remaining directors." Do they refer to, disinterested directors remaining out of the total strength of the Board, or out of those who are present at the meeting? The Committee have clarified that the expression refers only to those present at the meeting. It would have been well if the Committee had stopped there: but they have somewhat worsened matters by adding a further condition to the effect that there shall be at least two disinterested directors present. It is apprehended that as a result of this new condition, the calling of needless general meetings may become necessary.

The Committee have recognised that the requirement in Section 285 that Board meetings shall be held once at least in every three months has caused hardship and unnecessary expense to small companies, and also those licensed under Section 25. They have therefore recommended that the Central Government should be empowered to exempt by notification any class of companies from the operation of this section.

Powers of Board of Directors: Section 292 of the Act requires that certain powers may be exercised by the Board only, and that too at Board meetings only: that the Board may delegate to certain persons specified in the section the power to borrow, power to invest, and power to make loans, provided the resolution effecting the delegation sets out the limits of such delegation. This section has caused considerable hardship and dislocation of business. That the delegation of power could be only to any of the persons listed in the section has been found to be impossible of compliance. Delegation of such powers to the officer in charge of branches, or to the principal officer at the head office, or to a single director has been found to be very necessary in practice: but the section has needlessly stood in the way. In the case of overdraft and cash credit accounts the opening of the account and the fixing of the limit is usually done by the Board, but the day to day operation of the account has to be done by the person looking after the business in the head office or the branch as the case may be: but here again the section has stood in the way. And in the case of banking companies, the section has rendered it necessary to delegate to branch managers and principal officers detailed and vast powers which otherwise would not have been delegated. Finally, it has been found impracticable to comply with the requirement that the resolution effecting a delegation of power should specify the total amount up to which moneys may be borrowed or invested or lent by the delegate. Recognising all these

valid objections, the Committee have recommended that in any company it shall be permissible for the Board to delegate the power to borrow, to invest or to make loan, to the principal officer at the head office or to the branch officer, or to any such designated officer, and on such conditions as the Board may prescribe. This recommendation, we believe, will be found to be generally acceptable. The Committee have also clarified that the actual day to day operation of overdraft, cash credit and other similar accounts shall not be deemed to be borrowings; that acceptance of deposits by banking companies shall not be deemed to be borrowings; and that the placing of moneys by one banking company with another shall not be deemed to be making of a loan. The Committee have further clarified that the total amount on loan at any one time shall be the total amount outstanding after allowing for loans or drawings thereon previously repaid.

Restrictions on powers of Board: Section 293 provides that in the case of public companies and their subsidiaries, the Board cannot do certain acts without the consent of the company in general meeting. Among the acts mentioned in the section are the giving of time for repayment of a debt due by a director; borrowing beyond the paid-up capital and free reserves of the company, not taking account temporary loans from the company's bankers; and, contributing to charities beyond certain limits. The restriction on giving of time to a director for repayment of a debt due by him has caused difficulty in the case of banking companies. In banking companies, debts due are generally reviewed at the end of each year, and if the position is satisfactory, continuance of the loan for a further period is sanctioned. In the case of debts due by directors this amounts to giving of further time for repayment, and thus requires sanction of a general meeting because of the provisions of Section 293. To avoid this difficulty the Committee have recommended that this section shall not apply in the case of a renewal or continuance of an advance to its director made by a banking company in the ordinary course of its business. In regard to borrowings beyond the paid-up capital plus free reserves of the company, the Committee have given two clarifications and imposed one restriction. The Committee have stated that in regard to borrowings a blanket resolution of a general meeting without setting out any upper limit to the loan should not be permitted, and that the resolution should therefore specify the total amounts up to which moneys may be borrowed by the Board. The Committee have not however said anything as to whether companies which have already passed resolutions authorising their Boards to borrow beyond the paid up capital plus free reserves will have to pass re-

solutions afresh stating the limits up to which such borrowings may be made. The existing section provides that in computing the total borrowings of a company for the purposes of this section, temporary loans from the company's bankers in the ordinary course of business shall be left out of account. What is meant by 'temporary loans'? The Act has not defined the expression. The Committee have clarified that 'temporary loans' means loans repayable on demand, or within six months from the date of the loan, such as short-term cash-credit arrangements, discounting of bills, and issue of other short-term loans of a seasonal character, but not loans raised for the purpose of financing expenditure of a capital nature. They have also clarified that the expression 'free reserves' will not include capital reserves, depreciation reserves, or share premium account. As regards contribution to charities the Committee have clarified that a general resolution authorising the Board to contribute to charitable and other funds in excess of the limits prescribed by the section would be sufficient and a separate resolution is not required in respect of each contribution. In this connection the Committee have also made a reference to the recent High Court judgments regarding contributions to political parties and have recommended that full information relating to such contributions with particulars as regards the parties or organisations to which such contributions are made and the amounts of such contributions should be incorporated in the accounts and circulated to the members before the next annual general meeting.

Sole selling agencies: Not all will agree with the Committee's recommendations regarding sole selling agencies. Section 294 requires that sole selling agents for any area cannot be appointed by the Board of Directors except subject to the condition that the appointment will cease to be valid if not approved by the company in general meeting within six months from the date on which the appointment is made. The Committee have recommended that it shall be permissible to obtain such approval at the next annual general meeting. While this recommendation in regard to sole selling agencies will be frowned upon by many. The Committee have observed that power should be taken by the Central Government to notify industries or commodities like textiles, cement, sugar etc., in which sole selling agencies could be given for any area only on such terms and conditions as the Government might approve. Existing sole selling agencies in the industries or commodities which may be so notified should also obtain the approval of the Government within a period of six to twelve months of the amendment of the Act. Further, managing agents who have resigned their managing

agency should not be allowed to take up or acquire, directly or indirectly, either by themselves or through or in association with others, the sole selling agency of the products of the company of which they were the managing agents, for a period of three years from the date of the resignation. We ask, how is Government suited to decide as to what should be the terms of a sole selling agency? A sole selling agency is a business deal, and admittedly Government is least competent to do business deals. It is submitted that this recommendation should not be implemented.

Contracts in which directors have interest: Section 297 prescribes that except with the consent of the Board given at a Board meeting, directors, their relatives and other persons listed in the section, should not enter into any contract with the company for the sale, purchase, or supply of any goods, materials or services or for underwriting the company's shares or debentures. Such contracts up to not more than Rs 5,000 in the aggregate in any calendar year, are, however, permitted if they are part of the regular trade or business of the director, his relatives or other persons listed in the section. The Board's consent to such contracts has to be obtained prior to the contract or within two months after the contract was entered into. Several objections had been pointed out to the above provisions. Occasions might arise when, in order to avert a stoppage of work or breakdown, it may be necessary to enter into contracts urgently with the persons or companies coming within the restriction of the section: it would be impracticable to obtain the consent of the Board before entering into the contracts. Again, the ceiling of Rs 5,000 mentioned in the section is unreasonably low, and purchases for cash at current market rates may be excluded from this limit of Rs 5,000. Then again, transactions entered into by banking and insurance companies entered into in the normal course of business should be outside the purview of this section. The Committee have agreed that there is force in these objections, and have accordingly recommended suitable amendments to Section 297.

Voting by interested director: Under Section 300 of the Act, an interested director is not to take any part in the discussion of or vote on any contract or arrangement in which he is interested in terms of Section 299. According to that section, the holding of even one share in a public company may be considered as constituting an interest. The Committee have expressed the view that the holding of shares by a director in a public company or a private company which is a subsidiary of a public company, to the extent of not more than two per cent of its paid-up capital, should not disqualify a director from taking part in or

voting upon any contract or arrangement with such a company. The Committee have accordingly recommended suitable amendments to Section 300. The amendment should be generally welcomed, though, it is submitted that no particular sanctity should be attached to this figure of "two per cent". Not much harm would be done if this percentage were raised further.

Register of Contracts in which directors are interested: Section 301 requires companies to maintain a register of contracts in which directors are interested and to enter certain particulars therein from time to time. We believe that most companies would have justifiably violated the provisions of this section, for the simple reason that parts of it are impossible of compliance. When a director has given a general notice under Section 299, no question arises of filling up the particulars required by clauses (d) and (e) of sub-section (1) of Section 301. Nor can there be any question of making the requisite entries in the register 'within three days of the Board meeting at which the contract was approved', as required by sub-section (2) of Section 301. Section 301 ought to have differentiated between contracts falling within Section 297, and those falling within Section 299. The particulars required by clauses (d) and (e) of sub-section (1) of Section 301 are appropriate in the case of contracts falling within Section 297 (which requires Board's sanction), but are inappropriate in the case of contracts falling within Section 299 (which merely calls for a general notice). The Committee have appreciated the practical difficulties and have recommended that in the case of contracts with bodies corporate or firms of which general notice has been given under Section 299(3) the Register of Contracts need specify only the names of the bodies corporate and the firms, of which notice has been given by the director.

Section 301(2) requires entries to be made in the Register of Contracts within three days of the Board meeting at which the contract was approved. The Committee have recommended that in computing this time limit of three days, holidays should be excluded.

Filing of Form 33 with Registrar: The filing of Form 33 has been a perpetual head-ache to most company secretaries. In the case of a director holding directorships in several companies, if he resigns from one company or takes up a new directorship, not only the company from which he becomes a director have to file Form 33, but also every other company which has mentioned his other directorships in column 5 of the Form. The Committee have rightly pointed out that this requirement involves a cycle of form filling and filing of returns with no commensurate benefit or utility. They

have therefore recommended that if a director (or other managerial person) resigns from one company or takes up a position in another company, only these two companies concerned should file Form 33. The rest of the companies with which he is connected need notify the alterations only at the time of filing the annual return under Section 159 or 160. Another recommendation of the Committee (which also dispenses with a wasteful formality) is that when there is any change in the 'other particulars' relating to directorships, such as change of address etc., these may also be intimated only once a year at the time of filing the annual returns mentioned earlier.

Remuneration of Directors, and Government sanction for increase in remuneration of directors: Some of the observations of the Committee in regard to these matters are useful pointers, and hence it is considered desirable to state them:

(a) Sitting fee for directors for attending Board meetings should be reasonable having regard to the position of the company and the status of the directors.

(b) If a person is appointed as a managing director or whole-time director under an agreement for a period of five years on a scale of, say, Rs 750-100-1150, the increase in the monthly remuneration during the second, third, and fourth years of service does not require Central Government's approval under Section 310.

(c) Increase of dearness allowance from time to time according to a scale prescribed in a contract approved by the Government does not require Government's approval for every such increase.

(d) Any appointment or re-appointment of a managing or whole-time director made after the commencement of the Act, which involves no increase, direct or indirect, in the scale of remuneration previously paid for the post, does not require Government's approval.

Holding of office of profit by Directors and their associates: Section 314 provides that directors and their associates shall not hold any office or place of profit under the company or its subsidiaries without the consent of the company by special resolution. If the provisions of this section are contravened, the director concerned automatically vacates office in addition to being liable to account for the remuneration received. This section has been rightly criticised as being unduly drastic. A relative of a director may be appointed to an office of profit without the knowledge of the director or even against his wishes. In big concerns with several branches in different parts of the country, subordinate staff may be appointed by the local manager without any reference to the director concerned

or without knowledge of any relationship. Further it is extremely inconvenient if all the relations of a person employed in the company before he is appointed a director have to be ascertained and special resolutions have to be passed consenting to the appointment of each of them. Again what happens if an employee who is unrelated to the director subsequently becomes related by reason of marriage or adoption? If a relative of a director is appointed even to a petty post such as a chapparsi, company's consent to the appointment is required by special resolution if the director is not to vacate office. The Companies Act Amendment Committee have agreed that these objections are well-founded, and have suggested several amendments to Section 314. The amendments suggested by the Committee may be briefly stated as follows:—

(a) The previous consent of the company by special resolution is necessary if a director is to hold any office or place of profit under the company or its subsidiary.

(b) The previous consent of the company by special resolution is necessary if any associate of the director is to hold any office or place of profit under the company or its subsidiary, carrying a total monthly remuneration of three hundred rupees or above.

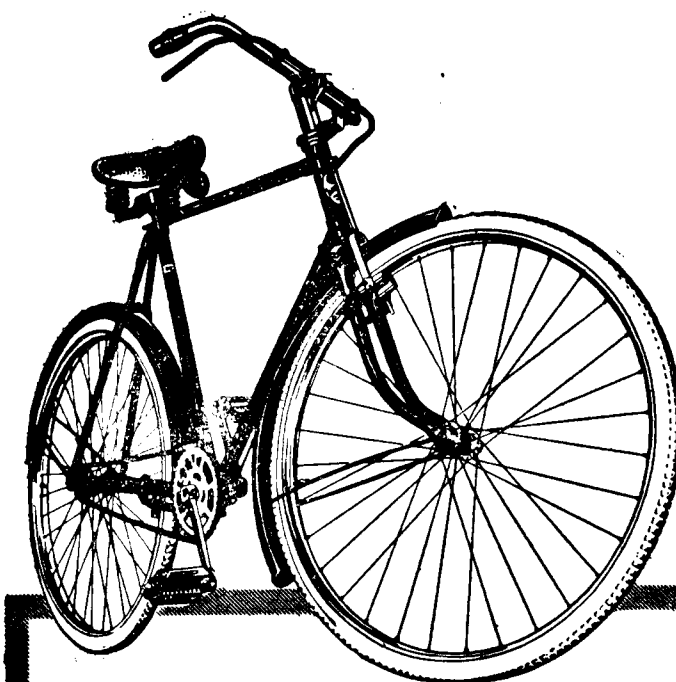
(c) Once consent of the company by special resolution has been

obtained for an appointment, a fresh consent is not necessary for subsequent appointments unless it carries a higher remuneration. But if the resolution has approved the appointment on a time-scale a fresh consent is not necessary for the increases pursuant to that scale.

(d) When an associate is appointed without the knowledge of the director, consent of the company may be obtained within three months from the date of the appointment, failing which the person holding the appointment shall cease to hold it and shall be liable to refund all remuneration received. The director concerned shall also be deemed to have vacated office thereafter. (It is not understood why the Committee have recommended this double penalty. Is it not sufficient if the associate vacates office if consent is not forthcoming? It is submitted that the condition that the director also shall vacate office may be omitted).

(e) Every person proposed to be appointed to any office or place of profit to which Section 314 applies shall at or before his appointment declare in writing whether he is an associate of the director as specified in the Section.

Barring the one objection mentioned above, Section 314 as now recommended by the Committee may be generally acceptable to the corporate sector.



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Amendments Relating to Managing Agents

SEVERAL amendments have been recommended by the Companies Act Amendment Committee in regard to the sections in the Act dealing with Managing Agents. What they have suggested amounts to a tightening up of the provisions relating to remuneration and advances. Some of the other amendments clarify doubts. Barring these there is not much change of substance from the existing law. Among the various changes suggested by the Committee, those that may be considered as more or less important, are mentioned below.

General policy regarding managing agents: Under Section 324 of the Act, Government have taken power to eliminate managing agencies in notified industries or businesses. The Committee have stated that Government do not appear to have laid down any policy regarding the future of the managing agency system, and that it is now desirable that Government should formulate a definite policy so that by 15th August 1960 action can be taken under Section 324.

Managing Agency of Private Companies: While the appointment of managing agents of private limited companies is subject to the control of Government under Sections 326 and 329, the remuneration payable to them is left uncontrolled by Government by reason of the exemption granted under Section 355. The Committee say that it would be logical to make the ceiling on managerial remuneration provided in Sections 198 and 348 applicable to managing agents of private companies also. The Committee have however stated that it is too soon to recommend any change in the law.

Variation of managing agency agreement: The Committee have clarified that if a variation of the terms of a managing agency agreement is necessary to bring it in conformity with the provisions of the Act, the previous sanction of the Central Government should not be necessary to effect the changes. They have accordingly recommended a suitable amendment of Section 329. This is a healthy recommendation: for, hitherto, the fact that when an application for approval of a change is made to the Central Government, the opportunity might be taken by Government to insist on other changes also, has acted somewhat as a deterrent; but now company managements might go ahead and make the requisite changes so as to bring their managing agency agreements in line with the provisions of the Act.

Resignation of managing agents: When a managing agent resigns, his

resignation cannot absolve him from liability for his acts of omission or commission during the time he was managing agent. The Company may not therefore desire to accept his resignation unconditionally or at all. It may be necessary to require the managing agent who has been in close touch with the affairs of the company, to prepare the statement of affairs and accounts of the company as may be necessary to enable the Board and the company to have a clear picture of the state of the company's affairs at the date of the notice of resignation by the managing agent. The Committee have therefore recommended suitable amendments to Section 342 for this purpose, and have further added that in case of default by the managing agent to comply with the requisition to prepare a statement of affairs, the Board may itself cause such a statement to be prepared together with a report from the auditors.

Transfer of Office by managing agents: The Committee say that it had come to their notice that some managing agents have given an irrevocable power of attorney to third parties to manage the affairs of the company of which they are in charge, reserving to themselves a portion of the profits, that it is not any different from a transfer of office, but that this is not covered by the present provisions of Section 343. The Committee have therefore recommended that any arrangement entered into by a managing agent which has the effect of transferring his right to manage the whole or substantially the whole of the affairs of the company to another person, shall also require approval both by the company in general meeting and by the Central Government.

Changes in managing agency: Section 346 of the Act is designed to ensure that when a change likely to affect the composition of the managing agency as already approved by Government occurs, Government should have an opportunity to reassess the position. The section accordingly provides that where the managing agent of a public company or a private company which is a subsidiary of a public company is a firm or a limited company, then if any change takes place in the constitution of the firm or limited company, the managing agent will cease to act as such on the expiry of six months from the date on which the change takes place unless within that time, or such extended time as may be allowed by the Central Government, the Central Government approves of the change in the constitution. The section further clarifies that the conversion of a private company into a public

company or vice versa, or a change in the directors or managers of a company, or a change in the ownership of the company's shares, will all be deemed to be changes in the constitution of the managing agent. It was pointed out to the Committee that the provisions of the section are somewhat sweeping, as they necessitate applications to Government even where no material change in the managing agency is involved, as for instance, transfer of preference shares carrying no voting rights; change of one of the directors by death, retirement or otherwise where the managing agent is a limited company; death or retirement of a partner and introduction of a new partner where the managing agent is a firm; appointment of alternate directors for short periods; and issue of unissued shares to existing members. The section requires Government's sanction to be obtained after a change takes place: if, for any reason, approval is not granted, the consequence is that the managing agent ceases to act as such. The Committee have expressed the view that the proper thing to provide is that the change shall not be effective until the approval is granted, rather than cessation of managing agency. On the ground that they are informed that applications made to the Central Government for recognition of transfer of shares are usually granted without difficulty, the Committee have said that they do not consider any other changes are necessary to the section.

Remuneration of managing agents: Section 348 provides that managing agents shall not be paid by way of remuneration, whether in respect of their services as managing agents or in any other capacity, any sum in excess of ten per cent of the net profits. Doubts had been expressed as to whether the commission payable to managing agents for buying agencies, selling agencies etc., under Sections 356 to 360, would also come within the overall ceiling of ten per cent of the net profits, as fixed in Section 348. The Committee have pointed out that if these services (i.e. buying agency, selling agency etc.) are rendered by strangers, the Company will have to pay for them separately; accordingly, if these services are rendered by a managing agent, the managing agent may justifiably be paid separately therefor; that the ceiling of ten per cent of the net profits fixed by Section 348 is exclusive of the buying agency commission, selling agency commission etc. The Committee have recommended an amendment of Section 348 so as to clarify this position.

Determination of net profits: The Committee's observations and recommendations in regard to the determination of net profits are all important. We accordingly state them below:—

(a) It was urged before the Committee that interest on borrowings by way of debentures or otherwise should not be deducted in arriving at profits during the period of construction, before the company starts manufacturing, such interest being attributable to capital. The Committee have observed that if this interest is not capitalised, it will be part of the loss, but it can be regarded as loss of a capital nature, and since Section 349 (4) (i) specifically provides that capital losses need not be deducted, there is no need for making any change in the section.

(b) At present there is no obligation cast on a company to write off bad debts. The Committee have expressed the view that every honestly-managed company should make proper provision for writing off bad debts before computing its profits, and that bad debts might properly be included as one of the usual working charges referred to in Section 349 (4) (a). However, in order to compel that bad debts are so written off, the Committee have recommended the addition of a new clause (o) to sub-section (4) of Section 349, to read as follows: "(o) debts considered to be bad or doubtful in the year of account."

(c) The Committee have pointed out that the expression 'usual working charges' in Section 349 (4) (a), means revenue expenditure usually incurred by companies and treated as such.

(d) Some doubts had been expressed as to whether contributions to religious and secular charities, funds of political parties, and associations organised for sport, recreation etc., could be treated as 'usual working charges'. The Committee have expressed the view that they should be treated as 'outgoings' and in order to put the matter beyond doubt, have recommended that Section 349 (4) (j) should read as follows: "(j) all other outgoings inclusive of contributions made under Section 293 (1) (e)."

(e) The Committee have also clarified as to how bonus paid in a subsequent year for work done by workmen in a previous year, should be treated for purpose of Section 349. The Committee have observed that a provision made to meet a bonus which, it is known at the time of closing of the accounts, will have to be paid, is properly to be

included as a working charge. If no appropriation for bonus has been made and the bonus is payable in a subsequent year, say under an award of an Industrial Tribunal, then the bonus should be treated as an outgoing of the subsequent year in which the amount is ascertained or becomes payable.

(f) The Committee have referred to the difficulties which have arisen in giving effect to the provisions of Section 350 regarding deduction of depreciation. The practical difficulty is that at the time when a company's account is made up the amount of the depreciation allowance for income-tax purposes is not known with certainty. Moreover, in subsequent years, after the first year, the written down value on which depreciation is to be calculated will differ from income-tax and account purposes. The Committee observe that the most equitable way of dealing with this matter will be to provide that the amount of depreciation to be deducted should be ascertained by applying the rates prescribed in the Indian Income-tax Rules to the written down values of the assets in respect of which depreciation allowances are admissible for income-tax purposes, such written down values being the values at which these assets stand in the company's books at the end of each financial year after deducting amounts written off as depreciation in earlier years. This means charging against profits each year, for purposes of calculating managerial remuneration, an amount in respect of depreciation which will approximately be the same as the amount which should properly be written off as depreciation in the company's Profit and Loss Account for that year. In view of the importance of the matter, we reproduce below the text of the amendment suggested by the Committee, which clarifies the matter further: "The amount of depreciation shall be the amount calculated with reference to the written down value of the asset as shown by the books of the company, at the end of the financial year, ending 1-4-1956 or immediately thereafter, and at the end of each subsequent financial year, at the rates specified for the asset by the Income Tax Act and the Rules framed thereunder for the time being in force, as normal depreciation, including therein extra and multiple shift allowances, but not any special, initial or other depreciation or any development rebate, whether allowed by that Act or the Rules framed thereunder or otherwise or any arrears of depreciation."

Office Allowance: Referring to Section 354, the Committee say that it is intended to re-imburse the managing agent for actual expenses incurred but not to enable the managing agent to make a profit in doing so. The Committee have therefore recommended that with a view to prevent any possible abuses, the sanction for re-imbursement of expenses should be based on a certificate of the auditor of the company or of the managing agent: (the presumption being the managing

agent is a scoundrel; the auditor is an honest man!)

Buying and Selling Agencies: Under Sections 356 and 358 there is a provision to the effect that a managing agent may be appointed as buying agent or selling agent for places outside India. Provided the managing agent is maintaining an office at such foreign place for his own purpose. The Committee observe that if a managing agent keeps an office outside India only for buying or selling for the several companies of which he is the managing agent, it could not be said that he is keeping an office for his own business or for a business not connected with that of the managed company. Observing that in such a case the managing agent can charge the managed companies pro rata and recover the expenses under Section 354, the Committee have recommended that commission under Sections 356 and 358 should not be allowed in such cases.

Principal to principal contracts: Section 360 deals with principal to principal contracts between the company and its managing agent or his associates. The section requires the previous approval of the company by special resolution to such dealings between the company and its managing agents or his associates. The Committee have recognised that this requirement of 'previous approval' has caused hardship. It makes it difficult for one of a group of companies under a same managing agent to meet temporary shortage of stores, chemicals, machine parts or other materials in an associate company required in order to avert a breakdown in the latter. Further, such temporary arrangements have oftentimes to be made available at very short notice. The Committee have therefore recommended that the approval may be obtained either previously, or within a period of three months from the date of the contract. The Committee have further said that the special resolution need not in all cases set out all the terms and conditions of the contract or the details regarding quantities, rates, times of delivery etc. It shall be a sufficient compliance with the section if the special resolution approves generally of the terms relating to the duration of the contract, the goods or services to be supplied or rendered, the approximate quantities, the rates of payment, and the remuneration payable. Provided full particulars of the transactions are entered in the register to be kept pursuant to the section.

Statement of remuneration to managerial personnel: The Committee have recommended the insertion of a new Section 362-A. This section requires every company to annex to its Profit and Loss Account a statement showing the managerial remuneration paid by the company during the year of account to its managing agents, secretaries and treasurers, managing director, manager, and directors. Where the Company is managed by a managing agent, the state-

ment should show also the amounts paid to the managing agent by way of re-imbursement of expenses under Section 354, and by way of buying agency commission, selling agency commission etc., under Sections 356 to 360. Why should there be this needless publicity? It is submitted that this is a most undesirable provision. All that should have been provided is that if a shareholder required these particulars they should be supplied to him; but to say that this should form part of the published statements of accounts is going too far.

Loans to managing agents and their associates: Section 369 of the Act provides that no company shall make a loan or any financial assistance to its managing agent or his associates. Current accounts between the managed company and the managing agent should not exceed Rs 20,000. And Section 370 provides that loans or financial assistance to companies under the same management cannot be given without the consent of the lending company by special resolution. Referring to these two sections, the Companies Act Amendment Committee have recommended several significant amendments, only two of which are by way of relaxation and the rest are by way of tightening up. The more important among the changes recommended by the Committee are:—

(i) The restriction in Section 369 could be avoided by the company giving a loan to an intermediary who in turn could lend the money to the managing agent or his associate. The Committee have therefore recommended that Section 369 should refer to loans etc., whether made 'directly or indirectly'.

(ii) In order to prevent any abuse of the facility (of current accounts) given by Section 369 (2), the Committee have recommended that the credit referred to in this provision is only the cash advance given by way of a permanent advance or imprest for facilitating the carrying on of the company's business, and that transactions on such advance or imprest accounts should be settled as far as possible on a monthly basis. It is submitted that settlement on a monthly basis would be rather difficult: it would be better if it were 'quarterly basis'. However, as the words employed are 'as far as possible', the hardship is somewhat mitigated.

(iii) Section 295 of the Act provides that in respect of loans to directors outstanding at the commencement of the Act, consent of the Central Government therefor should be obtained within six months. The Committee have recommended that a similar provision should be inserted in respect also of loans etc., to managing agents and their associates, outstanding at the commencement of the Act. They have accordingly suggested a new Section 370A, on the lines of Section 295, and it requires that either the consent of the Central Government should be obtained within six months or such other

time as may be granted by the Central Government, or the loan should be enforced for repayment.

(iv) Referring to Section 370, the Committee have suggested the addition of a sub-section clarifying that Section 370 does not apply to book-debts except where such a debt was from the inception, in the nature of a loan or an advance.

(v) It had been suggested to the Committee that loans by a subsidiary to its holding company or to another subsidiary of the same holding company, should be exempted from the provisions of Section 370. Why should not a wholly-owned subsidiary lend its holding company or to another wholly-owned subsidiary of the same holding company? There is no sufficient reason why such loans should come under the restrictive provisions of Section 370. While they have recognised this the Committee have not recommended the necessary amendment for the purpose. Will our legislators repair the omission?

(vi) Section 370 which contains the restrictions on loans to companies under the same management, specifies under what circumstances two companies will be deemed to be under the same management for the purposes of the section. The Committee have recommended that in the following cases also two companies should be deemed: to be under the same management for the purposes of that section, that is to say: (a) if the ultimate holding in the shares of two bodies is controlled by the same company or individuals holding a controlling share-holding interest therein, despite the interposition of one or more companies in the chain of holding company and subsidiaries; and (b) if two companies are under a same management, their subsidiaries also will be deemed to be under the same management irrespective of the management of the subsidiary being different from that of the other company.

(vii) Banks should be permitted not only to lend to other banks but also, in the usual course of business, to other companies under the same management. The Committee have recommended accordingly that a suitable additional exemption be inserted in Section 370. By recommending this the Committee have really enlarged the scope of Section 370, which they could as well have refrained from doing. For, Section 370 is under the Chapter relating to Managing Agents. Therefore, that section should not apply to any company which is not managed by a managing agent. Under the Banking Companies Act Banks can have no managing agents, and so Section 370 should not apply to loans by banking companies. By recommending the insertion of a new exemption in Section 370 in favour of Banks, the Committee, so to say, are saying that the section applies even to companies which are not managed by managing agents, thus widening the scope of the section, to the detriment of the corporate sector.

Other Recommendations

IN the course of this series of articles, we have taken note of all the important recommendations made by the Companies Act Amendment Committee in regard to certain definitions in the Act, the provisions applicable to clubs and trade associations, those applicable to directors, and those applicable to managing agents. In addition to the above, the Committee have made a number of other recommendations many of which are also of importance, but which, due to considerations of space, it has not been possible to refer to specifically. Quite a number of the suggested amendments seek to remove practical difficulties that had been pointed out to the Committee. Others seek to clarify the position where doubts had existed. And a few are by way of further tightening up of the law with a view to plug loopholes. We do not propose to mention these in this concluding article. But the review will be incomplete unless reference is made to some of them. Accordingly, we set them out in the ensuing paragraphs.

Investments of Companies: Section 49 of the Act contains the restrictions in regard to investments of companies, which are required to be held in the company's name. It had been pointed out to the Committee that in the case of investments of the funds of a company in Government securities or debentures and shares, it should be open to the company to

have them bought in the name of a scheduled bank, the advantage being the easy collection of interest and dividends, and the speedy disposal of the shares and securities at a slightly better price. Till the shares and securities are disposed of, the bankers of the company would be collecting interest and dividends and crediting them to the company's account. The Committee have, with a view to permit the above facilities, suggested that Section 49(5)(a) may be amended by stating that nothing in the section shall be deemed to prevent a company from depositing with or transferring to or holding shares or securities in the name of the State Bank of India, or a scheduled bank, being the bankers of the Company, so as to facilitate the collection of dividends or interest or transfer of the shares or securities.

While on this subject, it may be mentioned incidentally, that a suggestion that the words 'whose principal business' occurring in Section 49(4) should be defined or changed to 'one of the business of which' did not find favour with the Committee.

Investment of Provident Fund moneys: Section 418 of the Act requires provident fund moneys of employees to be deposited in Post Office Savings Banks only. The practical difficulties in doing so were pointed out to the Committee.

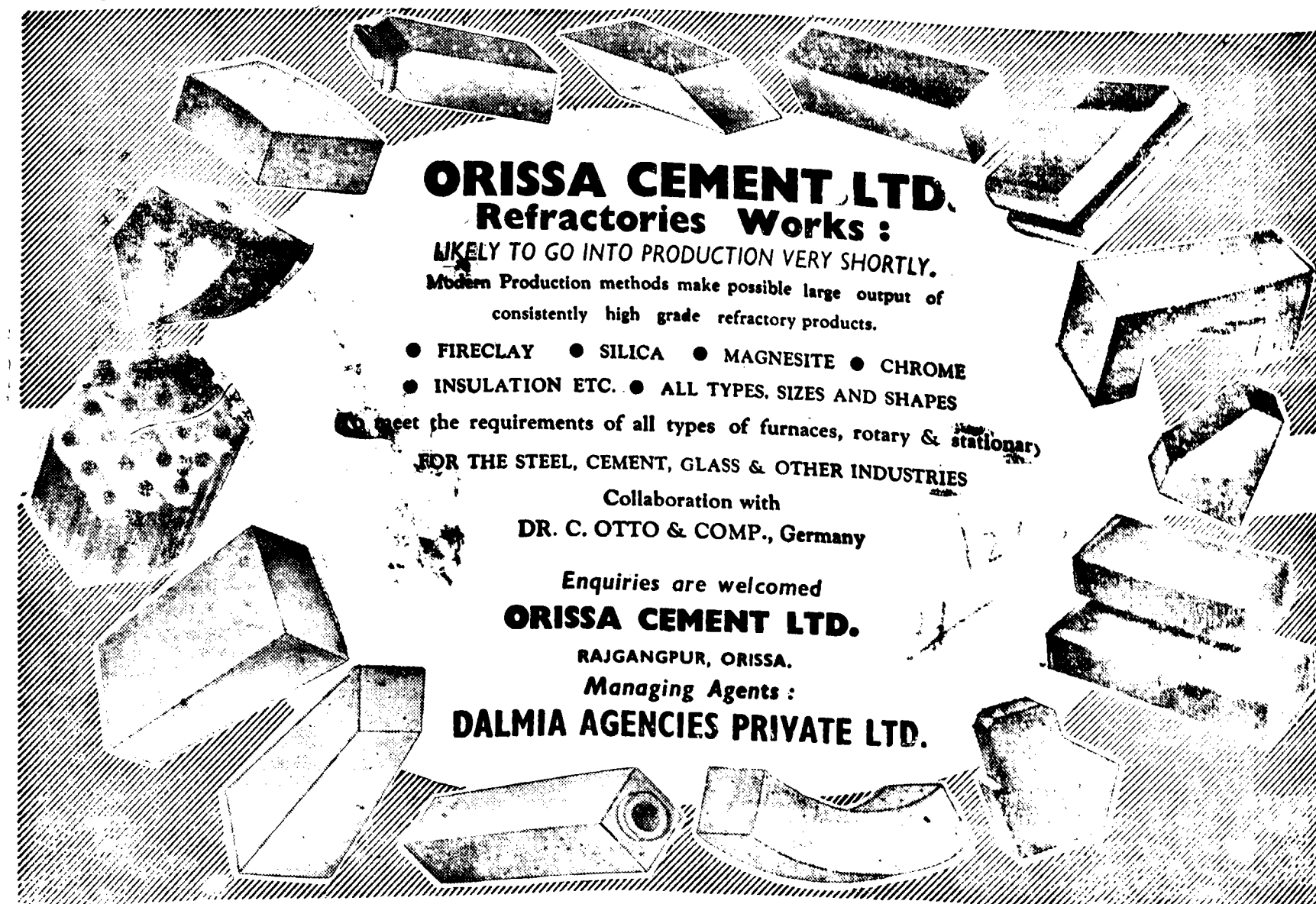
Cheques, interest warrants, etc., cannot be credited in the Post Office Savings Bank which receives cash only. The restrictions relating to deposit into and withdrawals from Post Office Savings Banks are such as to render it extremely inconvenient to keep provident fund moneys there. Recognising these difficulties, the Committee have recommended an amendment of Section 418 so as to permit deposit of employees' provident fund moneys either in a Post Office Savings Bank account or in the State Bank of India in an account opened for the purpose. While this amendment does go a long way to mitigate the practical difficulties, one fails to understand why the relaxation should be confined to depositing in the State Bank of India alone. Why should not such deposits be allowed to be made in scheduled banks also? One smells in this an attempt to grab provident fund moneys for Government's exclusive benefit, denying its use for the Private Sector. It is suggested that at least a specified percentage of the provident fund moneys should be allowed to be deposited in scheduled banks.

Managerial remuneration: Last but by no means the least, we may take note of the Committee's recommendations in regard to managerial remuneration. The Act prescribes (under various sections)

that managerial remuneration shall not exceed a certain percentage of the net profits. The Committee have not disturbed these percentages, but have clarified that the ceiling of eleven per cent of the net profits, fixed for overall managerial remuneration by Section 198, applies only to remuneration for managerial services, and not to remuneration for other services that may be rendered by managerial personnel, such as for example, service as a technical adviser.

Another clarification given by the Committee is that where the remuneration of a manager is fixed on the basis of a fixed monthly payment, even then, the total remuneration drawn by him should not exceed five per cent of the net profits as prescribed by Section 387.

The Committee have recommended that the expression 'remuneration' includes also perquisites such as rent-free accommodation, insurance or other benefits, amenities or concessions granted by the employer to managerial personnel. Thus, the ceiling of eleven per cent to overall managerial remuneration fixed by Section 198 is inclusive of the perquisites granted to managerial personnel. Similarly, the ceiling of five per cent fixed for remuneration of managing directors under Section 309, and for managers under Section 387, is inclusive of all perquisites granted to these officers. Similarly also for all other managerial personnel.



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